

**IOWA CONTAMINATED SITE
ENVIRONMENTAL COVENANT**

This environmental covenant is established pursuant to Iowa Code chapter 455I entitled Uniform Environmental Covenants Act.

The City of Centerville, Iowa, an Iowa municipal corporation, hereafter "grantor" and "holder," and the Iowa Department of Natural Resources (Department) in its capacity as an agency of Iowa state government, enter into this environmental covenant for the purpose of subjecting the property described below to certain activity and use limitations in accordance with the terms and conditions as specified herein and pursuant to the authority granted to the Department in Iowa Code chapter 455I, section 455B.103(7), and Department rules in chapter 567 Iowa Administrative Code (I.A.C.) 133.

1. Affected Property. The grantor identified below is the fee title owner of the property located at the southeast corner of E. Washington St. and N. 13th St. in Centerville, Iowa. The property is legally described as:

Lots 3 and 4 in Block 4, Range 5, Original Town of Centerville, Appanoose County, Iowa.

Hereinafter, the affected property will be referred to as "the property."

2. Risk Management and Institutional Controls. Terracon Consultants, Inc. has performed a soil and groundwater investigation and risk assessment in accordance with 567 I.A.C. 133. The site assessment identified contaminated conditions on the property which may present an unreasonable risk to public health and the environment if certain activities occur on the property. As such, the Director of the Department, pursuant to his authority under Iowa Code section 455B.103(7), has determined that an environmental covenant is necessary to manage the risk of future exposure by limiting specified activities at this property and establishing affirmative obligations.

3. Reopening. The signatories acknowledge that failure of the activity and use limitations to serve their intended purpose including the prevention of exposure to contamination could result in the Department reopening its review and regulation of the contaminant condition on the property as provided under the terms of this covenant, Iowa Code chapter 455I, and applicable Department administrative rules.

4. Identity of Grantor(s) and Holder(s).

GRANTOR and HOLDER: City of Centerville, Iowa

AGENCY: Iowa Department of Natural Resources

5. Representations and Warranties. The grantor warrants to the other signatories to this covenant the following:

- a. The grantor is the sole fee title owner of the property;
- b. the grantor holds sufficient fee title to the property to grant the rights and interests described in this covenant free of any conflicting legal and equitable claims; and
- c. the grantor has identified all other persons holding legal or equitable interests, including, but not limited to, contract buyers, mortgage holders, other consensual lienholders and lessees, and secured their consent either by signatures on this covenant or by a separate subordination and consent agreement attached as Exhibit A.

6. Running with the Land. This environmental covenant is perpetual and runs with the land as provided in Iowa Code section 455I.9 until modified or terminated. The terms of this environmental covenant are binding on the grantors and all successors in interest, assigns and all transferees acquiring or owning any right, title, lien or interest in the property and their heirs, successors, assigns, grantees, executors, administrators and devisees. The term "transferee," as used in this environmental covenant, shall mean any future owner of any interest in the property or any portion thereof, including, but not limited to, owners of an interest in fee simple, contract buyers, mortgagees, easement holders and/or lessees.

7. Activity and Use Limitations and Terms. The property is subject to the following activity and use limitations: the use of groundwater is restricted. No drinking water wells may be constructed on the property and the property may not be redeveloped for residential use without the prior approval of the Department.

8. Notice of Non-Compliance. Any property owner or subsequent transferee of an interest in the property shall notify the Department as soon as possible of conditions which would constitute a breach of the activity and use limitations in paragraph seven (7) if they have actual knowledge of these conditions or would reasonably be deemed to have knowledge within the normal course of administration of their property interest.

9. Notice to Lessees. Grantor, any holder with a property interest sufficient to grant a lease of the property, and any subsequent transferee shall incorporate the activity and use limitations of this covenant either in full or by reference to this instrument in any lease, license, or other instrument granting a right to possession of the property.

