



SUMMIT Engineering, Laboratory & Testing, Inc.
3575 Centre Circle
Fort Mill, South Carolina 29715
Phone: 704-504-1717
Fax: 704-504-1125
www.summit-companies.com

20029-16-080

April 5, 2016

Brownfields Program

Attention: Shirley Liggins

N.C. Department of Environmental Quality

Division of Waste Management

Mail Service Center 1646

Raleigh, North Carolina 27699-1646

Subject: **Letter of Transmittal - Brownfields Property Application**
Shops on Innes
1517, 1539 & 1541 E. Innes Street
Salisbury, Rowen County, North Carolina
SUMMIT Project No. 3509.05



Dear Ms. Liggins,

SUMMIT ELT, INC. (SUMMIT) is pleased to submit the attached Brownfields Property Application for a three (3) parcel tract of land located in Salisbury, Rowen County, North Carolina. The application is being submitted on behalf of SBBHAK, LLC.

SUMMIT performed a Phase I ESA in December of 2015 and identified the former use of the site as automotive repair and reported use of USTs as environmental concerns. A subsequent Limited Phase II ESA performed at the site identified concentrations of Tetrachloroethene within one (1) collected groundwater sample at 16 ug/L, above the NC2L concentration of 0.7 ug/L (reports included on attached CD).

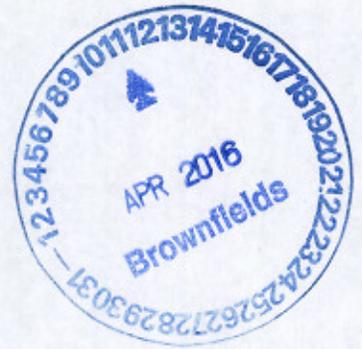
SBBHAK, LLC intends to utilize the Redevelopment Now Option.

SUMMIT appreciates your review of the attached application. If you have any questions regarding our assessments or require additional information, please do not hesitate to call me at (803) 230-5087 or plowery@summit-companies.com.

Sincerely,
SUMMIT

Patrick W. Lowery, PG
Senior Environmental Manager
NC PG No: 2421

Brownfields Property Application
North Carolina Brownfields Program
www.ncbrownfields.org



I. PROSPECTIVE DEVELOPER (PD) INFORMATION {USE TAB KEY TO GET TO NEXT DATA ENTRY LINE – DO NOT USE THE RETURN KEY}

A. PD information:

Entity name	SBBHAK, LLC or assigns
Principal Officer	Alexander G. Kelly
Representative	Alexander G. Kelly
Mailing Address	2820 Selwyn Avenue, Suite 425, Charlotte, NC 28209
E-mail address	akelly@tribek.com
Phone No.	704-714-2852
Fax No.	704-333-8485
Web site	www.tribek.com

B. PD contact person information (i.e., individual who will serve as the NCBP's point of contact if different than above):

Name
Company
Mailing Address

E-Mail Address
Phone No.
Fax No.

C. Information regarding all parent companies, subsidiaries or other affiliates of PD (attach separate sheet(s) if necessary):

(Use for LLCs)

Member-managed or manager-managed? **Answer: Member-Managed**

If manager-managed, provide name of manager and percent of ownership:

Name Alexander G. Kelly
Ownership (%)
Mailing Address 2820 Selwyn Avenue, Suite 425 Charlotte, NC 28209

E-Mail Address akelly@tribek.com
Phone No. 704-714-2852
Fax No. 704-333-8485

For all LLCs, list all members of the LLC and provide their percent of ownership:

Name
Ownership (%)
Mailing Address

E-Mail Address
Phone No.
Fax No.

Name
Ownership (%)
Mailing Address

E-Mail Address
Phone No.
Fax No.

Name
Ownership (%)
Mailing Address

E-Mail Address
Phone No.
Fax No.

Managers of manager-managed LLCs are required to execute all brownfield documents for the LLC; as to member-managed LLCs, state name of member who will sign these documents.

