

RECORDING REQUESTED BY:
PACIFIC GAS AND ELECTRIC
COMPANY
245 Market Street, N10A, Room 1015
P.O. Box 770000
San Francisco, California 94177

WHEN RECORDED, MAIL TO:

Department of Toxic Substances Control
700 Heinz Ave., Suite 200
Berkeley, California 94710
Attention: Thomas Price, Project
Manager, Brownfields and Environmental
Restoration Program



2012293797

09/07/2012 01:44 PM

OFFICIAL RECORDS OF ALAMEDA COUNTY
PATRICK O'CONNELL
RECORDING FEE: 0.00



23 PGS

COPY of Document Recorded

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

COVENANT TO RESTRICT USE OF PROPERTY

ENVIRONMENTAL RESTRICTION

Re: County of Alameda, APN 1-125-5, Former Oakland-1 Manufactured Gas Plant, Substation C parcel, and DTSC Site Code 200260-11.

This Covenant and Agreement ("Covenant") is made by and between Pacific Gas and Electric Company (the "Covenantor"), the current owner of property situated in Oakland, County of Alameda, State of California, described in Exhibit "A" and depicted in Exhibits "B" and "C," attached, (the "Property"), and the Department of Toxic Substances Control (the "Department"). Pursuant to Civil Code section 1471, the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health and Safety Code section 25260. Covenantor and Department, collectively referred to as the "Parties," hereby agree, pursuant to Civil Code section 1471, and Health and Safety Code section(s) 25222.1 and 25355.5 that the use of the Property be restricted as set forth in this Covenant; and the Parties further agree that the Covenant shall conform with the requirements of California Code of Regulations, Title 22, Section 67391.1.

* Recording fee waived per Gov't code § 27387

ARTICLE I
STATEMENT OF FACTS

1.01. The Property, totaling approximately 1.38 acres, is more particularly described and depicted in the attached Exhibits "A," "B," and "C." The Property is located in the area now generally bounded by Jefferson Street to the east, Second Street to the north, Embarcadero Street and the Union Pacific Railroad to the south, and Martin Luther King Junior Way to the west. The property is located west of downtown Oakland and approximately 1.25 miles southwest of Lake Merritt. The Property is also generally described as Alameda County Assessor's Parcel No.: 1-125-5.

1.02. The Property, known as PG&E Substation C, was formerly part of the Oakland-1 Manufactured Gas Plant (MGP) which operated between 1905 and 1930. The Property is more particularly described in Exhibit "B." The entire 1.38 acres parcel is a capped area. The entire parcel is covered with asphalt, concrete pavement and buildings, which constitute the cap. The entire parcel is completely fenced. Groundwater Monitoring Wells MW-OAK-7, MW-OAK-8, MW-OAK-8B, also shown on Exhibit C, are located on the property.

1.03. The property is being remediated pursuant to a Removal Action Workplan (RAW) pursuant to Chapter 6.8 of Division 20 of the Health and Safety Code, division 20, chapter 6.8 under the oversight of the Department. The RAW, which included a Human Health Risk Assessment, a Screening Level Ecological Risk Evaluation, and a Notice of Exemption pursuant to the California Environmental Quality Act, Public Resources Code section 31000 et seq. was released for public review and comment and was subsequently approved on January 26, 2011. The RAW was prepared to comply with Hazardous Substance Site Clean-up Agreement Docket No. HSA 96/97-029 between Covenantor and the Department. The RAW requires a land use covenant as a part of the site remediation because total petroleum hydrocarbons as motor oil (TPHmo), total petroleum hydrocarbons as gasoline (THPg); total petroleum

hydrocarbons as diesel (TPHd); polynuclear aromatic hydrocarbons (PAHs) including acenaphthylene, acenaphthylene, anthracene, fluorine, naphthalene, phenanthrene, and pyrene; volatile organic compounds (VOCs) including benzene, toluene, ethylbenzene, and total xylenes; metals including beryllium and cadmium; ammonia, and cyanide which are hazardous substances, as defined in Health and Safety Code section 25316, and hazardous materials as defined in Health and Safety Code section 25260, remain in the soil below the surface of the Property and in groundwater in and under portions of the Property, the RAW provides that a Covenant be required as part of the site remediation. Remediation includes maintenance of the cap and monitoring wells.