10. Access to Property. Reasonable access to the property is granted the Department or any authorized representative of the Department, public or private, for the purpose of implementation, monitoring and enforcement of the terms of this environmental covenant. The Department, its authorized representatives or other persons entitled to access shall provide the current owner of the property with reasonable notice, an explanation of the reasons for entry and the scope of onsite activities prior to access. Right of access includes, but is not limited to, the following activities:

- a. repair and maintenance of remedial action equipment, soil caps, groundwater monitoring wells and associated aboveground or subsurface structures
- b. fencing and other technological controls
- c. groundwater sampling and monitoring

- d. additional drilling
- e. construction of soil boring and/or groundwater monitoring wells
- f. other activities authorized or otherwise directed by the Department.

11. Groundwater Hazard Statement Notice. Iowa Code section 558.69 requires submission of a groundwater hazard statement and disclosure if "hazardous waste" exists on the property as defined in Iowa Code subsections 455B.411(3) or if the Department determines that solid waste exists on the property that is potentially hazardous. If hazardous waste is present, the groundwater hazard statement must state that the condition is being managed in accordance with Department rules. The signatories and all subsequent transferees required to submit a groundwater hazard statement under Iowa Code section 558.69 shall make reference to this environmental covenant in substantially the following form:

THE INTEREST CONVEYED IS SUBJECT TO AN ENVIRONMENTAL COVENANT, DATED *[date month, day, year]* RECORDED IN THE DEED OR OFFICIAL RECORDS OF THE _____ COUNTY RECORDER ON *[date month, day, year]* IN *[document, book and page, or parcel number]*.

THE ENVIRONMENTAL COVENANT CONTAINS THE FOLLOWING ACTIVITY AND USE LIMITATIONS: The property is subject to the following activity and use limitations: the use of groundwater is restricted. No drinking water wells may be constructed on the property and the property may not be redeveloped for residential use without the prior approval of the Department.

12. Modification and Termination. Modification or termination of the terms of this covenant shall comply with the standards in Iowa Code chapter 455I and applicable Department administrative rules. The terms of this environmental covenant may be modified or terminated by written consent of the Director of the Department, the then current fee simple title owner and all original signatories (unless exempted under the provisions of Iowa Code section 455I.10(1)"c" in accordance with and subject to the provisions of Iowa Code section 455I.10). The termination or modification is not effective until the document evidencing consent of all necessary persons is properly recorded. If not by consent, any modification or termination of this environmental covenant shall be in accordance with Iowa Code section 455I.9 and such additional terms as specified in this covenant.

13. Enforcement. The terms of this environmental covenant may be enforced in a civil action for injunctive or other equitable relief by the signatories and those persons authorized by and in accordance with Iowa Code section 455I.11.

14. Severability. If any provision of this environmental covenant is found to be unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

15. Governing Law. This environmental covenant shall be governed by and interpreted in accordance with the laws of the State of Iowa.

16. **Recordation.** Within thirty (30) days after Department approval of this environmental covenant, the grantor shall record the environmental covenant in the same manner as a deed to the property with the Appanoose County Recorder's Office.

17. **Effective Date.** The effective date of this environmental covenant shall be the date upon which the fully executed environmental covenant has been properly recorded with the Appanoose County Recorder's Office.

18. **Notice.** Unless otherwise notified in writing by the Department, any document or communication required by this environmental covenant shall be submitted to:

Iowa Department of Natural Resources
Contaminated Sites Section Supervisor
Wallace State Office Building
502 E 9th Street
Des Moines, IA 50319

19. **Subordination and Consent.** By signing this environmental covenant, the signatories knowingly and intelligently acknowledge their consent to the terms of this agreement and agree to subordinate their interest in the property. The following persons have expressly consented and subordinated interests: None.

ACKNOWLEDGMENTS

GRANTOR and HOLDER:

CITY OF CENTERVILLE, IOWA,
an Iowa municipal corporation.

By: _____
Patrick Antonen, City Administrator

State of Iowa)
County of Appanoose) ss.

On this ____ day of _____, 2016, before me personally appeared Patrick Antonen, known to me to be the City Administrator of the City of Centerville, Iowa who executed the foregoing instrument, and acknowledge that this person executed the same as his voluntary act and deed.

Notary Public for State of Iowa

AGENCY:

Chuck Gipp Signed this 29th day of February, 2016.
Chuck Gipp
Director, Iowa Department of Natural Resources

State of Iowa)
County of RAK) ss.

