


APPENDIX F

PHASE I ENVIRONMENTAL SITE ASSESSMENT

TYPE OF SERVICES	Phase I Environmental Site Assessment
LOCATION	70-80 North 27 th Street San Jose, California
CLIENT	HC Investment Associates, LP
PROJECT NUMBER	1285-1-1
DATE	May 11, 2021

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Location	70-80 North 27th Street San Jose, California
Client	HC Investment Associates, LP
Client Address	1700 Embarcadero Road Palo Alto, California 24303
Project Number	1285-1-1
Date	May 11, 2021

Prepared by


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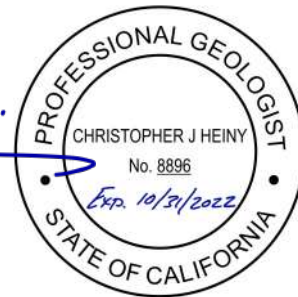


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Type of Services
Location

Phase I Environmental Site Assessment
70-80 North 27th Street
San Jose, California

SECTION 1: INTRODUCTION

This report presents the results of the Phase I Environmental Site Assessment (ESA) performed at 70-80 North 27th Street in San Jose, California (Site) as shown on Figures 1 and 2. This work was performed for HC Investment Associates, LP in accordance with our April 6, 2021 Agreement (Agreement).

1.1 PURPOSE

The scope of work presented in the Agreement was prepared in general accordance with ASTM E 1527-13 titled, “Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process” (ASTM Standard). The ASTM Standard is in general compliance with the Environmental Protection Agency (EPA) rule titled, “Standards and Practices for All Appropriate Inquiries; Final Rule” (AAI Rule). The purpose of this Phase I ESA is to strive to identify, to the extent feasible pursuant to the scope of work presented in the Agreement, Recognized Environmental Conditions at the property.

As defined by ASTM E 1527-13, the term Recognized Environmental Condition means the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment. De minimis conditions are not Recognized Environmental Conditions.

Cornerstone Earth Group, Inc. (Cornerstone) understands that HC Investment Associates, LP intends to redevelop the Site with a mixed-use podium structure consisting of ground floor commercial and parking space, second floor parking, and three levels of residential units. We performed this Phase I ESA to support HC Investment Associates, LP in evaluation of Recognized Environmental Conditions at the Site. This Phase I ESA is intended to reduce, but not eliminate, uncertainty regarding the potential for Recognized Environmental Conditions at the Site.

1.2 SCOPE OF WORK

As presented in our Agreement, the scope of work performed for this Phase I ESA included the following:

- A reconnaissance of the Site to note readily observable indications of significant hazardous materials releases to structures, soil or groundwater.

- Drive-by observation of adjoining properties to note readily apparent hazardous materials activities that have or could significantly impact the Site.
- Acquisition and review of a regulatory agency database report of public records for the general area of the Site to evaluate potential impacts to the Site from reported contamination incidents at nearby facilities.
- Review of readily available information on file at selected governmental agencies to help evaluate past and current Site use and hazardous materials management practices.
- Review of readily available maps and aerial photographs to help evaluate past and current Site uses.
- Interviews with persons reportedly knowledgeable of existing and prior Site uses.
- Preparation of a written report summarizing our findings and recommendations.

The limitations for the Phase I ESA are presented in Section 10; the terms and conditions of our Agreement are presented in Appendix A.

1.3 ASSUMPTIONS

In preparing this Phase I ESA, Cornerstone assumed that all information received from interviewed parties is true and accurate. In addition, we assumed that all records obtained by other parties, such as regulatory agency databases, maps, related documents and environmental reports prepared by others are accurate and complete. We also assumed that the boundaries of the Site, based on information provided by HC Investment Associates, LP, are as shown on Figure 2. We have not independently verified the accuracy or completeness of any data received.

1.4 ENVIRONMENTAL PROFESSIONAL

This Phase I ESA was performed by Stason I. Foster, P.E. and Christopher J. Heiny, P.G., Environmental Professionals who meet the qualification requirements described in ASTM E 1527-13 and 40 CFR 312 § 312.10 based on professional licensing, education, training and experience to assess a property of the nature, history and setting of the Site.

SECTION 2: SITE DESCRIPTION

This section describes the Site as of the date of this Phase I ESA. The location of the Site is shown on Figures 1 and 2. Tables 1 through 3 summarize general characteristics of the Site and adjoining properties. The Site is described in more detail in Section 7, based on our on-Site observations.

2.1 LOCATION AND OWNERSHIP

Table 1 describes the physical location, and ownership of the property, based on information provided by HC Investment Associates, LP.

