

# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

### *Members*

*Mark Addiego*

*Aimee Armsby*

*Chuck Bernstein*

*Kevin Bultema*

*Barbara Christensen*

*Mark Leach*

*Justin Mates*

Notice is hereby given of the time and place of a regular meeting of the San Mateo County Oversight Board and of the business to be transacted at said meeting. Said meeting is to be held at the time and place hereinafter set forth:

### **SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD MEETING**

Monday, May 9, 2022 at 9:00 a.m.

Via Teleconference (Zoom)

Pursuant to Government Code § 54953(e) this meeting of the Oversight Board will be held via teleconferencing only with members of the Board attending from separate locations. No physical location will be available for the meeting. However, members of the public will be able to participate in the meeting remotely via the Zoom platform online at <https://smcgov.zoom.us/j/99402506825> (Meeting ID 994 0250 6825) or via telephone by dialing +1-669-900-6833 (Local), enter the meeting ID: 99402506825, then press #. (Find your local number: <https://smcgov.zoom.us/u/admSDqceDg>).

\*Written public comments may be emailed to Sukhmani Purewal, Assistant Clerk of the Board, at [spurewal@smcgov.org](mailto:spurewal@smcgov.org) and should include the specific agenda item on which you are commenting.

\*Spoken public comments will also be accepted during the meeting through Zoom. If you wish to speak, click on “raise hand” feature. If you only wish to watch the meeting and do not wish to address the Board, the Clerk requests that you view the meeting through Zoom.

\*ADA Requests - Individuals who require special assistance or a disability related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting should contact Sukhmani Purewal, Assistant Clerk of the Board, by 10:00 a.m. on or before the last business day before the meeting at (650) 363-1802 and/or [spurewal@smcgov.org](mailto:spurewal@smcgov.org). Notification in advance of the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting, the materials related to it, and your ability to comment.

## **AGENDA**

1. Call to Order

2. Roll Call

3. Oral Communications and Public Comment

*This is an opportunity for members of the public to address the Oversight Board on any Oversight Board-related topics that are not on the agenda. If your subject is not on the agenda, the individual chairing the meeting will recognize you at this time. Speakers are customarily limited to two minutes, but an extension can be provided at the discretion of the Board Chairperson.*

4. Action to Set the Agenda

5. Approval of the Minutes of the September 13, 2021 Oversight Board Meeting

6. Resolution Approving the Revised Sale Price of \$2,008,000 to be Paid by the City of South San Francisco to Taxing Entities for the Disposition of 616 and 700 Linden Avenue Properties

*The Countywide Oversight Board agenda packet is available online at the following website: <https://controller.smcgov.org/countywide-oversight-board-former-redevelopment-agencies>*

**San Mateo County Countywide Oversight Board Meeting  
Monday, September 13, 2021, 9:00 a.m.**

\*\*\*BY VIDEOCONFERENCE ONLY\*\*\*

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**DRAFT MINUTES**

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1. Call to Order

The virtual meeting was called to order by Chair Jim Saco at 9:01 a.m.

2. Roll Call

**Present:**

Board Members: Mark Addiego; Chuck Bernstein; Barbara Christensen; Wendy Richard (Alternate representing San Mateo County Superintendent of Schools); and Chair Jim Saco.

**Absent:**

Board Members: Tom Casey and Mark Leach

Staff: Brian Wong, Deputy County Counsel; Daniel McCloskey, Deputy County Counsel; Mercedes Yapching, Management Analyst, Controller; and Sukhmani Purewal, Assistant Clerk of the Board.

3. Welcome and Introduction of New Member by Chairperson Jim Saco

Chair Saco announced that Wendy Richard is filling in for Kevin Bultema who will serve on the Oversight Board as the appointee from San Mateo County Superintendent of Schools.

4. Oral Communications and Public Comment

*This is an opportunity for members of the public to address the Oversight Board on any Oversight Board-related topics that are not on the agenda. If your subject is not on the agenda, the individual chairing the meeting will recognize you at this time. Speakers are customarily limited to two minutes.*

No written or verbal comments.

5. Action to Set the Agenda

**RESULT: Approved**

**MOTION:** Mark Addiego

**SECOND:** Barbara Christensen

**AYES [5]:** Mark Addiego, Chuck Bernstein, Barbara Christensen, Wendy Richard, and Jim Saco.

**NOES:** None

**ABSENT [2]:** Tom Casey and Mark Leach

6. Approval of the March 8, 2021 Countywide Oversight Board Meeting Minutes

**Speaker(s):**

None

Motion to approve the resolution:

**RESULT: Approved**

**MOTION:** Chuck Bernstein

**SECOND:** Barbara Christensen

**AYES [5]:** Mark Addiego, Chuck Bernstein, Barbara Christensen, Wendy Richard, and Jim Saco.

**NOES:** None

**ABSENT [2]:** Tom Casey and Mark Leach

7. Approval of the March 15, 2021 Countywide Oversight Board Meeting Minutes

**Speaker(s):**

None

Board Member Tom Casey joined the virtual meeting at 9:05 a.m.

Motion to approve the resolution:

**RESULT: Approved**

**MOTION:** Chuck Bernstein

**SECOND:** Mark Addiego

**AYES [6]:** Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Wendy Richard, and Jim Saco.

**NOES:** None

**ABSENT [1]:** Mark Leach

8. Approval of the April 12, 2021 Countywide Oversight Board Meeting Minutes

**Speaker(s):**

None

Motion to approve the resolution:

**RESULT:** **Approved**

**MOTION:** Mark Addiego

**SECOND:** Chuck Bernstein

**AYES [6]:** Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Wendy Richard, and Jim Saco.

**NOES:** None

**ABSENT [1]:** Mark Leach

9. Approval of the May 10, 2021 Countywide Oversight Board Meeting Minutes

**Speaker(s):**

None

Motion to approve the resolution:

**RESULT:** **Approved**

**MOTION:** Chuck Bernstein

**SECOND:** Barbara Christensen

**AYES [6]:** Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Wendy Richard, and Jim Saco.

**NOES:** None

**ABSENT [1]:** Mark Leach

10. Resolution Approving the Amended Annual Recognized Obligation Payment Schedule (ROPS) 21-22B of the Successor Agency to the Former South San Francisco Redevelopment Agency

**Speaker(s):**

Mike Futrell, City Manager, City of South San Francisco  
Suzy Kim, South San Francisco Consultant  
Dennis Wong, South San Francisco Consultant  
Claire Lai, South San Francisco Assistant City Attorney

Motion to approve the resolution:

**RESULT:**           **Approved (Resolution No. 2021-13)**

**MOTION:**         Mark Addiego

**SECOND:**         Barbara Christensen

**AYES [6]:**         Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Wendy Richard and Jim Saco.

**NOES:**             None

**ABSENT [1]:**     Mark Leach

11. Discussion Items
  - a. Board Membership Changes
  - b. Former Belmont RDA – Expected to fully dissolve by June 30, 2022

Chair Saco mentioned that Denise Porterfield resigned from the Oversight Board and is being replaced by Kevin Bultema.

Chair Saco mentioned that he will be moving out of the County, so he will be resigning from the Board. He will be replaced by Justin Mates, Deputy County Manager. Mr. Mates will be serving as a representative, appointed by the San Mateo County Board of Supervisors.

Mercedes Yapching talked about the timeline and the steps involved with the dissolution of the Belmont Successor Agency.

The meeting was adjourned at 9:44 a.m.

# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

### *Members*

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*Kevin Bultema*

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*Mark Leach*

*Justin Mates*

To: San Mateo County Countywide Oversight Board (OB) **Agenda Item No. 6**

Date: May 2, 2022

From: Shirley Tourel, Assistant Controller, San Mateo County

Subject: City of South San Francisco's (SSF) Request for the OB's Approval of the Revised Sale Price of \$2,008,000 for Properties at 616 and 700 Linden Avenue

### **BACKGROUND**

At the OB's April 11, 2022 meeting, SSF proposed a resolution, pursuant to the compensation agreement among the taxing entities, for the OB to approve the sale price of \$1,660,000 for two properties on Linden Avenue that SSF intends to retain for use as a park. The OB deferred action on the proposed resolution so that SSF could address some questions and concerns raised by the OB, concerning the sale price for the properties and certain contingency costs for environmental remediation. SSF has now provided our office with the attached revised proposed sale price for the Linden properties and additional information in response to the OB's concerns, which SSF has requested to be considered at the May 9 OB meeting.

### **DISCUSSION**

SSF has proposed a revised sale price of \$2,008,000 for the properties. The sale price is based on the appraised value of the properties if developed as a mixed housing project (though SSF intends to develop the property as a recreational park).

The initial sale price of \$1,660,000 reflected a reduction for environmental remediation costs and certain associated contingencies of \$530,000. The revised sale price of \$2,008,000 reflects application of a lower remediation cost of \$298,000. The revised sale price will result in an additional \$348,000 in tax revenue to the taxing entities.

<u>Original Proposed Sale Price</u>	
Appraisal Value of Land <sup>1</sup>	\$ 2,455,000
Less: Remediation Costs (Alternative 3)	(530,000)
Less: 50% Additional Contingency for Remediation Costs	(265,000)
Purchase Price	<u>\$ 1,660,000</u>
<u>Revised Sale Price</u>	
Appraisal Value of Land <sup>1</sup>	\$ 2,455,000
Less: Remediation Costs (Alternative 2)	(298,000)
Less: 50% Additional Contingency for Remediation Costs	(149,000)
Purchase Price	<u>\$ 2,008,000</u>
Sale Price Change Between Original and Revised	<u>\$ 348,000</u>

Note

1. This is assuming that the two parcels are developed as an assemblage into a 40-unit residential housing. The completed project per Kidder Mathew's appraisal report is valued at \$20 million with \$17.5 million allocated to Improvements and \$2.5 million to Land. See Pages 68-69 of Attachment 3 of SSF's report.

SSF has submitted an updated appraisal and a letter from their appraiser, Kidder Mathews (Attachment 2 of SSF's Report), to this Board which addresses issues that were raised during the April 11 OB meeting:

- Inclusion of a 50% contingency in addition to a 30% contingency for estimated remediation cost
- Selection of estimated remediation cost of \$530,000 rather than lower alternative amounts
- Valuation based on development potential for 40 units rather than the maximum housing density of 60 units

The Kidder Matthews letter provides clarifications as to these issues and concludes that the higher remediation costs and additional contingency are justified. SSF proposes the revised sale price of \$2,008,000 (including lower remediation costs) as a "compromise". See SSF Staff Memo, at § I(B).

**FISCAL IMPACT**

Under the compensation agreement, proceeds from the sale or disposition of properties of the former redevelopment agency (RDA) are distributed to the taxing entities that reside within the RDA boundary.

**EXHIBIT**

A-South San Francisco Agenda Packet

**Agenda Item No. 6 - Exhibit A**  
**SSF Agenda Report**

Date: April 21, 2022

To: San Mateo Countywide Oversight Board

From: Mike Futrell, City Manager, City of South San Francisco

Subject: Approval of the Sale Price By The City of South San Francisco to the Taxing Entities for Development of 616 and 700 Linden Avenue As a Public Park.

Former RDA: City of South San Francisco

**Recommendation**

Adopt a resolution approving the sale price of \$2,008,000 to be paid by the City of South San Francisco to the Taxing Entities for the disposition of 616 and 700 Linden Avenue properties (“Properties”).

**Background**

Please see the attached February 16, 2022 City of South San Francisco (“City”) staff report considered by the San Mateo Countywide Oversight Board (“Board”) at its April 11, 2022 meeting (Attachment 1).

At that meeting, the Board requested additional information regarding the valuation determination if the Properties were to be developed as a mixed-use project (“Appraisal”) made by Kidder Mathews Land Valuation Services (“Appraiser”). In response, the Appraiser has supplied the attached letter to the Board further describing the analysis and conclusions reached in the Appraisal in order to address the Board’s questions and concerns.(Attachment 2).<sup>1</sup>

**Discussion**

- I. Remediation Costs
  - A. Additional Contingency

The City sought approval of a sale price of \$1,660,000 at the April 11, 2022 by deducting the remediation costs of \$795,000 from the land valuation of \$2,455,000. The remediation cost was based on the estimated costs set forth in the August 24, 2021 Phase II Environmental Site Assessments for the Properties (“Phase II”) of approximately \$530,000 as well as a 50% contingency added by the Appraiser for a total of \$795,000 remediation cost estimate.

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<sup>1</sup> The Appraiser’s letter references a revision to the December 7, 2021 appraisal which the Board considered at its April 11 meeting. Although valuation of the Properties has not changed in the revised appraisal, the City nonetheless provides it here as Attachment 3 for the Board’s reference.

The Board questioned whether it was appropriate for the Appraiser to add a 50% contingency to the Phase II estimated remediation cost since it included a 30% contingency in that estimate.

As explained further by the Appraiser in Attachment 2, it is his professional opinion that a 50% contingency would be required a by a likely buyer due to the unknown development costs associated with the environmental contamination on 616 Linden, namely “BTEX and 1,2-dichloroethane in soil gas; TPH-d, TPH-g, and lead in soil; and TPH-g in groundwater”, which represents a separate cost than the 30% contingency added in the Phase II estimates relating to mitigation of that contamination.

The Appraiser’s professional opinion regarding the need for the additional contingency is supported by the Phase II which states it “includes rough order-of-magnitude cost estimates (accuracy range of -25 to +75 percent based on the Project Management Institute’s [2017] A Guide to the Project Management Body of Knowledge) of evaluated cleanup alternatives intended for comparison purposes only; they should not be used as budget- or design-level estimates.” (Phase II at Section 1.0, pg. 1 or pg. 99 of the April 11, 2022 Board packet (“April 11 Packet”).)

The Appraiser’s opinion is further supported by the following qualification regarding the cost estimates:

Because a human health risk assessment of the Site has not been completed, screening levels are used as the assumed cleanup levels. The Applicant or organization undertaking cleanup actions at the Site will need to work with the oversight agency to establish appropriate cleanup levels specific to the Site. The cleanup alternatives and costs presented in this ABCA may change if different exposure scenarios are identified, additional data becomes available, or a human health risk assessment is performed.

(Phase II at Sections 3.0-3.1, pg. 10 or April 11 packet at pg. 108)

Thus, a 50% contingency above the Phase II estimated costs of remediation is appropriate.

## B. Alternatives

The Board noted that the Phase II included four alternatives for remediation with associated estimated costs and questioned why Alternative 3 was used to develop the remediation cost in the Appraisal.

The Phase II analyzed the estimated cost of remediation on 616 Linden for a three-story structure with a slab foundation and 14,000 square foot first-floor space for a

housing/commercial/industrial project in Alternatives 2 and 3. It analyzed the estimated cost of remediation for a public park in Alternative 4<sup>2</sup>.

Alternative 2 is described as moderately effective in removing contaminants while Alternative 3 is described as moderate to highly effective. (Phase II at Table ES-1, pg. 1-2 or April 11 packet at pg. 141-142.)

Although the estimated capital cost of the passive vapor mitigation system in Alternative 2 (\$202,000) is nearly the same as the active vapor mitigation system in Alternative 3 (\$204,000), the \$233,000 difference in the cost estimates between Alternative 2 and Alternative 3 result from Alternative 3's estimated costs associated with: 1) soil excavation and off-site disposal (\$71,000) versus the Soil Management Plan in Alternative 2 (\$26,000); and 2) increased operation and maintenance costs (\$203,000) of the active vapor mitigation system versus the costs of the passive vapor mitigation system (\$17,000). (Phase II at Table 4, pg. 2 or April 11 packet at pg. 151.)

The City and Appraiser utilized the estimated costs of Alternative 3 based on the higher level of remediation effectiveness and the Phase II qualifications relating to the lack of a human health risk assessment.

In fact, the Appraiser reiterates his choice of Alternative 3 resulting from his professional opinion that "there would be substantial market resistance" to a lower level of remediation which did not involve soil removal and disposal. (See Attachment 2.<sup>3</sup>)

Despite that, as a compromise, the City now proposes to utilize the estimated costs of Alternative 2 as it represents an estimate associated with housing development which reflect the valuation contained in the Appraisal, but is reduced from the Alternative 3 costs as a recognition of the City's costs associated with development as a park.

Consequently, the City proposes a sale price of \$2,008,000 which reflects the housing valuation of the Appraisal reduced by the estimated costs of remediation associated with Alternative 2 along with the 50% contingency applied by the Appraiser [ $\$2,455,000 - \$447,000 (\$298,000 + 50\%) = \$2,008,000$ ].

## II. Density

The Appraisal accurately described the land use regulations applicable to the Properties and concluded that a 26 unit project would be likely based on the City's minimum density

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<sup>2</sup> Alternative 1 involved no environmental remediation and was deemed "not ... effective because it would not be protective of human health for the proposed reuse of the Site." (Phase II at Section 3.2.1.1, pg. 11 or April 11 packet at pg. 109.)

<sup>3</sup> Although the Appraiser references his conversation with Ms. McKinney in Attachment 2 and not the Phase II itself, Ms. McKinney specifically referenced pages 11-16 of the Phase II found at pages 109-114 of the April 11 packet and Table ES-1 found at pages 141-142 of the April 11 packet in her conversation with the Appraiser.

designations, 39 units under the maximum density designation and 51 units with approval of a discretionary conditional use permit granting additional density pursuant to the City's Community Benefit program. (Appraisal at pg. 46 or April 11 packet at pg. 304.)

The Board inquired about the Appraiser's use of a 40 unit mixed-use project to develop the valuation rather than 51 unit project.

As explained further by the Appraiser in Attachment 2, it is his professional opinion that such a project is not likely to be pursued by a buyer given factors relating to increased uncertainty with regard to securing local entitlements, increased financial risk with regard to profitability, and increased construction costs. (Attachment 2)

In particular, the Appraiser determined the 40 unit project could be accommodate the City's required parking on site. (Appraisal at pg. 46-47)

However, if a 51 unit project proposed to be developed, the parking requirements would need to be reevaluated to determine whether below surface parking would be required. If so, both the construction costs and the remediation costs would need to be reevaluated to accommodate for construction below surface parking.

**Financial Impact**

<b>Taxing Entity</b>	<b>Percentage of Proceeds</b>	<b>Share of \$2.008 Million Sale</b>
South San Francisco Unified School District	44%	\$883,520
San Mateo County	25.9%	\$520,072
City of South San Francisco	16.8%	\$337,344
SMC Community College District	7.4%	\$148,592
County Office of Education	3.8%	\$ 76,304
Special Districts	2.1%	\$ 42,168
	<b>TOTAL</b>	<b>\$2,008,000</b>

**Attachments:**

1. February 16, 2022 City of South San Francisco staff report
2. April 20, 2022 Letter from Kidder Matthews Land Valuation Services
3. Revised Appraisal from Kidder Matthews Land Valuation Services
4. Draft Resolution of the Oversight Board Approving the Sale Price

Agenda Item No. 6 - Exhibit A - Attachment #1 - This report is an excerpt from the 4/11/2022 OB meeting agenda packet.

## CITY OF SOUTH SAN FRANCISCO STAFF REPORT

Date: February 16, 2022

To: San Mateo County Countywide Oversight Board

From: Julie Barnard, Acting Deputy Director of Economic and Community Development, City of South San Francisco

Subject: City of South San Francisco (City)/Successor Agency to former South San Francisco Redevelopment Agency's (Successor Agency) disposition of the parcels located at 616 Linden Avenue (APN 012-174-300) and 700 Linden Avenue (APN 012-145-370) for \$1,660,000 for the development of a public park.

This staff report provides the San Mateo County Countywide Oversight Board with information from the City of South San Francisco (City)/Successor Agency to former South San Francisco Redevelopment Agency's (Successor Agency) regarding the disposition of the parcels at 616 and 700 Linden Avenue for \$1,660,000 for the purpose of constructing a public park.

### **BACKGROUND**

The properties at 616 and 700 Linden Avenue ("Properties") in South San Francisco are former Redevelopment Agency properties. The parcel at 616 Linden Avenue consists of a 14,000 sq. ft. lot and measures 100 feet by 140 feet and is zoned Linden Neighborhood Center (LNC) which promotes residential development with densities up to 60 dwelling units per acre (du/acre) with a ground floor commercial requirement. The property currently serves as a metered parking lot with 20 parking spaces. The Agency acquired the property in 1997 for \$325,000. At that time the lot consisted of a Quonset hut-type building and an automotive repair building. The environmental conditions created by the former uses persist today and are discussed further under the site conditions section of this report.

The parcel located at 700 Linden Avenue consists of a 14,000 sq. ft. lot and measures 100 feet by 140 feet and is also zoned LNC. The Agency purchased the property in 1998 for \$315,000 with the intention of it serving as neighborhood parking. Ultimately, the parcel across the street at 616 Linden was utilized for parking and the parcel at 700 Linden currently serves as open green space.

### **Successor Agency Obligations**

The Properties were transferred to the City in accordance with the Long-Range Property Management Plan (“LRPMP”) and California Health and Safety Code section 34191.5 I(2)(A)(i) for disposition in accordance with the LRPMP. The LRPMP stated that the highest and best use of the Properties at 616 and 700 Linden Avenue would be as “high density housing.” Additionally, Section 34177(e) of the Health and Safety Code requires disposal of former redevelopment agency properties be done “expeditiously” and in a manner “aimed at maximizing value.” Neither the LRPMP nor the Health and Safety Code requires that the City develop these Properties for high density housing. On page 88 the LRPMP states: “this LRPMP directs that each property be used or sold for a project identified in the approved Redevelopment Plan”. Based upon that language, the City can use or develop the LRPMP Properties for whatever use that delivers the most value to the community. The Taxing Entities have an expectation that the Properties would be sold at Fair Market Value (FMV) and the City is therefore offering to pay an amount that would be competitive with offers that would deliver market-rate housing so that the City can retain the Properties for park development.

Site Conditions

Prior to the Agency’s acquisition, the property at 616 Linden Avenue was used for automotive repairs that included underground petroleum storage tanks. Over 30 years ago, the storage tanks leaked and contaminated the soil and ground water on the property. It was anticipated that the petroleum compounds in the ground would be remediated through natural degradation.

In July 2020 the City applied for and received a Brownfields Technical Assistance Grant (“TAG”) from the Environmental Protection Agency (“EPA”). The grant was used to generate Phase I and Phase II Environmental Site Assessments (“Phase I/II”) of the Properties. The Phase I ESAs determined that there is some residual contamination on 616 Linden Avenue that requires remediation prior to any housing or park development. There were no findings of concern for the 700 Linden site. The Phase II addressed the clean-up activities required for high, moderate and minor remediation. The Phase II included the costs of clean-up and which clean-up measure should be used with appropriate land uses. Housing and commercial uses require a moderate-high level of clean-up because this would require remediation of the ground water, while parks/open space do not require remediation of ground water. The Phase I/II remediation costs associated with the different development scenarios are as follows:

<b>Clean-up</b>	<b>Land Use</b>	<b>616 Linden</b>
Moderate-High	Housing/Commercial	\$795,000
Minor	Parks/Open Space	\$186,000

Appraisal of 616-700 Linden

The City of South San Francisco engaged Kidder Mathews Land Valuation Services to conduct an appraisal of the Properties. The appraisal utilized the Residual Land Valuation (“RLV”) approach. The RLV approach determines the value of the property assuming that its highest and best use of

the site is realized. Some costs relating to the improvement of site conditions are deducted from the value of the property such as environmental remediation. In this instance, housing is considered the highest and best use when assessing FMV. As established earlier in this report, market-rate housing is considered the ‘highest and best use’ when evaluating the financial value of the site. Kidder Matthews therefore used housing development as their base assumption.

The appraisers returned a land value of \$2,455,000 for both Properties before remediation costs. Since we have assumed that the ‘highest and best use’ of the Properties is market-rate housing, remediation costs for housing should be utilized to determine the fair market value. When the \$795,000 cost to remediate is applied, the RLV is \$1,660,000. This is the market value the Properties would fetch through a competitive disposition process.

### Community Needs

South San Francisco owns or controls very few completely vacant and undeveloped sites. Therefore, the Properties discussed in this report provide a crucial opportunity for the City to meet community needs. The Properties provide an opportunity to meet two of the critical needs that the neighborhood is experiencing, these include housing and open space. The City has made it a priority to deliver a range of housing options to the market, in fact several infill high-density residential projects providing over 1300 new units have recently been built or are under construction within a half-mile of the Properties. The construction of these housing developments, and the continuing future delivery of housing will only increase the demand for open space and parkland.

The City completed a Parks and Recreation Master Plan in 2015. The Master Plan took inventory of existing amenities and identified goals and recommendations. Noting that the Downtown area is underserved, it notes the trend toward increased density and cites the need for at least two acres of additional parkland, stating that, “the City should consider converting under-used parking areas or acquiring property for additional parkland in this area.” The same recommendation was made in the City’s 1999 General Plan. Specifically, the Downtown Station Area Specific Plan recommends that a plaza or pocket park be developed in the neighborhood to provide gathering spaces for new and existing residents.

## **DISCUSSION**

### Anticipated Revenues from the Properties

Currently, the Taxing Entities receive no property tax revenues from the Properties. Table 2 below lists the maximum amount that will be distributed to the various Taxing Entities from the payment by the City to retain the Properties. Taxing Entities should anticipate receiving an amount slightly less than stated here because disposition expenses are deducted from the price paid prior to distribution to the Taxing Entities. The Master Compensation Agreement between the Successor Agency and the Taxing Entities provides for the distribution of net unrestricted proceeds.

<b>TABLE 2: DISTRIBUTION OF SALE PROCEEDS</b>		
<b>Taxing Entity</b>	<b>% of Proceeds</b>	<b>Share of \$1.660 Million Sale</b>
South San Francisco Unified School District	44.00%	\$ 730,400
San Mateo County	25.90%	\$ 429,940
City of South San Francisco	16.80%	\$ 278,880
San Mateo County Community College District	7.40%	\$ 122,840
Other	5.90%	\$ 97,940
<b>TOTALS</b>		<b>\$ 1,660,000</b>

Impact of Accepting Proposed Price for the City to Retain the Properties

Accepting the current offer of \$1,660,000 million and allowing the City to proceed with constructing a park allows for the City to meet its goal of providing open space to its residents. The area of South San Francisco where the Properties are located is experiencing significant public and private housing investment; however, very little park and open space exists. Approval of the amount that the City is offering to retain the Properties for park use strikes a balance between meeting community needs, while complying with the disposition process identified in the LRPMP. Accepting the price of \$1,660,000, which is the Fair Market Value of the Properties if used for the highest and best use, housing, so that the City can retain the Properties will result in payment to the Taxing Entities this Fiscal Year.

Impact of Rejecting Sale Price

Should the Oversight Board reject the current offer, the sale of the Properties would be subject to the Surplus Land Act (SLA), as amended by Assembly Bill 1486. The SLA clarifies that the law applies not just to City-owned land, but also to land governed by an LRPMP. The Surplus Land Act requires local agencies disposing of surplus public land to give priority to affordable housing developers. It also allows local agencies to sell or lease surplus land at less than fair market value to encourage the development of low- and moderate-income housing. This approach is often requested by developers and granted because it provides the required local financial contribution enabling developers to be competitive for other funding sources, like tax credits. In addition, the negotiation of development terms and financing for affordable housing projects is lengthy, and may result in a sale price that is significantly lower than the Fair Market Value. Further, the City often provides financing to affordable housing developers to assist with acquisition and construction. The financing request is substantially lower in the instances where the land has been donated or below FMV by the City.

**CONCLUSION**

The City of South San Francisco is seeking approval of the proposed payment to the Taxing Entities to retain the properties at 616 Linden Avenue and 700 Linden Avenue for the purpose of constructing a public park in the City. The City is prepared to offer the Fair Market Value, assuming the highest and best use of the sites as high density housing, of \$1,660,000 for the Properties.

It is recommended that the Countywide Oversight Board approve the offer of \$1,660,000 for 616 Linden Avenue (APN 012-174-300) and 700 Linden Avenue (APN 012-145-370) so that the City can retain the Properties for park development.

Attachments:

1. Linden Park Preliminary Design
2. Phase Is and IIs, Remediation Costs Estimate
3. Appraisal Report
4. Draft Resolution

# FUTURE LINDEN PARK



Pine Green Lot

8th Ln

Pine Ave

7th Ln

Linden Ave

Linden Ave

Linden Ave

103 ft

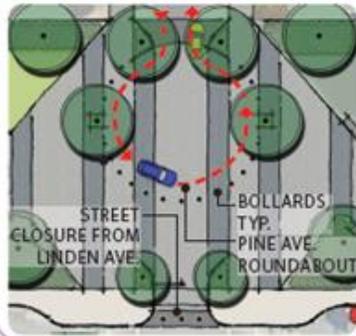
## PLAY AREA



## RECREATIONAL SPACE



## BOLLARDS - CLOSED STREET CONFIGURATION



## SPORTS COURT



## SEATWALL, TYP.



## PLAZA PAVEMENT



## GATHERING / SEATING AREA, TYP.



## OVERHEAD STRUCTURE / ENTRANCE NODE, TYP.



**PHASE I/PHASE II ENVIRONMENTAL SITE ASSESSMENT  
TARGETED BROWNFIELDS ASSESSMENT REPORT**

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**SOUTH SAN FRANCISCO - LINDEN & CYPRESS AVES  
SOUTH SAN FRANCISCO, CALIFORNIA  
TARGETED BROWNFIELDS ASSESSMENT (TBA)**

**RESOURCE CONSERVATION AND RECOVERY ACT (RCRA)  
ENFORCEMENT, PERMITTING, AND ASSISTANCE (REPA)  
CONTRACT**

**CONTRACT NO. 68HERH19D0018; TASK ORDER NO. 68HE0920F0007**

**Prepared for:**

**EPA REGION 9  
TBA SUPPORT PROGRAM  
75 HAWTHORNE STREET  
SAN FRANCISCO, CALIFORNIA 94105**

**July 2, 2021**

Final

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PHASE I/PHASE II ENVIRONMENTAL SITE ASSESSMENT  
TARGETED BROWNFIELDS ASSESSMENT REPORT

SOUTH SAN FRANCISCO - LINDEN & CYPRESS AVES  
SOUTH SAN FRANCISCO, CALIFORNIA

CONTRACT NO. 68HERH19D0018;  
TASK ORDER NO. 68HE0920F0007

APPROVAL PAGE

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## ACRONYMS AND ABBREVIATIONS

µg/L	Micrograms per liter
AAI	All Appropriate Inquiries
ABCA	Analysis of Brownfields Cleanup Alternatives
amsl	Above mean sea level
Applicant	City of South San Francisco and Friends of Parks
ASTM	ASTM International
Atlas	Atlas Technical Consultants, LLC
bgs	Below ground surface
BTEX	Benzene, toluene, ethylbenzene, and xylene
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act
CFR	<i>Code of Federal Regulations</i>
CSM	Conceptual site model
DCE	Dichloroethene
DTSC	California Department of Toxic Substances Control
DPT	Direct-push technology
EDB	1,2-Dibromoethane
EDC	1,2-Dichloroethane
EDR	Environmental Data Resources, Inc.
EDR Report	EDR Radius Map Report
EM	Electromagnetic
EPA	U.S. Environmental Protection Agency
ESA	Environmental site assessment
ESL	Environmental screening level
GPS	Global positioning system
GPR	Ground-penetrating radar
IDW	Investigation-derived waste
LUST	Leaking underground storage tank
mg/kg	Milligrams per kilogram
MS	Matrix spike
MSD	Matrix spike duplicate
MTBE	Methyl tertiary-butyl ether
NRCS	Natural Resources Conservation Service
PAH	Polycyclic aromatic hydrocarbon
PCE	Tetrachloroethene
PID	Photoionization detector
ppm	Parts per million



## ACRONYMS AND ABBREVIATIONS (CONTINUED)

QA	Quality assurance
QAPP	Quality assurance project plan
QC	Quality control
QMP	Quality management plan
RBSL	Risk-based screening level
RCRA	Resource Conservation and Recovery Act
REC	Recognized environmental condition
REPA	RCRA Enforcement, Permitting, and Assistance
RSL	Regional screening level
RWQCB	San Francisco Bay Regional Water Quality Control Board
SAP	Sampling and analysis plan
Site	South San Francisco – Linden and Cypress Aves
SL	Screening level
SMCGPP	San Mateo County Groundwater Protection Program
STLC	Soluble threshold limit concentration
TBA	Targeted brownfields assessment
TCE	Trichloroethene
TCLP	Toxicity characteristic leaching procedure
Toeroek Team	Toeroek Associates, Inc. and Tetra Tech, Inc.
TPH	Total petroleum hydrocarbons
TPH-d	Total petroleum hydrocarbons as diesel
TPH-g	Total petroleum hydrocarbons as gasoline
TPH-mo	Total petroleum hydrocarbons as motor oil
TTLC	Total threshold limit concentration
USDA	U.S. Department of Agriculture
USGS	U.S. Geological Survey
UST	Underground storage tank
VEC	Vapor encroachment concern
VISL	Vapor intrusion screening level
VOC	Volatile organic compound
wear metals	Cadmium, chromium, lead, nickel, and zinc



## EXECUTIVE SUMMARY

The U.S. Environmental Protection Agency (EPA) Region 9 Targeted Brownfields Assessment Program tasked Toeroek Associates, Inc. and Tetra Tech, Inc. (Toeroek Team) to conduct a Targeted Brownfields Assessment (TBA) Phase I/II Environmental Site Assessment (ESA) of the South San Francisco – Linden & Cypress Avenues (Aves) site (the Site) located at 616 Linden Avenue (616 Linden), 700 Linden Avenue (700 Linden), 905 Linden Avenue (905 Linden), and 705 Cypress Avenue (705 Cypress) located in South San Francisco, San Mateo County, California (Figure 1). The Toeroek Team conducted this TBA Phase I/II ESA in accordance with the ASTM International (ASTM) Standards E1527-13 and E1903-19 for Phase I and Phase I/Phase II ESAs, respectively, and otherwise in compliance with EPA’s “All Appropriate Inquiries” Rule (AAI Rule) (40 *Code of Federal Regulations* [CFR] Part 312) (ASTM 2013, 2019).

The Toeroek Team’s Phase I ESA report, which recommended further investigation of the Site, is in [Appendix A](#) to this report.

The purposes of the Phase I/Phase II ESAs were to: (1) confirm the presence or absence of recognized environmental conditions (RECs) identified during the Phase I ESA; (2) acquire information regarding the nature of contamination (if present) and risks posed by that contamination that would support informed business decisions about the property; and (3) where applicable, satisfy the innocent purchaser defense under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) (ASTM 2019).

The Phase I ESA identified the following RECs:

- The potential for vapor intrusion associated with previous automotive repair shop activities, former underground storage tanks (USTs) at 616 Linden, and documented contamination left on the site.
- There may be five USTs not yet located at 616 Linden.
- The potential for vapor intrusion associated with previous gas station activities, former USTs at 905 Linden, and documented contamination left on the site.
- A former dry-cleaning facility at 612 Linden Avenue is located 27 feet south and across the street from the site, which is upgradient and has the potential to migrate onto the site.
- A property approximately 350 feet downgradient to 930 Linden is currently being investigated for a trichloroethene release that has the potential to migrate onto the site.



The Phase I ESA identified the following environmental concerns:

- Aerial deposition of lead from exhaust fumes from vehicles and aircraft, which is highest in urban areas near freeways and highways, may be a potential source of contamination at 700 Linden and 705 Cypress.
- Organochlorine pesticides may have been used by former residents around yards and building foundations at 705 Cypress.
- Because of the subsurface chemical breakdown of petroleum hydrocarbons, arsenic is a potential concern to have mobilized into groundwater at 616 Linden and 905 Linden and to off-site properties. The proposed land use does not include future use of groundwater; so groundwater is only a concern for this ESA for its influence on soil gas and potential vapor intrusion. Arsenic is not volatile and not a potential contaminant of concern in soil gas.

During the Phase II ESA, geophysical surveys, soil gas, groundwater, and soil sampling were conducted. The geophysical survey results identified an electromagnetic anomaly at 616 Linden as an additional potential environmental concern. The anomaly, which was determined to be a subsurface concrete structure with a piece of metal in it, was investigated during the Phase II ESA.

Review of analytical data from the Phase II ESA led to the following noteworthy findings (also shown in [Figure 10](#) and [Figure 11](#)):

- **616 Linden:** 1,2-dichloroethane (EDC), benzene, ethylbenzene, m,p-xylene, o-xylene, and toluene concentrations in soil gas samples exceeded applicable screening levels (SLs) for soil gas. Concentrations of total petroleum hydrocarbons as diesel (TPH-d) in soil exceeded applicable SLs.
- **616 Linden (subsurface concrete structure contents):** Lead concentrations in soil within the subsurface concrete structure exceeded applicable SLs and are likely not consistent with background concentrations. Additional analytical results indicated soil may safely remain on site; however, if excavated, the soil would be considered non-Resource Conservation and Recovery Act (RCRA) Class I California hazardous waste because of leachable lead. Soils within the subsurface concrete structure are likely not representative of the other on-site soils as they were collected around the metal debris.



- **905 Linden:** Concentration of total petroleum hydrocarbons as gasoline (TPH-g) in soil and groundwater exceeded applicable SLs.
- **700 Linden and 705 Cypress:** Results from these properties did not exceed applicable SLs in any samples.

Sampling results from this Phase II ESA confirmed the presence of contaminants in soil gas and soil at 616 Linden and in soil and groundwater at 905 Linden. No contamination was observed at 700 Linden or 705 Cypress.

### Recommendations

The following recommendations are suggested to mitigate potential impacts on human health if the Site is designated for residential or commercial use.

- **616 Linden:** Soil gas exceedances of SLs may require installing vapor mitigation system(s) in any future buildings, conducting further investigation to determine the source of the soil gas contamination and treatment of the source, or land use controls.
- **905 Linden:** Groundwater exceedances of SLs could require treatment or institutional controls to prevent exposure or release. Soil exceedances of SLs could require removal, land use controls, treatment, or capping to prevent exposure or release.

An Analysis of Brownfields Cleanup Alternatives should be prepared to evaluate cleanup alternatives to address the constituents reported above SLs in soil gas, groundwater, and soil.

## **ANALYSIS OF BROWNFIELDS CLEANUP ALTERNATIVES**

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### **SOUTH SAN FRANCISCO - LINDEN & CYPRESS AVES SOUTH SAN FRANCISCO, CALIFORNIA TARGETED BROWNFIELDS ASSESSMENT (TBA)**

**RESOURCE CONSERVATION AND RECOVERY ACT (RCRA)  
ENFORCEMENT, PERMITTING, AND ASSISTANCE (REPA)  
CONTRACT**

**CONTRACT NO. 68HERH19D0018; TASK ORDER NO. 68HE0920F0007**

**Prepared for:**

**EPA REGION 9  
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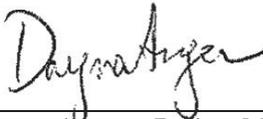


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ANALYSIS OF BROWNFIELDS CLEANUP ALTERNATIVES  
SOUTH SAN FRANCISCO - LINDEN & CYPRESS AVES  
SOUTH SAN FRANCISCO, CALIFORNIA

CONTRACT NO. 68HERH19D0018;  
TASK ORDER NO. 68HE0920F0007

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Appendix A: Environmental Footprint Evaluation



## ACRONYMS AND ABBREVIATIONS

ABCA	Analysis of Brownfields Cleanup Alternatives
amsl	Above mean sea level
Applicants	City of South San Francisco and Friends of Parks
ASTM	ASTM International
bgs	Below ground surface
BTEX	Benzene, toluene, ethylbenzene, and xylenes
COC	Contaminant of concern
CY	Cubic yard
DI	Deionized
DPT	Direct-push technology
DTSC	California Department of Toxic Substances Control
EDR	Environmental Data Resources, Inc.
EPA	U.S. Environmental Protection Agency
ESA	Environmental Site Assessment
ESL	Environmental screening level
HAZWOPER	Hazardous Waste Operations and Emergency Response
IC	Institutional control
LUST	Leaking underground storage tank
O&M	Operation and maintenance
PAH	Polycyclic aromatic hydrocarbon
PID	Photoionization detector
RACER	Remedial Action Cost Engineering and Requirements System
RBSL	Risk-based screening level
RCRA	Resource Conservation and Recovery Act
REC	Recognized environmental condition
RWQCB	San Francisco Bay Regional Water Quality Control Board
SEFA	Spreadsheets for Environmental Footprint Analysis
SF	Square foot
Site	South San Francisco – Linden & Cypress Aves site
SL	Screening level
SMCGPP	San Mateo County Groundwater Protection Program
SMP	Soil Management Plan
STLC	Soluble threshold limit concentration
SVE	Soil vapor extraction
SWRCB	California State Water Resources Control Board



## ACRONYMS AND ABBREVIATIONS (CONTINUED)

TBA	Targeted Brownfields Assessment
TCE	Trichloroethene
Toeroek Team	Toeroek Associates, Inc., and its subcontractor, Tetra Tech, Inc.
TPH	Total petroleum hydrocarbons
TPH-d	Total petroleum hydrocarbons as diesel
TPH-g	Total petroleum hydrocarbons as gasoline
TPH-mo	Total petroleum hydrocarbons as motor oil
USGS	U.S. Geological Survey
UST	Underground storage tank
VEC	Vapor encroachment concern
VISL	Vapor intrusion screening level
VOC	Volatile organic compound
WET	Waste extraction test



## EXECUTIVE SUMMARY

The U.S. Environmental Protection Agency (EPA) Region 9 tasked Toeroek Associates, Inc., and its subcontractor, Tetra Tech, Inc., (hereinafter the Toeroek Team) to conduct an Analysis of Brownfields Cleanup Alternatives (ABCA) for the South San Francisco – Linden & Cypress Aves site (the Site) comprising two locations: 616 Linden Avenue (hereinafter 616 Linden) and 905 Linden Avenue (hereinafter 905 Linden) in South San Francisco, San Mateo County, California (Figure 1). For Site features, see Figure 2 and Figure 3.

The City of South San Francisco and Friends of Parks (the Applicants) have an interest in redeveloping the Site for a neighborhood park, a cultural center, affordable housing, mixed-use ground-floor commercial buildings, or some combination of these. The purpose of this ABCA is to evaluate potential cleanup alternatives to address environmental conditions preventing or impeding the preferred type of Site redevelopment and to do so in a manner protective of human health. The cleanup alternatives considered were evaluated based on effectiveness, implementability, and cost.

A Phase II Environmental Site Assessment (ESA) was performed by the Toeroek Team in 2021 for the Site (Toeroek Team 2021). The Toeroek Team conducted soil gas, groundwater, and soil sampling at the Site (Figure 4 and Figure 5). Additionally, geophysical surveys were conducted to locate any remaining underground storage tanks (USTs) at 616 Linden and 905 Linden. The geophysical survey results identified an electromagnetic anomaly at 616 Linden as an additional potential environmental concern. The anomaly was investigated during the Phase II ESA and was determined to be two pieces of metal within a subsurface concrete structure filled with soil. At 616 Linden, volatile organic compounds in soil gas and lead and petroleum hydrocarbons in soil exceeded screening levels (Figure 4). At 905 Linden, petroleum hydrocarbons in soil and groundwater exceeded screening levels (Figure 5). A vapor encroachment concern (VEC) remains at both 616 and 905 Linden. The Phase II ESA also included properties at 700 Linden Avenue and 705 Cypress Avenue. No exceedances of screening levels were observed at these properties, and they are not discussed further.

Based on the planned future use of the Site, the following cleanup alternatives were considered for 616 Linden and 905 Linden, respectively.

### 616 Linden

- Alternative 1: No Action (Baseline)



- Alternative 2: Passive Vapor Mitigation, Soil Management Plan (SMP), Operation and Maintenance (O&M) and Institutional Controls (ICs)
- Alternative 3: Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M and ICs
- Alternative 4: Soil Excavation with Off-Site Disposal and ICs (neighborhood park reuse only)

Alternative 1 for 616 Linden is included as a baseline for comparison to the other proposed alternatives. This alternative would involve no containment, treatment, removal, or monitoring of contaminants.

