

November 29, 1999

Mr. Benny Kwong
Affordable Housing Associates
1250 Addison Street, Suite G
Berkeley, California 94702

Re: Phase I Environmental Site Assessment (Phase I ESA)
1719, 1725 and 1761 University Avenue, Berkeley, California
ACC Project #99-6179-007.00

Dear Mr. Kwong:

Enclosed are the original and one copy of the above referenced report. Please review this report, especially the Site Reconnaissance and Conclusion sections.

Recognized Environmental Conditions:

This assessment revealed evidence of the following Recognized Environmental Conditions at the subject property:

ACC performed asbestos surveys of buildings located at the subject property. The surveys revealed the presence of asbestos containing building materials (ACBM) at the subject property. Federal regulations require that both friable and non-friable ACBM be removed prior to any renovation or demolition activities that may disturb the materials (40 CFR Part 61). The ACBM located at the subject property and applicable regulations are discussed in the Asbestos and Lead Based Paint Surveys that have been transmitted under separate cover.

ACC performed lead based paint surveys of the buildings located at the subject property. The structures located at the subject property have painted surfaces that meet the definition of lead based paint. There are both state and federal occupational safety and health (OSHA) regulations regarding the disturbance of the lead based paint. The lead based paints located at the subject property and applicable regulations are discussed in the Asbestos and Lead Based Paint Surveys that have been transmitted under separate cover.

During a review of the City Berkeley Building Department records, ACC observed a permit for a gas station at 1719 University Avenue dated February 22, 1922 (Appendix D). No other historical information obtained during this investigation indicated the presence of a gas station having been located at the subject property. ACC did not observe any evidence of underground storage tanks (USTs) located at the subject property. Based on this information, the potential to impact the subject property is considered to be low.

The subject property contains a paint store that contains regulated quantities of paints and paint thinners. These materials are registered under the Hazardous Materials Business Plan on file at the

Mr. Benny Kwong
November 29, 1999
Page 2

City of Berkeley Toxics Department. There are no records of releases associated with the hazardous materials located at the subject property. ACC observed surface staining on the concrete surfaces under and around the paints. This staining is consistent with minor spills of paint. The concrete was observed to be intact and the staining appears to be limited to the surface. Based on these observations, the potential to impact the environment is considered to be low.

Additional Observations:

The following observations were made during this assessment:

ACC observed surface staining in the concrete and asphalt paved parking areas at the subject property. The staining is consistent with automotive leaks. The concrete and asphalt in and around the staining was observed to be intact and the staining appears to be limited to the surface. Based on these observations, the potential to impact the environment is considered to be low.

Within 1.0 mile of the subject property, there are several sites with documented releases of hazardous substances and/or petroleum products. In accordance with ASTM Standards, this report addresses sites that, based on their locations, have the potential to impact the subject property. There is no documented evidence that constituent plumes originating from any of these sites have migrated to the subject property.

Thank you for choosing ACC to assist you with this project. If you have any questions, please do not hesitate to contact me at (510) 638-8400.

Sincerely,

Eloy Cisneros
Environmental Assessor

Enclosures

**PHASE I ENVIRONMENTAL SITE ASSESSMENT
1719, 1725 and 1761 University Avenue
Berkeley, California**

ACC Project No. 99-6179-007.00

Prepared for:

Affordable Housing Associates
1250 Addison Street, Suite G
Berkeley, California 94702

November 29, 1999

Prepared by:

Eloy Cisneros
Environmental Assessor

Reviewed by:

Stephen Southern, REA #06524
Registered Environmental Assessor

EXECUTIVE SUMMARY

Consultant: ACC Environmental Consultants, Inc. (ACC)

Subject Property: 1719, 1725 and 1761 University Avenue, Berkeley, California

Client: Affordable Housing Associates

Location: The subject property is located on the north side of University Avenue between McGee Avenue and Grant Street in Berkeley, California

Current Use: 1719 University Avenue is currently a parking lot, 1725 University Avenue is currently used for a paint store and 1761 University Avenue is currently used for a hotel.