Table 1. Location and Ownership

Assessor's Parcel No. (APN)	467-09-076
Reported Address/Location	70-80 North 27th Street, San Jose, California
Owner	HC Investment Associates, LP
Approximate Lot Size	1.16 acres
Approximate Bldg. Size	21,500 square feet
Construction Date	1998

In addition to the current address listed in Table 1, a historical address of 110 North 27th Street was identified during our review of historical Sanborn fire insurance maps. The historical address also were researched during this Phase I ESA.

2.2 CURRENT/PROPOSED USE OF THE PROPERTY

The current and proposed uses of the property are summarized in Table 2.

Table 2. Current and Proposed Uses

Current Use	Multi-tenant commercial building
Proposed Use	Mixed-use commercial and residential development

2.3 SITE SETTING AND ADJOINING PROPERTY USE

Land use in the general Site vicinity appears to be primarily commercial. Based on our Site vicinity reconnaissance, adjoining Site uses are summarized below in Table 3.

Table 3. Adjoining Property Uses

Northeast	Railroad right-of-way and undeveloped property
Northwest	Portuguese Band of San José (performance & event venue)
Southeast	McDonald's restaurant
Southwest	Auto repair shops, across North 27 th Street, including Valencia Brothers Upholstery, E&J Electric Auto Repair and Hermanos Juarez Automotive

SECTION 3: USER PROVIDED INFORMATION

The ASTM standard defines the User as the party seeking to use a Phase I ESA to evaluate the presence of Recognized Environmental Conditions associated with a property. For the purpose of this Phase I ESA, the User is HC Investment Associates, LP. The "All Appropriate Inquiries" Final Rule (40 CFR Part 312) requires specific tasks be performed by or on behalf of the party seeking to qualify for Landowner Liability Protection under CERCLA (*i.e.*, the User).

Per the ASTM standard, if the User has information that is material to Recognized Environmental Conditions, such information should be provided to the Environmental Professional. This information includes: 1) specialized knowledge or experience of the User, 2) commonly known or reasonably ascertainable information within the local community, and 3) knowledge that the purchase price of the Site is lower than the fair market value due to contamination. A search of title records for environmental liens and activity and use limitations also is required.

3.1 ENVIRONMENTAL LIENS OR ACTIVITY AND USE LIMITATIONS

An environmental lien is a financial instrument that may be used to recover past environmental cleanup costs. Activity and use limitations (AULs) include other environmental encumbrances, such as institutional and engineering controls. Institutional controls (ICs) are legal or regulatory restrictions on a property’s use, while engineering controls (ECs) are physical mechanisms that restrict property access or use.

The regulatory agency database report described in Section 4.1 did not identify the Site as being in 1) US EPA databases that list properties subject to land use restrictions (*i.e.*, engineering and institutional controls) or Federal Superfund Liens or 2) lists maintained by the California Department of Toxic Substances Control (DTSC) of properties that are subject to AULs or environmental liens where the DTSC is a lien holder.

A Preliminary Title Report by Old republic Title Company (dated March 12, 2020) was provided for our review. No environmental liens were listed in the title report.

3.2 SPECIALIZED KNOWLEDGE AND/OR COMMONLY KNOWN OR REASONABLY ASCERTAINABLE INFORMATION

Based on information provided by or discussions with HC Investment Associates, LP, we understand that HC Investment Associates, LP does not have specialized knowledge or experience, commonly known or reasonably ascertainable information regarding the Site, or other information that is material to Recognized Environmental Conditions.

3.3 DOCUMENTS PROVIDED BY HC INVESTMENT ASSOCIATES, LP

To help evaluate the presence of Recognized Environmental Conditions at the Site, Cornerstone reviewed and relied upon the documents provided by HC Investment Associates, LP listed in Table 4. Please note that Cornerstone cannot be liable for the accuracy of the information presented in these documents. ASTM E1527-13 does not require the Environmental Professional to verify independently the information provided; the Environmental Professional may rely on the information unless they have actual knowledge that certain information is incorrect. A summary of the provided documents is provided below; please refer to the original reports for complete details.

Table 4. Documents Provided by HC Investment Associates, LP

Date	Author	Title
September 1, 2015	eScreenLogic	Phase 1 EPA All Appropriate Inquiry (AAI), Commercial Property, 70-80 N 27 th Street, San Jose, California

Based on the information reviewed, the Site reportedly was historically developed with a portion of a warehouse building occupied by Giordano & Son’s, a vegetable packing business, along with a railroad spur. The existing on-Site multi-tenant commercial building was noted to have been constructed in 1998. Tenants at the time of the 2015 report were noted to include a boxing studio, a gym, a sheetrock/plastering business and office spaces. eScreenLogic stated that their assessment revealed no Recognized Environmental Conditions (RECs) in connection with the Site.