1.04. As detailed in the Human Health Risk Assessment (included in Appendix C of the RAW) approved by the Department on January 26, 2011, a portion of the subsurface soils and groundwater within the Property contains hazardous substances, as defined in Health and Safety Code section 25316, which include the following contaminants of concern with concentrations set forth below: total petroleum hydrocarbons as motor oil (TPHmo) (mg/kg) - up to 6,300 milligrams per kilogram (mg/kg) in soil; total petroleum hydrocarbons as gasoline (TPHg) - up to 1,900 mg/kg in soil and up to 36 milligrams per liter (mg/L) in groundwater; total petroleum hydrocarbons as diesel (TPHd) - up to 2,200 milligrams per kilogram (mg/kg) in soil and up to 23 milligrams per liter (mg/L) in groundwater; polynuclear aromatic hydrocarbons (PAHs) - up to 249 mg/kg as BaPe (benzo(a)pyrene equivalent) in soil and in groundwater including up to 200 micrograms per liter (ug/L) acenaphthene, up to 1,300 ug/L acenaphthylene, up to 6.5 ug/L anthracene, up to 29 ug/L fluorene, up to 7,800 ug/L naphthalene, up to 58 ug/L phenanthrene, and up to 6.8 ug/L pyrene; volatile organic compounds (VOCs): benzene - up to 11 mg/kg in soil and 27 mg/L in groundwater, toluene - up to 52 mg/kg in soil and up to 0.92 mg/L in groundwater, ethylbenzene - up to 7.7 mg/kg in soil and up to 2.0 mg/L in groundwater, and total xylenes - up to 47 mg/kg in soil and up to 4.1 mg/L in groundwater; metals: beryllium - up to 0.38 mg/kg in soil and cadmium - up to 1.9 mg/kg in soil; total ammonia- up to 21 mg/kg in soil and up to 19 mg/l in groundwater; cyanide up to 4.5 mg/kg in soil and up

to 0.85 mg/l (total cyanide) in groundwater. Based on the Human Health Risk Assessment, the Department concluded that use of the Property as a residence, hospital, school for persons under the age of 21 or day care center would entail an unacceptable human health risk. The Department further concluded that the Property, as remediated, and subject to the restrictions of this Covenant, does not present an unacceptable threat to human health or safety or the environment, if limited to commercial or industrial use.

ARTICLE II DEFINITIONS

2.01. Department. "Department" means the California Department of Toxic Substances Control and includes its successor agencies, if any.

2.02. Environmental Restrictions. "Environmental Restrictions" means all protective provisions, covenants, restrictions, prohibitions, and terms and conditions as set forth in any section of this Covenant.

2.03. Improvements. "Improvements" includes, but is not limited to: buildings, structures, roads, driveways, improved parking areas, wells, pipelines, or other utilities.

2.04. Lease. "Lease" means lease, rental agreement, or any other document that creates a right to use or occupy any portion of the Property.

2.05. Occupant. "Occupant" means Owners and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

2.06. Owner. "Owner" means the Covenantor, and all successors in interest including heirs and assigns, who at any time hold title to all or any portion of the Property.

ARTICLE III
GENERAL PROVISIONS

3.01. Runs with the Land. This Covenant sets forth Environmental Restrictions that apply to and encumber the Property and every portion thereof no matter how it is improved, held, used, occupied, leased, sold, hypothecated, encumbered, or conveyed. This Covenant: (a) runs with the land pursuant to Health and Safety Code section(s) 25222.1 and 25355.5 and Civil Code section 1471; (b) inures to the benefit of and passes with each and every portion of the Property, (c) is for the benefit of, and is enforceable by the Department, and (d) is imposed upon the entire Property unless expressly stated as applicable only to a specific portion thereof.