Site

Characteristics: 1719 University Avenue is a 9,375-square foot, asphalt paved parking lot. 1725 University Avenue is 9,375-square feet in size and consists of a one-story with mezzanine, wood-framed building and an asphalt paved parking lot. 1761 University Avenue is 12,500-square feet in size and consists of a two-story, wood-framed hotel building with an attached office and asphalt paved parking lot.

Vicinity

Characteristics: The subject property and surrounding areas are zoned C-1, General Commercial, by the City of Berkeley Planning Department. Commercial service businesses, residential homes and a church occupy the surrounding area.

Purpose: This Phase I Environmental Site Assessment (Phase I ESA) was performed to provide a record of the site conditions, and to evaluate what, if any, environmental issues exist on this site.

Recognized Environmental Conditions:

This assessment revealed evidence of the following Recognized Environmental Conditions at the subject property:

ACC performed asbestos surveys of buildings located at the subject property. The surveys revealed the presence of asbestos containing building materials (ACBM) at the subject property. Federal regulations require that both friable and non-friable ACBM be removed prior to any renovation or demolition activities that may disturb the materials (40 CFR Part 61). The ACBM located at the subject property and applicable regulations are discussed in the Asbestos and Lead Based Paint Surveys that have been transmitted under separate cover.

ACC performed lead based paint surveys of the buildings located at the subject property. The structures located at the subject property have painted surfaces that meet the definition of lead

based paint. There are both state and federal occupational safety and health (OSHA) regulations regarding the disturbance of the lead based paint. The lead based paints located at the subject property and applicable regulations are discussed in the Asbestos and Lead Based Paint Surveys that have been transmitted under separate cover.

During a review of the City Berkeley Building Department records, ACC observed a permit for a gas station at 1719 University Avenue dated February 22, 1922 (Appendix D). No other historical information obtained during this investigation indicated the presence of a gas station having been located at the subject property. ACC did not observe any evidence of underground storage tanks (USTs) located at the subject property. Based on this information, the potential to impact the subject property is considered to be low.

The subject property contains a paint store that contains regulated quantities of paints and paint thinners. These materials are registered under the Hazardous Materials Business Plan on file at the City of Berkeley Toxics Department. There are no records of releases associated with the hazardous materials located at the subject property. ACC observed surface staining on the concrete surfaces under and around the paints. This staining is consistent with minor spills of paint. The concrete was observed to be intact and the staining appears to be limited to the surface. Based on these observations, the potential to impact the environment is considered to be low.

Additional Observations:

The following observations were made during this assessment:

ACC observed surface staining in the concrete and asphalt paved parking areas at the subject property. The staining is consistent with automotive leaks. The concrete and asphalt in and around the staining was observed to be intact and the staining appears to be limited to the surface. Based on these observations, the potential to impact the environment is considered to be low.

Within 1.0 mile of the subject property, there are several sites with documented releases of hazardous substances and/or petroleum products. In accordance with ASTM Standards, this report addresses sites that, based on their locations, have the potential to impact the subject property. There is no documented evidence that constituent plumes originating from any of these sites have migrated to the subject property.

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
1.1	Purpose and Scope of Services	1
1.2	Limitations and Exceptions of Agreement	1
1.3	Limiting Conditions	3
2.0	SITE DESCRIPTION	3
2.1	Location and Legal Description	3
2.2	Site and Vicinity Characteristics	3
2.3	Descriptions of Structures and Improvements	3
2.4	Environmental Liens or Specialized Knowledge	3
2.5	Current Uses of the Property	3
2.6	Past Uses of the Property	4
2.7	Current and Past Uses of Adjacent Properties	5
3.0	RECORDS REVIEW	7
3.1	Physical Setting	7
3.2	Government Environmental Agency Record Review	8
3.3	Historical Use Information	10
3.4	Additional Record Sources	11
4.0	INFORMATION FROM SITE RECONNAISSANCE AND INTERVIEWS	11
4.1	Recognized Environmental Concerns	11
4.2	Physical Setting Analysis	13
4.3	Other Conditions of Concern	13
5.0	CONCLUSIONS	13
6.0	AGENCY REVIEW	15
7.0	REFERENCES	15
8.0	INTERVIEWS	15

