

APPENDIX E

PHASE I ENVIRONMENTAL SITE ASSESSMENT

(Technical Appendices to this report are on file at the City of San José Department of Planning, Building and Code Enforcement, 200 East Santa Clara Street, San José CA, 3rd Floor. This information is also included in Volume II of this EIR.)

Updated Phase I Environmental Site Assessment

Valley Fair Mall
2855 Stevens Creek Boulevard
Santa Clara, California 95128

Prepared for
Westfield Corporation
Los Angeles, California

By
IVI Environmental, Inc.
Los Angeles, California

IVI Project No.: E9044182
April 23, 1999

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April 23, 1999

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Re: IVI Project No.: E9044182
Valley Fair Mall
2855 Stevens Creek Boulevard
Santa Clara, California 95128

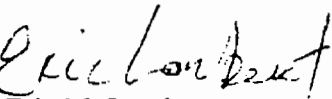
Dear Mr. Fitchitt:

IVI Environmental, Inc. ("IVI") is pleased to submit the original and one (1) color copy of our Updated Phase I Environmental Site Assessment on the above-referenced property. This report outlines the findings of IVI's site reconnaissance, historical land use research, review of governmental records, interviews, and our pre-survey questionnaire.

Please call should you have any questions.

Sincerely,

IVI Environmental, Inc.



Eric M. Lambert
Project Manager

EML/mar


Reviewed by: 
Raymond H. Hutchison, REA I

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Transmittal Letter

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1.0 EXECUTIVE SUMMARY

This report documents IVI's findings from our Updated Phase I Environmental Site Assessment on the Valley Fair Mall (the "Subject"), located at 2855 Stevens Creek Boulevard, Santa Clara, California. The property, which is situated in a suburban area characterized by commercial retail and residential development, consists of a 69.32-acre parcel improved with a two-story, regional shopping mall. The scope of this study is limited to the site's mall structure, an assessment of the site's anchor tenants was beyond the scope of this assignment. Essentially, the anchor tenant buildings were constructed circa 1957, the subject mall was constructed in 1986.

The purpose of this Phase I Environmental Site Assessment was to assess current site conditions and render an opinion as to the presence of Recognized Environmental Conditions* in connection with the property within scope and limitations of the American Society for Testing and Materials (ASTM) Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process E1527-97. Any exceptions to, or deletions from the ASTM practice are described in Section 2 of this report.

This assessment has revealed no evidence of Recognized Environmental Conditions in connection with the Subject; however, the following item of environmental concern was identified that warrants mention:

Asbestos-Containing Material (ACM)

No friable suspect ACMs were identified. However, although unlikely due to the Subject's age, the non-friable resilient floor tile and built-up roofing system may contain asbestos. Since these non-friable materials are in good condition and the potential for fiber release is low, no further action is recommended at this time, other than managing the materials in good condition.

* Recognized Environmental Conditions are defined in the American Society for Testing and Materials (ASTM) Standard E1527-97 as, "...the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property. The term includes hazardous substances or petroleum products even under conditions in compliance with laws. The term is not intended to include de minimus conditions that generally do not present a material risk of harm to public health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies."

2.0 INTRODUCTION

2.1 General

IVI was retained by Westfield Corporation ("Westfield") to prepare an Updated Phase I Environmental Site Assessment, in compliance with ASTM Standard Practice E1527-97, on the Subject in accordance with our agreement dated April 2, 1999. IVI prepared two (2) previous environmental assessments on the subject site, dated October 7, 1997, and April 30, 1998, on behalf of Bayerische Hypotheken-und Wechsel-Bank Aktiengesellschaft ("Hypo").

2.2 Purpose and Scope

2.2.1 Purpose

The purpose of this report is to identify Recognized Environmental Conditions in connection with the property, using the methodology recommended by The American Society for Testing Materials (ASTM). Specifically, this methodology is referred to as *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process*, Designation E1527-97. There are no exceptions to the ASTM Standard Practice E1527-97. However, the following adjustments were made in accordance with the ASTM Standard: a data failure as defined under Section 7.3.2.3 of ASTM Standard Practice E1527-97 occurred, although we reviewed historic information back to 1895, our review was not conducted back to a time when the site was completely vacant land.

2.2.2 Scope

In general, the scope of this assessment consisted of reviewing readily available information and environmental data relating to the property; interviewing readily available persons knowledgeable about the site; reviewing readily available maps, aerial photographs and records maintained by federal, state, and local regulatory agencies; and conducting a site visit.

The specific scope of this assignment included the following:

- 2.2.2.1 A site reconnaissance to characterize on-site conditions and assess the site's location with respect to surrounding property uses and natural surface features. In addition, the reconnaissance of the surrounding roads and readily accessible properties to identify obvious potential environmental conditions on neighboring properties was conducted. Photographs taken as part of the site reconnaissance are provided in Appendix A.

2.0 INTRODUCTION – continued

The site visit was conducted on April 13, 1999, Mr. Eric M. Lambert, representing IVI. The site was represented by Ms. Sarah Vasquez, and Mr. Eric Ogata, the General Managers. It was sunny, and the temperature was approximately 70°F at the time of our site survey. The site reconnaissance was conducted in a systematic manner focusing initially on the exterior, which was surveyed in a grid pattern. A representative portion of the Subject's interior spaces were also surveyed in a systematic manner.

- 2.2.2.2 Interviews with persons familiar with the property to obtain information on present and previous on-site activities potentially resulting in the environmental degradation of the site or adjoining properties. A Pre-Survey Questionnaire to be filled out and returned to IVI by someone knowledgeable about the site was provided to Ms. Sarah Vasquez, General Manager. A copy of the completed Pre-Survey Questionnaire is provided in Appendix B.

