

**PHASE I ENVIRONMENTAL
SITE ASSESSMENT**

FOR:

824 HENNEPIN AVENUE
MINNEAPOLIS, MINNESOTA

PREPARED FOR:

COMMUNITY PLANNING AND
ECONOMIC DEVELOPMENT
105 5TH AVE SOUTH, SUITE 600
MINNEAPOLIS, MN 55401

PREPARED BY:

PINNACLE ENGINEERING, INC.
11541 95TH AVENUE SOUTH
MAPLE GROVE, MN 55369

MN06236.00
JUNE 12, 2006

PHASE I ENVIRONMENTAL SITE ASSESSMENT

FOR:

824 HENNEPIN AVENUE
MINNEAPOLIS, MINNESOTA

PREPARED FOR:

COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT
105 5TH AVE SOUTH, SUITE 600
MINNEAPOLIS, MN 55401

PREPARED BY:

PINNACLE ENGINEERING, INC.
11541 95TH AVENUE NORTH
MINNEAPOLIS, MINNESOTA 55369
(763) 315-4501

PINNACLE PROJECT NUMBER: MN06236.00

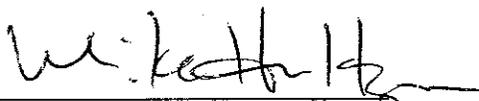
June 12, 2006

Prepared By:



Matt Witzel (for)
Environmental Scientist

Reviewed By:



Mike Hultgren
Manager-Environmental
Engineering

TABLE OF CONTENTS

	PAGE
1.0 INTRODUCTION	1
1.1 Introduction	1
1.2 Scope of Work	1
1.3 Site Location and Current Use	2
2.0 PHYSICAL SETTING	2
2.1 Topographic Review	3
2.1 Geological Review	3
2.3 Hydrogeological Review	3
2.4 Wells	3
3.0 HISTORICAL REVIEW	4
3.1 Historical Topographic Maps	4
3.2 Aerial Photograph Review	4
3.3 Sanborn Fire Insurance Maps	5
3.4 City Directory Review	6
3.5 Local Government Review	7
3.6 Interviews	7
4.0 SITE VISIT	8
4.1 Site Observation	8
4.2 Chemical Storage	8
4.3 Storage Tanks	8
4.4 Polychlorinated Biphenyls (PCBs)	8
4.5 Surrounding Area	9
5.0 REGULATORY REVIEW	9
5.1 Federal/State Records Review	9
6.0 FINDINGS	14
7.0 OPINIONS	14
8.0 CONCLUSIONS	17
9.0 STANDARD OF CARE	17
10.0 REFERENCES	17

DISTRIBUTION..... Last Page of Document

FIGURES

- Figure 1 Site Location
- Figure 2 Site Layout
- Figure 3 Sites of Potential Concern - One-Mile Radius

APPENDICES

- Appendix A Sanborn Fire Insurance Maps/EDR Report (CD-ROM)
- Appendix B Site Questionnaire
- Appendix C Site Photos
- Appendix D Site Survey Form

1.0 INTRODUCTION

1.1 Introduction

Mr. Steve Maki of Community Planning and Economic Development (CPED) retained Pinnacle Engineering, Inc. (Pinnacle) to conduct a Phase I Environmental Site Assessment (Phase I) of the Hennepin Stages (theater) property located at 824 Hennepin Avenue, Minneapolis, Hennepin County, Minnesota (Site). This assessment was performed in accordance with the CPED notice to proceed dated May 19, 2006.

It is our understanding that CPED has a contract for deed and will be selling the property to a theater group. The purpose of this assessment is to identify if any recognized environmental conditions, as defined in Section 1.2 below, are present at the Site.

1.2 Scope of Work

Pinnacle's scope of work for this Phase I conforms to the American Society for Testing and Materials (ASTM) Practice E 1527-00: Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process. The purpose of this standard practice is to define good commercial and customary practice for conducting a Phase I of a parcel of commercial real estate with respect to the range of contaminants within the scope of Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and petroleum products. As such this practice is intended to permit a user to satisfy one of the requirements to qualify for the innocent landowner defense to CERCLA liability. It can also be used on a voluntary basis by parties who wish to assess the environmental condition of a parcel of property.

In defining a standard of good commercial and customary practice for conducting a Phase I of a parcel of property, the goal of the ASTM practice is to identify *recognized environmental conditions*. The term *recognized environmental conditions* means the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of release of any hazardous substances or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property. The term includes hazardous substances or petroleum products even under conditions in compliance with laws. The term is not intended to include de minimus conditions that generally do not present a material risk of harm to public health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate government agencies.

The Phase I Environmental Site Assessment standards include:

- A review of the readily available topographic, geological, and hydrogeological information relating to the Site and the surrounding area;
- A review of the readily available historical land use information relating to the Site and surrounding area;
- A limited review of the federal, state, and local regulatory information for potential environmental hazards on and up to a mile radius of the Site;
- Visual characterization and observation of the Site to determine the presence of potential environmental hazards; and
- Preparation and submittal of a written report summarizing the findings of the Phase I Environmental Site Assessment.

Access was not available to the liquor room located in the basement of the facility at the time of our Site visit. Other than this there were no deviations from the ASTM standard practice during the preparation of this report. The ASTM basic work scope does not include an evaluation of asbestos, radon, lead-paint, lead in drinking water, building conditions, or a determination of whether the facility is in compliance with environmental or health and safety rules and regulations.

1.3 Site Location and Current Use

The Site is situated approximately one mile west of the Mississippi River, west of Hennepin Avenue, and north of 9th St. N, between the commercial buildings of 830 Hennepin Ave and 818 Hennepin Ave. The Site covers approximately .16 acre and is occupied by a building consisting of two stories and a basement with two stages, one located on the main level and the other on the top level. A Site layout map is presented as Figure 2.

2.0 PHYSICAL SETTING

Published information reviewed during preparation of this report included United States Geological Survey (USGS) 7.5' quadrangle maps, hydrogeological maps, and geologic atlases.

2.1 Topographical Review

The Site is located on a relatively level area with an elevation of approximately 850 feet above mean sea level (MSL) as reviewed on the Minneapolis South, Minnesota Quadrangle map. Based on its urban location, surficial drainage is managed through the Minneapolis storm sewer system, but the natural drainage was to the east.

2.2 Geological Review

According to published information, surficial geology of the area consists of middle terrace deposits, which are remnants of former channels and flood plains above present levels of flood plains and below the levels of adjacent moraine or outwash surfaces. The terrace deposits consist predominantly of sand, gravelly sand, and loamy sand, and are generally covered with thick fill in heavily developed areas (Meyer and Hobbs, 1989).

According to published information, bedrock geology of the area consists of the Platteville Formation, which consists of fine-grained limestone containing thin shale partings near the top and base, underlain by green, sandy shale of the Glenwood Formation (Bloomgren, et. al., 1989). The bedrock is expected to be encountered at approximately 800 feet above mean sea level (50 feet below ground surface (BGS)) (Bloomgren, et al., 1989).

2.3 Hydrogeological Review

Published hydrogeological maps indicate the groundwater in the area is flowing in an easterly direction toward the Mississippi River, subject to local variations, and the groundwater occurs at approximately 810 feet above mean sea level (approximately 40 feet BGS) (Kanivetsky, 1989). Site-specific groundwater flow conditions may be influenced by a variety of factors including, but not limited to, local topography, geologic anomalies, utilities, nearby wells or sumps, and local drainage patterns. Site-specific groundwater flow information would require a groundwater investigation, which is beyond the scope of this Phase I Environmental Assessment.

2.4 Wells

Pinnacle reviewed well records in the CWI for the area of the Site. These well records were compiled by the MGS from drilling contractor records and well log records submitted to the Minnesota Department of Health (MDH). The MGS records are not a complete listing of all wells installed, since well drillers have been required to provide well drilling records to the MDH only since 1975. The MGS did not identify any wells at the Site address, nor were any observed during the Site visit.

3.0 HISTORICAL REVIEW

Historical resources were examined to determine the past land usage of the Site and to identify land uses on nearby properties that could have had an environmental impact on the Site. Available historical information that was used during preparation of this report included aerial photographs, city directories, fire insurance maps, and interviews.

The ASIM standard requires that all obvious uses of the property be identified back to the property's obvious first developed use (including agricultural use), or to 1940, whichever is earlier, through a review of potentially useful, reasonably ascertainable, standard historical sources. The earliest, potentially useful, reasonably ascertainable, standard historical source available for the Site dated to 1885.

