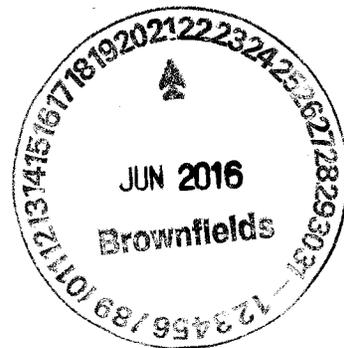


Brownfields Property Application
North Carolina Brownfields Program
www.ncbrownfields.org



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 Transfer Development Company, LLC
Principal Officer Jason Queen
Representative
Mailing Address 207 Fayetteville Street, Ste. 200
 Raleigh, NC 27601
E-mail address jqueenone@gmail.com
Phone No. 919-606-2905
Fax No.
Web site www.transferoldeeast.com

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

Name Jason Queen
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 Jason Queen
Ownership (%) 49.5%
Mailing Address 207 Fayetteville Street, Ste. 200
Raleigh, NC 27601
E-Mail Address jqueenone@gmail.com
Phone No. 919-606-2905
Fax No.

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

Name Matt Fynn
Ownership (%) 49.5%
Mailing Address 207 Fayetteville St Ste. 200
Raleigh, NC 27601
E-Mail Address
Phone No. (919) 606-2905
Fax No.

Name STCE, LLC
Attn. Brent Hannah
Ownership (%) 1%
Mailing Address 3414 Peachtree Rd. Ste. 825
Atlanta, GA 30326
E-Mail Address bhannah@gettaxcredits.com
Phone No. 314.329.0400
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.

Jason Queen

List all parent companies, subsidiaries and other affiliates:

N/A

(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 Transfer Development Company, LLC obtained the right to purchase the property from the City of Raleigh and develop the Stone's Warehouse site through a competitive RFP process, which among other selection criteria, included demonstrating the financial and means to purchase the site and fund the property's redevelopment. (See: REQUEST FOR PROPOSALS For the Purchase and Redevelopment of City-Owned Property In Downtown Raleigh, NC THE STONE'S WAREHOUSE SITE)

The members of Transfer Development Company, LLC have over a decade-long track record of funding development projects in Raleigh, especially in the Olde East Raleigh neighborhood where Stone's Warehouse is located. Collectively they have developed or redeveloped existing real estate valued at over \$10 million.

The primary equity investors in the project include the two members of Transfer Development Company, LLC: Mr. Queen and Dr. Flynn. STCE, LLC: State Tax Credit Exchange, LLC, which has a 1% ownership interest, invests in projects which qualify for federal and state historic tax credits and passes the benefits of those credits on to taxpayers through investment programs. <http://www.gettaxcredits.com/> Third-party lenders, including BB&T, have provided an initial commitment for the debt component of the project funding. Additional capital may be provided from historic tax credits which may be available for the renovation of the historic Stone's Warehouse building.

- 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 Similar showing the financial wherewithal to fund the project, Transfer Development Company, LLC also demonstrated its managerial and real estate development capabilities as part of the City selection process.

Transfer Development, LLC's members have worked with one another for more than a decade managing successful redevelopment projects valued in excess of \$10 million. Among other achievements, the members recently received 2014 Anthemion Awards for their historic preservation and redevelopment efforts in Olde East Raleigh.

To provide additional leadership and development management expertise, Steve Schuster will be serving as a senior management advisor. Mr. Schuster, the founder of Clearscapes, a full-service design and architectural firm based in Raleigh, has managed more than \$350 million in downtown Raleigh redevelopments. His projects include: the Raleigh Convention Center, Marbles Kids Museum and the IMAX Theater, Raleigh CAM, and Raleigh Union Station.

- 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 Transfer Development Company, LLC has contracted Aptus Management, PLLC to serve as a technical resource for development and completion of the Brownfields Agreement. Aptus is a specialty environmental management company, which John Gallagher established in 2009. John and his team have been responsible for a number of brownfields agreements recently in North Carolina.

