



# CITY OF SAN MATEO

City Hall  
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[www.cityofsanmateo.org](http://www.cityofsanmateo.org)

## Agenda Report

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Agenda Number: 12

Section Name: {{section.name}}

File ID: {{item.tracking\_number}}

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**TO:** City Council

**FROM:** Drew Corbett, City Manager

**PREPARED BY:** City Manager's Office

**MEETING DATE:** April 5, 2021

**SUBJECT:**  
Downtown Opportunity Sites Environmental Remediation – Agreement

### RECOMMENDATION:

Approve entering into a Standard Voluntary Cleanup Agreement with the Department of Toxic Substances Control for their administrative oversight of hazardous materials remediation on the Downtown Opportunity Sites and authorize the City Manager to execute the agreement in substantially the form presented and make adjustments to the scope as needed during the course of the work.

### BACKGROUND:

The City has partnered with MidPen Housing, Inc. (MidPen) to redevelop the former Redevelopment Agency owned sites in Downtown San Mateo at 480 East 4th Avenue and 400 East 5th Avenue, referred to as the Downtown Opportunity Sites. As part of the pre-development work on this project, MidPen has completed an environmental site assessment of both properties. The assessment identified some elevated levels of contaminants in the soil on 480 East 4th Avenue that remain from its prior uses and the associated underground storage tanks that were formerly on the site. No elevated levels of contaminants have been identified on the 400 East 5th Avenue property.

The Department of Toxic Substances Control (DTSC), a State environmental regulatory agency, has been assigned to provide administrative oversight of the remediation work as part of this project. MidPen and the City are working with the DTSC to develop and execute the plan for the remediation of 480 East 4th Avenue as part of the construction of the proposed housing development on the site. The proposed plan will likely consist of off-hauling any contaminated soil for proper disposal, installing a vapor barrier underneath the residential building to prevent any vapor intrusion, and conducting post-construction sampling and monitoring. The agreement includes a termination clause that can be triggered if the proposed development does not proceed for any reason.

In order to oversee the work, the DTSC is requesting that the City, as the owner of the property, enter into a Standard Voluntary Cleanup Agreement with them for the oversight of the site cleanup. Although the City is the party to the agreement, MidPen will be responsible for executing the required remediation and reimbursing the DTSC for its staff time spent overseeing the work, including paying the DTSC costs outlined in the Standard Voluntary Cleanup Agreement. A provision outlining these roles and responsibilities was included in the Disposition, Development, and Loan Agreement for this project, which was approved by the City Council on August 17, 2020.

It is typical in these agreements for the scope of the work to be adjusted mid-stream as additional site conditions are identified. As a result, staff is asking for authority for the City Manager to make adjustments to the scope without having to return to City Council for approval.

**BUDGET IMPACT:**

The expenses for this agreement will be paid directly by MidPen Housing, Inc. as part of its development budget for the Downtown Opportunity Sites. As a result, this agreement will have no impact on the City's budget.

**ENVIRONMENTAL DETERMINATION:**

Approval of this Agreement is not a project subject to CEQA, because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines Section 15378(b)(5)). The remediation work to remove any hazardous materials from the site as part of the construction of the housing project was analyzed as part of the CEQA review for the Downtown Opportunity Sites project.

**NOTICE PROVIDED**

All meeting noticing requirements were met.

**ATTACHMENTS**

Att 1 – Agreement

**STAFF CONTACT**

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