On this 29th day of February, 2016, before me personally appeared Chuck Gipp, known to me to be the Director of the Iowa Department of Natural Resources or the lawful designee of the Director who executed the foregoing instrument, and acknowledge that this person executed the same as his/her/their voluntary act and deed.

Karen Fynaardt
Notary Public for State of Iowa



IOWA ENVIRONMENTAL COVENANT
PROPERTY INTEREST FORM

To: Iowa Department of Natural Resources (DNR)
Wallace State Office Building
902 E 9th Street
Des Moines, IA 50319

Re: Environmental Covenant Supporting Documentation
Subject Property Location: East Washington Street, Centerville, IA 52544
Source Site Location: The northwest corner of the property.
DNR File Reference: [LUST No., Administrative Order No., LRP reference, etc.]

This document is submitted with the attached environmental covenant to certify that Michael D. Craver, Attorney, has conducted a thorough search of the real estate records and has identified the following legal and equitable interests in the property in accordance with Department rules in chapter 567 IAC 14.

DIRECTIONS: For each applicable section to the property at hand, include the following:

- Name as written on filed instrument
- Address and Phone Number of Party listed
- The book, page number, or file reference where the instrument describing the interest can be found
- **A COPY** of the instrument itself

FEE TITLE OWNER:

1. The current fee title interests evidenced by a warranty deed, deed of trust or similar instrument:
 - a. City of Centerville, Iowa pursuant to Warranty Deed recorded on November 15, 1979 in Book 79, Page 161 in the office of the Appanoose County Recorder.
 - b. Address of Centerville City Hall: 312 E. Maple Street, Centerville, Iowa 52544
Phone Number: 641-437-4339
2. Current property interests evidenced by a "Quit Claim Deed":
 - a. None.
 - b. _____

CONTRACT INTEREST

1. Current contract buyers or assignees of contracts for the sale of the property:

- a. None
- b. _____

2. Current contract sellers of the property:

- a. None
- b. _____

LEASEHOLDERS

1. All current leaseholders, whether recorded or not:

- a. None

MORTGAGES

1. Current recorded mortgages (i.e., persons and institutions who have filed a mortgage interest against the property):

- a. None
- b. _____

LIENS

1. Any recorded liens against the property:


- a. None
- b. _____

OTHER INTERESTS

- 1. None
- 2. _____

Prepared By:

Michael D. Craver February 17, 2016
PRINT NAME & DATE


SIGNATURE

CITY OF CENTERVILLE
CITY ATTORNEY

Michael D. Craver

303 West State Street
Centerville, Iowa 52544
641.856.2244o | 641.895.8215c | 641.856.2707f
mike.craver@cravergrothe.com

October 2, 2015

Iowa Department of Natural Resources
Wallace State Office Building
502 East 9th Street, 4th Floor
Des Moines, IA 50319-0034

TITLE OPINION

Re: Environmental Covenant Certification

To Whom It May Concern:

Pursuant to the request of the City of Centerville, Iowa, I have examined the abstract of title in one part from the root of title down to and including the last continuation made by Centerville Abstract Company on the 5th day of November, 2014 at 5:00 o'clock p.m. (the "Abstract") to the following-described real estate (the "Property"):

Lots 3 and 4 in Block 4, Range 5 in the Original Town of Centerville, Appanoose County, Iowa.

As of the date of the last continuation, I find merchantable title as shown by the Abstract to be in

CITY OF CENTERVILLE, IOWA.

In my opinion obtaining the signature of the City of Centerville, Iowa would satisfy legal requirements necessary to validate the Environmental Covenant Certification on the Property.

Merchantable title in the Property is subject to the following items:

1. The following filed in the office of the Appanoose County Recorder:
 - a. An easement in favor of Iowa Southern Utilities filed December 20, 1979 in Book 79, page 199 for one steel electric distribution structure and gas regulator station; and
 - b. A Gas Regulator Site Easement for ingress and egress and the construction, reconstruction, maintenance, operation, repair, patrol and

removal of a gas regulator station in favor of Interstate Power and Light Company filed March 3, 2004 in Book 165, page 482.

