E-1: Phase I Environmental Site Assessment

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Phase I Environmental Site Assessment

2334 Lundy Place
San Jose, California

December 12, 2024

Prepared for:

2334 Lundy Place LLC, a Delaware limited liability company

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Executive Summary

2334 Lundy Place LLC, a Delaware limited liability company (the User) retained Roux Associates, Inc. (Roux) to perform a Phase I Environmental Site Assessment (ESA) of the property at 2334 Lundy Place, San Jose, California, corresponding to Assessor's Parcel Number (APN) 244-01-023 (the Subject Property). Roux performed this Phase I ESA in general accordance with the ASTM International (ASTM) *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process* (ASTM E1527-21) in an effort to identify, to the extent feasible, the presence of recognized environmental conditions (RECs) with respect to the Subject Property as defined in ASTM E1527-21. Exceptions to, or deletions from, this practice are described in Section 9.1 of this report.

The Subject Property is in a mixed industrial and commercial area of San Jose, California. Based on a review of historical sources, the Subject Property was undeveloped until approximately 1939, at which time aerial photographs show the Subject Property was used for orchards. The Subject Property was developed to a two-story building with associated parking in approximately 1982 and was occupied by ELXSI, a computer parts manufacturing company. In 2000, the building was renovated and occupied by Verio of NTT Communications (NTT), a secure computer/internet collocation and housing facility.

On July 19, 2024, Roux visually assessed the Subject Property during the Subject Property reconnaissance for potential RECs, including, but not limited to, potential underground storage tanks (USTs), aboveground storage tanks (ASTs), polychlorinated biphenyl (PCB)-containing equipment, hazardous materials storage or handling areas, containerized or bulk wastes, and visual indications of impacted soil.

Roux also performed a records review in an effort to identify RECs in connection with the Subject Property. This records review addressed the Subject Property and surrounding properties. Roux reviewed commercially available records associated with the Subject Property and nearby properties to assess potential concerns associated with the migration of hazardous substances. The records review also included reasonably ascertainable historical data, which can be helpful in identifying the past uses of the Subject Property and surrounding areas, as it may relate to the environmental condition of the Subject Property.

Roux performed interviews and/or file reviews with various government agencies and other parties with possible knowledge of the Subject Property and surrounding properties in an effort to identify current and past uses of the Subject Property and surrounding areas, as they may relate to the environmental condition of the Subject Property.

ASTM E 1527-21 defines a REC as:

> "The presence of hazardous substances or petroleum products in, on, or at the Subject Property due to a release to the environment; (2) the likely presence of hazardous substances or petroleum products in, on or at the Subject Property due to a release or likely release to the environment; or (3) the presence of hazardous substances or petroleum products in, on or at the Subject Property under conditions that pose a material threat of a future release to the environment. A de minimis condition is not a recognized environmental condition."

A Controlled Recognized Environmental Condition (cREC) as:

> "A recognized environmental condition affecting the Subject Property that has been addressed to the satisfaction of the applicable regulatory authority or authorities with hazardous substances or petroleum products allowed to remain in place subject to implementation of required controls (for example, activity and use limitations and other property use limitations."

And a Historical Recognized Environmental Condition (hREC) as:

> "A previous release of hazardous substances or petroleum products affecting the Subject Property that has been addressed to the satisfaction of the applicable regulatory authority or authorities and meeting unrestricted use criteria established by the applicable regulatory authority or authorities without subjecting the Subject Property to any controls (for example, activity and use limitations and other property use limitations."

The term recognized environmental condition is not intended to include de minimis conditions that generally do not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.

This Executive Summary provides a brief overview of the findings of this Phase I ESA. Although the Executive Summary is an integral part of a report, it does not substitute for reading the entire report or the appended or referenced documents in order to fully understand the findings and potential environmental concerns associated with the Subject Property.

Recognized Environmental Conditions (RECs)

Based on the information obtained through the performance of this Phase I ESA, Roux identified the following RECs in connection with the current and historical operations at the Subject Property or adjoining properties. To the extent possible, the locations of the RECs are shown in Figure 2. To avoid confusion, RECs, cRECs, hRECs, and OEFs are numbered sequentially.

REC 1 – Vapor Intrusion. Adjoining and nearby properties (specifically the open Cleanup Programs Sites – Spills, Leaks, Investigations, and Cleanups [CPS-SLIC] cases adjoining to the west and approximately 280 feet north of the Subject Property) may constitute possible sources for vapor intrusion due to the detection of volatile organic compounds (VOCs) in groundwater and soil vapor on the properties. Impacts to soil vapor on the noted to be within approximately 80 feet of the subject property boundary, with the potential to migrate on site.

Controlled Recognized Environmental Conditions (cRECs)

Roux did not identify known or suspected cRECs in connection with the current and historical operations at the Subject Property or adjoining properties.

Historical Recognized Environmental Conditions (hRECs)

Roux did not identify known or suspected hRECs in connection with the current and historical operations at the Subject Property or adjoining properties.

Other Environmental Features (OEFs)

Based on the information obtained through the performance of this Phase I ESA, Roux identified the following OEFs in connection with the current and historical operations at the Subject Property or adjoining properties.

OEF 2 - Former Agricultural Use. Based on a review of historical sources, the Subject Property was developed for agricultural use (orchards) from approximately 1939 until 1980. Based on historical practices for pesticide use on agricultural areas, it is likely that agricultural chemicals, such as pesticides, herbicides, and fertilizers, were used on the Subject Property historically. Given that the Subject Property has been graded and redeveloped, the potential for impacts from agricultural chemicals to Subject Property soils is considered a OEF

OEF 3 – Adjoining Closed Leaking UST (LUST) Case. The AMTC facility at 2350 Lundy Place is adjoining to the north of the Subject Property and was listed for a gasoline release to groundwater during the removal of two 10,000-gallon USTs. The case was closed and given a letter of no further action (NFA) on February 15, 1995. The presence of a closed LUST case adjoining the Subject Property to the north is considered an OEF.

OEF 4 – Adjacent Rail Line. A railroad line runs along the northeastern boundary of the Subject Property. Railroad lines could represent an environmental concern due to the historical application of oils containing PCBs, herbicides, and arsenic for pest and weed control, as well as the potential presence of creosote on the rail tie, and the historical common practice of using coal cinders for track fill material. However, as the rail line is not on the Subject Property and records of a release were not associated with the rail line, this is considered an OEF.

OEF 5 – Adjoining Open CPS-SLIC Case (Marketshare, Inc.). Marketshare is a facility adjoining to the west-northwest of the Subject Property and is listed as an open site assessment case on the CPS-SLIC database in 2021. Based on analytical results, elevated concentrations have been reported for arsenic in soil, total petroleum hydrocarbons as diesel (TPHd) in groundwater, and benzene and chloroform in soil vapor. Based on the available information and no evidence of contaminants migrating to the Subject Property, the Marketshare facility is not considered a REC in this Phase I ESA but is considered an OEF.

1. Introduction

Roux Associates, Inc. (Roux) completed this Phase I Environmental Site Assessment (ESA) of the commercial property located at 2334 Lundy Place, San Jose, California (the Subject Property). The Subject Property location is shown in Figure 1 and the Subject Property and vicinity is shown in Figure 2. Roux performed this Phase I ESA in compliance with the scope and limitations of ASTM International (ASTM) E1527-21 and the terms and conditions of Roux' proposal dated June 14, 2024. Roux conducted this Phase I ESA for the benefit of 2334 Lundy Place LLC, a Delaware limited liability company (the User).

The following sections of this report present our Phase I ESA findings and conclusions. A glossary containing terms and definitions presented in ASTM E1527-21 is included in Appendix A – Glossary of Terms. Other appendices presented at the end of the report include historical topographic maps, historical aerial photographs, regulatory records review documentation, applicable historical records, and personnel qualifications.

1.1 Purpose

The purpose of this Phase I ESA is to identify and report, to the extent feasible, recognized environmental conditions (RECs) with respect to the Subject Property. Performing a Phase I ESA in general compliance with ASTM E 1527-21 may enable a User to satisfy one of the requirements to qualify for the innocent landowner, contiguous property owner, or bona fide prospective purchaser limitations on Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) liability. That is, the practice that constitutes one of the requirements for "all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial or customary practice" as defined in 42 USC Section 9601(35) (B).

1.2 Scope of Services

The scope of services for this Phase I ESA included, but was not limited to, the activities listed below.

- A review of reasonably ascertainable and practicably reviewable topographic maps, historical aerial photographs, and city directories, if available, to investigate current and past uses of the Subject Property and surrounding properties;
- A review of specific government lists pursuant to ASTM Standard E 1527-21 regarding environmental activities for the Subject Property and local area properties;
- A review of recorded land title records, building, assessors, and fire department records, for permits, citations, and reports connected to the Subject Property that were reasonably ascertainable, practicably reviewable, and publicly available within reasonable time and cost;
- An inspection by an environmental professional to investigate the current use of the Subject Property and to identify environmental concerns including but not limited to, the presence of hazardous substances or petroleum products, wastes, underground storage tanks (USTs), aboveground storage tanks (ASTs), or other environmental concerns;
- Interviews with available representatives of the owner of the Subject Property, occupants, and local government officials by an environmental professional; and
- Preparation of this Phase I ESA report.

Roux initiated this Phase I ESA pursuant to receipt of written authorization to proceed on July 8, 2024.

1.3 Standard of Care

Roux conducted this Phase I ESA using a defined scope of services considered appropriate and agreed upon by all parties on the date the service was authorized, unless the scope of services or the methods used were later modified, in writing, and accepted by all parties prior to performance. Roux conducted this Phase I ESA in accordance with generally accepted practices in a manner consistent with that level of care exercised by other members of our profession in the same locality and under similar conditions of time and accessibility of improvements and information. No other representations, expressed or implied, and no warranty or guarantee is included or intended to be part of this Phase I ESA.