SECTION 4: RECORDS REVIEW

4.1 STANDARD ENVIRONMENTAL RECORD SOURCES

Cornerstone conducted a review of federal, state and local regulatory agency databases provided by Environmental Data Resources (EDR) to evaluate the likelihood of contamination incidents at and near the Site. The database sources and the search distances are in general accordance with the requirements of ASTM E 1527-13. A list of the database sources reviewed, a description of the sources, and a radius map showing the location of reported facilities relative to the project Site are attached in Appendix B.

The purpose of the records review was to obtain reasonably available information to help identify Recognized Environmental Conditions. Accuracy and completeness of record information varies among information sources, including government sources. Record information is often inaccurate or incomplete. The Environmental Professional is not obligated to identify mistakes or insufficiencies or review every possible record that might exist with the Site. The customary practice is to review information from standard sources that is reasonably available within reasonable time and cost constraints.

4.1.1 On-Site Database Listings

Martin Auto Color Inc. was identified at the Site address on the Certified Unified Program Agency (CUPA) database as a facility that stores hazardous materials and generates hazardous waste.

Martin Auto Color was listed on the HAZNET database, which contains data extracted from the copies of hazardous waste manifests received each year by the DTSC. Wastes disposed in 2019 were categorized as off-specification, aged or surplus organic; and unspecified organic liquid mixtures.

Martin Auto Color also was listed on the RCRA NonGen/NLR database. This database lists facilities that generate, transport, store, treat and/or dispose of hazardous waste as defined by the Resource Conservation and Recovery Act (RCRA). Non-Generators do not presently generate RCRA hazardous waste. NLR means that the business is no longer registered. No violations were reported.

4.1.2 Nearby Spill Incidents

Based on the information presented in the agency database report, no off-Site spill incidents were reported that appear likely to significantly impact soil, soil vapor or groundwater beneath the Site. The potential for impact was based on our interpretation of the types of incidents, the locations of the reported incidents in relation to the Site and the assumed groundwater flow direction.

4.2 ADDITIONAL ENVIRONMENTAL RECORD SOURCES

The following additional sources of readily ascertainable public information for the Site also were reviewed during this Phase I ESA.

4.2.1 City and County Agency File Review

Cornerstone requested available files pertaining to 70-80 North 27th Street at the following public agencies: the San Jose Building Department (BD), San Jose Fire Department (FD), and the Santa Clara County Department of Environmental Health (DEH). The information reviewed is summarized in Table 5. The DEH indicated that they have no files pertaining to the Site. As of the date of this report, the Fire Department had not responded to our records request.

Table 5. File Review Information

Agency Name	Date	Occupant	Remarks
BD	1971	NA	Demolition permit. Owner listed as Western Pacific Railroad
BD	1997	Office/warehouse	Public notice of a Draft Negative Declaration pertaining to the proposed construction of the existing commercial building. M&R Construction was noted as one of the planned occupants. The Site was noted to have been purchased in 1996 from the "railroad" and had been vacant for at least 20 years. Prior to that, the railroad was noted to have operated a long loading dock for transfer of goods from railroad box cars to trucks for local delivery.
BD	1997	NA	Grading plan for construction of the existing commercial building
BD	1997/1998	Office/warehouse	Permits for a new commercial building.
BD	1999	Office	Permit for tenant improvements (office/HVAC)
BD	1999	NA	Permit for installation of storage racks
BD	1999	Golden West Drywall Supply	Request for certificate of occupancy
BD	1999	Office/warehouse	Certificate of occupancy
BD	2001	Machine shop	Electrical permit application
BD	2003	Office/storage	Permit and inspection reports for tenant improvements
BD	2003	Office	Certificate of occupancy (Suite 74)
BD	2004	Emporio Das Importacoes	Permit for tenant improvements for import sales and storage
BD	2017	NA	Correspondence and plans for a mezzanine addition
BD	1999	Dulceria El Confetti and Van Hong Lam	Letters to the City noting planned occupants including Dulceria El Confetti (a Mexican candy warehouse and distribution center) and Van Hong Lam, who intended to operate a hard drive refurbishing business.

SECTION 5: PHYSICAL SETTING

We reviewed readily available geologic and hydrogeologic information to evaluate the likelihood that chemicals of concern released on a nearby property could pose a significant threat to the Site and/or its intended use.