Before launching Aptus, he was the President of Cherokee Investment Services and a general partner of Cherokee Investment Partners, a leading private equity firm, based in Raleigh, that focused on brownfields redevelopment. His background also includes consulting to Fortune 500 companies, financial institutions, real estate developers, government service with the U.S. EPA Superfund program, and industrial experience with Eastman Kodak Company.

Besides Aptus, Transfer Development Company, LLC has retained Clearscapes for design and architectural services. Clearscapes has significant brownfields redevelopment experience. And, as needed, other expert engineering, design professionals, and contractors will be retained to help to fully and safely implement the site's redevelopment.

- 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

Under contract with City of Raleigh, November 6, 2015

Britni Edwards, CD Construction Program Coordinator
City of Raleigh, North Carolina
Community Development Department
310 West Martin Street, Suite 101
Raleigh, NC 27601

Phone: 919-857-4330
Email britni.edwards@raleighnc.gov.

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. November 6, 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 - the PD does not currently own the property

II. SITE INFORMATION

A. Information regarding the proposed brownfields property:

Proposed project name	Stone's Warehouse		
acreage	2.02	County	Wake

street address(es) 500/510 East Davie St., 400 Chavis Way, 419 S. East Street

city Raleigh zip 27601

tax ID(s) or PIN(s) 1703971116, 1703972131 and 1703971002

past use(s) Warehousing, the Carolina Coach Garage and Shop, a former intercity bus maintenance facility, and other commercial businesses. A portion of the site was home to the Rex Senior Health Center, which recently closed.

current use(s) Vacant buildings and land

cause(s)/source(s) of contamination:

known UST release, and maintenance and commercial activities

suspected Other past use of petroleum and hazardous substances

- 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: NCDEQ Notice of No Further Action UST Incident No. 33560

Agency Name/ID No:

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

The property is currently underutilized and a portion of it has been vacant for some time. The site's redevelopment has been a long-standing objective of the City of Raleigh.

Stone's Warehouse assemblage consists of three (3) parcels, which total approximately 2.02 acres, with two buildings. The City of Raleigh rezoned the assemblage to Neighborhood Mixed Use Urban Limited with a maximum height of 3 stories (NX-3-UL) from a previously created Planned Development District (PDD) that failed to materialize.

The Stone's Warehouse Site is located in a neighborhood immediately east of downtown in the Thompson/Hunter Redevelopment Area. The poverty and unemployment rates there remain higher than the citywide average. An important goal of the City, which we embrace for the redevelopment of the Stone's site, is to benefit low- and moderate-income households and continue ongoing neighborhood revitalization.

Please note that Transfer Development Company, LLC was selected via a competitive RFP process by the City to purchase and redevelop the site.

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)?

Site assessments conducted at the property indicate lead, chromium, 1,2,4-trimethylbenzene (1,2,4-TMB) and n-propylbenzene in groundwater. Groundwater contamination may also exist due to off-site sources. Arsenic and chromium in soil are in excess of regulatory screening levels.

A UST No Further Action (NFA) was issued in 2009, and certain other releases may have occurred.

These environmental pollution issues, as well a large number of other listed releases and incidents in the area, are problematic and potentially could trigger the need for further assessment, cleanup or other types of response actions during development. Moreover, the pollution issues and attendant liability concerns, unless resolved via a brownfields agreement, are complicating our ability to finance the project and execute on the site's development plan.

Our potential lender, BB&T, and other potential investors have indicated that in the absense of a brownfields agreement, providing financing and investing in the project could be problematic for them due to concern with respect to the environmental condition of the property.

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)?

As indicated above, the pollution conditions at the property are complicating the project planning, including our ability to finance the redevelopment effort. As indicated, BB&T and others have indicated that in the absense of a brownfields agreement, project financing may be difficult to obtain.