List all parent companies, subsidiaries and other affiliates:

(Use for Partnerships)

Check one: General Partnership Limited Partnership

List all partners and percent of ownership:

Name

Ownership (%)

Mailing Address

E-Mail Address

Phone No.

Fax No.

Is this person a general or limited partner?

Name

Ownership (%)

Mailing Address

E-Mail Address

Phone No.

Fax No.

Is this person a general or limited partner?

List all parent companies, subsidiaries and other affiliates:

(Use for corporations other than LLCs)

(If information is the same as shown in 1.A., please indicate "same as 1.A." below.)

Name

Mailing Address

E-Mail Address

Phone No.

Fax No.

List all parent companies, subsidiaries and other affiliates:

(Use for individuals)

(If individual is the same as shown in 1.A., -please indicate "same as 1.A." above.)

Name

Mailing Address

E-Mail Address

Phone No.

Fax No.

- D. Does PD have or can it obtain the financial means to fully implement a brownfields agreement and assure the safe reuse of the property? *(Attach supporting documentation such as letters of credit, financial statements, etc.)*

Answer Yes

Explanation See attached letter of support

- E. Does PD have or can it obtain the managerial means to fully implement a brownfields agreement and assure the safe use of the property?

Answer Yes

Explanation PD has engaged SUMMIT ELT, Inc to mangae implemntation of Brownfields agreement.

- F. Does PD have or can it obtain the technical means to fully implement a brownfields agreement and assure the safe use of the property?

Answer Yes

Explanation PD has engaged SUMMIT ELT, Inc to mangae implemntation of Brownfields agreement

- G. Does PD commit that it will comply (and has complied, if PD has had a prior project in the NCBP) with all applicable procedural requirements of the NCBP, including prompt payment of all statutorily required fees?

Answer Yes

(List all NCBP project name(s) and NCBP project ID numbers where PD or any parent company, subsidiary and other affiliate of PD has been a party to.)

- H. Does PD currently own the property?

Answer No

If yes, when did PD purchase the property and from whom? (Provide name, address, telephone number and email address of the contact person for the current property owner.)

If no, provide the name, address, telephone number and e-mail address of the contact person for the current property owner

Parcel 1: 1517 East Innes Street, Salibury, NC 28416
Attention: Jason Oesterreich, 704-7073706, jason@oesterreichlaw.com

Parcel 2: 1539/1541 East Innes Street, Salisbury, NC 28416.
Attention Ken Heiliger, 704-458-5520, ken@heiligerassociates.com

- I. If PD does not currently own the property, does PD have the property under contract to purchase?

Answer Yes

If yes, provide date of contract. Parcel 1: 2/29/2015. Parcel 2: 10/1/2015

If no, when does the PD intend to purchase the property (e.g., after the project is determined to be eligible for participation in the NCBP, after PD receives a draft BFA, after the conclusion of the brownfields process)?

- J. Describe all activities that have taken place on the property since PD or PD's parents, subsidiaries and/or other affiliates, and/or lessees or sublessees of PD, took ownership of or operated at the property (e.g., industrial, manufacturing or commercial activities, etc.). *(Include a list of all regulated substances as defined at NCGS § 130A-310.31(b)(11) that have been used, stored on, or otherwise present at the property while those activities were conducted, and explain how they were used.)*

N/A

II. SITE INFORMATION

A. Information regarding the proposed brownfields property:

Proposed project name	Shops on Innes		
acreage	3.44	County	Rowan
street address(es)	1517, 1539, 1541 East Innes Street		
city	Salisbury	zip	28209
tax ID(s) or PIN(s)	070-002, 070-118, 070-00301		
past use(s) 2: dentist office	Parcel 1: car dealership, night club, mexican restaurant. Parcel 2: dentist office		
current use(s)	Parcel 1: vacant. Parcel 2: dentist office		
cause(s)/source(s) of contamination:			
known			
suspected	Car Dealership and Auto Repair		