FIGURES AND PHOTOGRAPHS

- 1 Location Map
- 2 Topographical Map
- 3 Site Map
- 4 Assessor's Parcel Map
- 5 Aerial Photograph
- 6 Radius Map

Photographs 1 - 8

APPENDICES

- A: Scope of Work
- B: VISTA Report
- C: Building Permit for Gas Station at 1719 University Avenue

1.0 INTRODUCTION

On behalf of Affordable Housing Associates (hereinafter referred to as Client), ACC Environmental Consultants, Inc., (ACC), performed a Phase I Environmental Site Assessment (Phase I ESA) for the property identified as 1719, 1725 and 1761 University Avenue, Berkeley, California (hereinafter referred to as the "subject property"). This Phase I ESA is performed to provide a record of the site conditions at the subject property.

1.1 Purpose and Scope of Services

The purpose of this Phase I ESA is to assess the potential for adverse environmental impact from current and historical practices on the subject property and surrounding area.

The following tasks were performed in accordance with the Scope of Services (Appendix A).

- Site reconnaissance of the subject property to investigate for recognized environmental conditions.
- A historical review of the use and improvements made to the subject property.
- A review of available geologic and hydrogeologic literature concerning the property and surrounding area.
- Interviews of persons familiar with the history of the subject property.
- Asbestos and Lead Based Paint Surveys of the buildings located at the subject property to determine if asbestos containing building materials and lead based paints are present.
- Review of appropriate federal, state, and local regulatory agencies to reveal known hazardous wastes sites or significant leaks or spills of hazardous materials which may have occurred at the subject property and immediate vicinity.

No radon survey was conducted as there is no documented evidence suggesting excessive radon levels in the Berkeley area (*State of California-Department of Health Services, "California Statewide Radon Survey - Interim Results," March 1990*).

1.2 Limitations and Exceptions to Agreement

ACC has performed the services for this project in accordance with our proposal, and within current standards of the American Society for Testing and Materials (ASTM) for Phase I Environmental Site Assessments. No guarantees are either expressed or implied. The records search was limited to reasonably ascertainable information and a site reconnaissance.

The investigation was limited to a search for recognized environmental conditions at the subject property. The term recognized environmental condition means 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 minimis 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.

There is no investigation that is thorough enough to preclude the presence of hazardous materials that presently, or in the future, may be considered hazardous at the site. Because regulatory evaluation criteria are constantly changing, concentrations of constituents presently considered low may, in the future, fall under more stringent regulatory standards that require remediation.

The site reconnaissance was limited to visual observation of surface conditions at the site. Interviews with public agency personnel were conducted. Reasonably ascertainable information was reviewed. This approach reflects current ASTM standards unless the information obtained as part of this work suggests the need for further investigation. No warranty or guarantee of site conditions is intended.

Where there is a conflict between the environmental database and ACC's actual knowledge with regard to the distance and direction from the subject property of sites listed on the database, information obtained by ACC from the site reconnaissance will be used. Whenever feasible, ACC will note such conflict within the text of the report.

The investigation addresses recognized environmental conditions at the subject site. However, certain conditions, such as those listed below may not be revealed:

- 1) naturally occurring toxic materials in the subsurface soils, rocks, water or toxicity of onsite flora;
- 2) toxicity of substances common in current habitable environments, such as stored household products, building materials, and consumables;
- 3) biological pathogens;
- 4) constituent plume below sampled or observed surface from remote source;
- 5) constituents or constituent concentrations that do not violate present regulatory standards, but may violate future standards; and
- 6) unknown site contamination, such as "midnight" dumping and/or accidental spillage which may occur following the site visit by ACC.