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 redevelopment plan is for mixed use that consists of three buildings, surrounding a community courtyard along on East Street, focused on food production spaces, a local grocery and café, and an urban housing component, likely to consist of approximatley 16 townhouse units to be built along Chavis Way.

G. Current tax value of brownfields property: \$1.974 million

Phone No.

Fax No.

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

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 Environmental Site Assessment, Commercial Buildings, 500 E. Davies Street, Raleigh, NC, May 22, 2006, Hart & Hickman

Brownfield Phase II Site Assessment Report, Commercial Buildings, 500 E. Davies Street, Raleigh, NC, March 2, 2007, Hart & Hickman

Analysis of Brownfield Cleanup Alternatives, Brownfield Assessment Project, City of Raleigh, 500 E. Davies Street, Raleigh, NC, September 20, 2007, Hart & Hickman

Notice of No Further Action, Raleigh's 500 E. Davies Street Property, Incident No. 33560, August 6, 2009, NCDENR

NORTH CAROLINA STATE HISTORIC PRESERVATION OFFICE, Office of Archives and History Department of Cultural Resources, NATIONAL REGISTER OF HISTORIC PLACES Carolina Coach Garage and Shop Raleigh, Wake County, WA4968, Listed 8/27/2009

For informational purposes: REQUEST FOR PROPOSALS For the Purchase and Redevelopment of City-Owned Property In Downtown Raleigh, NC THE STONE'S WAREHOUSE SITE

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.

NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY

NORTH CAROLINA BROWNFIELDS PROGRAM

IN THE MATTER OF: Transfer Development Company, LLC

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

Jason Queen, being duly sworn, hereby deposes and says:

- 1. I am <<Managing member>> of Transfer Development Company, LLC.
2. [if signatory is not President, add this paragraph: "I am fully authorized to make the declarations contained herein and to legally bind Transfer Development, LLC."]
3. Transfer Development Company, 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 1703971116, 1703972131 and 1703971002 parcel(s) in Raleigh, Wake , County, North Carolina: 500/510 East Davie St., 400 Chavis Way, 419 S. East Street
4. I hereby certify, under the pains and penalties of perjury and of the Brownfields Act, that Transfer Development Company, 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 Transfer Development Company, 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.

Affiant further saith not

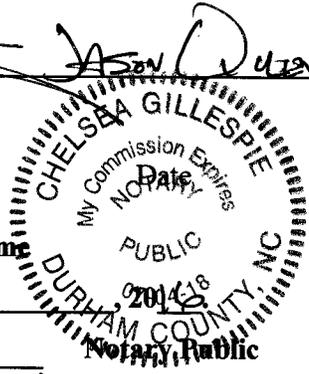
Signature/Printed Name Jason Queen 6/14/16

Sworn to and subscribed before me

this 14 day of June

Mike Blum

My commission expires: 7/1/18



(SEAL)

Preliminary Proposed Brownfields Agreement

I. Property Facts

- a. Property Address(es): 500/510 East Davie St., 400 Chavis Way, 419 S. East Street
- b. Property Seller: City of Raleigh
- c. Property Buyer: Transfer Development Company, LLC
- d. Brief Property Usage History: Warehousing, the Carolina Coach Garage and Shop, a former intercity bus maintenance facility, and other commercial businesses. Community health care center

e. The planned reuse will potentially involve the following use classification(s) (check all that apply):

- School/childcare/senior care
- Residential
- Commercial, retail (specify) Grocery
- Other commercial (specify) Food service and distribution
- 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):							
	Petroleum: ASTs <input type="checkbox"/> USTs <input checked="" type="checkbox"/> Other <input checked="" type="checkbox"/>	X		X				
	Other (list):							
i n o r g a n i c s	Metals (list):	X Cr and As		X Cr and As				
	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.

~~1/1~~ Please check this box and initial in space provided to indicate your acknowledgement of the standard brownfields fee structure.

~~1/1~~ 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: _____

af/c/p/c