The following table presents a summary of the individuals contacted as part of IVI's assessment of the Subject:

Name	Title	Affiliation	Telephone No.
Sarah Vasquez/ Eric Ogata	General Managers	Westfield Corporation	(408) 248-4450
Art Copper	Environmental Supervisor	Santa Clara County Department of Environmental Health	(408) 299-2454 x217
Donald Massee	Water Quality Specialist	City of Santa Clara Water Department	(408) 615-2000
Diani Cossairt	Clerk	Office of Emergency Services	(916) 464-3283
Harry Fratas	Project Engineer	San Jose Public Works	408/277-4333
Jerry Nickel	Field Foreman	Santa Clara Municipal Utilities	(408) 984-3050
Doug Hanson	Hazardous Materials Manager	Santa Clara Fire Department	(408) 984-3060

- 2.2.2.3 If provided by the site representative, a review of information such as the Subject's previously prepared building condition survey reports, appraisals, building plans and specifications, and environmental assessment reports.

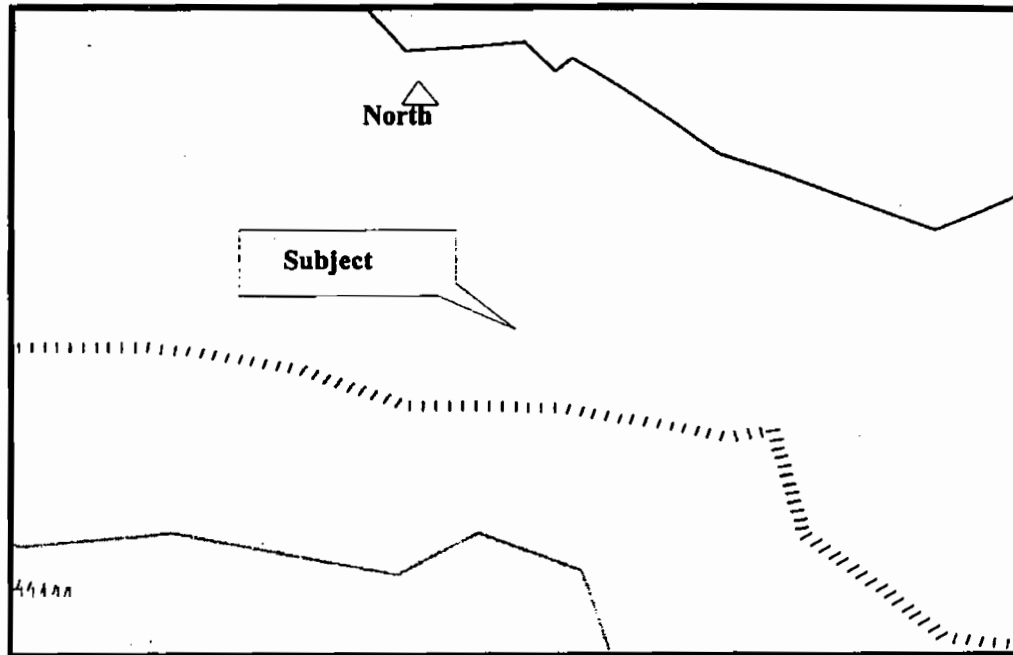
2.0 INTRODUCTION – continued

- 2.2.2.4 A review and interpretation of readily available historical documents, such as topographic maps, aerial photographs, city directories, Sanborn Maps and atlases, to identify previous activities on and in the vicinity of the Subject. Copies of these documents are included in Appendix C.
- 2.2.2.5 A review of readily available environmental databases maintained by the USEPA, state, and local agencies within the approximate minimum search distance described within the Regulatory Review Section of this report provided by Environmental Data Resources, Inc. (EDR). A copy of the Computerized Environmental Report (CER), prepared by EDR has been provided in Appendix D.
- 2.2.2.6 A screening of the readily accessible common areas to identify suspect asbestos-containing materials in basic accordance with EPA document *Guidance for Controlling Asbestos-Containing Materials in Buildings*, EPA 560/5-85-024, dated June 1985. Readily accessible areas do not include areas behind walls, above suspended ceilings, locked areas, crawlspaces and other inaccessible areas.
- 2.2.2.7 IVI reviewed published radon occurrence maps to determine if the subject site is located in an area with a propensity for elevated radon levels.

3.0 SITE DESCRIPTION

3.1 Property Location

The site is located at 2855 Stevens Creek Boulevard in the City of Santa Clara, Santa Clara County, California. The approximate geographic coordinates of the property are North 37° 27' 30" latitude and West 121° 44' 20" longitude. Refer to the Site Location Map below.



Site Location Map (not to scale)

3.2 Surrounding Land Use

The property is located in a suburban setting which is characterized by commercial retail and residential development. With the exception of the contiguous anchor tenant structures, the following is a tabulation of surrounding property usage:

Direction	Adjacent Property	Surrounding Property
North	Adjoining to the north is the Burger Pit restaurant. A Goodyear auto service facility is located adjoining to the northwest. Residential development is located adjacent to the north, across Forest Street.	Residential development is located beyond to the north.
South	Adjoining to the south is an American Savings Bank and Bank of America. Adjacent to the south, across Stevens Creek Boulevard, is the Courtesy Chevrolet auto dealership, a small office building, and a Unocal service station to the southeast.	Commercial and residential development are located beyond to the south.

3.0 PROJECT DESCRIPTION- continued

Direction	Adjacent Property	Surrounding Property
East	Adjoining to the east is the Macy's department store. Commercial and residential development are located adjacent to the east, across Interstate 880.	Residential development is located beyond to the east.
West	Adjoining to the west is the Macy's Men's and Home department store and Fresh Choice, a food store. A Wells Fargo bank is located adjacent west, and to the southwest is Safeway Supermarket, and Long's Drugs pharmacy.	Located across Winchester Boulevard to the west is the Winchester Shopping Center, a small retail plaza. Additional commercial retail development is located beyond.