- B. Regulatory Agency Involvement: List the site names and all identifying numbers (ID No.) previously or currently assigned by any federal, state or local environmental regulatory agencies for the property. The ID No's may include CERCLIS numbers, RCRA generator numbers for past and present operations, UST database, Division of Water Quality's incident management database, and/or Inactive Hazardous Sites Branch inventory numbers. *(In many instances, the PD will need to actively seek out this information by reading environmental site assessment reports, reviewing government files, contacting government*

officials, and through the use of government databases, many of which may be available over the internet.)

Agency Name/ID No: UST/ Facility ID# 19213 Fowler Motors, Inc.

Agency Name/ID No:

C. In what way(s) is the property is abandoned, idled, or underused?

Property was partially leased as a restaurant and is now vacant. The building is in poor condition and is not in a state to allow for re-use for alternate tenants who are demanding to serve the market.

D. In what way(s) is the actual or possible contamination at the property a hindrance to development or redevelopment of the property (attach any supporting documentation such as letters from lending institutions)?

The proposed project cannot be financed due to current contamination. Tenant's will not occupy any proposed project if contamination is present.

E. In what way(s) is the redevelopment of the property difficult or impossible without a brownfields agreement (attach any supporting documentation such as letters form lending institutions)?

F. What are the planned use(s) of the redeveloped brownfields property to which the PD will commit? Be as specific as specific as possible.

The project will include razing all current vertical and horizontal improvements. A new 13,000 SF Class A multi-tenant building will be constructed to include 2 national restaurants and 1 general retailer. An extension of Newsome Road will be constructed by the developer in conjunction with the City of Salisbury and NCDOT tying together East Innes Street and Faith Road. Also included will be a freestanding retail use to be located on the opposing side of the the Newsome Road extension.

G. Current tax value of brownfields property: \$ 1,532,481(Parcel 1) + \$421,627 (Parcel 2) = \$1,995,108

H. Estimated capital investment in redevelopment project: \$\$5,100,000

- I. List and describe the public benefits that will result from the property's redevelopment. Be as specific as possible. (Examples of public benefits for brownfields projects include job creation, tax base increases, revitalization of blighted areas, preserved green space, preserved historic places, improving disadvantaged neighborhood quality-of-life related retail shopping opportunities, affordable housing, environmental cleanup activities or set asides that have community or environmental benefits. In gauging public benefit, NCBP places great value upon letters of support from community groups and local government that describe anticipated improvements in quality of life for neighboring communities that the project will bring about. The inclusion of such support letters with this application is recommended and encouraged.)

Upon opening the three tenants located within the 11,300 SF building will hire 69 employees. The estimated sales created by the three tenants will be \$6,850,000 per annum.

Special Note: Please describe all environment-friendly technologies and designs PD plans to utilize in its redevelopment strategy. For example, environment friendly redevelopment plans could include: Leadership in Energy and Environmental Design (LEED) Certification, green building materials; green landscaping techniques such as using drought resistant plants; energy efficient designs, materials, appliances, machinery, etc.; renewable sources of energy, and/or recycling/reuse of old building materials such as brick or wood.

Undetermined at this time.

- J. Who will own the brownfields property when the Notice of Brownfields Property is filed with the register of deeds at the conclusion of the brownfields process? (If information is the same as 1.A. above, please indicate.)

Name	SBBAK, LLC
Mailing Address	2820 Selwyn Avenue, Suite 425 Charlotte, North Carolina 28209
E-Mail Address	akelly@tribek.com
Phone No.	704-714-2852
Fax No.	704-333-8485

III. OTHER REQUIRED INFORMATION

- A. Brownfields Affidavit: PD must provide its certification, in the form of a signed and notarized original of the unmodified model brownfields affidavit provided by NCBP, that it did not cause or contribute to contamination at the property and that it meets all other statutory eligibility requirements. (Note: The form to use for this affidavit is attached to this application. An original hard copy of this affidavit must be filled out, signed, notarized and submitted with this application.)