3.02. Binding upon Owners/Occupants. Pursuant to the Health and Safety Code, this Covenant binds all owners of the Property, their heirs, successors, and assignees, and the agents, employees, and lessees of the owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471, all successive owners of the Property are expressly bound hereby for the benefit of the Department.

3.03. Incorporation into Deeds and Leases. This Covenant shall be incorporated by reference in each and every deed and Lease for any portion of the Property.

3.04. Conveyance of Property The Owner shall provide written notice to the Department not later than thirty (30) days after any conveyance of any ownership interest in the Property (excluding Leases, and mortgages, liens, and other non-possessory encumbrances). The written notice shall include the name and mailing address of the new owner of the Property and shall reference the site name and site code as listed on page one of this Covenant. The notice shall also include the Assessor's Parcel Number (APN) noted on page one. If the new owner's property has been assigned a different APN; each such APN that covers the Property must be provided. The Department shall

not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect proposed conveyance, except as otherwise provided by law or by administrative order.

3.05. Costs of Administering the Covenant to be paid by Owner. The Department has already incurred and will in the future incur costs associated with the administration of this Covenant. Therefore, the Covenantor hereby covenants for the Covenantor and for all subsequent Owners that, pursuant to California Code of Regulations, title 22, section 67391.1(h), the Owner agrees to pay the Department's costs in administering the Covenant.

ARTICLE IV RESTRICTIONS AND REQUIREMENTS

4.01. Prohibited Uses. The Property shall not be used for any of the following purposes:

- (a) A residence, including any mobile home or factory built housing, constructed or installed for use as residential human habitation.
- (b) A hospital for humans.
- (c) A public or private school for persons under 21 years of age.
- (d) A day care center for children.

4.02. Soil Management.

- (a) No activities that will disturb the cap or soil at or below grade (e.g., excavation, grading, removal, trenching, filling, earth movement, mining, or drilling) shall be allowed on the Property without a Soil and Groundwater Management Plan approved by the Department in advance.
- (b) Any contaminated soils brought to the surface by grading, excavation, drilling, trenching or backfilling shall be managed

in accordance with all applicable provisions of state and federal law.

4.03. Prohibited Activities. The following activities shall not be conducted at the Property:

- (a) Drilling for drinking water, oil, or gas without prior written approval by the Department.
- (b) Extraction of groundwater except as approved by the Department in a Soil and Groundwater Management Plan.

4.04. Non-Interference with Cap and Groundwater Monitoring Wells

- (a) Activities that may disturb the Cap and groundwater monitoring wells (e.g. excavation, grading, removal, trenching, filling, earth movement, drilling or mining) shall not be permitted on the Property without prior written approval by the Department.
- (b) All uses, development, and maintenance of the Property shall preserve the integrity or effectiveness of the Cap and groundwater monitoring wells.
- (c) All uses shall preserve the physical accessibility to and integrity of the Cap and groundwater monitoring wells.
- (d) The Cap and groundwater monitoring wells shall not be altered without prior written approval by the Department.
- (e) Emergency Response Action/Notification: Subsections (a) through (d) of this Section 4.04 shall not apply in the event of any emergency response or time-sensitive action or occurrence (such as a fire, earthquake, equipment or utility failure or malfunction) which requires breaching the Cap and/or altering the groundwater monitoring wells (hereinafter referred to as "Emergency Event"). However, the Owner shall immediately take all appropriate action to prevent, abate, or minimize any release associated with such Emergency Event and shall verbally notify the Department within

24 hours of the onset of such Emergency Event. Within seven (7) days of the onset of such Emergency Event, the Owner shall submit a report to the Department, signed by the Owner's Project Engineer/Geologist, describing the Emergency Event and the subsequent measures taken to return to compliance with the Covenant. Nothing in this section shall be deemed to limit any other notification requirement to which the Owner may be subject under the Covenant.

4.05. Access for Department. The Department shall have reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant as deemed necessary by the Department in order to protect the public health or safety, or the environment.