Opinions and judgments expressed herein, which are based on our understanding and interpretation of current regulatory standards, should not be construed as legal opinions. This document and the

information contained herein have been prepared solely for the Client and any reliance on this report by third parties not authorized by the Client shall be at such party's sole risk.

1.3 Limiting Conditions

ACC did not encounter any limiting conditions while performing this Phase I ESA.

2.0 SITE DESCRIPTION

2.1 Location and Legal Description

The subject property is located on the north side of University Avenue between McGee Avenue and Grant Street in Berkeley, California (Figures 1 - 3). The subject property consists of three assessor's parcels identified as assessor parcel numbers (APNs) 57-2061-6, -8, and -9 by the Alameda County Assessor's Office (Figure 4).

2.2 Site and Vicinity Characteristics

The subject property consists of three assessors' parcels totaling approximately 31,250-square feet in size. The subject property consists of a parking lot, a paint store and a hotel. The subject property and surrounding area zoned C-1, General Commercial, by the City of Berkeley Planning Department. Commercial service businesses, residential homes and a church occupy the surrounding area.

2.3 Descriptions of Structures and Improvements

1719 University Avenue is a 9,375-square foot, asphalt paved parking lot (Photograph 1, Figure 3). 1725 University Avenue is 9,375-square feet in size and consists of a one-story with mezzanine, wood-framed building and an asphalt paved parking lot (Photograph 2, Figure 3). 1761 University Avenue is 12,500-square feet in size and consists of a two-story, wood-framed hotel building with an attached office and an asphalt paved parking lot (Photograph 3, Figure 3).

2.4 Environmental Liens or Specialized Knowledge

ACC was not informed of any environmental liens associated with the subject property.

2.5 Current Uses of the Property

The subject property is currently used for a parking lot, a paint store and a hotel.

2.5.1 Proposed Use of the Property

ACC understands that the buildings currently located at the subject property will be demolished. ACC was not informed of the proposed use of the subject property.

2.6 Past Uses of the Subject Property

ACC reconstructed a brief history of the subject property through a review of Sanborn Fire Insurance Maps, historic records on file at the City of Berkeley Building Department, and aerial photographs available at Pacific Aerial Surveys. A listing of Sanborn Fire Insurance Maps and aerial photographs reviewed can be found in section 7.0 of this report.

1719 University Avenue

- 1911 -
1945: Based on a review of Sanborn Fire Insurance Maps and aerial photographs, 1719 University Avenue was vacant.
- 1946 -
1976: Based on a review of Sanborn Fire Insurance Maps and aerial photographs, 1719 University Avenue was occupied by a used car lot.
- 1977 -
Present: Based on visual observations and a review of Sanborn Fire Insurance Maps and aerial photographs, 1719 University Avenue was and is a parking lot.

1725 University Avenue

- 1911 -
1952: Based on a review of Sanborn Fire Insurance Maps, aerial photographs and records on file at the City of Berkeley Building Department, 1725 University Avenue was occupied by a residential home with stalls from 1947 to 1952.
- 1953 -
1960: Based on a review of Sanborn Fire Insurance Maps, aerial photographs and records on file at the City of Berkeley Building Department, 1725 University Avenue was occupied by a residential home and a store.
- 1961 -
Present: Based on visual observations and a review of Sanborn Fire Insurance Maps and records on file at the City of Berkeley Building Department, 1725 University Avenue was and is occupied by a paint store.

1761 University Avenue

- 1911 -
1954: Based on a review of Sanborn Fire Insurance Maps, aerial photographs and records on file at the City of Berkeley Building Department, 1761 University Avenue was occupied by residential housing.

1955 -

Present: Based on visual observations and a review of Sanborn Fire Insurance Maps, aerial photographs and records on file at the City of Berkeley Building Department, 1761 University Avenue was and is occupied by a hotel.

Based on the findings of the historical review, the prior uses of the subject property are not considered to have had an impact on the environment.

2.7 Current and Past Uses of Adjacent Properties

1717 University Avenue, Adjacent Property to the West

1911 -

Circa 1940: Based on a review of Sanborn Fire Insurance Maps, this site was vacant.