Is the required affidavit, as described above, included with this application?

Answer Yes

- B. **Proposed Brownfields Agreement Form:** PD must provide the completed form Proposed Brownfields Agreement. *(Note: The form to use for this document is attached to this application. It must be filled out, initialed, and attached on your submittal.)*
Is the required Proposed Brownfields Agreement, as described above, included with this application?

Answer Yes

- C. **Location Map:** PD must provide a copy of the relevant portion of the 1:24,000 scale U.S.G.S. topographic quadrangle map that shows the location of the property, clearly plotted, and that measures at least an 8 ½ by 11 inches. *(Note: these maps can be purchased through the above link, or often through retail outdoor recreation stores that can print out the relevant map. Often environmental reports have location maps that use this type of map format as the base for its location map.)*
Is the required location map included with this application?

Answer Yes

- D. **Survey Plat:** PD must provide a preliminary survey plat of the brownfields property with the property boundaries clearly identified, and a metes and bounds legal description that matches the property description on the plat. At this stage of the brownfields process, one or more existing survey plats from a previous property conveyance will suffice. *(Before the brownfields project enters the public comment phase of the brownfields process, the PD will be required to submit a final brownfields survey plat which includes the information listed in the brownfields survey plat guidance.)*
Is the required preliminary survey plat included with this application?

Answer Yes

- E. **Site Photographs:** PD must provide at least one pre-redevelopment photograph of the property, in either hard copy or electronic format, that shows existing facilities and structures. **Please note that the NCBP prefers to have electronic photos instead of or in addition to hard copies. Electronic copies of photographs should be emailed to: Shirley.Liggins@ncdenr.gov with a clear indication as to which Brownfields Application they apply to.**
Are photographs of the property included with this application?

Answer Yes - on attached CD

Have electronic copies of the photographs been emailed to NCBP?

Answer Yes

- F. **Environmental Reports/Data:** If it makes an affirmative eligibility determination, the NCBP will request that PD provide any and all existing environmental reports and data for the property on CD only. The brownfields process may be expedited if PD submits such reports/data with this application.

Are any environmental reports/data being submitted with this application?

Answer Yes

If environmental reports/data are being submitted with this application, please provide the title, date and author of each item being submitted:

Phase I ESA, E. Innes Street Project, SUMMIT ELT, Inc, December 12, 2015
Limited Phase II ESA, E. Innes Street Property, SUMMIT ELT, Inc, February 3, 2016

IV. ADDITIONAL REQUIRED FORMS

The following forms are to be filled out and submitted with the application including the Responsibility and Compliance Affidavit and the Proposed Brownfields Agreement. Submittal of the Affidavit requires signature and notarization, and the Proposed Brownfields Application requires an initial.

RESPONSIBILITY AND COMPLIANCE AFFIDAVIT

NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY

NORTH CAROLINA BROWNFIELDS PROGRAM

IN THE MATTER OF: <<SBBHAK, LLC>>

UNDER THE AUTHORITY OF) AFFIDAVIT
NORTH CAROLINA GENERAL) RE: RESPONSIBILITY
STATUTES 3 130A-310.30, et. seq.) AND COMPLIANCE

Alexander G. Kelly being duly sworn, hereby deposes and says:

- 1. I am <<Manager>> of SBBHAK, LLC.
2. [if signatory is not President, add this paragraph: "I am fully authorized to make the declarations contained herein and to legally bind SBBHAK, LLC."]
3. SBBHAK, LLC is applying for a Brownfields Agreement with the North Carolina Department of Environmental Quality, pursuant to N.C.G.S. 3 130A, Article 9, Part 5 (Brownfields Act), in relation to the following 070-002, 070-118, 070-00301 parcel(s) in City of Salisbury, County of Rowan, County, North Carolina: 1517 East Innes Street, 1539 East Innes Street, 1541 East Innes Street.
4. I hereby certify, under the pains and penalties of perjury and of the Brownfields Act, that <<SBBHAK, LLC>>, and any parent, subsidiary or other affiliate meets the eligibility requirements of N.C.G.S. 3 130A-310.31(b)(10), in that it has a bona fide, demonstrable desire to develop or redevelop, and did not cause or contribute to the contamination at, the parcel(s) cited in the preceding paragraph.
5. I hereby certify, under the pains and penalties of perjury and of the Brownfields Act, that <<SBBHAK, LLC>> meets the eligibility requirement of N.C.G.S.3130A-310.32(a)(1) in that it and any parent, subsidiary or other affiliate have substantially complied with:
a. the terms of any brownfields or similar agreement to which it or any parent, subsidiary or other affiliate has been a party;
b. the requirements applicable to any remediation in which it or any parent, subsidiary or other affiliate has previously engaged;
c. federal and state laws, regulations and rules for the protection of the environment.

Signature/Printed Name

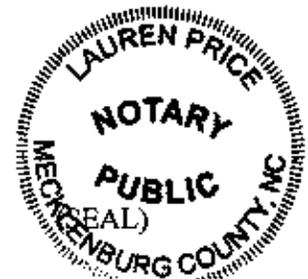
Alex Kelly
ALEXANDER G. KELLY

Date 3/30/2016

Sworn to and subscribed before me

this 30 day of March, 2016

Lauren Price Notary Public
My commission expires: 10/20/2020



PRELIMINARY PROPOSED BROWNFIELD AGREEMENT

Preliminary Proposed Brownfields Agreement

I. Property Facts

- a. Property Address(es): 1517, 1539 & 1541 E. Innes Street, Salisbury, Rowan Co, North Carolina
- b. Property Seller: Dimitrois & Ruth Kotsalis (1517 East Innes), David & Jewil Mayberry (1539/1541 East Innes)
- c. Property Buyer: SBBHAK, LLC
- d. Brief Property Usage History: Car Dealership, Nightclub, Restaurant
- e. The planned reuse will potentially involve the following use classification(s) (check all that apply):
- School/childcare/senior care
 - Residential
 - Commercial, retail (specify)
 - Other commercial (specify) Restaurant
 - Office
 - Light industrial
 - Heavy industrial
 - Recreational
 - Open space
 - Other (specify)

II. Contaminant Information

- a. The contaminant situation at the property is best described by the following (check all that apply):
- Contaminants are from an on-property source(s)
 - Contaminants are from an off-property source(s)
 - Contaminants are from an unknown source(s)
 - Contaminants have not yet been documented on the property

b. Contaminated Media Table. (If known, check appropriate boxes below)

Contaminant Types	Soil		Groundwater and/or Surface Water		Private Wells		Vapor Intrusion	
	known	Suspected	known	Suspected	known	suspected	known	suspected
o r g a n i c s	Chlorinated Solvents (list):	Yes (PCE)	Yes (PCE)					
	Petroleum: ASTs <input type="checkbox"/> USTs <input checked="" type="checkbox"/> Other <input type="checkbox"/>	Yes						
	Other (list):							
i n o r g a n i c s	Metals (list):							
	Other (list):							

III. Protective Measures

I am prepared to take steps necessary to make the property suitable for its planned uses while fully protecting public health and the environment. I propose that NCBP consider a brownfields agreement that will make the property suitable for the planned use(s) through the following mechanism(s) (check all that apply):

- Contaminant remediation to risk-based levels.
- Engineered Controls (e.g., low permeability caps, vapor mitigation systems, etc)
- Land use restrictions that run with the land that will restrict or prohibit uses that are unacceptable from a risk assessment/management perspective. (*Important Note: In any*

final brownfields agreement generated by the NCBP, land use restrictions will ultimately come with the continuing obligation to submit an annual certification that the Land Use Restrictions are being complied with and remain recorded at the applicable register of deeds office.)