The Courtesy Chevrolet and Unocal properties are discussed in detail within Section 5.2. The Goodyear auto service facility was not identified within on any federal or state databases to indicate the generation of significant quantities of hazardous waste or the presence of underground storage tanks ("USTs").

3.3 Physical Setting

3.3.1 Size and Shape of Parcel

The property is irregular in shape and 69.32 acres in size and features frontage along Stevens Creek Boulevard to the south, and Forest Avenue to the north.

3.3.2 Topography

According to the United States Geological Survey (USGS) *San Jose, West 7.5 Minute Series* topographic map, the Subject's elevation is 125' above mean sea level (msl). The site is essentially level, but the topography of the area is characterized as a gently sloping, low level valley bottom. Properties to the south are at a higher topographic elevation.

3.3.3 Surface Waters and Wetlands

Surface Waters

There are no surface water bodies or streams on the Subject. There were no surface bodies of water identified within the Subject area.

Wetlands

IVI did not observe any areas suspected to be wetlands on-site.

3.0 PROJECT DESCRIPTION- continued

3.3.4 Soils, Geology and Groundwater

Soils

According to the United States Soil Conservation Service, Santa Clara County branch, the soils at the site are classified as Campbell silty clay loam, Campbell silty clay, Garreston gravelly loam, and Yolo loam.

The Campbell series consists of somewhat poorly drained, moderately fine textured soils underlain by mottled, stratified mixed but mostly sedimentary alluvium. They formed on low level valley bottoms and alluvial plain positions, surrounding areas of poorly drained soils.

The Campbell surface soil is a dark gray silty clay and silty clay loam, averaging from 22 to 28 inches in thickness. The subsoil is a mottled dark gray calcareous silty clay loam, ranging in thickness from 12 to 15 inches. Substratum material consists of mottled light olive brown calcareous silty clay loam alluvium. The Campbell silty clay loam is a level soil, averaging less than one (1) percent slope, with moderately slow permeability. Permeability is slow in the Campbell silty clay.

The Garreston gravelly loam occurs on nearly level to gentle slopes, averaging two (2) to four (4) percent. This soil consists of well drained, medium-textured soils, underlain by sedimentary alluvium. The surface soil ranges in thickness from 16 to 18 inches, and is a grayish brown gravelly loam. The subsoil is a brown very fine sandy loam, averaging 20 to 32 inches in thickness. The substratum is stratified, ranging from gravelly loam, to sand and gravel. The subsoil permeability is moderately rapid.

Yolo loam occurs on nearly level alluvial plains and fans. The surface soil ranges in thickness from 26 to 32 inches and is a grayish-brown loam. The subsoil and substratum are a brown silty loam or silty clay loam and extend to a depth of 60 inches or more. The subsoil permeability is moderate.

Geology

There are no predominant geological surface features such as rock outcroppings on the Subject. The property is situated on an alluvial plain with a surficial strata of a recent geological age. Underlying the site from 45 to 80 feet are strata of moderately permeable sand and gravels with occasional lenses of silty sands.

3.0 PROJECT DESCRIPTION- continued

Groundwater

Under natural, undisturbed conditions, shallow groundwater flow generally follows the topography of the land surface and on this basis, the topography suggests that groundwater flow across the site is in a northern direction. However, localized conditions can alter flow directions and thus the expected flow may not coincide with actual groundwater flow in the subject area. Based on our research, shallow groundwater in the vicinity of the site is located at a depth of about 60' bgs. Estimated groundwater levels may vary due to seasonal fluctuations in precipitation, local usage demands, geology, underground structures, or dewatering operations.

3.4 Site Improvements

3.4.1 Utilities

The Subject is served with the following utilities:

Water:	Santa Clara Water Department
Sanitary Sewer:	City of Santa Clara
Storm Sewer:	City of Santa Clara
Electric:	Santa Clara Municipal Utilities
Natural Gas:	Santa Clara Municipal Utilities

According to Donald Masee, of the City of Santa Clara Water Department, the local water authority, the water supplied to the Subject meets all federal and state water quality standards.

Stormwater runoff into the municipal stormwater system within Forest Avenue to the north, Stevens Creek Boulevard to the south, and Winchester Boulevard to the west. There are no catchbasins or storm drains located on the subject property.

3.4.2 Building Description

The subject structure is an 13-year-old, 2-story, 1,156,090 SF, retail shopping mall. There is currently a three (3) story parking garage under construction at the southern end of the building, between the two (2) Macy's anchor tenant stores. The building is of slab-on-grade construction, and the superstructure is

3.0 PROJECT DESCRIPTION- continued

of fireproofed structural steel and concrete. The exterior walls are finished with brick and stucco. The flat roof is covered with a built-up roofing system with rolled mineral capsheet.

Interior finishes include floor coverings of carpet, resilient floor tile, ceramic tile, bare concrete, and marble tile. Walls are of painted gypsumboard and ceilings typically consist of a suspended system with inlaid acoustical ceiling tiles.

Cooling is provided by electric rooftop package units for the common areas, and evaporative coolers for the individual tenant units. Heating is not provided at the Subject.

Vertical transportation is provided by a passenger and five (5) freight hydraulic elevators. The hydraulic fluid reservoirs are located in the elevator machine rooms.

3.5 Current Property Use

The subject property is developed with a 2-story retail shopping mall. The Subject's tenant list is provided as Appendix F. The Subject's tenants primarily consist of retail facilities which do not appear to generate significant quantities of hazardous waste. However, there are two (2) photo developing entities on the site which are generating some hazardous waste.

The Expressly Portraits Photo Store uses processing solutions which generates a silver-containing waste. According to the store manager, a silver recovery system is utilized to recover silver from the processing solution. The developer waste solution is picked up and disposed of by a licensed removal entity on a quarterly basis.