Alternative 2 for 616 Linden would involve installation of a passive vapor mitigation system for a new structure to be built on the property and implementation of a SMP for contaminated soil left in place.

Alternative 3 for 616 Linden would involve installation of an active vapor mitigation system for a new structure to be built on the property and excavation of contaminated soil.

Alternative 4 for 616 Linden would involve excavation of contaminated soil to allow for redevelopment of the Site as a neighborhood park.

#### 905 Linden

- Alternative 1: No Action (Baseline)
- Alternative 2: Passive Vapor Mitigation, SMP, O&M and ICs
- Alternative 3: Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M and ICs
- Alternative 4: Soil Excavation with Off-Site Disposal and ICs (neighborhood park reuse only)

Alternative 1 for 905 Linden is included as a baseline for comparison to the other proposed alternatives. This alternative would involve no containment, treatment, removal, or monitoring of contaminants.

Alternative 2 for 905 Linden would involve installation of a passive vapor mitigation system for a new structure to be built on the property and implementation of a SMP for contaminated soil left in place.

Alternative 3 for 905 Linden would involve installation of an active vapor mitigation system for a new structure to be built on the property and excavation of contaminated soil.

Alternative 4 for 905 Linden would involve excavation of contaminated soil to allow for redevelopment of the Site as a neighborhood park.

Table ES-1 summarizes the effectiveness, implementability, and cost for each cleanup alternative evaluated to address environmental conditions preventing or impeding the preferred type of Site redevelopment. The cost



estimates presented in the table are order-of-magnitude estimates intended only for the relative comparison of the alternatives; they should not be used as budget- or design-level estimates.

**Table 6**  
**Summary of Alternatives**  
**ABCA Document**  
**South San Francisco – Linden & Cypress Aves**

Criteria	905 Linden					
	Alt. 2		Alt. 3		Alt. 4	
	Passive Vapor Mitigation, SMP, O&M, and ICs		Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs		Soil Excavation with Off-Site Disposal and ICs	
	Rating	Score	Rating	Score	Rating	Score
Effectiveness	Moderate	3	Moderate to High	4	Moderate to High	4
Implementation	Moderate	3	Difficult to Moderate	2	Easy to Moderate	4
Cost	\$271,000	5	\$460,000	5	\$80,000	5
Overall Score	11		11		13	

Notes:

Effectiveness Ratings:

Low	1
Low to Moderate	2
Moderate	3
Moderate to High	4
High	5

Cost Ratings:

1	>\$3 Million
2	\$2.25 to \$3 Million
3	\$1.5 to \$2.25 Million
4	\$750,000 to \$1.5 Million
5	\$0 to \$750,000

Implementation Ratings:

Difficult	1
Difficult to Moderate	2
Moderate	3
Easy to Moderate	4
Easy	5

IC	Institutional control
NA	Not applicable
O&M	Operation and maintenance
Site	South San Francisco – Linden & Cypress Aves site
SMP	Soil management plan

August 24, 2021

Dr. Kelly Garbach  
EPA TBA Project Manager  
U.S. Environmental Protection Agency, Region 9  
75 Hawthorne Street  
San Francisco, CA 94105

**Subject: Final Analysis of Brownfields Cleanup Alternatives Report  
South San Francisco – Linden & Cypress Aves, South San Francisco, California,  
U.S. EPA Region 9, Resource Conservation and Recovery Act (RCRA) Enforcement,  
Permitting, and Assistance (REPA) Contract No. 68HERH19D0018, Task Order No.  
68HE0920F0007**

Dear Dr. Garbach:

Toeroek Associates, Inc. (Toeroek) and Tetra Tech, Inc. (Tetra Tech) (hereinafter “Toeroek Team”) submit the attached Final Analysis of Brownfields Cleanup Alternatives Report regarding a TBA at the South San Francisco – Linden & Cypress Aves site.

This deliverable has been revised to reflect U.S. Environmental Protection Agency and City of South San Francisco comments on the draft report of the same name. Responses to comments are enclosed as a separate attachment. After revision, this final report was reviewed internally as part of Tech Tech’s quality assurance program, as well as Toeroek’s quality assurance program, and is consistent with Toeroek’s Quality Management Plan for the REPA contract. Documentation of this review is retained in the Toeroek Team’s project files.

If you have any questions or comments, please contact Greg Hanna at (720) 898-4102 or Dayna Aragon at (510) 302-6242.

Sincerely,



Greg Hanna  
Toeroek Team Program Manager



Dayna Aragon  
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Enclosure: Final Analysis of Brownfields Cleanup Alternatives Report  
Responses to Comments, Analysis of Brownfields Cleanup Alternatives

cc: Lisa Hanusiak, EPA Region 9 TOCOR  
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Toeroek Team files

## **ANALYSIS OF BROWNFIELDS CLEANUP ALTERNATIVES**

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### **SOUTH SAN FRANCISCO - LINDEN & CYPRESS AVES SOUTH SAN FRANCISCO, CALIFORNIA TARGETED BROWNFIELDS ASSESSMENT (TBA)**

**RESOURCE CONSERVATION AND RECOVERY ACT (RCRA)  
ENFORCEMENT, PERMITTING, AND ASSISTANCE (REPA)  
CONTRACT**

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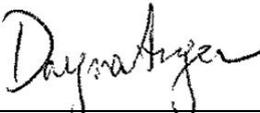


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ANALYSIS OF BROWNFIELDS CLEANUP ALTERNATIVES  
SOUTH SAN FRANCISCO - LINDEN & CYPRESS AVES  
SOUTH SAN FRANCISCO, CALIFORNIA

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## ACRONYMS AND ABBREVIATIONS

ABCA	Analysis of Brownfields Cleanup Alternatives
amsl	Above mean sea level
Applicants	City of South San Francisco and Friends of Parks
ASTM	ASTM International
bgs	Below ground surface
BTEX	Benzene, toluene, ethylbenzene, and xylenes
COC	Contaminant of concern
CY	Cubic yard
DI	Deionized
DPT	Direct-push technology
DTSC	California Department of Toxic Substances Control
EDR	Environmental Data Resources, Inc.
EPA	U.S. Environmental Protection Agency
ESA	Environmental Site Assessment
ESL	Environmental screening level
HAZWOPER	Hazardous Waste Operations and Emergency Response
IC	Institutional control
LUST	Leaking underground storage tank
O&M	Operation and maintenance
PAH	Polycyclic aromatic hydrocarbon
PID	Photoionization detector
RACER	Remedial Action Cost Engineering and Requirements System
RBSL	Risk-based screening level
RCRA	Resource Conservation and Recovery Act
REC	Recognized environmental condition
RWQCB	San Francisco Bay Regional Water Quality Control Board
SEFA	Spreadsheets for Environmental Footprint Analysis
SF	Square foot
Site	South San Francisco – Linden & Cypress Aves site
SL	Screening level
SMCGPP	San Mateo County Groundwater Protection Program
SMP	Soil Management Plan
STLC	Soluble threshold limit concentration
SVE	Soil vapor extraction
SWRCB	California State Water Resources Control Board

## ACRONYMS AND ABBREVIATIONS (CONTINUED)

TBA	Targeted Brownfields Assessment
TCE	Trichloroethene
Toeroek Team	Toeroek Associates, Inc., and its subcontractor, Tetra Tech, Inc.
TPH	Total petroleum hydrocarbons
TPH-d	Total petroleum hydrocarbons as diesel
TPH-g	Total petroleum hydrocarbons as gasoline
TPH-mo	Total petroleum hydrocarbons as motor oil
USGS	U.S. Geological Survey
UST	Underground storage tank
VEC	Vapor encroachment concern
VISL	Vapor intrusion screening level
VOC	Volatile organic compound
WET	Waste extraction test

## EXECUTIVE SUMMARY

The U.S. Environmental Protection Agency (EPA) Region 9 tasked Toeroek Associates, Inc., and its subcontractor, Tetra Tech, Inc., (hereinafter the Toeroek Team) to conduct an Analysis of Brownfields Cleanup Alternatives (ABCA) for the South San Francisco – Linden & Cypress Aves site (the Site) comprising two locations: 616 Linden Avenue (hereinafter 616 Linden) and 905 Linden Avenue (hereinafter 905 Linden) in South San Francisco, San Mateo County, California (Figure 1). For Site features, see Figure 2 and Figure 3.

The City of South San Francisco and Friends of Parks (the Applicants) have an interest in redeveloping the Site for a neighborhood park, a cultural center, affordable housing, mixed-use ground-floor commercial buildings, or some combination of these. The purpose of this ABCA is to evaluate potential cleanup alternatives to address environmental conditions preventing or impeding the preferred type of Site redevelopment and to do so in a manner protective of human health. The cleanup alternatives considered were evaluated based on effectiveness, implementability, and cost.

A Phase II Environmental Site Assessment (ESA) was performed by the Toeroek Team in 2021 for the Site (Toeroek Team 2021). The Toeroek Team conducted soil gas, groundwater, and soil sampling at the Site (Figure 4 and Figure 5). Additionally, geophysical surveys were conducted to locate any remaining underground storage tanks (USTs) at 616 Linden and 905 Linden. The geophysical survey results identified an electromagnetic anomaly at 616 Linden as an additional potential environmental concern. The anomaly was investigated during the Phase II ESA and was determined to be two pieces of metal within a subsurface concrete structure filled with soil. At 616 Linden, volatile organic compounds in soil gas and lead and petroleum hydrocarbons in soil exceeded screening levels (Figure 4). At 905 Linden, petroleum hydrocarbons in soil and groundwater exceeded screening levels (Figure 5). A vapor encroachment concern (VEC) remains at both 616 and 905 Linden. The Phase II ESA also included properties at 700 Linden Avenue and 705 Cypress Avenue. No exceedances of screening levels were observed at these properties, and they are not discussed further.

Based on the planned future use of the Site, the following cleanup alternatives were considered for 616 Linden and 905 Linden, respectively.

### 616 Linden

- Alternative 1: No Action (Baseline)

- Alternative 2: Passive Vapor Mitigation, Soil Management Plan (SMP), Operation and Maintenance (O&M) and Institutional Controls (ICs)
- Alternative 3: Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M and ICs
- Alternative 4: Soil Excavation with Off-Site Disposal and ICs (neighborhood park reuse only)

Alternative 1 for 616 Linden is included as a baseline for comparison to the other proposed alternatives. This alternative would involve no containment, treatment, removal, or monitoring of contaminants.

Alternative 2 for 616 Linden would involve installation of a passive vapor mitigation system for a new structure to be built on the property and implementation of a SMP for contaminated soil left in place.

Alternative 3 for 616 Linden would involve installation of an active vapor mitigation system for a new structure to be built on the property and excavation of contaminated soil.

Alternative 4 for 616 Linden would involve excavation of contaminated soil to allow for redevelopment of the Site as a neighborhood park.

#### 905 Linden

- Alternative 1: No Action (Baseline)
- Alternative 2: Passive Vapor Mitigation, SMP, O&M and ICs
- Alternative 3: Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M and ICs
- Alternative 4: Soil Excavation with Off-Site Disposal and ICs (neighborhood park reuse only)

Alternative 1 for 905 Linden is included as a baseline for comparison to the other proposed alternatives. This alternative would involve no containment, treatment, removal, or monitoring of contaminants.

Alternative 2 for 905 Linden would involve installation of a passive vapor mitigation system for a new structure to be built on the property and implementation of a SMP for contaminated soil left in place.

Alternative 3 for 905 Linden would involve installation of an active vapor mitigation system for a new structure to be built on the property and excavation of contaminated soil.

Alternative 4 for 905 Linden would involve excavation of contaminated soil to allow for redevelopment of the Site as a neighborhood park.

Table ES-1 summarizes the effectiveness, implementability, and cost for each cleanup alternative evaluated to address environmental conditions preventing or impeding the preferred type of Site redevelopment. The cost

estimates presented in the table are order-of-magnitude estimates intended only for the relative comparison of the alternatives; they should not be used as budget- or design-level estimates.

## 1.0 INTRODUCTION AND BACKGROUND

The U.S. Environmental Protection Agency (EPA) Region 9 tasked Toeroek Associates, Inc., and its subcontractor, Tetra Tech, Inc., (hereinafter the Toeroek Team) to conduct an Analysis of Brownfields Cleanup Alternatives (ABCA) for the South San Francisco – Linden & Cypress Aves site (the Site) located at 616 Linden Avenue (hereinafter 616 Linden) and 905 Linden Avenue (hereinafter 905 Linden) in South San Francisco, San Mateo County, California (Figure 1). The City of South San Francisco and Friends of Parks (the Applicants) have an interest in redeveloping the Site for a neighborhood park, a cultural center, affordable housing, mixed-use ground-floor commercial buildings, or some combination of these.

This ABCA considers cleanup alternatives based on EPA (2020a) vapor intrusion screening levels (VISLs) or San Francisco Bay Regional Water Quality Control Board (RWQCB) (2019) environmental screening levels (ESLs), whichever is more conservative, for soil gas. For soil, this ABCA considers alternatives based on RWQCB (2019) Tier 1 ESLs for total petroleum hydrocarbons (TPH) and the California Department of Toxic Substances Control (DTSC) (2020) screening level (SL) for lead. For groundwater, this ABCA considers alternatives based on the EPA VISLs (2020a) for residential groundwater. Although groundwater in the vicinity of the Site is not known to be a source of drinking water and there are no future plans to use groundwater for this purpose at the Site, this ABCA considers cleanup alternatives to address the potential for vapor intrusion from groundwater contamination. Furthermore, this ABCA includes rough order-of-magnitude cost estimates (accuracy range of -25 to +75 percent based on the Project Management Institute's [2017] *A Guide to the Project Management Body of Knowledge*) of evaluated cleanup alternatives intended for comparison purposes only; they should not be used as budget- or design-level estimates.

### 1.1 SITE LOCATION

The property at 616 Linden is a 0.32-acre commercial property covered by an asphalt parking lot approximately 40 feet above mean sea level (amsl) in an urban area of South San Francisco, California. Depth to groundwater at 616 Linden is unknown as groundwater was not encountered during Phase II Environmental Site Assessment (ESA) activities at this property (Toeroek Team 2021). However, during a groundwater sampling event conducted in January 2001, groundwater was measured at 24 to 24.53 feet below top of casing (Atlas Engineering Services, Inc. 2001). The property is bounded to the northeast, east, southeast, and west by residential developments; north by a vacant vegetated lot; and south, southwest, and northwest by small businesses. Uses of surrounding properties include residential, commercial, and vacant land. Figure 2 illustrates the location and boundaries of 616 Linden.

The property at 905 Linden is a 0.27-acre vegetated lot with sod, a sprinkler system, and fence approximately 40 feet amsl in an urban area of South San Francisco, California. During the Phase II ESA investigation, shallow groundwater was encountered between 3.65 and 5 feet below ground surface (bgs) at 905 Linden (Toeroek Team 2021). Groundwater flow direction is generally east. The property is bounded to the north, east, and west by commercial and industrial buildings, and south and partially west by residential developments. Uses of surrounding properties include residential and commercial. [Figure 3](#) illustrates the location and boundaries of 905 Linden.

## **1.2 OWNERSHIP AND PREVIOUS USE**

The Site is owned by the City of South San Francisco, one of the Applicants.

Based on a review of aerial photographs, Sanborn maps, and previous investigation reports, 616 Linden was undeveloped until between 1910 and 1925 when a single-family home and garage were built on the southern end of the property. Between 1943 and 1946, the home and garage were torn down and an automotive shop (Volante Automotive) was built along with a used car lot and a parking lot. Volante Automotive ceased operations in the early 2000s. The current parking lot on the property was built between 1998 and 2006 (Environmental Data Resources, Inc. [EDR] 2020a, 2020b, 2020c; San Mateo County Groundwater Protection Program [SMCGPP] 2001).

Based on a review of aerial photographs and previous investigation reports, 905 Linden was undeveloped until a gas station was built between 1946 and 1956. Four underground storage tanks (USTs) formerly present at 905 Linden were removed by November 1998, at which time the property became a vegetated lot. The property currently hosts a vegetated lot with sod, a sprinkler system, a sign, a fence to the south and west, ornamental vegetation to the south and west, and ornamental boulders to the north and east (EDR 2020a, 2020b, 2020c; SMCGPP 2003).

## **1.3 PREVIOUS INVESTIGATIONS**

Investigations and remediation activities have been completed at both 616 Linden and 905 Linden. In 2021, the Toeroek Team performed a Phase II ESA to evaluate the previous investigations and remediation activities, which provides a basis for this ABCA.

### ***1.3.1 Previous Investigations and Remediation Activities at 616 Linden***

At 616 Linden, environmental investigations and remediation activities associated with Volante Automotive were conducted between July 1993 and February 2001. On July 13, 1993, one 1,000-gallon gasoline UST and

one 250-gallon waste oil UST were excavated from the property following detection of a leak. Soil samples were collected at the time of the UST excavations within excavation pits and soil stockpiles. Because elevated concentrations of hydrocarbons were present in the former UST pits, the pits were excavated again on August 25 and October 21, 1993 and additional confirmation samples were collected. Monitoring wells were installed in 1994 and 1996 to facilitate groundwater monitoring, which occurred until January 2001. The case closure memorandum states that 616 Linden qualified for closure under the RWQCB (1996) “1995 Interim Guidance on Required Cleanup at Low Risk Fuel Sites.” However, the qualification for closure did not include the requirement to assess the potential for vapor intrusion. In 2021, the Toeroek Team performed a Phase I ESA to evaluate any remaining recognized environmental conditions (RECs) from previous investigations and remediation activities.

### ***1.3.2 Previous Investigations and Remediation Activities at 905 Linden***

At 905 Linden, environmental investigations, remediation activities, and monitoring were conducted between December 1985, when a leaking underground storage tank (LUST) was discovered, and October 2003. A monitoring well was installed and sampled from 1990 through 1998 (California State Water Resources Control Board [SWRCB] 2020). Multiple site features were removed, over-excavated, and investigated, including a 4,000-gallon diesel UST, a 8,000-gallon gasoline UST, a 6,000-gallon gasoline UST, a 1,000-gallon waste oil tank, a dispenser island, a pipeline from the USTs to the dispenser island, inlets from the service bays to the waste oil tank, hoists, a water collection sump, and an oil-water separator. Six additional monitoring wells were established, and groundwater sampling occurred from February 1999 through November 2003. The well locations were surveyed in April 2002, and a well survey and conduit study (preferential pathway investigation) occurred on January 30, 2003 (EDR 2020b). The wells were destroyed on August 7, 2003. The property was deemed clean by the County of San Mateo Health Services Agency through the SMCGPP, and the case was closed on November 17, 2003 (SWRCB 2020; County of San Mateo Health Services Agency 2003). Overall, 720.93 tons of soil and two truckloads with an unknown quantity of soil were removed from the property and sent for disposal between 1998 and 1999 (County of San Mateo Health Services Agency 2003). The case closure memorandum concluded that 905 Linden qualified for closure despite exceedances of soil Tier 2 risk-based screening levels (RBSLs) for TPH as gasoline (TPH-g) and benzene in soil samples collected between 5 and 8 feet bgs. According to the case closure memorandum, because groundwater at the property is shallow and most of the soil samples appeared to be either from the capillary fringe or the saturated zone, the presence of TPH-g and benzene above their RBSLs for ceiling value and indoor air exposure criteria in a sandy clayed silt soil was not a concern for potential health impacts (SMCGPP 2003). Furthermore, the TPH-g exceedances were also not deemed a concern because the

groundwater RBSLs for TPH-g and TPH as diesel (TPH-d) were based on a general nuisance and odor threshold for TPH. However, the vapor intrusion pathway was not evaluated (SMCGPP 2003).

### **1.3.3 Phase II ESA**

The Toeroek Team conducted a Phase II ESA in 2021 to (1) confirm the presence or absence of RECs identified during the Phase I ESA completed by the Toeroek Team in 2021; (2) acquire information regarding the nature of contamination (if present) and risks posed by that contamination that would inform business decisions about the property; and (3), where applicable, satisfy the innocent purchaser defense under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (ASTM International [ASTM] 2019). In addition to the 616 Linden and 905 Linden properties, the Phase II ESA also included properties at 700 Linden Avenue and 705 Cypress Avenue. No exceedances of screening levels were observed at these latter properties, and they are not discussed further.

During the Phase II ESA, the Toeroek Team conducted soil gas, groundwater, and soil sampling. Soils at the properties were observed to be a mixture of silts, clays, sand, and loam with varying colors of brown, orange, and grey. Soil samples were collected at depths ranging from 0 to 5 feet bgs. Additionally, geophysical surveys were conducted to locate any remaining USTs at 616 Linden and 905 Linden. The geophysical survey results identified an electromagnetic anomaly at 616 Linden as an additional potential environmental concern. The anomaly was determined to be two pieces of metal within a subsurface concrete structure filled with soil.

Review of analytical data from the Phase II ESA led to the following noteworthy findings summarized below, shown on [Figure 4](#) and [Figure 5](#) and presented in the Phase I/II ESA Targeted Brownfields Assessment (TBA) Report (Toeroek Team 2021):

- The following exceedances were noted in soil gas and soil at **616 Linden**:
  - 1,2-Dichloroethane soil gas concentrations exceeded all four SLs at sampling locations SG-1 and SG-2.
  - Benzene soil gas concentrations exceeded all four SLs at sampling locations SG-1, SG-2, and SG-4; whereas at sampling location SG-6, benzene concentrations exceeded the EPA VISL for residential soil gas and RWQCB ESLs for both residential and commercial soil gas.
  - Ethylbenzene soil gas concentrations exceeded all four SLs at sampling locations SG-1 and SG-2.
  - M,p-xylene concentrations exceeded all four SLs at sampling locations SG-1 and SG-2.
  - O-xylene soil gas concentrations exceeded all four SLs at sampling location SG-2.

- Toluene soil gas concentrations exceeded RWQCB ESLs for both residential and commercial soil gas at sampling location SG-2.
- The TPH-d soil concentration exceeded the RWQCB Tier 1 ESL at sampling location SB-4 (colocated with sampling location SG-4).
- Lead was detected at a concentration above the residential DTSC SL at the five-point composite location associated with soil within the subsurface concrete structure (616-EC-03012021). Although the lead concentration is within the USGS San Mateo County background range, it was substantially higher than lead concentrations detected in soil at the other sample locations at 616 Linden and the other Site properties and is likely not representative of background concentrations in South San Francisco. The lead concentration within the stockpiled soil was likely impacted by debris discovered within the soil in the concrete structure. At the same location, leachable lead in soil is above the California soluble threshold limit concentration (STLC) limit based on the California waste extraction test (WET) using the citrate buffer, which indicates that if soil is excavated for off-Site disposal in the future, the soil should be treated or disposed of as a non-Resource Conservation and Recovery Act (RCRA) Class I California hazardous waste because of the potential for lead to leach under typically acidic landfill conditions. However, the WET result using deionized (DI) water buffer indicates that lead would not leach from in situ soil and threaten water quality and that soil may be left on site without a cap. A cap (such as the pavement currently in place) would be necessary to address direct exposure to in situ soil based on exceedance of the residential DTSC SL.
- The following exceedances were noted in groundwater and soil at **905 Linden**:
  - The TPH-g groundwater concentrations exceeded the EPA VISL for residential groundwater at sampling locations GW-1, GW-3, and GW-4.
  - The TPH-g soil concentration at sampling location GW-4 exceeded the RWQCB Tier 1 ESL.

The Phase II ESA concluded that a vapor encroachment concern (VEC) remains at 616 Linden. Subsurface soil gas sample locations at this property contained 1,2-dichloroethane and benzene, toluene, ethylbenzene, and xylenes (BTEX) at concentrations above SLs (Figure 4). Use of the Site for residential or commercial purposes could require installing a vapor mitigation system(s) in any future buildings or land use controls to prevent exposure or release and to mitigate potential impacts on human health.

At 616 Linden, subsurface soil contains TPH at concentrations above the Tier 1 ESL, which is based on a generic site model of residential use where groundwater is used as drinking water (Figure 4). Soil could

require treatment, removal, or capping to prevent exposure or release and to mitigate potential impacts on human health if the Site is used for residential purposes where groundwater is used as drinking water. Because of its shallow depth, location in an urban environment, and proximity to the San Francisco Bay, groundwater is unlikely to be used as potable water at the Site.

At 616 Linden, soil within the subsurface concrete structure uncovered during the anomaly investigation contains lead above the residential DTSC SL (Figure 4). The WET results using the DI water buffer indicate that lead would not leach from soil or threaten water quality and that soil may be left on site without a cap. However, a cap (such as the pavement currently in place) would be necessary to address direct exposure to in situ soil. If soil within the subsurface concrete structure is excavated for off-Site disposal in the future, the soil would likely require treatment or disposal as a non-RCRA Class I California hazardous waste because of the potential for leachable lead in landfill conditions.

A VEC remains at 905 Linden. Groundwater at sampling locations GW-1, GW-3, and GW-4 contains TPH-g at a concentration above SLs (Figure 5). Use of the Site for residential or commercial purposes may require treatment to prevent exposure or release and to mitigate potential impacts on human health. No VOCs in groundwater were detected above residential or commercial SLs at 905 Linden.

At 905 Linden, subsurface soil at sampling location GW-4 contains TPH-g at a concentration above the Tier 1 ESL, which is based on a generic site model of residential use where groundwater is used as drinking water (Figure 5). Soil could require treatment, removal, or capping to prevent exposure or release and to mitigate potential impacts on human health if the Site is used for residential purposes where groundwater is used as drinking water. However, groundwater is unlikely to be used as potable water at the Site.

The Phase II ESA indicated that an ABCA should be prepared to evaluate cleanup alternatives required to address the constituents reported above SLs in subsurface soil gas at 616 Linden, soil within the subsurface concrete structure at 616 Linden, and in groundwater and subsurface soil at 905 Linden.

No other prior environmental investigations have occurred at the Site.

#### **1.4 PROJECT GOAL**

The overall goal of any brownfields cleanup action is to address environmental conditions preventing or impeding the preferred type of Site redevelopment and to do so in a manner protective of human health. The Applicants have interest in redeveloping the Site for a neighborhood park, a cultural center, affordable housing, mixed-use ground-floor commercial buildings, or some combination of these. This ABCA considers cleanup alternatives based on applicable federal and state screening levels. For soil gas, this ABCA considers

EPA VISLs or RWQCB ESLs, whichever is more conservative (see [Table 1](#)). For subsurface soil, the ABCA considers alternatives based on the RWQCB Tier 1 ESL for TPH and the DTSC SL for lead (see [Table 2](#)). For groundwater, the ABCA considers alternatives based on the EPA VISL for residential groundwater (see [Table 3](#)). Although groundwater in the vicinity of the Site is not known to be a source of drinking water and there are no future plans to use groundwater for this purpose at the Site, this ABCA considers cleanup alternatives to address the potential for vapor intrusion from groundwater contamination. This ABCA does not present cleanup alternatives to address any potential ecological risks. The Phase II ESA investigation did not include an ecological risk assessment or collection of data associated with evaluating ecological risks as these are outside the scope of work for this TBA and the Site is within an urban setting with minimal potential ecological habitat.

This ABCA addresses COCs as identified in the Phase II ESA, which are BTEX and 1,2-dichloroethane in soil gas; TPH-d, TPH-g, and lead in soil; and TPH-g in groundwater.

## **2.0 APPLICABLE REGULATIONS AND ASSUMED CLEANUP LEVELS**

This section discusses oversight responsibility for cleanup, assumed cleanup levels, and applicable laws and regulations.

### **2.1 CLEANUP OVERSIGHT RESPONSIBILITY**

Cleanup and redevelopment of the Site must be completed in compliance with applicable laws and regulations. RWQCB, DTSC, and EPA regulate and oversee cleanup of contaminated sites in California. The lead agency for oversight of remedial activities is assumed to be RWQCB or DTSC.

### **2.2 ASSUMED CLEANUP LEVELS FOR MAJOR CONTAMINANTS**

For the purpose of this ABCA, screening levels are used as the assumed cleanup levels. The Applicant or organization undertaking cleanup actions at the Site will need to work with the oversight agency to establish appropriate cleanup levels specific to the Site. For the purpose of the ABCA, assumed cleanup levels for soil gas are the most conservative EPA VISL (2020a) or RWQCB ESL (2019). Assumed cleanup levels for soil are the RWQCB Tier 1 ESL (2019) for TPH and the DTSC SL (2020) for lead. The assumed cleanup level for groundwater for TPH-g is the EPA VISL (2020a). Although groundwater in the vicinity of the Site is not known to be a source of drinking water and there are no future plans to use groundwater for this purpose at the Site, this ABCA considers cleanup alternatives to address the potential for vapor intrusion from groundwater contamination. Assumed cleanup levels for soil gas, soil, and groundwater are presented in [Table 1](#), [Table 2](#), and [Table 3](#), respectively.

The Toeroek Team screened the analytical data collected during previous investigations against the assumed cleanup levels identified above to determine the areas where remediation is needed. The data are presented in the Phase I/II ESA TBA Report (Toeroek Team 2021). [Figure 4](#) and [Figure 5](#) depict the exceedances of the screening criteria at 616 Linden and 905 Linden; [Figure 6](#) and [Figure 7](#) show the approximate areas where remediation is needed in soil based on these data. These areas are a rough approximation, and actual Site conditions may vary.

### **2.3 LAWS AND REGULATIONS APPLICABLE TO THE CLEANUP**

Site cleanup must be completed in compliance with applicable cleanup laws and regulations. General environmental laws and regulations that may be applicable to the cleanup activities are identified and briefly

summarized below. This subsection is for informational purposes only. It is the responsibility of the party or parties conducting remedial activities to ensure compliance with all applicable laws and regulations.

Activities that generate waste would be subject to the waste management requirements in the California Code of Regulations, Title 22, Division 4.5 or California Code of Regulations, Title 23, Division 3, both of which regulate hazardous waste, and California Code of Regulations, Title 27, Division 2, which regulate certain solid wastes. These regulations contain requirement on the proper handling, management, and disposal of waste depending on the determination of whether the waste is hazardous, designated, or non-hazardous solid waste.

The Bay Area Air Quality Management District that has promulgated rules for stockpiling VOC-contaminated soil and discharges of VOCs into the air from soil vapor extraction operations.

California Health and Safety Code Division 20, Chapter 6.5, California Civil Code Division 3, and California Code of Regulations Title 22, Division 4.5, Chapter 39 contain requirements for developing institutional controls and land use covenants for property where hazardous substances remain at levels unacceptable for unrestricted use.

### **3.0 EVALUATION OF BROWNFIELDS CLEANUP ALTERNATIVES**

The evaluation of cleanup alternatives in this ABCA is based on the anticipated future use scenario for the Site—redeveloping the Site for a neighborhood park, a cultural center, affordable housing, mixed-use ground-floor commercial buildings, or some combination of these. Because a human health risk assessment of the Site has not been completed, screening levels are used as the assumed cleanup levels. The Applicant or organization undertaking cleanup actions at the Site will need to work with the oversight agency to establish appropriate cleanup levels specific to the Site. For the purpose of the ABCA, assumed cleanup levels for soil gas are the most conservative EPA VISL (2020a) or RWQCB ESL (2019). Assumed cleanup levels for soil are the RWQCB Tier 1 ESL (2019) for TPH and the DTSC SL (2020) for lead. The assumed cleanup level for groundwater for TPH-g is the EPA VISL (2020a).

#### **3.1 CLEANUP ACTION OBJECTIVES**

The cleanup action objectives for the Site are to mitigate potential human exposure to contaminants identified in soil gas, soil, and groundwater at the Site at levels exceeding the assumed cleanup levels presented in [Section 2.2](#). Future redevelopment of the Site is intended to include residential exposure scenarios. The cleanup alternatives and costs presented in this ABCA may change if different exposure scenarios are identified, additional data becomes available, or a human health risk assessment is performed.

#### **3.2 IDENTIFICATION OF CLEANUP ALTERNATIVES**

The cleanup alternatives selected for evaluation were initially assessed to determine technical feasibility and if the alternative is capable of achieving the project goal to address environmental conditions preventing or impeding the preferred type of Site redevelopment in a manner protective of human health. EPA (2020b) provides guidance for the various technologies available to ensure contamination is either removed from a site or treated so it no longer poses a threat to human health.

Those alternatives deemed potentially capable of achieving the overall project goal were further evaluated for effectiveness, implementability, and cost. The cost estimates presented in this ABCA are rough order-of-magnitude estimates (accuracy range of -25 to +75 percent) and are intended for comparison purposes only; they should not be used as budget- or design-level estimates.

[Section 3.2.3](#), Alternatives Considered and Dismissed, and [Table 5](#) discusses alternatives considered but not selected for further evaluation as a part of alternatives at the Site.

Based on the planned future use of the Site, the following cleanup alternatives were considered for 616 Linden and 905 Linden:

#### 616 Linden

- Alternative 1: No Action (Baseline)
- Alternative 2: Passive Vapor Mitigation, Soil Management Plan (SMP), Operation and Maintenance (O&M) and Institutional Controls (ICs)
- Alternative 3: Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M and ICs
- Alternative 4: Soil Excavation with Off-Site Disposal and ICs (neighborhood park reuse only)

#### 905 Linden

- Alternative 1: No Action (Baseline)
- Alternative 2: Passive Vapor Mitigation, SMP, O&M and ICs
- Alternative 3: Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M and ICs
- Alternative 4: Soil Excavation with Off-Site Disposal and ICs (neighborhood park reuse only)

Detailed descriptions of each alternative for 616 Linden and 905 Linden and the results of a comparative analysis of alternatives are presented in the subsections below.

#### **3.2.1 616 Linden**

Detailed descriptions of each alternative evaluated for 616 Linden are included in the subsections below.

##### **3.2.1.1 616 Linden - Alternative 1 – No Action (Baseline)**

The no action alternative is included as a baseline for comparison to the other proposed alternatives. This alternative would involve no containment, treatment, removal, or monitoring of contaminants. All contaminated soil would be left in place, soil gas would be left unmitigated, and no restrictions on future land use would be imposed.

#### Effectiveness

The no action alternative is not considered effective because it would not be protective of human health for the proposed reuse of the Site.

### Implementation

Implementation of this alternative would require no effort because no containment, treatment, removal, or monitoring of contaminants would occur.

### Cost

No costs are associated with this alternative because no activities would occur.

#### **3.2.1.2 616 Linden - Alternative 2 – Passive Vapor Mitigation, SMP, O&M and ICs**

This alternative would involve construction of a passive vapor mitigation system for new structures built at 616 Linden. A passive vapor mitigation system would create a small negative pressure underneath the slab of the structure, providing a preferential flow pathway for vapor, thus allowing the vapors to move through the perforated piping and outside rather than into the occupied structure. The passive vapor mitigation system would include a gravel layer with perforated piping and a vapor barrier consisting of metalized film sheet, nitrile-modified asphalt, and protection fabric layers. Vent risers would extend through the roof of the structure. The soil gas collected would be vented outside to the atmosphere through these risers. Regular inspections and potential repairs and maintenance of the vapor mitigation system would be needed as long as the structure is occupied and contamination remains in soil gas above the cleanup levels.

Contaminated soil would be left in place in the area of sampling location SB-4, where TPH-d was detected at a concentration exceeding the assumed cleanup level, and in the area of the subsurface concrete structure, where lead was detected at a concentration above the assumed cleanup level. Potential Site receptors are currently protected from exposure by the layer of soil and pavement over these contaminated areas.

However, a SMP would be necessary to guide proper handling of soil at 616 Linden if the soil is disturbed (for example, during new structure construction). The SMP would present a tiered approach to soil management, regulatory approval, documentation, and record keeping to minimize administrative requirements.

ICs would be necessary to ensure (1) new structures built at 616 Linden are designed with a vapor mitigation system, (2) the continued integrity of the vapor mitigation system, and (3) that a SMP is in place to manage contaminated soils and maintain the existing asphalt cover.

For cost estimating purposes, the Toeroek Team made the following assumption:

- The location, size, and number of structures to be built at 616 Linden is unknown. Therefore, a three-story structure with a slab foundation encompassing 14,000 SF of first-floor space was assumed.

Alternative 2 would allow for residential and commercial/industrial use of the Site.

#### Effectiveness

Alternative 2 rates **moderate** for effectiveness as this method would limit exposure of potential vapors and contaminated soils to Site receptors. However, soil contamination around sampling location SB-4 and the subsurface concrete structure would remain in place. This alternative would allow for redevelopment of 616 Linden as proposed; however, ICs would also be required to ensure new structures built at 616 Linden are designed with a vapor mitigation system, the continued integrity of vapor mitigation system, and that a SMP is in place to manage contaminated soils and maintain the existing asphalt cover.

#### Implementation

Alternative 2 rates **moderate** for implementation as passive vapor mitigation is a common remediation practice and the materials, services, and equipment necessary for implementation are readily available; however, the passive vapor mitigation system would require routine inspections and potential repairs and maintenance until vapor concentrations are below cleanup levels. A SMP and ICs would also be easy to implement as no physical remediation would be required. Implementation of ICs would include a restrictive covenant that would be filed with the Register of Deeds to ensure new structures built at 616 Linden are designed with a vapor mitigation system. The SMP would be prepared to guide proper handling of soil potentially impacted by lead and TPH-d.

#### Cost

The total cost of Alternative 2 in 2021 dollars is estimated at \$298,000, which includes a capital cost of \$228,000, \$53,000 for ICs, and \$17,000 for O&M over 30 years. For cost estimating purposes, O&M is assumed to be required for 30 years; however, O&M will be needed in perpetuity for the life of the vapor mitigation system and ICs as long as contamination remains at 616 Linden above cleanup levels. Costs were estimated by applying selected functions of RACER Version 11.2.16.0, contractor quotes, and professional judgment, and include a 30 percent contingency to account for unknown costs associated with changes in scope that may occur during the design phase and unknown costs associated with the construction and implementation of the alternative. Cost details are presented in [Table 4](#).

#### **3.2.1.3 616 Linden - Alternative 3 – Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M and ICs**

Alternative 3 would involve construction of an active vapor mitigation for new structures built at 616 Linden. The active vapor mitigation system would consist of a sub-slab depressurization system that would mechanically create a vacuum to collect soil gas from beneath the structure and vent the vapors outside. The

components of the active vapor mitigation system would be similar to the passive vapor mitigation system described in Alternative 2; however, the system would be an active system with the addition of blowers to mechanically create a vacuum.

Long-term O&M would be needed as long as a structure is occupied at 616 Linden and contamination remains in soil gas above cleanup levels. Electricity would be required to operate the blowers, and occasional maintenance or replacement of the blowers may be needed. ICs would be necessary to ensure (1) new structures built at the property are designed with a vapor mitigation system and (2) the continued integrity of the vapor mitigation system.

Soil would also be excavated in the area of sampling location SB-4, where TPH-d was detected at a concentration exceeding the assumed cleanup level, and in the area of the subsurface concrete structure, where lead was detected at a concentration above the assumed cleanup level.

For cost estimating purposes, the Toeroek Team made the following assumptions:

- The size, number, and location of structures to be built at 616 Linden is unknown. Therefore, a three-story structure with a slab foundation encompassing 14,000 SF of first-floor space was assumed.
- Soil Excavation around Sampling Location SB-4: The volume of soil to be excavated to the assumed cleanup levels is approximately 145 CY, assuming an area of 150 SF and a depth of 26 feet bgs. Shoring would be needed because of the excavation depth. The area requiring excavation is depicted on [Figure 6](#).
- Soil Excavation around Subsurface Concrete Structure: The volume of soil to be excavated to the assumed cleanup levels is approximately 6 CY, assuming an area of 54 SF and a depth of 3 feet bgs. In addition, the concrete walls and floor of the structure would be demolished. Approximately 0.6 ton of concrete is assumed to require demolition and off-Site disposal. The area requiring excavation is depicted on [Figure 6](#).
- Confirmation Sampling: Confirmation soil sampling will require collection of 10 five-point composite samples, five from the walls and floor of each excavated area.
- Backfill: Excavated areas will be backfilled with clean off-Site material, graded, and seeded as needed for redevelopment.
- Waste Disposal: Soil around the subsurface concrete structure is assumed to require disposal at a non-RCRA Class I California hazardous waste facility based on the WET results using the citrate

buffer that indicated that leachable lead in soil is above the California STLC. Soil around sampling location SB-4 is assumed to be accepted at a Class III landfill as non-hazardous waste.

Alternative 3 would allow for residential and commercial/industrial use of the Site.

#### Effectiveness

Alternative 3 rates **moderate to high** for effectiveness as this method would limit exposure of potential vapors to Site receptors by pushing air into the venting layer below the slab with the use of electric blowers. In addition, contaminated soil in the area of sampling location SB-4 and the subsurface concrete structure would be permanently removed from the Site. However, long-term O&M would be required for the active vapor mitigation system to ensure (1) new structures built at the property are designed with a vapor mitigation system and (2) the continued integrity of the vapor mitigation system.

#### Implementation

Alternative 3 rates **difficult to moderate** for implementation as the active vapor mitigation system would require electricity usage and long-term O&M until vapor concentrations are below cleanup levels. For the purpose of this ABCA, O&M is assumed to be required for 30 years. Any structure to be built at 616 Linden would be designed with an active vapor mitigation system, including a vapor barrier, gravel layer, perforated piping, and blowers. Implementation of ICs would include a restrictive covenant that would be filed with the Register of Deeds to ensure new structures built at 616 Linden are designed with a vapor mitigation system.

Excavation is a common remediation practice and equipment and contractors are readily available.

Excavation preparation would involve obtaining buried utility clearances, securing the area, and constructing runoff controls for surface drainage. The work area would be secured to prevent unauthorized access. During construction, a stormwater pollution prevention plan would be required to meet the requirements of the State of California. Soil excavation by qualified equipment operators would comply with applicable state and federal regulations. In total, excavation of approximately 151 CY of soil is assumed. All waste soil excavated during this process would be transported to and disposed of at a Class I-, II-, or III-permitted facility, depending on results on hazardous and leaching characteristics. However, vapor mitigation is a common remediation practice and the materials, services, and equipment necessary for implementation are readily available.

#### Cost

The total cost of Alternative 3 in 2021 dollars is estimated at \$531,000, which includes a capital cost of \$275,000, \$53,000 for ICs, and \$203,000 for O&M over 30 years. For cost estimating purposes, O&M is

assumed to be required for 30 years; however, O&M will be needed in perpetuity for the life of the vapor mitigation system and ICs as long as contamination remains at 616 Linden above cleanup levels. Costs were estimated by applying selected functions of RACER Version 11.2.16.0, contractor quotes, and professional judgment, and include a 30 percent contingency to account for unknown costs associated with changes in scope that may occur during the design phase and unknown costs associated with the construction and implementation of the alternative. Cost details are presented in [Table 4](#).

#### **3.2.1.4 616 Linden - Alternative 4 – Soil Excavation with Off-Site Disposal and ICs (neighborhood park reuse only)**

Alternative 4 assumes 616 Linden will be redeveloped as a neighborhood park and will not include the construction of any structures that would be occupied by people on a regular basis for any length of time. This alternative would involve excavation of soil in the area of sampling location SB-4, where TPH-d was detected at a concentration exceeding the assumed cleanup level, and in the area of the subsurface concrete structure, where lead was detected at a concentration above the assumed cleanup level. ICs would be necessary to ensure that if a structure is built on the property, a vapor mitigation system would be required.