Please note that the scope of services performed in execution of this assessment may not be appropriate to satisfy the needs of other parties. We, therefore, are not responsible for independent conclusions, opinions, or recommendations of others based on our assessment. Furthermore, this Phase I ESA relates to the environmental conditions of the Subject Property and does not address issues raised in transactions such as business risk, purchase of business entities, or interests therein, or of their assets, that may well involve environmental liabilities pertaining to properties previously owned or operated or other off-site liabilities.

Additionally, the findings of this Phase I ESA are based on Roux' observations, inquiries, and historical research using reasonably ascertainable and practically reviewable information obtained within reasonable time and cost constraints. Roux does not represent that this Phase I ESA is an exhaustive investigation that reflects the findings of all of the information available for the Subject Property, nor is it representative of future Subject Property conditions. If additional information is generated from the Subject Property, it should be provided to Roux so that we may evaluate its impact on our conclusions. As such, activities or episodes that transpire subsequent to this Phase I ESA are not considered in this assessment. It is not intended that a Phase I ESA in accordance with ASTM E1527-21 be an exhaustive assessment of a property nor can it wholly eliminate uncertainty regarding the potential for *recognized environmental conditions* in connection with a property.

1.4 Assumptions

This Phase I ESA Report, including the exhibits attached hereto, describes the results of Roux' investigation to identify the presence of *recognized environmental conditions* connected with the Subject Property in accordance with ASTM E1527-21, as allowed by and consistent with the regulatory requirements of the All Appropriate Inquiry Rule, 40 CFR Part 312, Amendment to Standards and Practices for All Appropriate Inquires Under CERCLA, Final Rule, published December 30, 2013 (AAI Rule). Specifically, the preamble to the amended AAI Rule states:

> *The Environmental Protection Agency (EPA) today is taking final action to amend the standards and practices for conducting all appropriate inquiries under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) to reference a standard practice recently made available by ASTM International, a widely recognized standards development organization. Specifically, this final rule amends the "All Appropriate Inquiries Rule" at 40 CFR Part 312 to reference ASTM International's E1527–13 "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process" and make clear that persons conducting all appropriate inquiries may use the procedures included in this standard to comply with the All Appropriate Inquiries Rule*[1].

[1] Federal Register: December 30, 2013 (Volume 78, Number 250) Page 79319

One of the requirements that a person acquiring real property must meet in order to qualify for either the innocent landowner, contiguous owner, or bona fide prospective purchaser (collectively hereinafter "Prospective Purchaser") defense to liability under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, and the Small Business Liability Relief and Brownfields' Revitalization Act of 2002, 42 U.S.C. 9601-9675 (collectively referred to hereafter as "CERCLA") is that person must conduct all appropriate inquiries into the previous ownership and uses of the property in conformance with the AAI Rule (or the ASTM E1527-21) prior to acquisition of the property. The User has acknowledged that, under the AAI Rule, Roux' performance of this Phase I ESA in accordance with ASTM E1527-21 will not alone result in the User satisfying all requirements of the AAI Rule and will not in itself provide a defense to CERCLA liability. The User has acknowledged that the AAI Rule also requires that the Prospective Purchaser undertake certain additional inquiries and post-acquisition activities to satisfy the CERCLA AAI requirements. Accordingly, Roux makes no guarantees or warranties, expressed or implied, regarding this Phase I ESA, including without limitation, that this Phase I ESA will qualify the User for a defense to CERCLA liability.

Roux has performed this Phase I ESA in a professional manner using that degree of skill and care exercised for similar projects under similar conditions by reputable and competent environmental consultants. Professional judgments expressed herein are based on the facts currently available to Roux.

The AAI Rule requires, and the conclusions and recommendations stated herein represent, the application of a variety of engineering and technical disciplines to material facts and conditions associated with the Subject Property. As such, these conclusions and recommendations are based on subjective interpretations and the exercise of discretion based on the facts available to Roux and conditions at the time of the performance of this Phase I ESA. Many of these facts and conditions are subject to change over time. Accordingly, the conclusions and recommendations must be considered within this context.

The User has agreed that Roux shall not be responsible for conditions or consequences arising from relevant facts that were concealed, withheld, or not fully disclosed at the time this Phase I ESA was performed. To the extent practicable, Roux has identified data gaps, and has evaluated the potential significance of such data gaps. Recommendations to address those data gaps are presented herein and are based on the data available at the time of the performance of this Phase I ESA. Implementation of the recommendations may not fully address the data gaps, and the information obtained from execution of those recommendations may alter and/or modify the interpretation of the Subject Property conditions and conclusions, herein. This Phase I ESA does not include consideration of matters specifically excluded by ASTM E1527-21, including but not limited to, asbestos-containing building materials, radon, lead-based paint, lead in drinking water, wetlands, regulatory compliance, and mold unless specifically identified herein. Emerging contaminants that are not defined as hazardous substances under CERCLA are outside the scope of the Phase I ESA. This Phase I ESA does not include the completion of searches for recorded environmental liens.

Roux has not collected any soil and/or groundwater samples on the Subject Property for Phase I purposes, and is relying on information presented by others, often in preliminary, draft, or verbal form. By referencing this information, Roux does not accept responsibility for the accuracy of the underlying data, sampling methods, laboratory analysis, or documentation.

This Phase I ESA Report should not be considered a legal interpretation of existing environmental laws and regulations. This Phase I ESA was conducted with a reasonable degree of inquiry to identify *recognized*

environmental conditions, but uncertainty is not eliminated. No Phase I ESA can wholly eliminate uncertainty regarding the potential for *recognized environmental conditions* in connection with a property. The Phase I ESA process is intended to reduce, but not eliminate, the uncertainty involved with identifying *recognized environmental conditions*.

This Phase I ESA Report is not an appraisal or value judgment of the Subject Property. The User has agreed that Roux shall not be liable for any use of this Phase I ESA Report as an appraisal or value judgment of the Subject Property.

This Phase I ESA Report has been prepared for the exclusive use of the User for specific application to the Subject Property covered by this Phase I ESA Report. The User has agreed that any third-party use of this Phase I ESA Report, upon disclosure by the User, is the sole responsibility and at the sole liability of the User.

1.5 User Reliance

No additional parties may use the information contained in this report without obtaining the written permission of Roux or the User. Roux' duties and obligations extend to the User and to no other party. Roux' duties and obligations to the User are not transferable to persons, corporations, or organizations without the express written consent of the User and Roux. The User may rely upon the information provided in this Phase I ESA report for a period of 180 days from the first completed report components including those listed below. After 180 days, this Phase I ESA should be updated in accordance with ASTM E1527-21 guidance. Roux will not be liable for any consequential damages arising from the use of this report for other than its intended purpose, for use of this report beyond 180 days of its issue date, or from unauthorized use by third parties. Dates of selected components used in the preparation of this Phase I ESA are summarized below:

Phase ESA Component Dates		
Component	**Date Obtained**	**Expiration Date**
Radius Report	July 12, 2024	January 8, 2025
Knowledgeable Person Interview	July 19, 2024	January 15, 2025
Subject Property Reconnaissance	July 19, 2024	January 15, 2025

This Phase I ESA report must be read and interpreted as a whole and can only be considered representative of the conditions of the Subject Property as of the date of our Subject Property reconnaissance described herein. Roux makes no representation whatsoever concerning the condition of the Subject Property beyond the date of our Subject Property reconnaissance described herein. Individual sections and appendices of this report are dependent on the balance of this report, and on the terms, conditions, and stipulations contained in the proposal and written amendments accepted by Roux.

2. Subject Property Description

2.1 Subject Property Location and Description

Subject Property Information	
Street Address(es)	2334 Lundy Place
City	San Jose
County	Santa Clara
State	California
Location	Northeast of the intersection between Lundy Road and Trade Zone Boulevard
Assessor's Parcel Number (APN)	244-01-023
Subject Property Acreage (per Santa Clara County Public Notary)	6.43 acres
Subject Property Occupant	Verio of NTT Communications (NTT); Vacant at the time of inspection
Subject Property Operations	Secure computer/internet collocation and housing
Description of Subject Property Structures	One two-story building with asphalt-paved parking areas and limited landscaping
Subject Property Paving	Asphalt paving
Subject Property Grading	Generally flat with a gentle slope to the northwest
Subject Property Vicinity	Mixed commercial, residential, and industrial facilities with adjoining railroad

Refer to Section 5.0 for a detailed description of the current condition of the Subject Property and operations.

2.2 Vicinity General Characteristics

The facilities and improvements which are adjoining to the Subject Property are provided in the following table. Selected adjoining and nearby properties are shown in Figure 2.

Direction from Subject Property	Improvements / Use (Addresses)
North	Sheet Metal Workers' Union building (2350 Lundy Place)
Northeast	The Western Pacific Railroad runs northwest to southeast, followed by parking lots and mixed commercial and industrial facilities
East	A small waste management services office with a recycling center (2301 Trade Zone Boulevard), followed by the Western Pacific Railroad
South	Trade Zone Boulevard, followed by mixed commercial and industrial facilities
Southwest	Intersection of Lundy Avenue and Trade Zone Boulevard, followed by offices and mixed commercial and industrial facilities
West	Lundy Avenue, followed by an automotive service facility (635 Trade Zone Boulevard) and corporate and industrial facilities

Direction from Subject Property	Improvements / Use (Addresses)
Northwest	Residential structures (1966-2072 Tarob Street, 525-587 Lundy Place)

2.3 Past Use of the Subject Property

Based on a review of historical sources, the Subject Property was undeveloped until approximately 1939, at which time aerial photographs show agricultural cultivation of the Subject Property until 1980. Primary agricultural operations appear to have been orchards. The Subject Property was developed to a two-story building with associated parking in approximately 1982.

The Subject Property was occupied by ELXSI, a computer parts manufacturing company until approximately 2000. In 2000, Verio of NTT Communications (NTT) renovated the building and operated as a secure computer/internet collocation and housing facility.