Circa 1945 -

Present: Based on visual observations and a review of Sanborn Fire Insurance Maps and aerial photographs, this site was and is occupied by a single-family residence.

Based on the findings of the historical review, the prior uses of this property are not considered to have had an impact on the subject property.

1716-1740 University Avenue, Adjacent Property to the South

1911: Based on a review of Sanborn Fire Insurance Maps, this site was vacant.

1929 -

Present: Based on visual observations and a review of Sanborn Fire Insurance Maps and aerial photographs, this site was and is occupied by commercial stores and residential housing.

Based on the findings of the historical review, the prior uses of this property are not considered to have had an impact on the subject property.

1744 University Avenue, Adjacent Property to the Southeast

1911: According to a Sanborn Fire Insurance Map, this site was vacant.

Circa 1925 -

Present: Based on visual observations and a review of Sanborn Fire Insurance Maps and aerial photographs, this site was and is occupied by a church.

Based on the findings of the historical review, the prior uses of this property are not considered to have had an impact on the subject property.

1775 University Avenue, Adjacent Property to the East

1911 -

1947: Based on a review of Sanborn Fire Insurance Maps, this site was vacant.

1949 -

Circa 1966: Based on a review of Sanborn Fire Insurance Maps and aerial photographs, this site was occupied by a used car lot.

Circa 1965 -

Present: Based on visual observations and a review Sanborn Fire Insurance Maps and aerial photographs, this site was and is occupied by an office building. This site is currently occupied by AAA auto club.

Based on the findings of the historical review, the prior uses of this property are not considered to have had an impact on the subject property.

1714-1728 Berkeley Way, Adjacent Properties to the North

1911 -

Present: Based on visual observations and a review of aerial photographs, this site was and is occupied by residential housing.

Based on the findings of the historical review, the prior uses of these properties are not considered to have had an impact on the subject property.

3.0 RECORDS REVIEW

3.1 Physical Setting

The subject property is located in the East Bay Plain groundwater basin. The subject property lies approximately 1.5 miles east of the San Francisco Bay at an elevation of approximately 140 feet above mean sea level. According to the regional map published by the California Department of Conservation (1991), the subsurface geology consists of Quaternary alluvium deposited on the Mesozoic cherts, shales, sandstones, conglomerates and ultramafic rocks of the Franciscan Complex. According to groundwater investigations performed in the vicinity of the subject property, depth to groundwater ranges from approximately 8 to 12 feet below ground surface (bgs) and groundwater flow direction is generally west-southwest.

3.2 Government Environmental Agency Record Review

"Table 1: Records Review" lists the government environmental agency databases ACC reviewed. Shaded cells indicate that, in accordance with ASTM guidelines, the Environmental Database was not searched to the corresponding distance. The site assessment report obtained from VISTA is included as Appendix B. When locations and distances reported by VISTA were observed to be incorrect, ACC amended the information to provide a more accurate assessment.

TABLE 1: RECORDS REVIEW						
<i>Environmental Database</i>	<i>Subject Site</i>	<i>Within 1/8 mile</i>	<i>1/8 - 1/4 mile</i>	<i>1/4 - 1/2 mile</i>	<i>1/2 - 1 mile</i>	<i>Total</i>
National Priority List	No	0	0	0	0	0
Resource Conservation and Recovery Act (RCRA) Corrective Action Sites	No	0	0	0	0	0
State Priority List	No	0	0	0	0	0
State Contaminant List	No	0	0	0		0
CERCLIS Sites/No Further Remedial Action Planned (NFRAP) Sites	No	0	0	0		0
RCRIS Treatment, Storage and Disposal Facilities	No	0	0	0		0
Leaking Underground Storage Tank (LUST) Database	No	3	10	19		32
California Solid Waste Landfills (SWLF), Incinerators, or Transfer Stations Database	No	0	0	0		0
Underground Storage Tank Database	No	3	8			11
Aboveground Storage Tank Database	No	0	0			0
Emergency Response Notification System (ERNS) Database	No	0				0
RCRA Large Quantity Generators	No	0				
RCRA Small Quantity Generators	No	3				3

3.2.1 Subject Property

The subject property does not appear on any of the government environmental agency databases reviewed by ACC.