3.1 Historical Topographic Maps

The USGS Minneapolis South, Minnesota quadrangle map, dated 1967 (photorevised 1993), depicted the Site as a vacant area within an area of urban development north of downtown Minneapolis. The Site contained no structures. The Mississippi River was depicted approximately 4,200 feet northeast of the Site, and Hennepin Avenue was depicted immediately adjacent to the east. The area around the Site appeared mostly developed with commercial or industrial buildings.

3.2 Aerial Photograph Review

Aerial photos of the Site and surrounding area for the years 1940, 1945, 1957, 1964, 1969, 1978, 1984, 1987, 1991, and 1997 were obtained from the University of Minnesota's Borchert Map Library and were reviewed by Pinnacle. Due to dense commercial development map shadows limited site observations.

Year of Photo	Site Conditions	Surrounding Area
1940	Site shown between two commercial buildings.	Dense commercial and parking.
1945	Site shown between two commercial buildings.	Dense commercial and parking.
1957	Site shown in a commercial development.	Dense commercial and parking.
1964	Site shown in a commercial development.	Dense commercial and parking.
1969	Building 830 shown; Site is unclear	Commercial and parking.

1978	Site shown as connecting to building 830 & 814.	Commercial buildings and parking lots.
1984	Poor quality	Poor quality
1987	Site shown with building 830 and 814 connected to it.	Commercial buildings surrounding the site.
1991	Site shown with building 830 to the SW and 814 to the NE	Commercial buildings surrounding site.
1997	Shadow on map, Site not able to be determined.	Shadow on map surrounding area; not able to read.

3.3 Sanborn Fire Insurance Maps

Pinnacle obtained Sanborn Fire Insurance maps for the Site from Environmental Data Resources, Inc. (EDR) for the years 1885, 1890, 1912, 1923, 1950, 1952, 1963 and 1966. The Sanborn Fire Insurance maps contain information regarding use of the structures and locations of fuel and/or chemical storage tanks that may have been located on or near the Site. The poor quality of the Sanborn Maps limited Site observations. The Sanborn Maps are included in Appendix A.

Year of Photo	Site Conditions	Surrounding Area
1885	Site address not shown	9 th St ends at Hawthorne Ave. Surrounding area shown as dwellings, two stories.
1890	Same as 1885	Same as 1885
1912	Site shown as a parking area.	9 th St constructed to Hennepin Ave. Printing facility shown at the intersection of 9 th St and Hennepin Ave.
1923	Same as 1912	Same as 1912.
1950	Site shown and was labeled as paints.	Commercial building (822/820) and a hotel annex (818-814).
1952	Same as 1950	Same as 1950.
1963	Same as 1952	Same as 1952
1966	Same as 1963	Same as 1963
1969	Same as 1966	Same as 1966.

3.4 City Directory & Building Permit Review

City directories provide listings of businesses and residences arranged by street address for the year the directory was published. R.L Polk Minneapolis City Directories for the years 1934, 1944, 1953, 1963/64, 1974, 1984, 1993, 1996/97, and 2004 were reviewed at the Minneapolis Public Library.

Year of Listing	Site Listing	Surrounding Area
1934	Hirsh Field & Son Wall Paper	820-vacant 822-barber shop 826-bar/resturaunt 828-830- Gambles Stores-auto supply
1944	Hirschfield & Son Paint	822- barber 826-Athons Club 828-Dutro Seafood, Inc- Restaurant 830-bar & restaurant.
1953	Hirschfield & Son Paint	818-Hirschfeild building 820-Flogds Lock & Safe 822-Barber 826-828-Dutro seafood/restaurant.
1963/64	Hirschfield & Son Paint	816-818- Hirschfield building 826-Athons Club 828- Sporting Goods 830- hotel & bar
1974	Hirschfields, Inc Wallpaper and Paint	818- Hirschfields, Inc office 826-Vaccant 830- Hotel
1984	Hirschfields, Inc Wallpaper and Paint	818- Hirschfields, Inc offices 830- Saloon
1993	Hirschfields, Inc Wallpaper and Paint	818- Hirschfields, Inc Office 830- Saloon
1996/97	Hey City Stage	826-Rock bottom Brewery 828- Hotel 830- Saloon
2004	Hey City Stage	Same as 1996

Building Permits provide listings of businesses and residences arranged by street address for the year the permits were acquired. Permit Cards for the years 1920, 1930, 1940, 1951, 1960, 1967, 1973, 2004, and 2005 were reviewed at the Minneapolis Public Library.

Year of Permit	Site Alteration
1920	Alterations to store
1930	6ft x6ft tiled concrete pump house
1940	Ice cube machine
1951	Oil burning furnace with two, 265-gal storage tanks
1960	Air conditioner
1967	Gas burner
1973	Gas burner
2004	27ft x 108ft brick store.
2005	Freight elevator

3.5 Local Government Review

Pinnacle reviewed the Hennepin County Assessors Office web page for the Site address of 824 Hennepin Ave. The following information was obtained during this review:

- The property identification number (PID) for the parcel is 27-029-24-12-0056.
- The present owner of the parcel is Hirshfields, Inc.
- The lot size measures approximately 7,020 sq.ft or .16 acre.
- The year constructed was 1910.
- The property is classified as commercial-Preferred.

3.6 Interviews

Pinnacle interviewed Jason Seifert, who has been manager of the theater for two years. Mr. Seifert stated that the Site was used as a theater for 24 years. Mr. Seifert stated that paint is used in the production of sets and touch up for walls, and no other chemical products are used at this Site. Mr. Seifert stated that the surrounding properties consist of a restaurant, bar, and a hotel. He is not aware of any environmental concerns associated with the property. A copy of the Site questionnaire is included in Appendix B.

4.0 SITE VISIT

On June 7, 2006, Mr. Matt Witzel of Pinnacle performed a Site visit. The Site visit is designed to identify potential and actual environmental concerns on and adjacent to the Site. Photographs of the Site are included in Appendix C. Observations made during the Site visit were recorded in the Site Survey Form, a copy of which is attached as Appendix D. Pinnacle visited the Site at 11:15 AM, it was cloudy, and the temperature was approximately 80 degrees Fahrenheit. Mr. Witzel was accompanied by Eric Shosted (technical manager) during the Site visit.

4.1 Site Observation

The Site is situated between a hotel and a vacant café. The back of the property consisted of a parking lot. The building is two stories with a basement that runs the length of the building. The main level and the upper level have theaters located in the middle of each floor with a bar attached. The lower level houses vacant offices, dressing rooms, storage, and bathrooms. Unused kitchens are located in the basement and on the main level. The Site is located in a dense commercial portion of downtown Minneapolis.

4.2 Chemical Storage

Observations were conducted to evaluate the presence of chemical product storage. Household-size paint containers and cleaning supplies were observed throughout the building during the Site visit.

4.3 Storage Tanks

Observations were made to evaluate the presence of any underground or aboveground storage tanks at the Site. No evidence of aboveground or underground storage tanks, such as vent and fill pipes, was observed at the Site during the Site visit.

4.4 Polychlorinated Biphenyls (PCBs)

Observations were made to identify equipment that may contain polychlorinated biphenyls (PCBs). No observations of equipment potentially containing PCBs were noted on the Site. There is a pole-mounted electrical transformer along the west curb of Hennepin Avenue in the City right-of-way.

4.5 Surrounding Area

Observations of the surrounding area were performed during the Site visit. Areas adjacent to and in the vicinity of the Site are described below.

North: Two story café with upper level abandoned apartment.

Northwest: Parking lots and Hawthorne Ave followed by Target Center parking ramp.

Northeast: Side walk followed by Hennepin Ave.

West: Parking, Target Center parking ramp, and Greyhound Bus.

South: Amsterdam Hotel followed by 9th St

Southwest: Hawthorne Ave and Greyhound Bus.

Southeast: Amsterdam Hotel, Hennepin Ave, and Rock Bottom Brewery.

East: Hennepin Ave, Rock Bottom Brewery, Café, and a theater.

It should be noted that the adjacent property review was restricted to lines of sight from the Site and/or public streets.

5.0 REGULATORY REVIEW

5.1 Federal/State Records Review

EDR was commissioned to compile federal and state database information regarding potential environmental concerns at or within specified distances of the Site. Unless stated otherwise in this section, the scope of Pinnacle's review includes regulatory agency files pertaining to specific sites that may have been identified. In addition, the EDR report listed several other locations, called "orphans", facilities that could not be precisely located due to inadequate address information. During the Site visit, Pinnacle observed the Site and the surrounding area to determine if any of these listings correspond to the Site or adjacent properties. Any facilities identified by Pinnacle within the immediate vicinity of the Site are discussed in the appropriate database section. The number of listings located on each database searched, and their appropriate location with respect to the Site, are summarized in the following table.