2.4 Physical Setting

Roux obtained and reviewed published, reasonably ascertainable information concerning the physical setting of the Subject Property. The following is a summary of the information reviewed from those physical setting sources.

Physical Setting Summary	
United States Geological Survey (USGS) Topographic Map	Milpitas, California Quadrangle
Approximate Subject Property Elevation / Source	53 feet above mean sea level (msl) / EDR Radius Report
Nearest Surface Water Features / Approximate Distance	Meeow Creek, a concrete-lined stormwater drainage channel / 0.1 mile north of the Subject Property
Regional Geology / Source	Quaternary deposits: alluvium, lake, playa and terrace, consolidated and semi-consolidated. Mostly nonmarine but includes marine deposits near the coast / California Department of Conservation, 2010 Geologic Map of California
Subject Property Topography / Source	Generally flat with a gradual slope to the northwest / USGS topographic map
Hydrogeological Region / Source	Located in the Santa Clara Subbasin within the Santa Clara Valley Groundwater Basin / *California Department of Water Resources Bulletin 118, Update 2003 and Interim Update 2016*
Depth to Groundwater / Source	Approximately 9 to 11 feet below ground surface (bgs) / Groundwater monitoring data for a facility approximately 470 feet northwest of the Subject Property (Cornerstone, 2022)
Groundwater Gradient Direction / Source	Southwest / Groundwater monitoring data for a facility approximately 470 feet northwest of the Subject Property (Cornerstone, 2022)
Subject Property Soil	Clayey sand, sandy clay, and minor fill material to 5 feet bgs, stiff to very stiff clay up to 45 feet bgs with occasional thin silty sand interbeds encountered between 25 and 45 feet bgs / Groundwater monitoring report for a facility approximately 470 feet northwest of the Subject Property (Cornerstone, 2022)

3. Sources of Information

Sources of information used in preparing this Phase I ESA report included historical topographic maps; historical aerial photographs; a walkover survey of the Subject Property and adjoining properties; in-person discussions with User and tenant personnel; a review of records available at selected local and state regulatory agencies; a review of databases maintained by local, state, and federal government agencies; and other records available from commercial and online sources.

3.1 Historical Sources

To help understand the history of the Subject Property and adjoining properties, historical sources were obtained from Environmental Data Resources, Inc. (EDR), of Shelton, Connecticut. The sources and locations within the Appendices are provided in the table below.

EDR Historical Sources		
Historical Range	**Source**	**Appendix**
1889 – 2021	United States Geological Survey Topographic Maps Nationwide Environmental Title Research LLC (NETR) Historical Aerials Database	B
1939 – 2020	EDR Aerial Photographs "Decade Package"	C
No Available Coverage	EDR "Certified Sanborn® Map Report"	D
1922 – 2020	EDR "City Directory Image Report"	E

Note: Due to copyright restrictions, the aerial photographs and topographic maps reviewed on NETR Historical Aerials Database were not included in the appendices.

3.2 Government Databases

To document potential sources of contamination at or near the Subject Property, a government records search was conducted by EDR. The search included local, state, and federal records for the Subject Property and for other properties within ASTM-standard distances of the Subject Property. The records search is summarized in Section 7.0 and a copy of "The EDR Radius Map™ Report with GeoCheck®," dated July 12, 2024, is included in its entirety as Appendix F. As recommended by ASTM, all but a few of the databases searched were "current," i.e., had been updated within 90 days prior to the search date.

3.3 Subject Property Reconnaissance

On July 19, 2024, Roux personnel conducted a reconnaissance of the Subject Property, including the interiors of the Subject Property building. During the Subject Property reconnaissance, Roux representative Mr. Jesse Carlson was able to access all areas of the Subject Property, which was unoccupied at the time of the reconnaissance. The observations made during the Subject Property reconnaissance are discussed in Section 5.0 and throughout the report. A photographic log of the Subject Property reconnaissance is included as Appendix G.

3.4 Regulatory Agencies

Roux contacted governmental agencies for reasonably ascertainable information concerning environmental conditions at the Subject Property. Roux contacted or reviewed information from the agencies provided in the following table. Refer to Appendix H – Pertinent Historical Documentation for copies of the records reviewed. A summary of the information gathered from the regulatory agencies is provided in the table and details regarding the records were incorporated into applicable sections as noted.

Agency	Date Requested / Accessed	Response Date	Description of Records	Section Discussed
Federal				
United States Environmental Protection Agency (EPA) – FOIAonline	7/16/2024	Pending	A response has not been received as of this report date.	N/A
EPA MyProperty Database	7/18/2024	N/A	MyProperty identified two facilities associated with the Subject Property. These facilities include NTT Worldwide Telecommunications Corporation (NTT) (EPA Registry ID 110021340663) and 2334 Lundy Holding Company LLC (EPA Registry ID 110071757654).	N/A
National Pipeline Mapping System (NPMS) Online Database	7/18/2024	N/A	NPMS identified the Chevron Pipe Line Company hazardous liquid pipeline and the Pacific Gas and Electric Company gas transmission pipeline approximately 0.099 miles east of the Subject Property. There are no spills or leaks reported for these pipelines.	N/A
EPA Envirofacts Database	7/18/2024	N/A	Envirofacts identified two facilities associated with the Subject Property. These facilities include NTT (Hander ID CAL000436247) and ELXSI (Handler ID CAD982483166).	N/A

Agency	Date Requested / Accessed	Response Date	Description of Records	Section Discussed
State				
State Water Resources Control Board (SWRCB): GeoTracker Online Database	7/16/2024	N/A	No records were associated with the Subject Property. Five listings were identified within 1,000 feet of the Subject Property. These listings for nearby properties are discussed in Section 7.1.2. The nearby properties include: K&H Finishing (2302 Trade Zone Boulevard, GeoTracker ID T0608501921), Stack Infrastructure Expansion (2001 Fortune Drive, GeoTracker ID T10000015139), Tarob 4 (2001 Tarob Court, GeoTracker ID T10000017318), Therma (Trane Air Conditioning) (2350 Lundy Place, GeoTracker ID T0608501453), and Toll Brothers Tarob 3 Development (551 Lundy Place, GeoTracker ID T10000011430).	7.1.2
SWRCB: Storm Water Multiple Application and Report Tracking System (SMARTS) Online Database	7/17/2024	N/A	No records were associated with the Subject Property.	N/A
Department of Toxic Substances Control (DTSC)	7/16/2024	7/16/2024	No records were associated with the Subject Property.	N/A
DTSC: EnviroStor Online Database	7/16/2024	N/A	No records were associated with the Subject Property. Three listings were identified within 1,000 feet of the Subject Property. Two listings (71002864, 668 feet northwest of the Subject Property and 71002945, 966 feet northwest of the Subject Property) are listed as tiered permits. The remaining listing (43650001, 992 feet north of the Subject Property) was given a no further action (NFA) letting on September 22, 1999, for an investigation of trichloroethene (TCE) and dichloroethane (DCE) in groundwater.	N/A
DTSC: Hazardous Waste Tracking System (HWTS) Online Database	7/17/2024	N/A	NTT (CAL000436247) is listed as an inactive permanent state generator at the address 2334 Lundy Place. Available information indicates that 0.67 tons of *waste oil and mixed oil* (waste code 221) and *off-specification, aged, or surplus organics* (waste code 331) was generated in 2018. This database tracks hazardous waste and is not indicative of a release.	N/A
California Air Resources Board (CARB)	7/16/2024	7/22/2024	No records were associated with the Subject Property.	N/A

Agency	Date Requested / Accessed	Response Date	Description of Records	Section Discussed
California Office of Environmental Health Hazard Assessment (OEHHA)	7/16/2024	Pending	A response has not been received as of this report date	N/A
California EPA (CalEPA)	7/17/2024	N/A	There are two listings associated with the Subject Property address.	3.4.1
CalEPA CalRecycle	7/16/2024	7/18/2024	No records were associated with the Subject Property.	N/A
California Office of Emergency Services (CalOES)	7/16/2024	N/A	No records were associated with the Subject Property.	N/A
CalEPA CalRecycle Solid Waste Information System (SWIS) Online Database	7/18/2024	N/A	No records were associated with the Subject Property.	N/A
California Department of Conservation: Geological Energy Management (CalGEM) Online Database	7/18/2024	N/A	No wells were identified on the Subject Property or within 1,000 feet of the Subject Property. The Subject Property is not within the administrative boundaries of an oil field.	N/A
County / Regional				
San Francisco Bay Regional Water Quality Control Board (SFBRWQCB)	7/16/2024	7/26/2024	No records were associated with the Subject Property.	N/A
Bay Area Air Quality Management District (BAAQMD)	7/16/2024	7/17/2024	Records identified for the Subject Property included a new facility/generator permit from 2000 and a permit expiration date of 2023 for 2334 Lundy Holding Company LLC. Violations or notices to comply were not issued.	N/A
County of Santa Clara Department of Environmental Health (DEH)	7/10/2024	7/11/2024	Records for the Subject Property included inspections in 2012, 2015, and 2018, reported violations for outdated hazardous materials business plans (HMBPs) in 2023, and lacking an EPA ID number and hazardous waste ID in 2023. The Subject Property did not achieve compliance for these violations.	N/A
County of Santa Clara Public Records (CPRA)	7/10/2024	7/11/2024	Records for the Subject Property included notices of inspection and HMBPs. Inspection reports indicate violations for an outdated HMBP and lacking an EPA ID number and hazardous waste ID.	N/A

Agency	Date Requested / Accessed	Response Date	Description of Records	Section Discussed
City / Local				
City of San Jose	7/10/2024	7/10/2024	Roux received several documents associated with the Subject Property including building, electrical, and plumbing plans, permits, and inspection reports.	3.4.2
City of San Jose City Clerk	7/17/2024	7/23/2024	No records were associated with the Subject Property.	N/A

3.4.1 California EPA (CalEPA)

Roux identified two listings for the Subject Property. 2334 Lundy Holding Company LLC is listed under the *Aboveground Petroleum Storage* and the *Chemical Storage Facilities* regulatory programs under the California Environmental Reporting Systems (CERS) (Program ID 10350022). 2334 Lundy Holding Company LLC has been inspected nine times since 2015. The CalEPA database indicated that eight 5,000-gallon emergency generators were inspected and found satisfactory in 2018. The facility was found to have 40,549 gallons of petroleum product storage with an Annual Tank Statement/Hazardous Materials Business Plan (HMBP) which was last certified on March 16, 2023 (CERS ID# 10350022). Additional hazardous materials include an estimated 600-1,199 gallons of ethylene glycol, 120-599 gallons hydraulic oil, 125-gallon hydraulic oil elevator lift pump tank, 120-599 gallons of lead acid batteries (flooded cell type), 600-1,199 gallons of lead acid batteries (absorbed glass mat design), 894 gallons of motor oil, 39,440 gallons of diesel fuel, and 920 gallons of antifreeze in generators. The facility is estimated to generate less than 10 gallons of hazardous waste per year and is a small quantity generator.