5.1 RECENT USGS TOPOGRAPHIC MAP

A recent USGS 7.5 minute topographic map was reviewed to evaluate the physical setting of the Site. The Site's elevation is approximately 90 feet above mean sea level; topography in the

vicinity of the Site slopes downward gently to the northwest towards Coyote Creek and the San Francisco Bay.

5.2 HYDROGEOLOGY

Based on our experience and information presented in the California Geotracker database pertaining to nearby properties, the shallow groundwater beneath the Site is likely present at depths of approximately 10 to 20 feet. Groundwater likely flows toward the northwest.

5.3 GEOLOGY

The Site is located in the northeast portion of the Santa Clara Valley, which is a broad northwest-trending alluvial valley situated between the Diablo Range on the east and the Santa Cruz mountains to the west. The Santa Clara Valley alluvium ranges in thickness between approximately 100 and 1,500 feet and is generally comprised of interbedded gravels, sands, silts, and clays. The alluvium is mostly Quaternary age and was deposited by alluvial fans and associated streams originating from the higher elevations to the east and west. Generally, the alluvium tends to be finer grained near the center of the valley and coarser grained adjacent to the higher elevations. The alluvium of the Santa Clara Valley generally contains the most significant water-bearing units in the area. Mesozoic age rocks underlie the Santa Clara Valley alluvium and outcrop in the mountain ranges to the east and west.

Based on our review of geologic hazard maps available from the City of San Jose online map viewing service (<https://www.sanjoseca.gov/your-government/departments/planning-building-code-enforcement/planning-division/data-and-maps>) and the California Geological Survey geologic hazards maps (<https://maps.conservation.ca.gov/geologichazards/>), the Site is located within a State-designated Liquefaction Hazard Zone and a Santa Clara County Liquefaction Hazard Zone. Note that the evaluation of geologic hazards is outside of the scope of the ASTM standard, and the User should retain a qualified geotechnical engineer to perform a thorough geologic hazard investigation.

SECTION 6: HISTORICAL USE INFORMATION

The objective of the review of historical use information is to develop a history of the previous uses of the Site and surrounding area in order to help identify the likelihood of past uses having led to Recognized Environmental Conditions at the property. The ASTM standard requires the identification of all obvious uses of the property from the present back to the property's first developed use, or back to 1940, whichever is earlier, using reasonably ascertainable standard historical sources.

6.1 HISTORICAL SUMMARY OF SITE

The historical sources reviewed are summarized below. The results of our review of these sources are summarized in Table 6.

- **Historical Aerial Photographs:** We reviewed aerial photographs dated between 1939 and 2016 obtained from EDR of Shelton, Connecticut; copies of aerial photographs reviewed are presented in Appendix C.

- **Historical Topographic Maps:** We reviewed USGS 15-minute and 7.5-minute historical topographic maps dated 1889, 1897, 1899, 1953, 1961, 1968, 1973, 1980 and 2012; copies of historical topographic maps reviewed are presented in Appendix C.
- **Historical Fire Insurance Maps:** We reviewed Sanborn fire insurance maps dated 1915, 1950 and 1969 obtained from EDR; copies of Sanborn maps are presented in Appendix C.
- **Local Street Directories:** We reviewed city directories obtained from EDR that were researched at approximately 5 year intervals between 1922 and 2017 to obtain information pertaining to past Site occupants. The city directory summary is presented in Appendix D.

Table 6. Summary of Historical Source Information for Site

Date	Source	Comment
1889, 1897, and 1899	Topographic maps	No structures are shown on-Site.
1915	Sanborn map	The Site is shown as undeveloped land. Barnes Avenue traverses the northern portion of the Site.
1939, 1948, 1950, 1956, 1963 and 1968	Aerial photographs	The Site is shown to be developed with a portion of two commercial building, along with several railroad track spurs.
1950	Sanborn map	The Site is shown to be developed with a portion of two commercial buildings occupied by J.C. Hering Company and Giordano & Sons. The buildings are shown to have been used for vegetable packing and box nailing, and as a shook warehouse. Several railroad track spur are depicted on-Site on the northeast side of the structures.
1953, 1961, 1968 and 1973	Topographic maps	The Site is shown within the urban developed area of San Jose. Several railroad track spurs and shown the traverse the Site.
1955, 1960 and 1963	City Directories	Occupant listed as A. Levy & J. Zentner Company fruit packers
1966 and 1970	City Directories	Occupant listed as Central Produce Company
1969	Sanborn map	The Site appears similar to that shown on the 1950 Sanborn map, except that A. Levy & Zentner is shown to occupy the building formerly occupied by Giordano & Sons.
1974	Aerial photograph	The Site appears similar to that shown on the 1968 aerial photograph except that the northern most building has been removed.
1980	Topographic map	No structures or other Site features are depicted.
1982	Aerial photograph	The Site appears to be undeveloped; the prior buildings are shown to have been removed.
1998 to 2016	Aerial photographs	The existing on-Site commercial building is shown.
2004	City Directory	Occupant listed as Emporio Das Importacoes
2006	City Directory	Occupants listed as Babylon Financial, Harryz Homez, Eduardo Martinez, Compurbina and Tekxcel
2014	City Directory	Occupants listed as Cornejos Event Planner and Fairy Godmother
2017	City Directory	Occupant listed as Harryz Homez, Cornejos Event Planner, Fairy Godmother and Timeless Linen Rentals