For cost estimating purposes, the Toeroek Team made the following assumptions:

- Soil Excavation around Sampling Location SB-4: The volume of soil to be excavated to the assumed cleanup level is approximately 145 CY, assuming an area of 150 SF and a depth of 26 feet bgs. Shoring would be needed because of the excavation depth. The area requiring excavation is depicted on [Figure 6](#).
- Soil Excavation around Subsurface Concrete Structure: The volume of soil to be excavated to the assumed cleanup level is approximately 6 CY, assuming an area of 54 SF and a depth of 3 feet bgs. In addition, the concrete walls and floor of the structure would be demolished. Approximately 0.6 ton of concrete is assumed to require demolition and off-Site disposal. The area requiring excavation is depicted on [Figure 6](#).
- Confirmation Sampling: Confirmation soil sampling will require collection of 10 five-point composite samples, five from the walls and floor of each excavated area.
- Backfill: Excavated areas will be backfilled with clean off-Site material, graded, and seeded as needed for redevelopment.
- Waste Disposal: Soil around the subsurface concrete structure is assumed to require disposal at a non-RCRA Class I California hazardous waste facility based on the WET results using the citrate

buffer that indicated that leachable lead in soil is above the California STLCL. Soil around sampling location SB-4 is assumed to be accepted at a Class III landfill as non-hazardous waste.

#### Effectiveness

Alternative 4 rates **moderate to high** for effectiveness as contaminated soil in the area of sampling location SB-4 and the subsurface concrete structure would be permanently removed from the Site. However, this alternative would limit redevelopment of 616 Linden to a neighborhood park. If any structures are to be built that would be occupied by people on a regular basis for any length of time, vapor mitigation systems would be required as included in Alternatives 2 and 3.

#### Implementation

Alternative 4 rates **easy to moderate** for implementation as excavation is a common remediation practice and equipment and contractors are readily available. Excavation preparation would involve obtaining buried utility clearances, securing the area, and constructing runoff controls for surface drainage. The work area would be secured to prevent unauthorized access. During construction, a stormwater pollution prevention plan would be required to meet the requirements of the State of California. Soil excavation by qualified equipment operators would comply with applicable state and federal regulations. All waste soil excavated during this process would be transported to and disposed of at a Class I-, II-, or III-permitted facility, depending on results on hazardous and leaching characteristics. Planning these processes would require careful consideration of precautions concerning worker health and safety.

Implementation of ICs would include a restrictive covenant that would be filed with the Register of Deeds to ensure that if structures are built at 616 Linden, vapor mitigation systems would be required.

#### Cost

The total cost of Alternative 4 in 2021 dollars is estimated at \$124,000, which includes a capital cost of \$71,000 and \$53,000 for ICs. Costs were estimated by applying selected functions of RACER Version 11.2.16.0, contractor quotes, and professional judgment, and include a 30 percent contingency to account for unknown costs associated with changes in scope that may occur during the design phase and unknown costs associated with the construction and implementation of the alternative. Cost details are presented in [Table 4](#).

### ***3.2.2 905 Linden***

Based on the results from the Phase II ESA, concentrations of TPH-g exceed the EPA VISL in groundwater and exceed the RWQCB Tier 1 ESL in soil. These present a potential vapor intrusion concern. However,

before redevelopment of the property, soil gas sampling for volatile petroleum hydrocarbons is recommended to confirm the potential for vapor intrusion.

Detailed descriptions of each alternative evaluated for 905 Linden are included in the subsections below.

### **3.2.2.1 905 Linden - Alternative 1 – No Action (Baseline)**

The no action alternative is included as a baseline for comparison to the other proposed alternatives. This alternative would involve no containment, treatment, removal, or monitoring of contaminants. All contaminated soil and groundwater would be left in place, potential for vapor intrusion would be left unmitigated, and no restrictions on future land use would be imposed.

#### Effectiveness

Because the no action alternative would not be protective of human health for the proposed reuse of the Site, it is not considered effective.

#### Implementation

Implementation of this alternative would require no effort because no containment, treatment, removal, or monitoring of contaminants would occur.

#### Cost

No costs are associated with this alternative because no activities would occur.

### **3.2.2.2 905 Linden - Alternative 2 - Passive Vapor Mitigation, SMP, O&M and ICs**

This alternative would involve construction of a passive vapor mitigation system for new structures built on the property at 905 Linden. A passive vapor mitigation system would create a small negative pressure underneath the slab of the structure, providing a preferential flow pathway for vapor, thus allowing the vapors to move through the perforated piping and outside rather than into the occupied structure. The passive vapor mitigation system would include a gravel layer with perforated piping and a vapor barrier consisting of metalized film sheet, nitrile-modified asphalt, and protection fabric layers. Vent risers would extend through the roof of the structure. The soil gas collected would be vented outside to the atmosphere through these risers. Regular inspections and potential repairs or maintenance of the passive vapor mitigation system would be needed as long as the structure is occupied and contamination remains in soil gas above cleanup levels.

Contaminated soil would be left in place in the area of sampling location GW-4, where TPH-g was detected at 4 to 5 feet bgs at a concentration exceeding the assumed cleanup level. Potential Site receptors are currently

protected from exposure by the layer of soil over this contaminated area. However, a SMP would be necessary to guide proper handling of soil at 905 Linden if the soil is disturbed (for example, during new structure construction). The SMP would present a tiered approach to soil management, regulatory approval, documentation, and record keeping to minimize administrative requirements.

ICs would be necessary to ensure (1) new structures built at 905 Linden are designed with a vapor mitigation system, (2) the continued integrity of the vapor mitigation system, (3) that a SMP is in place to manage contaminated soils and the existing soil cover, and (4) use of untreated groundwater for drinking water is prohibited.

For cost estimating purposes, the Toeroek Team made the following assumption:

- The size, location, and number of structures to be built at 905 Linden is unknown. Therefore, a three-story structure with a slab foundation encompassing 12,000 SF of first-floor space was assumed.

Alternative 2 would allow for residential and commercial/industrial use of the Site.

#### Effectiveness

Alternative 2 rates **moderate** for effectiveness as this method would limit exposure of potential vapors and contaminated soils to Site receptors. However, groundwater contamination and known soil contamination around sampling location GW-4 would remain in place untreated. This alternative would allow for redevelopment of 905 Linden as proposed; however, ICs would also be required to ensure new structures built at 905 Linden are designed with a vapor mitigation system, the continued integrity of vapor mitigation system, that a SMP is in place to manage contaminated soils and the existing soil cover, and to prohibit use of untreated groundwater for drinking water.

#### Implementation

Alternative 2 rates **moderate** for implementation as passive vapor mitigation is a common remediation practice and the materials, services, and equipment necessary for implementation are readily available; however, the vapor mitigation system would require routine inspections and potential repairs and maintenance until vapor concentrations are below cleanup levels. A SMP and ICs would be easy to implement as no physical remediation would be required. Implementation of ICs would include a restrictive covenant that would be filed with the Register of Deeds to ensure new structures built at 905 Linden are designed with a vapor mitigation system and use of untreated groundwater for drinking water is prohibited. The SMP would be prepared to guide proper handling of soil potentially impacted by TPH-g.

## Cost

The total cost of Alternative 2 in 2021 dollars is estimated at \$271,000, which includes a capital cost of \$201,000, \$53,000 for ICs, and \$17,000 for O&M over 30 years. For cost estimating purposes, O&M is assumed to be required for 30 years; however, O&M will be needed in perpetuity as long as contamination remains in groundwater above cleanup levels posing a potential vapor intrusion issue. Costs were estimated by applying selected functions of RACER Version 11.2.16.0, contractor quotes, and professional judgment, and include a 30 percent contingency to account for unknown costs associated with changes in scope that may occur during the design phase and unknown costs associated with the construction and implementation of the alternative. Cost details are presented in [Table 4](#).

### **3.2.2.3 905 Linden - Alternative 3 - Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M and ICs**

Alternative 3 would involve construction of an active vapor mitigation for new structures built at 905 Linden. The active vapor mitigation system would consist of a sub-slab depressurization system that would mechanically create a vacuum to collect soil gas from beneath the structure and vent the vapors outside. The components of the active vapor mitigation system would be similar to the passive vapor mitigation system described in Alternative 2; however, the system would be an active system with the addition of blowers to mechanically create a vacuum.

Long-term O&M would be needed as long as a structure is occupied at 905 Linden and contamination remains in groundwater above cleanup levels posing a potential vapor intrusion issue. Electricity would be required to operate the blowers and occasional maintenance, or replacement of the blowers may be needed. ICs would be necessary to ensure (1) new structures built at the property are designed with a vapor mitigation system, (2) the continued integrity of the vapor mitigation system, and (3) use of untreated groundwater for drinking water is prohibited.

Soil would also be excavated in the area of sampling location GW-4, where TPH-g was detected at a concentration exceeding the assumed cleanup level.

For cost estimating purposes, the Toeroek Team made the following assumptions:

- The size, location, and number of structures to be built at 905 Linden is unknown. Therefore, a three-story structure with a slab foundation encompassing 12,000 SF of first floor space was assumed.

- Soil Excavation around Sampling Location GW-4: The volume of soil to be excavated to cleanup levels is approximately 65 CY, assuming an area of 290 SF and a depth of 6 feet bgs. The area requiring excavation is depicted on [Figure 7](#).
- Confirmation Sampling: Confirmation soil sampling will require collection of five five-point composite samples from the walls and floor of the excavated area.
- Backfill: Excavated areas will be backfilled with clean off-Site material, graded, and seeded as needed for redevelopment.
- Waste Disposal: Soil around sampling location GW-4 is assumed to be accepted at a Class III landfill as non-hazardous waste.

Alternative 3 would allow for residential and commercial/industrial use of the Site.

#### Effectiveness

Alternative 3 rates **moderate to high** for effectiveness as this method would limit exposure of potential vapors to Site receptors by pushing air into the venting layer below the slab with the use of electric blowers. In addition, contaminated soil in the immediate area of sampling location GW-4 would be permanently removed from the Site. However, long-term O&M would be required for the active vapor mitigation system to ensure (1) new structures built at the property are designed with a vapor mitigation system, (2) the continued integrity of the vapor mitigation system, and (3) use of untreated groundwater for drinking water is prohibited.

#### Implementation

Alternative 3 rates **difficult to moderate** for implementation as the active vapor mitigation system would require electricity usage and long-term O&M until vapor concentrations are below cleanup levels. However, vapor mitigation is a common remediation practice and the materials, services, and equipment necessary for implementation are readily available. For the purpose of this ABCA, O&M is assumed to be required for 30 years. Any structure to be built at 905 Linden would be designed with an active vapor mitigation system, including a vapor barrier, gravel layer, perforated piping, and blowers. Implementation of ICs would include a restrictive covenant that would be filed with the Register of Deeds to ensure new structures built at 905 Linden are designed with a vapor mitigation system and use of untreated groundwater for drinking water is prohibited.

Excavation is a common remediation practice and equipment and contractors are readily available.

Excavation preparation would involve obtaining buried utility clearances, securing the area, and constructing

runoff controls for surface drainage. The work area would be secured to prevent unauthorized access. During construction, a stormwater pollution prevention plan would be required to meet the requirements of the State of California. Soil excavation by qualified equipment operators would comply with applicable state and federal regulations. In total, excavation of approximately 65 CY of soil is assumed. All waste soil excavated during this process would be transported to and disposed of at a Class I-, II-, or III-permitted facility, depending on results on hazardous and leaching characteristics.

### Cost

The total cost of Alternative 3 in 2021 dollars is estimated at \$460,000, which includes a capital cost of \$204,000, \$53,000 for ICs, and \$203,000 for O&M over 30 years. For cost estimating purposes, O&M is assumed to be required for 30 years; however, O&M will be needed in perpetuity for the life of the vapor mitigation system and ICs as long as contamination remains at 616 Linden above cleanup levels. Costs were estimated by applying selected functions of RACER Version 11.2.16.0, contractor quotes, and professional judgment, and include a 30 percent contingency to account for unknown costs associated with changes in scope that may occur during the design phase and unknown costs associated with the construction and implementation of the alternative. Cost details are presented in [Table 4](#).

#### **3.2.2.4 905 Linden - Alternative 4 - Soil Excavation with Off-Site Disposal and ICs (neighborhood park reuse only)**

Alternative 4 assumes 905 Linden will be redeveloped as a neighborhood park and will not include the construction of any structures that would be occupied by people on a regular basis for any length of time. This alternative would involve excavation of soil in the area of sampling location GW-4, where TPH-g was detected at a concentration exceeding the assumed cleanup level. ICs would be necessary to ensure that if a structure is built on the property, a vapor mitigation system would be required and to prohibit use of untreated groundwater for drinking water.

For cost estimating purposes, the Toeroek Team made the following assumptions:

- Soil Excavation around Sampling Location GW-4: The volume of soil to be excavated to cleanup levels is approximately 65 CY, assuming an area of 290 SF and a depth of 6 feet bgs. The area requiring excavation is depicted on [Figure 7](#).
- Confirmation Sampling: Confirmation soil sampling will require collection of five five-point composite samples from the walls and floor of the excavated area.
- Backfill: Excavated areas will be backfilled with clean off-Site material, graded, and seeded as needed for redevelopment.

- Waste Disposal: Soil around sampling location GW-4 is assumed to be accepted at a Class III landfill as non-hazardous waste.

#### Effectiveness

Alternative 4 rates **moderate to high** for effectiveness as contaminated soil in the area of sampling location GW-4 would be permanently removed from the Site. However, this alternative would limit redevelopment of 905 Linden to a neighborhood park. If any structures are to be built that would be occupied by people on a regular basis for any length of time, vapor mitigation systems would be required as included in Alternatives 2 and 3 as well as prohibiting use of untreated groundwater for drinking water.

#### Implementation

Alternative 4 rates **easy to moderate** for implementation as excavation is a common remediation practice and equipment and contractors are readily available. Excavation preparation would involve obtaining buried utility clearances, securing the area, and constructing runoff controls for surface drainage. The work area would be secured to prevent unauthorized access. During construction, a stormwater pollution prevention plan would be required to meet the requirements of the State of California. Soil excavation by qualified equipment operators would comply with applicable state and federal regulations. All waste soil excavated during this process would be transported to and disposed of at a Class I-, II-, or III-permitted facility, depending on results on hazardous and leaching characteristics. Planning these processes would require careful consideration of precautions concerning worker health and safety.

Implementation of ICs would include a restrictive covenant that would be filed with the Register of Deeds to ensure that if structures are built at 905 Linden, vapor mitigation systems would be required and to prohibit use of untreated groundwater for drinking water.

#### Cost

The total cost of Alternative 4 in 2021 dollars is estimated at \$80,000, which includes a capital cost of \$27,000 and \$53,000 for ICs. Costs were estimated by applying selected functions of RACER Version 11.2.16.0, contractor quotes, and professional judgment, and include a 30 percent contingency to account for unknown costs associated with changes in scope that may occur during the design phase and unknown costs associated with the construction and implementation of the alternative. Cost details are presented in [Table 4](#).

### ***3.2.3 Alternatives Considered and Dismissed***

A wide variety of alternatives are available for the remediation of soil and groundwater. [Table 5](#) identifies alternatives considered but not selected for further evaluation as a part of alternatives at the Site.

### 3.3 COMPARISON OF ALTERNATIVES

The Toeroek Team assessed each cleanup alternative selected for evaluation to determine its effectiveness, implementability, and cost in [Section 3.2](#). A comparative analysis of alternatives based on the same criteria is provided in this subsection.

#### 3.3.1 616 Linden

##### Effectiveness

Alternative 1, the no action alternative, would not be protective of human health and would not meet the project goal for the Site.

Alternative 2 is rated moderate for effectiveness as the passive vapor mitigation system would limit exposure of potential vapors to Site receptors and the SMP would guide proper handling of soil if the soil is disturbed. Alternative 3 is rated slightly higher than Alternative 2 with a rating of moderate to high for effectiveness as the active vapor mitigation system would be more effective at pushing air into the venting layer below the slab with the use of electric blowers. ICs would also be required for both Alternatives 2 and 3 to ensure (1) new structures built at 616 Linden are designed with a vapor mitigation system and (2) the continued integrity of vapor mitigation system.

Alternative 4 is rated moderate to high for effectiveness as contaminated soil in the area of sampling location SB-4 and the subsurface concrete structure would be permanently removed from the Site. However, this alternative would limit redevelopment of 616 Linden to a neighborhood park. If any structures are to be built that would be occupied by people on a regular basis for any length of time, vapor mitigation systems would be required as included in Alternatives 2 and 3.

##### Implementability

Alternative 2 is rated moderate for implementation as vapor mitigation is a common remediation practice and materials, services, and equipment are readily available; however, the vapor mitigation system would require routine inspections and potential repairs and maintenance in perpetuity. In addition, a SMP would need to be implemented to guide proper handling of contaminated soils. Alternative 3 is rated slightly lower than Alternative 2 with a rating of difficult to moderate. Alternative 3 would also involve the installation of a vapor mitigation system and soil excavation with off-Site disposal. However, electric blowers would be required for the vapor mitigation system, along with long-term O&M. Both Alternatives 2 and 3 would require implementation of ICs, which would include a restrictive covenant that would be filed with the Register of Deeds to ensure new structures built at 616 Linden are designed with a vapor mitigation system.

Alternative 4 is rated easy to moderate for implementation as excavation is a common remediation practice and equipment and contractors are readily available. However, as with Alternatives 2 and 3, this alternative would require implementation of ICs, which would include a restrictive covenant that would be filed with the Register of Deeds to ensure that if structures are built at 616 Linden, vapor mitigation systems would be required.

### Cost

Estimated costs for Alternatives 2 and 3 are similar in magnitude; however, Alternative 3 is expected to cost slightly more because of the addition of blowers and long-term O&M, including electricity usage of the blowers. Alternative 4 is expected to cost the least as this alternative assumes that the property will be redeveloped as a neighborhood park and that, therefore, vapor intrusion into structures would not need to be addressed.

[Table 6](#) summarizes each alternative based on effectiveness, implementability, and cost.

### **3.3.2 905 Linden**

#### Effectiveness

Alternative 1, the no action alternative, would not be protective of human health and would not meet the project goal for the Site.

Alternative 2 rates moderate for effectiveness as the passive vapor mitigation system would limit exposure of potential vapors to Site receptors and the SMP would guide proper handling of soil if soil is disturbed. However, contaminated soil and groundwater would remain in place at the Site.

Alternative 3 rates slightly higher than Alternative 2 at moderate to high for effectiveness as contaminated soil in the immediate area of sampling location GW-4 would be permanently removed from the Site. In addition, the vapor mitigation system would actively push air into the venting layer below the slab with the use of electric blowers. However, long-term O&M of the vapor mitigation system would be required.

Alternative 4 rates similar to Alternative 3 as moderate to high for effectiveness as contaminated soil in the area of sampling location GW-4 would be permanently removed from the Site. However, this alternative would limit redevelopment of 905 Linden to a neighborhood park. If any structures are to be built that would be occupied by people on a regular basis for any length of time, vapor mitigation systems would be required as included in Alternatives 2 and 3 as well as prohibiting use of untreated groundwater for drinking water.

### Implementability

Alternative 2 is rated moderate for implementation as vapor mitigation is a common remediation practice and materials, services, and equipment are readily available; however, the vapor mitigation system would require routine inspections and potential repairs and maintenance in perpetuity. In addition, a SMP would need to be implemented to guide proper handling of contaminated soils. Alternative 3 is rated slightly lower than Alternative 2 with a rating of difficult to moderate. Alternative 3 would also involve the installation of a vapor mitigation system and soil excavation with off-Site disposal. However, electric blowers would be required for the vapor mitigation system, along with long-term O&M. Both Alternatives 2 and 3 would require implementation of ICs, which would include a restrictive covenant that would be filed with the Register of Deeds to ensure new structures built at 905 Linden are designed with a vapor mitigation system and use of untreated groundwater for drinking water is prohibited.

Alternative 4 is rated easy to moderate for implementation as excavation is a common remediation practice and equipment and contractors are readily available. However, as with Alternatives 2 and 3, this alternative would require implementation of ICs, which would include a restrictive covenant that would be filed with the Register of Deeds to ensure that if structures are built at 905 Linden, vapor mitigation systems would be required and use of untreated groundwater for drinking water is prohibited.

### Cost

Alternatives 2 and 3 are relatively comparable; however, Alternative 3 is expected to cost slightly more because of the addition of blowers and long-term O&M, including electricity usage of the blowers. Alternative 4 is expected to cost the least as this alternative assumes that the property will be redeveloped as a neighborhood park and that, therefore, vapor intrusion into structures would not need to be addressed.

Table 6 summarizes each alternative based on effectiveness, implementability, and cost. Both Alternatives 2 and 3 were ranked equally against these three criteria as they would apply similar technologies. Alternative 4 would not address vapor intrusion and would limit redevelopment of the property to a neighborhood park only. Before redevelopment of the Site, soil gas sampling for volatile petroleum hydrocarbons is recommended to confirm the potential for vapor intrusion.

## **3.4 CONSIDERATION OF CLIMATE CHANGE IMPACTS**

Scientific evidence demonstrates that the climate is changing at an increasingly rapid rate, beyond the range to which society has previously adapted, posing a challenge to EPA in its ability to fulfill its mission to protect human health and the environment. EPA must adapt to climate change to continue to fulfill its statutory,

regulatory, and programmatic requirements. In January 2014, EPA (2014a) published a Climate Change Adaptation Plan, which described priority actions for EPA to integrate into its programs, policies, rules, and operations.

EPA Region 9's Climate Change Adaptation Implementation Plan identifies the adverse impacts of climate change as air temperature increase, precipitation decrease, storm intensity increase, ocean acidification and warming, and sea level rise. Vulnerabilities specific to the southwest geographic region, where the Site is located, include (EPA 2014b):

- Warmer temperatures, resulting in reduced mountain snowpacks and shifting of peak spring runoff from snow melt to earlier in the season, leading to a shortage of fresh water during the summer
- Magnitude of projected temperature increases represent significant stresses to health, energy, and water supply in an area that is already experiencing high summer temperatures
- Reduced groundwater supply because of a lack of recharge
- Warmer ocean temperatures decreasing productivity and impacting fisheries and aquatic life
- Increased frequency and altered timing of flooding increasing risks to people, ecosystems, and infrastructure
- Sea level rise contributing to the loss of wetlands and infrastructure along coastal corridors
- Magnitude and frequency of wildfires, which has increased over the last 30 years, impacting water quality in streams, creeks, rivers, lakes, and estuaries

The Site is located within the southwest region of EPA Region 9 and is, therefore, directly susceptible to many of the vulnerabilities identified above. The Site is located 4.8 miles east of the Pacific Ocean coast and 2.25 miles west of San Francisco Bay at an elevation of 40 feet amsl and is unlikely to be affected by sea level rise.

In June 2021, EPA (2021) published a Climate Smart Brownfields Manual that provides guidance to communities related to climate mitigation, adaptation, and resilience in the content of brownfield cleanup and redevelopment. As the Applicant moves toward cleanup of the Site, this manual may be useful in identifying ways to reduce climate impacts through greener demolition or implementing greener cleanups.

### 3.5 GREEN AND SUSTAINABLE REMEDIATION GUIDANCE

The cleanup of a site can be seen as “green” in that the cleanup improves the environmental and public health conditions of a site. However, these remediation efforts require energy, water, and other material resources to achieve cleanup objectives. Therefore, the process of remediation creates its own environmental footprint. EPA provides guidance on how to optimize environmental performance and implement protective cleanups that are greener. In Principles for Greener Cleanups, which serves as the foundation for the greener cleanup policy, EPA (2020c) identifies the following elements of a green cleanup assessment that may assist in selecting and implementing protective cleanup activities:

- Total energy use and renewable energy use
- Air pollutants and greenhouse gas emissions
- Water use and impacts to water resources
- Materials management and waste reduction
- Land management and ecosystem protection

The Toeroek Team conducted an analysis on the environmental footprints of the removal actions for 616 Linden and 905 Linden using the Spreadsheets for Environmental Footprint Analysis (SEFA) (EPA 2019). The analysis looks at the first two bullets stated above and determines the total energy usage and the mass of different emissions generated by different construction activities, including greenhouse gases, nitrogen oxides, sulfur oxides, particulate matter, and listed air pollutants. Results of the SEFA are summarized below and presented in [Appendix A](#).

#### 616 Linden

The impacts for Alternative 3 (Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs) are rated high for total energy usage and all emissions, relative to other alternatives considered. The impacts for Alternative 2 (Passive Vapor Mitigation, SMP, O&M, and ICs) and Alternative 4 (Soil Excavation with Off-Site Disposal and ICs) are low for most emissions and total energy usage, relative to Alternative 3. Alternatives 2 and 3 are similar in the technologies used; however, Alternative 3 would require more total energy usage and would produce more emissions compared with Alternative 2, as electricity would be required to continually operate the blowers for an assumed period of 30 years. Alternative 4 assumes that the property would be redeveloped as a neighborhood park and that, therefore, vapor intrusion would not need to be mitigated. The emissions and total energy usage would be less compared with Alternatives 3. For

Alternative 3, a portion of the electricity usage could also be offset by installing solar panels if allowed by the property owner and adequate space is available. A portion of the electricity usage could also be offset by installing solar panels on the Site if allowed by the property owner and adequate space is available. However, the treatment system itself would require direct connection to the main power grid because of heavy start up and continuous amperage loading.

#### 905 Linden

The impacts for Alternative 3 (Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs) are rated high for total energy usage and all emissions, relative to other alternatives considered.

Alternative 2 (Passive Vapor Mitigation, SMP, O&M, and ICs), on the other hand, is rated low to medium for total energy usage and emissions. Impacts for Alternative 4 (Soil Excavation with Off-Site Disposal and ICs) are comparable to Alternative 2. Alternative 4 has a rating of low for total energy usage and all emissions except particulate matter. Particulate matter for Alternative 4 has a medium rating, relative to Alternatives 2 and 3, primarily because of the transportation of excavated soils off the Site. In total, expected particulate matter emissions for Alternative 4 are 40 pounds, while Alternative 2 are 10 pounds. The greatest energy usage for Alternative 3 is from O&M as this alternative requires blowers operating continuously for an assumed period of 30 years. The environmental footprint for both these alternatives could be reduced if groundwater contamination posing a potential vapor intrusion concern is mitigated. Before redevelopment of the property, soil gas sampling for volatile petroleum hydrocarbons is recommended to confirm the potential for vapor intrusion. Mitigation of groundwater would create a greater short-term environmental footprint, but long-term O&M may not be needed depending on the length of time it takes to treat or remove groundwater. For Alternative 3, a portion of the electricity usage could also be offset by installing solar panels if allowed by the property owner and adequate space is available.

#### ***3.5.1 Administrative Suggestions***

When selecting remediation contractors, emphasis should be placed on those who follow green remediation best management practices and take into consideration the five elements identified above. Redevelopment plans and planned future use of the Site should direct the type of remediation necessary to ensure that efficient and sustainable methods are used. Renewable energy should be considered for future redevelopment. Reporting efforts should use digital format as opposed to hard copy when feasible.

### ***3.5.2 Operations Suggestions***

The following operations suggestions should be considered to achieve green and sustainable remediation at the Site:

- Use of non-renewable energy should be minimized to the extent feasible by use of energy efficient equipment and vehicles, renewable energy supplies, and renewable energy generation systems on the Site.
- Sustainable practices that may reduce the use of fossil fuels, such as performing on-Site capping as opposed to off-Site disposal, and the use of native vegetation should be utilized when possible.
- Wastes should be minimized as much as possible by use of recycling and reuse efforts.
- Transport and disposal operations should function as efficiently as possible to reduce the number of trips needed.
- Drilling and excavation activities should include clean fuel and emission controls, such as idle reduction devices, use of ultra-low sulfur diesel and fuel-grade biodiesel, EPA- or California Air Resources Board-verified emission control technology, and routine engine maintenance.

#### 4.0 LIMITATIONS AND ADDITIONAL ASSESSMENT NEEDS

The volumes and areas presented in this ABCA are estimates based on available information or lack thereof; actual Site conditions may vary. For instance, the vertical extent of TPH in soils may not be fully characterized and contamination may extend beyond the depths identified by the Toeroek Team. Therefore, additional excavation may be required beyond the depths and volumes presented in this ABCA to meet cleanup goals. Concentrations of contaminants may extend outside the boundaries defined in this ABCA, requiring additional excavation.

This ABCA provides mitigation guidance but is not intended to be used as a removal characterization report or design document. This ABCA presents only the Site-specific RECs and opinion of the Toeroek Team environmental professional who prepared this document. The cost estimates presented are rough order-of-magnitude estimates solely for comparison purposes and should not be used as budget- or design-level estimates. In addition, other technologies may be available for remediation of the Site that were not considered in this ABCA.

While the exact areas to be redeveloped for each of the scenarios is undetermined at this time, the alternatives presented in this ABCA present options for residential land uses; with the exception of alternative 4, which presents options for recreational use as a park only. Following the completion of a development plan for the Site, the alternatives and cost estimates presented in this ABCA should be reevaluated and adjusted as appropriate.

## 5.0 REFERENCES

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**FIGURES**



South San Francisco- Linden & Cypress Aves  
Targeted Brownfields Assessment  
South San Francisco, California

**Figure 1**  
Site Locations



Source: ESRI, ArcGIS Online, Open Streets Map Basemap, 2019

Date: 8/18/2020 Drawn By: Elaisa McDonald Project No: 103265210007M



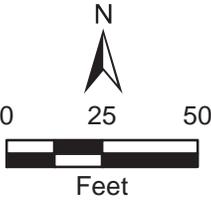
Linden Cleaners  
(former dry cleaners and potential REC)

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Legend

 Approximate Site Boundary

Notes:  
REC Recognized environmental condition



South San Francisco- Linden & Cypress Aves  
Targeted Brownfields Assessment  
South San Francisco, California

**Figure 2**  
Current Site Features - 616 Linden Avenue



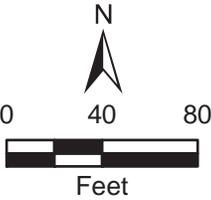
Source: ESRI, ArcGIS Online, World Imagery, 2018



Rollin J Lobaugh  
(machine shop and potential REC)

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**Legend**  
 Approximate Site Boundary



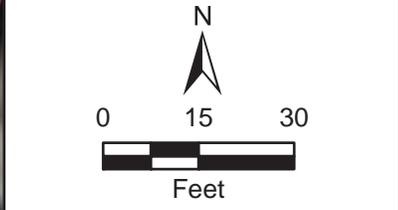
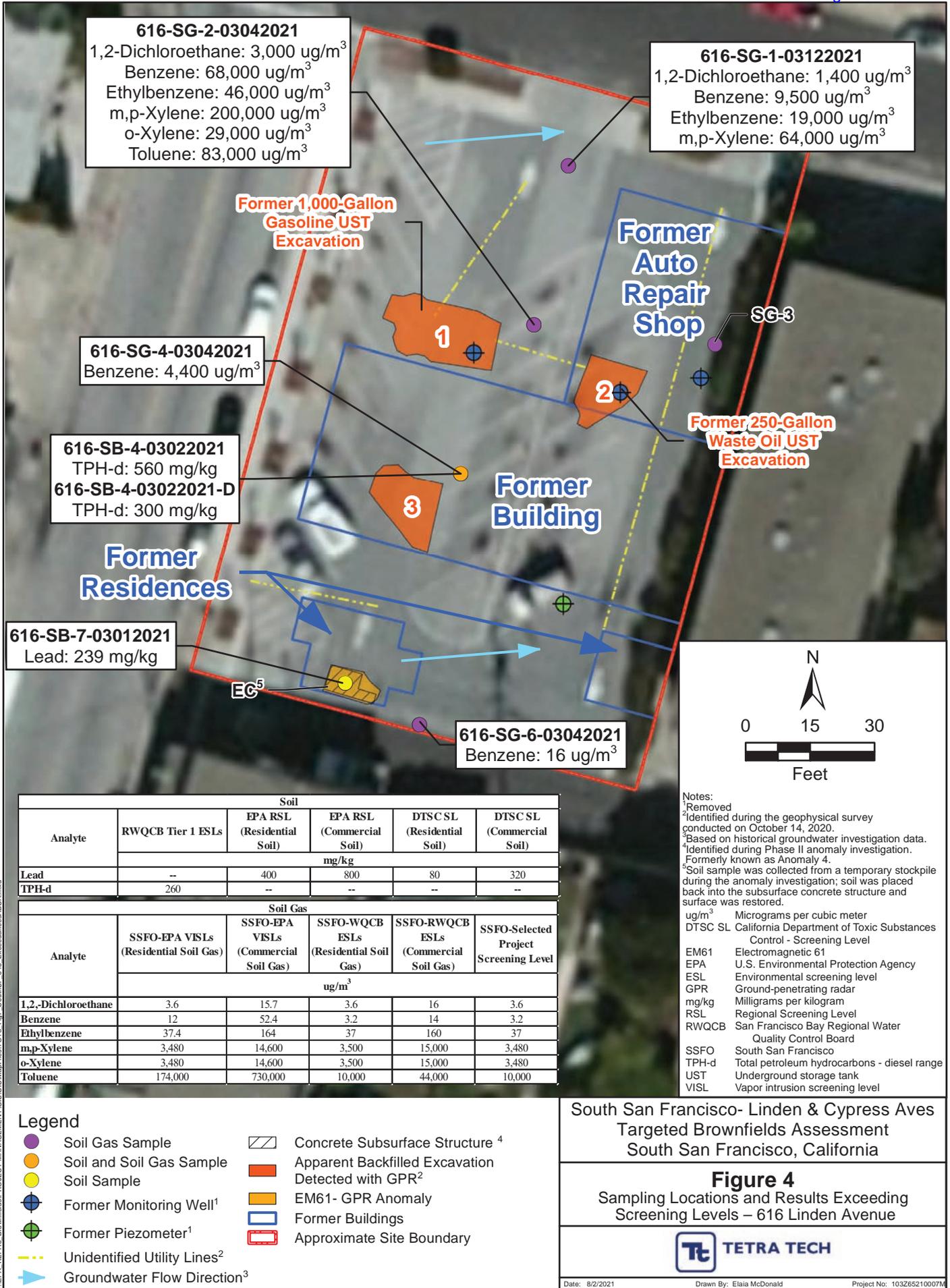
South San Francisco- Linden & Cypress Aves  
Targeted Brownfields Assessment  
South San Francisco, California

**Figure 3**  
Current Site Features - 905 Linden Avenue



Source: ESRI, ArcGIS Online, World Imagery, 2018

Date: 12/18/2020 Drawn By: Elaia McDonald Project No: 103Z65210007M



Notes:  
<sup>1</sup>Removed  
<sup>2</sup>Identified during the geophysical survey conducted on October 14, 2020.  
<sup>3</sup>Based on historical groundwater investigation data.  
<sup>4</sup>Identified during Phase II anomaly investigation. Formerly known as Anomaly 4.  
<sup>5</sup>Soil sample was collected from a temporary stockpile during the anomaly investigation; soil was placed back into the subsurface concrete structure and surface was restored.  
 ug/m<sup>3</sup> Micrograms per cubic meter  
 DTSC SL California Department of Toxic Substances Control - Screening Level  
 EM61 Electromagnetic 61  
 EPA U.S. Environmental Protection Agency  
 ESL Environmental screening level  
 GPR Ground-penetrating radar  
 mg/kg Milligrams per kilogram  
 RSL Regional Screening Level  
 RWQCB San Francisco Bay Regional Water Quality Control Board  
 SSFO South San Francisco  
 TPH-d Total petroleum hydrocarbons - diesel range  
 UST Underground storage tank  
 VISL Vapor intrusion screening level

Analyte	Soil				
	RWQCB Tier 1 ESLs	EPA RSL (Residential Soil)	EPA RSL (Commercial Soil)	DTSC SL (Residential Soil)	DTSC SL (Commercial Soil)
	mg/kg				
Lead	--	400	800	80	320
TPH-d	260	--	--	--	--

Analyte	Soil Gas				
	SSFO-EPA VISLs (Residential Soil Gas)	SSFO-EPA VISLs (Commercial Soil Gas)	SSFO-WQCB ESLs (Residential Soil Gas)	SSFO-RWQCB ESLs (Commercial Soil Gas)	SSFO-Selected Project Screening Level
	ug/m <sup>3</sup>				
1,2-Dichloroethane	3.6	15.7	3.6	16	3.6
Benzene	12	52.4	3.2	14	3.2
Ethylbenzene	37.4	164	37	160	37
m,p-Xylene	3,480	14,600	3,500	15,000	3,480
o-Xylene	3,480	14,600	3,500	15,000	3,480
Toluene	174,000	730,000	10,000	44,000	10,000

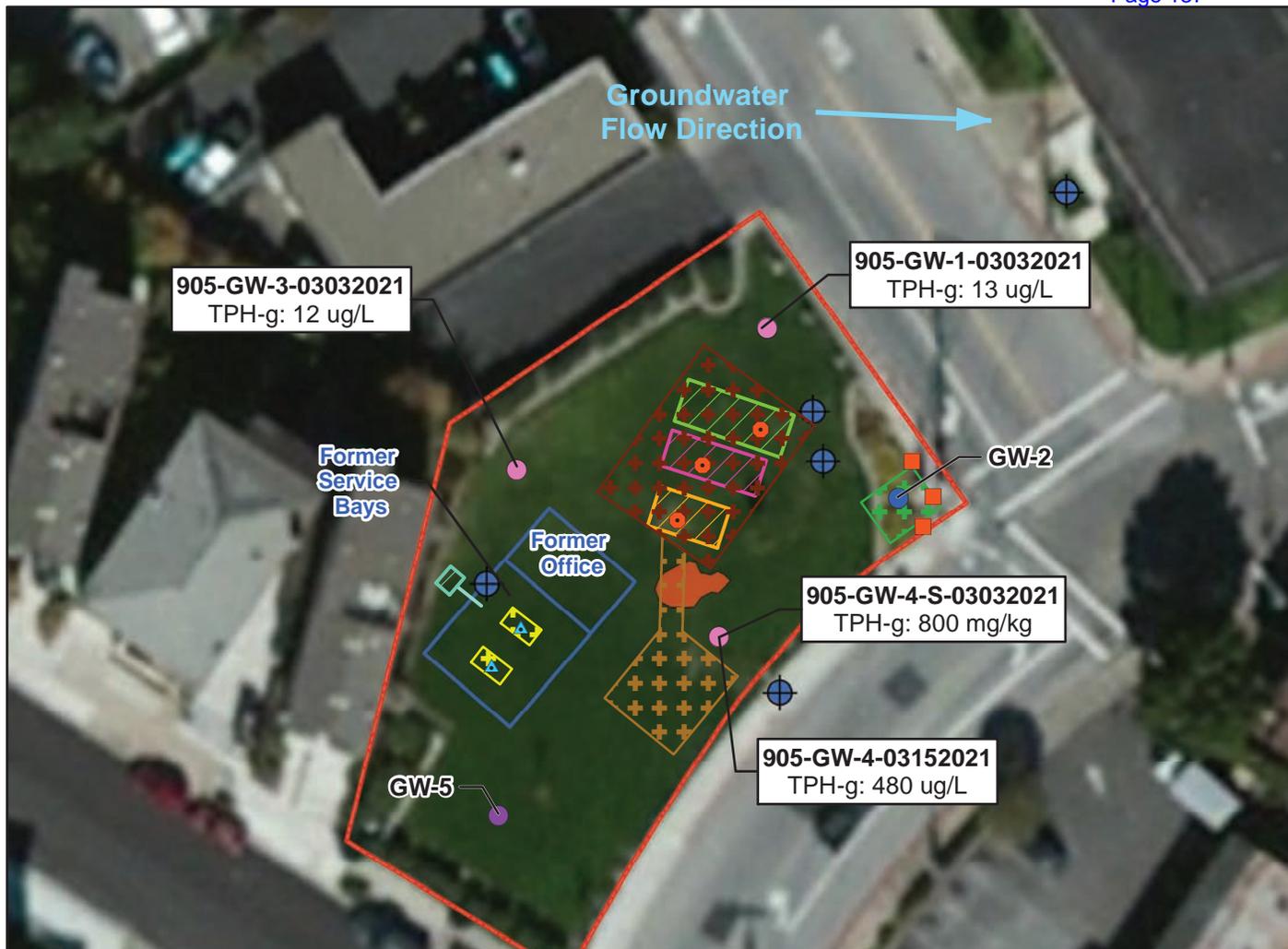
- Legend**
- Soil Gas Sample
  - Soil and Soil Gas Sample
  - Soil Sample
  - ⊕ Former Monitoring Well<sup>1</sup>
  - ⊕ Former Piezometer<sup>1</sup>
  - Unidentified Utility Lines<sup>2</sup>
  - Groundwater Flow Direction<sup>3</sup>
  - Concrete Subsurface Structure<sup>4</sup>
  - Apparent Backfilled Excavation Detected with GPR<sup>2</sup>
  - EM61- GPR Anomaly
  - Former Buildings
  - Approximate Site Boundary

South San Francisco- Linden & Cypress Aves  
Targeted Brownfields Assessment  
South San Francisco, California

**Figure 4**  
Sampling Locations and Results Exceeding Screening Levels – 616 Linden Avenue

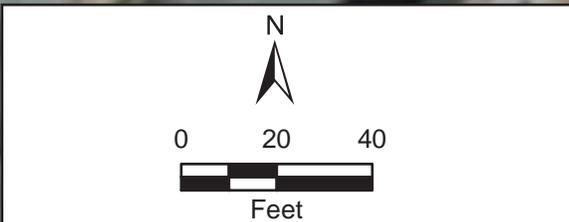


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Soil (mg/kg)	
Analyte	RWQCB Tier 1 ESLs
TPH-g	100

Groundwater (ug/L)			
Analyte	RWQCB Tier 1 ESLs	EPA VISLs (Residential)	EPA VISLs (Commercial)
TPH-g	100	10.4	43.7



Notes:  
Site locations are approximate except for monitoring wells MW-1 through MW-6 and the backfilled excavation, which were surveyed.