NTT is the second listing under the EPA Air Emission Inventory System (EIS) (Program ID 110021340663). The CalEPA database indicates that voluntarily reported smaller sources of air point pollution emitters were associated with NTT.

3.4.2 City of San Jose Records

Roux requested and reviewed building, mechanical, and business permits for the Subject Property. Several records were reviewed from 1985 through 2013. Relevant records are summarized in the table below.

Year	Description
ELXSI	
1985	Correspondence of ELXSI agreeing to comply with requirements for the exterior storage of freon.
Sobrato Development Companies	
2000	Building permit for the addition of eight generators, enclosures, and a wall
	Public hearing re-notice associated with the installation of the eight generators and fuel tank.
Verio	
2000	Building permit for the installation of two 200-kilowatt (kw) generators for emergency backup.
2001	Building permit for the installation of four 2,000 kw generators for emergency backup.
	Building permit for the installation of 8 emergency generators on a concrete slab and the installation of a switch gear of generators.

Year	Description
NTT Worldwide Telecommunications Corporation (NTT)	
2011	Permit adjustment for the installation of five (5) fuel cells with bollards.
2013	Inspection report noting the need for an updated HMBP and a note indicating NTT stores 40,000-gallons of diesel fuel on the Subject Property.

3.5 Interviews

On July 19, 2024, Roux met with the property manager for the Subject Property, Mr. Phillip Nguyen, during the Subject Property reconnaissance for an interview regarding the history of the Subject Property. Mr. Nguyen has been associated with the Subject Property since 2023. According to Mr. Nguyen, the Subject Property was vacated and unoccupied between 2019 to 2021. Previously, the Subject Property building was occupied by NTT, a software company. Previous Subject Property investigation reports provided by Mr. Nguyen to the Client are discussed in Section 6.0.

3.6 User Provided Information

ASTM E1527-21 provides an optional User Questionnaire to present select User-provided information that can assist in identifying possible RECs in connection with the Subject Property. According to ASTM E1527-21, these tasks do not require the technical expertise of an environmental professional and the environmental professional generally does not perform these tasks. Roux administered the optional questionnaire to the User at the beginning of this Phase I ESA to assist them with these tasks. The following sections outline the parts of the questionnaire that the User completed.

3.6.1 Environmental Liens or Activity and Use Limitations

The User indicated that they have no knowledge regarding environmental liens or activity and use limitations (engineering/institutional controls) with respect to the Subject Property.

3.6.2 Specialized Knowledge

The User did not report any specialized knowledge related to the Subject Property.

3.6.3 Commonly Known or Reasonably Ascertainable Information

The User did not have any knowledge regarding commonly known or reasonable ascertainable information about the Subject Property not otherwise addressed.

3.6.4 Obvious Indicators of the Presence or Likely Presence of Contamination of the Subject Property

The User did not have any knowledge regarding obvious indicators of the presence or likely presence of contamination of the Subject Property not otherwise addressed.

3.6.5 Valuation Reduction for Environmental Issues

The User indicated that they have no knowledge regarding valuation reduction for environmental issues.

4. Subject Property History

4.1 Subject Property History

The history of the Subject Property and, to a lesser extent, the surrounding area, including previous land use, has been compiled based on information from the exhaustive list of sources provided in Section 3.

Summary of Historical Sources				
Decade	**Year**	**Source**	**Subject Property Description**	**Vicinity Description**
Predevelopment History				
Pre-1900	1889	Historical Topographic Map: San Jose (15-minute)	The Subject Property is depicted as vacant.	Two buildings are depicted on the eastern border of the Subject Property. The Southern Pacific (San Jose Branch) Railroad runs north to south approximately 0.75-miles west of the Subject Property. Arterial roads are depicted. Coyote Creek is depicted approximately 1.5-miles southwest of the Subject Property.
	1897	Historical Topographic Map: San Jose (15-minute)	No significant change from the previous topographic map.	No significant change from the previous topographic map.
	1899	Historical Topographic Map: San Jose (15-minute)	No significant change from the previous topographic map.	No significant change from the previous topographic map.
1910s	1913	NETR Historical Topographic Map	No significant change from the previous topographic map.	No significant change from the previous topographic map.
1920s	1926	NETR Historical Topographic Map	No significant change from the previous topographic map.	No significant change from the previous topographic map.
1930s	1939	EDR Aerial Photograph	The Subject Property appears to be used for agricultural purposes (orchards).	The vicinity is primarily agricultural with arterial roads depicted. The Western Pacific Railroad runs northeast to southwest adjoining the northeast border of the Subject Property.
1940s	1940	EDR Aerial Photograph	No significant change from the previous aerial photograph.	No significant change from the previous aerial photograph.

Summary of Historical Sources				
Decade	**Year**	**Source**	**Subject Property Description**	**Vicinity Description**
	1948	EDR Aerial Photograph	No significant change from the previous aerial photograph.	No significant change from the previous aerial photograph.
1950s	1950	EDR Aerial Photograph	No significant change from the previous aerial photograph.	No significant change from the previous aerial photograph.
	1953	Historical Topographic Map: Milpitas (7.5-minute)	The Subject Property is depicted as an orchard. A road is developed on western border of the Subject Property. The Western Pacific Railroad is depicted on the northeastern border of the Subject Property.	The buildings on the eastern border of the Subject Property are no longer depicted. The Southern Pacific Railroad has been replaced by the modern-day Interstate 880. Berryessa Creek is depicted approximately 0.25-miles north of the Subject Property.
	1956	EDR Aerial Photograph	No significant change from the previous aerial photograph.	Minor development is depicted northwest of the Subject Property.
1960s	1961	Historical Topographic Map: Milpitas (7.5-minute)	No significant change from the previous topographic map.	Development is depicted to the north and east of the Subject Property. An automobile assembly plant is depicted approximately 0.5-miles north of the Subject Property.
	1963	EDR Aerial Photographs	No significant change from the previous aerial photograph.	Significant residential development is depicted northeast of the Subject Property.
	1968	EDR Aerial Photographs	No significant change from the previous aerial photograph.	Development is depicted to the northwest of the Subject Property.
		Historical Topographic Map: Milpitas (7.5-minute)	No significant change from the previous topographic map.	Significant development and the addition of roads are depicted north of the Subject property. Tanks appear approximately 1-mile southwest of the Subject Property. The modern-day Montague Expressway is depicted.
Commercial Development				
1970s	1973	Historical Topographic Map: Milpitas (7.5-minute)	No significant change from the previous topographic map.	Significant development and the addition of roads are depicted east and south of the Subject property.

Summary of Historical Sources				
Decade	**Year**	**Source**	**Subject Property Description**	**Vicinity Description**
	1974	EDR Aerial Photograph	Orchards are no longer depicted on the Subject Property.	A building is depicted adjoining the Subject Property to the north. Development is depicted southeast and southwest of the Subject Property.
	1979	EDR Aerial Photograph	No significant change from the previous aerial photograph.	Arterial roads and additional development are depicted south of the Subject Property, including the adjoining southern road and property. The expansion of the modern-day Interstate 680 is depicted.
1980s	1980	Historical Topographic Map: Milpitas (7.5-minute)	The Subject Property is no longer marked as an orchard.	Development and arterial roads expanded in all directions of Subject property. A road is built directly on the southern border of the Subject Property. The modern-day Interstate 680 is depicted.
	1982	EDR Aerial Photograph	Initial development is depicted in the center of the Subject Property.	Potential commercial or industrial development expanded in all directions of Subject property. Offices are built adjoining the Subject Property to the southeast.
	1986	EDR City Directory	Subject Property is associated with “Elwood.”	N/A
1990s	1993	EDR Aerial Photograph	Construction of the current building appears to have been completed along with an associated parking lot.	Potential commercial or industrial development expands in all directions and adjoins the Subject Property to the west and northwest. Residential development expanded to the southeast of the Subject Property.
	1998	EDR Aerial Photograph	No significant change from the previous aerial photograph.	No significant change from the previous aerial photograph.
2000s	2006	EDR Aerial Photograph	No significant change from the previous aerial photograph.	Potential commercial or industrial development expands south and southwest of the Subject Property. Expansion of the modern-day Interstate 680 is depicted.
		EDR City Directory	Subject Property is associated with several businesses including “Verio,” “JM Consulting,” “K J Digital,” and others.	N/A
	2009	EDR Aerial Photograph	No significant change from the previous aerial photograph.	No significant change from the previous aerial photograph.