4.06. Access for Implementing Operation and Maintenance. The entity responsible for implementing the Operation and Maintenance Agreement shall have reasonable right of entry and access to the Property for the purpose of implementing the Operation and Maintenance Agreement until the Department determines that no further Operation and Maintenance is required.

4.07. Inspection and Reporting Requirements. The Owner shall conduct an annual inspection of the Property verifying compliance with this Covenant, and shall submit an annual inspection report to the Department by January 30th of each year. The annual inspection report must include the dates, times, and names of those who conducted the inspection and reviewed the annual inspection report. It also shall describe how the observations were performed that were the basis for the statements and conclusions in the annual inspection report (e.g., drive by, fly over, walk in, etc.). If violations are noted, the annual inspection report must detail the steps taken to return to compliance. If the Owner identifies any violations of this Covenant during the annual inspections or at any other time, the Owner must within 10 days of identifying the violation: determine the identity of the party in violation, send a letter advising the party

of the violation of the Covenant, and demand that the violation cease immediately. Additionally, copies of any correspondence related to the violation of this Covenant shall be sent to the Department within 10 days of its original transmission.

ARTICLE V ENFORCEMENT

5.01. Enforcement. Failure of the Owner or Occupant to comply with this Covenant shall be grounds for the Department to require modification or removal of any Improvements constructed or placed upon any portion of the Property in violation of this Covenant. Violation of this Covenant, including but not limited to, failure to submit, or the submission of any false statement, record or report to the Department, shall be grounds for the Department to pursue administrative, civil, or criminal actions, as provided by law.

ARTICLE VI VARIANCE, TERMINATION, AND TERM

6.01. Variance. Owner, or any other aggrieved person, may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with Health and Safety Code section 25233.

6.02. Termination or Partial Termination. Owner, or any other aggrieved person, may apply to the Department for a termination or partial termination of one or more terms of this Covenant as they apply to all or any portion of the Property. Such application shall be made in accordance with Health and Safety Code section 25234.

6.03. Term. Unless ended in accordance with paragraph 6.02, by law, or by the Department in the exercise of its discretion, this Covenant shall continue in effect in perpetuity.

ARTICLE VII
MISCELLANEOUS

7.01. No Dedication Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property, or any portion thereof to the general public or anyone else for any purpose whatsoever.

7.02. Recordation. The Covenantor shall record this Covenant, with all referenced Exhibits, in the County of Alameda within ten (10) days of the Covenantor's receipt of a fully executed original.

7.03. Notices. Whenever any person gives or serves any Notice ("Notice" as used herein includes any demand or other communication with respect to this Covenant), each such Notice shall be in writing and shall be deemed effective: (1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served, or (2) three (3) business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested:

To Owner: Manager, Land Asset Management
 PG&E Technical and Land Services
 P.O. Box 770000, Mail Code N10A
 San Francisco, California 94177

With a copy to: Law Department
 Pacific Gas and Electric Company
 P.O. Box 7442
 San Francisco, CA 94120
 Attn: Director & Counsel, Contracts Section
 (Real Estate)

To Department: Thomas Price – Project Manager

Department of Toxic Substances Control
Brownfields and Environment
Restoration Program
700 Heinz Ave.
Berkeley, California 94710

Any party may change its address or the individual to whose attention a Notice is to be sent by giving written Notice in compliance with this paragraph.

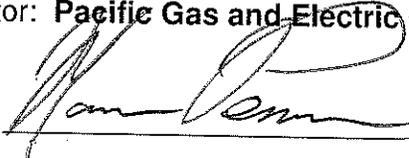
7.04. Partial Invalidity. If this Covenant or any of its terms are determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such portion found invalid had not been included herein.

7.05. Statutory References. All statutory references include successor provisions.

7.06. Incorporation of Attachments. All attachments and exhibits to this Covenant are incorporated herein by reference.

IN WITNESS WHEREOF, the Parties execute this Covenant.