The listings are located as shown on Figure 3. Refer to the EDR Report in Appendix A for a detailed description of each database that is searched in their evaluation.

MAP FINDINGS SUMMARY

Database	Target Property	Search Distance (Miles)	< 1/8	1/8-1/4	1/4-1/2	1/2-1	> 1	Total Plotted
Federal ASTM Standard								
NPL		1.000	0	0	0	0	NR	0
Proposed NPL		1.000	0	0	0	0	NR	0
CERCLIS		0.500	0	0	0	NR	NR	0
CERC-NFRAP		0.250	0	0	1	NR	NR	1
CORRACTS		1.000	0	0	0	0	NR	0
RCRIS-TSD		0.500	0	0	0	NR	NR	0
RCRIS Lg Quan Gen		0.250	0	0	NR	NR	NR	0
RCRIS Sm Quan Gen		0.250	22	108	NR	NR	NR	130
ERNS		TP	NR	NR	NR	NR	NR	0
State ASTM Standard								
State Haz. Waste		1.000	0	0	0	1	NR	1
MN PFP		1.000	0	0	0	0	NR	0
MN VIC		0.500	0	0	0	NR	NR	0
State Landfill		0.500	0	0	1	NR	NR	1
LUST		0.500	5	8	37	NR	NR	50
UST		0.250	7	19	NR	NR	NR	26
MN DEL PFP		1.000	0	0	0	1	NR	1
Federal ASTM Supplemental								
CONSENT		1.000	0	0	0	0	NR	0
ROD		1.000	0	0	0	0	NR	0
Delisted NPL		1.000	0	0	0	0	NR	0
FINDS		TP	NR	NR	NR	NR	NR	0
HMIRS		TP	NR	NR	NR	NR	NR	0
MLTS		TP	NR	NR	NR	NR	NR	0
MINES		0.250	0	0	NR	NR	NR	0
NPL Liens		TP	NR	NR	NR	NR	NR	0
PADS		TP	NR	NR	NR	NR	NR	0
FUDS		1.000	0	0	0	0	NR	0
DOD		1.000	0	0	0	0	NR	0
INDIAN RESER		1.000	0	0	0	0	NR	0
UMTRA		0.500	0	0	0	NR	NR	0
US ENG CONTROLS		0.500	0	0	0	NR	NR	0
ODI		0.500	0	0	0	NR	NR	0
RAATS		TP	NR	NR	NR	NR	NR	0
TRIS		TP	NR	NR	NR	NR	NR	0
TSCA		TP	0	NR	NR	NR	NR	0
SSIS		TP	NR	NR	NR	NR	NR	0
FTTS		TP	NR	NR	NR	NR	NR	0
State or Local ASTM Supplemental								
AST		0.250	3	15	NR	NR	NR	18
MN Spills		TP	NR	NR	NR	NR	NR	0
MN HWS Permit		1.000	0	0	0	0	NR	0
MN LCP		0.500	0	0	0	NR	NR	0
MN LS		0.500	1	4	8	NR	NR	13

DRYCLEANERS		0.250	0	0	NR	NR	NR	0
LAST		0.500	0	2	4	NR	NR	6
CDL		TP	NR	NR	NR	NR	NR	0
MN Enforcement Log		TP	NR	NR	NR	NR	NR	0
BULK		TP	NR	NR	NR	NR	NR	0
MN AGSPILLS		TP	NR	NR	NR	NR	NR	0
EDR Proprietary Databases								
Manufactured Gas Plants		1.000	0	0	0	2	NR	2
Brownfields Databases								
US Brownfields		0.500	0	0	1	NR	NR	1
US INST Control		0.500	0	0	0	NR	NR	0
MN VIC		0.500	1	4	7	NR	NR	12
INST Control		0.500	0	0	0	NR	NR	0

TP = Target Property

NR = Not Requested at this Search Distance

* Sites may be listed in more than one database

Additional information about the individual listings can be found in Appendix A.

Comprehensive Environmental Response, Compensation-No Further Remedial Action Planned (CERC-NFRAP)

Archived sites are sites that have been removed and archived from the inventory of CERCLIS sites.

- A review of the CERCLIS-NFRAP list, as provided by EDR, has revealed one CERCLIS-NFRAP listing within ½ mile of the Site.

Resource Conservation and Recovery Information System - Small-Quantity Generators - RCRIS-SQG

RCRIS sets the standards by which hazardous waste generators are classified. Facilities listed under RCRIS-SQG are small-quantity generators that generate from 100 kilograms (kg) to 1,000 kg of hazardous waste per month. Inclusion on this list does not indicate that a release or mishandling of material has occurred.

- A review of the RCRIS-SQG list, as provided by EDR, has revealed 130 RCRIS-SQG listings within ¼ mile of the Site.

State Hazardous Waste Sites (SHWS)

The Minnesota Pollution Control Agency (MPCA) Site Remediation System Database (SHWS) is a listing of all sites that the State Superfund Program is dealing with or has dealt with. The Superfund Program identifies, investigates, and determines appropriate cleanup plans for abandoned or uncontrolled hazardous waste sites where a release or potential release of a hazardous substance poses a risk to public health or the environment.

- A review of the SWHS list, as provided by EDR, has revealed one SWHS listing within one mile of the Site.

MN VIC - Voluntary Investigation and Cleanup Program

The MPCA Voluntary Investigation and Cleanup Unit List is a registry of properties at which a voluntary investigation and/or cleanup has been or is being conducted, with MPCA staff providing technical review of the investigation and any necessary remedial activities.

- A review of the MN VIC list, as provided by EDR, has revealed 12 MN VIC listings within ½ mile of the Site.

State Landfills

The MPCA maintains an inventory of permitted solid waste disposal facilities. The database may contain active facilities or inactive sites that failed to meet RCRA criteria pertaining to closure of the facility.

- A review of the State Landfill list, as provided by EDR, has revealed one MN State Landfill listing within ½ mile of the Site.

LUSI - Leak Sites

This list is from the MPCA Underground Storage Tank Information System database and lists those leaks or releases that have been reported.

- A review of the LUST list, as provided by EDR, has revealed 50 LUST listings within ½ mile of the Site.

UST - Underground Storage Tank Database

This list is from the MPCA Underground Storage Tank Information System database that contains information about registered USTs. These lists are managed and continuously updated by MPCA staff. Inclusion in this list does not imply that a release has occurred.

- A review of the UST list, as provided by EDR, revealed 26 UST listings within ¼ mile of the Site.

AST-Aboveground Storage Tanks

The AST database contains a list of ASTs that have been registered with the MPCA.

- A review of the AST list, as provided by EDR, has revealed 18 AST listings within ¼ mile of the Site.

LAST - Leak Sites

This list is from the MPCA Aboveground Storage Tank Information System database and lists those leaks or releases that have been reported.

- A review of the LAST list, as provided by EDR, has revealed six LAST listings within ½ mile of the Site.

Deleted Permanent List of Priorities - Deleted PLP

This generally means that no more cleanup at a PLP site is needed or that no state superfund funding is needed for long term monitoring activities.

- A review of the Deleted PLP list, as provided by EDR, has revealed one Deleted PLP listing within one mile of the Site.

Minnesota List of Sites and Open Dump Inventory (MN LS)

This database is a combination of two previously separate databases. The MPCA 1980 Metropolitan Area Waste Disposal Site Inventory is a collection of U.S. Geological Survey topographic maps and Hudson's Street Maps that show the locations of abandoned dumps, demolition sites, tree disposal sites, fly ash sites, foundry sand and slag sites, surface impoundments, and other dumps within the Twin Cities Metropolitan area. The MPCA 1980 Statewide Open Dump Inventory is a collection of lists and maps that show the locations of municipal waste disposal facilities, industrial surface impoundments, and closed municipal dump sites. Most of these sites were discovered prior to the creation of the MPCA, and detailed information about listings on these databases is generally not available.

- A review of the MN LS list, as provided by EDR, has revealed 13 MN LS listings within ½ mile of the Site.

US-Brownfields

This is a listing of brownfields properties addressed by Cooperative Agreement Recipients and Targeted Brownfields Assessments.

- A review of the US-BROWNFIELDS list, as provided by EDR, has revealed one US-Brownfields listing within ½ mile of Site.