Summary of Historical Sources				
Decade	**Year**	**Source**	**Subject Property Description**	**Vicinity Description**
2010s	2012	EDR Aerial Photograph	No significant change from the previous aerial photograph.	The parking lot west of the Subject Property was redeveloped.
		Historical Topographic Map: Milpitas (7.5-minute)	The format of the topographic map has changed. No buildings are depicted on the Subject Property.	The format of the topographic map has changed. Agricultural areas are no longer depicted. Development expands in all directions. The automobile assembly plant is no longer depicted.
	2015	Historical Topographic Map: Milpitas (7.5-minute)	No significant change from the previous topographic map.	No significant change from the previous topographic map.
	2016	EDR Aerial Photograph	No significant change from the previous aerial photograph.	Residential development is depicted in the redeveloped area west of the Subject Property. Redevelopment is depicted to the northwest of the Subject Property.
	2018	Historical Topographic Map: Milpitas (7.5-minute)	No significant change from the previous topographic map.	No significant change from the previous topographic map.
2020s	2020	EDR Aerial Photograph	No significant change from the previous aerial photograph.	Residential development is depicted in the redeveloped area northwest of the Subject Property.
	2021	Historical Topographic Map: Milpitas (7.5-minute)	No significant change from the previous topographic map.	No significant change from the previous topographic map.

5. Current Subject Property Conditions

A Roux representative conducted a reconnaissance of the Subject Property and surrounding areas on July 19, 2024. During the Subject Property visit, Roux representative Mr. Jesse Carlson met with Mr. Phillip Nguyen, the property manager for the Subject Property. Roux also visually and/or physically observed adjoining properties from reasonably accessible locations on the Subject Property and public thoroughfares. During the Subject Property reconnaissance, the weather was clear, and the temperature was approximately 75° Fahrenheit. The following sections summarize observations during the inspection. Roux documented the Subject Property reconnaissance with photographs which are provided in Appendix G.

5.1 Subject Property Reconnaissance

The Subject Property consists of a vacant, two-story former data center comprised of numerous server rooms, control rooms, electrical rooms, office space, and a loading area. The area surrounding the building consists primarily of asphalt hardscape, the east end of which is secured behind a locked gate and chain link fence. During the Subject Property Reconnaissance, interior and exterior areas were accessible, except for the elevator pump pit and associated equipment. This represents a data gap for the investigation, though it is not considered significant.

The first floor of the Subject Property building consists of four server rooms, each containing numerous empty server racks and Computer Room Air Conditioning (CRAC) units. Mr. Nguyen stated that all refrigerant and fire suppression related chemicals had been removed during facility decommissioning. Two former battery rooms, a main battery room at the north end of the building (Appendix G-48) and a smaller battery room near the main entrance (Appendix G-7) are also located on the first floor. The batteries had been removed from both spaces, although a large transformer and associated electrical panels remained in the main battery room to power essential functions throughout the facility (Appendix G-49). Adjacent to the main battery room, a loading dock with a single, covered bay, and delivery room were observed (Appendix G-44 and 45). The loading dock and delivery room appeared clean with no signs of spills or leaks. Three employee restrooms were observed on the first floor, with floor drains and janitor/storage closets in each. Standard household cleaners were observed in these closets, along with a mop sink in the closet nearest the men's restroom (Appendix G-7 through 10).

Adjacent to the restrooms on the first floor, a room serving as the point of entry for much of the electrical cabling coming into the building was observed, containing two dry-type transformers and numerous electrical panels (Appendix G-12). A similar space was observed directly above the first-floor point of entry on the second floor, though no transformers were located in that space (Appendix G-26 and 27). Room 120, located at the east edge of the building's first floor, contained electrical hookups for a piece of equipment that had previously been removed. The floor beneath the removed piece of equipment was visibly darker than the surrounding flooring and appeared to be stained (Appendix G-17). Mr. Nguyen stated that this was likely a portable cooling unit used for cooling the space. While this staining represents a de minimis concern for the Subject Property, it is not considered to be significant.

The second floor of the building consists of five large server rooms, with associated empty server racks, CRAC units, and fire suppression piping/control equipment. As on the first floor, refrigerant and fire suppression chemicals had been removed during facility decommissioning. Two employee restrooms were observed on the second floor, directly above the first-floor restrooms. The second-floor restrooms were equipped with showers and a janitorial closet between the restrooms was observed, containing two hot water

heaters with drain pans, a floor drain and a mop sink (Appendix G-24 and 25). An office space, containing several small offices and numerous cubicles was observed at the south-central portion of the building (Appendix G-30). Desks, cabinets, schematic drawings, and other files were observed in several of the smaller offices/storage closets (Appendix G-31).

Water damage due to roof leaks was observed in several spaces on the second floor, including the second story point of entry room (Appendix G- 27), the breakroom near the main office space (Appendix G-29), a server room designated Room 218 on the west side of the building (Appendix G-34), and in a small fire riser room located at the northeast corner of the building (Appendix G-39). These leaks appeared to be localized and the water damage did not appear to be extensive at the time of the Subject Property reconnaissance. Access to the roof of the building was gained via a small stairway inside Room 218 (Appendix G-35). Numerous HVAC units were observed on the roof, with no obvious damage or signs of leakage (Appendix G-36 and 37).

Two generator yards were observed on the building's exterior: one on the east side (Appendix G-57 and 58), and one on the north (Appendix G-52 and 53). The generator yards contained pads for four generators each, though the generators had been removed between March and May of 2024. Mr. Nguyen stated that the generators were diesel powered and mounted on sub-base fuel tanks of unknown capacity. No evidence of leaks or staining was observed in either generator yard. Throughout the south and west portions of the facility parking lot, recently backfilled soil borings were observed (Appendix G-62 and 67). Mr. Nguyen stated that the borings had been advanced the week prior to Roux's Subject Property reconnaissance. A large electrical enclosure was located on the west exterior side of the building containing several transformers, high voltage fuses, and other electrical equipment in a single enclosure (Appendix G-51). It was unclear whether these transformers were dry- or wet-type transformers due to them being concealed within the enclosure. However these transformers are not considered a significant environmental concern for the Subject Property as no signs of leakage were observed near the enclosure

5.2 Phase I ESA Observations

During Subject Property reconnaissance, Roux personnel attempted to identify environmental features that may be relevant in the context of the Phase I ESA. The features identified are summarized in the table below. Any such features are discussed in the following subsections.

Feature	Observed on the Subject Property	Observed on an Adjoining Property
Areas of stressed vegetation		
Areas which receive flood or storm water from potentially contaminated areas		
Air Compressor Vent Discharges		
Chemical Storage and/or Use		
Drainage Swales and Culverts		
Discharge Areas		
Discolored or Spill Areas	X	

Feature	Observed on the Subject Property	Observed on an Adjoining Property
Drums (55 Gallons or Larger)		
Electrical Transformers	X	
Former Agricultural Applied Pesticide Area		
Hydraulic Lifts	X	
Incinerators		
Landfills or Landfarms		
Loading and Unloading Areas	X	
Non-Contact Cooling Water Discharge		
Oil-Water Separator(s)		
Open Areas Away from Production Areas		
Process Area Sinks and Piping		
Rail Cars/Railroad Spurs		
Septic Systems Leach Fields or Seepage Pits		
Silos		
Sprayfields		
Storm Sewer and Spill Containment Collection System		
Storm Water Detention Pond		
Surface Impoundments and Lagoons		
Underground / Aboveground Storage Tanks and Associated Piping		
Waste Piles		

5.2.1 Discolored or Spilled Areas

Room 120, located at the east edge of the building's first floor, contained electrical hookups for a piece of equipment that had previously been removed. The tile floor beneath the removed piece of equipment was visibly darker than the surrounding flooring and appeared to be stained. Mr. Nguyen stated that this was likely a portable cooling unit used for cooling the space. The staining did not appear to be associated with hazardous substances.

5.2.2 Electrical Transformers

Numerous electrical transformers were observed throughout the interior and exterior of the Subject Property. A large transformer and associated electrical panels were observed in the main battery room to power

essential functions throughout the facility. Adjacent to the restrooms on the first floor, a room serving as the point of entry for much of the electrical cabling coming into the building was observed, containing two dry-type transformers and numerous electrical panels. A large electrical enclosure was located on the west exterior side of the building containing several transformers, high voltage fuses, and other electrical equipment in a single enclosure. It was unclear whether these transformers were dry- or wet-type transformers due to them being concealed within the enclosure, however these transformers are not considered a significant environmental concern for the Subject Property as no signs of leakage were observed near the enclosure. The transformers located within the building appeared to be dry-type and no signs of damage or leaks were observed. As a result, the presence of these transformers does not represent a significant environmental concern for the Subject Property.

5.2.3 Hydraulic Lifts

A single elevator was observed inside the central portion of the Subject Property building, servicing the first and second floors. The elevator pump pit and associated equipment were not observed during the Subject Property reconnaissance due to the lack of an elevator service key. While this represents a data gap for the investigation, it is not considered significant due to the lack of other evidence indicating damage or leaks.

5.2.4 Loading and Unloading Areas

Adjacent to the main battery room, a loading dock with a single, covered bay, and delivery room were observed. The loading dock and delivery room appeared clean with no signs of spills or leaks. As a result, it is not considered a significant environmental concern for the Subject Property.

5.3 Non-ASTM Scope Findings

Roux visually assessed the condition of the following features at the Subject Property: suspect asbestos containing materials (ACM), potential lead-based paint (LBP), and mold growth. In addition, Roux researched potential for radon gas at the Subject Property. Discussion of these features is outside the ASTM scope for Phase I ESAs and has been included at the request of the Client.

5.3.1 Asbestos-Containing Materials

Asbestos is the name for a group of naturally occurring mineral fibers that have historically been used in wide range of manufactured goods including building materials. Potential ACMs in buildings include thermal systems, roofing materials, ceiling tiles, flooring, drywall, asbestos-concrete pipes (Transite), and other applied materials (grout, caulk, mastics, joint compound, etc.). Disturbance of ACMs in building materials may result in a release of asbestos fibers to the atmosphere. The EPA and OSHA have recognized exposure to asbestos as a health hazard and have acted to reduce asbestos exposure from building materials. According to OSHA regulation (29 CFR 1926.1101 and 29 CFR 1910.1001), any untested building materials in buildings constructed prior to 1981 must be presumed to contain asbestos. In addition, EPA's NESHAP regulation (40 CFR Part 61, Subpart M) requires a thorough asbestos survey prior to any building renovation or demolition activities where asbestos-containing building materials may be removed or disturbed. State and local regulatory agencies, such as the Bay Area Air Quality Management District, may also regulate building renovation or demolition activities associated with removal of suspect ACMs in building materials.

