November 26, 2018

Arcoa Partners LLC

c/o Mincheff & Mincheff Investors LLC

2222 NE Oregon St., Suite 201

Portland, OR 97232

RE: Investigation Required

 for Block 127 in Portland

 ECSI #6199

To Whom It May Concern:

The Department of Environmental Quality (DEQ) has completed an evaluation of available information on Block 127 in southeast Portland. The block is bounded by SE Yamhill Street to the north, SE Taylor Street to the south, SE 6th Avenue to the east, and SE Grand Avenue to the west. Property tax records show Arcoa Partners LLC as the owner of the northern half of the block, at 1006 SE Grand Avenue (tax lot 1S1E02BC01300).

DEQ has determined that environmental concerns on the block are a **high priority** for further investigation and possible remedial action, based on the following:

Allyn’s Cleaning and Dyeing operated from a former storefront on the block, between the Arcoa Building to the north and the current 7-Eleven convenience store to the south, from at least 1935 until about 1960. Recent environmental investigations at the 7-Eleven property and at the auto warehouse on the southeast quarter of the block (formerly occupied by Japanese Auto Repair) have identified Stoddard solvent in the soils. Stoddard solvent is a petroleum-based solvent used by dry cleaners from the 1930s through the 1950s. Chlorinated solvents (which replaced Stoddard in the 1950s) and various petroleum constituents were also detected in soils and soil gas on the block.

Allyn’s Cleaning and Dyeing is the likely source of the Stoddard solvent contamination, and may have contributed to the chlorinated solvent contamination. The contamination appears to be widespread on the block, and current and future workers at the 7-Eleven and Japanese Auto Repair properties may be exposed to the contamination at unsafe levels.

As the current owner of the Allyn’s Cleaning property, you are responsible for the contamination under Oregon’s Environmental Cleanup law (ORS 465.200 to .900). Because the environmental concerns are a high priority, you must determine the nature and extent of the contamination under either a *voluntary cleanup agreement* or an *enforcement order* that defines the scope of work and schedule for completion.

Work conducted under a voluntary cleanup agreement will be overseen by DEQ’s Voluntary Cleanup Program (VCP). The VCP provides regulatory review and oversight of all remedial action work performed to investigate and clean up contamination. A DEQ Project Manager will help your project progress in a timely manner, meet regulatory requirements, and provide a clear path to closure through issuance of a No Further Action (NFA) determination. To join the VCP, sign and return the enclosed *Intent to Participate* form.

Because of this project’s high priority status and associated environmental risk, if you have not entered the VCP within 30 business days, the DEQ Project Manager assigned to the project will contact you to initiate negotiations on terms of an enforcement order. Our preference is to negotiate a scope of work and schedule of required actions under a Consent Order, signed by both parties. Should you choose not to negotiate terms of a Consent Order, DEQ will develop its own scope of work and schedule, and may issue you a Unilateral Order.

Please review the enclosed *Intent to Participate* form and contact me at 503-229-5567 or by e-mail at parrett.kevin@deq.state.or.us if you have any questions or are ready to join the Voluntary Cleanup Program. Regardless of the option you select, **please contact me within 30 days** about how you plan to proceed.

DEQ looks forward to working with you to clean up and protect Oregon’s environment.

Sincerely,

Kevin Parrett, Manager

Northwest Region Cleanup & Tanks

Enclosure: VCP Intent to Participate Form

cc: Gil Cobb, Point Source Solutions

 Michael Greeninger, WYSE Real Estate Advisors

 ECSI #6199 File