Manufactured Gas Plants

Manufactured gas plants were used in the United States from the 1800's to 1950's to produce a gas that could be distributed and used as fuel.

- A review of the Manufactured Gas Plants list, as provided by EDR, has revealed two listings within one mile of Site.

6.0 FINDINGS

A review of records reasonably obtainable for the Site, visual observations of the Site, and interviews with the Site contact identified the following environmental concerns associated with past and current land usage of the Site:

- The building at the Site was historically occupied by a retail paints dealer.
- A building permit documented that two, 265-gallon, ASTs were installed with an oil burning furnace in 1951.

A review of regulatory records provided by EDR revealed the following potential environmental concerns within a one-mile radius of the Site:

- One CERC-NFRAP listing within ¼ mile of the Site.
- One hundred thirty RCRA-SQG listings within ¼ mile of the Site.
- One SHWS listing within one mile of the Site.
- Twelve MN VIC listings within ½ mile of the Site.
- Fifty LUST listings within ½ mile of the Site.
- Twenty-six UST listings within ¼ mile of the Site.
- Eighteen AST listings within ¼ mile of the Site.
- Six LAST listings within ¼ mile of the Site.
- One MN DEL PLP listing within one mile of the Site.
- Thirteen MN LS listings within ½ mile of the Site.
- One US-Brownfield listing within ½ mile of the Site.
- Two manufactured Gas Plants listings within one mile of the Site.

7.0 OPINIONS

Historical information indicates that the building at the property was occupied by retail store that sold paint and wallpaper prior to its current use as a theater. Hirschfield's Paint and Wallpaper occupied the building from at least 1934 until 1993. It would be

expected that paint and possibly other painting-related chemicals would have been stored at the Site. However, based on the retail nature of the property and lack of information regarding any paint manufacturing, it would be expected that paint would be stored in small containers and not mixed in large quantities at the Site. Based on the retail nature of the paint use at the Site, it is our opinion that the historical use of the building as a paint store would not be considered an ASTM recognized environmental condition.

A building permit dated 1/12/1951 stated that an oil-burning furnace was installed with two, 265-gallon ASTs, presumably containing fuel oil. Building permits dated 11/28/1967 and 1/27/1973 documented installation of a gas burner. No evidence of the ASTs was observed during the Site walkover, and there was no evidence of staining, spills or odors in the building. Both ASTs were likely removed with the installation of the gas burners. Based on the likelihood that the ASTs were situated inside of the building, which would act as secondary containment in the event of a release, the fact that no spill or leak was reported for the property, and the lack of odors or staining in the building during the Site visit, it is our opinion that the former ASTs and oil burner pose a minimal environmental threat to the Site and would not be considered an ASTM recognized environmental condition.

With regard to off-Site regulatory listings identified in the EDR report, three identified regulatory listings within 1/8 mile of Site could pose an environmental threat to the Site, as follows:

1. Alphagraphics at 825 Hennepin Avenue is listed as a RCRA-SQG. This listing is situated across Hennepin Avenue from the Site, and the EDR report did not list any violations. Based on its location to the southeast of the Site, published easterly ground water movement, and its regulatory status, it is our opinion that Alphagraphics poses a minimal environmental threat to the Site and would not be considered an ASTM recognized environmental condition to the Site.
2. Carmichael Lynch at 800 Hennepin Avenue was identified as an AST and a RCRA-SQG on the EDR report. This location is situated northwest of the Site at the intersection of 8th Street North and Hennepin Ave. The listing was identified as having a 14,000-gallon fuel oil tank that was removed in compliance with MPCA guidance. No LAST listing was associated with this AST; therefore, it is our opinion that the AST listing poses a minimal environmental threat to the Site. This address was also listed on the RCRA-SQG database. The listing did not have any violation associated with it and the listing is not situated directly adjacent to the Site; therefore, it is our opinion that the RCRA-SQG poses a

minimal environmental threat to the Site. Based on the information, it is our opinion that the AST and SQG listings on this property pose a minimal environmental threat to the Site and would not be considered an ASTM recognized environmental condition to the Site.

3. The property at 29 N 9th Street was listed as multiple businesses on the EDR database, including Hawthorne transportation Center, Malkerson Sales Inc., and Greyhound Bus Lines, Inc. These businesses were associated with a MN VIC, MN LS, LUST, MN Spills, RCRA-SQG, and an AST listing on the EDR database. This property is situated northwest of the Site across Hawthorne Avenue.

The MN LS and MN VIC listings are associated with Hawthorne Transportation Center. The MN VIC listing involved the removal of 20 cubic yards of sludge/soil on the property. The MN LS listing is most like associated with the disposal of contaminated soil that was involved with the MN VIC clean up.

The LUST and MN Spills listings are associated with Malkersons Sales, Inc. The LUST has a closed status with the MPCA, indicating that the release has been investigated and remediated to the satisfaction of the MPCA, who no longer consider the release an environmental threat to public health or the environment. According to the MPCA web site, off site contamination from this release is unknown for the LUST release. The MN Spills listing is related to an overfill that occurred while filling a bus at the property.

Greyhound Bus Lines is listing as having an active 4,000-gallon fuel oil AST, which was registered with the MPCA in 1993. No LAST listing was associated with Greyhound Bus Lines, suggesting that no release has occurred from the AST.

Due to the proximity of these listings to the Site and published easterly ground water flow, the potential exists that groundwater contamination could have migrated beneath the Site. However, the identified releases at the listings appear to have been investigated and cleaned up to the satisfaction of the regulatory agency. Based on the regulatory status of the identified releases, it is our opinion that the contaminants identified at the 29 Ninth Street address would represent a de minimis condition, according to the ASTM Standard and would not be considered a recognized environmental condition to the Site.

The remaining identified regulatory listings were mostly situated to the north, south, and east, between the Site and the Mississippi River. Due to their distance from the

Site, regulatory status, type of listing, and/or their position with respect to the published groundwater flow direction, the remaining listings identified by EDR and listed in Section 5.0 are not likely to have a negative impact on the Site and would not be considered ASTM recognized environmental conditions.

8.0 CONCLUSIONS

Pinnacle Engineering, Inc. (Pinnacle) has performed a Phase I Environmental Site Assessment, in conformance with the scope and limitations of ASTM Practice E 1527-00, of the Hennepin Stage Theater located at 824 Hennepin Ave in Minneapolis, Minnesota. Any exceptions to, or deletions from, this practice are described in Section 1.3 of this report. This assessment has revealed no recognized environmental conditions in connection with the Site.

9.0 STANDARD OF CARE

This report has been prepared for the exclusive use of CPED. No other parties may rely on the contents of this report unless authorization is obtained from Pinnacle and CPED. Environmental services performed by Pinnacle's scientists and engineers for the project have been conducted in a manner consistent with the degree of care and technical skill appropriately exercised by environmental professionals currently practicing in this area. Recommendations or opinions contained in this report represent our professional judgment and are generally based upon available information and currently accepted practices for environmental professionals. Other than this, no warranty is expressed, nor is it implied. Information in this report obtained during interviews was accepted in good faith. Information obtained through databases is limited to the accuracy of those databases.

This report has been prepared by Matt Witzel, an Environmental Scientist at Pinnacle. He has a Bachelor of Science in Environmental and Technical Studies from St. Cloud State University. Mike Hultgren, the Manager-Environmental Engineering at Pinnacle, has reviewed this report. Mr. Hultgren is a professional geologist with over nineteen years of professional experience.

10.0 REFERENCES

USGS, *Minneapolis South, Minnesota Quadrangle, 7.5-Minute Series (Topographic)*, Revised 1993, U. S. Geological Survey, Reston, Virginia, 1967.

Olsen, Bruce M., and Bruce A. Bloomgren, *Geologic Atlas - Hennepin County, Minnesota, Atlas C-4, Plate 2 of 9, Bedrock Geology*, Minnesota Department of Natural Resources, St. Paul, Minnesota, 1989.

Meyer, Gary M., and Howard C. Hobbs, *Geologic Atlas - Hennepin County, Minnesota, Atlas C-4, Plate 3 of 9, Surficial Geology*, Minnesota Department of Natural Resources, St. Paul, Minnesota, 1989.

Bloomgren, Bruce A., Jane M. Cleland, and Bruce M. Olsen, *Geologic Atlas - Hennepin County, Minnesota, Atlas C-4, Plate 4 of 9, Depth to Bedrock*, Minnesota Department of Natural Resources, St. Paul, Minnesota, 1989.