3.2.2 LUST Database

The LUST database contains sites that have had unauthorized releases of hazardous materials from underground storage tanks (USTs). This database is maintained by the California Regional Water Quality Control Board (RWQCB). Based on findings of the Lawrence Livermore Study, performed for the California State Water Resources Control Board to improve and streamline its Leaking Underground Storage Tank Guidelines, ACC does not consider petroleum hydrocarbon sites further than 0.125 mile (660 feet) from the subject property to be significant when assessing potential offsite impacts. Specifically, the Lawrence Livermore Study found that 90 percent of benzene (a carcinogenic and highly mobile constituent of gasoline) plumes extend no further than 250 feet from the source. Thus, it is ACC's practice to review only LUST sites located within 0.125 mile of the subject property. There are 45 sites listed on the LUST database that are located within 1.0 mile of the subject property. Seven of these 45 sites are located within 0.125 mile of the subject property. The following is a discussion of these seven sites:

Site Name: Mike's Auto Service
Site Address: 1699 University Avenue
Gradient Direction: Downgradient
Distance Direction: Approximately 0.04 miles west of the subject property
Radius Map: Figure 6, Mapped Site #1

Discussion: This site was granted closure by the City of Berkeley Toxics Department and the Alameda County Health Care Services Agency in February 1998. Based on this information and the downgradient location of this site relative to the subject property, the potential to impact the subject property is considered to be low. In addition, because the responsible party has been identified, should constituents originating at this site have an impact on the subject property, it is unlikely that the owner of the subject property would be held responsible.

Site Name: Regal
Site Address: 1801 University Avenue
Gradient Direction: Upgradient
Distance Direction: Approximately 0.04 miles east of the subject property
Radius Map: Figure 6, Mapped Site #2

Discussion: The City of Berkeley Toxics Department and Fire Department, and the Alameda County Health Care Services Agency have no information regarding this site. According to the VISTA Report, this site has been granted case closure. Based on this information, the potential to impact the subject property is considered to be low. In addition, because the responsible party

has been identified, should constituents originating at this site have an impact on the subject property, it is unlikely that the owner of the subject property would be held responsible.

Site Name: UC Berkeley
Site Address: Corner of Addison Street and Jefferson Avenue
Gradient Direction: Downgradient
Distance Direction: Approximately 0.12 miles southwest of the subject property
Radius Map: Figure 6, Mapped Site #3

Discussion: The City of Berkeley Toxics Department and Fire Department, and the Alameda County Health Care Services Agency have no information regarding this site. According to the VISTA Report, this site has been granted case closure. Based on this information and the distance and downgradient location of this site relative to the subject property, the potential to impact the subject property is considered to be low. In addition, because the responsible party has been identified, should constituents originating at this site have an impact on the subject property, it is unlikely that the owner of the subject property would be held responsible.

3.2.3 Underground Storage Tanks (USTs)

The UST database contains sites that have registered UST(s). This database is maintained by the RWQCB. In accordance with ASTM Standards (ASTM Standard Practice E 1527-97), ACC reviews the UST database for only the subject property and adjoining properties. There are 11 sites listed on the UST database that are located within 0.25 miles of the subject property. None of these 11 sites adjoins the subject property.

3.2.4 RCRA Small Quantity Generator Database

The RCRA Small Quantity Generator Database contains sites that generate less than 1,000 kilograms of hazardous waste per month. This database is maintained by the US-EPA. In accordance with ASTM Standards (ASTM Standard Practice E 1527-97), ACC reviews the Small Quantity Generator database for only the subject property and adjoining properties. There are three sites listed on the Small Quantity Generator database that are located within 0.25 miles of the subject property. None of these three sites adjoins the subject property.

3.2.5 Other Sites of Potential Environmental Concern

ACC did not identify any other sites of potential environmental concern.