Kits Camera also uses a processing solution which generates a silver-containing waste. According to the on-site manager, in lieu of a silver recovery system this tenant's spent developer waste is stored in a plastic 55-gallon drum, which is removed by Safety-Kleen on a regular basis. Refer to Sections 6.1 and 6.3 for further details regarding the Subject's hazardous chemicals and wastes.

3.6 Environmental Permits

Based on our research, no environmental permits such as wastewater discharge permits, National Pollutant Discharge Elimination System (NPDES), air emissions permits, or petroleum bulk storage (PBS) tank registrations are required at the Subject.

3.0 PROJECT DESCRIPTION- continued

3.7 Plans and Specifications

Neither site, building nor renovation plans and/or specifications were provided for our review.

4.0 HISTORICAL USE

4.1 Topographic Maps

IVI reviewed the USGS *San Jose, West 7.5 Minute Series* topographic map of the Subject area, which is based on aerial photography taken in 1961, last revised in 1980.

The topographic map identifies the three existing retail anchor stores with a parking ramp, and several private dwellings located on the subject property in black, which indicates that they were constructed prior to 1961. No industrial sites or landfills were identified on, or immediately adjacent to, the Subject.

In addition, IVI reviewed USGS *San Jose West, California 7.5 Minute* and a *San Jose, California 15 Minute Series* historical topographic maps of the subject area maintained at the United States Geological Survey Western Region Library, in Menlo Park, California. Specifically, maps based on a survey completed in 1895 and aerial photography taken in 1948 and 1960 were reviewed.

The following summarizes the results of this review:

Year	Subject Property	Surrounding Properties
Survey 1895 15' Series	The subject property is improved with three (3) residential dwellings at the southeastern portion. The remainder of the site is vacant land.	The adjacent and surrounding properties consist of vacant land with scattered residential development.
Photo 1948 7.5' Series	The eastern side of the subject property is shaded pink. The western part of the site is vacant land. A roadway bisects the property from north to south.	Residential development occupies the Subject's adjacent and surrounding areas.
Photo 1960 7.5' Series	The subject property is developed with the first phase of the existing anchor tenant buildings. The center of the site is shaded indicating dense residential improvements.	The existing commercial development adjoins to the west and south. Residential development is located to the north, and the existing highway adjoins to the east. At the northeast and northwest corners are some residential dwellings.

Based upon this review, the site was improved with the existing retail anchor stores as of 1960. No past uses of the Subject or the surrounding properties were identified which are suspected to have had a negative environmental impact upon the Subject.

4.0 HISTORICAL USE - continued

4.2 Historical Maps

Sanborn Fire Insurance Maps (Sanborn Maps)

IVI had a search of Sanborn Maps conducted. This search did not identify Sanborn Map coverage for the area of the Subject. Searching a database such as Sanborn Maps constitutes part of the due-diligence necessary for an Environmental Site Assessment. The lack of Sanborn Mapping suggests that there likely was no historical industrial activity on or in the immediate vicinity of the site.

4.3 Aerial Photographs

Aerial photographs provide visual documentation of site conditions at the time of the photographs. Activities such as dumping or industrial use of a site can often be discerned through the examination of historical aerial photographs. IVI reviewed historic aerial photographs provided by Valley Fair Mall Management and the United States Geological Survey Western Region Library, for the years 1963, 1974, 1980 and 1987. The following is a synopsis of the aerial photographs reviewed:

Year	Subject	Surrounding Properties
1963	The existing Macy's retail anchor stores and several private dwellings are depicted on the aerial photograph.	Adjoining to the west and south are the existing peripheral retail buildings. Commercial retail development is located beyond to the west, across Winchester Boulevard. Commercial development is located adjacent to the south, across Stevens Creek Boulevard, with residential development beyond. The eastern surrounding properties, across Interstate 880, are characterized by commercial and residential development. Residential development is located adjacent and surrounding to the north, across Forest Street.
1974	No significant changes from the 1963 aerial photograph, with the exception of the existing parking ramp at the east side of the site.	No significant changes from the 1963 aerial photograph.
1980	No significant changes from the previous aerial photograph.	No significant changes from the previous aerial photograph.
1987	The subject property is developed with the existing improvements, the building has been completed between the on-site anchor tenant stores.	The adjacent properties are developed with the existing improvements.

4.0 HISTORICAL USE - continued

Based on a review of the above-tabulated aerial photographs, there was no historic development of the subject property, or surrounding properties, which are suspected to represent an environmental impact to same.

4.4 Chain-of-Title

A copy of the Subject's Chain-of-Title has not been provided to IVI for review.

4.5 City Directories

Historical Polk's *San Jose, California* city directories were reviewed for the Subject. Historical city directories provide tenant listings, by address, for every year covered by the directory service. This review yielded the following information:

Year	Address	Listing
1936	Subject address vicinity	No listing
1952	Subject address	No listing for Subject. Surrounding area characterized by residential listings.
1965	3049 Stevens Creek Boulevard	3047-J. Magnin Department Store 3049-Roos Atkins Department Store 3051-Emporium Department Store
1979	2855 through 3049 Stevens Creek Boulevard	No changes from 1965 listing.
1990-91	2855 Stevens Creek Boulevard	Valley Fair Shopping Center. Same as existing.

Historical city directory review indicates that the subject property was developed with private dwellings and the retail anchor stores of the existing mall, prior to the construction of same.

4.6 Interviews

According to Ms. Sarah Vasquez, General Manager at the Valley Fair Mall, the subject property was developed with the existing retail anchor stores prior to construction of the remaining existing improvements.

According to the Pre-Survey Questionnaire, the subject mall was constructed in 1986 and the adjacent anchor tenant buildings in 1957.