Minneapolis Public Library: R.L. Polk Minneapolis City Directories, 1934, 1944, 1953, 1963/64, 1974, 1984, 1993, 1996-97, and 2004.

Kanivetsky, Roman, *Geologic Atlas - Hennepin County, Minnesota, Atlas C-4, Plate 5 of 9, Quaternary Hydrogeology*, Minnesota Department of Natural Resources, St. Paul, Minnesota, 1989.

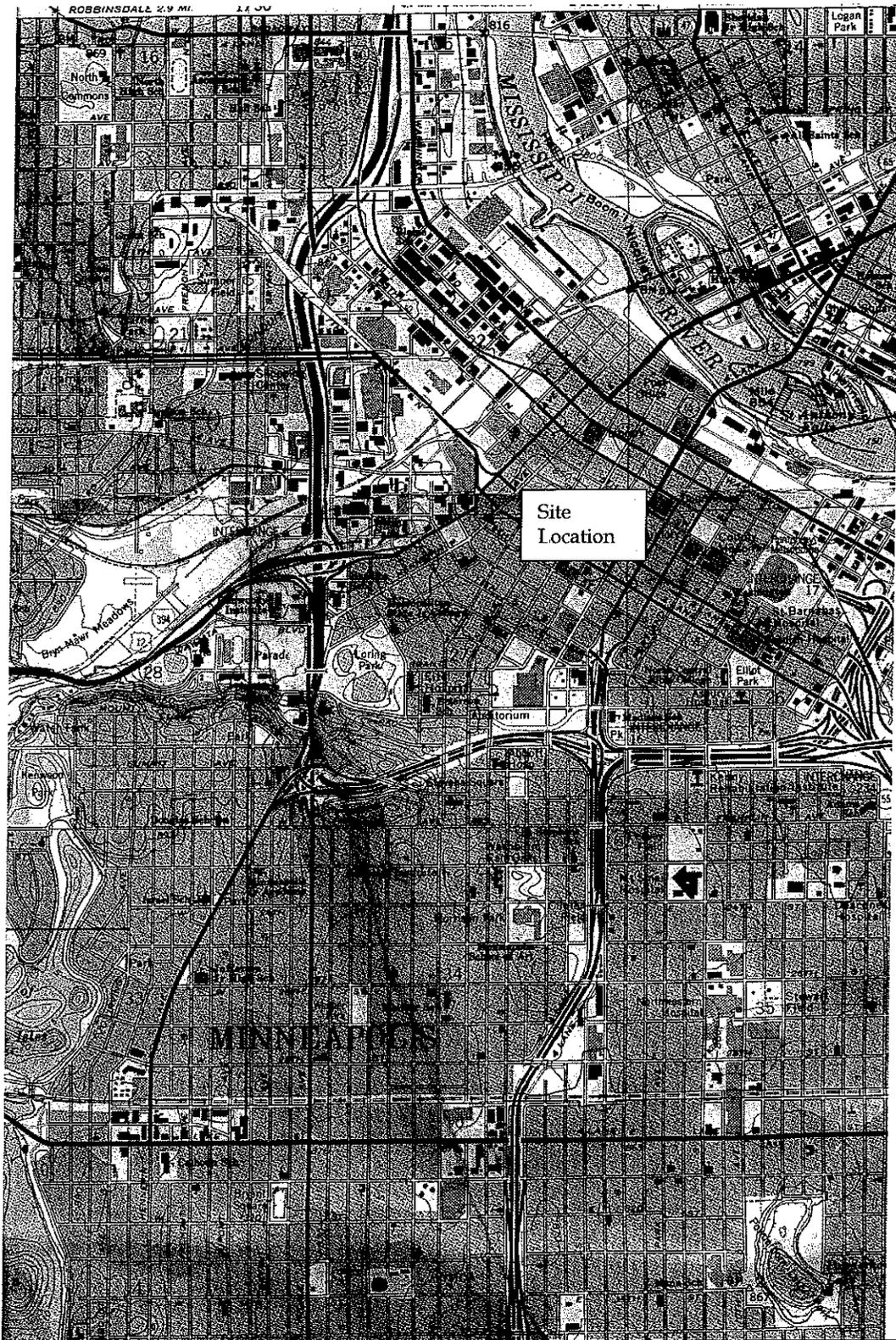
Sanborn Fire Insurance Maps, provided by Environmental Data Resources (EDR): 1885, 1890, 1912, 1923, 1950, 1952, 1963, 1966, and 1969.

City Building Permit Cards, Provided by Minneapolis Public Library, 1920, 1930, 1940, 1951, 1960, 1967, 1973, 2004, and 2005.

Aerial Photographs reviewed at the University of Minnesota-Borchert Map Library:

DATE	PHOTOGRAPH I.D.
1940	WN-2A-73
1945	A17-112
1957	WN-1T-75
1964	WN-2EE-101
1969	WN-1KK-149
1978	EVZ-700
1984	GWX-528
1987	KDB-520
1991	NAPP-3131-47
1997	EAST 93-005-672