SECTION 7: SITE RECONNAISSANCE

We performed a Site reconnaissance to evaluate current Site conditions and to attempt to identify Site Recognized Environmental Conditions. The results of the reconnaissance are discussed below. Additional Site observations are summarized in Table 7. Photographs of the Site are presented in Section 7.2.1.

7.1 METHODOLOGY AND LIMITING CONDITIONS

To observe current Site conditions (readily observable environmental conditions indicative of a significant release of hazardous materials), Cornerstone staff Stason I. Foster, P.E. visited the Site on April 26, 2021. The Site reconnaissance was conducted by walking representative areas of the Site, including the interior of the on-Site structure, the periphery of the structure and the Site periphery. Cornerstone staff only observed those areas that were reasonably accessible, safe, and did not require movement of equipment, materials or other objects. Physical obstructions that limited our ability to view the ground surface at the Site included the existing building and associated asphalt paved parking areas and vehicle drives (typical of developed properties).

7.2 OBSERVATIONS

At the time of our visit, the Site was developed with a multi-tenant commercial building and was divided into six tenant spaces. Units 70 and 72 were occupied by Martin Autocolor, an auto paint retail sales business. Unit 76 was occupied by Real Events Y Floreria, an event and party rental business, and used as an event venue and for storage. Unit 80 was occupied by C&M imports and used for storage of vaping supplies. Units 74 and 78 were unoccupied.

Hazardous materials were observed only within the Martin Autocolor space and consisted of automobile paints and paint-related products that were stored on shelving for retail sale. Waste paint cans, cups and liners generated during paint mixing activities were stored in several 55-gallon drums for off-Site disposal. No evidence of significant spills was readily apparent.

Electricity and/or natural gas fuel sources appeared to be used for building heating/cooling purposes. Potable water appeared to be supplied by the local water service provider. The building presumably is connected to the publicly owned sanitary sewer system; no on-Site septic systems were obvious. On-Site storm water catch basins appeared to discharge via below ground piping to the City's storm water drainage system. An electrical transformer owned by PG&E was observed on a concrete pad on the southwest side of the building. No evidence of transformer oil leaks was observed.

Table 7. Summary of Readily Observable Site Features

General Observation	Comments
Aboveground Storage Tanks	Not Observed
Agricultural Wells	Not Observed
Air Emission Control Systems	Not Observed
Boilers	Not Observed
Burning Areas	Not Observed
Chemical Mixing Areas	Paint mixing area associate with retail sales at Martin Autocolor
Chemical Storage Areas	Observed as described above
Clean Rooms	Not Observed
Drainage Ditches	Not Observed
Elevators	Not Observed
Emergency Generators	Not Observed
Equipment Maintenance Areas	Not Observed
Fill Placement	Not Observed
Groundwater Monitoring Wells	Not Observed
High Power Transmission Lines	Not Observed
Hoods and Ducting	Not Observed
Hydraulic Lifts	Not Observed
Incinerator	Not Observed
Petroleum Pipelines	Not Observed
Petroleum Wells	Not Observed
Ponds or Streams	Not Observed
Railroad Lines	Not Observed
Row Crops or Orchards	Not Observed
Stockpiles of Soil or Debris	Not Observed
Sumps or Clarifiers	Not Observed
Transformers	Observed as described above
Underground Storage Tanks	Not Observed
Vehicle Maintenance Areas	Not Observed
Vehicle Wash Areas	Not Observed
Wastewater Neutralization Systems	Not Observed

The comment "Not Observed" does not warrant that these features are not present on-Site; it only indicates that these features were not readily observed during the Site visit.

7.2.1 Site Photographs



Photograph 1. View of the on-Site building looking north.



Photograph 2. View of the on-Site building looking south.



Photograph 3. Interior of Unit 76 (event and storage space).



Photograph 4. Unoccupied tenant space.