- <sup>1</sup>Removed
- <sup>2</sup>Based on historical groundwater investigation data.
- ug/L Micrograms per liter
- EPA U.S. Environmental Protection Agency
- ESL Environmental screening level
- ft bgs Feet below ground surface
- GPR Ground-penetrating radar
- mg/kg Milligrams per kilogram
- RWQCB San Francisco Bay Regional Water Quality Control Board
- TPH-g Total petroleum hydrocarbons - gasoline range
- UST Underground storage tank
- VISL Vapor intrusion screening level

**Legend**

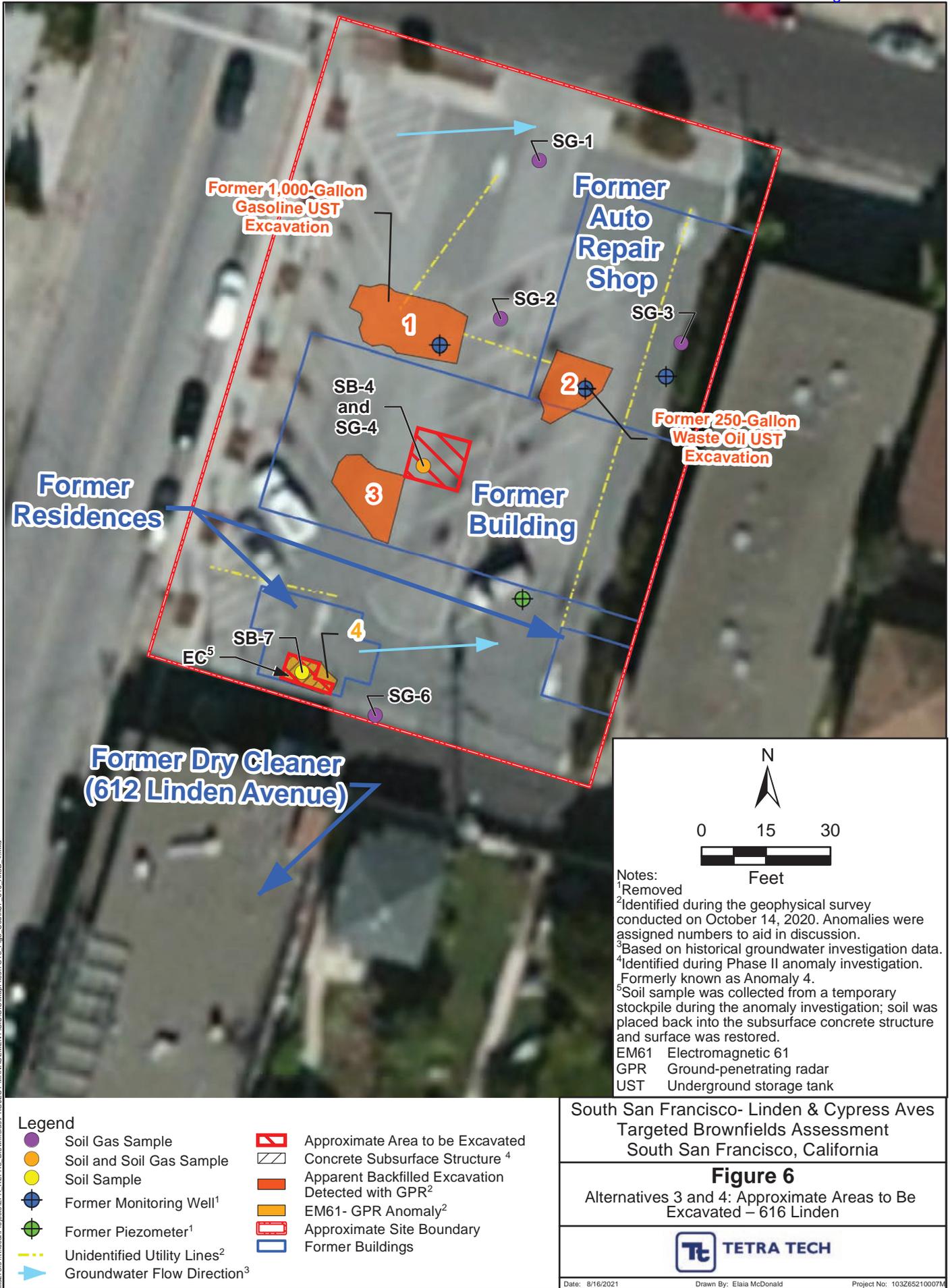
- Grab Groundwater Sample
- Soil Gas Sample
- Soil and Grab Groundwater Sample
- ▲ Former Hoist
- Former UST Fill Covers
- Electric Vault
- Former Groundwater Wells<sup>1</sup>
- Former Inlet Pipe
- Groundwater Flow Direction<sup>2</sup>
- Apparent Backfilled Excavation Detected with GPR
- Former Oil Water Separator Excavation (Depth 8 ft bgs)
- Former Buildings
- Former Piping Location and Pump Island Excavation (1998) (Depth 7 ft bgs)
- UST Excavation (1998) (Depth 12 ft bgs)
- Former Hoist Excavation (Depth 8 ft bgs)
- Former Waste Oil UST Excavation (Depth 6 ft bgs)
- Former 4,000-Gallon UST - Diesel
- Former 6,000-Gallon UST - Leaded Gasoline
- Former 8,000-Gallon UST - Unleaded Gasoline
- Approximate Site Boundary

South San Francisco- Linden & Cypress Aves  
Targeted Brownfields Assessment  
South San Francisco, California

**Figure 5**  
Sampling Locations and Results Exceeding  
Screening Levels – 905 Linden Avenue



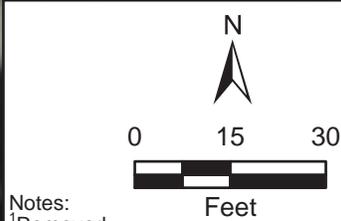
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**Legend**

- Soil Gas Sample
- Soil and Soil Gas Sample
- Soil Sample
- ⊕ Former Monitoring Well<sup>1</sup>
- ⊕ Former Piezometer<sup>1</sup>
- Unidentified Utility Lines<sup>2</sup>
- Groundwater Flow Direction<sup>3</sup>
- Approximate Area to be Excavated
- Concrete Subsurface Structure<sup>4</sup>
- Apparent Backfilled Excavation Detected with GPR<sup>2</sup>
- EM61- GPR Anomaly<sup>2</sup>
- Approximate Site Boundary
- Former Buildings



Notes:  
<sup>1</sup>Removed  
<sup>2</sup>Identified during the geophysical survey conducted on October 14, 2020. Anomalies were assigned numbers to aid in discussion.  
<sup>3</sup>Based on historical groundwater investigation data.  
<sup>4</sup>Identified during Phase II anomaly investigation. Formerly known as Anomaly 4.  
<sup>5</sup>Soil sample was collected from a temporary stockpile during the anomaly investigation; soil was placed back into the subsurface concrete structure and surface was restored.  
 EM61 Electromagnetic 61  
 GPR Ground-penetrating radar  
 UST Underground storage tank

South San Francisco- Linden & Cypress Aves  
Targeted Brownfields Assessment  
South San Francisco, California

**Figure 6**  
Alternatives 3 and 4: Approximate Areas to Be Excavated – 616 Linden



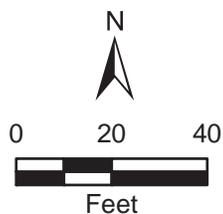


**Legend**

- Grab Groundwater Sample
- Soil Gas Sample
- Soil and Grab Groundwater Sample
- ⊕ Former Groundwater Wells<sup>1</sup>
- ▲ Former Hoist
- Former UST Fill Covers
- Electric Vault
- Former Inlet Pipe
- ▶ Groundwater Flow Direction<sup>2</sup>
- Approximate Area to be Excavated
- Former Oil Water Separator Excavation (Depth 8 ft bgs)
- Former Piping Location and Pump Island Excavation (1998) (Depth 7 ft bgs)
- UST Excavation (1998) (Depth 12 ft bgs)
- Former Hoist Excavation (Depth 8 ft bgs)
- Apparent Backfilled Excavation Detected with GPR
- Former Waste Oil UST Excavation (Depth 6 ft bgs)
- Former 4,000-Gallon UST - Diesel
- Former 6,000-Gallon UST - Leaded Gasoline
- Former 8,000-Gallon UST - Unleaded Gasoline
- Former Buildings
- Approximate Site Boundary

**Notes:**

<sup>1</sup>Removed  
<sup>2</sup>Based on historical groundwater investigation data.  
 Site locations are approximate except for monitoring wells MW-1 through MW-6 and the backfilled excavation, which were surveyed.  
 ft bgs Feet below ground surface  
 GPR Ground-penetrating radar  
 UST Underground storage tank



South San Francisco- Linden & Cypress Aves  
 Targeted Brownfields Assessment  
 South San Francisco, California

**Figure 7**  
 Alternatives 3 and 4: Approximate Area to Be Excavated – 905 Linden



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**TABLES**

616 Linden						
Alternative		Actions	Effectiveness	Implementation	Cost	Considerations
1	No Action	<ul style="list-style-type: none"> <li>None</li> </ul>	NA	NA	\$0	This alternative would not be protective of human health and the environment and would not meet the project goal for the Site.
2	Passive Vapor Mitigation, SMP, O&M, and ICs	<ul style="list-style-type: none"> <li>Installation of a passive vapor mitigation system for a new structure (assumed to be 14,000 SF of first-floor space).</li> <li>Implementation of a SMP to guide proper handling of contaminated soil if the soil is disturbed</li> <li>Implementation of ICs to ensure new structures are designed with a vapor mitigation system and to ensure the continued integrity of the vapor mitigation system.</li> </ul>	Moderate	Moderate	\$298,000	This alternative assumes a footprint for a new structure to be built; however, the actual footprint may vary.

616 Linden						
Alternative	Actions	Effectiveness	Implementation	Cost	Considerations	
3	<p><b>Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&amp;M, and ICs</b></p>	<ul style="list-style-type: none"> <li>• Installation of an active vapor mitigation system for a new structure (assumed to be 14,000 SF of first-floor space).</li> <li>• Excavation of 151 CY of contaminated soil.</li> <li>• Off-Site disposal of soil at a permitted disposal facility.</li> <li>• Backfilling of excavated areas.</li> <li>• Implementation of ICs to ensure new structures are designed with a vapor mitigation system and to ensure the continued integrity of the vapor mitigation system.</li> <li>• Long-term O&amp;M of the vapor mitigation system as long as a structure is occupied.</li> <li>• Electricity required for blowers and occasional maintenance or replacement of blowers.</li> </ul>	Moderate to High	Difficult to Moderate	\$531,000	<p>This alternative assumes a footprint for a new structure to be built; however, the actual footprint may vary.</p> <p>This alternative includes an estimated volume of soil for excavation; however, the extent of contamination is unknown and actual Site conditions may vary.</p> <p>This alternative assumes clean fill material for backfilling will be brought in from off Site.</p>

616 Linden						
Alternative	Actions	Effectiveness	Implementation	Cost	Considerations	
4	<b>Soil Excavation with Off-Site Disposal and ICs</b>	<ul style="list-style-type: none"> <li>Excavation of 151 CY of contaminated soil.</li> <li>Off-Site disposal of soil at a permitted disposal facility.</li> <li>Backfilling of excavated areas.</li> <li>Implementation of ICs to ensure that if a structure is to be built on the property, then a vapor mitigation system would be required.</li> </ul>	Moderate to High	Easy to Moderate	\$124,000	<p>This alternative assumes redevelopment of the property will be limited to a neighborhood park.</p> <p>This alternative includes an estimated volume of soil for excavation; however, the extent of contamination is unknown and actual Site conditions may vary.</p> <p>This alternative assumes clean fill material for backfilling will be brought in from off Site.</p>

905 Linden						
Alternative		Actions	Effectiveness	Implementation	Cost	Considerations
1	No Action	<ul style="list-style-type: none"> <li>None</li> </ul>	NA	NA	\$0	This alternative would not be protective of human health and the environment and would not meet the project goal for the Site.
2	Passive Vapor Mitigation, SMP, O&M, and ICs	<ul style="list-style-type: none"> <li>Installation of a passive vapor mitigation system for a new structure (assumed to be 12,000 SF of first-floor space).</li> <li>Implementation of a SMP to guide proper handling of contaminated soil in the event that the soil would be disturbed</li> <li>Implementation of ICs to ensure new structures are designed with a vapor mitigation system and to ensure the continued integrity of the vapor mitigation system and prohibiting use of groundwater as drinking water.</li> </ul>	Moderate	Moderate	\$271,000	This alternative assumes a footprint for a new structure to be built; however, the actual footprint may vary.

905 Linden						
Alternative	Actions	Effectiveness	Implementation	Cost	Considerations	
3	<p><b>Active Vapor Mitigation, Soil Excavation with Off-site Disposal, O&amp;M, and ICs</b></p>	<ul style="list-style-type: none"> <li>• Installation of an active vapor mitigation system for a new structure (assumed to be 12,000 SF of first-floor space).</li> <li>• Excavation of 65 CY of contaminated soil.</li> <li>• Off-Site disposal of soil at a permitted disposal facility.</li> <li>• Backfilling of excavated areas.</li> <li>• Implementation of ICs to ensure new structures are designed with a vapor mitigation system, to ensure the continued integrity of the vapor mitigation system, and to prohibit use of groundwater as drinking water.</li> <li>• Long-term O&amp;M of the vapor mitigation system as long as a structure is occupied.</li> <li>• Electricity required for blowers and occasional maintenance or replacement of blowers.</li> </ul>	Moderate to High	Difficult to Moderate	\$460,000	<p>This alternative assumes a footprint for a new structure to be built; however, the actual footprint may vary.</p> <p>This alternative includes an estimated volume of soil for excavation; however, the extent of contamination is unknown and actual Site conditions may vary.</p> <p>This alternative assumes clean fill material for backfilling will be brought in from off Site.</p>

905 Linden					
Alternative	Actions	Effectiveness	Implementation	Cost	Considerations
4	<p><b>Soil Excavation with Off-Site Disposal and ICs</b></p> <ul style="list-style-type: none"> <li>Excavation of 65 CY of contaminated soil.</li> <li>Off-Site disposal of soil at a permitted disposal facility.</li> <li>Backfilling of excavated areas.</li> <li>Implementation of ICs to ensure that if a structure is built on the property, a vapor mitigation system would be required, and to prohibit use of groundwater as drinking water..</li> </ul>	Moderate to High	Easy to Moderate	\$80,000	<p>This alternative assumes redevelopment of the property will be limited to a neighborhood park.</p> <p>This alternative includes an estimated volume of soil for excavation; however, the extent of contamination is unknown and actual Site conditions may vary.</p> <p>This alternative assumes clean fill material for backfilling will be brought in from off Site.</p>

**Table 1**  
**Summary of Assumed Cleanup Levels for Soil Gas**  
**ABCA Document**  
**South San Francisco – Linden & Cypress Aves**

<b>COC</b>	<b>Assumed Cleanup Level (<math>\mu\text{g}/\text{m}^3</math>)</b>	<b>Reference</b>
1,2-Dichloroethane	3.6	EPA (2020a) VISL and RWQCB (2019) ESL
Benzene	3.2	RWQCB (2019) ESL
Ethylbenzene	37	EPA (2020a) VISL and RWQCB (2019) ESL
M,P-Xylene	3,480	EPA (2020a) VISL
O-Xylene	3,480	EPA (2020a) VISL
Toluene	10,000	RWQCB (2019) ESL

**Table 2**  
**Summary of Assumed Cleanup Levels for Soil**  
**ABCA Document**  
**South San Francisco – Linden & Cypress Aves**

<b>COC</b>	<b>Assumed Cleanup Level (mg/kg)</b>	<b>Reference</b>
TPH-d	260	RWQCB (2019) Tier 1 ESL
TPH-g	100	RWQCB (2019) Tier 1 ESL
Lead	80	DTSC (2020) Residential SL

**Table 3**  
**Summary of Assumed Cleanup Levels for Groundwater**  
**ABCA Document**  
**South San Francisco – Linden & Cypress Aves**

COC	Assumed Cleanup Level (µg/L)	Reference
TPH-g	10.4	EPA (2020a) VISL Residential Groundwater

Alternative	Action Cost			Total Cost	Land Uses Allowed	
	Type of Cost	Description	Cost			
<b>616 Linden</b>						
1	No Action	Capital Cost	NA	\$0	\$0	NA
		ICs	NA	\$0		
		O&M	NA	\$0		
2	Passive Vapor Mitigation, SMP, O&M, and ICs	Capital Cost	Passive Vapor Mitigation	\$202,000	\$298,000	Residential, Commercial/Industrial, and Recreational (i.e. neighborhood park)
			SMP	\$26,000		
		ICs	Restrictive Covenant	\$53,000		
		O&M*	Routine Inspections	\$17,000		
3	Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs	Capital Cost	Active Vapor Mitigation	\$204,000	\$531,000	Residential, Commercial/Industrial, and Recreational (i.e. neighborhood park)
			Soil Excavation and Off-Site Disposal	\$71,000		
		ICs	Restrictive Covenant	\$53,000		
		O&M*	O&M, Blower Replacement	\$203,000		
4	Soil Excavation with Off-Site Disposal and ICs	Capital Cost	Soil Excavation and Off-Site Disposal	\$71,000	\$124,000	Recreational (i.e. neighborhood park) Only
		ICs	Restrictive Covenant	\$53,000		
		O&M	NA	\$0		

Alternative	Action Cost			Total Cost	Land Uses Allowed	
	Type of Cost	Description	Cost			
<b>905 Linden</b>						
1	No Action	Capital Cost	NA	\$0	\$0	NA
		ICs	NA	\$0		
		O&M	NA	\$0		
2	Passive Vapor Mitigation, SMP, O&M, and ICs	Capital Cost	Passive Vapor Mitigation	\$175,000	\$271,000	Residential, Commercial/Industrial, and Recreational (i.e. neighborhood park)
			SMP	\$26,000		
		ICs	Restrictive Covenant	\$53,000		
		O&M*	Routine Inspections	\$17,000		
3	Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs	Capital Cost	Active Vapor Mitigation	\$177,000	\$460,000	Residential, Commercial/Industrial, and Recreational (i.e. neighborhood park)
			Soil Excavation and Off-Site Disposal	\$27,000		
		ICs	Restrictive Covenant	\$53,000		
		O&M*	O&M, Blower Replacement	\$203,000		
4	Soil Excavation with Off-Site Disposal and ICs	Capital Cost	Soil Excavation and Off-Site Disposal	\$27,000	\$80,000	Recreational (i.e. neighborhood park) Only
		ICs	Restrictive Covenant	\$53,000		
		O&M	NA	\$0		

**Table 5**  
**Summary of Alternatives Considered and Dismissed**  
**ABCA Document**  
**South San Francisco – Linden & Cypress Aves**

Alternative	Description	Considerations
Bioremediation	Bioremediation involves the use of microorganisms to degrade organic contaminants. The microorganisms break down contaminants by using them as a food source or co-metabolizing, converting them to end products such as methane and carbon dioxide.	Although it is effective for breakdown of organic contaminants such as gasoline, this alternative is not effective in remediating the inorganic contaminants (lead) present at the Site. Bioremediation is often not uniform and requires maintaining proper moisture, pH, temperature, and nutrients. This alternative may require longer treatment times. However, bioremediation could be used in combination with other treatment technologies.
In Situ Thermal Treatment	In situ thermal treatment uses temperature to increase the volatility of the contaminants in the soils. It may require off-gas and residual liquid treatment.	This alternative is not effective in remediating the inorganic contaminants (lead) present at the Site. In addition, this alternative requires longer treatment time and remediation is often not uniform. This alternative is the costliest treatment (driven by energy and equipment costs); and is O&M intensive.
Phytoremediation	Phytoremediation is a process that uses plants to extract, degrade, contain, or immobilize contaminants in soils and sediment.	Because of the depth of contaminated soils at the Site (up to 5 feet bgs), this alternative would not be effective as phytoremediation would be limited to the treatment of shallow soil.

Criteria	616 Linden					
	Alt. 2		Alt. 3		Alt. 4	
	Passive Vapor Mitigation, SMP, O&M, and ICs		Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs		Soil Excavation with Off-Site Disposal and ICs	
	Rating	Score	Rating	Score	Rating	Score
Effectiveness	Moderate	3	Moderate to High	4	Moderate to High	4
Implementation	Moderate	3	Difficult to Moderate	2	Easy to Moderate	4
Cost	\$298,000	5	\$531,000	5	\$124,000	5
Overall Score	11		11		13	

Criteria	905 Linden					
	Alt. 2		Alt. 3		Alt. 4	
	Passive Vapor Mitigation, SMP, O&M, and ICs		Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs		Soil Excavation with Off-Site Disposal and ICs	
	Rating	Score	Rating	Score	Rating	Score
Effectiveness	Moderate	3	Moderate to High	4	Moderate to High	4
Implementation	Moderate	3	Difficult to Moderate	2	Easy to Moderate	4
Cost	\$271,000	5	\$460,000	5	\$80,000	5
Overall Score	11		11		13	

**APPENDIX A**

**ENVIRONMENTAL FOOTPRINT EVALUATION**

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## A.1 GREEN REMEDIATION ANALYSIS

Toeroek Associates, Inc., and its subcontractor, Tetra Tech, Inc., (hereinafter, the Toeroek Team), in support of the Analysis of Brownfields Cleanup Alternatives (ABCA) report for the South San Francisco – Linden & Cypress Aves site (the Site), conducted a green remediation analysis to assist in the evaluation of potential cleanup alternatives. This analysis is based on the U.S. Environmental Protection Agency’s (EPA) set of analytical workbooks called the Spreadsheets for Environmental Footprint Analysis (SEFA) tools and was conducted for potential cleanup alternatives for both 616 Linden and 905 Linden. Result summaries of these analyses can be found in [Table A-1](#) for 616 Linden and [Table A-7](#) for 905 Linden. The SEFA analysis is based on the components of each alternative as follows.

### 616 Linden

Review of analytical data from the Phase II Environmental Site Assessment (ESA) led to the following noteworthy findings:

- **Soil Gas:** 1,2-Dichloroethane, benzene, toluene, ethylbenzene, and xylenes were detected in soil gas samples from 5 feet below ground surface (bgs) at concentrations exceeding EPA vapor intrusion screening levels (VISLs) and San Francisco Bay Regional Water Quality Control Board (RWQCB) environmental screening levels (ESLs) for residential and commercial receptors.
- **Subsurface Soil:** Total petroleum hydrocarbons as diesel (TPH-d) was detected in the subsurface soil sample and field duplicate from 4 to 5 feet bgs at concentrations exceeding the RWQCB Tier 1 ESL of 260 milligrams per kilogram (mg/kg).
- **Subsurface Concrete Structure Contents:** Arsenic and lead were detected in the sample collected from the soil within the concrete structure at 8.29 mg/kg and 239 mg/kg, respectively, exceeding applicable screening levels (SLs). The detected concentration of arsenic was also above the average U.S. Geological Survey (USGS) background concentration; however, the concentration was within the USGS San Mateo County background concentration range and is likely natural occurring. Background concentrations of arsenic in soil in San Mateo County range from 1.6 to 10 mg/kg with a mean of 4.4 mg/kg and standard deviation of 1.4 mg/kg (USGS 2021). Although the lead concentration is also within the USGS San Mateo County reported background range of 4.1 to 659 mg/kg, the concentration is substantially higher than lead concentrations detected in soil at the other sample location at 616 Linden (41.7 mg/kg) and the other properties (700 Linden, 905 Linden, and 705 Cypress), which ranged from 11.8 to 75.7 mg/kg. Therefore, the lead concentration of 239 mg/kg in soil within the concrete structure is likely not consistent with background

concentrations in the area of the Site. The lead concentration in soil within the concrete structure was likely impacted by debris discovered in the concrete structure.

The following cleanup alternatives were considered for 616 Linden:

- Alternative 1: No Action
- Alternative 2: Passive Vapor Mitigation, Soil Management Plan (SMP), Operation and Maintenance (O&M), and Institutional Controls (ICs)
  - This alternative would involve construction of a passive vapor mitigation system for new structures built at 616 Linden. The passive vapor mitigation system would include a gravel layer with perforated piping and a vapor barrier. Vent risers would extend through the roof of the structure. The soil gas collected would be vented outside to the atmosphere through these risers.
  - The location, size, and number of structures to be built at 616 Linden is unknown. Therefore, a three-story residential structure with a slab foundation encompassing 14,000 SF of first-floor space was assumed based on the planned future use of the Site and the size of the property.
  - This alternative would require routine inspection and potential repairs and maintenance of the passive vapor mitigation system as long as a structure is occupied at 616 Linden and contamination remains in soil gas above cleanup levels.
  - A SMP would be necessary to guide proper handling of soil at 616 Linden if the soil is disturbed (for example, during new structure construction). The SMP would present a tiered approach to soil management, regulatory approval, documentation, and record keeping to minimize administrative requirements.
- Alternative 3: Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs
  - This alternative would involve construction of an active vapor mitigation system for new structures built at 616 Linden. The active vapor mitigation system would consist of a sub-slab depressurization system that would mechanically create a vacuum to collect soil gas from beneath the building and vent the vapors outside.
  - The size, number, and location of structures to be built at 616 Linden is unknown. Therefore, a three-story residential structure with a slab foundation encompassing 14,000 SF of first-floor space was assumed based on the planned future use of the Site and the size of the property.
  - Soil Excavation around Sampling Location SB-4: The volume of soil to be excavated to assumed cleanup levels is approximately 145 CY, assuming an area of 150 SF and a depth of 26 feet bgs.

- Soil Excavation around Subsurface Concrete Structure: The volume of soil to be excavated to assumed cleanup levels is approximately 6 CY, assuming an area of 54 SF and a depth of 3 feet bgs. In addition, the concrete walls and floor of the structure would be demolished. Approximately 0.6 ton of concrete is assumed to require demolition and off-Site disposal.
- Confirmation Sampling: Confirmation soil sampling will require collection of 10 five-point composite samples, five from the walls and floor of each excavated area.
- Backfill: Excavated areas will be backfilled with clean off-Site material, graded, and seeded as needed for redevelopment.
- Waste Disposal: Soil around the subsurface concrete structure is assumed to require disposal at a non-RCRA Class I California hazardous waste facility based on the WET results using the citrate buffer that indicated that leachable lead in soil is above the California STLC. Soil around sampling location SB-4 is assumed to be accepted at a Class III landfill as non-hazardous waste.
- Long-term O&M, including routine inspections and potential repairs and maintenance, would be needed as long as a structure is occupied at 616 Linden and contamination remains in soil gas above cleanup levels. Electricity would be required to operate the blowers, and occasional maintenance or replacement of the blowers may be needed. For purposes of this green remediation analysis, O&M is assumed to be required for a period of 30 years; however, O&M will be needed in perpetuity for the life of the vapor mitigation system and ICs as long as soil vapor contamination remains at 616 Linden above cleanup levels.
- Alternative 4: Soil Excavation with Off-Site Disposal and ICs
  - This alternative assumes 616 Linden will be redeveloped as a neighborhood park and will not include the construction of any structures that would be occupied by people on a regular basis for any length of time.
  - Soil Excavation around Sampling Location SB-4: The volume of soil to be excavated to assumed cleanup levels is approximately 145 CY, assuming an area of 150 SF and a depth of 26 feet bgs.
  - Soil Excavation around Subsurface Concrete Structure: The volume of soil to be excavated to assumed cleanup levels is approximately 6 CY, assuming an area of 54 SF and a depth of 3 feet bgs. In addition, the concrete walls and floor of the structure would be demolished. Approximately 0.6 ton of concrete is assumed to require demolition and off-Site disposal.
  - Confirmation Sampling: Confirmation soil sampling will require collection of 10 five-point composite samples, five from the walls and floor of each excavated area.

- Backfill: Excavated areas will be backfilled with clean off-Site material, graded, and seeded as needed for redevelopment.
- Waste Disposal: Soil around the subsurface concrete structure is assumed to require disposal at a non-RCRA Class I California hazardous waste facility based on the WET results using the citrate buffer that indicated that leachable lead in soil is above the California STLC. Soil around sampling location SB-4 is assumed to be accepted at a Class III landfill as non-hazardous waste.

### 905 Linden

Review of analytical data from the Phase II ESA led to the following noteworthy findings:

- **Subsurface Soil:** TPH as gasoline (TPH-g) was detected in the subsurface soil sample within 4 to 5 feet bgs at a concentration (800 mg/kg) exceeding the RWQCB Tier 1 ESL of 100 mg/kg.
- **Groundwater:** TPH-g was detected in groundwater from 3.65 to 5 feet bgs at concentrations exceeding the EPA VISL for residential groundwater of 10.4 micrograms per liter ( $\mu\text{g/L}$ ) at sampling locations GW-1, GW-3, and GW-4, and the EPA VISL for commercial groundwater of 43.7  $\mu\text{g/L}$  and RWQCB Tier 1 ESL of 100  $\mu\text{g/L}$  at sampling location GW-4 that exhibited a concentration of 480  $\mu\text{g/L}$ .

The following cleanup alternatives were considered for 905 Linden:

- Alternative 1: No Action
- Alternative 2: Passive Vapor Mitigation, SMP, O&M, and ICs
  - This alternative would involve construction of a passive vapor mitigation system for new structures built at 905 Linden. The passive vapor mitigation system would include a gravel layer with perforated piping and a vapor barrier. Vent risers would extend through the roof of the structure. The soil gas collected would be vented outside to the atmosphere through these risers.
  - The size, location, and number of structures to be built at 905 Linden is unknown. Therefore, a three-story residential structure with a slab foundation encompassing 12,000 SF of first-floor space was assumed based on the planned future use of the Site and the size of the property.
  - This alternative would require routine inspection and potential repairs and maintenance of the vapor mitigation system as long as a structure is occupied at 905 Linden and contamination remains in groundwater above cleanup levels posing a potential vapor intrusion issue.
  - A SMP would be necessary to guide proper handling of soil at 905 Linden if the soil is disturbed (for example, during new structure construction). The SMP would present a tiered approach to

- soil management, regulatory approval, documentation, and record keeping to minimize administrative requirements.
- Alternative 3: Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs
    - This alternative would involve construction of an active vapor mitigation system for new structures built at 905 Linden. The active vapor mitigation system would consist of a sub-slab depressurization system that would mechanically create a vacuum to collect soil gas from beneath the building and vent the vapors outside.
    - The size, location, and number of structures to be built at 905 Linden is unknown. Therefore, a three-story residential structure with a slab foundation encompassing 12,000 SF of first floor space was assumed based on the planned future use of the Site and the size of the property.
    - Soil Excavation around Sampling Location GW-4: The volume of soil to be excavated to assumed cleanup levels is approximately 65 CY, assuming an area of 290 SF and a depth of 6 feet bgs.
    - Confirmation Sampling: Confirmation soil sampling will require collection of five five-point composite samples from the walls and floor of the excavated area.
    - Backfill: Excavated areas will be backfilled with clean off-Site material, graded, and seeded as needed for redevelopment.
    - Waste Disposal: Soil around sampling location GW-4 is assumed to be accepted at a Class III landfill as non-hazardous waste.
    - Long-term O&M, including routine inspections and potential repairs and maintenance, would be needed as long as a structure is occupied at 905 Linden and contamination remains in groundwater above cleanup levels. Electricity would be required to operate the blowers, and occasional maintenance or replacement of the blowers may be needed. For purposes of this green remediation analysis, O&M is assumed to be required for a period of 30 years; however, O&M will be needed in perpetuity for the life of the vapor mitigation system and ICs as long as soil vapor contamination remains at 905 Linden above cleanup levels.
  - Alternative 4: Soil Excavation with Off-Site Disposal and ICs
    - This alternative assumes 905 Linden will be redeveloped as a neighborhood park and will not include the construction of any structures that would be occupied by people on a regular basis for any length of time.

- Soil Excavation around Sampling Location GW-4: The volume of soil to be excavated to assumed cleanup levels is approximately 65 CY, assuming an area of 290 SF and a depth of 6 feet bgs.
- Confirmation Sampling: Confirmation soil sampling will require collection of five five-point composite samples from the walls and floor of the excavated area.
- Backfill: Excavated areas will be backfilled with clean off-Site material, graded, and seeded as needed for redevelopment.
- Waste Disposal: Soil around sampling location GW-4 is assumed to be accepted at a Class III landfill as non-hazardous waste.

### SEFA Analysis

EPA (2019) developed a set of analytical workbooks called the SEFA tools to help decision-makers analyze the environmental footprint of a site cleanup project, determine which cleanup activities drive the size of the footprint, and adjust project parameters to reduce the size of the footprint. Site-specific information to be input into the spreadsheets was gathered from the Phase II ESA (Toeroek Team 2021), field records, and other existing resources. Automated calculations within SEFA tools generate outputs that quantify 21 metrics corresponding to core elements of a greener cleanup in response to climate change. An analysis with the SEFA tools for each alternative was conducted for 616 Linden and 905 Linden.

The SEFA tools require input of different equipment types, distances to transport personnel, on-site electricity use, materials use and transportation, waste disposal and transportation, and type of water used. The inputs were estimated for the alternative-specific components described above by the Toeroek Team for 616 Linden ([Attachment A-1](#)) and 905 Linden ([Attachment A-2](#)). These inputs were required for each component of the cleanup alternative. An example of the components of an alternative include excavation, transportation, vapor mitigation, groundwater treatment, and O&M.

The SEFA tools then automatically calculate the energy and emissions derived from the inputs. The different types of energy and emissions include total energy consumed, greenhouse gas emissions, nitrate emissions, sulfate emissions, particulate matter emissions, and listed air pollutants emissions. Methane emissions are not directly calculated by SEFA but are included as part of greenhouse gases emissions. With this information, how each alternative will affect the climate can be seen.

The results of the SEFA analysis for each potential alternative for 616 Linden and 905 Linden can be found in [Table A-2](#) through [Table A-6](#) and [Table A-8](#) through [Table A-12](#), respectively.

## A.2 FINDINGS AND CONCLUSIONS

Result summaries of the green remediation analyses can be found in [Table A-1](#) for 616 Linden and [Table A-7](#) for 905 Linden. The relative impacts in these tables are a qualitative assessment of the relative footprint of each alternative; a rating of high for an alternative is assigned if it is 50 percent of the maximum footprint, a rating of medium is assigned if it is between 20 and 50 percent of the maximum footprint, and a rating of low is assigned if it is less than 20 percent of the maximum footprint.

### 616 Linden

The impacts for Alternative 3 (Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs) are rated high for total energy usage and all emissions, relative to other alternatives considered. The impacts for Alternative 2 (Passive Vapor Mitigation, SMP, O&M, and ICs) and Alternative 4 (Soil Excavation with Off-Site Disposal and ICs) are low for most emissions and total energy usage, relative to Alternative 3 ([Table A-1](#)). Alternatives 2 and 3 are similar in the technologies used; however, Alternative 3 would require more total energy usage and would produce more emissions compared with Alternative 2, as electricity would be required to continually operate the blowers for an assumed period of 30 years. [Table A-5](#) shows the large component of long-term O&M for Alternative 3 in comparison to excavation, transportation, and active vapor mitigation system components. Alternative 4 assumes that the property would be redeveloped as a neighborhood park and that, therefore, vapor intrusion would not need to be mitigated. The emissions and total energy usage would be less compared with Alternatives 3. For Alternative 3, a portion of the electricity usage could also be offset by installing solar panels if allowed by the property owner and adequate space is available. A portion of the electricity usage could also be offset by installing solar panels on the Site if allowed by the property owner and adequate space is available. However, the treatment system itself would require direct connection to the main power grid because of heavy start up and continuous amperage loading.

### 905 Linden

The impacts for Alternative 3 (Active Vapor Mitigation, Soil Excavation with Off-Site Disposal, O&M, and ICs) are rated high for total energy usage and all emissions, relative to other alternatives considered ([Table A-7](#)). Alternative 2 (Passive Vapor Mitigation, SMP, O&M, and ICs), on the other hand, is rated low to medium for total energy usage and emissions ([Table A-7](#)). Impacts for Alternative 4 (Soil Excavation with Off-Site Disposal and ICs) are comparable to Alternative 2 ([Table A-7](#)). Alternative 4 has a rating of low for total energy usage and all emissions except particulate matter. Particulate matter for Alternative 4 has a medium rating, relative to Alternatives 2 and 3, primarily because of the transportation of excavated soils off the Site. In total, expected particulate matter emissions for Alternative 4 are 40 pounds, while Alternative 2 are 10 pounds. [Table A-12](#) shows the substantial contribution of the component of transportation to

particulate matter emissions. The greatest energy usage for Alternative 3 is from O&M as this alternative requires blowers operating continuously for an assumed period of 30 years as depicted in [Table A-11](#). The environmental footprint for both these alternatives could be reduced if groundwater contamination posing a potential vapor intrusion concern is mitigated. Before redevelopment of the property, soil gas sampling for volatile petroleum hydrocarbons is recommended to confirm the potential for vapor intrusion. Mitigation of groundwater would create a greater short-term environmental footprint, but long-term O&M may not be needed depending on the length of time it takes to treat or remove groundwater. For Alternative 3, a portion of the electricity usage could also be offset by installing solar panels if allowed by the property owner and adequate space is available.

### A.3 REFERENCES

- U.S. Environmental Protection Agency (EPA). 2019. “EPA Spreadsheets for Environmental Footprint Analysis (SEFA).” Office of Superfund Remediation and Technology Innovation. <https://clu-in.org/greenremediation/SEFA/>.
- Toeroek Associates, Inc., and its subcontractor, Tetra Tech, Inc. (Toeroek Team). 2021. “Draft Phase I/Phase II Environmental Site Assessment Targeted Brownfields Assessment Report, South San Francisco – Linden & Cypress Aves, South San Francisco, California.” June.
- U.S. Geological Survey (USGS). 2021. Average Concentrations of Elements in San Mateo County, California. Accessed May 7.  
[https://mrdata.usgs.gov/geochem/county.php?place=f06081&el=Pb&rf=southwestern\\_](https://mrdata.usgs.gov/geochem/county.php?place=f06081&el=Pb&rf=southwestern_)

April 20, 2022

Ms. Laura N. McKinney  
Senior Of Counsel  
Meyers | Nave  
1999 Harrison Street, 9<sup>th</sup> Floor  
Oakland, CA 94612

**via: [lmckinney@meyersnave.com](mailto:lmckinney@meyersnave.com)**

RE: Valuation Analysis  
Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue  
South San Francisco, CA 94080

Ms. McKinney:

This letter serves to address three issues in the appraisal report that I transmitted to the City of South San Francisco on February 23, 2022 and references KM Job AC21-329 – Revision 1.0. As we have discussed, the three issues you have relayed to me include:

- Inclusion of a 50% contingency in my adjustment for *Environmental Remediation* when the *Environmental Site Assessment (ESA)* already includes a 30% contingency.
- My selection of \$530,000 for remediation costs rather than \$298,000.
- My *Highest & Best Use* conclusion with development potential for 40 units rather than 51 units.

Regarding my adjustment for *Environmental Remediation*. The use of two separate contingencies reflects two different categories. The ESA includes a 30% contingency for unexpected costs that may result from discovery of additional costs required during the mitigation process. On the other hand, my adjustment for *Environmental Remediation* takes into consideration how the most probable buyer would “underwrite” the acquisition of the property. In other words, what additional incentive would a buyer require to compensate for the additional risks associated with the development of an environmentally contaminated property. The ESA’s 30% contingency is a safeguard against unknown remediation costs while my 50% contingency covers the risk of unknown development costs that may arise from the environmental contamination.

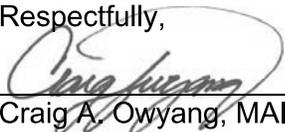
Remediation costs were reported to me to be \$530,000. I was not told about the alternative amount of \$298,000. However, as I understand per our telephone conversation, the lower costs did not include disturbing the existing soils and essentially encapsulated them beneath the existing asphalt. It is my opinion, there would be substantial market resistance by potential investor/developers if the property only underwent the lower cost alternative.



I concluded the *Highest & Best Use* would be for 40 units, based on the maximum density identified in the zoning. While it might be possible to develop the property with 51 units, this would require a *Conditional Use Permit* for which there is not a forgone conclusion of approval. Even if the higher density development were granted a *Conditional Use Permit*, it would likely require commitments for additional income restricted units thereby lowering the profitability of development. Increased parking requirements could potentially also require subterranean or structured parking above the ground level thereby increasing development costs. Given these two factors, it was my conclusion the benefits for the higher density were not adequate to justify the additional risks and costs.

If it you have any additional questions, please call or email.

Respectfully,



---

Craig A. Owyang, MAI, SRA  
Senior Vice President | Shareholder  
Certified General Real Estate Appraiser  
CA-AG009478 expires March 9, 2023

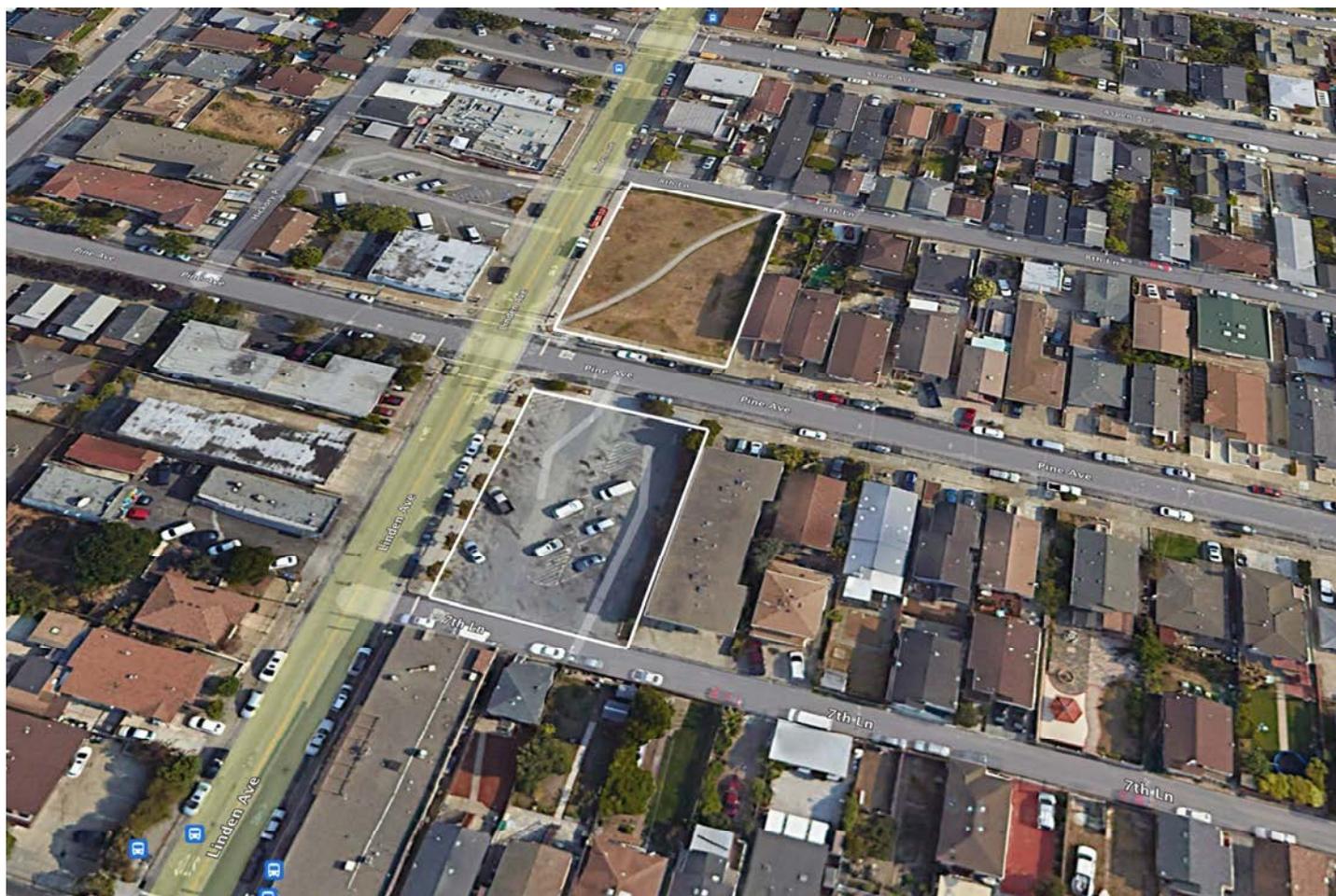


Agenda Item No. 6  
Exhibit A - Attachment No. 3

Appraisal Report

Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue | South San Francisco, CA

as of December 7, 2021



Prepared for:

Ms. Julie Barnard  
Acting Deputy Director of Economic &  
Community Development  
City of South San Francisco  
400 Grand Avenue  
South San Francisco, CA 94080

Prepared by:

Craig A. Owyang, MAI, SRA  
Senior Vice President | Shareholder  
  
KM Job AC21-329 – UASFLA

Kidder Mathews  
Valuation Advisory Services  
455 Capital Mall, Suite 160  
Sacramento, CA 95814  
916-758-3206  
craig.owyang@kidder.com

March 28, 2022

Ms. Julie Barnard  
Acting Deputy Director of Economic & Community Development  
City of South San Francisco  
400 Grand Avenue  
South San Francisco, CA 94080

RE: Valuation Analysis  
Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue  
South San Francisco, CA 94080

Ms. Barnard:

At your request, I have completed an appraisal of the above-referenced properties. Unless specifically addressed otherwise, the two parcels will be collectively referenced as the “subject” or the “property” in this *Written Appraisal Report*. I have developed my opinion of the *Market Value* in the subject’s *Fee Simple Estate*. This report was prepared in November and December 2021 as well as March 2022. The *Effective Date of Value* is December 7, 2021. My opinion of value was developed under the *Scope of Work* that is included in the body of this *Appraisal Report*.

This *Appraisal Assignment* was prepared and communicated in a manner that complies with the *Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA)*. Additionally, this *Appraisal Assignment* is communicated in a written *Appraisal Report* under Standard 2, as defined in the *Uniform Standards of Professional Appraisal Practice (USPAP)*. My services comply with and are subject to the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. The *Intended Use* of this *Appraisal Report* is to establish value as part of the possible disposition of the properties by the *Intended User*, the City of South San Francisco.