4.0 HISTORICAL USE - continued

4.7 Previous Reports

IVI prepared a previous environmental assessment on the subject site titled *Phase I Environmental Site Assessment (Valley Fair Mall)*, dated October 7, 1997, and an updated Phase I Environmental Assessment, dated April 30, 1998, on behalf of Bayerische Hypotheken-und Wechsel-Bank Aktiengesellschaft. According to the previous reports, the Subject consisted of residential and commercial development prior to the construction of the existing improvements. The previous IVI reports did not identify any Recognized Environmental Conditions in connection with the subject site.

5.0 REGULATORY REVIEW

A copy of regulatory database information contained within a Computerized Environmental Report (CER) provided by Environmental Data Resources, Inc. (EDR), dated April 13, 1999, 1999, can be referenced in Appendix D. The CER is a listing of sites identified on select federal and state standard source environmental databases within the approximate search distance specified by ASTM Standard Practice for Environmental Site Assessments E1527-97. IVI reviewed each environmental database on a record-by-record basis to determine if certain sites identified in the CER are suspected to represent a negative impact to the Subject.

The following table lists the number of sites by database within the prescribed search radius appearing in the CER:

Databases Reviewed	Minimum Search Area	Number of Sites Within Area
Federal National Priorities List (NPL)	One Mile Radius	0
Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS)	One-Half Mile Radius	0
Federal Resource Conservation and Recovery Information System (RCRIS) Treatment, Storage, and Disposal (TSD) Facilities List	One-Half Mile Radius	0
Federal RCRIS Generators List	On-Site and Adjoining Properties	2
Corrective Action Tracking System (CORRACTS)	One Mile Radius	0
Federal Emergency Response Notification System (ERNS) List	On-Site	1
Annual Workplan (AWP)	One Mile Radius	0
California Department of Toxic Substance Control Cal-Sites (ASPIS) Database	One Mile Radius	0
Cal EPA Solid Waste Facilities/Landfills (SWF/LF) Solid Waste Information System (SWIS)	One-Half Mile Radius	0
Cal EPA Hazardous Substance Storage Container Database (UST)	On-Site and Adjoining Properties	3
Cal EPA Leaking Underground Storage Tank (LUST) Information System	One-Half Mile Radius	9

The CER identified 42 "Orphan Sites." Orphan Sites are those sites which could not be mapped or "geocoded" due to inadequate address information. Refer to the CER for a list of these Orphan Sites. IVI attempted to locate these sites via vehicular reconnaissance and interviews with personnel familiar with the area. Based on this research, IVI did not identify any Orphan Sites within the specified radii.

5.0 REGULATORY REVIEW - continued

A description of the databases reviewed by IVI and an analysis of sites identified within the prescribed search area are presented below:

5.1 Federal Databases

NPL

This is a list of the most serious uncontrolled or abandoned hazardous waste sites identified for possible long-term remedial action under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or "Superfund"). A site must be on the NPL to receive money from the Trust Fund for Remedial Action.

Analysis/Comment: The CER did not identify NPL sites within a one mile radius of the Subject.

CERCLIS

CERCLIS is the USEPA's system for tracking potential hazardous waste sites within the Superfund program. A site's presence in CERCLIS does not imply a level of federal activity or progress at a site, nor does it indicate that hazardous conditions necessarily exist at the location. Within one year of being entered into CERCLIS, the USEPA performs a preliminary assessment of a site. Based upon the results of the preliminary assessment, the USEPA may conduct additional investigations which could lead to a site being listed on the NPL.

Analysis/Comment: The CER did not identify CERCLIS sites within the prescribed radius.

RCRIS TSD Facility Report

The RCRIS TSD Facility Report contains information pertaining to those facilities that either treat, store, or dispose of hazardous waste. While these facilities represent some form of hazardous waste activity, they are most significant if determined to be out of compliance or to have violations.

Analysis/Comment: The CER did not identify RCRIS TSD facilities within the prescribed search radius.

5.0 REGULATORY REVIEW - continued

RCRIS Generators

IVI reviewed the list of sites which have filed notification with the USEPA in accordance with Resource Conservation and Recovery Act (RCRA) requirements. These sites include generators of hazardous waste regulated under RCRA. Under RCRA, hazardous waste generators are classified by the mass of hazardous waste generated in a calendar month into the following categories: Large Quantity Generator, greater than 1,000 kilograms (kgs); Small Quantity Generator, 100 to 1,000 kgs; and Conditionally-Exempt Small Quantity Generator, less than 100 kgs. RCRIS Generators, while they represent some form of hazardous waste activity, are most significant if they are determined to have Class I Violations or to be non-compliant.

Analysis/Comment: The CER identified the following RCRIS Generators located within the prescribed search radius:

Site Name/ Address	EPA ID No.	Distance/ Direction	Topographic Relationship	Status	Type of Facility	Violations Identified?
Kits Camera/ Subject	CAD983667858	On-site	On-site	Active	Photo developer	None
Expressly Portrait #113/Subject	CAD983666975	On-site	On-site	Active	Photo developer	None

Inasmuch as no violations or compliance infractions were identified with respect to the above-referenced RCRA sites, it is not suspected that they have had a negative environmental impact on the subject site.

Corrective Action Tracking System (CORRACTS)

CORRACTS is a list of facilities that are found to have had hazardous waste releases and require RCRA corrective action activity, which can range from site investigations to remediation.

Analysis/Comment: The CER did not identify CORRACTS sites within a one mile radius of the Subject.

ERNS

The Emergency Response Notification System (ERNS) is a database of notifications of oil discharges and hazardous substance releases. The primary purpose of ERNS is to standardize and collect notifications made to the Federal government of releases of oil and hazardous substances. These notifications are used by "On-Scene Coordinators" to determine an emergency response and release prevention. When a call is made to the National Response Center (NRC) or one of the ten USEPA Regions, a report is created

5.0 REGULATORY REVIEW - continued

containing all of the release information that the caller provided. This report is transferred to an appropriate agency to evaluate the need for a response and the records are electronically transferred to the ERNS database. As such, if a reported release of oil or a hazardous substance is deemed to require a response, it should also be listed in the appropriate federal or state level environmental database such as CERCLIS, state equivalent CERCLIS, or state leaking underground storage tank or spills.