Based on the date of building construction, 1982, and renovation of the building, 2000, ACMs would not be considered a concern at the Subject Property.

5.3.2 Lead-Based Paint and Coatings

EPA guidelines (40 CFR, Part 745) define LBP as any paint or other surface coating that contains lead equal to or greater than 1.0 milligram per square centimeter (mg/cm^2) or 0.5% by weight. State and local agencies may differ on criteria for classification of LBP, with lead amounts ranging from 0.5 to 2.0 mg/cm^2. Damaged, peeling, or cracking of LBP may result in exposure of lead through paint chips and dust. In 1978, the United States Consumer Product Safety Commission banned lead-based paints for use in residences and child-occupied facilities to reduce the risk of lead poisoning. Exposure to lead for workers and occupants are regulated by OSHA 29 CFR 1910.1025 and 29 CFR 1926.62. State and local regulatory agencies may also regulate building renovation or demolition activities and worker/occupant exposure.

Based on the construction date of the building, approximately 1982, LBP is not likely present.

5.3.3 Radon Gas

Radon is a colorless, odorless, and naturally occurring radioactive gas that can cause lung cancer. EPA recommends avoiding long-term exposure to radon levels greater than 4 picocuries per liter (pCi/L). To assess the possible presence of unhealthful levels of naturally occurring radon gas in the vicinity of the Subject Property, Roux has obtained information available from California Department of Public Health (CDPH) and other government agencies.

CDPH maintains a radon database for California sorted by zip code (CDPH, February 2016). Indoor radon measurements were performed throughout the state in 2016. The percentage of tests with radon levels greater than 4 pCi/L within each zip code was reported, along with the number of tests reported. Within the zip code for the Subject Property (95131), zero out of 37 tests (0% of tests) reported radon concentrations equal to or greater than 4 pCi/L.

In addition to the above, EPA (1993) and the USGS developed a Map of Radon Zones for the United States, organized by county. The Subject Property is in Radon Zone 2, an area with average indoor radon levels between 2 and 4 pCi/L.

6. Summary of Key Previous Investigations

The following sections provide a summary of previous environmental investigations at the Subject Property. Previous environmental investigation reports are included in Appendix H.

6.1 Phase I Environmental Site Assessment (ENSR Corporation, 2002)

ENSR Corporation (ENSR) conducted a Phase I ESA at the Subject Property in November 2002. The Subject Property was occupied by NTT/Verio for secure computer/internet collocation and housing. In 2000, the Subject Property building was gutted and renovated. ENSR did not identify any RECs associated with the Subject Property. However, ENSR identified the eight 5,000-gallon on-site aboveground storage tanks (ASTs) for use in emergency power generation as an environmental concern, primarily related to the on-site storage of approximately 20,000-gallons of diesel fuel without having a Spill Prevention, Control, and Countermeasures (SPCC) Plan. ENSR also identified the potential presence of organo-chlorine pesticides based on the previous agricultural history of the Subject Property.

ENSR recommended a SPCC Plan be developed due to the quantity of fuel stored on-site.

6.2 Phase I Environmental Site Assessment (LandAmerica Assessment Corporation, 2006)

LandAmerica Assessment Corporation (LandAmerica) conducted a Phase I ESA for the Subject Property in July 2006. As similarly stated in the 2002 ENSR Phase I ESA, the Subject Property was occupied by Verio for web hosting. LandAmerica did not identify any RECs or de minimis conditions for the Subject Property and made no recommendations.

6.3 Phase I Environmental Site Assessment (Targus Environmental, Inc., 2020)

Targus Environmental, Inc. (Targus) conducted a Phase I ESA for the Subject Property in September 2020. The Subject Property was occupied by NTT Communications, a data center. Targus did not identify any RECs but did identify the former agricultural activities as a de minimis condition for the Subject Property.

6.4 Commitment for Title Insurance (Commonwealth Land Title Insurance Company, 2024)

The User provided Roux with a Title Report for the Subject Property, dated June 7, 2024. According to the Title Report, the Subject Property is vested in 2334 Lundy LLC, a Delaware limited liability company. Liens or AULs were not listed for the Subject Property.

7. Database Records Review

7.1 Standard Environmental Record Sources

According to ASTM Standard E1527-21, the purpose of reviewing regulatory records is to obtain and review records that will help identify *recognized environmental conditions* in connection with the Subject Property. In addition, some records to be reviewed pertain not only to the Subject Property, but also to properties within an additional "approximate minimum search distance" to help assess the likelihood of problems from migrating hazardous substances or petroleum products. The basis of the "approximate minimum search distance" is the Subject Property boundary.

Roux retained EDR of Shelton, Connecticut to provide an ASTM Radius Map Report (EDR Report) for this Subject Property. This report is a computerized search of select state and federal environmental databases that identify various properties with a record of environmental activity. Roux reviewed the report and summarized the relevant findings in the following sections. A copy of the compiled EDR Report has been included as Appendix F. The EDR report includes a detailed description of each of the databases searched, providing a summary of the type of information provided by each.

The following section describes the findings of the database search. Roux used professional judgement in determining which EDR-listed sites to include in the narrative of this report. Facilities adjoining the Subject Property were included due to their proximity to the Subject Property and the potential for surface water discharges (e.g., storm water runoff, surface water effluent discharges) to enter the Subject Property or through the migration of groundwater. Sites with listings indicative of a release (e.g., SHWS, LUST, RELEASE) are likewise discussed below. Non-adjoining facilities with database listings not necessarily indicative of a release (hazardous waste generator, FINDS, ECHO, NPDES, HAZNET, AST, or UST) will not be discussed unless considered potentially relevant in context of the Phase I ESA.

7.1.1 Subject Property (Target Property)

Address	Owner/Operator	Database
2334 Lundy Place	1X K & C Drywall	CA HWTS, CA HAZNET
	2334 Lundy LLC	CA CERS
	ELXSI	RCRA-SQG, FINDS, ECHO, CA HWTS, CA HAZNET
	NTT America Inc.	FINDS, CA HWTS, CA HAZNET, RCRA NonGen/NLR
	NTT Communications	FINDS
	NTT Global Data Center	RCRA NonGen/NLR, FINDS, ECHO
	Verio	CA AST, CA HWTS
	Verio Hosting Exchange	CA AST, CA CERS TANKS, CA CUPA Listings, CA EMI, CA HWTS, CA HAZNET, CA HAZMAT, CA CERS

The EDR database report identified several listings for the Subject Property address of 2334 Lundy Place. The facility was identified in the database report by the names: 1X K&C Drywall, 2334 Lundy LLC, ELXSI, NTT America, NTT Communications, NTT Global Data Center, Verio, and Verio Hosting Exchange. None of the database listings are indicative of a release to the environment.

- HWTS listings for ELXSI indicate the transportation of hazardous materials including halogenated solvents and unspecified solvent mixtures were transported off the Subject Property.

- HWTS listings for 1X K&C Drywall indicates the transportation of hazardous materials such as paint sludge, other organic solids, off-specification, aged, or surplus organics, alkaline solutions, and other types of hazardous materials were transported off the Subject Property.

7.1.2 Adjoining and Nearby Properties

Discussions of adjoining and nearby properties of potential environmental concern are provided below.

- **Marketshare, Inc. (2001 Tarob Court).** Marketshare, Inc. (Marketshare) is a facility adjoining to the west-northwest of the Subject Property and is listed on the CPS-SLIC database. The database listing provides information on an open site assessment case (T10000017318) which has been open as of August 24, 2021. According to GeoTracker, Cornerstone Earth Group (Cornerstone) prepared a Site Mitigation Plan (SMP) in 2022, which provided history concerning the property. Cornerstone prepared a Phase I ESA in 2017 which reported former agricultural land use and the former manufacturing of signs for home builders as potential environmental issues for the property. Based on this information, Cornerstone collected soil, groundwater, and soil vapor samples at the property in 2017 and 2021. The analytical results were compared to residential San Francisco Bay Regional Water Quality Control Board Environmental Screening Levels (ESLs). Cornerstone reported the following exceedances to the residential ESLs:

    - Arsenic was detected in several soil samples up to 21 milligrams per kilogram (mg/kg). Cornerstone stated that the elevated arsenic in soil was due to naturally occurring arsenic and was not considered a chemical of potential concern (COPC) for the property.

    - Total petroleum hydrocarbons as diesel (TPHd) was detected above the residential ESL of 200 micrograms per liter (µg/L) in one groundwater sample at a concentration of 314 µg/L. Cornerstone stated that groundwater was not anticipated to be encountered during future construction at the property; therefore, “no COPCs are identified in groundwater.”

    - Benzene was detected above the residential ESL of 3.2 micrograms per cubic meter (µg/m^3) in several soil vapor samples in 2017 (up to 20 µg/m^3). However, benzene was not detected above the residential ESL in the 2021 soil vapor samples. Therefore, Cornerstone reported that the benzene in soil vapor appeared to have naturally attenuated and was not considered a COPC.

    - Chloroform was detected above the residential ESL of 4.1 µg/m^3 in two soil vapor samples. Cornerstone reported that chloroform is a byproduct of water treatment and can be detected at low concentrations in treated water. Therefore, chloroform in soil vapor was not a COPC.

  Based on the available information and no evidence of contaminants migrating to the Subject Property, the Marketshare facility is not considered a REC in this Phase I ESA but is considered an OEF. This listing is also considered a vapor intrusion risk, which is further discussed in Section 8.