In addition, although not shown by the Abstract, easements may exist if there are any other utility, water, sewer, gas or power lines located on the property. You are advised to ascertain the exact location of said easements in order to determine whether they would affect your use and occupancy of the Property.

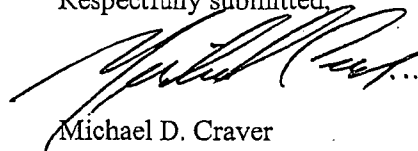
2. The zoning ordinances of the City of Centerville, including Ordinance No. 767 and No. 1301 recorded in the office of the Appanoose County Recorder and on file at City Hall. In order to ascertain the classification of the Property, inquiry should be made at the City Hall in Centerville, Iowa, where complete copies of said zoning ordinances and rules and regulations are on file.

CAUTIONARY COMMENTS

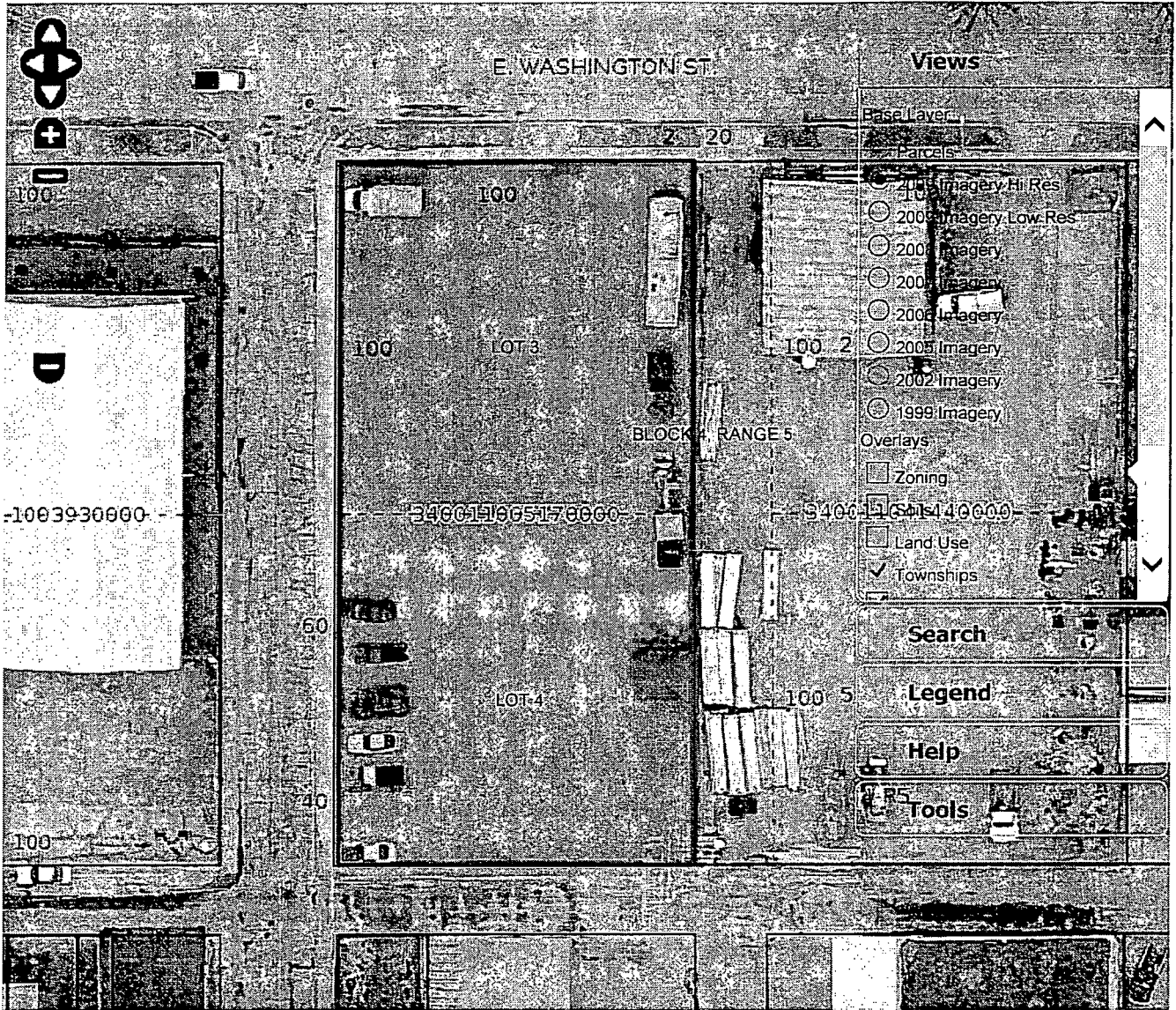
A. You should determine whether any solid wastes, hazardous substances, pollutants, above or below ground storage tanks, drainage wells, water wells, landfill sites or other environmentally regulated conditions exist on the Property. Such conditions are not ordinarily shown in the Abstract, but they may result in injunctions, fines, required cleanup, or other remedial actions under federal, state or local laws. These laws may impose liens against the Property and personal liability against the current owner, even though the current owner did nothing to create the condition, and acquired the Property without knowledge of the condition.