Photograph 5. Paint storage shelving at Martin Autocolor.



Photograph 6. Paint mixing area and waste drums at Martin Autocolor.

SECTION 8: ENVIRONMENTAL QUESTIONNAIRE AND INTERVIEWS

8.1 ENVIRONMENTAL QUESTIONNAIRE / OWNER INTERVIEW

To help obtain information on current and historical Site use and use/storage of hazardous materials on-Site, we provided an environmental questionnaire to the Site owner. The completed questionnaire is attached in Appendix E. The information provided on the questionnaire appears generally consistent with our on-Site observations and information obtained from other data sources. No information indicative of Recognized Environmental Conditions was reported on the questionnaire. Fill was noted to have been imported to the Site. Based on subsequent email correspondence and a provided grading plan, it was anticipated that approximately 190 cubic yards of fill would be needed for grading during construction of the existing building in 1998; the source and actual quantity of imported fill is not known.

8.2 INTERVIEWS WITH PREVIOUS OWNERS AND OCCUPANTS

Contact information for previous Site owners and occupants was not provided to us. Therefore, interviews with previous Site owners and occupants could not be performed.

SECTION 9: FINDINGS, OPINIONS AND CONCLUSIONS (WITH RECOMMENDATIONS)

Cornerstone performed this Phase I ESA in general accordance with ASTM E1527-13 to support HC Investment Associates, LP in evaluation of Recognized Environmental Conditions. Our findings, opinions and conclusions are summarized below.

9.1 HISTORICAL SITE USAGE

Based on the information obtained during this study, the Site was developed by the 1930s with a portion of two commercial buildings occupied by J.C. Hering Company and Giordano & Sons. The buildings were used for vegetable packing and box nailing, and as a shook¹ warehouse. Several railroad track spurs were located on-Site on the northeast side of the structures. Later occupants of these buildings included A. Levy & J. Zentner Company fruit packers (1955-1969) and Central Produce Company (1966-1970). These former buildings were demolished during the 1970s.

The existing multi-tenant commercial building was constructed in 1998. Past occupants have included M&R Construction, Golden West Drywall Supply, a machine shop, Emporio Das Importacoes, Dulceria El Confetti (a Mexican candy warehouse and distribution center), Van Hong Lam (a hard drive refurbishing business), Babylon Financial, Harryz Homez, Edwardo Martinez, Compurbina and Tekxcel, Cornejos Event Planner, Fairy Godmother, and Timeless Linen Rentals. Current occupants include Martin Autocolor, Real Events Y Floreria and C&M Imports.

¹ Shook refers to sets of box parts (sides, tops, bottoms and ends) that are ready to assemble.

9.2 CHEMICAL STORAGE AND USE

During our visit, hazardous materials were observed only within the Martin Autocolor space and consisted of automobile paints and paint-related products that were stored on shelving for retail sale. Waste paint cans, cups and liners generated during paint mixing activities were stored in several 55-gallon drums for off-Site disposal. No evidence of significant spills was readily apparent and general housekeeping appeared orderly.

Past occupants, such as the machine shop (a tenant in 2001), may also have used hazardous materials at the Site, however, no reported spills were identified within the available data sources researched during this study.

9.3 RAILROAD TRACKS

Several railroad track spurs previously traversed the Site. Assorted chemicals historically were commonly used for dust suppression and weed control along rail lines. Common contaminants along railroad lines include metals, petroleum hydrocarbons, polycyclic aromatic hydrocarbons (PAHs), polychlorinated biphenyls (PCBs) and pesticides. Prior to redevelopment of the Site, we recommend performing soil sampling to evaluate if residual contaminants are present in shallow soil in the vicinity of the former railroad spurs.

9.4 IMPORTED SOIL

If the planned development will require importing soil for Site grading, we recommend documenting the source and quality of imported soil. The DTSC's October 2001 Clean Fill Advisory provides useful guidance on evaluating imported fill.

9.5 POTENTIAL ENVIRONMENTAL CONCERNS WITHIN THE SITE VICINITY

Based on the information obtained during this study, no hazardous material spill incidents have been reported in the Site vicinity that would be likely to significantly impact the Site. However, as is typical to many commercial areas, several facilities in the vicinity were reported as hazardous materials users. If leaks or spills occur at these facilities, contamination could impact the Site, depending upon the location of the property, the magnitude of the release, and the effectiveness of cleanup efforts.