Analysis/Comment: The CER identified the Subject on the ERNS database.

Property Name	Facility ID No.	Incident	State
Valley Fair Shopping Center	N/A	5-gallons of primer spilled on 11/3/90	Closed on 11/3/90. Also recorded by OES, CHMIRS

The Subject is also identified on the CHMIRS database. Please refer to Section 5.2 (CHMIRS) for further details with respect to same.

5.2 California Environmental Protection Agency (Cal/EPA) Databases

Department of Toxic Substance Control (DTSC) Board Cal-Sites (ASPIS)

The Cal-Sites database contains potential or confirmed hazardous substance release properties.

Analysis/Comment: The CER did not identify Cal-Sites (ASPIS) sites within a one mile radius of the Subject.

Annual Workplan (AWP)

The AWP list is an inventory of dumps, landfills, and other toxic sites listed by Environmental and Health Authorities. These sites are either under remediation, or are currently under evaluation for further action, if necessary.

Analysis/Comment: The CER did not identify AWP sites within a one mile radius of the Subject.

Solid Waste Facilities/Landfills (SWF/LF)

The SWF/LF list is an inventory of landfills, incinerators, transfer stations, and other sites that manage solid wastes.

Analysis/Comment: The CER did not identify SWF/LF sites within a one-half mile radius of the Subject.

5.0 REGULATORY REVIEW - continued

California State Water Resource Control Board Hazardous Substance Storage Container Database (Underground Storage Tank) Database

The Hazardous Substance Storage Container Database is a historical listing of underground storage tank (UST) sites. Inclusion of a site on this database does not necessarily constitute an environmental condition but instead merely indicates the presence of registered underground storage tanks (USTs).

Analysis/Comment: The CER identified the following UST facility sites within the specified search radius:

Property Name	Regulatory Agency ID No.	Distance/Direction	Presumed Hydrogeologic Relationship
Chevron #9-9079	63176	±500'/South	Downgradient
Unocal #3969 (Union Oil)	6046	±600'/Southeast	Crossgradient
Courtesy Chevrolet	39127	±600'/Southwest	Downgradient

The above-referenced UST sites were also identified on the Leaking Underground Storage Tank (LUST) database. Please refer to the LUST section for a further discussion on same.

State Leaking Underground Storage Tanks (LUSTs)

The LUST list is an inventory of reported spills and leaks, both active and inactive. It includes stationary and non-stationary source spills reported to state and federal agencies, including remediated and unremediated leaking USTs.

Analysis/Comment: The CER identified the following LUST sites within the prescribed search radius:

Property Name	Regulatory Agency ID No.	Distance/Direction
Unocal #3969 (listed twice -Union Oil)	43-1552	± 600'/Southeast
Courtesy Chevrolet	43-1867	± 600'/Southwest
Dunn Edwards (listed twice)	43-1245	± 750'/West
Econo-Car	43-2304	0.25 Mile/Southeast
Bridgestone/Firestone	43-2209	0.3 Mile/Southwest
San Jose Fire Station	43-1674	0.45 Mile/Southeast
Exxon #7-366 (listed twice)	43-0533	0.49 Mile/South

5.0 REGULATORY REVIEW - continued

IVI identified seven (7) facilities as leaking underground storage tank sites within the prescribed search radius with a "Case Closed" status. A Case Closed status is granted to those sites which either do not exhibit levels of contamination requiring remediation, have been remediated to the satisfaction of the Santa Clara Valley Water Department (SCVWD), or are not suspected to represent a significant threat to human health or the environment. As such, these sites are not suspected to have had a negative environmental impact on the Subject.

The CER identified the following active LUST sites within the prescribed search radius:

Property Name	Regulatory Agency ID No.	Distance/Direction	Presumed Hydrogeologic Relationship
Chevron #9-9079 (listed twice)	43-0315	± 500'/South	Downgradient
Texaco	43-1446	0.2 Mile/Southeast	Downgradient

Inasmuch as these sites are located at a lower topographic elevation than the Subject and groundwater at this site most likely flows to the south, which is away from the Subject, IVI does not suspect that these incidents have had a significant negative environmental impact upon same.

Hazardous Waste Information System (HAZNET)

This is a list compiled by the Cal/EPA of facility and manifest data. The data is extracted from the copies of hazardous waste manifests received each year by the Department of Toxic Substances Control.

Analysis/Comment: The CER identified the Subject on the HAZNET database:

Property Name	Facility ID No.	Distance/Direction	Violations Identified?
Expressly Portraits #113	N/A	On-site	None
Kits Camera	N/A	On-site	None
1x Valley Fair	N/A	On-site	None
Valley Fair Shopping Center	N/A	On-site	None

The Subject is listed twice and two (2) tenants are identified on the HAZNET database. Inasmuch as the HAZNET database is only an inventory list of facilities' hazardous waste manifests, and no violations or compliance infractions were identified in connection with the shopping mall or its tenants, it is unlikely that these Haz Mat listings represent a negative impact to the Subject.

5.0 REGULATORY REVIEW - continued

California Hazardous Material Incident Report System (CHMIRS)

CHMIRS contains information on reported hazardous material incidents (accidental releases or spills) maintained by the Office of Emergency Services.

Analysis/Comment: The CER identified the Subject on the CHMIRS database:

Property Name	OES ID No.	Incident	Status
Valley Fair Shopping Center	9013855	5-gallons of primer spilled on 11/3/90	Closed on 11/3/90. Also recorded by EPA, ERNS

According to Ms. Diana Cossairt, of the Office of Emergency Services (OES), the CHMIRS incident at the Subject was a one-time release of paint primer and was cleaned up immediately. There was no enforcement action taken against the Subject, and this minor release has reportedly been closed. Of note, the OES forwarded the Subject's information to the EPA, which was recorded on the ERNS database.