FIGURE ONE
Site Location



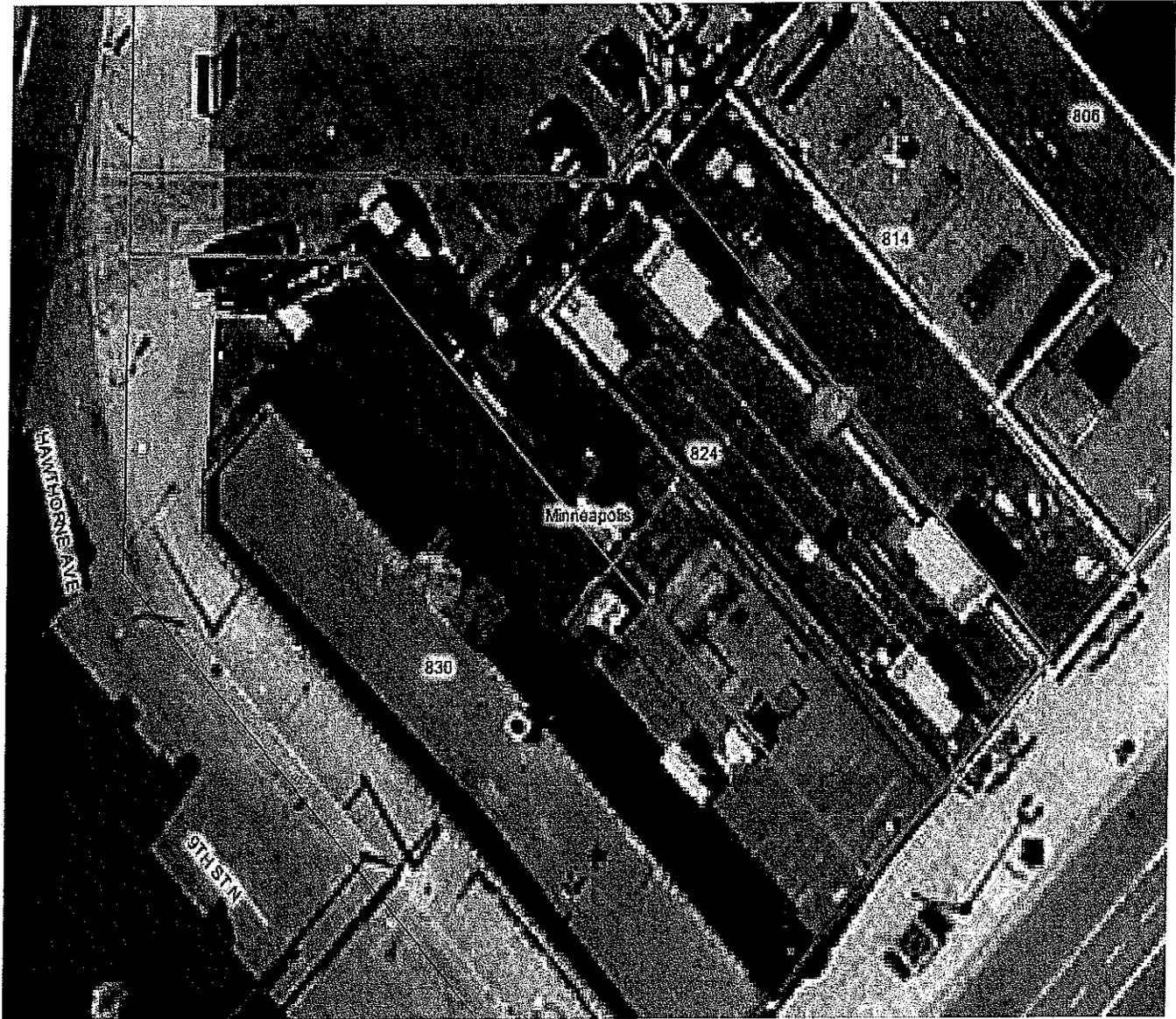
**Pinnacle
Engineering**

11541 95th Avenue N, MN 55369
Phone: 763-315-4501, Fax: 763-315-4507



Figure 1
Site Location
824 Hennepin Ave.
Minneapolis, MN

FIGURE TWO
Site Layout



**Pinnacle
Engineering**

11541 95th Avenue N, MN 55369
Phone: 763-315-4501, Fax: 763-315-4507



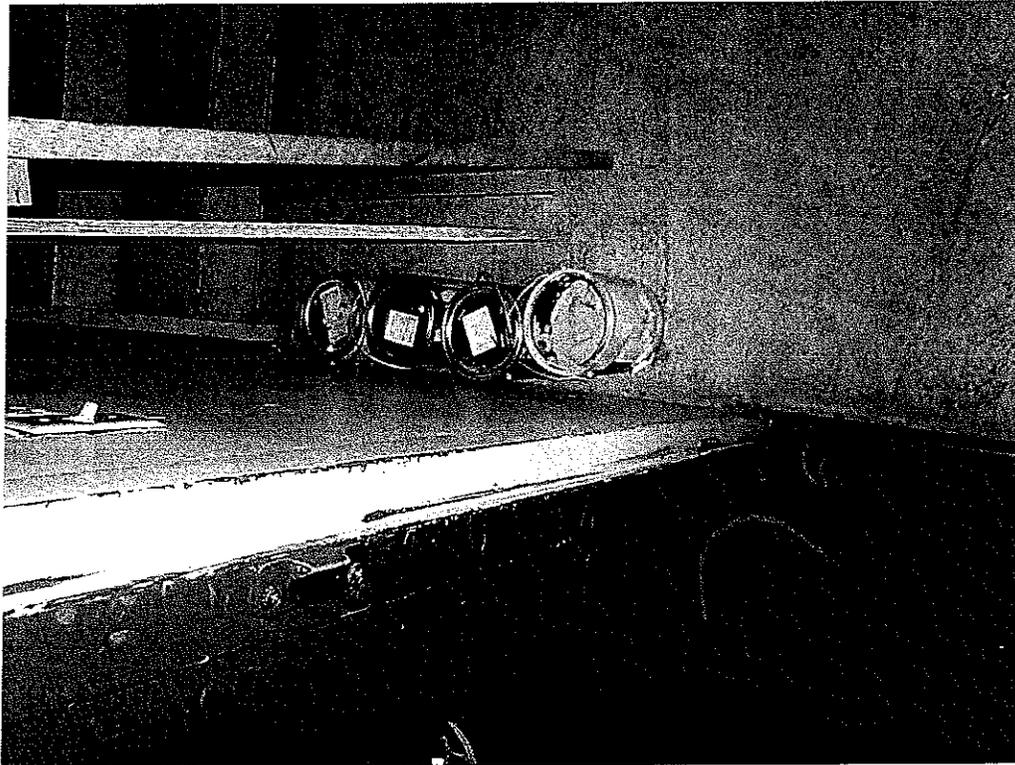
**Figure 2
Site Layout
824 Hennepin Ave
Minneapolis, MN**

FIGURE THREE
Sites of Potential Concern
One -Mile Radius

APPENDIX A
Sanborn Fire Insurance Maps/
EDR Report

(on CD-ROM)

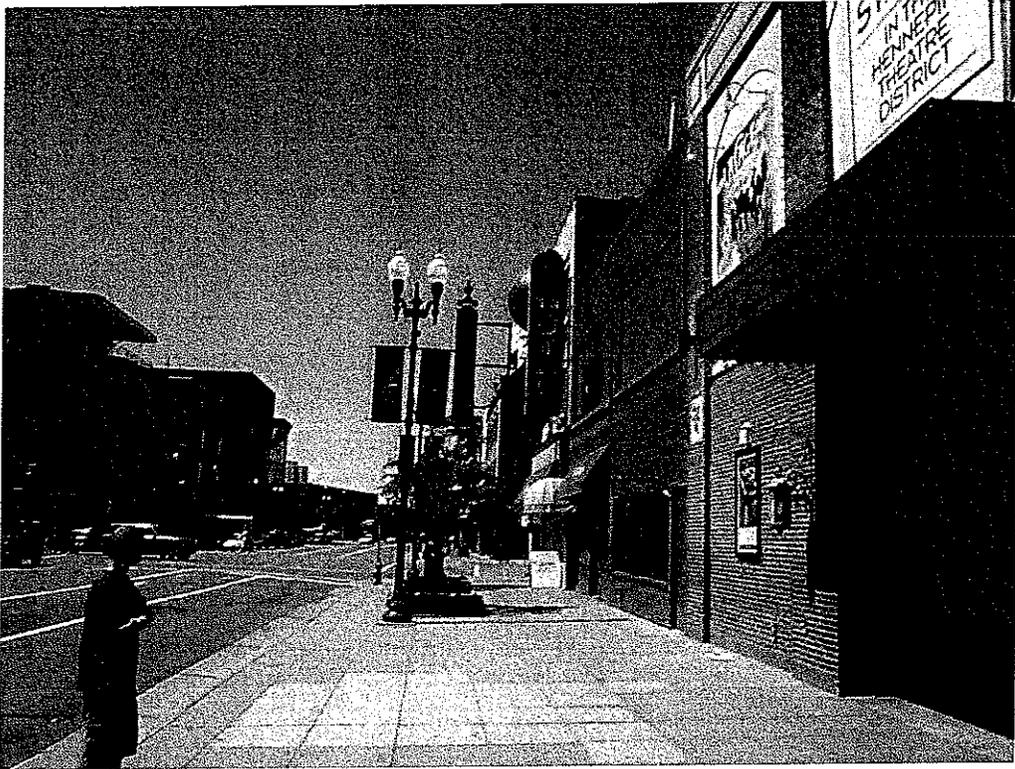
APPENDIX B
Site Photos



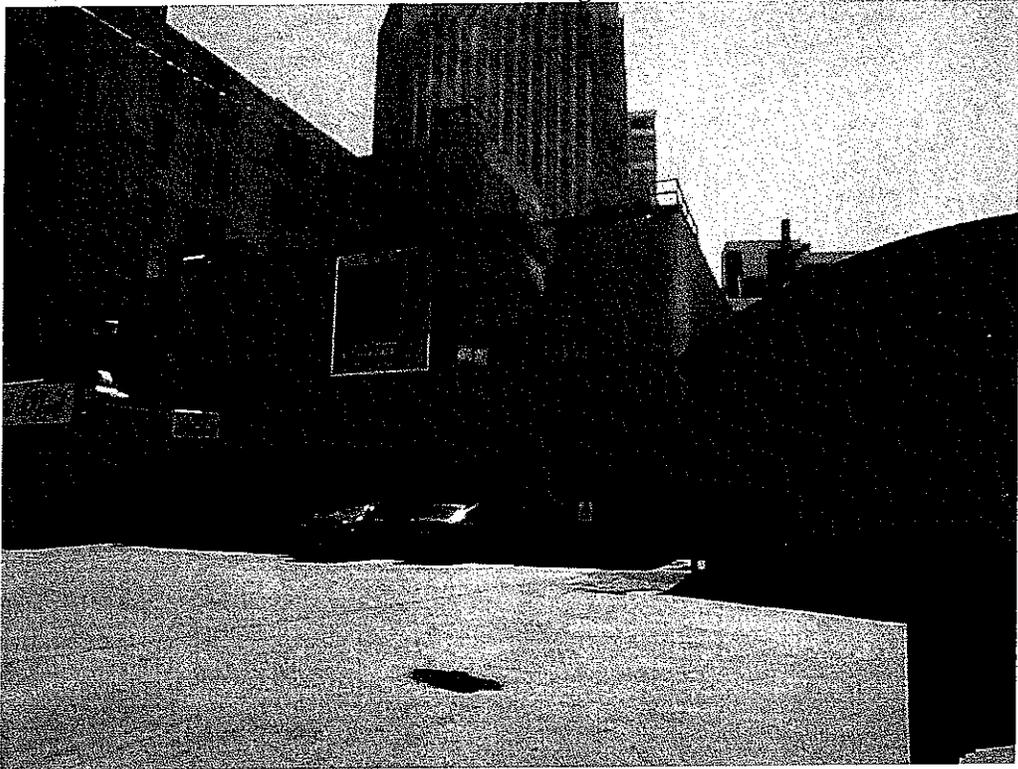
View of household sized paint containers.