3.3 Historical Use Information

For a history of the subject property see Section 2.6, Past Uses of the Property.

3.4 Additional Record Sources

ACC reviewed the City of Berkeley Building, Planning and Fire Department records. All relevant information from these sources is discussed elsewhere in this report.

4.0 INFORMATION FROM SITE RECONNAISSANCE AND INTERVIEWS

On Friday, November 12, 1999, Mr. Eloy Cisneros (ACC Environmental Assessor) conducted a site reconnaissance at the subject property. No evidence of the following items was found at the property during the reconnaissance:

- aboveground high power transmission lines
- aboveground storage tanks (ASTs)
- electrical transformers
- hazardous wastes
- hydraulic lifts
- monitoring well(s)
- oil burners
- oil/water separators
- pipes of unknown use
- ponds, pits, culverts, lagoons
- stressed vegetation
- sumps
- used batteries
- USTs
 - fill ports
 - vent pipes
- wastewater other than ordinary domestic sewage

4.1 Recognized Environmental Concerns

- asbestos containing building materials
- hazardous materials
- lead based paint
- stained surfaces

4.1.1 Asbestos Containing Building Materials (ACBM)

ACC performed asbestos surveys of buildings located at the subject property. The surveys revealed the presence of asbestos containing building materials (ACBM) at the subject property. Federal regulations require that both friable and non-friable ACBM be removed prior to any renovation or demolition activities that may disturb the materials (40 CFR Part 61). The ACBM located at the

subject property and applicable regulations are discussed in the Asbestos and Lead Based Paint Surveys that have been transmitted under separate cover.

4.1.2 Hazardous Materials

During the site reconnaissance, ACC observed regulated quantities of paints and paint thinners located at 1725 University Avenue (Photographs 4 and 5). These materials are registered under the Hazardous Materials Business Plan on file at the City of Berkeley Toxics Department. There are no records of releases associated with the hazardous materials located at the subject property. ACC observed surface staining on the concrete surfaces under and around the paints. This staining is consistent with minor spills of paint. The concrete was observed to be intact and the staining appears to be limited to the surface. Based on these observations, the potential to impact the environment is considered to be low.

ACC also observed four 1-gallon containers of paint and a container of paint remover located at 1761 University Avenue (Photograph 6). These materials do not exceed the hazardous materials reporting threshold. ACC did not observe any evidence of leaks or spills associated with these materials. Based on these observations, the potential to impact the environment is considered to be low.

4.1.3 Lead Based Paint

ACC performed lead based paint surveys of the buildings located at the subject property. The structures located at the subject property have painted surfaces that meet the definition of lead based paint. There are both state and federal occupational safety and health (OSHA) regulations regarding the disturbance of the lead based paint. The lead based paints located at the subject property and applicable regulations are discussed in the Asbestos and Lead Based Paint Surveys that have been transmitted under separate cover.

4.1.4 Stained Surfaces

During the site reconnaissance, ACC observed surface staining on the concrete at 1725 University Avenue (Photograph 7). This staining is consistent with minor spills of paint. The concrete in and around the staining was observed to be intact and the staining appears to be limited to the surface. Based on these observations, the potential to impact the environment is considered to be low.

ACC also observed surface staining in the asphalt paved parking lots at the subject property (Photograph 8). The staining is consistent with automotive leaks. The asphalt in and around the staining was observed to be intact and the staining appears to be limited to the surface. Based on these observations, the potential to impact the environment is considered to be low.

4.2 Physical Setting Analysis

Within 0.5 mile of the subject property, there are several sites with documented releases of hazardous substances and/or petroleum products. Because regional groundwater flow direction is west-southwest in the vicinity of the subject property, constituents originating at sites to the east-northeast would be more likely to migrate to the subject property than would constituents originating at sites in other positions relative to the subject property. There is no documented evidence that constituent plumes originating from any sites have migrated to the subject property.