Covenantor: **Pacific Gas and Electric Company**

By: 

Title: Marvin Penner, Director, Land Management

Date: August 24, 2012

Department of Toxic Substances Control:

By: Karen M. Toth

Title: Karen Toth, Unit Chief

Date: 8/31/2012

State of California
County of Sacramento

On 8/24/12 before me,

Shawna Humphries, Notary Public
(space above this line is for name and title of the officer/notary),

personally appeared Marvin Penner, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/~~they~~ executed the same in his/~~her~~/~~their~~ authorized capacity(~~ies~~), and that by his/~~her~~/~~their~~ signature(~~s~~) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Shawna Humphries (seal)
Signature of Notary Public



State of California

County of ALAMEDA

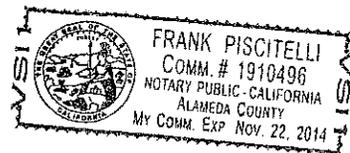
On 8/31/12 before me,

FRANK PISCITELLI, Notary Public
(space above this line is for name and title of the officer/notary),

personally appeared KAREN MARIE TOTH, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Handwritten Signature] (seal)
Signature of Notary Public



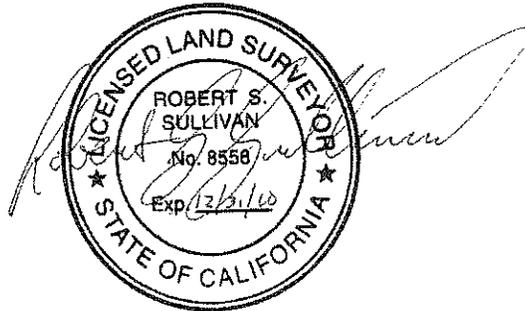
LD 2301-04-1279
2010327 (22-08-074) 10 10 1
Oakland Station C Land Use Covenant

EXHIBIT "A"

The parcel of land situate in the city of Oakland, county of Alameda, state of California, more particularly described as follows:

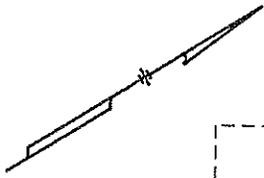
(APN 001-0125-005)

BLOCK 3, as shown upon Record of Survey No. 704 filed for record April 19, 1985 in Book 12 of Record of Surveys at Page 54, Alameda County Records.



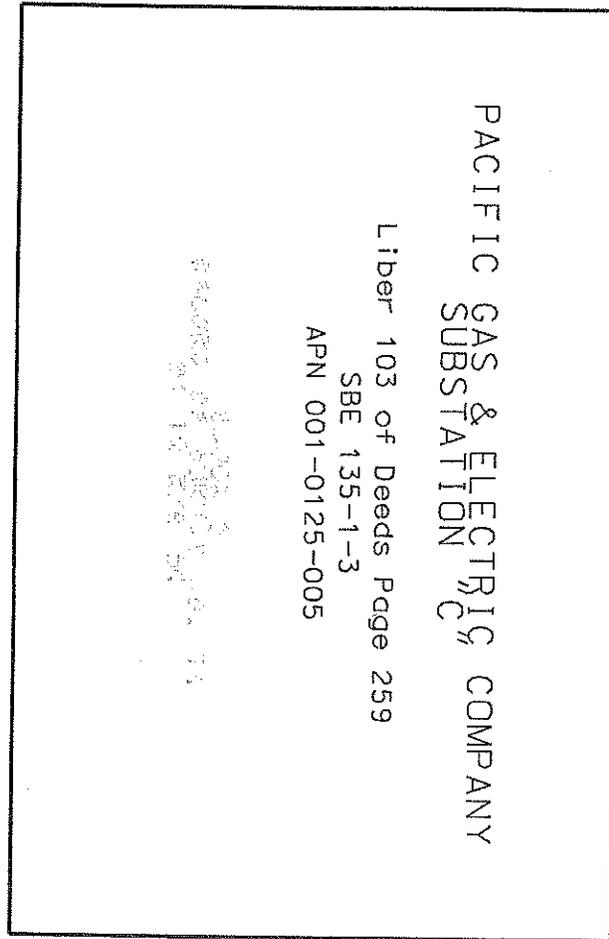
T.01S. R.04W. M.D.B.&M.