### **Assignment Conditions**

This *Appraisal Assignment* has been prepared without any *Hypothetical Conditions*.

This *Appraisal Assignment* has been prepared under the following *Extraordinary Assumptions*:

- I personally visited the property on November 9, 2021. On the other hand, the *Effective Date of Value* is December 7, 2021. Therefore, we have made the *Extraordinary Assumption* the property’s physical characteristics are unchanged between our inspection and the *Effective Date of Value*.
- I have been provided with a Phase I/Phase II Environmental Site Assessment of four properties, two of which include the subject. The report is an unsigned draft dated June 11, 2021 that was prepared by Toeroek Associates, Inc. and Tetra Tech, Inc. Additionally, Ms.



- Julie Barnard with the City of South San Francisco has reported 616 Linden Avenue is subject to remediation costs estimated at \$530,000 in order to support development with housing and/or commercial uses. Because the Phase I/Phase II Environmental Site Assessment is an unsigned draft, we have made the *Extraordinary Assumption* the certified report will be materially unchanged from the draft. Additionally, we have made the *Extraordinary Assumption* the estimated remediation costs reported by the City of South San Francisco are adequate prepare to the site for development with housing and commercial development.
- This appraisal has been conducted without the benefit of a *Preliminary Title Report*. As a result, we have not ascertained if the property is subject to any *Easements, Encroachments & Rights of Way*. Therefore, we have made the *Extraordinary Assumption* the property is not subject to any exceptions to title and/or CC&R's that negatively impact the marketability and/or value of the subject. If any such title exceptions exist, the property's marketability and/or value would likely be significantly negatively impacted.

If it is found that any of the *Extraordinary Assumptions* to be untrue, our opinions regarding the quality and nature of the property would likely be negatively impacted as well as our opinion of *Market Value*.

This *Appraisal Assignment* has been prepared with the following *Limiting Conditions*:

- 1) Physical dimensions for the property were taken from public records or from information provided, and the appraisers assume no responsibility in connection with such matters. Any sketch or identified survey of the property included in this report is only for the purpose of assisting the reader to visualize the property.
- 2) I assume that there are no hidden or unapparent conditions of the property, subsoil, or structures (including asbestos, soil contamination, or unknown environmental factors) that render it more or less valuable. No responsibility is assumed for such conditions or for arranging the studies that may be required to discover them.
- 3) No responsibility is assumed for the legal description or for matters including legal or title considerations.
- 4) The information identified in this report as being furnished by others is believed to be reliable, but no warranty is given for its accuracy.
- 5) The appraisers are not required to give testimony or attendance in court by reason of this appraisal unless arrangements have previously been made.
- 6) The allocation of total value to land, buildings, or any fractional part or interest as shown in this report is invalidated if used separately in conjunction with any other appraisal.
- 7) Valuation Advisory Services is a subsidiary of Kidder Mathews, a full service commercial real estate brokerage firm. On occasion, employees or agents of the firm have interests in the property being appraised. When present, interests have been disclosed, and the report has been made absent of any influence from these parties.

This *Appraisal Assignment* has been prepared without any *Legal Instructions*.



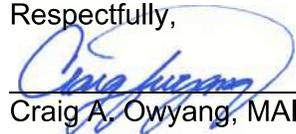
**Restrictions Upon Disclosures & Use**

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he/she is connected, or any reference to the Appraisal Institute or to its designations) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of the appraiser. No part of this report or any of the conclusions may be included in any offering statement, memorandum, prospectus, or registration without the prior written consent of the appraiser

As a result of my investigation and analysis, I have concluded the *Market Value* of the property, subject to the *Assignment Conditions* (including the *Extraordinary Assumptions* and *Hypothetical Conditions*) contained herein, is:

**As of December 7, 2021 .....\$1,660,000**

Respectfully,

  
\_\_\_\_\_

Craig A. Owyang, MAI, SRA  
Senior Vice President | Shareholder  
Certified General Real Estate Appraiser  
CA-AG009478 expires March 9, 2023

CAO/mlc



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## ADDENDA

- Contract/Agreement Approval Form
- Grant Deed – San Mateo County – 2017-042165
- Grant Deed – San Mateo County – 2017-042166
- Contributory Value of Improvements Worksheet
- Appraiser’s Experience Data



**Appraiser’s Certification**

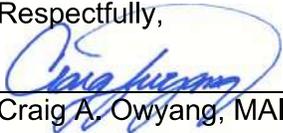
I certify that, to the best of my knowledge and belief:

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- 4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6) My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 7) The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and the Uniform Appraisal Standards for Federal Land Acquisitions.
- 8) Craig A. Owyang has made a personal inspection of the property and was accompanied by Mr. Michael Lappen, a designated representative of the City of South San Francisco.
- 9) I have not provided professional appraisal or consulting services concerning the subject within the past three years.
- 10) Michelle L. Owyang has assisted in this appraisal assignment, under the direct supervision of Craig A. Owyang, in the following manner:
  - Investigated property characteristics with the local government agencies.
  - Researched and analyzed the market area.
  - Researched the market area for comparable sales.
  - Prepared the initial appraisal report.
- 11) The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- 12) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- 13) As of the date of this report, Craig A. Owyang, MAI, SRA, AI-GRS, & AI-RRS has completed the continuing education program for Designated Members of the Appraisal Institute.
- 14) This *Appraisal Assignment* invokes a *Jurisdictional Exception* from the USPAP inasmuch as the UASFLA specifies the opinion of *Market Value* is not “linked” to a specific *Exposure Time*, which is inconsistent with the USPAP.

It is my opinion the *Market Value* of the property, subject to the *Assignment Conditions* (including the *Extraordinary Assumptions* and *Hypothetical Conditions*) contained herein, is:

**As of December 7, 2021 ..... \$1,660,000**

Respectfully,

  
 \_\_\_\_\_  
 Craig A. Owyang, MAI, SRA  
 Senior Vice President | Shareholder  
 Certified General Real Estate Appraiser  
 CA-AG009478 expires March 9, 2023



Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
KM Job AC21-329 – UASFLA

# Executive Summary



# Executive Summary

**IDENTITY OF PROPERTY** Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue  
South San Francisco, CA 94080

Collectively, the two parcels would likely support development with a medium-high density residential development with roughly 40 units. The likely development would include two- to three-stories of residential uses over ground level parking and retail space.

**IDENTIFICATION OF ENCUMBRANCES** This appraisal has been conducted without the benefit of a *Preliminary Title Report*. As a result, I have not ascertained if the property is subject to any *Easements, Encroachments & Rights of Way*. Therefore, I have made the *Extraordinary Assumption* the property is not subject to any exceptions to title and/or CC&R's that negatively impact the marketability and/or value of the subject. If any such title exceptions exist, the property's marketability and/or value would likely be significantly negatively impacted.

**CLIENT** The *Client* is the City of South San Francisco

**INTENDED USERS** The *Intended User* is the City of South San Francisco

**INTENDED USE** The *Intended Use* of this *Appraisal Report* is to establish value as part of the possible disposition of the properties.

**MARKET VALUE** "Market Value" is defined as:

*"Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability would have sold on the effective date of value, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property."*

**Source:** Uniform Appraisal Standards for Federal Land Acquisitions 2016, The Appraisal Foundation on Behalf of the Interagency Land Acquisition Conference and in cooperation with the United States Department of Justice, Section 1.2.4.

**PURPOSE** The *Purpose* of this *Appraisal Assignment* is to develop and report my opinion of *Market Value*.



**PROPERTY  
RIGHTS  
APPRAISED**

The subject of this *Appraisal Assignment* is the *Fee Simple Estate*, which is defined as:

*“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”*

**Source:** Appraisal Institute, *The Dictionary of Real Estate Appraisal*, Sixth Edition (Chicago, IL: Appraisal Institute, 2015), page 90.)

**ASSIGNMENT  
CONDITIONS**

**Extraordinary Assumptions:**

I personally visited the property on November 9, 2021. On the other hand, the *Effective Date of Value* is December 7, 2021. Therefore, I have made the *Extraordinary Assumption* the property’s physical characteristics are unchanged between my inspection and the *Effective Date of Value*.

I have been provided with a Phase I/Phase II Environmental Site Assessment of four properties, two of which include the subject. The report is an unsigned draft dated June 11, 2021 that was prepared by Toeroek Associates, Inc. and Tetra Tech, Inc. Additionally, Ms. Julie Barnard with the City of South San Francisco has reported 616 Linden Avenue is subject to remediation costs estimated at \$530,000 in order to support development with housing and/or commercial uses. Because the Phase I/Phase II Environmental Site Assessment is an unsigned draft, I have made the *Extraordinary Assumption* the certified report will be materially unchanged from the draft. Additionally, I have made the *Extraordinary Assumption* the estimated remediation costs reported by the City of South San Francisco are adequate prepare to the site for development with housing and commercial development.

This appraisal has been conducted without the benefit of a *Preliminary Title Report*. As a result, I have not ascertained if the property is subject to any *Easements, Encroachments & Rights of Way*. Therefore, I have made the *Extraordinary Assumption* the property is not subject to any exceptions to title and/or CC&R’s that negatively impact the marketability and/or value of the subject. If any such title exceptions exist, the property’s marketability and/or value would likely be significantly negatively impacted.

If it is found that any of the *Extraordinary Assumptions* to be untrue, my opinions regarding the quality and nature of the property would likely be negatively impacted as well as my opinion of *Market Value*.



**Hypothetical Conditions:**

None

<b>DATE OF REPORT</b>	March 28, 2022
<b>DATE OF LAST INSPECTION</b>	November 9, 2021
<b>EFFECTIVE DATE OF VALUE</b>	December 7, 2021
<b>MARKETING TIME</b>	Additionally, it is my opinion the subject’s marketing period would also be 6 to 12 months given my opinion of value and the property’s relevant characteristics.
<b>PHOTOGRAPHS OF THE SUBJECT</b>	The following photographs of the subject were taken by Craig A. Owyang on November 9, 2021. The <i>Satellite Image – Subject Photograph Locations</i> identify the locations and orientations of the photographs.



## Photographs of the Subject

1 - 616 Linden Avenue –  
Northeast Corner – Direction is  
Southwest



2 - 616 Linden Avenue –  
Southeast Corner – Direction is  
Northwest



3 - 616 Linden Avenue –  
Northern Perimeter – Direction  
is West





## Photographs of the Subject

4 - 616 Linden Avenue –  
Eastern Perimeter – Direction is  
South



5 - 616 Linden Avenue –  
Eastern Perimeter – Direction is  
North



6 - 616 Linden Avenue –  
Southern Perimeter – Direction  
is West





## Photographs of the Subject

7 - 700 Linden Avenue –  
Southwest Corner – Direction is  
Northeast



8 - 700 Linden Avenue –  
Southern Perimeter – Direction  
is East



9 - 700 Linden Avenue –  
Eastern Perimeter – Direction is  
South





## Photographs of the Subject

10 - 700 Linden Avenue –  
Northern Perimeter – Direction  
is West



11 - 700 Linden Avenue –  
Eastern Perimeter – Direction is  
North



12 - 700 Linden Avenue –  
Southeastern Corner –  
Direction is Northwest





## Photographs of the Subject

13 - Intersection of Linden & Pine Avenues – Direction is South



14 - Intersection of Linden & Pine Avenues – Direction is North



15 - Intersection of Linden & Pine Avenues – Direction is East





## Photographs of the Subject

16 - Intersection of Linden & Pine Avenues – Direction is West



17 - 8<sup>th</sup> Lane – Direction is West



18 - 8<sup>th</sup> Lane – Direction is East





## Photographs of the Subject

19 - 7<sup>th</sup> Lane – Direction is East



20 - 7<sup>th</sup> Lane – Direction is West



21 - Linden Avenue @ 7<sup>th</sup> Lane  
– Direction is North





## Satellite Image – Subject Photograph Locations





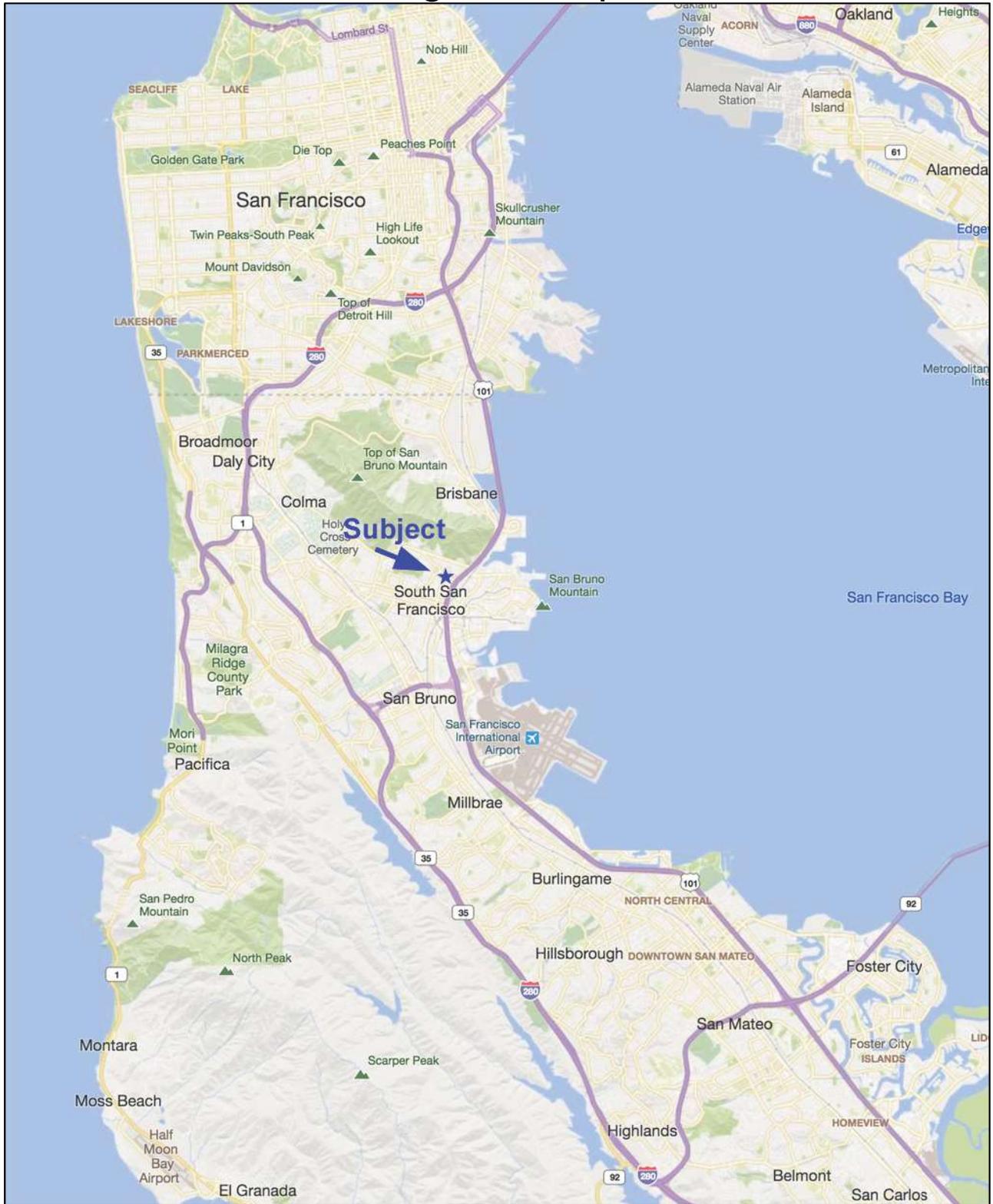
Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
KM Job AC21-329 – UASFLA

# Factual Data – Before Acquisition



Two Parcels - ±28,000 Square Feet  
 616 & 700 Linden Avenue, CA  
 KM Job AC21-329 – UASFLA

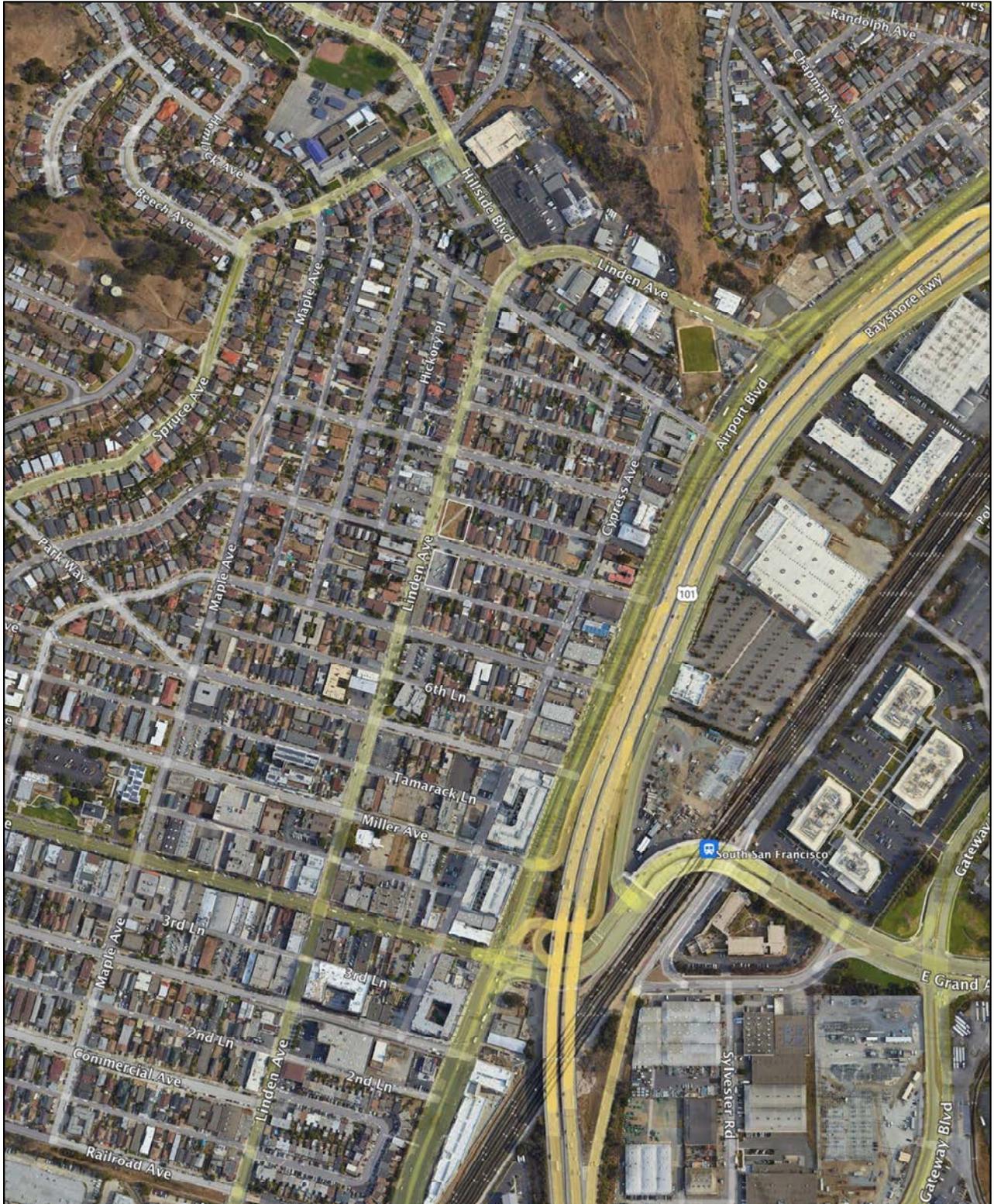
# Regional Map





Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
KM Job AC21-329 – UASFLA

## Satellite Image – Neighborhood





## Factual Data – Before Acquisition

### LEGAL DESCRIPTION

The subject includes two parcels that are legally described in the *Grant Deeds* filed by the San Mateo County Recorder as Documents 2017-042165 and 2017-042166 on May 16, 2017, copies of which are included in the *Addenda* to this *Appraisal Report*.

### REGIONAL DESCRIPTION

The subject is in the city of South San Francisco, in San Mateo County, within the nine-county region known as the San Francisco Bay Area. The Bay Area is the fourth largest metropolitan area in the United States, with a total population of 7,703,016 as of January 1, 2021, according to the State of California Department of Finance (CA-DOF). It contains roughly 19.5% of the State's population, which is unchanged from 2020. However, the Bay Area's population *declined* at a rate of 0.6% over the preceding 12 months, which was nominally greater than the state's 0.5% loss during the same timeframe.

The Bay Area is very diverse and has long been recognized as a desirable area within which to live and work. Its abundance of human and natural resources has resulted in solid population and economic growth over the past several decades, despite periods of economic correction, and furthermore indicates good potential for an eventual resumption of expansion. The technology industry continues to drive job creation and business activity in the region, and signs of growth have been seen in several property sectors.

### SAN MATEO COUNTY

San Mateo County is one of nine counties that make up the San Francisco Bay Area (commonly referred to as the "Bay Area"). The county encompasses approximately 744 square miles, with land accounting for approximately 448 square miles and inland waters and the San Francisco Bay tidal areas accounting for the remainder. The county predominantly makes up the San Francisco Peninsula and is bounded by the City and County of San Francisco to the north with Santa Cruz and Santa Clara Counties to the south and southeast. It is directly accessible to the East Bay by the San Mateo/Hayward Bridge and the Dumbarton Bridge.

The northern and northeastern portions of the county are more densely populated with urban/suburban areas. On the other hand, the southern and southwestern parts of the county are less densely populated rural areas. Much of the coastal land remains undeveloped with a few exceptions being small unincorporated communities. Land along the San Francisco Bay



encompasses over 95% of the county’s development and appears as a continuous corridor of urban/suburban communities. Land use within the former is characterized by a concentration of high-technology engineering, manufacturing, biotechnology, finance, and technical products firms near the bay, with residential and business districts stretching westward, into the foothills. Overall, the availability of vacant land has become scarce in the eastern portions of the county. As a result, the bulk of the new housing units will be redevelopment of properties resulting in medium-high and high-density residential projects.

**Population**

The population growth has slowed considerably during recent decades. San Mateo County’s population grew only nominally in the decade ending in 2010, as U.S. Census figures indicate an increase of just 1.6% over the period. More recent data shows that its population growth (and more recent decline) is currently occurring at a rate similar to that of the Bay Area as a whole. As of January 1, 2021, the CA-DOF estimated the population at 765,245, reflecting a 0.8% decrease from the previous year.

**Employment & Unemployment**

San Mateo County has a diversified economy. Much of its job growth in the last decade has been a result of the economic expansion in nearby Silicon Valley, with gains experienced in the high-technology fields of hardware and software development, multimedia, environmental technology, and biotechnology. Based on the emergence and expansion of the Internet and related industries over the past several years, a large part of the county is now commonly considered to be associated with Silicon Valley.

Significant employment sectors within San Mateo County include manufacturing, transportation, retail trade, finance, insurance, real estate, and professional services. The largest employers are associated with the San Francisco Airport, local government, healthcare, and technology firms. There are currently over 200 firms that employ at least 100 people in the county, including Oracle Corporation, Meta (formerly Facebook), and the County of San Mateo itself.

The unemployment rate reached its peak of the Great Recession at 9.2% August 2009 and steadily decreased through the beginning of 2020 to 2.1%. However, with the onset of the COVID-19 pandemic, the unemployment rate dramatically rose and by April 2020 had reached 11.8%. Since then, the unemployment rate dropped to 3.8% of a workforce of 439,400 in September 2021. This compares favorably with California’s unemployment rate of 6.4%.



## Economic Indicators

General economic conditions in Silicon Valley have improved notably since the Great Recession – although most recently they have again faltered. Until the start of the COVID-19 pandemic, the Bay Area and Silicon Valley were recognized as one of the best-performing economic environments in the state and the country.

The Joint Venture Silicon Valley Institute for Regional Studies periodically surveys business leaders from many industries established within the region to gauge economic vibrancy and competitiveness. Their most recent publication on the topic is the 2021 Silicon Valley Index. The conclusions from that report – assembled during the coronavirus outbreak – echoed some findings from previous research, but also that “Silicon Valley has a grotesque set of disparities.”

Due in part to COVID-19, economic bifurcation among area residents is becoming even more pronounced than it has been historically. Key findings extracted from the 2021 Index are as follows:

- Population growth has halted. While the region continues to attract tech talent from around the world, incoming (primarily foreign-born) talent is met with a massive outflow of residents to other parts of the state and nation, and slower natural growth. Tech employment is still rising here, but those companies are adding jobs more rapidly elsewhere.
- The staggering amount of job losses fell ... disproportionately (on) low-income earners, renters, and Black and Hispanic workers. The income and wealth divide - already gaping - reached staggering proportions. Housing insecurity and hunger rose, met by increasing costs at a time when few could afford them.
- Silicon Valley’s tech companies and highly skilled workforce thrived amid the crisis. The region had lost more than 151,000 jobs by June, while the tech sector remained nearly untouched with overall employment levels up two percent despite some layoffs.
- 2020 was a record year for venture capital (\$46 billion), which fueled 67 megadeals in Silicon Valley and 41 in San Francisco. The total number of patents registered in each of the last two years were higher than ever before, and the year ended with 24 new Silicon Valley publicly traded companies. In aggregate, Silicon Valley and San Francisco companies increased their market capitalization by 37 percent, reaching nearly \$10.5 trillion by the end of the year.
- The footprint of the major tech companies increased, even despite some pandemic-related construction delays. More new commercial



space was under construction than ever before (21 million square feet) and another 14 million square feet is in the pipeline. While commercial leasing activity did slow down by as much as 67 percent for office space, most tenants and landlords took a wait-and-see approach; landlords held rents steady and tenants held onto their space, even if unoccupied.

- Connectivity became an even bigger issue with the prevalence of remote work and distance-learning, particularly for lower-income students and those living in rural communities. High school dropout rates rose, and standardized testing was suspended.
- Fewer people were driving or riding public transit, spending money in stores, or participating in arts, culture, and entertainment. The consequences were wide-ranging. Due to the sheltering orders, regional mobility declined to levels never seen before. Budgets of public transit agencies and arts organizations were decimated. By spring, more than 60 percent of arts and culture jobs had been lost.
- The philanthropic community, local government organizations, and nonprofits came together as never before to address rising needs, with a focus on food and shelter. Nineteen major COVID-19 response funds granted over \$94 million in pandemic relief, \$58 million of which was disbursed within the first three months of the crisis; nearly two-thirds of all funding went toward food, shelter, and other basic needs.
- Civic engagement increased significantly amid a presidential election and high levels of civil unrest. Local government faced declining public funds and made major adjustments...to accommodate pandemic-related declines in revenues (from transient occupancy taxes, charges for services, and business license taxes among others) that are expected to be greater than those experienced during the Great Recession or the dot.com bust. All total, Silicon Valley cities are expected to have more than \$400 million in budget shortfalls.

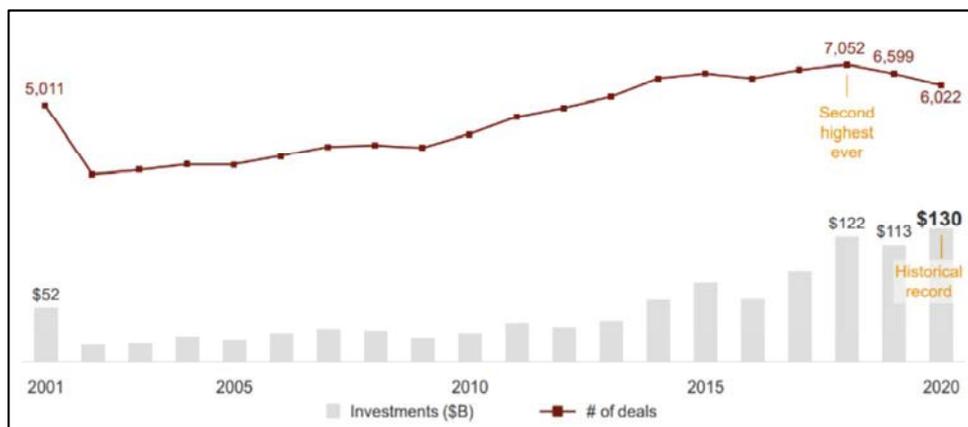
Clearly, many of these issues represent challenges for business and economic development. While some are tied directly to the coronavirus pandemic, others reflect expansions of disparities that existed before the outbreak. Notwithstanding, the broad Bay Area office market has been negatively impacted during the COVID era, although suburban locales have outperformed central business districts. San Mateo County had an inventory of approximately 58.0 million square feet as of 2021's third quarter end, according to CoStar Realty Information Services, Inc. At that time, office vacancy was 10.3%, up 210 basis points from 8.2% one year earlier.



Concerning consumer activity, the San Francisco region - and the Peninsula in particular - had also been robust until 2020's second quarter, driven by the region's jobs growth, dense population, and above-average income demographics. Again, this changed due to COVID, although spending patterns were not as negatively impacted as seen in other parts of the country. Costar reported that as of the 3<sup>rd</sup> Quarter 2021, the San Mateo County submarket had a retail vacancy rate of just 5.2 % on an inventory of 31.6 million square feet. This figure has remained low for the past several years due to the maturity of the market, limited new construction, and high demand dynamics. While it has most recently deteriorated, due to the impacts of the recent shelter-in-place limits on commerce, overall vacancy in the retail category was up just 10 basis points from one year earlier. The number of retail, restaurant, and entertainment venues that have experienced stress during the pandemic has been substantial, although conditions appear to now be improving with the very recent reopening of the economy.

**Venture Capital Investment**

Investments made within the venture capital industry are tracked by PwC in its MoneyTree Report. According to this source, venture funding has increased substantially since the Great Recession, with nationwide investments climbing from \$32.6 billion in 2012 to \$130 billion in 2020. Capital continues to be directed to venture investments, despite the current recessionary environment, with the most recently completed year showing an increase of 14 percent from 2019.



During the past few years, however, trends within the industry have been changing. Larger commitments are now being made to a lesser number of firms, while geographical influences are also becoming more pronounced. The venture capital economy was not as negatively impacted by the effects of the COVID-19 pandemic as might have been expected, with deal flow



recovering markedly during 2020's third and fourth quarters. In fact, the year's final quarter was the second highest ever for venture financing, with the third quarter placing third from an historical viewpoint.

The San Francisco Bay Area consistently accounts for a significant percentage of nationwide funding, and the region's take has generally grown over the past several years. It was not among the fastest growing regions in the United States last year, however, as other parts of the country have more recently experienced greater rates of activity increase.

## **Housing & Income Levels**

Housing costs in the San Francisco Bay Area are among the highest in the nation. The median price of a single-unit residence in San Mateo County exceeds those in all the other Bay Area counties.

In the for-sale market, suburban property demand has experienced strong growth with the lack of supply and shelter-in-place orders from the region's major employers spurring competition. Throughout 2020, rates in the rental sector had been trending downward while vacancy rates were increasing. Recent "work from home" policies have encouraged some to relocate out of the area altogether to lower cost cities, and new unit supply continues to grow due to ongoing development efforts. However, with the development of three COVID vaccines in 2021, people have been slowly returning to "in person work," increasing the demand for rental units. Overall, rental rates have been increasing throughout 2021, with vacancy rates on a downward trajectory.

According to Multiple Listing Service (MLS) statistics, the median sales price for a single-family home traded in San Mateo County was \$1,909,000 during 2021's third quarter, decreasing slightly from the previous quarter's all-time high, but reflecting a 9.7% year-over-year increase. The median price for condominiums and townhomes during the same period was \$947,500, reflecting an increase of 1.9%. Pricing trends at the beginning of the pandemic reflected buyers seeking properties that provided more space. The third quarter of 2021, however, has seen price increases in the common interest market as compared to the previous year, with limited inventory available.

San Mateo County's income levels are some of the highest in the state. In the 2015-2019 American Community Survey conducted by the U.S. Census Bureau, the county's median household income was estimated to be



\$122,641 in 2019 inflation-adjusted dollars. This figure may decrease once numbers become available for 2020, however.

**Transportation**

Transportation systems serving the county are well established and heavily used by area residents and workers. The two primary freeways running north/south through the area are the US-101 (the Bayshore Freeway) and Interstate 280 (I-280). Interstate 380 bridges US-101 and I-280 in San Bruno whereas State Route Highways 92 and 84 connect these arteries in San Mateo and Redwood City/Woodside, respectively. The primary arterial up and down the peninsula is the El Camino Real, which is designated as State Route Highway 82 between San Francisco and San Jose.

The San Francisco International Airport (SFO) is the region’s main airport, processing over 56.7 million passengers in 2019. Those numbers shrunk drastically in 2020, to 16.4 million, which was correlated to public fears over COVID-19, as well as governmental travel restrictions. Air travel has since begin to recover, with SFO processing 13.5 million passengers through August 2021. Notably, SFO is at the eastern terminus of I-380.

In addition to the aforementioned freeway and air transport options, public transportation serving the county includes the Bay Area Rapid Transit (BART) system, Caltrain (via a surface rail system), and the SamTrans bus service. Notably, BART and Caltrain both have stations in South San Francisco with the Caltrain station less than ½ mile from the subject.

Legislation and voter initiatives have resulted in plans for a high-speed rail system within California, first proposed in 1995. In 2015, the Federal Railroad Administration approved the start of construction of the initial stretch of track between Merced and Fresno, funding for which is to be split with the State of California. By the end of 2018, the chorus of critics of this project had increased, with a main concern being that the system could never be financially viable. Project costs have skyrocketed, and there were concerns that planning and oversight have been inadequate. In January of 2019, the then-new governor of the State of California announced he was limiting the project to this initial segment, at least at present. In light of these recent events, the future of the project is uncertain, and there is widespread skepticism of its ultimate success.

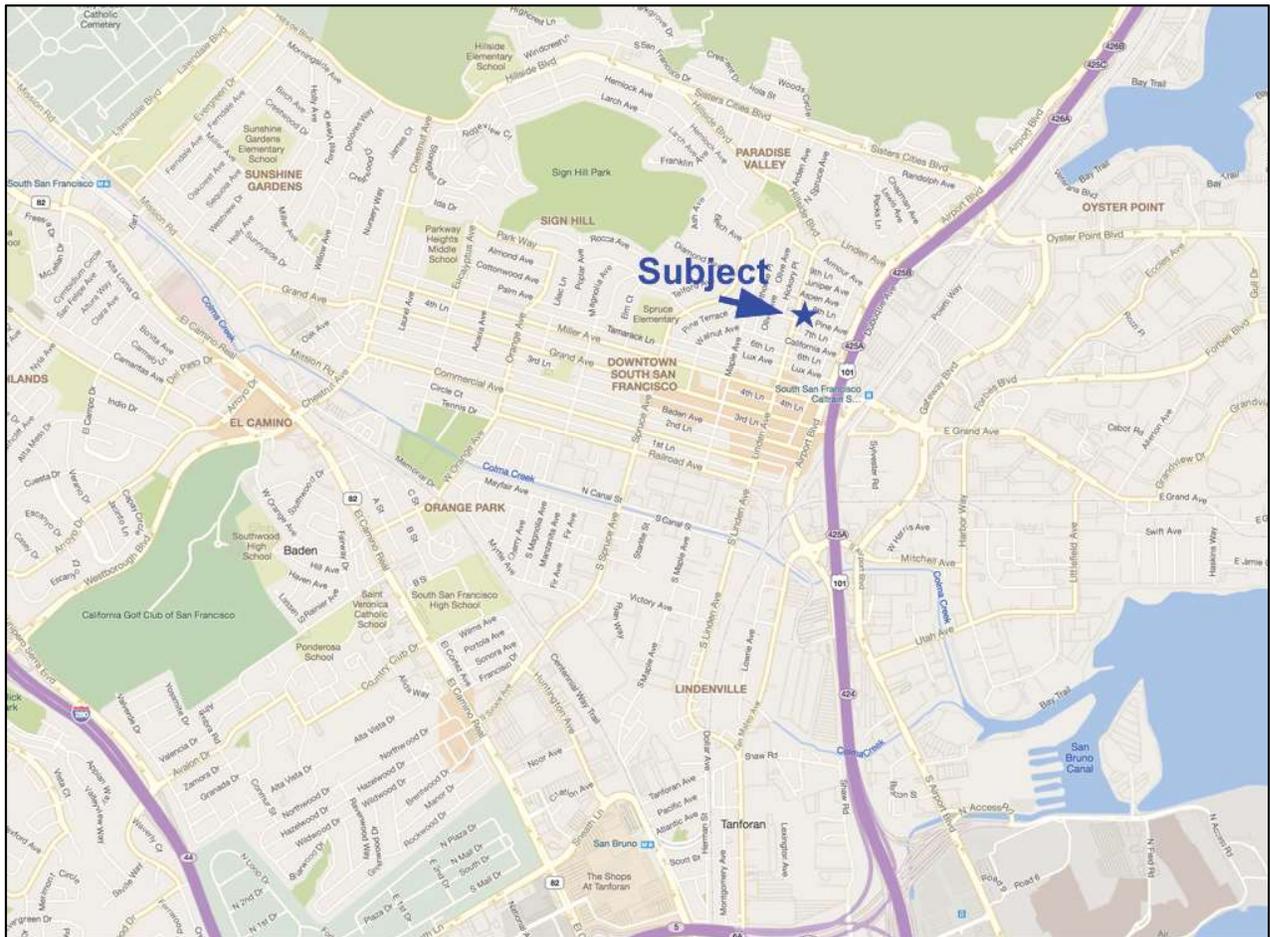
**CITY OF SOUTH SAN FRANCISCO**

South San Francisco is nearly nine square miles in the northern portion of San Mateo County. It is bordered by San Bruno Mountain and the city of Colma to the north; the San Francisco Bay to the east; the city of San Bruno to the south; and the cities of Daly City and Pacifica to the west. Historically



an industrial city, South San Francisco is largely characterized by single-use development patterns, with industry to the east and southeast; low-density residential in the north and west; and commercial uses along primary transportation corridors. The community is colloquially known as “The Industrial City”, acknowledging the historical and ongoing importance of this sector’s influence. It benefits from industrial and commercial land uses associated with San Francisco International Airport, which lies adjacent to the southeast.

### Market Area Map



### Population & Income

As of January 2021, South San Francisco’s population was 67,135 according to the CA-DOF, reflecting a 0.9% decrease from the prior year. Despite the city's near fully developed status, ABAG forecasts a population gain of 11.3% during the 10 years from 2015 through 2025 (within the city and its sphere of influence). This represents an average annual growth of 1.1%. The slowing of population and household growth within the city, as compared to historical patterns during the several decades prior to 2015, is



attributed to South San Francisco’s mostly built-out status and its continually declining supply of developable land.

The U.S. Census Bureau reports residents of South San Francisco are relatively affluent. Median annual household income in this community was estimated at \$120,573 for the 2019 survey period, according to the Bureau’s American Community Survey with the average household income at \$140,438. In the 2018 survey, median income was reported at \$102,365, or, a 17.8% increase.

**Employment & Unemployment**

The city’s largest employers, according to South San Francisco Annual Financial Report, include:

<b>South San Francisco’s Largest Employers</b>	
<b>Employer</b>	<b>Number of Employees</b>
Genentech Inc.	8,632
Costco Wholesale	834
Life Technologies Corporation	622
Goodwill Industries of SF, SA	607
Amgen San Francisco LLC	500
MRL San Francisco LLC	317
ZS Associates, Inc.	317
Amazon.com Services, Inc.	291
BIT SSF Miller Cypress, LLC	260
Alvah Contractors	250
<b>Source:</b> South San Francisco Financial Report	

According to the most recently published, South San Francisco Comprehensive Financial Report (for the fiscal year ending June 2020), the city’s largest employer is Genentech. The company has a decades long history in the community, and, despite being acquired by Roche Holdings in 2009 (and now noted to be part of the Roche Group), Genentech retains its corporate headquarters in South San Francisco. During recent years, it has undertaken significant growth and expansion. Its presence has furthermore helped to attract other biotechnology firms to the general area, including Pfizer, Celera, Cell Genesys, Cytokinetics, FibroGen, Fluidigm, Hana Biosciences, and Diadexus.

As of September 2021, the California EDD reported employment at 38,600 and an unemployment rate of 4.7%. This is nominally above that for San Mateo County as of the same date. For the same period in 2020, unemployment was approximately 10.2%, whereas two years ago it was 2.0%.



**Housing Prices** The local Multiple Listing Service (MLS) reports median price for detached single-unit residences in the city of South San Francisco during the 3<sup>rd</sup> quarter of 2021 at \$1,300,000. This is below the countywide median, reflecting the somewhat limited supply of higher end and executive-level housing in the community. The pricing, nevertheless, reflects an increase of 8.9% from the same period one year prior. Attached single-unit residences (condominiums and townhomes) had a median price of \$820,000 in the same period. This represents a 10.3% increase from the same period in the prior year.

**Transportation** The transportation throughout the city is robust due to several freeways, highways, arterials, as well as nearby public transit options. Interstate 280 and US Highway 101 are roughly oriented in a north-south manner near the city's west and east boundaries, respectively. The El Camino Real (SR-82) is the most densely developed arterial, situated between I-280 and US-101, connecting South San Francisco with the neighboring communities. Hickey and Westborough Boulevards provide access from I-280, while Grand Avenue and Hillside/Sister Cities Boulevard provide connections with US-101 to downtown South San Francisco and the northern portion of the city.

**MARKET AREA** The subject is in the area of the Downtown Station Area Specific Plan (DSASP), which is a designated specific plan area in South San Francisco with a ½-mile radius around the Downtown Caltrain Station.

The Downtown Caltrain Station is northeast of the intersection of Airport Boulevard and Grand Avenue, below an elevated section of US-101 and the East Grand Avenue overpass.

South San Francisco was incorporated in 1908. Initial land use patterns had industrial uses east of the rail lines with residential and commercial uses west of the tracks. San Bruno Mountain, the San Francisco Bay, and marshlands slowed down development in the city. After WWII, significant expansion took place by displacing former wetlands with landfill. Over the last four decades, heavy industries such as steel were replaced by light industrial, office, R&D, hotels, and eventually biotechnology firms. The Downtown commercial core was focused on Grand Avenue. However, many retail uses left Downtown for larger shopping centers developed along El Camino Real in the western portion of the city.

