

The Site has been the subject of a series of investigations to characterize the nature and extent of impacts to soil, soil vapor, and groundwater. In March 2016, Engeo Inc, on behalf of Valley Oak Partners, completed a Phase 1 and Phase 2 site assessment. The investigation concluded that while there was no indication of groundwater impairments associated with the Rainbow Dry Cleaners, additional risk evaluations and soil gas sampling would likely be required by the RWQCB upon completion of demolition of the existing structure.

In June 2016, Genesis Engineering, on behalf of the current property owner, completed a Soil Vapor Investigation Report which stated that soil vapor had been impacted by PCE. In order to obtain a No Further Action determination to allow residential redevelopment on the site, remediation must occur to reduce PCE concentrations below the current residential screening level of 240 µg/m³. Soil venting was recommended as the preferred remediation option.

After a July 15, 2016 with the RWCQB who agreed that soil venting was an acceptable remediation alternative, Genesis filed a Corrective Action Workplan with the RWQCB which called for aeration of on-site soils and collection of post-mitigation soil vapor samples. On November 10, 2016, the RWQCB approved this workplan so work could commence.

In January 2017, the Mission Village project entitlements were approved by Planning Commission.

The interior building demolition and aeration of the former Rainbow Cleaners was performed between January 24, 2017 and February 22, 2017. Demolition included removing the concrete floor and the building material down to the studs in walls. Aeration inside the building was limited to a depth of approximately 5 feet because only a mini-excavator could work inside the building. To increase the depth of aeration, the upper 2-3 of accessible soil was removed and temporarily stockpiled beneath the Holiday Bowl covered parking area.

An initial round of post-aeration sampling showed that the soil vapor had not reached the required screening threshold. In order to maximize the conditions for success, Valley Oak Partners elected to completely demolish the existing retail building which was completed in June 2017. Following removal of demolition debris, the soil aeration process continued as originally planned. The soil stockpiled in the Holiday Bowl covered parking area was moved back into the footprint of the demolished building. Additional aeration events were performed June 29 and 30, 2017 and on July 13, 2017

Multiple rounds of testing (testing events are required to be a minimum one month apart) showed that soil aeration was partly successful, but had not reduced the sampling below the then current screening levels. In order to achieve the cleanup objective, the cleanup strategy was revised at this point to soil excavation and off-site disposal and a Revised Corrective Action Workplan was submitted to the RWQCB in September 2017 and approved by the RWQCB on October 23, 2017.

Excavation was completed in January 2018 with post-excavation testing events occurring on February 19, 2018 and March 27th 2018. The test results showed that the site had still not achieved cleanup objectives. In April 2018, Valley Oak Partners and the owner requested a

meeting with the RWQCB to discuss probable paths to closure for the site including a Vapor Intrusion Mitigation System (a “VIM system”). At the meeting, which occurred on May 7th, the RWQCB informed the developer that their policy for site closure was changing. Up to this point, projects implementing a VIM system could obtain case closure upon successful implementation of the VIM system. The RWQCB was revising this process to require cases stay open even after implementation of a VIM system (until testing levels fell below the then current screening level).

A follow up meeting was held with the RWQCB on May 16th (after sufficient time for the RWQCB to discuss with the City of Hayward the revised approach regarding delayed close-out of the property). At the meeting, the RWQCB outlined additional requirements for obtaining a redevelopment determination letter from the RWQCB to the City of Hayward:

- New testing to determine offsite vapor intrusion contamination adjacent to the former Rainbow Cleaners, if any.
- Completion of a feasibility study outlining options and impacts of alternative cleanup and mitigation strategies
- Development of a Vapor Intrusion Mitigation Plan
- Determination of long-term financial commitment to ensure remaining cleanup and implementation of VIM operations and maintenance plan
- The use of a 13304 order or CLRRA agreement to regulate the VIM plan

Valley Oak Partners stated that a CLRRA agreement would be required in order to facilitate financing, insurance and constructability of the project due to the policy change eliminating case closure upon VIM system implementation. On this same day, the RWQCB sent their form template for a CLRRA for drafting to begin.

In June 2018 offsite testing for soil vapor contamination was conducted and demonstrated no off-site impacts. This provided the remaining information needed in order to develop the feasibility study and recommended remedial activities.

In July 2018, the excavated soil from the former rainbow cleaners was off-hauled and disposed of at the required hazardous material landfill.

From July 2018 through March 2019, the RWQCB, owner and Valley Oak Partners worked concurrently on the feasibility study, response plan and CLRRA. During this time period, the RWQCB, DTSC, and USEPA were in discussions to revise their policy regarding the required attenuation factor for vapor intrusion and indoor air impacts (the attenuation factor is a key input in determining the required screening level and cleanup objective) which would reduce the cleanup objective from the previous level of 240 $\mu\text{g}/\text{m}^3$ down to a level of 16 $\mu\text{g}/\text{m}^3$.

In September 2018, as satisfaction of a requirement for CLRRA issuance, Engeo Inc, on behalf of Valley Oak Partners, completed a new Environmental Impact Assessment.

In January 2019, the San Francisco RWQCB is the first official adopter of the new attenuation factor and updates its environmental screening levels to reflect this attenuation factor.

After finalization of these new screening levels, the owner submitted its completed Response Plan including the feasibility study to the RWQCB on March 4, 2019. Approval of the Response Plan required public notice and receipt of any comments. Consequently, a notice and fact sheet were issued by the RWQCB that same month.

With no comments received, the RWCQB approved the new Response Plan and issued an approval letter on May 29, 2019.

On June 26, 2019, the RWCQB approved and signed the CLRRA with Valley Oak Partners.

In July 2019, the RWQCB determined that active sub slab depressurization systems (SSDS) were considered preferable to their previous allowed use of passive VIMS systems. In order to implement an active system and to satisfy the requirements of the approved Response Plan, the owner and Valley Oak Partners were required to develop a Vapor Intrusion Mitigation Plan which included:

1. Detailed engineering drawings of the SSD system to be installed during the construction of the residential building planned for the Site;
2. Post construction indoor air sampling before occupation;
3. An Operations and Monitoring Plan, and
4. Periodic monitoring reports

During this period, the owner and Valley Oak Partners prepared the VIM plan. In order to complete the Operations and Monitoring portion of the plan, the owner was required to complete a model of the Estimated Operational Time of the Sub-Slab Depressurization System to project the amount of time that the SSD would operate before the Cleanup Objective in the *Response Plan* is achieved. The operation time estimate was also needed as the basis for the cost of operating the SSD and ultimate Financial Assurance needed as required by the *Vapor Intrusion Mitigation Plan*.

On September 9, 2019, the RWQCB issued their redevelopment determination letter to the City of Hayward contingent upon completion and approval of the Vapor Intrusion Mitigation Plan.

Modeling and estimates for the Estimated Operational Time were submitted to the RWQCB on February 5, 2020 and were conditionally approved on February 25, 2020.

NOTE: Concurrently with pursuit of the environmental clearance, Valley Oak Partners has been processing the Final Map and Improvements Plans so that development could begin as soon as environmental clearance was obtained. The first submittal occurred in May 2017 and Valley Oak Partners and the City of Hayward have been working together since then through the necessary comment and revision process so that the Final Map and Improvements Plans were complete and ready for approval by City Council. This process has successfully been completed and the Final Map and Improvements are ready for recordation.