9.6 ASBESTOS CONTAINING BUILDING MATERIALS (ACBMS)

Based on the age of the existing building, it is unlikely that the building materials contain asbestos. However, if demolition, renovation, or re-roofing of the building is planned, an asbestos survey may be required by local authorities or National Emissions Standards for Hazardous Air Pollutants (NESHAP) guidelines. NESHAP guidelines require the removal of potentially friable ACBMs prior to building demolition or renovation that may disturb the ACBM.

9.7 LEAD-BASED PAINT

In 1978, the Consumer Product Safety Commission banned lead-containing paints and coatings sold for consumer use. Some lead-containing products, such as industrial coatings, however, are still allowed. Based on the age of the existing structures, lead-containing paint is not likely to be present.

9.8 DATA GAPS

ASTM Standard Designation E 1527-13 requires the Environmental Professional to comment on significant data gaps that affect our ability to identify Recognized Environmental Conditions. A data gap is a lack of or inability to obtain information required by ASTM Standard Designation E 1527-13 despite good faith efforts by the Environmental Professional to gather such information. A data gap by itself is not inherently significant; it only becomes significant if it raises reasonable concerns. The following data gaps were identified:

- As of the date of this report, the San Jose Fire Department had not responded to our records request. The absence of these records, if any, may diminish our ability to identify Recognized Environmental Conditions. The general environmental setting of the Site, however, appears to have been established based on the information reviewed from other data sources.
- Contact information for the former occupants and owners of the Site was not provided to us. Thus, former occupants and owners were not interviewed during this study. The general environmental setting of the Site appears to have been established based on the information reviewed from other data sources. We do not consider this data gap to be significant.

9.9 DATA FAILURES

As described by ASTM Standard Designation E 1527-13, a data failure occurs when all of the standard historical sources that are reasonably ascertainable and likely to be useful have been reviewed and yet the historical research objectives have not been met. Data failures are not uncommon when attempting to identify the use of a Site at five year intervals back to the first use or to 1940 (whichever is earlier). ASTM Standard Designation E 1527-13 requires the Environmental Professional to comment on the significance of data failures and whether the data failure affects our ability to identify Recognized Environmental Conditions. A data failure by itself is not inherently significant; it only becomes significant if it raises reasonable concerns. No significant data failures were identified during this Phase I ESA.

9.10 RECOGNIZED ENVIRONMENTAL CONDITIONS

Cornerstone has performed a Phase I ESA in general conformance with the scope and limitations of ASTM E 1527-13 of 70-80 North 27th Street, San Jose, California. This assessment identified the following Recognized Environmental Conditions².

- Several railroad track spurs formerly traversed the Site. Assorted chemicals historically may have been used for dust suppression and weed control along the rail lines, and residual concentrations may remain in Site soil.

² The presence or likely presence of hazardous substances or petroleum products on the Site: 1) due to any release to the environment; 2) under conditions indicative of a release to the environment; or 3) under conditions that pose a material threat of a future release to the environment.

SECTION 10: LIMITATIONS

Cornerstone performed this Phase I ESA to support HC Investment Associates, LP in evaluation of Recognized Environmental Conditions associated with the Site. HC Investment Associates, LP understands that no Phase I ESA can wholly eliminate uncertainty regarding the potential for Recognized Environmental Conditions to be present at the Site. This Phase I ESA is intended to reduce, but not eliminate, uncertainty regarding the potential for Recognized Environmental Conditions. HC Investment Associates, LP understands that the extent of information obtained is based on the reasonable limits of time and budgetary constraints.