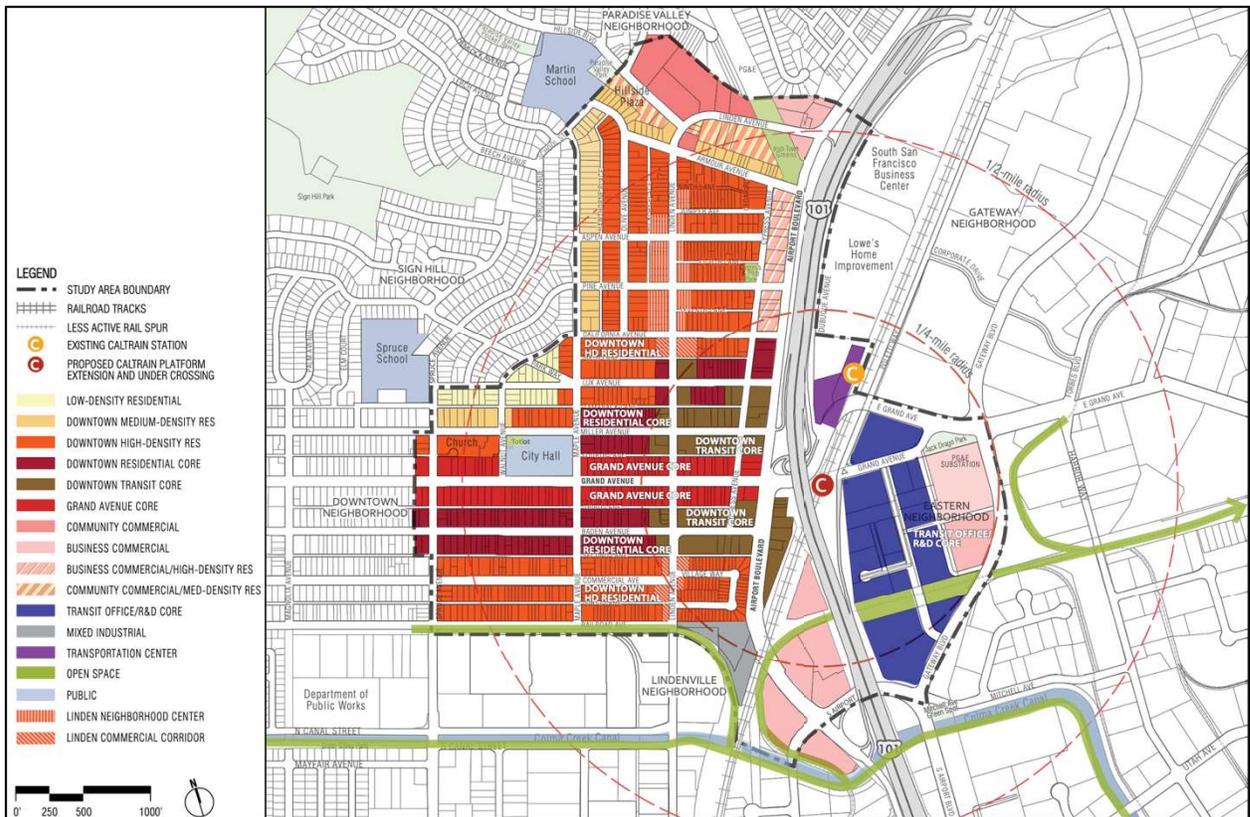
Grand Avenue is the primary commercial corridor in the community. Single-unit and multi-unit residences are to the north and south of Grand Avenue. Commercial and light industrial uses are located along Airport Boulevard and



south of Railroad Avenue. Auto oriented uses are located along the freeway and south of Grand Avenue. A small portion to the east of US-101 is in the DSASP. It is a large employment district in San Mateo County and home to business and technology parks, business commercial, and mixed industrial land uses. Genentech, the largest employer in South San Francisco, as well as other biotechnology, technology, office, hotels, and supporting uses are located here. Land use near US-101 and the Caltrain Station include a number of surface parking lots, undeveloped light industrial parcels, with some remaining vacant land.

Please refer to the following *Downtown Station Area Specific Plan Map*:

**Downtown Station Area Specific Plan Map**



The Caltrain Station in South San Francisco recently underwent a substantial modernization and expansion project. The new station is planned to be more convenient, safer, and more efficient. The station design will also increase the system capacity with a 700-foot center boarding platform, underground tunnel access to the station, multi-modal pick-up/drop-off area, and a



downtown plaza anchoring each end of the new tunnel. The new station will also be fully compliant with the Americans with Disabilities Act.

## **APARTMENT MARKET ANALYSIS**

*CoStar Realty Information Services, Inc. San Francisco Multi-Family Market Report* and *South San Francisco/San Bruno/Millbrae Multi-Family Submarket Report* was used to identify market performance. *CoStar Inc.* divides the overall market into seventeen submarkets with the subject in the South San Francisco/San Bruno/Millbrae Submarket.

### **Introduction**

The larger San Francisco Multi-Family Market has experienced extraordinary demand over the past expansion cycle fueled by the large influx of tech industry workers. With the onset of the coronavirus pandemic, job losses and an exodus to lower cost cities led to a substantial outflow of apartment renters in 2020. The trajectory of the market in 2021, however, has seen renter's returning as quickly as they left last year. As the area has emerged from pandemic restrictions, college graduates in STEM (science, technology, engineering, & math) fields are being drawn back to the San Francisco metro's concentration of leading technology companies, startup culture, and typically vibrant city life.

Affordability has been a concern among renters for years. San Francisco still ranks as the most expensive market in the country despite the substantial drop in asking rents during the pandemic, and high housing costs have been a primary driver of its growing domestic migration outflow. During the first half of 2021, asking rents and occupancy levels have rebounded from historic lows. The San Francisco region's rents still remain below pre-pandemic levels, and the trajectory of the market in the short-term will largely depend on how many residents choose not to return and how quickly newcomers are attracted to the large urban area.

### **Rental Rates**

The South San Francisco/San Bruno/Millbrae Submarket rental rates lie slightly above the metro average because of strong rent growth over the past decade and the addition of new higher-quality inventory decreasing the spread between the submarket average and the metro average. Rent growth peaked at 10.3% year-over-year coming out of the Great Recession and was as high as 9% in 2015. The pace of rent growth declined in 2016, 2017, and again in 2019 along with the overall San Francisco metro market. In 2020 landlords lowered rents due to the coronavirus pandemic, but beginning in 2021 rents are up 9.8% over the trailing year.

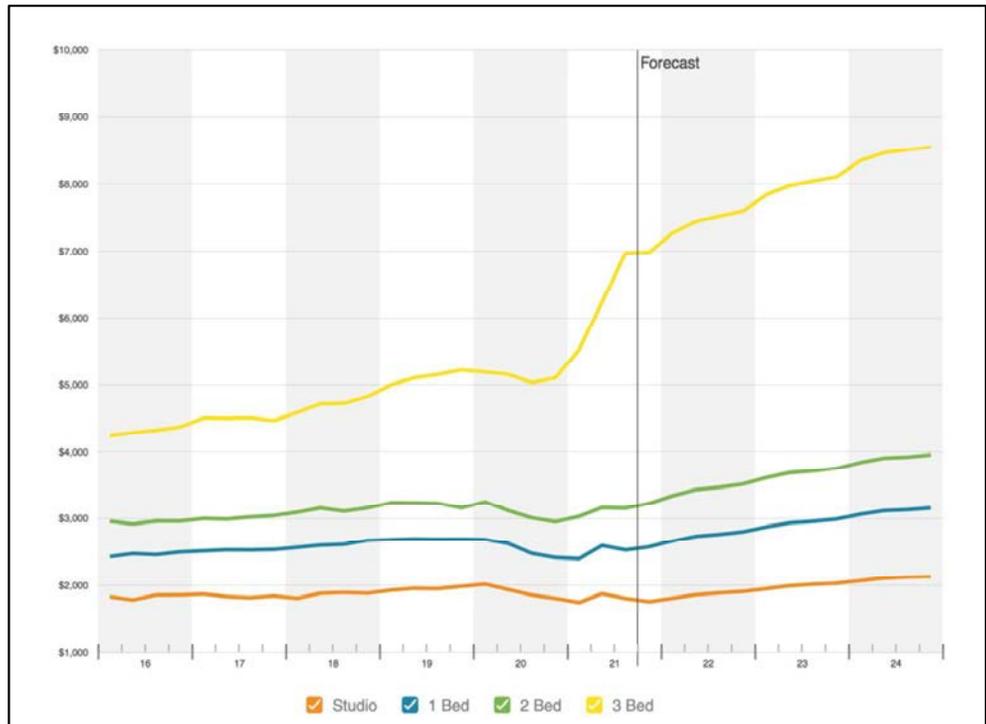
The average asking rental rate for the San Francisco Multi-Family Market was at \$2,965 for Q3 2021, up from \$2,954 in Q2 2021 and \$2,790 a year



ago in Q3 2020. The average asking rental rate for the South San Francisco/San Bruno/Millbrae Submarket was at \$3,057 for Q3 2021, up from \$3,034 Q2 2021 and \$2,828 a year ago in Q3 2020.

Historical rents for the South San Francisco/San Bruno/Millbrae submarket are presented in the graph on the following page along with CoStar’s projections for market rents through the next three fiscal years.

**Historical & Projected Market Rent – By Unit Type**



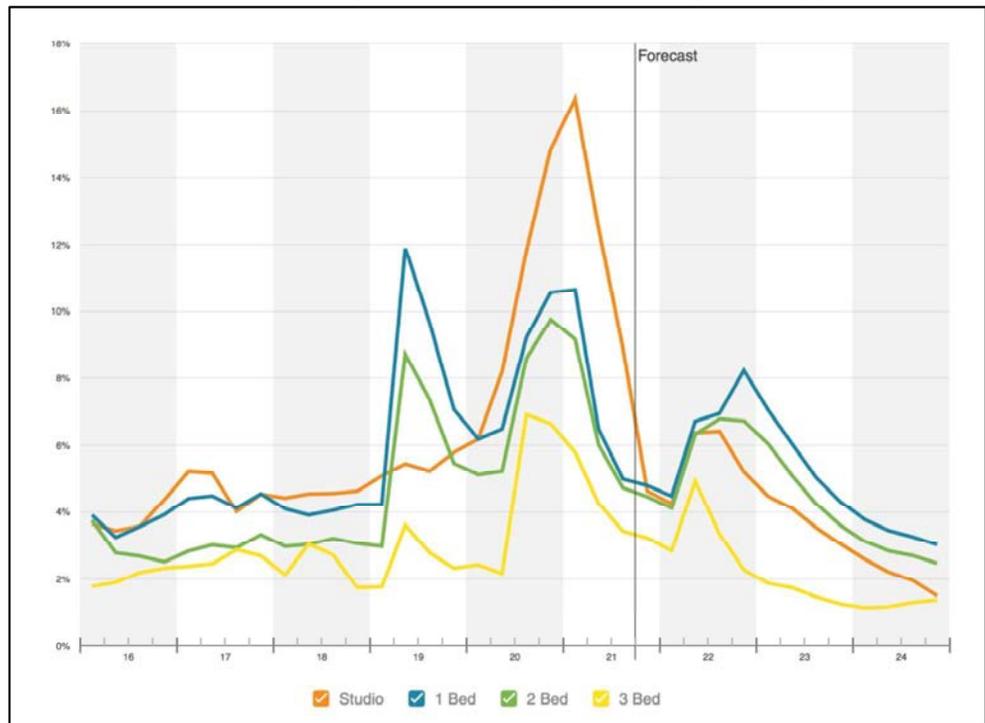
**Vacancy**

The South San Francisco/San Bruno/Millbrae Multi-Family Submarket has had a compressed vacancy rate for much of the past decade. The submarket has had limited construction activity and zoning challenges which have kept the vacancy rate at low levels. Multi-family construction in the submarket is limited by the fact that large amounts of the region are dedicated to open space and single-unit residential zoning. Only a few small areas in South San Francisco, San Bruno, and Millbrae are zoned for medium-high and high-density multi-family use. Demand over the last decade in the submarket was high due to major employers in the area such as YouTube and Genentech. However, demand waned in 2020 in response to rapid job loss and the ability to work remotely from anywhere with a robust internet connection.



Vacancy in the South San Francisco/San Bruno/Millbrae Submarket peaked at 9.8% in 2020 but has since declined to 4.6% as renters have begun to return to the area. Major employers in the area and affordability and connectivity to San Francisco via public transportation options enhance its appeal. South San Francisco has a lower vacancy rate than most submarkets in the metro and appears positioned for a recovery as offices continue to re-open and the impact of the pandemic subsides.

**Historical & Projected Vacancy Rate – By Unit Type**



Overall, the San Francisco region has a multi-family inventory of 172,791 units with a vacancy rate of 7.6% for Q3 2021. This was a decrease from 8.2% from the previous quarter and 11.2% from Q3 2020. The South San Francisco/San Bruno/Millbrae Submarket has a multi-family inventory of 7,682 units. The vacancy rate stood at 4.8% for Q3 2021, which is down from 6.1% in Q3 2021 and 8.4% in Q3 2020.

Historical vacancy by unit type for the South San Francisco/San Bruno/Millbrae submarket is presented in the following graph along with CoStar’s projections for vacancy through the next three fiscal years.

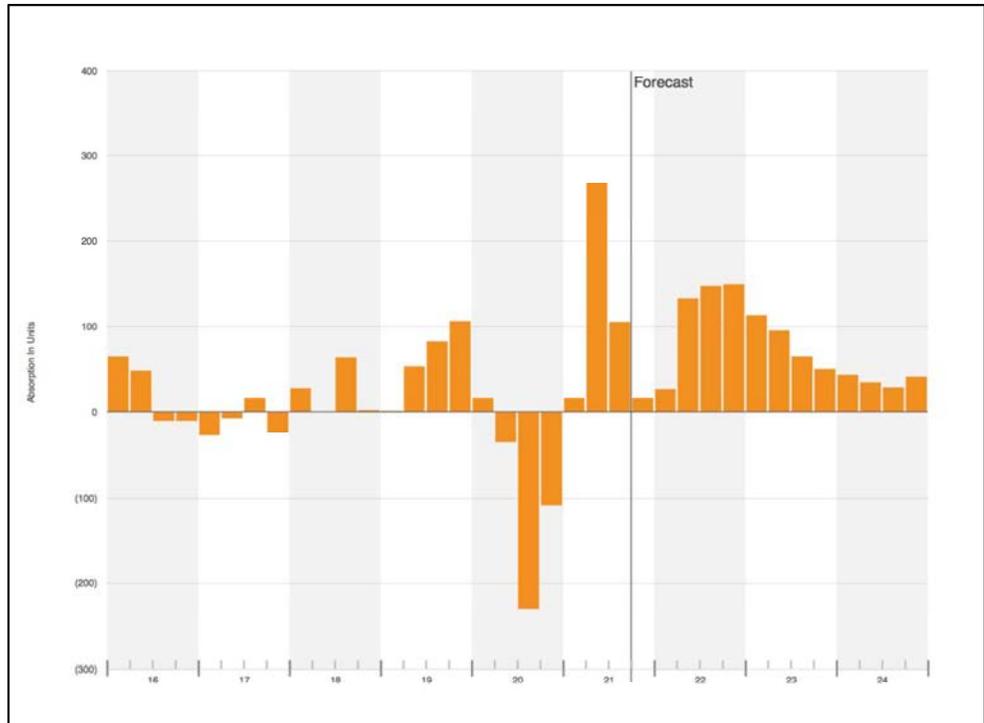
**Absorption**

Net absorption of multi-unit residences in the San Francisco region was 525 units for the 3<sup>rd</sup> Quarter 2021 with 8,935 units for the last 12 months. In



comparison, the submarket had a net absorption of 14 units for the quarter, with a 12-month net absorption of 336 units. Absorption is expected to remain strong with positive numbers for several years in both the region and submarket. While absorption was negative for much of 2020, multi-unit residential markets appear to have recovered and stabilized as the impacts of the pandemic subside.

### Historical & Projected Absorption



Historical absorption for the South San Francisco/San Bruno/Millbrae submarket is presented in the following graph along with CoStar’s absorption projections through the next three fiscal years.

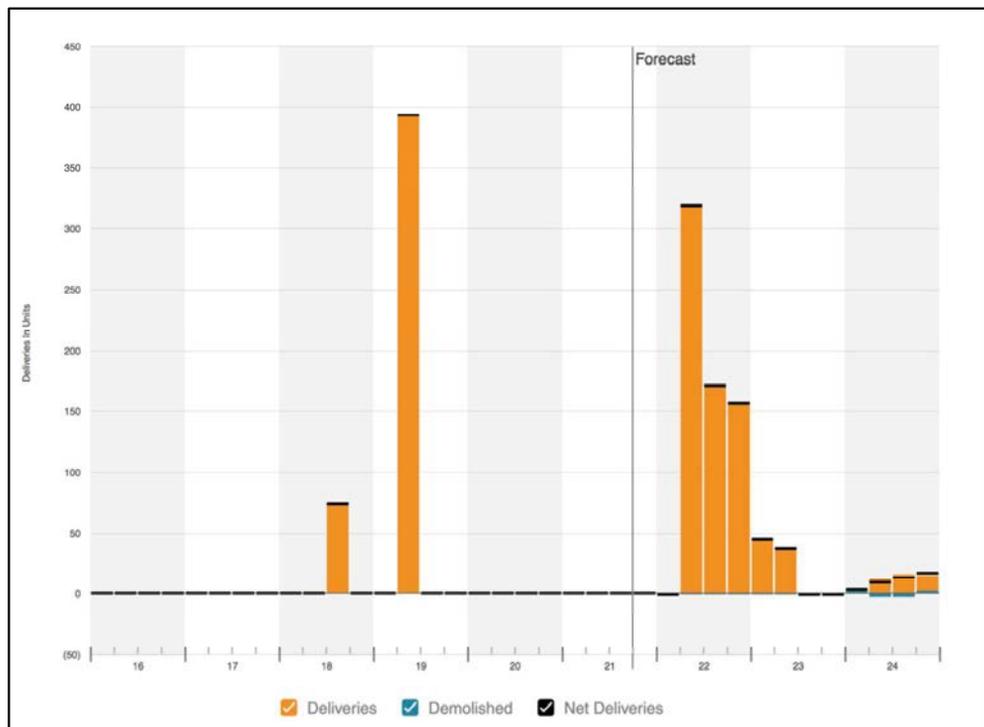
### Construction Activity

Construction activity in the region peaked in 2016 and 2017, although another 2,600 units in market-rate properties were completed in 2020 with similar amount forecast for 2021. Construction costs have continued to rise hindering active construction starts. Over the past decade, 24,000 apartment units have been delivered in more than 120 properties, primarily in medium-high to very-high density residential properties. Most of the development has taken place in San Francisco’s submarkets of San Mateo and Redwood City.



Multi-family construction in the South San Francisco/San Bruno/Millbrae Submarket has been tightly limited due to open space and single-unit residential zoning. South San Francisco, however, has approved development of up to 1,400 new housing units. The recently renovated Caltrain station increases connectivity to South San Francisco leading the way to new transit-oriented developments. This is becoming more commonplace as seen in other peninsula communities.

**Deliveries & Demolitions**



Notably, two major mixed-use projects have been approved for development adjacent to the Millbrae Transit Center that serves Caltrain and BART along with SamTrans and the Sierra Point Shuttle. Prior to these two developments, construction in the submarket was roughly 520 units over the past decade.

Historical deliveries and demolitions for the South San Francisco/San Bruno/Millbrae submarket is presented in the following graph along with CoStar’s projections through the next three fiscal years.

The overall San Francisco metropolitan area has delivered 63 units in Q3 2021 with 4,492 units currently under construction. Over the previous 12 months, 2,188 units were delivered. In the submarket, 0 units were delivered



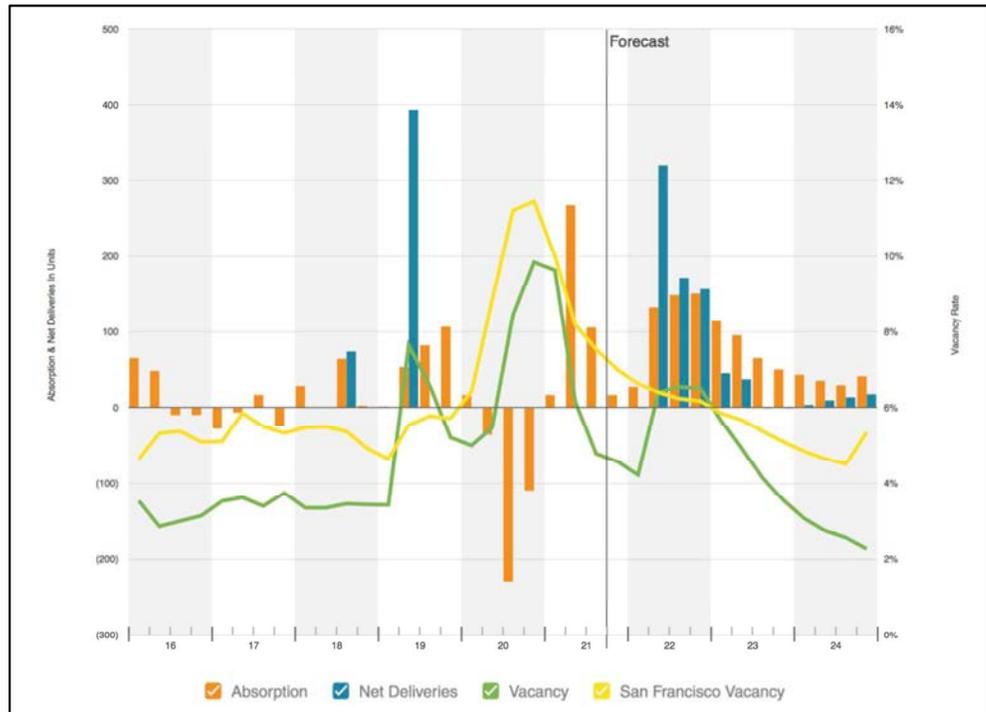
in Q3 2021 with 733 units under construction. The previous 12 months also saw 0 units delivered.

**Conclusion**

While population has recently decreased, there are a few contributing factors. Conversely, there are a number of reasons why population is expected to increase going forward.

Historical and projected supply and demand characteristics are summarized in the following exhibit.

**Net Absorption, Net Deliveries & Vacancy**



The recent population decrease may largely be attributed to the impacts of the COVID-19 pandemic. With many employers switching to work at home protocols rather than in office, many employees found they did not need to be close to workplaces and moved to areas with more affordable housing. Housing costs have been high because of a shortage of lower cost housing.

As lower cost alternatives are added to the housing stock, it is anticipated the new housing units will be occupied by new and returning employees. This is exemplified by the unemployment rate that was 2.0% two years ago, then increased to 10.2% during the pandemic, and most recently having recovered to 4.7%. Vacancy rates follow a similar pattern.



Looking forward, market fundamentals remain strong for the San Francisco Metropolitan Area. Over the long term, the South San Francisco/San Bruno/Millbrae submarket is expected to attract additional life sciences tenants, bringing with them new prospective residents to the area.

**SITE DESCRIPTION**

Please refer to the *Satellite Image – Subject* below and the *Assessor’s Parcel Maps* on the following pages. The subject includes two parcels that are across the street from each other with Linden Avenue on the western perimeter and Pine Avenue running in between them in an east-west direction.

**Satellite Image – Subject**



Combined, the subject has an area of ±28,000 square feet (±0.643 acre). The property is not in a Coastal Resources Management Area under the California Coastal Act of 1976. The property is not identified as a wetland by the U.S. Army Corps of Engineers. It is in Census Tract: 06081-6021.00.



Two Parcels - ±28,000 Square Feet  
 616 & 700 Linden Avenue, CA  
 KM Job AC21-329 – UASFLA

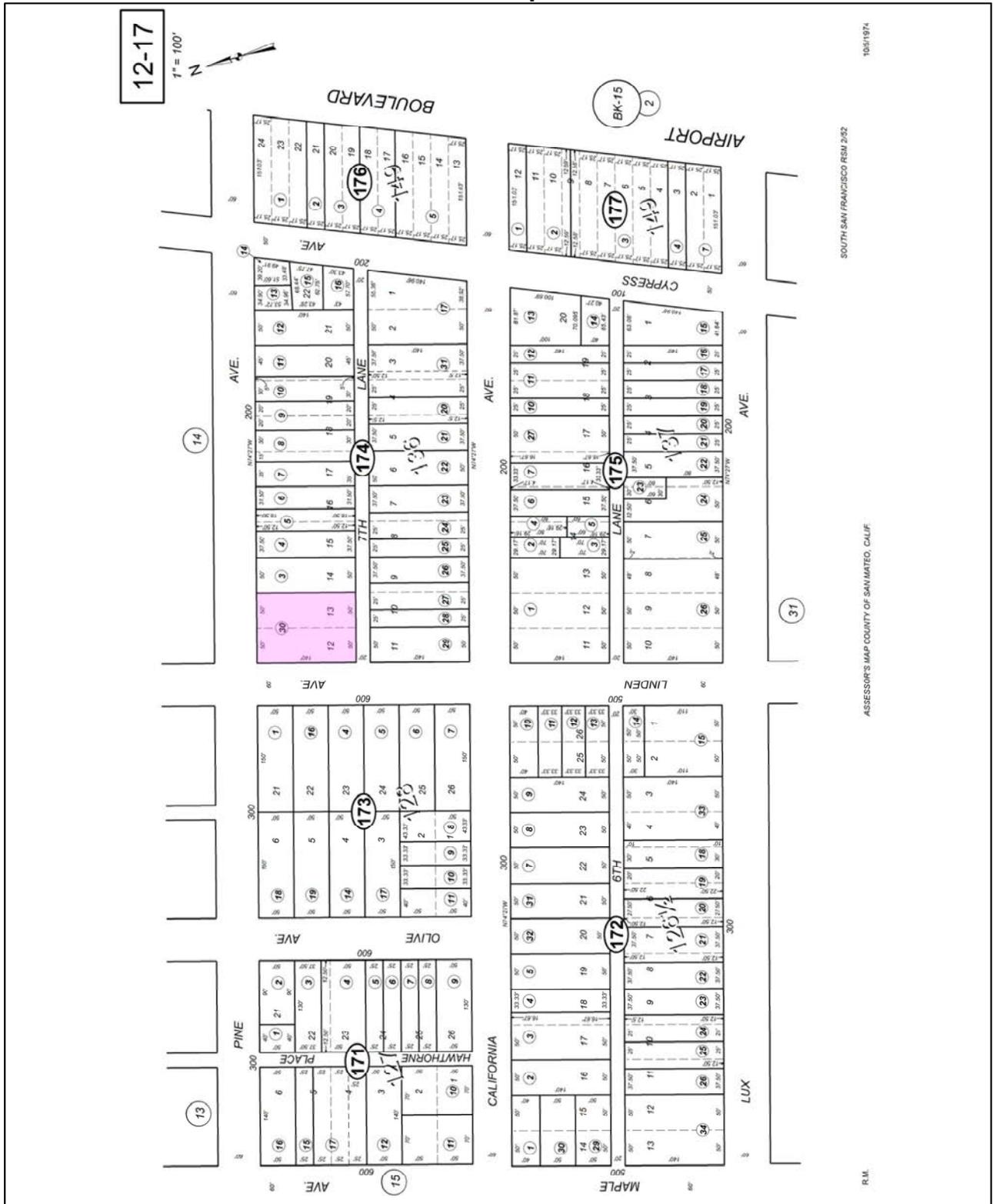
# Assessor Parcel Map – APN 012-145-370





Two Parcels - ±28,000 Square Feet  
 616 & 700 Linden Avenue, CA  
 KM Job AC21-329 – UASFLA

# Assessor Parcel Map – 012-174-300





**Utilities Service** The property has gas and electrical service provided by the Pacific Gas & Electric Company, PG&E, which is a publicly regulated utility company. Water service is provided by the California Water Service. Sanitary sewer and storm drain service are provided and maintained by the City of South San Francisco. Refuse service is provided by South San Francisco Scavenger Co., Inc. Local telephone service is chiefly provided by the AT&T Telephone Company through which any number of long-distance carriers may be accessed.

**Seismic Hazard** I have identified the property on the State of California "Earthquake Fault Zones" map entitled "San Francisco South Quadrangle" dated January 1, 1982 and determined the property is not in an active fault zone.

**Flood Hazard** The subject has been identified on the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map with community panel number 065062 0041 E. The map was dated October 16, 2012 and the property has been found to lie within an unshaded Zone X. The area of the subject is noted as: "... Areas determined to be outside the 0.2% annual chance floodplain."

**Easements, Encroachments, & Rights of Way** This appraisal has been conducted without the benefit of a *Preliminary Title Report*. As a result, I have not ascertained if the property is subject to any *Easements, Encroachments & Rights of Way*. Therefore, I have made the *Extraordinary Assumption* the property is not subject to any exceptions to title and/or CC&R's that negatively impact the marketability and/or value of the subject. If any such title exceptions exist, the property's marketability and/or value would likely be significantly negatively impacted.

**Environmental** Physical inspection of the site found the topography to be very slightly sloping in a west to east direction. No indications of any drainage problems were observed at the time of inspection.

I have been provided with a Phase I/Phase II Environmental Site Assessment of four properties, two of which include the subject. The report is an unsigned draft dated June 11, 2021 that was prepared by Toeroek Associates, Inc. and Tetra Tech, Inc. The report is 1,836 pages long and I am not qualified to adequately understand the report in its entirety. Rather, I have read pages 32 through 38 which are identified as "Conclusions, Opinions, and Recommendations." This portion of the report identifies the following relating to the subject:

- Historical automotive repair shop activities at 616 Linden Avenue



- Potential for vapor intrusion and contamination at 616 Linden Avenue
- Potential underground storage tanks at 616 Linden Avenue
- Potential off-site source of contamination from Linden Cleaners at 612 Linden Avenue
- Potential aerial deposition of lead from vehicles and aircraft at 700 Linden Avenue
- Potential mobilization of Arsenic at 616 Linden Avenue

Ms. Julie Barnard has reported there were no findings on 700 Linden Avenue, however, 616 Linden Avenue is subject to remediation costs that were estimated at \$530,000 in order to support development with housing and/or commercial uses.

Because the Phase I/Phase II Environmental Site Assessment is an unsigned draft, I have made the *Extraordinary Assumption* the certified report will be materially unchanged from the draft. Additionally, I have made the *Extraordinary Assumption* the estimated remediation costs reported by the City of South San Francisco are adequate to prepare the site for development with housing and commercial development.

#### **Site Improvements**

APN 012-174-300 (616 Linden Avenue) is on the eastern perimeter of Linden Avenue and bounded by Pine Avenue to the north and 7<sup>th</sup> Lane to the south. It has ~140 feet of frontage on Linden Avenue with ~100 feet of frontage on both Pine Avenue and 7<sup>th</sup> Lane. The Assessor Parcel Map indicates the parcel with an area of ±14,000 square feet (±0.321 acre). Access to the parcel is by way of two curb cuts on Pine Avenue and it is also accessible along its southern perimeter on 7<sup>th</sup> Lane. It is improved with an asphalt paved parking lot that is striped with 20 metered parking spaces. It abuts a 7-unit apartment building on a 7,000 square foot lot to the east. This property has a development density of ~44 units per acre.

APN 012-145-370 (700 Linden Avenue) is on the eastern perimeter of Linden Avenue and bounded by Pine Avenue to the south and 8<sup>th</sup> Lane to the north. It has ~140 feet of frontage on Linden Avenue with ~100 feet of frontage on both Pine Avenue and 8<sup>th</sup> Lane. The Assessor Parcel Map indicates the parcel with an area of ±14,000 square feet (±0.321 acre). The parcel does not have vehicular access, but, it is accessible along its northern perimeter on 8<sup>th</sup> Lane. The property is improved as a green space with sod and a paved walkway bisecting it diagonally in a northeastern-southwestern manner. It abuts a single-unit residence on a 3,500 square foot lot to the east.



<b>Improvements / Fixtures</b>	The property does not include any significant improvements or fixtures.
<b>Furniture, Fixtures &amp; Equipment</b>	The property does not include any significant <i>Furniture, Fixtures &amp; Equipment (FF&amp;E)</i> .
<b>Use History</b>	<p>APN 012-174-300 (616 Linden Avenue) is improved with an asphalt paved parking lot. The property was previously used for automobile repair operations. Review of satellite imagery indicate the prior buildings on the property were razed sometime between March 2000 and August 2002.</p> <p>APN 012-145-370 (700 Linden Avenue) is improved as a green space with sod and a paved walkway.</p>
<b>Ownership &amp; Sales History</b>	<p>The <i>Grant Deeds</i> filed by the San Mateo County Recorder as Documents 2017-042165 and 2017-042166 on May 16, 2017 conveyed the properties to:</p> <p><i>The City of South San Francisco, a municipal corporation</i></p> <p>The <i>Grantor</i> was the Successor Agency to the Redevelopment Agency of the City of South San Francisco. The transfer was the result of the dissolution of the redevelopment agency as specified by the California Supreme Court decision. There were no sale prices associated with the transfers of title.</p> <p>The data aggregator <i>CoStar Realty Information Services, Inc.</i> reports the last market transaction of 616 Linden Avenue occurred on April 14, 1997 between Dante Volante (seller) the Redevelopment Agency of South San Francisco (buyer) with a reported price of \$325,000. The price was generally consistent with market conditions prevailing at that time.</p> <p>The data aggregator <i>LandVision</i> reports the last market transaction of 700 Linden Avenue occurred on Mary 12, 1998 between Lola Bogdon &amp; Larence Bertolucci (sellers) the Redevelopment Agency of South San Francisco (buyer) with a reported price of \$315,000. The price was generally consistent with market conditions prevailing at that time.</p> <p>There has been no transfers or marketing activity of the property in the last 10 years of which we are aware.</p>



**Rental History** A rental history was not available.

**Assessor’s Parcel Number, Real Estate Taxes & Assessments** The San Mateo County Assessor has assigned the property with Assessor Parcel Numbers (APN’s) 012-145-370 and 012-174-300. The property is owned by the City of South San Francisco, and as a result, there are no ad valorem taxes levied against the property.

However, the Composite Tax Rate for the area the subject is in is 1.058% of the assessed value.

While the property is not subject to ad valorem taxes, it is responsible for one special assessment district with a total charge of \$18.68 in the 2021-2022 tax year.

**ZONING & GENERAL PLAN**

The property is in the city of South San Francisco and as a result falls under their jurisdiction.

**Zoning**

The City of South San Francisco Economic and Community Development Department has designated the subject in the Downtown Station Area Specific Plan District (DSASP). The DSASP applies to lands within the Downtown Station Area Specific Plan and is further established into sub-districts. The subject has been designated as an “LNC, Linden Neighborhood Center Zoning Sub-District.” The “LNC” sub-district:

*“... is located north of Grand Avenue on Linden Avenue between Ninth Lane and California Avenue. This sub-district includes some existing local-serving businesses which will form the foundation for a cluster of retail, services and amenities that can serve the surrounding residential neighborhoods. The Linden Neighborhood Center designation will encourage mixed use development, with retail uses at the ground floor and residential above.”*

**Development Standards**

In addition to land use restrictions, the LNC zoning imposes the following development standards:

**Minimum Lot Size** – 5,000 square feet.

**Minimum Lot Width** – 50 square feet.

**Minimum Floor Area Ratio (FAR)** – 2.0:1.0.

**Maximum Floor Area Ratio (FAR)** – 3.0:1.0. *Exclusive of structured parking.*

**Residential Density (units per acre; included within FAR above)** – *Minimum Density: 40 units/acre. Maximum Density: 60 units/acre.*



*Maximum Density with Incentive Program - Does not include density bonuses allowed per Chapter 20.390 Bonus Residential Density: 80 units/acre. An increase to the Maximum FAR or Maximum Density may be permitted for buildings with the approval of a Conditional Use Permit or combination of public benefits.*

**Maximum Building Height – 50 feet.**

**Maximum Floor Height for Ground Floor Residential – 5 feet above grade.**

**Ground Floor Height –** *The minimum ground floor height for buildings with nonresidential uses at the ground level is 15 feet, with a minimum 12-foot clearance from floor to ceiling.*

**Maximum Lot Coverage (% of lot) – 90.**

**Minimum Usable Open Space – 150 square feet per residential unit.**

**Minimum Amount of Landscaping (% of site) –10.**

**Parking Requirement – Multi-Unit Residential:** *Studio and less than 500 square feet – 1 space per unit maximum. One-bedroom (up to 1,100 square feet) – 1 space minimum, 1.5 spaces maximum per unit. Two-bedroom (up to 1,100 square feet) – 1.5 spaces minimum, 1.8 spaces maximum per unit. Three or more bedrooms and 1,101 square feet or larger – 1.5 spaces minimum, 2 spaces maximum per unit.*

*General Requirements For All Multi-Unit Residential Parking – One covered space shall be designated for each unit.*

*Downtown Parking Districts: In the Downtown Parking District, the City may establish a parking mitigation fund and allow payment of a fee in lieu of providing required parking on-site or off-site. For the Downtown Parking District, the Planning Commission shall review any request for a reduction in the number of required parking spaces and make a determination whether there is sufficient parking within the District to accommodate the proposed use. Where a shared parking facility serving more than one use will be provided, the total number of required parking spaces may be reduced up to 50 percent with a Conditional Use Permit. For apartment developments, 50 percent or more of the provided parking may be unbundled, subject to approval of a parking management and monitoring plan by the Planning Commission.*

*Mixed-use portion – depends on use. Parking reduction possible with Planning Commission Review.*

**General Plan** The general plan specifies the property as “Linden Commercial Corridor.” This designation specifies:

*“...commercial and mixed uses will continue to be allowed and encouraged on properties within this corridor. While not required, commercial uses will*



*provide opportunities for local services for adjoining residential neighborhoods. As with other mixed use locations, improvements to the sidewalks and streetscape will be encouraged to provide additional pedestrian amenities and accessibility especially for local residents. Retail use will be encouraged at ground level in this corridor. Other requirements of the Downtown High Density Residential district will pertain: 20.1-40 dwelling units per acre.”*

**Downtown  
Station Area  
Specific Plan**

The Downtown Station Area Specific Plan (DSASP) was adopted February 2015. The Specific Plan has been prepared:

*“...in order to guide future development in portions of the City of South San Francisco that lie within a ½-mile radius of the Caltrain Station. An important underlying goal of the project is to support transit ridership as part of a sustainable future for the City and region.”*

The subject has a zoning designation of “Linden Neighborhood Center.” According to the DSASP:

*“...The Linden Neighborhood Center is defined as the properties fronting Linden Avenue between California Avenue and Ninth Lane. The large zone of residential uses that lie north of Miller Avenue up to Armour Avenue and west of Maple have limited neighborhood amenities that can help to meet daily needs; in addition, there is little public open space available in this area. The current small collection of retail uses along Linden Avenue between California and Juniper Avenues provide a starting point for a more robust neighborhood center that will be walkable for the surrounding residential areas and can be a supplement to the more citywide destinations that will locate along Grand Avenue.*

*Retail/commercial uses would be required at ground level within this zone. The Linden Neighborhood Center designation allows up to 60 dwelling units per acre with a minimum of 40 units per acre. Densities up to 80 units per acre are allowed if specific criteria are met.”*

**Long-Range  
Property  
Management  
Plan**

The Long-Range Property Management Plan (LRPMP), dated November 19, 2013, contains information related to each of the Successor Agency owned properties at that time. 616 Linden Avenue currently serves as a metered parking lot with 20 parking spaces. However, at the time of acquisition the lot consisted of a 4,000 square foot Quonset hut-type building and a 2,250 square foot auto repair building. The buildings were demolished but environmental conditions were created by the former uses.

700 Linden Avenue is across the street and was envisioned as neighborhood parking and as parking for visitors to a performing arts center that was to be



built across the street (at 616 Linden Avenue). This project has since been cancelled. At this time, the lot is maintained as an open green space.

According to the document, the highest and best use of the properties is to combine them together and hold them for future development. The plan states the highest and best use is, “... to construct a high density residential project when market conditions improve. The property is in close proximity to the downtown core and the Caltrain station and is suitable for transit oriented development. Improving the property advances the City’s and Agency’s goals to alleviate blight and help prepare and improve the site for future development.”

Furthermore, “... it would be challenging to develop each of these properties individually but combined they can be suitable for development in the future. The Successor Agency worked with a consultant to estimate the development potential of the sites. The development consultant estimates that under current conditions the sites could accommodate 40 residential units.”

**General  
 Comments**

Review of the *Market Comparables* in the *Land Valuation* section of this report includes the following relevant physical characteristics:

<b>Summary of Physical Characteristics - Market Comparables</b>					
<b>Market Comparables</b>	<b>Comparable 1</b>	<b>Comparable 2</b>	<b>Comparable 3</b>	<b>Comparable 4</b>	<b>Comparable 5</b>
<b>Average Number of Bedrooms/Unit</b>	2.0	1.4	1.6	1.6	1.2
<b>Average Unit Size</b>	1,390 sf	908 sf	983 sf	891 sf	764 sf
<b>Ground Floor Retail Space</b>	None	Yes	Yes	Yes	None

On the basis of the *Market Comparables*, the most probable development for the subject would include an even mix of 1- and 2-bedroom apartments with an average size of 900 square feet. With 40 prospective units, the total *Gross Living Area* will be 36,000 square feet. Additionally, each unit is expected to have a balcony which, on average, will be 800 square feet.

Allowing for required parking and open space requirements, the largest amount for ground floor retail space would be roughly 5,850 square feet. However, taking into consideration 10% for inefficiencies, the ground floor retail space would be 5,250 square feet after rounding.



Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
KM Job AC21-329 – UASFLA

# Data Analysis & Conclusions – Before Acquisition



## Data Analysis & Conclusions – Before Acquisition

### HIGHEST & BEST USE

The “Highest & Best Use” is defined by the Appraisal Institute as:

1. *The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.*
2. *The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset’s existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)*
3. *[The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)*

**Source:** Appraisal Institute, *The Dictionary of Real Estate Appraisal*, Sixth Edition (Chicago, IL: Appraisal Institute, 2015), page 109.

In the case of the subject, the first definition is applicable.

### HIGHEST & BEST USE – AS IF VACANT

The four tests to the *Highest & Best Use - As If Vacant* are presented as follows:

#### Legally Permissible

The property has zoning, general plan, and specific plan designations for high-density residential housing. While the minimum development density is 40 units per acre (~26 units) the maximum development density is 60 units per acre (~39 units). Additionally, the maximum density may be approved for up to 80 units per acre (~51 units) with a *Conditional Use Permit*. Lastly, the Long-Range Property Management Plan (LRPMP) identifies the subject for development potential with 40 units. This results in a development density of ~62 units per acre. Given the City’s prior adoption of the LRPMP, it would appear *Legally Permissible* for development with 40 units on the subject. In addition to above-ground residential uses, the property would also include a street fronting ground floor retail component.

#### Physically Possible

There are no observable physical limitations that preclude development of the *Legally Permissible* uses.



Each parcel is 140 feet wide and 100 feet deep. Presumably, each parcel would be developed with 20 residential units. The required parking for a one-bedroom apartment would be 1.0 covered parking space. Alternatively, the required parking for a two-bedroom apartment would be 1.5 covered parking spaces. While studios and three-bedroom apartments might be *Legally Permissible*, given the rather small number of total units on each parcel, it is likely a proposed development would not include the smaller studios or larger three-bedroom apartments. Therefore, given a balanced mix of one- and two-bedroom apartments, the minimum required parking on each parcel would 25 spaces.

It would be *Physically Possible* to construct a three- or four-story structure with sufficient parking as well as retail shops on the ground level with residential units above.

**Financially Feasible** Market activity suggests it is currently *Financially Feasible* for development with high-density residential housing.

**Maximally Productive** The *Legally Permissible, Physically Possible, and Financially Feasible* development alternative is for development with high-density residential housing with ground floor retail. Therefore, I have concluded the *Highest & Best Use - As If Vacant* is for development with a high-density residential housing having 40 units along with ground floor retail space.

**HIGHEST & BEST USE – AS IMPROVED** The property is vacant and unimproved, therefore, analysis of the *Highest & Best Use - As Improved* is moot and not performed.

**LARGER PARCEL** Analysis of the *Larger Parcel* takes into consideration the following:

**Unity of Title** The *Beneficial Control* of the property is held in a *Fee Simple Estate* by:  
*The City of South San Francisco, a municipal corporation*

**Unity of Use** The property includes two parcels with a combined area of ±28,000 square feet (±0.643 acre) and development potential for 40 residential units.

**Contiguity** The property includes two corner parcels across the street from each other. Although physically segregated from each other, they may be developed to their *Highest & Best Use* together.



**Conclusion** The *Larger Parcel* includes two corner parcels across the street from each other with a combined area of ±28,000 square and may be developed to their *Highest & Best Use* together.

**LAND VALUATION** The subject of this *Appraisal Assignment* is the *Fee Simple Estate* in two ±14,000 square foot parcels (±28,000 square feet total). Each of the parcels has potential for a mixed-use development with 20 residential units over ground floor retail and parking. In total, the two parcels may be developed with 40 residential units over ground floor retail and parking.

The six procedures to value land are:

1. *Sales Comparison*
2. *Market Extraction*
3. *Allocation*
4. *Land Residual Analysis*
5. *Ground Rent Capitalization*
6. *Subdivision Development Analysis (Discounted Cash Flow Analysis)*

The *Sales Comparison Approach* commonly is the best method to develop an opinion of the subject's land value. While there is sufficient data from which to develop an indication of value, its reliability is questionable given a dearth of relevant market activity and recent changes in *Market Conditions*.