View of property looking west.



View of Site looking South



View of Site looking east.

APPENDIX C
Site Survey Form

Pinnacle Engineering, Inc.
Site Survey Form

Conducted By: MAT WITZEL Date: 6-7-06

Site: Hennepin stages Project Number: MN06236.FI

Weather: Sunny ~ 85° Time: 11:15

Site Representative: Eric Title: Technical manager
1 year

Part 1
Site Setting

1 Current Occupants and Uses of Site: Theater

2 Past Occupants and Uses of Site, if known: Theater

3 Current Occupants and Uses of Adjoining Properties:

NORTH: Adjacent ^{1st level} catwalk / ^{818 Hennepin Ave} Res Adornment ^{2nd level}

NORTHEAST: Side way 11k Hennepin Ave

NORTHWEST: parking / ~~commercial~~ Target Center Run

SOUTHEAST: same as south with Rock Bottom Plaza

SOUTH: AMSTER DAM HOTEL / 9TH ST.

SOUTHWEST: ~~AMSTER DAM HOTEL~~ ^{Hill Thorne Ave} Greyhound Bus

WEST: Target Center parking ramp, ¹⁷⁰⁰ Greyhound ^{Thorne}

EAST: Hennepin Ave / ¹⁷⁰⁰ Rock Bottom ^{Thorne}

brewery /
catwalk / Theater

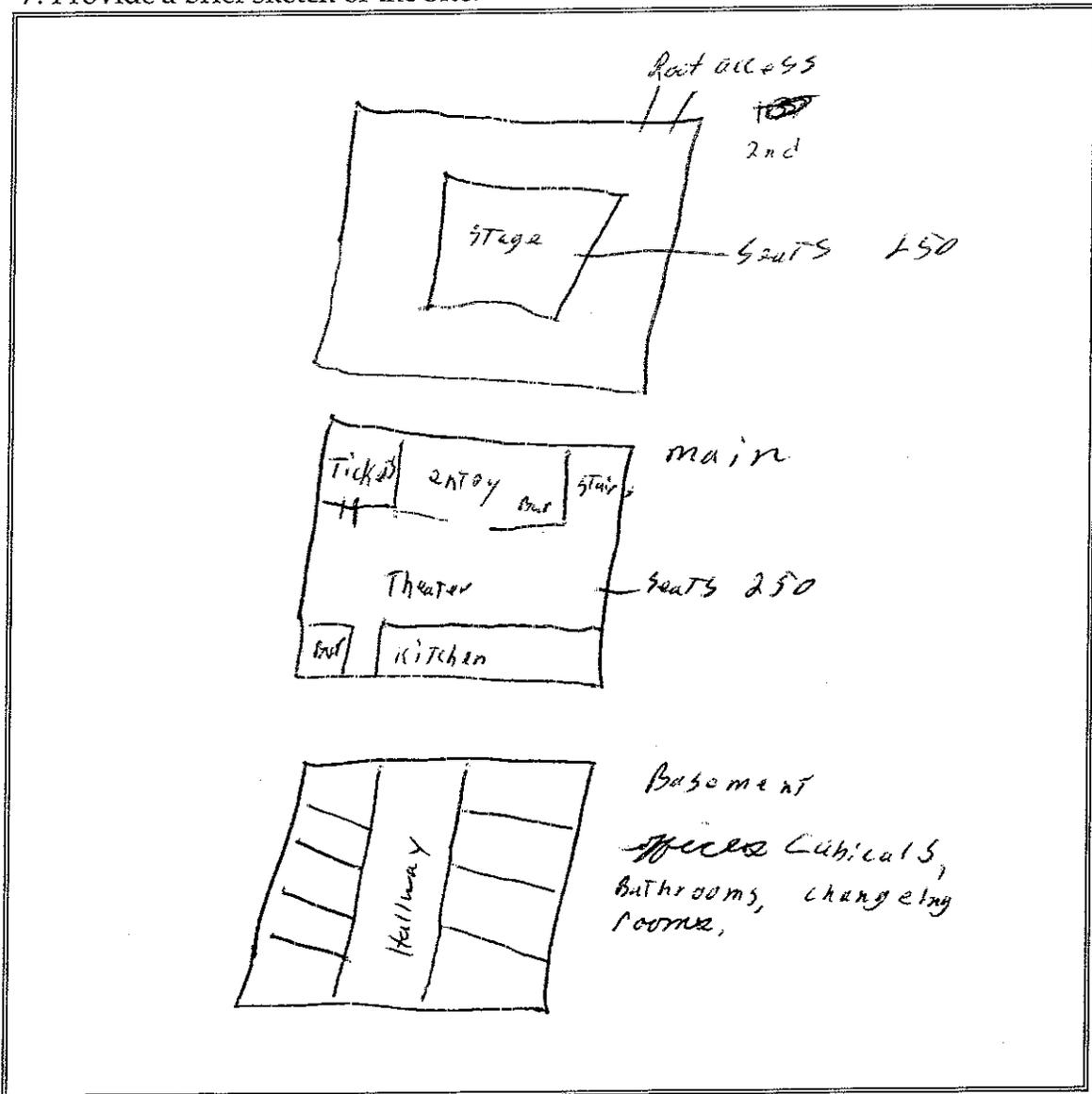
4. Past Occupants and Uses of Adjoining Properties, if known: _____

Restaurant, residential

5. General Current or Past Uses of Area (residential, commercial, agricultural, industrial, etc.): dense commercial

6. Roads Adjoining Site: Hennepin Ave, 9th St

7. Provide a brief sketch of the Site.



Part 2
Environmental Setting

YES NO 8. Are wetlands present? If yes, describe type, size, and location. Is there any evidence of waste disposal in this area?

YES NO 9. Are wooded areas present? If yes, describe type, size, and location. Is there any evidence of waste disposal in this area?

YES NO 10. Are there any bodies of water? If yes, describe. Is there any evidence of waste disposal in this area?

11. If possible, provide a description of the soil. dense commercial

12. Provide a topographic description of the area. flat concrete

YES NO 13. Are gas stations, industrial facilities, drycleaners, etc. near the Site? If yes, describe distance and location relative to Site:

YES NO 14. Is there anything obvious at the Site that would make contaminant migration easier (i.e. utility lines, ditches, springs)? If yes, describe.

15. Provide a general description of the Site: _____

~~the~~ theater / Bar

Hennerin stages 2 year ago from date

Theaters on main level and on second floor. Basement houses offices dressing rooms and bathroom. Kitchen on main and lower are unused.

Back theaters are used as well as dressing rooms all other rooms are used as storage

Part 3
Site Structures

16. Number of structures on Site: 1 Building

a. Describe structure 1:

Height in stories: 2 stories 1 basement

Approximate age: _____

Use: Theater

General Description: Theater

b. Describe structure 2:

Height in stories: _____

Approximate age: _____

Use: _____

General Description: _____

c. Describe structure 3:

Height in stories: _____

Approximate age: _____

Use: _____

General Description: _____

NOTE: If more than three structures are present at the Site, describe the other structures in Part 6 or attach additional pages.

17. Provide a floorplan sketch of each structure at the Site.

A large, empty rectangular box with a thin black border, intended for a hand-drawn floorplan sketch of a structure at the site. The box is oriented vertically and occupies most of the page's width and height.

Part 4
Environmental Concerns

Interior and Exterior

YES

18. Are there any hazardous substances or petroleum products observable on the Site? Describe the types and quantities.

Multiple household sized
paint containers and cleaning supplies.

YES NO

19. Are there any storage tanks observable on the Site? Describe the location, type and condition.

YES NO

20. Are there any strong, noxious, or pungent odors present at the Site? If yes, describe odor and location.

YES NO

21. Are there any pools of liquid on the Site? Describe location, size, and appearance.

YES NO

22. Are there any drums at the Site? If so, describe location, labeling, condition, and contents if known.

YES NO

23. Are there any hazardous substance or petroleum products containers? If yes, describe location, type and quantity.

House hold cleaning & paint

YES NO

24. Are there any unidentified substance containers on the Site? Describe the location, condition, and quantity.

YES NO

25. Is there any electrical or hydraulic equipment that may contain PCB's? Describe equipment and location.

YES NO

26. Are there any drains or sumps on the Site? If yes, describe location, condition, and outfall if known.

floor drains
throughout entire building
levels.