EXHIBIT "B"



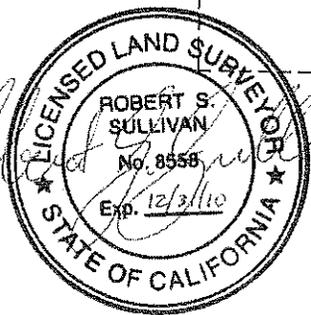
MARTIN LUTHER KING JUNIOR WAY

EMBARCADERO



SECOND STREET

JEFFERSON STREET



AUTHORIZATION 8042536	
BY	J. MING
DR	R. SULLIVAN
CH	J. MING
O.K.	R. SULLIVAN
DATE	OCTOBER 2010

EXHIBIT "B" LAND USE COVENANT STATION "C"

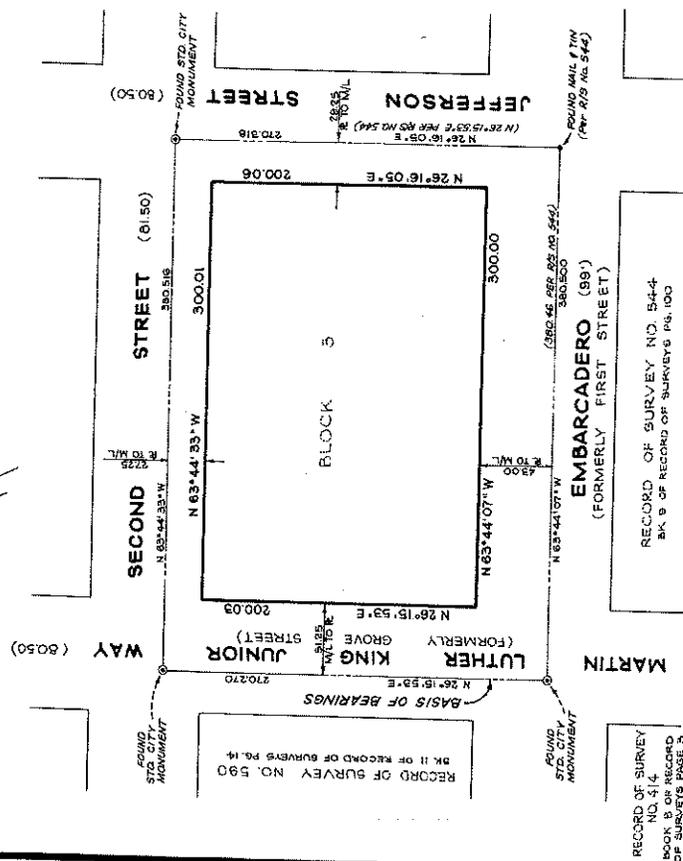
PACIFIC GAS AND ELECTRIC COMPANY
San Francisco California



JCN	22-08-074
AREA	NORTH COAST
COUNTY	ALAMEDA
SCALE	1:60'
SHEET NO.	OF
DRAWING NUMBER	CHANGE
EXHIBIT "B"	

MAP REFERENCES

1. RECORD OF SURVEY NO. 344, BOOK 9 OF RECORD OF SURVEYS PAGE 100
2. RECORD OF SURVEY NO. 390, BOOK 11 OF RECORD OF SURVEYS PAGE 14
3. RECORD OF SURVEY NO. 414, BOOK 8 OF RECORD OF SURVEYS PAGE 3
4. CITY OF OAKLAND MONUMENT MAP, AVAILABLE THROUGH THE CITY OF OAKLAND SURVEY DEPARTMENT.



THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY SUPERVISION IN CONFORMANCE WITH THE REQUIREMENTS OF THE LAND SURVEYORS ACT AND THE REQUEST OF THE PACIFIC GAS AND ELECTRIC COMPANY, IN FEBRUARY, 1985.