IV. Fees

In connection with a brownfields agreement, the Act requires that the developer pay fees to offset the cost to the Department of Environmental Quality and the Department of Justice. In satisfaction of the Act, the following fees apply to a brownfields agreement that is developed for this project under the standard program, subject to negotiation of the brownfields agreement:

- a. A \$2,000 initial fee will be due from the applicant PD when **both** of the following occur:
 - 1) NCBP receives this application, the affidavit and proposed brownfields agreement, AND
 - 2) NCBP notifies the applicant in writing that the applicant PD and the project are eligible for participation in the NCBP and continued negotiation of a brownfields agreement.
- b. A second fee of \$6,000 will be due from the PD prior to execution of the brownfields agreement. Should the prospective developer choose to negotiate changes to the agreement that necessitate evaluation by the Department of Justice, additional fees shall apply.
- c. Any addendum/modifications to the BFA or NBP after they are in effect will result in an additional fee of at least \$1,000.
- d. In the unexpected event that the environmental conditions at the property are unusually complex, such that NCBP's costs will clearly exceed the above amounts, NCBP and PD will negotiate additional fees.
- e. Additional fees are charged for the Ready for Reuse and Redevelopment Now programs.

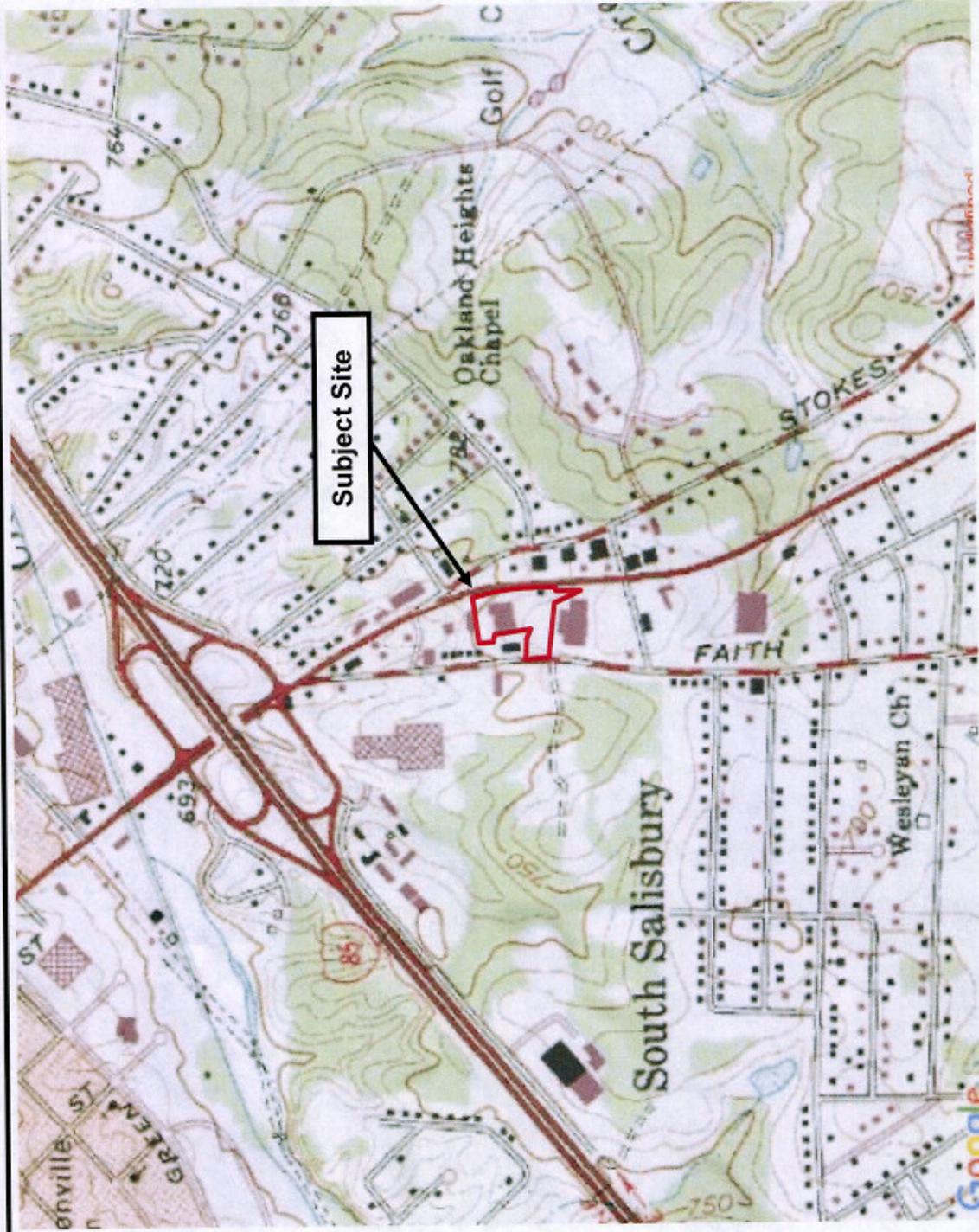
AK Please check this box and initial in space provided to indicate your acknowledgement of the standard brownfields fee structure.