The *Market Extraction* method takes into consideration the total price of the property (improved) and deducts the *Contributory Value* of the improvements. The resulting differences are then compared to provide an indication of the subject's value. Because the property does not have any structural improvements, the *Market Extraction* method is not applicable or used in this *Appraisal Assignment*.

The *Allocation* method depends on an *Allocation Ratio* that is applied to the total value of the property (improved). Again, because there are no structural improvements, the *Allocation* method is not applicable or used in this *Appraisal Assignment*.

The *Land Residual Analysis* takes into consideration the total property value, as if completed, and deducts components of development costs. The resulting amount is the indicated value of the land. There is sufficient market activity from which to develop a reliable indication of value by the *Land Residual Analysis* method.

This property type is very rarely bought and/or sold on the basis of its income potential. Consequently, there is little meaningful information regarding



market derived *Capitalization Rates*; *Ground Rent Capitalization* method is not applicable or used in this *Appraisal Assignment*.

Because the property does not include a number of lots for retail sales, the *Subdivision Development Analysis* method is not applicable or used in this *Appraisal Assignment*.

**Sales Comparison Approach**

There are few transactions in the market area that have characteristics which are similar to those of the subject. I have considered the most relevant market comparables for presentation in this *Appraisal Report*. Additionally, I have concluded the most appropriate *Unit of Comparison* is the *Price Per Potential Dwelling Unit*. Please refer to the *Land Comparables Summary & Location Exhibit* on below with detailed summaries of the comparables presented in the following pages.

<b>Land Comparables Summary &amp; Location Exhibit</b>							
Comparable Number	Property Location	Recording Date	Sale Price	Site Area Acres	# of Units Units/Acre	Sale Price Per Unit	Zoning / General Plan
1	7 S. Linden Avenue South San Francisco, CA	September 2021	\$33,500,000	4.23	445 105	\$75,281	MI / Mixed Industrial
2	1095 Rollins Road Burlingame, CA	November 2020	\$18,750,000	1.08	150 139	\$125,000	C-1 / Commercial (Shopping & Service)
3	150 - 214 Airport Boulevard South San Francisco, CA	December 2017	\$17,108,000	1.71	157 92	\$108,968	DTC / Downtown Transit Core



<b>Land Comparable – Comparable 1</b>	
<b>- Property Information -</b>	
<b>Location/Address:</b> 7 S. Linden Avenue South San Francisco, CA ~½ Mile Southwest	
<b>Assessor Parcel Number/s:</b> APN 014-074-010	
<b>Land Description:</b> Size: ±184,107 square feet, ±4.23 acres Shape: Irregular Highest & Best Use: High Density Residential Topography: Level Access: Public Asphalt Paved Road	
<b>Site Analysis:</b> Utilities: All Publicly Available FEMA Flood Zone: Zone X – Area of Minimal Flood Hazard Earthquake Fault Zone – Negative Development Density – 105 Units per Acre	<b>- Transaction Information -</b>
<b>Zoning &amp; General Plan:</b> Zoning: MI – Mixed Industrial General Plan: MI - Mixed Industrial	<b>Recording Date:</b> September 29, 2021
	<b>Transfer Document:</b> Grant Deed – Document 2021-139037
	<b>Sale Price:</b> \$33,500,000
	<b>Unit Price:</b> \$75,281 Per Potential Dwelling Unit
	<b>Grantor:</b> Sand Hill Land Company, LLC
	<b>Grantee:</b> Essex Portfolio, LP
	<b>Buyer's Costs:</b> None Reported
	<b>Property Rights:</b> Fee Simple Estate
	<b>Sale Conditions:</b> Typical
	<b>Financing Terms:</b> Conventional
<b>Comments:</b>	
<p>This property had been developed with a 26,182 square foot industrial building. The property was fully leased to two commercial tenants at the time of sale. It was acquired by the seller who is pursuing entitlements to construct a 5-story residential complex with 445 apartment units.</p> <p>The property has a Walk Score of 86.</p>	



<b>Land Comparable – Comparable 2</b>	
<b>- Property Information -</b>	
<b>Location/Address:</b> 1095 Rollins Road Burlingame, CA ~6½ Miles Southeast	
<b>Assessor Parcel Number/s:</b> APN 026-231-250 & -260	
<b>Land Description:</b> Size: ±46,827 square feet, ±1.08 acres Shape: Irregular Highest & Best Use: High Density Residential Topography: Level Access: Public Asphalt Paved Road	
<b>Site Analysis:</b> Utilities: All Publicly Available FEMA Flood Zone: Shaded Zone X – 0.2% Annual Chance Flood Hazard Earthquake Fault Zone – Negative Development Density – 139 Units per Acre	<b>- Transaction Information -</b>
<b>Zoning &amp; General Plan:</b> Zoning: C-1 - Commercial General Plan: Commercial (Shopping & Service)	<b>Recording Date:</b> November 4, 2020
	<b>Transfer Document:</b> Grant Deed – Document 2020-122221
	<b>Sale Price:</b> \$18,750,000
	<b>Unit Price:</b> \$125,000 Per Potential Dwelling Unit
	<b>Grantor:</b> THC Burlingame Investor, LLC
	<b>Grantee:</b> 1095 Rollins Road, LP
	<b>Buyer's Costs:</b> None Reported
	<b>Property Rights:</b> Fee Simple Estate
	<b>Sale Conditions:</b> Typical
	<b>Financing Terms:</b> Conventional
<b>Comments:</b>	
<p>This property had been developed with a restaurant along with tennis courts on a concrete podium over ground-level parking. It was acquired by the seller who negotiated development entitlements for a six-story apartment complex with 150 units. This sale included development entitlements for 150 residential units.</p> <p>The property has a Walk Score of 81.</p>	



<b>Land Comparable – Comparable 3</b>	
<b>- Property Information -</b>	
<b>Location/Address:</b> 150, 200, 206-210 & 214 Airport Boulevard South San Francisco, CA ~½ Mile Southeast	
<b>Assessor Parcel Number/s:</b> APN's 012-338-010, -020, -030, -040, -050, -140, -150	
<b>Land Description:</b> Size: ±74,217 square feet, ±1.71 acres Shape: Irregular Highest & Best Use: High Density Residential Topography: Level Access: Public Asphalt Paved Road	
<b>Site Analysis:</b> Utilities: All Publicly Available FEMA Flood Zone: Zone X – Area of Minimal Flood Hazard Earthquake Fault Zone – Negative Development Density – 92 Units per Acre	<b>- Transaction Information -</b>
<b>Zoning &amp; General Plan:</b> Zoning: DTC – Downtown Transit Core General Plan: Downtown Transit Core	<b>Recording Date:</b> See Comments
	<b>Transfer Document:</b> See Comments
	<b>Sale Price:</b> \$17,108,000
	<b>Unit Price:</b> \$108,968 Per Potential Dwelling Unit
	<b>Grantor:</b> See Comments
	<b>Grantee:</b> See Comments
	<b>Buyer's Costs:</b> None Reported
	<b>Property Rights:</b> Fee Simple Estate
	<b>Sale Conditions:</b> Typical
	<b>Financing Terms:</b> Conventional
<b>Comments:</b>	
APN's 012-338-140 & -150: Grant Deed Document 2017-114045, Recording Date – December 19, 2017, Grantee – 150 Airport SSF, LLC, Grantee – Fairfield 150 Airport, LP. Sale Price - \$12,050,000	
APN's 012-338-010, -020, -030, -040, & -050: Grant Deed Document 2019-072269, Recording Date – September 5, 2019, Grantee – Marisa A. & William A. Borba Jr., Grantee – Fairfield 200 Airport, LP, Sale Price - \$5,058,000	
This comparable is an assemblage of seven parcels in two sales. The developer is completing construction of a 157-unit apartment complex with ground floor retail space. The parcels were previously developed with industrial, office, and retail uses. The buildings on 150 Airport Boulevard were demolished in March of 2018 with the remainder of the buildings demolished in January 2021.	
The property has a Walk Score of 93.	



**Market  
 Comparables  
 Analysis**

I have analyzed the comparable properties in relation to the subject and have taken the relevant factors into consideration. The most appropriate *Unit of Comparison* for the subject is *Price Per Potential Dwelling Unit*.

All of the comparables' *Fee Simple Estates* were all cash transactions that were negotiated between typically motivated buyers and sellers. As a result, no adjustments are required for *Property Rights, Financing Terms, or Conditions of Sale*.

While some of the sales closed escrows prior to the COVID-19 pandemic, *Market Conditions* saw rental rates drop through 2020 then rebound to pre-pandemic levels. As a result, downward adjustments are not required. In fact, it is plausible that upward adjustments may be in order.

I have considered the use of an adjustment grid and have determined there is sufficient information from which to develop a reliable opinion of value without having to make quantified adjustments. Therefore, I have considered the comparables in a *Qualitative Ranking Analysis*. The prices of the comparables are arrayed from highest to lowest, with the subject in its relative position, in the following table:

<b>Qualitative Ranking Analysis Summary – Price Per Potential Dwelling Unit</b>			
<b>Comparable Property</b>	<b>Price Per Dwelling Unit</b>	<b>Comparison to Subject</b>	<b>Comments</b>
<b>Comparable 2</b>	\$125,000	Substantially Superior	November 2020 – 150 Units – Burlingame, CA
<b>Comparable 3</b>	\$108,968	Significantly Superior	December 2017 – 157 Units – South San Francisco, CA
<b>Comparable 1</b>	\$75,281	Slightly Superior	September 2021 – 445 Units – South San Francisco, CA
<b>Subject</b>	<b>\$65,000</b>	<b>Subject</b>	<b>December 2021 – 40 Units – South San Francisco, CA</b>

**Reconciliation**

The subject includes two parcels with a combined area of ±28,000 square feet and suitable for development with 40 residential units over ground floor retail and parking. The properties' sale prices are from \$15,476 per potential dwelling unit to \$125,000 per potential dwelling unit.

**Comparable 2 - \$125,000 Per Potential Dwelling Unit**

This property sold with development entitlements in place for a 150-unit apartment complex. It is roughly a 1/3 mile walk to the Caltrain Broadway Station in Burlingame and about a 1/4 mile walk to the northern gateway to Burlingame's Broadway district. This is a superior location in relation to the subject in addition to already having development approvals. As a result,



this property indicates a substantially lower value for the subject than its sale price.

### ***Comparable 3 - \$108,968 Per Potential Dwelling Unit***

This property is an assemblage of seven parcels that is being developed with 157 apartment units over ground floor retail and parking. It is roughly a ¼ mile walk to the Caltrain South San Francisco Station and about 500 feet from the eastern gateway to South San Francisco's downtown district on Grand Avenue. This is a superior location in relation to the subject because it is closer to the railroad station and downtown. The assemblage took place from 2017 through 2019 and should be adjusted up for changes in *Market Conditions*. Overall, this property indicates a significantly lower value for the subject than its sale price.

### ***Comparable 1 - \$75,281 Per Potential Dwelling Unit***

This property was previously developed with industrial buildings. The buyer acquired the property for development with 445 apartment units. This property is a ¼ mile walk to South San Francisco's downtown district on Grand Avenue and a little over a ½ mile walk to the Caltrain South San Francisco Station. This property is an equivalent *Location* as compared to the subject. However, because of its size it is slightly superior because it has a much higher development potential and may support addition common area amenities as well as retail opportunities. As a result, this property indicates a slightly lower value for the subject than its sale price.

### ***Conclusion***

It should be noted, Comparable 3 is being constructed with residential units over ground floor retail and Comparable 1 will likely be developed in the same manner. Although the selected *Unit of Comparison* is the *Price Per Potential Dwelling Unit*, the comparables' sale prices implicitly reflects the potential for ground floor retail space.

Most weight is placed on Comparable 1 because it is the most recent sale and is in close proximity to the subject. It is also the lowest price sale. With that said, the subject's value is lower than the price of Comparable 1. However, it is difficult to determine how much lower without additional market data. Still, it is my opinion the *Market Value* of the land is equivalent to \$65,000 per potential dwelling unit. With development potential for 40 units



over ground floor retail and parking, I have concluded the land value is \$2,600,000.

**LAND RESIDUAL ANALYSIS**

The *Land Residual Analysis* method takes into consideration the value of the total property (as if completed) and deducts therefrom the *Contributory Value* of the improvements. The total value of the property may be determined either by *Sales Comparison* or *Direct Capitalization*. The *Contributory Value* of the improvements is represented by the development costs of the project.

**Value of Total Property – As if Completed**

The value of the total property, as if completed, may be reliably developed by the *Sales Comparison Approach*. The process is summarized in the following.

**Sales Comparison Approach**

There are a number of recent transactions in the vicinity of the subject that have characteristics similar to the subject. I have considered the most relevant market comparables for presentation in this *Appraisal Report*. The most common *Unit of Comparison* in valuation of multi-family residential properties is the *Price Per Apartment Unit*.

Please refer to the *Market Comparables Summary & Location Exhibit* on the following page with detailed discussions of the market comparables following.

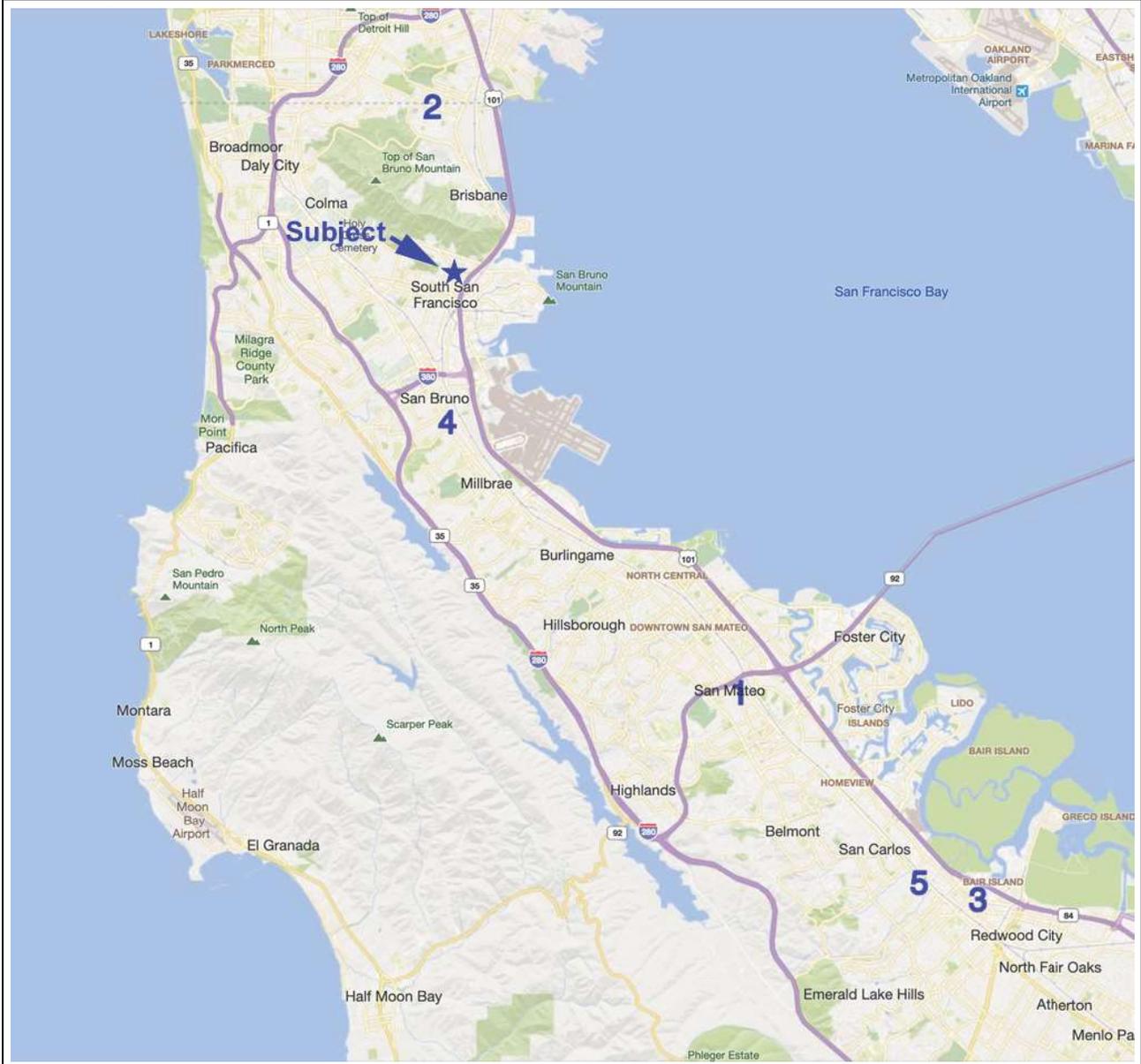
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Two Parcels - ±28,000 Square Feet  
 616 & 700 Linden Avenue, CA  
 KM Job AC21-329 – UASFLA

**Market Comparables Summary & Location Exhibit**

Comparable Number	Property Location	Recording Date	Sale Price Price Per Unit	Total Units Avg. Unit	Lot – Acres Density	Year Built Condition	PGI I <sub>o</sub>	PGIM R <sub>o</sub>
1	25 McAker Court San Mateo, CA	November 2021	\$34,000,000 \$894,737	38 1,390	1.18 32.2	1993 Good	N/A N/A	N/A N/A
2	2665 Geneva Avenue Daly City, CA	June 2021	\$33,600,000 \$404,819	83 908	1.05 79.1	2010 Good	N/A \$1,344,000	N/A 4.0%
3	855 Veterans Boulevard Redwood City, CA	November 2020	\$73,500,000 \$816,667	90 983	1.15 78.3	2019 Good	N/A N/A	N/A N/A
4	400-418 San Mateo Avenue San Bruno, CA	December 2019	\$60,250,000 \$725,904	83 891	0.95 87.4	2019 Good	N/A N/A	N/A N/A
5	1500 Laurel Street San Carlos, CA	September 2019	\$22,700,000 \$540,476	42 764	0.65 64.6	1999 Good	N/A N/A	N/A N/A





<b>Property Detail – Comparable 1</b>														
<b>- Property Information -</b>														
<b>Location/Address:</b> 25 McAker Court San Mateo, CA ~9½ Miles Southeast														
<b>Assessor Parcel Number/s:</b> APN 036-060-940														
<b>Land Description:</b> Size: ±51,350 square feet, ±1.18 acres Shape: Irregular Zoning: R4 – Multiple Family Dwellings (High Density) Highest & Best Use: High Density Residential Topography: Level Utilities: All Publicly Available														
<b>Improvements:</b> Gross Living Area – 50,142 square feet Number of Units – 38 Construction – Wood Frame Year Built – 1993 Quality – Good Condition – Good	<b>- Transaction Information -</b>													
<b>Investment &amp; Financial Information</b> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Potential Gross Income</td> <td style="text-align: right;">Not Reported</td> </tr> <tr> <td><u>Vacancy &amp; Credit Loss @ 5%</u></td> <td style="text-align: right;">N/A</td> </tr> <tr> <td>Effective Gross Income</td> <td style="text-align: right;">N/A</td> </tr> <tr> <td><u>Operating Expenses</u></td> <td style="text-align: right;">N/A</td> </tr> <tr> <td>Net Operating Income</td> <td style="text-align: right;">\$892,500</td> </tr> </table>	Potential Gross Income	Not Reported	<u>Vacancy &amp; Credit Loss @ 5%</u>	N/A	Effective Gross Income	N/A	<u>Operating Expenses</u>	N/A	Net Operating Income	\$892,500	<b>Recording Date:</b> November 2021 <b>Transfer Document:</b> Not Available <b>Sale Price:</b> \$34,000,000 <b>Unit Price:</b> \$894,737 Per Unit <b>Grantor:</b> WSB Bungalows, LLC <b>Grantee:</b> EV Capital Partners, LLC <b>Buyer's Costs:</b> None Reported <b>Property Rights:</b> Leased Fee Interest <b>Sale Conditions:</b> 1031 Exchange <b>Financing Terms:</b> Conventional			
Potential Gross Income	Not Reported													
<u>Vacancy &amp; Credit Loss @ 5%</u>	N/A													
Effective Gross Income	N/A													
<u>Operating Expenses</u>	N/A													
Net Operating Income	\$892,500													
<b>Comments:</b>														
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-decoration: underline;">Unit Type</th> <th style="text-decoration: underline;"># of Units</th> <th style="text-decoration: underline;"># of Bedrooms</th> <th style="text-align: right;">Average Bedrooms Per Unit: 2.0</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2-BR</td> <td style="text-align: center;">38</td> <td style="text-align: center;">76</td> <td></td> </tr> <tr> <td style="text-align: center;"><b>Total</b></td> <td style="text-align: center;"><b>38</b></td> <td style="text-align: center;"><b>76</b></td> <td></td> </tr> </tbody> </table>			Unit Type	# of Units	# of Bedrooms	Average Bedrooms Per Unit: 2.0	2-BR	38	76		<b>Total</b>	<b>38</b>	<b>76</b>	
Unit Type	# of Units	# of Bedrooms	Average Bedrooms Per Unit: 2.0											
2-BR	38	76												
<b>Total</b>	<b>38</b>	<b>76</b>												
<p>The property is commonly known as the Pacific Gardens Apartments. The complex has as common amenities that include controlled access and a courtyard/patio area. The apartments also include in-unit washer/dryers, fireplaces, and patios. Based on the estimated <i>Net Operating Income</i>, the <i>Direct Capitalization Rate</i> was calculated to be 3.5%. At the time of sale, the units had not been renovated, but no significant repairs were needed. All of the units are 2 bedroom/2.5 bathroom townhomes. The property has a Walk Score of 91.</p> <p>This property previously sold in April 2019 for \$25,500,000, or, \$671,053 per unit.</p>														



**Property Detail – Comparable 2**

- Property Information -																					
<b>Location/Address:</b> 2665 Geneva Avenue Daly City, CA ~3½ Miles Northwest																					
<b>Assessor Parcel Number/s:</b> APN 005-064-250																					
<b>Land Description:</b> Size: ±45,636 square feet, ±1.05 acres Shape: Irregular Zoning: R-VHD – Residential, Very High Density Highest & Best Use: High Density Residential Topography: Level Utilities: All Publicly Available																					
<b>Improvements:</b> Gross Living Area – 140,945 square feet Number of Units – 83 Construction – Reinforced Concrete Year Built – 2010 Quality – Good Condition - Good	<b>- Transaction Information -</b>																				
<b>Investment &amp; Financial Information</b>	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"><b>Recording Date:</b></td> <td>June 1, 2021</td> </tr> <tr> <td><b>Transfer Document:</b></td> <td>Grant Deed – Document 2021-084594</td> </tr> <tr> <td><b>Sale Price:</b></td> <td>\$33,600,000</td> </tr> <tr> <td><b>Unit Price:</b></td> <td>\$404,819 Per Unit</td> </tr> <tr> <td><b>Grantor:</b></td> <td>MG Pacific Place Apartments, LP</td> </tr> <tr> <td><b>Grantee:</b></td> <td>Geneva Pacific Place Apartments, LLC</td> </tr> <tr> <td><b>Buyer's Costs:</b></td> <td>None Reported</td> </tr> <tr> <td><b>Property Rights:</b></td> <td>Leased Fee Interest</td> </tr> <tr> <td><b>Sale Conditions:</b></td> <td>Typically Motivated</td> </tr> <tr> <td><b>Financing Terms:</b></td> <td>Conventional</td> </tr> </table>	<b>Recording Date:</b>	June 1, 2021	<b>Transfer Document:</b>	Grant Deed – Document 2021-084594	<b>Sale Price:</b>	\$33,600,000	<b>Unit Price:</b>	\$404,819 Per Unit	<b>Grantor:</b>	MG Pacific Place Apartments, LP	<b>Grantee:</b>	Geneva Pacific Place Apartments, LLC	<b>Buyer's Costs:</b>	None Reported	<b>Property Rights:</b>	Leased Fee Interest	<b>Sale Conditions:</b>	Typically Motivated	<b>Financing Terms:</b>	Conventional
<b>Recording Date:</b>	June 1, 2021																				
<b>Transfer Document:</b>	Grant Deed – Document 2021-084594																				
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<b>Sale Conditions:</b>	Typically Motivated																				
<b>Financing Terms:</b>	Conventional																				
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Unit Type	# of Units	# of Bedrooms	Average Bedrooms Per Unit: 1.4																		
1-BR	48	48																			
2-BR	33	66																			
3-BR	2	6																			
<b>Total</b>	<b>83</b>	<b>120</b>																			
<p>The property is commonly known as the Pacific Place Apartments. The complex has as common amenities that include controlled access, rooftop lounge &amp; sundeck, co-working lounge, and fitness center. The apartments also include in-unit washer/dryers and balconies. Based on the estimated <i>Net Operating Income</i>, the <i>Direct Capitalization Rate</i> was calculated to be 4.0%. The property has a Walk Score of 80.</p>																					



**Property Detail – Comparable 3**

- Property Information -																									
<b>Location/Address:</b> 855 Veterans Boulevard Redwood City, CA ~15¼ Miles Southeast																									
<b>Assessor Parcel Number/s:</b> APN 052-386-060																									
<b>Land Description:</b> Size: ±50,181 square feet, ±1.15 acres Shape: Irregular Zoning: MUC-VB – Mixed-Use Corridor Highest & Best Use: High Density Residential Topography: Level Utilities: All Publicly Available																									
<b>Improvements:</b> Gross Living Area – 90,000 square feet Number of Units – 90 Construction – Reinforced Concrete Year Built – 2019 Quality – Good Condition - Good	<b>- Transaction Information -</b>																								
<b>Investment &amp; Financial Information</b> Potential Gross Income Not Reported <u>Vacancy &amp; Credit Loss @ 5%</u> N/A Effective Gross Income N/A <u>Operating Expenses</u> N/A Net Operating Income Not Reported	<b>Recording Date:</b> November 20, 2020 <b>Transfer Document:</b> Grant Deed – Document 2020-132260 <b>Sale Price:</b> \$73,500,000 <b>Unit Price:</b> \$816,667 Per Unit <b>Grantor:</b> 849 Veterans RWC, LLC <b>Grantee:</b> Redwood 849 Veterans, LLC <b>Buyer's Costs:</b> None Reported <b>Property Rights:</b> Leased Fee Interest <b>Sale Conditions:</b> 1031 Exchange <b>Financing Terms:</b> Conventional																								
<b>Comments:</b>																									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-decoration: underline;">Unit Type</th> <th style="text-decoration: underline;"># of Units</th> <th style="text-decoration: underline;"># of Bedrooms</th> <th style="text-align: right;">Average Bedrooms Per Unit: 1.6</th> </tr> </thead> <tbody> <tr> <td>Studio</td> <td style="text-align: center;">8</td> <td style="text-align: center;">6</td> <td></td> </tr> <tr> <td>1-BR</td> <td style="text-align: center;">37</td> <td style="text-align: center;">37</td> <td></td> </tr> <tr> <td>2-BR</td> <td style="text-align: center;">38</td> <td style="text-align: center;">76</td> <td></td> </tr> <tr> <td>3-BR</td> <td style="text-align: center;">7</td> <td style="text-align: center;">21</td> <td></td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: center;"><b>90</b></td> <td style="text-align: center;"><b>140</b></td> <td></td> </tr> </tbody> </table>		Unit Type	# of Units	# of Bedrooms	Average Bedrooms Per Unit: 1.6	Studio	8	6		1-BR	37	37		2-BR	38	76		3-BR	7	21		<b>Total</b>	<b>90</b>	<b>140</b>	
Unit Type	# of Units	# of Bedrooms	Average Bedrooms Per Unit: 1.6																						
Studio	8	6																							
1-BR	37	37																							
2-BR	38	76																							
3-BR	7	21																							
<b>Total</b>	<b>90</b>	<b>140</b>																							
<b>Note:</b> Studio = 0.75 bedroom																									
The property is commonly known as the Encore Apartments. The complex has as common amenities that include a roof deck & community room, fitness center, and courtyard with BBQ. The apartments also include in-unit washer/dryers and balconies. Investment and financial Information was not reported for this sale. The property has a Walk Score of 90.																									



**Property Detail – Comparable 4**

<b>- Property Information -</b>																				
<b>Location/Address:</b> 400-418 San Mateo Avenue San Bruno, CA ~2½ Miles Southwest																				
<b>Assessor Parcel Number/s:</b> APN 020-364-360																				
<b>Land Description:</b> Size: ±41,469 square feet, ±0.95 acre Shape: Irregular Zoning: C-B-D – Central Business District Highest & Best Use: High Density Residential Topography: Level Utilities: All Publicly Available																				
<b>Improvements:</b> Gross Living Area – 77,550 square feet Number of Units – 83 Construction – Reinforced Concrete Year Built – 2019 Quality – Good Condition - Good		<b>- Transaction Information -</b>																		
<b>Investment &amp; Financial Information</b> Potential Gross Income Not Reported <u>Vacancy &amp; Credit Loss @ 5%</u> N/A Effective Gross Income N/A <u>Operating Expenses</u> N/A Net Operating Income Not Reported		<b>Recording Date:</b> December 20, 2019 <b>Transfer Document:</b> Grant Deed – Documents 2019-109175 <b>Sale Price:</b> \$60,250,000 <b>Unit Price:</b> \$725,904 Per Unit <b>Grantor:</b> San Bruno Plaza, LLC <b>Grantee:</b> See Comments <b>Buyer's Costs:</b> None Reported <b>Property Rights:</b> Leased Fee Interest <b>Sale Conditions:</b> Typically Motivated <b>Financing Terms:</b> Conventional																		
<b>Comments:</b>																				
<b>Grantee:</b> Virtu Aperture Owner, LLC – 60% undivided tenant-in-common interest & Aperture Evergree SPE, LLC - 40% undivided tenant-in-common interest.																				
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Unit Type</th> <th style="text-align: center;"># of Units</th> <th style="text-align: center;"># of Bedrooms</th> </tr> </thead> <tbody> <tr> <td>Studio</td> <td style="text-align: center;">3</td> <td style="text-align: center;">2.3</td> </tr> <tr> <td>1-BR</td> <td style="text-align: center;">40</td> <td style="text-align: center;">40</td> </tr> <tr> <td>2-BR</td> <td style="text-align: center;">32</td> <td style="text-align: center;">64</td> </tr> <tr> <td>3-BR</td> <td style="text-align: center;">8</td> <td style="text-align: center;">24</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: center;"><b>83</b></td> <td style="text-align: center;"><b>130.3</b></td> </tr> </tbody> </table>		Unit Type	# of Units	# of Bedrooms	Studio	3	2.3	1-BR	40	40	2-BR	32	64	3-BR	8	24	<b>Total</b>	<b>83</b>	<b>130.3</b>	<b>Average Bedrooms Per Unit: 1.6</b>
Unit Type	# of Units	# of Bedrooms																		
Studio	3	2.3																		
1-BR	40	40																		
2-BR	32	64																		
3-BR	8	24																		
<b>Total</b>	<b>83</b>	<b>130.3</b>																		
<b>Note:</b> Studio = 0.75 bedroom																				
The property is commonly known as the Aperture Apartments. The complex has as common amenities that include controlled access, fitness center, clubhouse, and BBQ/picnic area. The apartments also include in-unit washer/dryers and balconies. The property has a Walk Score of 95.																				



<b>Property Detail – Comparable 5</b>																
<b>- Property Information -</b>																
<b>Location/Address:</b> 1500 Laurel Street San Carlos, CA ~14½ Miles Southeast																
<b>Assessor Parcel Number/s:</b> APN 051-369-010 & -170																
<b>Land Description:</b> Size: ±28,293 square feet, ±0.65 acre Shape: Irregular Zoning: PD-11 – Planned Development Highest & Best Use: High Density Residential Topography: Level Utilities: All Publicly Available																
<b>Improvements:</b> Gross Living Area – 32,270 square feet Number of Units – 42 Construction – Reinforced Concrete Year Built – 1999 Quality – Good Condition - Good	<b>- Transaction Information -</b>															
<b>Investment &amp; Financial Information</b> Potential Gross Income Not Reported <u>Vacancy &amp; Credit Loss @ 5%</u> N/A Effective Gross Income N/A <u>Operating Expenses</u> N/A Net Operating Income Not Reported	<b>Recording Date:</b> September 3, 2019 <b>Transfer Document:</b> Grant Deed – Document 2019-071152 <b>Sale Price:</b> \$22,700,000 <b>Unit Price:</b> \$540,476 Per Unit <b>Grantor:</b> DJEM Laurel Theater, LLC <b>Grantee:</b> 926 Woodside, LLC <b>Buyer's Costs:</b> None Reported <b>Property Rights:</b> Leased Fee Interest <b>Sale Conditions:</b> Typically Motivated <b>Financing Terms:</b> Conventional															
<b>Comments:</b>																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Unit Type</th> <th style="text-align: center;"># of Units</th> <th style="text-align: center;"># of Bedrooms</th> </tr> </thead> <tbody> <tr> <td>Studio</td> <td style="text-align: center;">16</td> <td style="text-align: center;">12</td> </tr> <tr> <td>1-BR</td> <td style="text-align: center;">14</td> <td style="text-align: center;">14</td> </tr> <tr> <td>2-BR</td> <td style="text-align: center;">12</td> <td style="text-align: center;">24</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: center;"><b>42</b></td> <td style="text-align: center;"><b>50</b></td> </tr> </tbody> </table>	Unit Type	# of Units	# of Bedrooms	Studio	16	12	1-BR	14	14	2-BR	12	24	<b>Total</b>	<b>42</b>	<b>50</b>	<b>Average Bedrooms Per Unit: 1.2</b>
Unit Type	# of Units	# of Bedrooms														
Studio	16	12														
1-BR	14	14														
2-BR	12	24														
<b>Total</b>	<b>42</b>	<b>50</b>														
<b>Note: Studio = 0.75 bedroom</b>																
<p>The property is commonly known as the Laurel Theater Apartments. The complex has as common amenities that include controlled access. The apartments also include in-unit washer/dryers and balconies. Investment and financial Information was not reported for this sale. The property has a Walk Score of 92.</p>																



**Market Comparables Analysis**

The comparable sales have been analyzed and adjusted for their differentials in the *Elements of Comparison* on the table below. I have not determined definitive adjustment rates or amounts predicated purely on empirical market data. As a result, the indicated adjustments are based solely on my judgment and reflect the expected value differentials between the subject and comparable properties.

**Elements of Comparison**

The properties are adjusted to the subject for the following *Elements of Comparison*.

<b>Market Comparables Adjustment Grid</b>										
<i>(Note: All adjustments have been performed individually, in order, and are rounded to the nearest \$1,000 increment.)</i>										
Address/ Element of Comparison	Comparable 1 25 McAker Court San Mateo, CA		Comparable 2 2665 Geneva Avenue Daly City, CA		Comparable 3 855 Veterans Blvd. Redwood City, CA		Comparable 4 406 San Mateo Avenue San Bruno, CA		Comparable 5 1500 Laurel Street San Carlos, CA	
Price/Unit (\$1,000s)	\$895		\$405		\$817		\$726		\$540	
Description	Description	±Adj.	Description	±Adj.	Description	±Adj.	Description	±Adj.	Description	±Adj.
Property Rights	Leased Fee	0	Leased Fee	0	Leased Fee	0	Leased Fee	0	Leased Fee	0
Financing Terms	Conventional	0	Conventional	0	Conventional	0	Conventional	0	Conventional	0
Conditions of Sale	Condominium	-179	Typical	0	Typical	0	Typical	0	Typical	0
Market Conditions	November 2021	0	June 2021	0	November 2020	0	December 2019	0	September 2019	0
Location	Superior (-10%)	-67	Inferior (+20%)	+81	Superior (-20%)	-163	Superior (-10%)	-73	Superior (-10%)	-54
Quality & Condition	Superior (-10%)	-65	Equivalent	0	Superior (-10%)	-65	Superior (-10%)	-65	Equivalent	0
Bedrooms Per Unit	2.0 Per Unit	0	1.4 Per Unit	0	1.6 Per Unit	0	1.6 Per Unit	0	1.2 Per Unit	0
Net/Gross Adj.	-35%   35%	-311	+20%   20%	+81	-28%   28%	-228	-16%   16%	-138	-10%   10%	-54
Adjusted Price	\$584		\$486		\$589		\$588		\$486	

**Property Rights and Financing Terms**

The properties' *Leased Fee Interests* sold with the buyer obtaining conventional financing. Therefore, no adjustments are required for *Property Rights or Financing Terms*.

**Conditions of Sale**

With the exception of Comparable 1, the properties were negotiated between typically motivated buyers and sellers. However, Comparable 1 was acquired to sell the individual condominium units. The *Highest & Best Use* of this property drives a higher price and this property is adjusted down for *Conditions of Sale*.

**Market Conditions**

Despite the Covid-19 pandemic, in the times since the sales occurred, sale prices have generally been consistent. As a result, no adjustments are required for changes in *Market Conditions*.

**Location**

With the exception of Comparable 2, the properties are superior *Locations* to varying degrees. On the other hand, comparable 2 is an inferior *Location*.



The properties are adjusted for their respective differentials for this *Element of Comparison*.

**Quality & Condition**

Comparable 1 was originally constructed to standards for eventual sales of condominium units and is a superior *Quality & Condition*. Comparables 3 and 4 are superior to the *Quality & Condition* of the subject. The properties are adjusted for their respective differentials for this *Element of Comparison*.

**Bedrooms Per Unit**

The subject is expected to have an average of approximately 1.5 bedrooms per unit. While Comparables 2, 3, and 4 are relatively close to the average unit size, Comparable 1 is substantially larger and Comparable 5 is significantly smaller. Rather than apply a quantified adjustment for this *Element of Comparison*, I have considered this in the *Reconciliation* of the adjusted prices.

**Reconciliation**

Please note, the following amounts are rounded to the nearest \$1,000 increment.

The comparables' sale prices are from \$405,000 per unit to \$895,000 per unit with an average of \$677,000. The range is \$490,000 with a standard deviation of \$201,000. After adjustments, the prices are from \$486,000 per unit to \$589,000 per unit with an average of \$547,000. Now the range is only \$103,000 with a standard deviation of \$55,000. The measures of dispersion are substantially smaller and suggest validity to the adjustment process. Although the oldest transaction, Comparable 5 (adjusted price of \$486,000 per unit) is the most similar in size to the subject's anticipated improvements, it also required the fewest amount in adjustments. Still, this property had the smallest average number of bedrooms per unit, for which an upward adjustment is warranted. Therefore, the value of the subject is somewhat higher than the adjusted price of Comparable 5. With that said, it is my opinion the subject value is equivalent to \$500,000 per unit. With 40 units, the indicated value by *Sales Comparison Approach* is \$20,000,000.

**Contributory Value of Improvements**

In order to estimate the *Contributory Value* of the improvements, I have estimated the individual components of:

- Direct Costs
- Indirect Costs
- Entrepreneurial Incentive



The *Contributory Value of Improvements* are summarized in the worksheet included in the *Addenda* to this *Appraisal Report*.

### ***Direct Costs***

The *Direct Costs* were projected at \$31,258,551 and are equivalent to \$251 per square foot. The *Direct Costs* include:

- Building Podium – 25,200 square feet @ \$107.14 per square foot
- Slab Foundation – 25,200 square feet @ \$10.89 per square foot
- Site Improvements – 2,800 square feet @ \$25.00 per square foot
- Retail Shops – 10,500 square feet @ \$156.50 per square foot
- Residential Units – 36,000 square feet @ \$171.69 per square foot
- Balconies – 6,400 square feet @ \$57.67 per square foot
- Appliances – 40 Units @ \$11,333.52 per units

The *Direct Costs* were based on those in the *Marshall Valuation Service*.

### ***Indirect Costs***

The *Indirect Costs* are those expenses not directly associated with the physical construction of the structures. These costs are commonly between 5% and 15% of the *Value of Total Property – As if Completed*. I have allocated *Indirect Costs* at 10%, or, \$2,000,000.

### ***Entrepreneurial Incentive***

The allowance for *Entrepreneurial Incentive* commonly is between 15% and 30% of the projected *Value of Total Property – As if Completed*. The City has narrowly identified the likely development potential for the property. As a result, much of the uncertainty surrounding development potential has been mitigated. As a result, the *Entrepreneurial Incentive* would be at the low end of the range, or 20%. This is equivalent to \$4,000,000.

### ***Total***

The *Contributory Value* of the improvements totals \$17,690,686.

### **Conclusion**

The *Value of Total Property – As if Completed* is \$20,000,000.

The *Contributory Value* of the improvements totals \$17,690,686.



This results in an indicated land value of \$2,310,000, after rounding. This is equivalent to \$57,733 per potential dwelling unit.

**RECONCILIATION**

The reconciliation of the valuation methods is the final step in the appraisal process. It involves weighing the valuation methods in relation to their support by market and other sources of data, as well as the applicability to the property.

I have determined two methods (the *Sales Comparison & Land Residual*) are applicable in the analysis of the *Fee Simple Estate* of the property. The indicated values of the subject are, by valuation method, as follows:

<b>Sales Comparison .....</b>	<b>\$2,600,000</b>
<b>Land Residual Analysis .....</b>	<b>\$2,310,000</b>

A weakness of the *Sales Comparison* is the dearth of recent and relevant sales. The best sale recently closed escrow and is in close proximity to the subject, but, its development potential is 11 times more than that of the subject.

On the other hand, the *Land Residual Analysis* includes a number of variables. If one or more of the variables is incorrect, the reliability of resulting value indication could be diminished.

In the end, I have concluded neither method has characteristics that warrants selection over the other. Therefore, I have weighed each method equally and concluded to a value of \$2,455,000.

***Environmental Remediation***

Ms. Julie Barnard has reported 616 Linden Avenue is subject to remediation costs that were estimated at \$530,000 in order to support development with housing and/or commercial uses. While the remediation costs have been estimated, the most probable buyer would likely require a large contingency in order to purchase the property in its existing condition. I have projected the contingency allowance at 50% of the estimated remediation costs. In total, the environmental remediation is adjusted down by \$795,000.

***Conclusion***

After adjusting for *Environmental Remediation*, it is my opinion the *Market Value* of the subject's *Fee Simple Estate* is \$1,660,000.



Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
KM Job AC21-329 – UASFLA

# ADDENDA



Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
KM Job AC21-329 – UASFLA

# Contract/Agreement Approval Form



### CONTRACT/AGREEMENT APPROVAL FORM

**Date:** 10/12/21  
**Name of Contract/Agreement:** Kidder Matthews Services Agreement  
**Originating Department/Responsible Person, ext. Vendor:** Housing Division/Heather Ruiz, ext 6621  
 Kidder Matthews  
**Routing Instructions:** Nell Selander to City Attorney to City Clerk

**TYPE OF CONTRACT:** Other Services Agreement  
 New  
 Have there been any changes to the Contract Template?  No  Yes

**CONTRACT AMOUNTS:** Specified Amount(s) indicated below

	DATE	AMOUNT		DATE	AMOUNT
Original	10/8/21	15,000.00	3rd Amendment		
1st Amendment			4th Amendment		
2nd Amendment			TOTAL		15,000.00

**APPROVAL AUTHORITY:** Department Head

**INSURANCE REQUIREMENTS:** Waivers requested  No  Yes (If Yes, Route to Risk Manager for signature first)

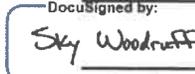
**BUDGETARY:**  Included in Budget (Simpler report attached showing amounts)

Amount	Project String	Accounting String
15,000.00	701226-520-600	100-10115-5005

**ATTACHMENTS:**  
 Agreement and all Exhibits  Resolution (all contracts over \$150k)  SIR Questionnaire  
 Certificate of Insurance, naming City of South San Francisco as an Additional Insured

**DEPARTMENT HEAD ACKNOWLEDGEMENT:**   
 The contract, amendments, exhibits, insurance requirements/waivers and attachments have been reviewed and included.