4.3 Other Conditions of Concern

During a review of the City Berkeley Building Department records ACC observed a permit for a gas station at 1719 University Avenue dated February 22, 1922 (Appendix C). No other historical information obtained during this investigation indicated the presence of a gas station having been located at the subject property. ACC did not observe any evidence of underground storage tanks (USTs) located at the subject property. Based on this information, the potential to impact the subject property is considered to be low.

ACC did not identify any other conditions of concern.

5.0 CONCLUSIONS

ACC has performed a Phase I ESA in conformance with the scope of services and within the scope and limitations of ASTM Standard Practice E 1527-97, of the property identified as 1719, 1725 and 1761 University Avenue, Berkeley, California. Exceptions to, or deletions from, the Standard Practice are described within the report.

Recognized Environmental Conditions:

This assessment revealed evidence of the following Recognized Environmental Conditions at the subject property:

ACC performed asbestos surveys of buildings located at the subject property. The surveys revealed the presence of asbestos containing building materials (ACBM) at the subject property. Federal regulations require that both friable and non-friable ACBM be removed prior to any renovation or demolition activities that may disturb the materials (40 CFR Part 61). The ACBM located at the subject property and applicable regulations are discussed in the Asbestos and Lead Based Paint Surveys that have been transmitted under separate cover.

ACC performed lead based paint surveys of the buildings located at the subject property. The structures located at the subject property have painted surfaces that meet the definition of lead based paint. There are both state and federal occupational safety and health (OSHA) regulations regarding the disturbance of the lead based paint. The lead based paints located at the subject

property and applicable regulations are discussed in the Asbestos and Lead Based Paint Surveys that have been transmitted under separate cover.

During a review of the City Berkeley Building Department records, ACC observed a permit for a gas station at 1719 University Avenue dated February 22, 1922 (Appendix D). No other historical information obtained during this investigation indicated the presence of a gas station having been located at the subject property. ACC did not observe any evidence of underground storage tanks (USTs) located at the subject property. Based on this information, the potential to impact the subject property is considered to be low.

The subject property contains a paint store that contains regulated quantities of paints and paint thinners. These materials are registered under the Hazardous Materials Business Plan on file at the City of Berkeley Toxics Department. There are no records of releases associated with the hazardous materials located at the subject property. ACC observed surface staining on the concrete surfaces under and around the paints. This staining is consistent with minor spills of paint. The concrete was observed to be intact and the staining appears to be limited to the surface. Based on these observations, the potential to impact the environment is considered to be low.

Additional Observations:

The following observations were made during this assessment:

ACC observed surface staining in the concrete and asphalt paved parking areas at the subject property. The staining is consistent with automotive leaks. The concrete and asphalt in and around the staining was observed to be intact and the staining appears to be limited to the surface. Based on these observations, the potential to impact the environment is considered to be low.

Within 1.0 mile of the subject property, there are several sites with documented releases of hazardous substances and/or petroleum products. In accordance with ASTM Standards, this report addresses sites that, based on their locations, have the potential to impact the subject property. There is no documented evidence that constituent plumes originating from any of these sites have migrated to the subject property.

6.0 AGENCY REVIEW

The following governmental agencies were contacted to obtain the information in this report:

Jurisdiction	Agency
Federal	U.S. Environmental Protection Agency, Region IX, San Francisco
State and Regional	Regional Water Quality Control Board, Berkeley State of California Environmental Protection Agency, Department of Toxic Substances Control, San Francisco
County and Local	Alameda County Assessor's Office Alameda County Health Care Services Agency, Environmental Health Division City of Berkeley Toxics Department City of Berkeley Fire Department City of Berkeley Planning Department City of Berkeley Building Department

7.0 REFERENCES

Sanborn Fire Insurance Maps: 1911, 1929, 1950, and 1980

Pacific Aerial Surveys: 1930, 1947, 1950, 1953, 1959, 1969, 1975, 1981, 1992, and 1998

8.0 INTERVIEWS

Mr. Andy Rosen - manager of Hotel Flamingo

Mr. Michael Coleman - real estate broker