SURVEYOR'S STATEMENT

BY: *Allen C. Christensen*
ALLEN CHRISTENSEN
LAND SURVEYOR
NO. 3938
STATE OF CALIFORNIA

COUNTY SURVEYOR'S STATEMENT
THIS MAP HAS BEEN EXAMINED IN ACCORDANCE WITH SECTION 8766 OF THE LAND SURVEYORS ACT THIS 11th DAY OF FEBRUARY, 1985.

COUNTY SURVEYOR
M.A. FLETCHER, JR. RICE NO. 27615
BY: *Robert C. Miller*
ROBERT C. MILLER RICE NO. 14872
DEPUTY COUNTY SURVEYOR

COUNTY RECORDER'S CERTIFICATE
FILED THIS 10th DAY OF FEBRUARY 1985 AT THE REQUEST OF ALLEN CHRISTENSEN, LAND SURVEYOR, AT THE REQUEST OF SA-0714-946

RENE C. DAVIDSON
COUNTY RECORDER
BY: *John A. ...*
DEPUTY COUNTY RECORDER

RECORD OF SURVEY
OF BLOCK 3
OF J. KELLERSBERGER MAP OF OAKLAND
BOOK 1 OF MAPS PAGE 21
CITY OF OAKLAND
ALAMEDA COUNTY CALIFORNIA
SCALE: 1" = 50'
R/S No. 704
FEBRUARY 1985

GREENER ENGINEERING OF CALIFORNIA
OAKLAND
SHEET 1 OF 1 SHEET

Exhibit "B"

2301-04-0306

236-104

James Daly and Michael Hawkins } KNOW ALL MEN BY THESE
 To } PRESENTS; That we James Daly and
 The Oakland Gas Light Company. } Michael Hawkins doing business
 in San Francisco as

Daly & Hawkins grantors for and in consideration of fifteen thousand dollars in gold coin of the United States to us paid by the Oakland Gas Light Company a corporation duly incorporated under and by virtue of the laws of the State of California grantee the receipt whereof is hereby acknowledged do hereby grant in fee simple absolute to the said grantee all that certain real property situated in the City of Oakland, County of Alameda, State of California, bounded and described as follows to wit; Block number three (3) bounded by Jefferson Grove First and Second Streets as laid down upon the official map of the said City of Oakland.

IN WITNESS WHEREOF we have hereunto set our hands and seals this 15th day of January A. D. one thousand eight hundred and seventy five.

James Daly (Seal)
 Michael Hawkins (seal.)

State of California
 City and County of San Francisco On this fifteenth day of January in the year one thousand eight hundred and seventy five before me Eugene H. Tharp a Notary Public in and for the said City and County duly commissioned and sworn personally appeared James Daly and Michael Hawkins known to me to be the persons whose names are subscribed to the within and annexed instrument and they severally acknowledged to me that they executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and
affixed my official seal the day and year in this Certifi-
cate first above written.

(Seal.)

E. H. Tharp

Notary Public.

Recorded at request of H. H. Haight, January 22 A. D. 1875
at 36 min past 8 A. M.

B. S. Marston,

County Recorder.

State of California,
County of Alameda. } ss.

I, W. H. Kim, County Recorder in and for Alameda County, do hereby
certify that I have compared the annexed and foregoing document with the original record thereof as the same
appears in my office, in Liber 103 of Deeds
page 259, and that the annexed and foregoing document is a full, true and correct transcript
therefrom, and of the whole of such original record.