**RISK MANAGER APPROVAL OF INSURANCE WAIVER:**

**CITY ATTORNEY APPROVAL OF ENTIRE AGREEMENT:**   
 Comments: \_\_\_\_\_  
 \_\_\_\_\_

Approval of Agreement  Approval of Insurance  Add Agreement to Contract Tracker

**ASSISTANT CITY MANAGER'S APPROVAL:** \_\_\_\_\_  
 (Only if amount is over \$25,000)

**FINAL APPROVAL:** \_\_\_\_\_  
 Department Head

**CITY CLERK:**  
 Please attest, keep a copy for your files, and return to Originating Department  
 Please upload to Laserfiche and return to Originating Department

**COPY SENT TO VENDOR:** \_\_\_\_\_



## SOUTH SAN FRANCISCO SERVICES AGREEMENT

This Services Agreement (this “**Agreement**”) is made and entered into between the City of South San Francisco, a municipal corporation (“**City**”) and Kidder Mathews, Valuation Advisory Services (“**Consultant**”) effective as of October 8, 2021 (the “**Effective Date**”). City and Consultant are hereinafter collectively referred to as the “**Parties**”. In consideration of their mutual covenants, the Parties hereby agree as follows:

1. **Scope of Services.** Consultant shall provide the following services and/or materials (“the Work”): Proposal for Services - Appraisal Assignment, Two Parcels: 616 Linden Avenue - Assessor Parcel Number 012-174-300 and 700 Linden Avenue - Assessor Parcel Number 012-145-370, South San Francisco, CA, as more specifically described in the Scope of Services (Proposal for Services), attached hereto as Exhibit A. The Work shall commence on October 8, 2021 and shall be completed to the satisfaction of the City by December 7, 2021 (approximately 60 days) unless such date is extended or otherwise modified by the City in writing. In the event of a conflict or inconsistency between the text of the main body of this Agreement and Exhibit A, the text of the main body of this Agreement shall prevail.

2. **Payment.** City shall pay Consultant an amount not to exceed: Fifteen Thousand Dollars (\$15,000.00) for the full and satisfactory completion of the Work in accordance with the terms and conditions of this Agreement. In addition to payment for the Work, payment will be made for any incidental expenses such as vehicle mileage, document production, and special deliveries. This fee is based on the scope and timing of the analysis as outlined in the proposal letter (Exhibit A). The amount stated above is the entire compensation payable to Consultant for the Work performed hereunder, including all labor, materials, tools and equipment furnished by Consultant. City shall make payments, based on invoices received, for Work satisfactorily performed. City shall have thirty (30) days from the receipt of an invoice to pay Consultant.

3. **Independent Contractor.** It is understood and agreed that this Agreement is not a contract of employment and does not create an employer-employee relationship between the City and Consultant. At all times Consultant shall be an independent contractor and City shall not control the manner of Consultant accomplishing the Work. Consultant is not authorized to bind the City to any contracts or other obligations without the express written consent of the City.

4. **Indemnification.** To the fullest extent permitted by law, Consultant shall indemnify, defend (with counsel acceptable to the City), and hold harmless the City and its elected and appointed officers, officials, employees, agents, contractors and consultants (collectively, the “City Indemnitees”) from and against any and all liability, loss, damage, claims, expenses and costs (including, without limitation, attorneys’ fees and costs of litigation) (collectively, “Liability”) of every nature arising out of or in connection with Consultant’s performance of the Work or Consultant’s failure to comply with this Agreement, except such Liability caused by the gross negligence or willful misconduct of the City Indemnitees.

5. **Insurance.** Prior to beginning the Work and continuing throughout the term of this Agreement, Consultant (and any subcontractors) shall, at Consultant’s (or subcontractor’s) sole cost and expense, furnish the City with certificates of insurance evidencing that Consultant has obtained and maintains insurance in the following amounts:

A. Workers’ Compensation that satisfies the minimum statutory limits.

B. Commercial General Liability and Property Damage Insurance in an amount not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence, TWO MILLION DOLLARS (\$2,000,000) annual aggregate, for bodily injury, property damage, products,

completed operations and contractual liability coverage. The policy shall also include coverage for liability arising out of the use and operation of any City-owned or City-furnished equipment used or operated by the Consultant, its personnel, agents or subcontractors.

C. Comprehensive automobile insurance in an amount not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence for bodily injury and property damage including coverage for owned and non-owned vehicles.

D. Professional Liability Insurance in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions.

All insurance policies shall be written on an occurrence basis and shall name the City Indemnitees as additional insureds with any City insurance shall be secondary and in excess to Consultant's insurance. If the Consultant's insurance policy includes a self-insured retention that must be paid by a named insured as a precondition of the insurer's liability, or which has the effect of providing that payments of the self-insured retention by others, including additional insureds or insurers do not serve to satisfy the self-insured retention, such provisions must be modified by special endorsement so as to not apply to the additional insured coverage required by this agreement so as to not prevent any of the parties to this agreement from satisfying or paying the self-insured retention required to be paid as a precondition to the insurer's liability. Additionally, the certificates of insurance must note whether the policy does or does not include any self-insured retention and also must disclose the deductible. The certificates shall contain a statement of obligation on the part of the carrier to notify City of any material change, cancellation, termination or non-renewal of the coverage at least thirty (30) days in advance of the effective date of any such material change, cancellation, termination or non-renewal. The City's Risk Manager may waive or modify any of the insurance requirements of this section.

6. Compliance with all Applicable Laws; Nondiscrimination. Consultant shall comply with all applicable local, state and federal laws, regulations and ordinances in the performance of this Agreement. Consultant shall not discriminate in the provision of service or in the employment of persons engaged in the performance of this Agreement on account of race, color, national origin, ancestry, religion, gender, marital status, sexual orientation, age, physical or mental disability in violation of any applicable local, state or federal laws or regulations.

7. Termination. City may terminate or suspend this Agreement at any time and without cause upon written notification to Consultant. Upon receipt of notice of termination or suspension, Consultant shall immediately stop all work in progress under this Agreement. The City's right of termination shall be in addition to all other remedies available under law to the City.

8. Prevailing Wage. Where applicable, the wages to be paid for a day's work to all classes of laborers, workmen, or mechanics on the work contemplated by this Purchase Agreement, shall be not less than the prevailing rate for a day's work in the same trade or occupation in the locality within the state where the work hereby contemplates to be performed as determined by the Director of Industrial Relations pursuant to the Director's authority under Labor Code Section 1770, *et seq.* Each laborer, worker or mechanic employed by Consultant or by any subcontractor shall receive the wages herein provided for. The Consultant shall pay two hundred dollars (\$200), or whatever amount may be set by Labor Code Section 1775, as may be amended, per day penalty for each worker paid less than prevailing rate of per diem wages. The difference between the prevailing rate of per diem wages and the wage paid to each worker shall be paid by the Consultant to each worker.

An error on the part of an awarding body does not relieve the Consultant from responsibility for payment of the prevailing rate of per diem wages and penalties pursuant to Labor Code Sections 1770-1775. The City will not recognize any claim for additional compensation because of the payment by the Consultant

for any wage rate in excess of prevailing wage rate set forth. The possibility of wage increases is one of the elements to be considered by the Consultant.

(A) Posting of Schedule of Prevailing Wage Rates and Deductions. If the schedule of prevailing wage rates is not attached hereto pursuant to Labor Code Section 1773.2, the Consultant shall post at appropriate conspicuous points at the site of the project a schedule showing all determined prevailing wage rates for the various classes of laborers and mechanics to be engaged in work on the project under this contract and all deductions, if any, required by law to be made from unpaid wages actually earned by the laborers and mechanics so engaged.

(B) Payroll Records. Each Consultant and subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the Consultant in connection with the public work. Such records shall be certified and submitted weekly as required by Labor Code Section 1776.

9. Payment of Taxes; Tax Withholding. Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes. To be exempt from tax withholding, Consultant must provide City with a valid California Franchise Tax Board form 590 ("Form 590"), as may be amended and such Form 590 shall be attached hereto and incorporated herein as Exhibit B. Unless Consultant provides City with a valid Form 590 or other valid, written evidence of an exemption or waiver from withholding, City may withhold California taxes from payments to Consultant as required by law. Consultant shall obtain, and maintain on file for three (3) years after the termination of this Agreement, Form 590s (or other written evidence of exemptions or waivers) from all subcontractors. Consultant accepts sole responsibility for withholding taxes from any non-California resident subcontractor and shall submit written documentation of compliance with Consultant's withholding duty to City upon request.

10. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

11. Entire Agreement. This Agreement represents the entire and integrated agreement between the Parties. This Agreement may be modified or amended only by a subsequent written agreement signed by both Parties.

12. Non-Liability of Officials, Employees and Agents. No officer, official, employee or agent of City shall be personally liable to Consultant in the event of any default or breach by City or for any amount which may become due to Consultant pursuant to this Agreement.

13. Prevailing Party. In the event that either party to this Agreement commences any legal action or proceeding (including but not limited to arbitration) to interpret the terms of this Agreement, the prevailing party in such a proceeding shall be entitled to recover its reasonable attorney's fees associated with that legal action or proceeding.

14. Notice. All notices and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given (i) when received if personally delivered; (ii) when received if transmitted by telecopy, if received during normal business hours on a business day (or if not, the next business day after delivery) provided that such facsimile is legible and that at the time such facsimile is sent the sending Party receives written confirmation of receipt; (iii) if sent for next day delivery to a domestic address by recognized overnight delivery service

(e.g., Federal Express); and (iv) upon receipt, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to the respective Parties as follows:

Consultant:

Craig Owyang  
Senior Vice President/Shareholder  
Kidder Matthews  
Valuation Advisory Services  
455 Capitol Mall, Suite 160  
Sacramento, CA 95814

City:

City Clerk  
City of South San Francisco  
400 Grand Avenue  
South San Francisco, CA 94080

15. Execution in Counterpart. This Agreement may be executed in counterparts and/or by facsimile or other electronic means, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterpart, shall constitute one Agreement, which shall be binding upon and effective as to all Parties.

16. Assignment, Governing Law. The Consultant may not assign any of Consultant's obligations under this Agreement without the City's prior written approval. This Agreement is governed by California law. The jurisdiction for any litigation arising from this Agreement shall be in the state of California, and shall be venued in the County of San Mateo.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date written above.

CITY:  
DocuSigned by:



By: 7A493B522B954EA...

Nell Selander  
Interim ECD Director

CONSULTANT:

By:

Print Name: Craig A. Owyang

Title: Senior Vice President

APPROVED AS TO FORM:

DocuSigned by:



75E1F4122B70451...

Sky Woodruff  
City Attorney

2729961.1

ATTEST:



Rosa Govea Acosta, City Clerk

10-22-2021

EXHIBIT A: Scope of Services

In Process



Mr. Michael Lappen  
Economic Development Coordinator  
City of South San Francisco  
400 Grand Avenue  
South San Francisco, CA 94080

September 23, 2021

**Via: [www.DocuSign.com](http://www.DocuSign.com)**

RE: Proposal for Services – Appraisal Assignment  
Two Parcels:  
616 Linden Avenue – Assessor Parcel Number 012-174-300  
700 Linden Avenue – Assessor Parcel Number 012-145-370  
South San Francisco, CA

Mr. Lappen:

Thank you for the opportunity to talk with me regarding your solicitation for appraisal services. This letter serves to highlight some of the salient points in the *Scope of Work* that you have identified as relevant to this proposed *Appraisal Assignment*. It is our understanding that our written *Appraisal Report* will be used to establish value as part of the possible disposition of the properties.

We will develop our opinion of the properties' *Highest & Best Use* taking into the *Legally Permissible Uses*. In particular we will consider the implications of the City's *Long Range Property Management Plan (LRPMP)* as well as the City's *Downtown Plan* with regard to the parcels. Initially, we anticipate the potential for the parcels will be for medium-high density residential development. Additionally, development of the two parcels is to be considered jointly, however, not to be physically connected. As you have communicated, the property will be a transit-oriented development.

The parcels have been identified with petroleum compound contamination in the soil and groundwater. We will take these environmental conditions into consideration in our analysis. However, we will rely on the remediation program and their costs as proposed by qualified experts as it relates to these environmental conditions. It will be the City's responsibility to secure the aforementioned remediation program and their costs. We will incorporate the remediation program and their costs in our analysis as appropriate.



City of South San Francisco  
Mr. Michael Lappen, Economic Development Coordinator  
September 23, 2021  
Page 2

As part of our analysis, we will personally make physical on-site inspections of the parcels. This will help us assess the physical characteristics of the parcels and their competitive position within the market area. Additionally, we will include regional and market area analysis'. This will include, but not necessarily be limited to economic and demographic trends as well as local area positioning with regard to transportation types and nearby nodes.

Our solution to the *Appraisal Assignment* will include all of the appropriate methods. Initially, we anticipate the *Sales Comparison Approach* and *Land Residual Analysis* will be relevant to this *Appraisal Assignment*. However, we may discover these or other methods may or may not be appropriate as we progress in our analysis. Notably, as part of our *Land Residual Analysis*, we will:

1. *Develop a Prospective Market Value Upon Completion of the property as if developed to its Highest & Best Use.*
2. *Estimate of the Contributory Value of Improvements in order to develop the property to its Highest & Best Use.*
3. *Calculate the difference between the two preceding amounts to reconcile a value of the property.*

As part of our proposal, we will be available for at least one conference call and attendance at one City Council meeting.

We will prepare an *Appraisal Report* analyzing the property with our conclusions and opinions presented in a written *Appraisal Report*. These appraisal functions will be performed in accordance with the appraisal standards of the *Uniform Standards of Professional Appraisal Practice (USPAP)* of the Appraisal Foundation. In addition, our services will comply with and be subject to the *Code of Professional Ethics and Standards of Professional Practice* of the Appraisal Institute. The *Intended User* will be the City of South San Francisco and the *Intended Use* of this *Appraisal Assignment* is to establish value as part of the possible disposition of the properties.

The fee for this assignment is \$15,000, plus any incidental expenses such as vehicle mileage, document production, special deliveries, and the like. This fee is based on the scope and timing of our analysis as outlined in this letter. If the scope of analysis changes during the appraisal process, the change could alter the fee. At the stated fee



City of South San Francisco  
Mr. Michael Lappen, Economic Development Coordinator  
September 23, 2021  
Page 3

you will receive an electronic copy of the report in PDF format. Hard copies will be available at nominal expense (billed at \$125/hour). Work beyond the initial scope identified in this proposal will be charged at \$400 per hour for MAI designated appraisers and \$200 per hour for Associate Appraisers.

Payment for our services is due no later than 30 days following delivery of the completed reports. Any past-due accounts bear interest at the rate of 1% per month.

At this time, we anticipate delivery 60 days after receipt of your electronic authorization via [www.DocuSign.com](http://www.DocuSign.com). However, this is contingent on your approval by close of business September 29, 2021 as well as timely receipt of necessary property information required for the assignment.

Either party may terminate this engagement for any reason upon written notification delivered any time prior to completion of the assignment. Upon such termination, you remain obligated to pay us promptly for all charges for services rendered to date, as well as for all charges incurred as a result of termination.

We do not anticipate that any disputes will arise out of our relationship with you. However, if any dispute should arise about our services or fees or any other aspect of our relationship, we and you agree to seek a fair negotiated resolution. If this is not successful, all disputes shall be resolved by binding arbitration in San Francisco under the American Arbitration Association ("AAA") Commercial Arbitration Rules with Expedited Procedures in effect on the date thereof. The arbitrator may award attorneys' fees and costs to the prevailing party.

If you agree with these terms of engagement and wish us to proceed, please sign where indicated below and return the letter to me via e-mail at [craig.owyang@kidder.com](mailto:craig.owyang@kidder.com).

Very truly yours,

KIDDER MATHEWS

A handwritten signature in blue ink that reads 'Craig A. Owyang'.

Craig A. Owyang, MAI, SR/WA  
Senior Vice President | Shareholder

Agreed & Accepted by:

**EXHIBIT B: Form 590**

3884975.1

In Process

TAXABLE YEAR

CALIFORNIA FORM

**2021 Withholding Exemption Certificate****590**

The payee completes this form and submits it to the withholding agent. The withholding agent keeps this form with their records.

**Withholding Agent Information**

Name

**Payee Information**

Name

Kidder Mathews of California, inc.

 SSN or ITIN  FEIN  CA Corp no.  CA SOS file no.

46-3929922

Address (apt./ste., room, PO box, or PMB no.)

101 Mission Street, Suite 1800

City (If you have a foreign address, see instructions.)

San Francisco

State

CA

ZIP code

94105

**Exemption Reason****Check only one box.**

By checking the appropriate box below, the payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

 **Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

 **Corporations:**

The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

 **Partnerships or Limited Liability Companies (LLCs):**

The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

 **Tax-Exempt Entities:**

The entity is exempt from tax under California Revenue and Taxation Code (R&amp;TC) Section 23701 \_\_\_\_\_ (insert letter) or Internal Revenue Code Section 501(c) \_\_\_\_\_ (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

 **Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit-Sharing Plans:**

The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

 **California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.

 **Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.

 **Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

**CERTIFICATE OF PAYEE:** Payee must complete and sign below.To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to [ftb.ca.gov/forms](http://ftb.ca.gov/forms) and search for 1131. To request this notice by mail, call 800.852.5711.

Under penalties of perjury, I declare that I have examined the information on this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare under penalties of perjury that if the facts upon which this form are based change, I will promptly notify the withholding agent.

Type or print payee's name and title Regina Golonka, Accounting ManagerTelephone (253) 722-1465

Payee's signature ▶

Regina GolonkaDate 10/07/2021

7061213

Form 590 2020







Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
KM Job AC21-329 – UASFLA

# Grant Deed – San Mateo County – 2017- 042165

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

City of South San Francisco  
400 Grand Avenue  
South San Francisco, CA 94083  
Attention: Executive Director

EXEMPT FROM RECORDING FEES PER  
GOVERNMENT CODE §§ 6103 & 27383

Exempt from Documentary Transfer Tax  
Per Rev. & Tax. Code, § 11922,  
Governmental Agency acquiring title.

**2017-042165**

9:44 am 05/16/17 DE Fee: NO FEE  
Count of Pages 6  
Recorded in Official Records  
County of San Mateo  
Mark Church  
Assessor-County Clerk-Recorder



APN: 012-174-300

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**GRANT DEED**

WHEREAS, the Successor Agency to the Redevelopment Agency of the City of South San Francisco (the "**Successor Agency**") is the owner of certain property located at 616 Linden Avenue in the City of South San Francisco (the "**City**") known as Assessor Parcel Number 012-174-300, as more particularly described in Exhibit A attached hereto (the "**Property**"); and

WHEREAS, on June 29, 2011 the Legislature of the State of California (the "**State**") adopted Assembly Bill x1 26 ("**AB 26**"), which amended provisions of the State's Community Redevelopment Law (Health and Safety Code sections 33000 et seq.) and provided for the dissolution of redevelopment agencies; and

WHEREAS, pursuant to AB 26 (together with AB 1484 and SB 107, the "**Dissolution Law**") and the California Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, which upheld AB 26, the Former Redevelopment Agency of the City of South San Francisco (the "**Former Agency**") was dissolved, effective February 1, 2012; and

WHEREAS, the Successor Agency is the successor-in-interest to the Former Agency under the Dissolution Law; and

WHEREAS, pursuant to Health and Safety Code Section 34191.5(c)(2)(C), property shall not be transferred to a successor agency, city, county, or city and county, unless a Long Range Property Management Plan ("**LRPMP**") has been approved by the Successor Agency's Oversight Board and the California Department of Finance ("**DOF**"); and,

WHEREAS, pursuant to the Dissolution Law, the Successor Agency prepared an LRPMP, which was approved by a resolution of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of South San Francisco ("**Oversight Board**") on May 21, 2015, and was approved by the DOF on October 1, 2015; and

WHEREAS, pursuant to the LRPMP, the Successor Agency is required to transfer the Property to the City for development in accordance with an approved Redevelopment Plan of the Former Agency; and

68

WHEREAS, the Successor Agency now desires to transfer the Property to the City pursuant to this Grant Deed and as contemplated in the LRPMP; and

**NOW THEREFORE**, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Successor Agency to the Redevelopment Agency of the City of South San Francisco, a public entity ("**Grantor**"), hereby grants and conveys to the City of South San Francisco, a municipal corporation ("**Grantee**"), all rights, title, and interest the Grantor has in the Property located at 616 Linden Avenue in the City, known as San Mateo County Assessor's Parcel Number 012-174-300, as more particularly described in Exhibit A attached hereto, and incorporated in this grant deed (this "**Grant Deed**") by this reference.

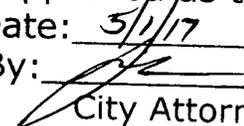
The Grantee shall not restrict the rental, sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, or any portion thereof, on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, or genetic information of any person. The Grantee covenants for itself and all persons claiming under or through it, and this Grant Deed is made and accepted upon and subject to the condition that there shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of section 12955 of the Government Code, as those bases are defined in sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of section 12955, and section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property or part thereof, nor shall the Grantee or any person claiming under or through the Grantee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in, of, or for the Property or part thereof.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of this 5th day of May, 2017.

**GRANTOR:**

SUCCESSOR AGENCY TO  
THE REDEVELOPMENT AGENCY OF  
THE CITY OF SOUTH SAN FRANCISCO

By:   
Mike Futrell  
Executive Director, Successor Agency

Approved as to form:  
Date: 5/1/17  
By:   
City Attorney

ATTEST   
DEPUTY CITY CLERK

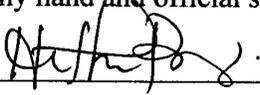
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )  
COUNTY OF SAN MATEO )

On May 9<sup>th</sup>, 2017 before me, Heather Ruiz, (here insert name and title of the officer), personally appeared Mike Futrell, City Manager proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the person(s); or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)

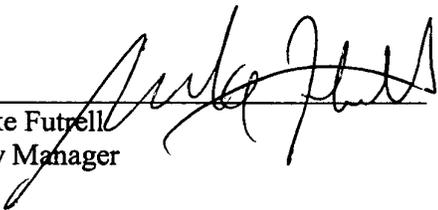


CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant Deed dated May 8<sup>th</sup>, 2017, from the Successor Agency to the Redevelopment Agency of the City of South San Francisco, a public agency, to the City of South San Francisco, a municipal corporation ("City"), is hereby accepted on behalf of the City by its City Manager pursuant to authority conferred by Resolution (City Council )No.16-2017 adopted on February 8, 2017, and Resolution (Oversight Board) Number 02-2017 adopted on February 21, 2017, and on the approval of the Amended Long Range Property Management Plan dated May 21, 2015, by the State of California Department of Finance and that the City consents to recordation of the Grant Deed by its duly authorized officer.

Dated: 3/5/, 2017

CITY OF SOUTH SAN FRANCISCO,  
a municipal corporation

By:   
Mike Futrell  
City Manager

Approved as to form:  
Date: 5/1/17  
By:   
City Attorney

ATTEST:   
DEPUTY CITY CLERK

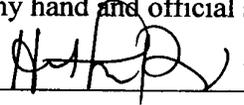
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

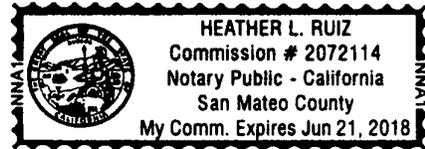
STATE OF CALIFORNIA )  
 )  
COUNTY OF SAN MATEO )

On May 9<sup>th</sup>, 2017 before me, Heather Ruiz, (here insert name and title of the officer), personally appeared Mike Futrell, City Manager proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



**Exhibit A**  
**Legal Description of Property**

Lot 12 and 13, Block 136, as shown on that certain Map entitled "SOUTH SAN FRANCISCO, PLAT NO. 1", filed in the office of the recorder of the County of San Mateo, State of California, on March 01, 1892 in Book B of Maps at page(s) 6, and a copy entered in Book 2 of Maps at Page 52.

JPN: 012-017-173-30  
APN: 012-174-300



Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
KM Job AC21-329 – UASFLA

# Grant Deed – San Mateo County – 2017- 042166

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

City of South San Francisco  
400 Grand Avenue  
South San Francisco, CA 94083  
Attention: Executive Director

EXEMPT FROM RECORDING FEES PER  
GOVERNMENT CODE §§ 6103 & 27383

Exempt from Documentary Transfer Tax  
Per Rev. & Tax. Code, § 11922,  
Governmental Agency acquiring title.

**2017-042166**

9:44 am 05/16/17 DE Fee: NO FEE

Count of Pages 7

Recorded in Official Records

County of San Mateo

Mark Church

Assessor-County Clerk-Recorder



72

APN: 012-145-370

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**GRANT DEED**

WHEREAS, the Successor Agency to the Redevelopment Agency of the City of South San Francisco (the “**Successor Agency**”) is the owner of certain property located at 700 Linden Avenue in the City of South San Francisco (the “**City**”) known as Assessor Parcel Number 012-145-370, as more particularly described in Exhibit A attached hereto (the “**Property**”); and

WHEREAS, on June 29, 2011 the Legislature of the State of California (the “**State**”) adopted Assembly Bill x1 26 (“**AB 26**”), which amended provisions of the State’s Community Redevelopment Law (Health and Safety Code sections 33000 et seq.) and provided for the dissolution of redevelopment agencies; and

WHEREAS, pursuant to AB 26 (together with AB 1484 and SB 107, the “**Dissolution Law**”) and the California Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, which upheld AB 26, the Former Redevelopment Agency of the City of South San Francisco (the “**Former Agency**”) was dissolved, effective February 1, 2012; and

WHEREAS, the Successor Agency is the successor-in-interest to the Former Agency under the Dissolution Law; and

WHEREAS, pursuant to Health and Safety Code Section 34191.5(c)(2)(C), property shall not be transferred to a successor agency, city, county, or city and county, unless a Long Range Property Management Plan (“**LRPMP**”) has been approved by the Successor Agency’s Oversight Board and the California Department of Finance (“**DOF**”); and,

WHEREAS, pursuant to the Dissolution Law, the Successor Agency prepared an LRPMP, which was approved by a resolution of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of South San Francisco (“**Oversight Board**”) on May 21, 2015, and was approved by the DOF on October 1, 2015; and

WHEREAS, pursuant to the LRPMP, the Successor Agency is required to transfer the Property to the City for development in accordance with an approved Redevelopment Plan of the Former Agency; and

WHEREAS, the Successor Agency now desires to transfer the Property to the City pursuant to this Grant Deed and as contemplated in the LRPMP; and

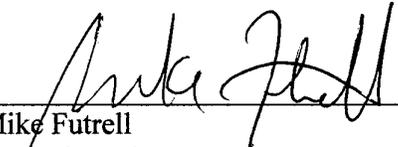
**NOW THEREFORE**, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Successor Agency to the Redevelopment Agency of the City of South San Francisco, a public entity ("**Grantor**"), hereby grants and conveys to the City of South San Francisco, a municipal corporation ("**Grantee**"), all rights, title, and interest the Grantor has in the Property located at 700 Linden Avenue in the City, known as San Mateo County Assessor's Parcel Number 012-145-370, as more particularly described in Exhibit A attached hereto, and incorporated in this grant deed (this "**Grant Deed**") by this reference.

The Grantee shall not restrict the rental, sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, or any portion thereof, on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, or genetic information of any person. The Grantee covenants for itself and all persons claiming under or through it, and this Grant Deed is made and accepted upon and subject to the condition that there shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of section 12955 of the Government Code, as those bases are defined in sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of section 12955, and section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property or part thereof, nor shall the Grantee or any person claiming under or through the Grantee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in, of, or for the Property or part thereof.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of this 5th day of May, 2017.

**GRANTOR:**

SUCCESSOR AGENCY TO  
THE REDEVELOPMENT AGENCY OF  
THE CITY OF SOUTH SAN FRANCISCO

By:   
Mike Futrell  
Executive Director, Successor Agency

Approved as to form:  
Date: 5/1/17  
By:   
City Attorney

ATTEST:   
DEPUTY CITY CLERK

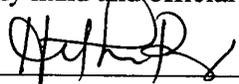
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

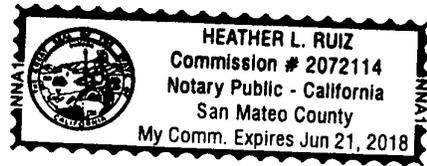
STATE OF CALIFORNIA )  
 )  
COUNTY OF SAN MATEO )

On May 9<sup>th</sup>, 2017 before me, Heather Ruiz, (here insert name and title of the officer), personally appeared Mike Futrell, City Manager proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)

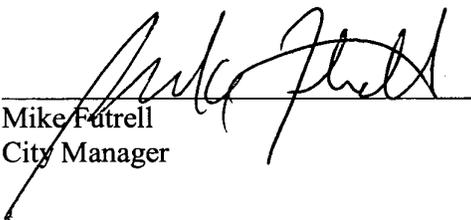


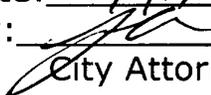
CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant Deed dated May 5<sup>th</sup>, 2017, from the Successor Agency to the Redevelopment Agency of the City of South San Francisco, a public agency, to the City of South San Francisco, a municipal corporation ("City"), is hereby accepted on behalf of the City by its City Manager pursuant to authority conferred by Resolution (City Council )No.16-2017 adopted on February 8, 2017, and Resolution (Oversight Board) Number 02-2017 adopted on February 21, 2017, and on the approval of the Amended Long Range Property Management Plan dated May 21, 2015, by the State of California Department of Finance and that the City consents to recordation of the Grant Deed by its duly authorized officer.

Dated: 5/5/, 2017

CITY OF SOUTH SAN FRANCISCO,  
a municipal corporation

By:   
Mike Fattrell  
City Manager

Approved as to form:  
Date: 3/1/17  
By:   
City Attorney

ATTEST:   
DEPUTY CITY CLERK



**Exhibit A**  
**Legal Description of Property**

**Form No. 1402.92**  
**(10/17/92)**  
**ALTA Owners Policy**  
**Schedule A**

**SCHEDULE A**

Policy No. SM-436:53

Amount of Insurance \$315,000.00

Premium \$1,277.00

Date of Policy: May 21, 1988 at 8:00 a.m.

1. Name of Insured:

**CITY OF SOUTH SAN FRANCISCO REDEVELOPMENT AGENCY**

2. The estate or interest in the land which is covered by this policy is:

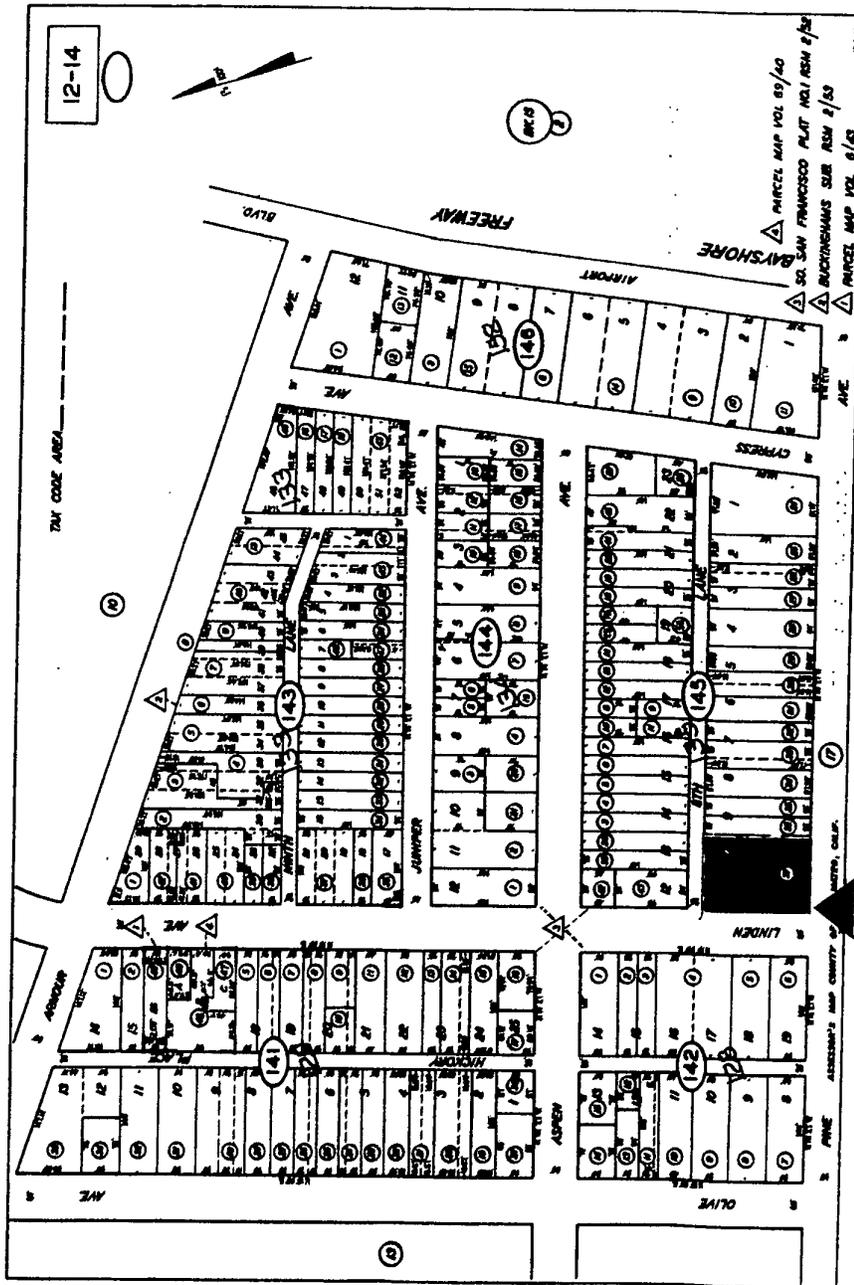
**A FEE**

3. Title to the estate or interest in the land is vested in:

**CITY OF SOUTH SAN FRANCISCO REDEVELOPMENT AGENCY, a public body  
corporate and politic**

4. The land referred to in this Policy is situated in the State of California, County of San Mateo, City of South San Francisco and is described as follows:

\* Lots 10 and 11 in Block 135, as shown on that certain map entitled "SOUTH SAN FRANCISCO, SAN MATEO CO. CAL., PLAT NO. 1", filed in the office of the County Recorder of San Mateo County, State of California, on March 1, 1892 in Book "B" of Maps at page(s) 6 and copied into Book 2 of Maps at page 52.





Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
KM Job AC21-329 – UASFLA

# Contributory Value of Improvements Worksheet

# Contributory Value of Improvements Worksheet

Number of Units	40
Average Size per Unit	900
Gross Living Area	36,000
Retail Space	10,500
Gross Building Area	46,500
Balconies	160
Total	6,400
Site Area	28,000
Open Space Requirement	10.0%
Building Podium	25,200
	2,800

Value of Total - As if Completed	
Number of Units	40
Value per Unit	\$ 500,000
Total	\$ 20,000,000
Indirect Costs	\$ 2,000,000
Entrepreneurial Incentive	4,000,000
Subtotal	\$ 6,000,000
Land and Direct Costs	\$ 14,000,000

	Area	Unit Cost	Current Multiplier	Location Multiplier	Adjusted Cost
Direct Costs					
Building Podium	25,200	\$ 64.00	1.2400	1.3500	\$ 107.14
Slab Foundation & Parking	25,200	\$ 6.51	1.2400	1.3500	\$ 10.89
Site Improvements	2,800	\$ 25.00	1.0000	1.0000	\$ 25.00
Retail Shops	10,500	\$ 98.06	1.2000	1.3300	\$ 156.50
Residential Units	36,000	\$ 104.95	1.2300	1.3300	\$ 171.69
Balconies	6,400	\$ 35.25	1.2300	1.3300	\$ 57.67
Appliances	40	\$ 6,928.00	1.2300	1.3300	\$ 11,333.52
Total					

Contributory Value of Improvements	\$ 17,690,686	58%
Indicated Land Value	\$ 2,309,314	
Rounded	\$ 2,310,000	12%
Per Potential Dwelling Unit	\$ 57,733	



Two Parcels - ±28,000 Square Feet  
616 & 700 Linden Avenue, CA  
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# Appraiser's Experience Data



# CRAIG A. OWYANG

**Senior Vice President  
Valuation Advisory Services**

Craig A. Owyang is a senior vice president in the Valuation Advisory Services group at Kidder Mathews. Mr. Owyang is based in the Sacramento office and generally serves clients in the Sacramento Metropolitan area, San Francisco Bay Area, and the San Joaquin Valley. Craig has been appraising since 1984. While he is versed in the valuation of offices, retail/shopping centers, industrial, residential (single-unit, multi-unit, and subdivisions), and agricultural properties, his experience also includes large scale master planned developments, mitigation banks, conservation easements, charitable contributions of various property types, port properties, multi-property valuations for public improvement projects, and numerous multi-property estates in mid 9-digit amounts. Clients have included attorneys, public agencies, non-profit entities, private property owners, estates, and financial institutions.

Mr. Owyang has been recognized as an expert in valuation in a number of courts as well as arbitration venues. He has acted on behalf of litigants as both a retained expert and as a third party neutral. Craig has been extensively involved with the Appraisal Institute and currently chairs its Comprehensive Examinations Panel. Past positions with the Appraisal Institute includes serving on its board of directors along with being the president of the Northern California Chapter of the Appraisal Institute. While not currently holding memberships, Mr. Owyang previously was awarded the ARA designation from the American Society of Farm Managers & Rural Appraisers as well as the MRICS designation from the Royal Institution of Chartered Surveyors.

## PROFESSIONAL MEMBERSHIPS, AFFILIATIONS, & PROGRAMS

### APPRAISAL INSTITUTE DESIGNATIONS

**MAI** Designation - Valuation & Evaluation of Commercial, Industrial, Residential & Other Properties

**SRA** Designation - Valuation & Evaluation of Residential Properties

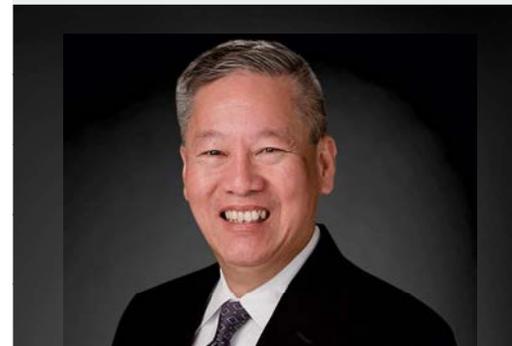
**AI-GRS** Designation - General Review Specialist

**AI-RRS** Designation - Residential Review Specialist

### APPRAISAL INSTITUTE PROFESSIONAL DEVELOPMENT PROGRAMS COMPLETED

Litigation

Valuation of Conservation Easements



T 916.758.3206  
[craig.owyang@kidder.com](mailto:craig.owyang@kidder.com)

455 Capitol Mall  
Suite 160  
Sacramento, CA 95814



Business, Consumer Services & Housing Agency  
**BUREAU OF REAL ESTATE APPRAISERS**  
**REAL ESTATE APPRAISER LICENSE**

**Craig A. Owyang**

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: **AG 009478**

Effective Date: March 10, 2021

Date Expires: March 9, 2023

*Loretta Dillon*

Loretta Dillon, Deputy Bureau Chief, BREA

**3057266**

**Agenda Item No. 6**  
**Exhibit A - Attachment No. 4**

**RESOLUTION NO. 2022- \_\_\_\_\_**

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING  
THE SALE PRICE OF \$2,008,000 TO BE PAID BY THE CITY OF SOUTH SAN FRANCISCO TO THE  
TAXING ENTITIES FOR THE DISPOSITION OF 616 AND 700 LINDEN AVENUE PROPERTIES**

**WHEREAS**, on June 29, 2011, the Legislature of the State of California (“State”) adopted Assembly Bill x1 26 (“AB 26”), which amended provisions of the State’s Community Redevelopment Law (Health and Safety Code sections 33000 et seq.) (“Dissolution Law”), pursuant to which the former Redevelopment Agency of the City of South San Francisco (“Former RDA”) was dissolved on February 1, 2012; and

**WHEREAS**, the City of South San Francisco is the Successor Agency to the Former RDA (“City”); and

**WHEREAS**, pursuant to Health and Safety Code Section 34191.5(c)(2)(C), former redevelopment agency property shall not be transferred to a successor agency, city, county or city and county, unless a Long-Range Property Management Plan (“LRPMP”) has been approved by the Oversight Board and the California Department of Finance (“DOF”); and

**WHEREAS**, in accordance with the Dissolution Law, the City as Successor Agency prepared a LRPMP, which was approved by a resolution of the former Oversight Board for the Successor Agency to the Redevelopment Agency of the City of South San Francisco on May 21, 2015, and which was approved by the DOF on October 1, 2015; and

**WHEREAS**, consistent with the Dissolution Law and the LRPMP, certain real properties located in the City of South San Francisco, that were previously owned by the former RDA, were transferred to the City; and

**WHEREAS**, the LRPMP designated 616 and 700 Linden Avenue, County Assessor's Parcel Number 012-145-370 and 012-174-300 (collectively the “Subject Properties”), for sale for high density residential development as the highest and best use for the Subject Properties; and

**WHEREAS**, pursuant to Health and Safety Code § 34191.5(c)(2)(iii) and 34180(f) on October 18, 2016, the City and the County of San Mateo, San Mateo Community College District, San Mateo County Flood Control District, San Mateo County Harbor District, San Mateo County Resource Conservation District, San Mateo County Office of Education, South San Francisco Unified School District, Willow Gardens Parks and Parkways Maintenance District and the Bay Area Quality Management District (collectively, the “Taxing Entities”) entered into that certain Amended and Restated Master Agreement for Taxing Entity Compensation (the “Agreement”),

which governs compensation to the Taxing Entities for disposition of properties under the LRPMP; and

**WHEREAS**, the Agreement provides for Oversight Board approval of the sale price of properties subject to the LRPMP, including the Subject Properties which are listed in Exhibit A to the Agreement as “Parcels to be conveyed consistent with the Plans;” and

**WHEREAS**, the Former RDA purchased the Subject Properties in 1997 and 1998; and,

**WHEREAS**, this Board understands that prior to the Former RDA’s acquisition, the property at 616 Linden Avenue was used for automotive repairs that included underground petroleum storage tanks which leaked and contaminated the soil and ground water on the property; and

**WHEREAS**, the City has indicated that it commissioned Phase I and Phase II Environmental Site Assessments (“Phase I/II”) of the Subject Properties and determined that there is some residual contamination on 616 Linden Avenue requiring remediation prior to any housing development, but there is no need for remediation to develop housing at 700 Linden Avenue; and

**WHEREAS**, the City has indicated its intention to retain the Subject Properties for use as a park, rather than to sell them for high density residential development as specified in the LRPMP; and

**WHEREAS**, the DOF has indicated to this Board’s staff that it will not review disposition of properties under an approved LRPMP except for the purpose of determining that no new obligation is created for the successor agency and will not enforce compliance with the LRPMP; and

**WHEREAS**, the City is proposing to pay the Taxing Entities a sale price of \$2,008,000 based on an appraisal by Kidder Mathews Land Valuation Services of the Subject Properties in which high density residential development is presumed and which includes deductions for the required environmental remediation costs associated with development of the Properties as housing as analyzed in the Phase I and Phase II Environmental Site Assessments; and

**WHEREAS**, on July 1, 2018, the San Mateo Countywide Oversight Board (“Countywide Oversight Board”) was established, in accordance with Health and Safety Code § 34179(j); and

**WHEREAS**, the Countywide Oversight Board has reviewed and considered the materials submitted by the City in support of the proposed sale price for the Subject Properties and associated memoranda and issues relating to the proposed disposition; and

**WHEREAS**, Health and Safety Code § 34179 (e) requires that all action items of the Countywide Oversight Board must be accomplished by a resolution.

**NOW, THEREFORE, BE IT RESOLVED** that the San Mateo County Countywide Oversight Board does hereby resolve as follows:

1. The foregoing recitals are true and correct and made a part of this Resolution.
2. The City's proposed sale price of \$2,008,000 for the Subject Properties is hereby approved.
3. The chairperson of this Board, or his designee, is authorized to take any, and all other actions necessary to implement this intent of this Resolution.