- **AMTC (2350 Lundy Place).** The AMTC facility is adjoining to the north of the Subject Property and is listed on the LUST and CORTESE databases. Based on the database listing, the property was listed for gasoline impacting groundwater and was subject to remediation for the removal of two 10,000-gallon USTs. The case was closed and given a letter of no further action (NFA) on February 15, 1995. Based on the closure date, the AMTC facility is not considered an environmental concern in this Phase I ESA. However, the presence of a closed LUST case adjoining the Subject Property to the north is considered an OEF.

- **Toll Brother Tarob 3 Development (551 Lundy Place).** The Toll Brother Tarob 3 Development (Toll Brother) facility is approximately 280 feet north of the Subject Property and is listed on the CPS-SLIC database. Based on the database listing, the facility has had an active remediation case for tetrachloroethene (PCE) in groundwater, soil, and soil vapor as of March 13, 2018. TCE has been detected above the Tier 1 ESL in groundwater, and several VOCs (benzene, PCE, TCE, and vinyl chloride) have been detected above Tier 1 ESLs in soil vapor at the property from 2016 to 2018. The TCE exceedance in groundwater was detected in one groundwater sample in the northern portion of the property (approximately 400 feet north of the Subject Property) and was reportedly from an off-site source. The majority of the VOC soil vapor exceedances were located in the northern portion of the property (approximately 300 to 400 feet north of the Subject Property). The nearest exceedance to the Subject Property was a benzene detection of 52 µg/m^3 at boring SV-12 (ESL of 0.42 µg/m^3), approximately 220 feet north of the Subject Property. Based on the direction, available information, and no evidence of contaminants migrating to the Subject Property, the Toll Brother facility is not considered a REC in this Phase I. This listing is considered a vapor intrusion risk, which is further discussed in Section 8

- **K&H Finishing (2302 Trade Zone Boulevard).** The K&H Finishing facility is approximately 365 feet southeast of the Subject Property and is listed on the SEMS-Archive, LUST, and CORTESE databases. The listings provide information for a cleanup of gasoline in groundwater. The case received closure on November 26, 1997. The facility had a status of "NFRAP-Site does not qualify for the NPL based on existing information" on the SEMS-Archive database. Based on the closure status and cross-gradient direction, the K&H Finishing facility is not considered an environmental concern in this Phase I ESA.

7.1.3 Orphan Sites

The EDR Report includes a section addressing "Orphan sites." Orphan sites are sites, which, due to incomplete geographic location data, incomplete address information or incorrect address information, cannot be plotted correctly. The database report identified two unmapped facilities.

- **Centre Pointe Business Park (1557 Centre Pointe Drive, Milpitas).** This facility was listed on the CPS-SLIC and Brownfields databases with a status of "Open - Site Assessment" on August 17, 2008, for VOC contamination of soil and is approximately 0.52 miles northwest of the Subject Property. Based on the distance and media affected (soil), this listing is not considered an environmental concern to the Subject Property.

- **Great Mall - Milpitas (Great Mall Parkway, Milpitas).** This facility was listed on the CPS-SLIC database, approximately 0.6 miles north-northwest of the Subject Property. Additional information was not provided.

8. Vapor Migration and Intrusion

As recommended by ASTM E 1527-21 and ASTM E 2600-15 (Standard Guide for Vapor Encroachment Screening on Property Involved in Real Estate Transactions), Roux performed a vapor migration/intrusion pathway assessment to identify the presence or likely presence of chemicals of concern vapors from contaminated soil and/or groundwater either on or near the Subject Property.

Current and former operations of the Subject Property as a data center and orchards, respectively, do not constitute a known source for potential vapor intrusion. Adjoining and nearby properties (specifically the open CPS-SLIC cases adjoining to the west and approximately 0.053 miles north of the Subject Property) may constitute possible sources for vapor intrusion.

The former Subject Property and nearby operations have been identified elsewhere in this report as REC(s), cREC(s), hREC(s), or OEFs.

9. Findings

Roux has performed this Phase I ESA in general compliance with the scope and limitations of ASTM Standard Practice E1527-21. Roux separated the findings of this assessment into the following four categories: *recognized environmental conditions*, *controlled recognized environmental conditions*, *historical recognized environmental conditions* and *other environmental features*.

9.1 Data Gaps

During conduct of this Phase I ESA, the following data gaps, as defined in ASTM Standard E1527-21 were identified:

- The timing of the report did not allow for all contacted agencies to respond to the records requests issued. This data gap is not considered significant due to sufficient information available from previous environmental reports, the EDR report, and city, county, and state websites.
- Previous Subject Property owners/operators were not available for an interview. This data gap is not considered significant due to sufficient information regarding Subject Property history available from EDR historical documents and FOIA requests.
- During the Subject Property Reconnaissance, interior and exterior areas were accessible, with the exception of the elevator pump pit and associated equipment. This represents a data gap for the investigation, though it is not considered significant.

9.2 Recognized Environmental Conditions

Based on the information obtained through the performance of this ESA, Roux identified the following RECs in connection with the current and historical operations at the Subject Property or adjoining properties. To the extent possible, the locations of the RECs are shown in Figure 2. To avoid confusion, RECs, cRECs, hRECs, and OEFs are numbered sequentially.

REC 1 – Vapor Intrusion. Adjoining and nearby properties (specifically the open CPS-SLIC cases adjoining to the west and approximately 280 feet north of the Subject Property) may constitute possible sources for vapor intrusion due to the detection of VOCs in groundwater and soil vapor on the properties. Impacts to soil vapor on the noted to be within approximately 80 feet of the subject property boundary, with the potential to migrate on site.

9.3 Controlled Recognized Environmental Conditions

Roux did not identify known or suspected cRECs in connection with the current and historical operations at the Subject Property or adjoining properties.

9.4 Historical Recognized Environmental Conditions

Roux did not identify known or suspected hRECs in connection with the current and historical operations at the Subject Property or adjoining properties.

9.5 Other Environmental Features

Based on the information obtained through the performance of this Phase I ESA, Roux identified the following OEFs in connection with the current and historical operations at the Subject Property or adjoining properties. To the extent possible, the locations of the OEFs are shown in Figure 2.

OEF 2 - Former Agricultural Use. Based on a review of historical sources, the Subject Property was developed for agricultural use (orchards) from approximately 1939 until 1980. Based on historical practices for pesticide use on agricultural areas, it is likely that agricultural chemicals, such as pesticides, herbicides, and fertilizers, were used on the Subject Property historically. Given that the Subject Property has been graded and redeveloped, the potential for impacts from agricultural chemicals to Subject Property soils is considered a OEF

OEF 3 – Adjoining Closed LUST Case. The AMTC facility at 2350 Lundy Place is adjoining to the north of the Subject Property and was listed for a gasoline release to groundwater during the removal of two 10,000-gallon USTs. The case was closed and given an NFA letter on February 15, 1995. The presence of a closed LUST case adjoining the Subject Property to the north is considered an OEF.

OEF 4 – Adjacent Rail Line. A railroad line runs along the northeastern boundary of the Subject Property. Railroad lines could represent an environmental concern due to the historical application of oils containing PCBs, herbicides, and arsenic for pest and weed control, as well as the potential presence of creosote on the rail tie, and the historical common practice of using coal cinders for track fill material. However, as the rail line is not on the Subject Property and records of release were not associated with the rail line, this is considered an OEF.

OEF 5 – Adjoining Open CPS-SLIC Case (Marketshare, Inc.). Marketshare is a facility adjoining to the west-northwest of the Subject Property and is listed as an open site assessment case on the CPS-SLIC database in 2021. Based on analytical results, elevated concentrations have been reported for arsenic in soil, TPHd in groundwater, and benzene and chloroform in soil vapor. Based on the available information and no evidence of contaminants migrating to the Subject Property, the Marketshare facility is not considered a REC in this Phase I ESA but is considered an OEF.

10. References

ASTM International (ASTM) *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process* (ASTM E 1527-21)

Cornerstone Earth Group (Cornerstone), 2022, *Site Management Plan, 2001 Tarob Court, Milpitas, California,* April 22.

EDR, *The EDR Radius Map™ Report with GeoCheck®*, July 12, 2024

EDR, *The EDR Aerial Photo Decade Package*, July 12, 2024

EDR, *EDR Historical Topo Map Report*, July 12, 2024

EDR, *Certified Sanborn Map Report*, July 12, 2024

EDR, *The EDR-City Directory Abstract*, July 12, 2024

ENSR Corporation (ENSR), 2002, *Phase I Environmental Site Assessment, 2334 Lundy Place, San Jose, California*, December 1.

LandAmerica Assessment Corporation (LandAmerica), 2006, *Phase I Environmental Site Assessment, 2334 Lundy Place, San Jose, California 95131*, July 28.

Targus Environmental, Inc. (Targus), 2020, *Phase I Environmental Site Assessment 2334 Lundy Place, San Jose, Santa Clara County, California 95131*, September 14.

11. Signature of Environmental Professional

Roux performed this assessment in accordance with the generally accepted practices for environmental assessments at the time of implementation. Roux made a reasonable effort to ensure that the information presented in this report is materially complete and accurate.

Roux completed a Phase I ESA in general compliance with the scope and limitations of ASTM Practice E1527-21 of the commercial property located at 2334 Lundy Place, San Jose, Santa Clara County, California.

"We declare that, to the best of our professional knowledge and belief, we meet the definition of Environmental professional as defined in §312.10 of 40 CFR 312" and,

"We have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the Subject property. We have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312."

Roux performed this Phase I ESA by, or under direct supervision of, the undersigned environmental professionals. Copies of professional profiles for the undersigned environmental professionals and report preparers are included in Appendix I.