YES NO

27. Are there signs of stains or corrosion present on either the walls, floors, or ceilings of the buildings. Describe location, size, and appearance.

YES NO

28. Are there any pits, ponds or lagoons on the Site? Describe location, type, and whether or no there are signs of waste disposal.

YES NO

29. Is there any stained soil or pavement present on the Site? Describe appearance, size, and location.

YES NO 30. Is there any stressed vegetation at the Site? Describe location, size, and appearance.

YES NO 31. Are there any areas that appear to be filled or graded by non-natural causes or that appear to contain solid waste? Describe.

YES NO 32. Are there any wells on the Site. If yes, describe location, type, age (if known), and status.

YES NO 33. Is there a cesspool or septic system? If yes, describe.

YES NO 34. Is there a waste water discharge? Describe the type and location where the discharge goes.

CITY CONNECTIONS

Miscellaneous Concerns

35. List the source of potable water for the Site. CITY

36. Describe the means of heating and cooling the buildings including fuel

forced @ natural gas on
Roof forced Air

37. Additional information about Site or surrounding area:

dense commercial

Part 6
Additional Notes/Sketches

APPENDIX D
Site Questionnaire

PHASE I ENVIRONMENTAL SITE ASSESSMENT QUESTIONNAIRE
OFFICE AND COMMERCIAL PROPERTIES

Description of Site: THEATRE AND OFFICE SPACE

Address: 824 HENNINGEN AVE
MPS MN 55403

Person Completing this Survey: HISTORIC THEATRE GROUP, LLC (JASON SERRA)

Phone Number: 612-373-5600

Relationship to Site (owner, occupant, etc.): MANAGER
For how long? 2 YEARS

- 1. How large is the property?

- 2. How many buildings are on the property? ONE

Please complete the following table to the best of your knowledge. Attach additional pages if necessary.

Building (or addition)	Size (in square feet)	Year Built	Use

3. To the best of your knowledge, what was the Site used for prior to construction of the existing building(s)? Attach additional pages if necessary.

4. Please complete the following table to the best of your knowledge for current occupants. Attach additional pages if necessary.

Business Name	Building or Unit Number	How many years at the Site?	Type of Business
HENNINGER STABLES	824 HENNINGER	24 years	THEATRICAL

5. Please complete the following table to the best of your knowledge for all past occupants. Attach additional pages if necessary.

Business Name	Building or Unit Number	Years in operation at the Site	Type of Business
HEY GEN THEATRE	824 HENNINGER	N/A	THEATRICAL

6. To the best of your knowledge, has the following occurred on the property?

- 5a. Illegal dumping? Yes No
- 5b. Fill from a contaminated source? Yes No
- 5c. Fill from an unknown source? Yes No
- 5d. Damaged or discarded automotive or industrial batteries? Yes No
- 5e. Spills of more than one-half gallon of any chemical? Yes No
- 5f. Paint storage or use? Yes No
- 5g. Automotive repair or salvage? Yes No
- 5h. Manufacturing or commercial production? Yes No
- 5i. Uncontrolled or unplanned fires? Yes No
- 5j. Fires to burn materials other than wood? Yes No
- 5k. Gasoline station? Yes No
- 5l. Commercial printing? Yes No
- 5m. Dry-cleaning? Yes No
- 5n. Photo developing? Yes No
- 5o. Use as a junkyard, landfill, or waste disposal? Yes No
- 5p. Bulk chemical storage or distribution? Yes No
- 5q. Burial of any wastes or waste material? Yes No

Please provide additional information on any yes answers. Attach additional pages if necessary.

PAINT USED ^{IN THE} CONSTRUCTION OF SETS & TO REPAIR WALLS.

7. Have there ever been tanks, above or underground, at the Site?
 (This includes fuel oil, gas, diesel, fertilizers/pesticides, and any other tanks)

Yes No
 Unknown

If yes, please complete the following table to the best of your knowledge. Use one line per tank that has been or is present. Add additional pages if necessary.

If unknown, do you think there are likely to have been tanks present? Why or why not?

Tank Size (Approx. if unknown) in gallons	Under or above ground?	What was stored in the tank?	Location of tank on Site	Years present (approx. if unknown)	Any testing or upgrade records?	Any leaks or problems you are aware of? If yes, elaborate

8. Please provide additional information on any known leaks, spills or other tank-related problems.

9. Are there any fill or vent pipes on the Site that are not known to be associated with a current tank? If yes, describe. Attach additional pages if necessary.

Yes No

10 Other than the tanks discussed on the previous page, has there been any chemicals stored or used on the site in individual containers of greater than 5 gal (19L) in volume? This includes all chemical drums.

Yes No
 Unknown

If yes, complete the following table to the best of your knowledge. Attach additional pages if necessary.

Chemical	Container Size	Location Stored or Used	Purpose

11. Is the Site serviced with city water?

Yes No
 Unknown

12. Have there been any wells on the Site?

Yes No
 Unknown

If yes, please answer the following questions.

How many have been present on the Site?

How deep is the well or wells?

When was the well or wells installed?

Is the well still active?

Do you have well construction records?

If applicable, do you have any well abandonment records?

13 Have there ever been any stained areas on the ground at the Site?

Yes No
 Unknown

If yes, where and when has it been noticed? Attach additional pages if necessary.

14. Have there ever been any areas of stressed vegetation on the Site?
If yes, where and when has it been noticed?

Yes No
 Unknown

15. Is the building serviced by city sewer?

Yes No
 Unknown

16. Is there or has there been a septic system on the Site?
If yes, where?

Yes No
 Unknown

17. To the best of your knowledge, are there any flammable waste traps or
other wastewater pretreatment systems on the Site? If yes, where?

Yes No

18. To the best of your knowledge, are there or has there been any other waste
disposal pits, ponds, or lagoons? If yes, where?

Yes No

19. Are there any floor drains in the buildings? If yes, where are they, what is discharged into the floor drains, and to where do they drain? Yes No

20. Are there any structures or pipes on the Site that you do not know the purpose for? If yes, describe item and location. Yes No

21. Is there hydraulic equipment at the Site? If yes, what and where? Yes No

22. Do any transformers or capacitors at the Site contain PCBs? Yes No
If yes, where are they located? Unknown
If unknown, where are all the transformers and capacitors located?

23. What are the surrounding properties currently used for? (Describe in detail. Attach additional pages if necessary.)

TO THE LEFT OF THE SITE THERE IS A BAR (SALOON) AND A HOTEL (AMSTERDAM). TO THE RIGHT IS A VACANT BUILDING (OWNER UNKNOWN). ALSO, THERE IS A PARKING LOT THAT SURROUNDS THE BUILDINGS.

24. To the best of your knowledge, what have been the previous uses of the surrounding properties? (Describe in detail. Attach additional pages if necessary.)

BAR & HOTEL TO THE LEFT
RESTAURANTS TO THE RIGHT NOW CLOSED
(DE NAPOLI)

25. Are you aware of any tanks that are or have been on the surrounding properties? If yes, which property, approximately when were the tanks installed, and what are or were the tanks used for?

Yes No

26. Are you aware of any current or previous chemical use or storage on the surrounding properties? If yes, please provide additional information.

Yes No

27. Are you aware of any spills on any of the surrounding properties? If yes, which property and what happened?

Yes No

28. Do you know of any previous environmental site assessments or investigations conducted at the Site?

Yes No

If yes, provide report titles and a summary of the report findings or recommendations. Include date report was prepared and who conducted the assessment. Attach additional pages if necessary.

29. Do you have any knowledge of environmental liens or governmental notification relating to violations of environmental laws on the Site? If yes, describe. Attach additional pages if necessary.

Yes No

30. Are you aware of any other environmental concerns or issues associated with the Site? If yes, describe. Attach additional pages if necessary.

Yes No

I represent that to the best of my knowledge the above statements and facts are true and correct and no material facts have been suppressed or misstated.



Signature



Date

DISTRIBUTION
Phase I Environmental Site Assessment

824 Hennepin Avenue
Minneapolis, Minnesota
Pinnacle Project No.: MN06236.IP

Copy # 4

Number
of Copies

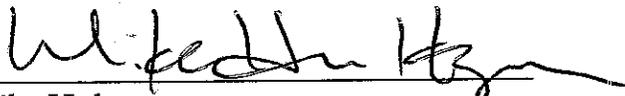
Copy
Number

5

Steve Maki
CPED
105 5th Ave South
Minneapolis, MN 55401

Original
and
Copies 2-5

QUALITY CONTROL REVIEWER



Mike Hultgren
Manager - Environmental Engineering