Witness my hand and official seal hereunto set this 20th

day of July A. D. 19

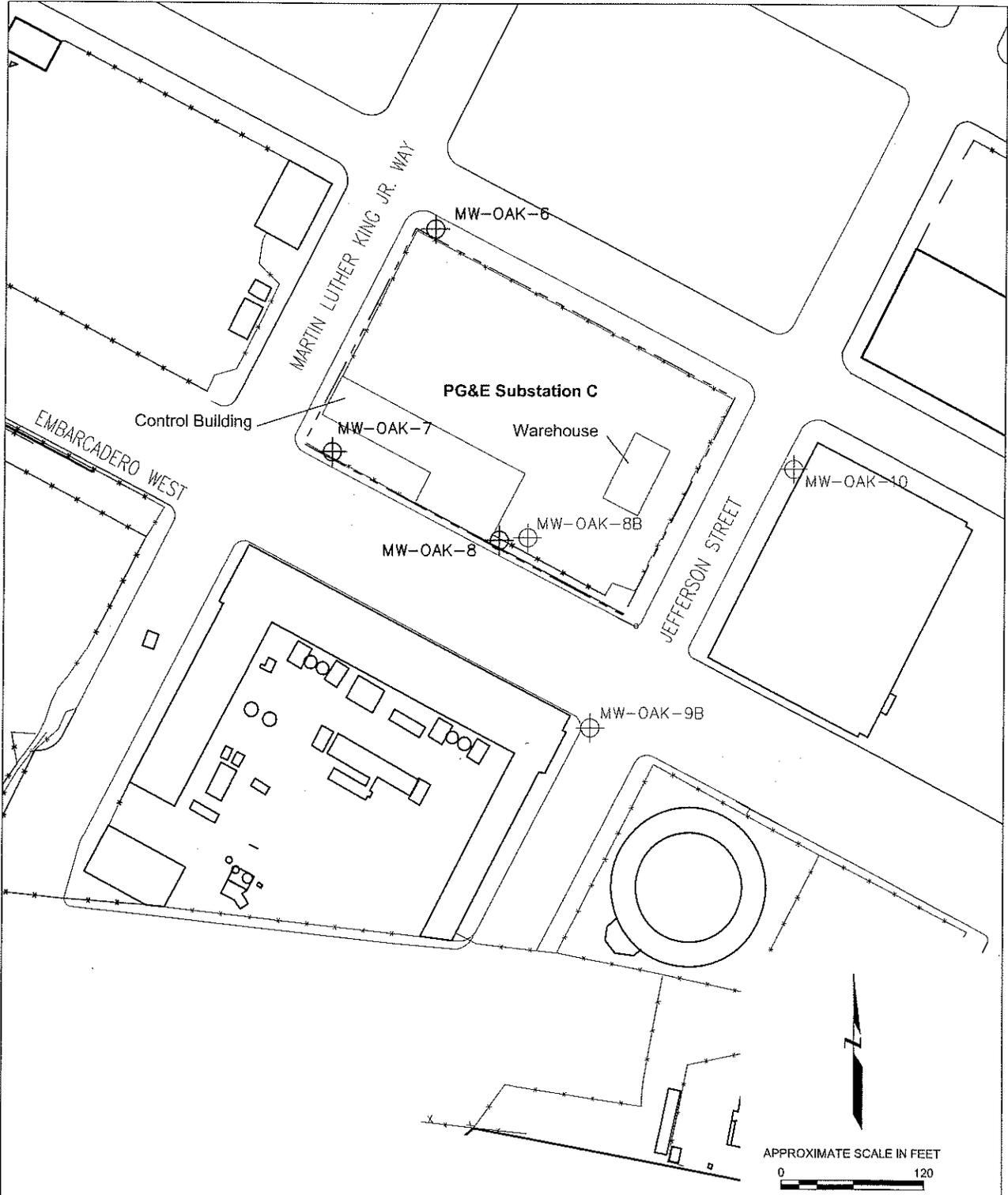
By W. H. Kim County Recorder.
C. Gregory Deputy Recorder.

Recorded at request of H. H. Haight, January 22 A. D. 1875 at 36 min past 8 A. M.

B. S. Marston,

County Recorder.

Exhibit "C"



Plot Date: 02/21/12 - 12:49pm, Plotted by: irene.skolnik
 Drawing Path: S:\OD10160142\ask_03112_0220_subst1 Drawing Name: _fig_C-01.DWG

EXPLANATION:

- Property boundary
- - - - - Fence
- ▭ Structures (existing)
- ⊕ PG&E monitoring well

Basemap source: ENV America, 2002.

LOCATIONS OF GROUNDWATER MONITORING WELLS Former Oakland-1 Manufactured Gas Plant Substation C Oakland, California		
By: VCF	Date: 02/21/12	Project No. OD10160142
		Figure 3-1