5.3 Local Regulatory Agency Interviews and File Review

Fire Department

According to Mr. Doug Hanson, of the Santa Clara Fire Department, there are no records at his department of petroleum bulk storage tanks at the subject property.

6.0 SITE RECONNAISSANCE

6.1 Chemical Storage and Usage

IVI observed chemicals customarily used for routine building and maintenance. The housekeeping in connection with these cleaning chemicals was satisfactory. Moreover, IVI identified the following chemical substances stored on-site:

Chemical	Container Size	Quantity	Storage Conditions	MSDS	Location
Diesel fuel for emergency generator	55-Gallon	One (1) Drum	Satisfactory	Yes	North exterior of Nordstrom's
Stabilizer	15-Gallon	One (1) Bottle	Satisfactory	Yes	Expressly Portraits
Photo Fixer	15-Gallon	One (1) Bottle	Satisfactory	Yes	Expressly Portraits
Photo Developer	15-Gallon	One (1) Bottle	Satisfactory	Yes	Expressly Portraits
Photo Fixer	55-Gallon	One (1) Drum	Satisfactory	Yes	Kits Camera

These photo processing chemical containers were undamaged and capped and did not exhibit obvious evidence of significant spills or leakage. Adequate secondary containment was provided in each of these facility's chemical storage areas. No floor drains were observed in the vicinity of the stored chemicals. The MSDS reviewed appeared in order.

There was no evidence of stormdrains, staining or leaking in the vicinity of the Subject's drum of diesel fuel. The fuel is labeled, and stored in a covered area next to the emergency generator within a shallow, concrete berm.

6.2 Bulk Storage Tanks

Underground Storage Tanks (USTs)

No USTs were identified on the subject property and no common indicators of USTs such as vent pipes, fill ports, manways, pavement cuts, fuel gauges or dispensers were observed. In addition, according to Ms. Sarah Vasquez, General Manager, and Mr. Doug Hanson, of the Santa Clara Fire Department, there are no USTs on-site. Furthermore, the subject site was not identified on the California State Water Resource Control Board's list of registered UST facilities.

Aboveground Storage Tanks (ASTs)

With the exception of the emergency generator, no ASTs were observed and IVI did not identify any equipment within the building which should require such tanks.

6.0 SITE RECONNAISSANCE - continued

Furthermore, according to Ms. Sarah Vasquez, General Manager, and Mr. Doug Hanson, of the Santa Clara Fire Department, there are no ASTs on-site. Visual indicators of past ASTs, such as tank cradles, secondary containment structures, pedestals, etc., were not observed. However, the Subject has a diesel-fired emergency generator featuring 100-gallon capacity tank. The generator, located at the northern exterior of the building, did not exhibit any evidence of leaking or staining in the vicinity. The generator is enclosed by a shallow concrete berm.

6.3 Site Waste and Wastewater

Solid Waste

Non-hazardous solid waste is disposed of in dumpsters and is removed from the Subject on a regular basis by BFI, the City of Santa Clara, and the City of San Jose. Potential sources of contamination, such as waste oil and automotive batteries, were not observed in the vicinity of the dumpsters.

No mounds or depressions indicative of trash or solid waste disposal were observed.

Sanitary Sewage

Sanitary sewage disposal is provided by the municipality. IVI did not observe any sources of wastewater or liquid discharge into the sewer other than sanitary sewage.

Hazardous Waste

Hazardous waste per the following schedule is generated on the Subject:

Generator	Location	Waste	Quantity	Disposal Entity	Waste Storage Conditions
Expressly Portraits	Photo Processing Unit	Spent Photo Developing Fluid	Five (5) to Ten (10)-Gallons	Safety-Kleen	Satisfactory
Kits Camera	Rear storage area of facility, secondary containment	Spent Photo Developing Fluid	One, 55-gallon drum	Safety-Kleen	Satisfactory

No floor drains or sumps were observed in the vicinity of the stored hazardous waste and housekeeping was satisfactory. The waste containers were generally in good condition, capped and did not exhibit evidence of significant spillage or leakage. The

6.0 SITE RECONNAISSANCE - continued

waste containers are provided with secondary containment. The waste manifests observed appeared to be in order. The waste is removed by Safety-Kleen on a regular basis.

6.4 Stained Soil, Stained Pavement, or Stressed Vegetation

There was no evidence of significant soil staining, stained pavement, or stressed vegetation observed on-site.

6.5 Liquid Discharges

No visible evidence of liquid discharges, suspected to represent an environmental concern into or from the Subject were observed during our survey.

6.6 Pools of Liquid

IVI did not observe significant standing surface water or pools containing liquids likely to be hazardous substances or petroleum products.

6.7 Pits, Ponds, or Lagoons

IVI did not observe pits, ponds, or lagoons suspected of containing hazardous substances or petroleum products on the Subject.

6.8 Wells

IVI did not identify on-site dry wells, irrigation wells, injection wells, observation wells, monitoring wells, potable water wells, recovery wells or abandoned wells.

6.9 On-Site Fill

Based on our observations, it does not appear that fill has been imported onto the subject property.

6.10 Drums and Containers for Storing Waste

With the exception of non-hazardous solid waste containers, and the hazardous waste containers discussed in Section 6.3, IVI did not identify containers suspected of storing waste. With respect to these waste containers, no significant environmental concerns were noted.

6.0 SITE RECONNAISSANCE - continued

6.11 Floor Drains and Sumps

IVI did not observe floor drains that were stained, emitting foul odors, located adjacent to chemical storage areas, or connected to an on-site disposal system.