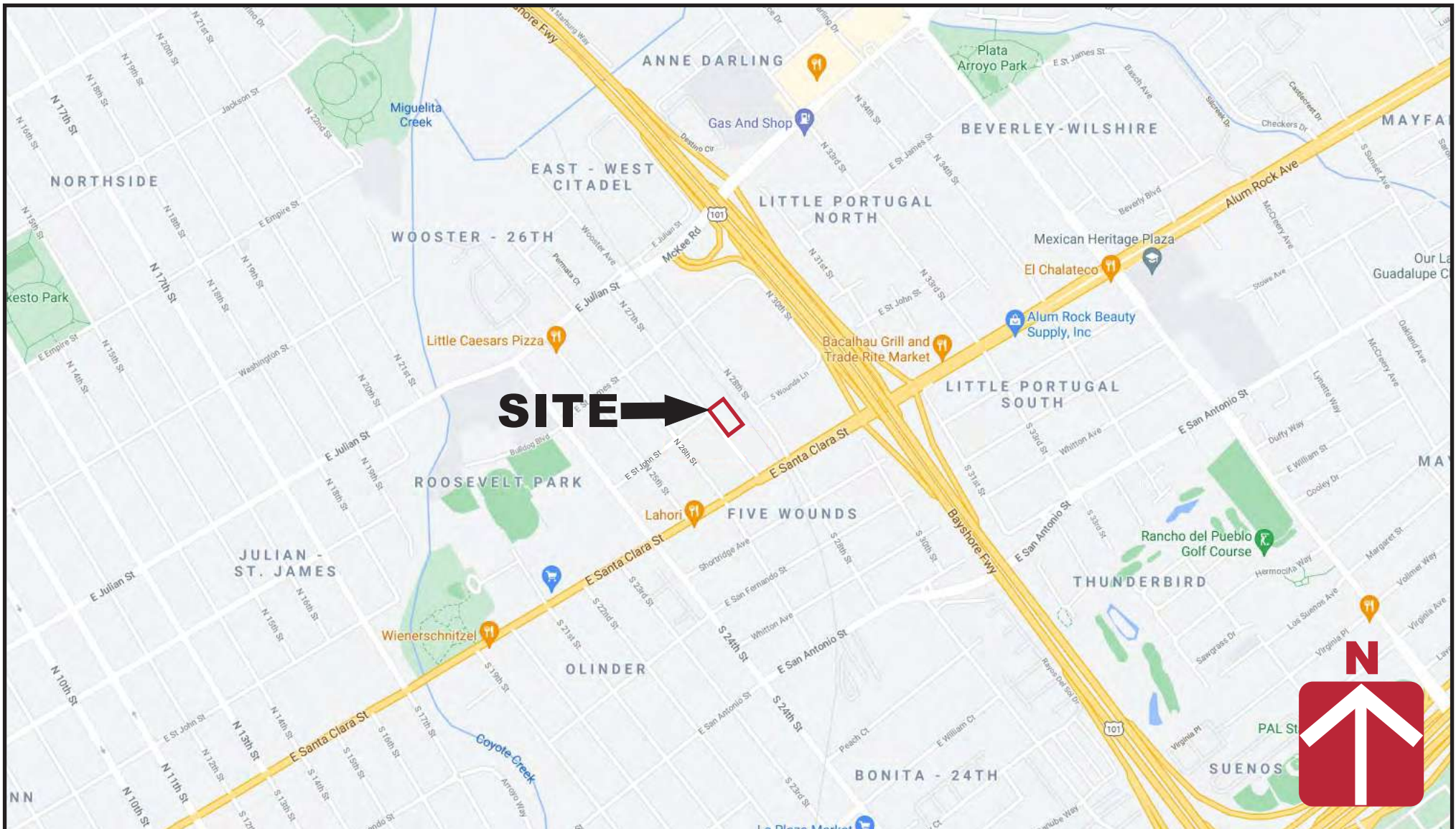
Findings, opinions, conclusions and recommendations presented in this report are based on readily available information, conditions readily observed at the time of the Site visit, and/or information readily identified by the interviews and/or the records review process. Phase I ESAs are inherently limited because findings are developed based on information obtained from a non-intrusive Site evaluation. Cornerstone does not accept liability for deficiencies, errors, or misstatements that have resulted from inaccuracies in the publicly available information or from interviews of persons knowledgeable of Site use. In addition, publicly available information and field observations often cannot affirm the presence of Recognized Environmental Conditions; there is a possibility that such conditions exist. If a greater degree of confidence is desired, soil, groundwater, soil vapor and/or air samples should be collected by Cornerstone and analyzed by a state-certified laboratory to establish a more reliable assessment of environmental conditions.

Cornerstone acquired an environmental database of selected publicly available information for the general area of the Site. Cornerstone cannot verify the accuracy or completeness of the database report, nor is Cornerstone obligated to identify mistakes or insufficiencies in the information provided (ASTM E 1527-13, Section 8.1.3). Due to inadequate address information, the environmental database may have mapped several facilities inaccurately or could not map the facilities. Releases from these facilities, if nearby, could impact the Site.

HC Investment Associates, LP may have provided Cornerstone environmental documents prepared by others. HC Investment Associates, LP understands that Cornerstone reviewed and relied on the information presented in these reports and cannot be responsible for their accuracy.

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Cornerstone makes no warranty, expressed or implied, except that our services have been performed in accordance with the environmental principles generally accepted at this time and location.



SITE →



Vicinity Map

**70-80 North 27th Street
San Jose, CA**

Project Number	1285-1-1
Figure Number	Figure 1
Date	April 2021
Drawn By	RRN



Project Number 1285-1-1
 Figure Number Figure 2
 Date April 2021
 Drawn By RRN

Site Plan
 70-80 North 27th Street
 San Jose, CA

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