Respectfully Submitted,

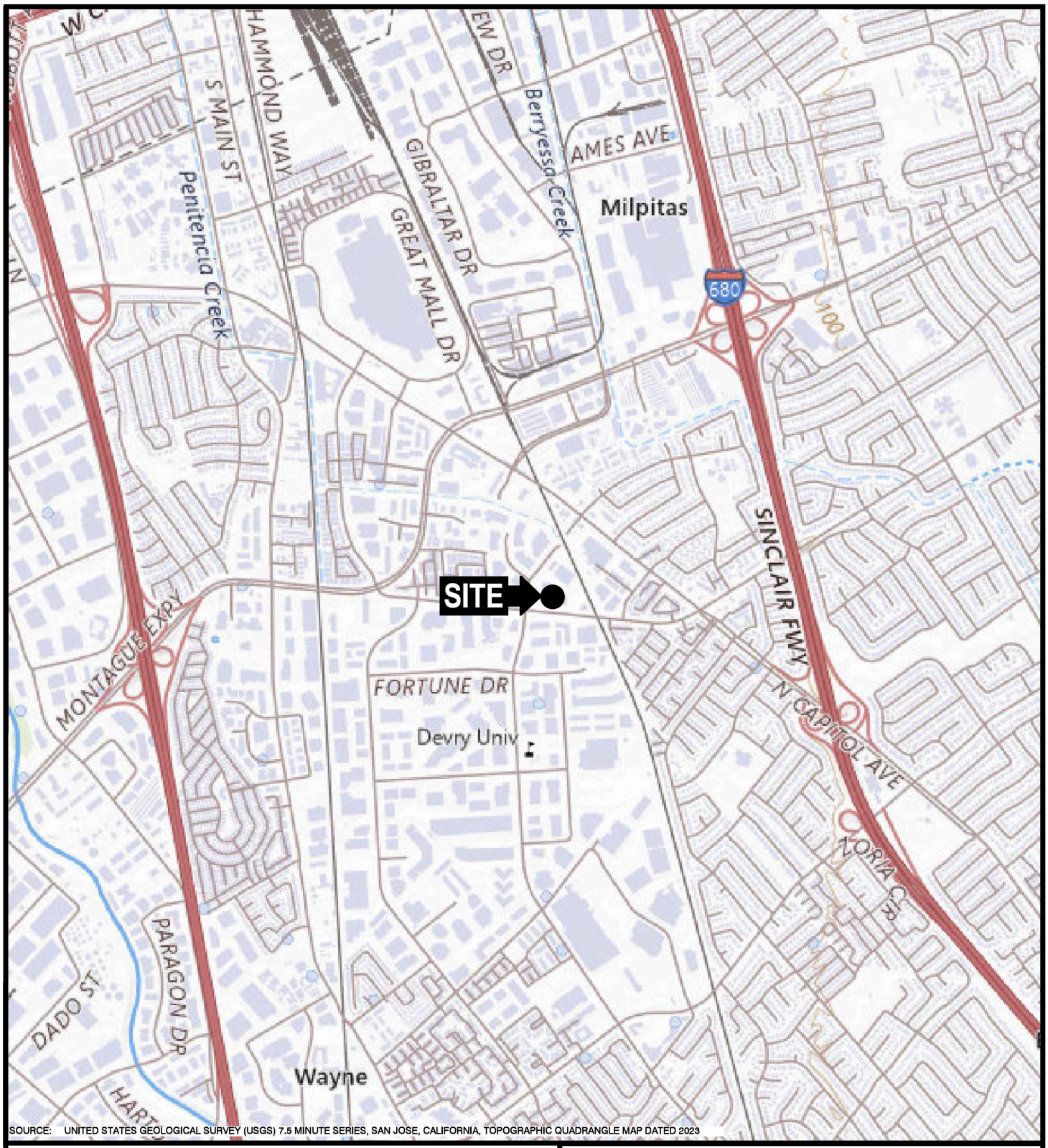
ROUX ASSOCIATES, INC.

Patrick Cullip
Senior Engineer

Nancy Anglin, P.E.
Principal Engineer – Operations Manager

FIGURES

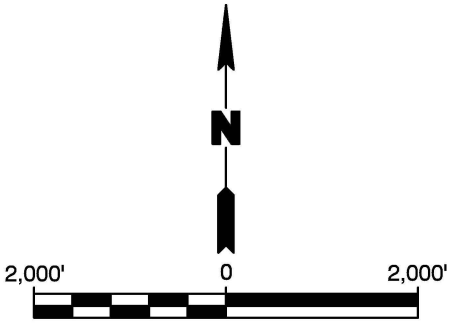
1. Site Location Map
2. Site Plan and Vicinity



SOURCE: UNITED STATES GEOLOGICAL SURVEY (USGS) 7.5 MINUTE SERIES, SAN JOSE, CALIFORNIA, TOPOGRAPHIC QUADRANGLE MAP DATED 2023

QUADRANGLE LOCATION





Title:

SITE LOCATION MAP

2334 LUNDY PLACE
SAN JOSE, CALIFORNIA

Prepared for:

2334 LUNDY PLACE LLC

ROUX

Compiled by: A.W.	Date: 07/12/2024	FIGURE
Prepared by: A.W.	Scale: AS SHOWN	1
Project Mgr: J.O.A.	Project: 4121.0010L	
File: 001_4121.0010L_SITE LOCATION MAP.DWG		

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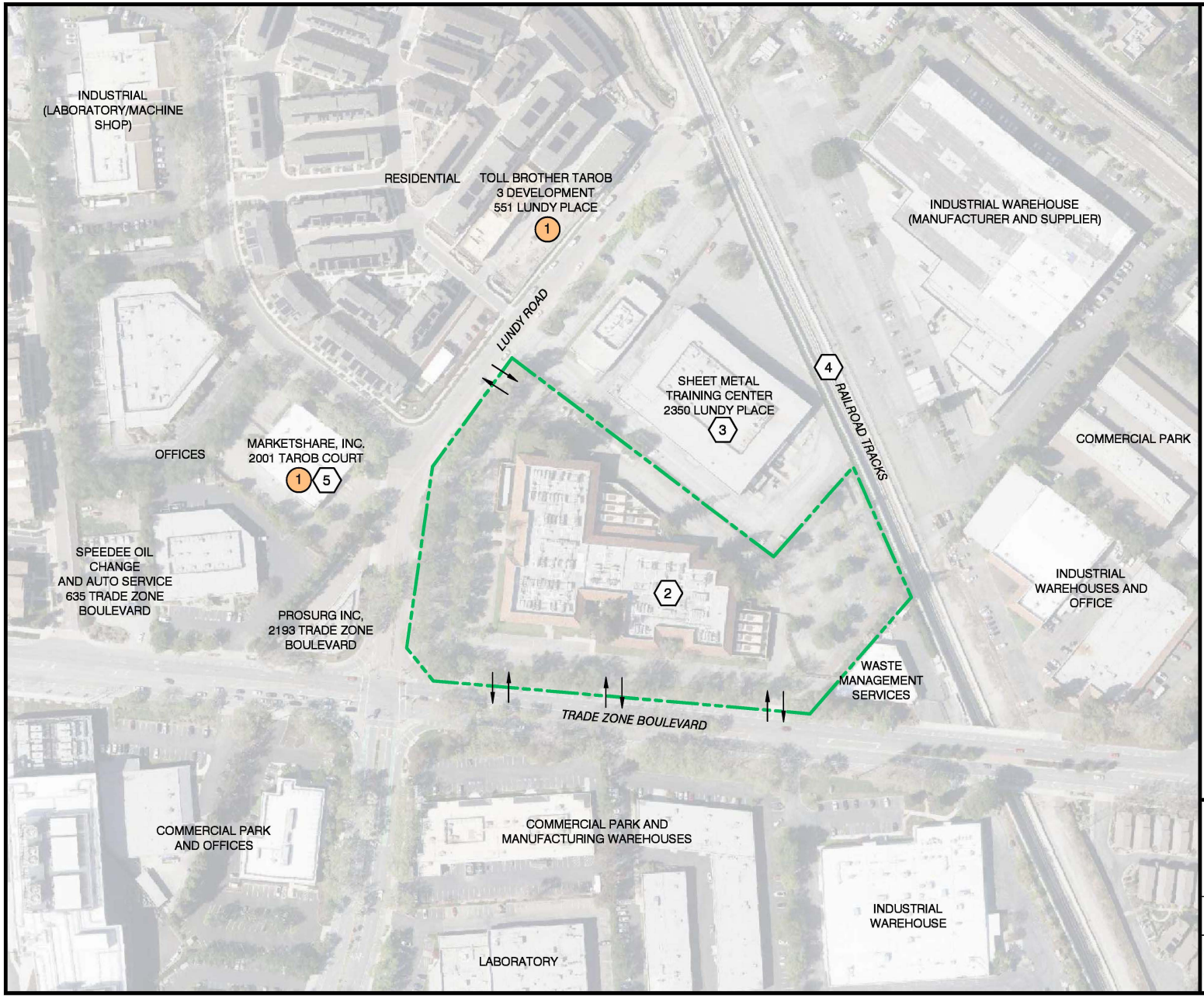

LEGEND

- APPROXIMATE SITE BOUNDARY
- (1) RECOGNIZED ENVIRONMENTAL CONDITION (REC)
- (2) OTHER ENVIRONMENTAL FEATURE (OEF)
- ENTRY/EXIT

N

160' 0 160'

Title:

SITE PLAN AND VICINTY

2334 LUNDY PLACE
SAN JOSE, CALIFORNIA

Prepared for:

2334 LUNDY PLACE LLC

ROUX

Compiled by: A.W.	Date: 08/30/2024
Prepared by: A.W.	Scale: AS SHOWN
Project Mgr: J.O.A.	Project: 4121.0010L
File: 003_4121.0010L_SITE PLAN WITH MUSTER POINT.DWG	

FIGURE 2

\\SRVLACAFP1\LA SHARED\CLIENTS\4121.0010L OMP-LUNDY, SJ MHE\10CAD\003_4121.0010L_SITE PLAN WITH MUSTER POINT.DWG