A sump was observed on the first floor of the Subject building. According to Mr. Harry Fratas, Project Engineer at the San Jose Public Works Department, the sump is connected to the municipal sewer system. There was no staining, foul odors, or chemical storage areas in the vicinity of the sump.

6.12 Odors

IVI did not identify strong, pungent, or noxious odors suspected to represent any environmental concerns.

6.13 Air Emissions

IVI did not identify processes or equipment which emit noticeable vapors or fumes. It is not suspected that the Subject's diesel-fired emergency generator would require an air emissions permit, as it is only used intermittently.

6.14 Polychlorinated Biphenyls (PCBs)

The following electrical transformers were observed on-site:

ID Number	PCB Label?	Ownership	Staining/Leakage Observed
20049	No	Santa Clara Municipal Utilities (SCMU)	No
8772	No	SCMU	No
8702	No	SCMU	No
8822	No	SCMU	No
8830	No	SCMU	No
8769	No	SCMU	No

IVI observed six (6) utility-owned, pad-mounted electrical transformers on-site. According to Mr. Jerry Nickel, of Santa Clara Municipal Utilities, the local electric authority, these transformers do not contain PCBs. The transformers observed appeared to be in good condition, free of leakage and staining and not likely to be damaged.

Interior transformers observed were "dry" units which do not contain PCBs.

6.0 SITE RECONNAISSANCE - continued

There are six (6) hydraulic elevators located at the Subject. Since PCB-containing hydraulic fluid has not been manufactured since 1979; based on the age of the buildings, PCB-contaminating hydraulic fluid is not likely to be found in the hydraulic elevator operating system.

6.15 Asbestos-Containing Material (ACM)

Based on our site reconnaissance, IVI did not identify any friable suspect ACM. In addition, inasmuch as the Subject was constructed subsequent to 1978, the year the use of friable ACM was federally banned, the use of friable ACM in the Subject is not suspected.

No suspect friable ACMs were identified. However, although unlikely due to the Subject's age, the non-friable resilient floor tile and built-up roofing system are suspected to contain asbestos. Since these non-friable materials are in good condition and the potential for fiber release is low, no further action is recommended at this time, other than managing the material in good condition.

6.16 Lead-in-Drinking Water

Based on our conversations with utility personnel, the water at the Subject is not expected to contain elevated levels of lead. No further investigation is recommended regarding lead in drinking water at the Subject.

6.17 Radon

Based on statistical information maintained within the *Geologic Radon Potential of USEPA's Region 9*, dated 1993, which was developed by the U.S. Geological Survey, radon concentrations in Santa Clara County, California average 1.0 picocuries per liter (pCi/l), which is below the 4.0 pCi/l action level established by the USEPA. As such, it is unlikely that a radon hazard condition exists on the subject property.

6.18 Lead-Based Paint (LBP)

Since the subject structure was constructed after the Consumer Product Safety Commission's 1978 ban on the sale of LBP to consumers and the use of LBP in residences and other areas where consumers have direct access to painted surfaces, it is unlikely that LBP in locations and quantities suspected to represent an environmental concern exists on-site. In any event, painted surfaces observed were in good condition and void of significant peeling and flaking.

7.0 FINDINGS AND CONCLUSIONS

IVI has performed an Updated Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Standard Practice E1527-97 of the Valley Fair Mall, located at 2855 Stevens Creek Boulevard, Santa Clara, California. The Subject is a 69.32-acre parcel improved with a 13-year-old, two-story, regional shopping mall. Any exceptions to, or deletions from, the standard practice are described in-depth within the body of this report. This assessment has revealed no evidence of Recognized Environmental Conditions in connection with the Subject; however, the following item of environmental concern was identified that warrants mention:

Asbestos-Containing Material (ACM)

No friable suspect ACMs were identified. However, although unlikely due to the Subject's age, the non-friable resilient floor tile and built-up roofing system may contain asbestos. Since these non-friable materials are in good condition and the potential for fiber release is low, no further action is recommended at this time, other than managing the materials in good condition.

8.0 LIMITING CONDITIONS

- 8.1 This report has been prepared in accordance with generally accepted practices for conducting a Phase I Environmental Site Assessment in compliance with the ASTM standard entitled "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process". The purpose of this assessment was to determine the presence of hazardous substances or petroleum product conditions on the Subject, if any; and to render an opinion.
- 8.2 The observations described in this report were made under the conditions stated therein. The conclusions presented in the report were based solely upon the services described therein, and not on scientific tasks or procedures beyond the scope of described services in the time and budgetary constraints imposed by the client. The work described in this report was carried out in accordance with the Terms and Conditions in the contract.
- 8.3 In preparing this report, IVI has relied on certain information provided by federal, state, and local officials and other parties referenced therein, and on information contained in the files of state agencies, local agencies, or both, available to IVI at the time of this site assessment. Although there may have been some degree of overlap in the information provided by these various sources, IVI did not attempt to independently verify the accuracy or completeness of all information reviewed or received during the course of this site assessment. Observations were made of the site and of the structures on the site as indicated in this report. Where access to portions of the site or to structures on the site was unavailable or limited, IVI renders no opinion as to the presence of indirect evidence relating to petroleum substances, hazardous substances, or both, in that portion of the site and structure. In addition, IVI renders no opinion as to the presence of indirect evidence relating to hazardous material or oil, where direct observation of the interior walls, floors, ceiling or a structure is obstructed by objects covering on or over these surfaces.
- 8.4 As part of this assessment, IVI submitted requests for information via the Freedom of Information Act (FOIA) to various governmental agencies. As of the preparation of this report these requests may not have been fulfilled. The conclusions of this report are subject to change upon receipt of a response from these FOIA requests.
- 8.5 IVI does not represent that the site referred to herein contains no petroleum or hazardous or toxic substances or other conditions beyond those observed by IVI during the site assessment.

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