AK Please check this box and initial in space provided to indicate your interest in the Ready for Reuse or the Redevelopment Now programs, and your acknowledgement of the alternate fee structure as outlined in the Ready for Reuse or the Redevelopment Now Fee Consent Document (under separate cover).

Date of Submittal:

9/1/2016

SITE LOCATION MAP



Subject Site

SUMMIT ELT, Inc.
Project: 3509.05



Shops on Innes
Salisbury, NC

Figure 1
USGS Topographic Map

PROPERTY SURVEY

LETTERS OF SUPPORT



March 30, 2016

Mr. Alex Kelly, Partner
Tribek Properties, LLC
2820 Selwyn Avenue, Suite 425
Charlotte, NC 28209

Subject: Shops on Innes and NCDOT Project U-5820B

Dear Mr. Kelly:

The preliminary site plan for Shops on Innes was reviewed by the Technical Review Commission on December 17, 2015. The project is being completed in conjunction with the acceleration of TIP Project U-5820B, Newsome Road Extension. The City is in support of both the development and the roadway extension.

The development coincides with the City's vision for Innes Street and will provide benefit to the City and its citizens by adding employment opportunities and increasing tax base. In addition, the roadway extension constructed as part of the development will improve traffic flow and provide an alternate route for the major shopping areas located along this corridor.

We are looking forward to working with you on a successful project. Please let me know if you have any questions or need further information.

Sincerely,

Wendy Brindle, PE
City Engineer

pc: Janet Gapen, Planning Director
David Phillips, Zoning Administrator

FIRST BANK

Alex Kelly
Tribek Properties
Suite 425
2820 Selwyn Avenue
Charlotte, North Carolina 28209

Dear Mr. Kelly,

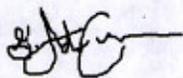
This letter is to confirm, First Bank is willing to enter into a construction loan for the Innes Street project in Salisbury, NC subject to certain terms and conditions.

Upon internal review and discussions pertaining to the presence of possible contaminants on the property, First Bank will only be willing to be the lender for the project, if an acceptable Brownfields Agreement is executed.

We believe this is an economically sound project with a quality tenant mix, however, we will not be willing to participate with you in this project unless appropriate liability coverage can be implemented via a Brownfields Agreement.

Please share this correspondence with any necessary municipal authorities and feel free to contact me with any questions.

Sincerely,



Adam Currie
Regional President
Executive Vice President
First Bank
6201 Fairview Road, Suite 200
Charlotte, NC 28210
(980)254-8988