B. The Abstract cannot disclose and you should ascertain as to the Property: (a) the rights of persons in possession; (b) the rights of persons furnishing labor or materials thereto within the past ninety (90) days; (c) easements not of record; (d) the restrictions imposed upon the use thereof by zoning laws; (e) restrictions imposed by federal, state or local laws that may limit or inhibit the use of the Property (f) the boundaries thereof; (g) the rights and restrictions under Iowa Code Chapter 306A, as amended, pertaining to controlled access streets and highways; (h) the filing of voluntary or involuntary bankruptcy proceedings by or against the record title owner or purchaser on or subsequent to October 1, 1979; (i) whether the Property may be or become subject to additional or corrected assessments for property taxes by authority of Iowa Code Chapter 443, as amended; and (j) assessments or claims by any municipality or county for liens not of record, such as sidewalk installation or maintenance, weed cutting and building demolition.

Respectfully submitted,



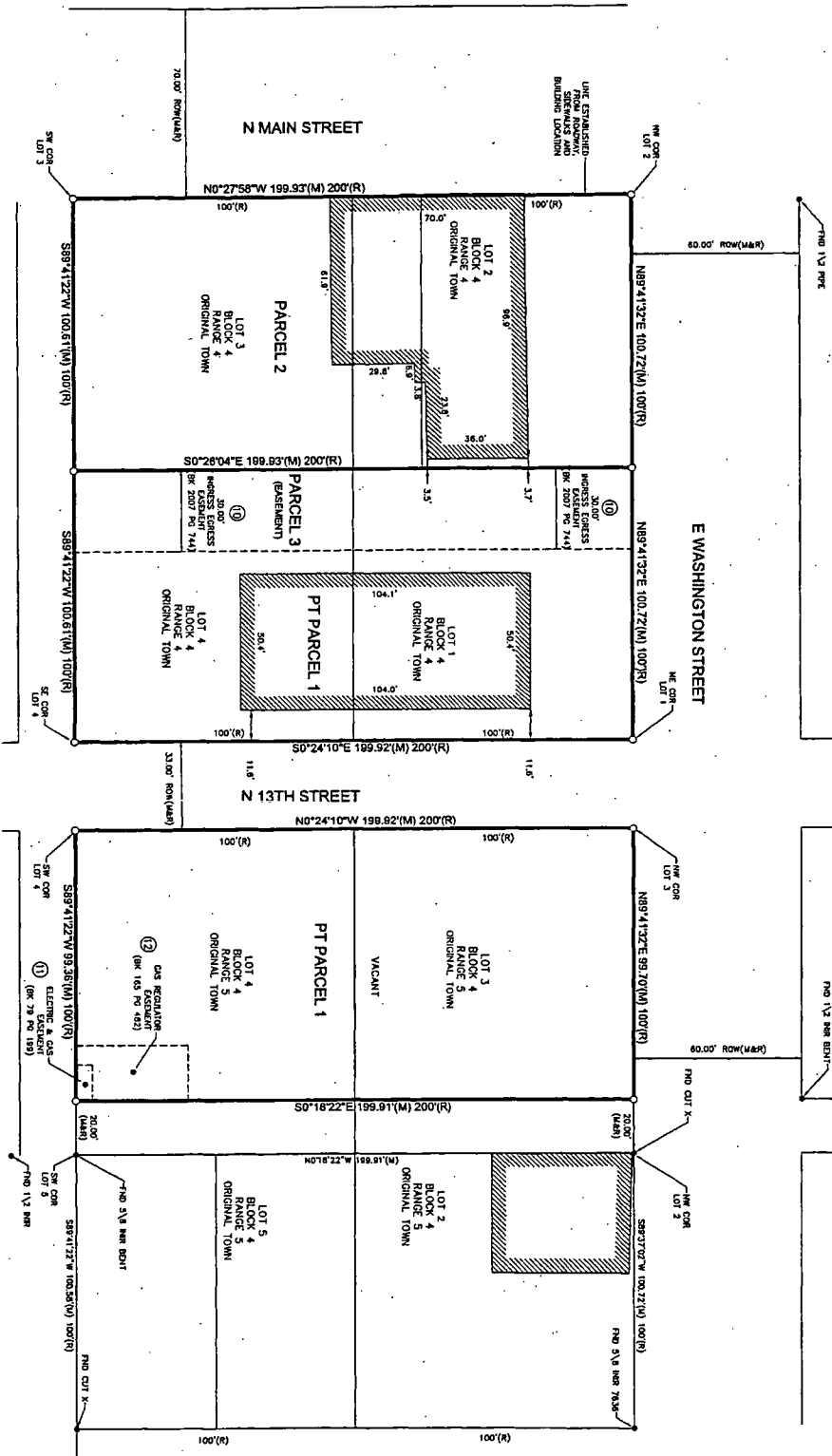
Michael D. Craver



10 m
20 ft

8.1.11

ALTA/ACSM LAND TITLE SURVEY



VICINITY MAP

CENTERVILLE, IOWA

SITE LOCATION

WASHINGTON ST	12TH ST	MAIN ST	HAYNES AVE
15TH ST	14TH ST	13TH ST	E OAK ST
16TH ST	17TH ST	18TH ST	E WASHINGTON ST
19TH ST	20TH ST	21ST ST	E JACKSON ST
22ND ST	23RD ST	24TH ST	E STATE ST
25TH ST	26TH ST	27TH ST	E MAPLE ST
28TH ST	29TH ST	30TH ST	WHITE ST

ZONING: C-2-CENTRAL BUSINESS DISTRICT

BUILDING HEIGHT LIMIT - IN THE C-2 DISTRICT, NO BUILDING SHALL EXCEED THE CEILING HEIGHT OF A FIFTH FLOOR ABOVE A BASE EQUAL TO THE AREA OF THE LOT AND A HEIGHT EQUAL TO ONE HUNDRED SIXTY FEET OR FIFTY PERCENT OF THE WIDTH OF A STREET ON WHICH IT FACES, WHICHEVER IS THE GREATER, PROVIDED, HOWEVER, THAT A TOWER NOT TO EXCEED TWENTY PERCENT OF LOT AREA MAY BE PERMITTED TO EXCEED THE HEIGHT LIMITS SET FORTH IN THIS SECTION.

REAR YARD SETBACK - IN THE C-2 DISTRICT, REAR YARD SETBACKS SHALL BE AS FOLLOWS: (A) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET; (B) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (C) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (D) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (E) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (F) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (G) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (H) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (I) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (J) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (K) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (L) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (M) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (N) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (O) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (P) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (Q) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (R) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (S) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (T) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (U) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (V) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (W) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (X) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (Y) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT; (Z) REAR YARD SETBACK SHALL BE NOT LESS THAN SEVEN FEET FOR EACH SIDE OF A LOT.

SCHEDULE B EXCEPTIONS

THE TITLE COMMITMENT PREPARED BY IOWA TITLE COMPANY WITH COMMENT NO. C-100000000 AND AN EFFECTIVE DATE OF OCTOBER 7, 2015 WAS USED TO PREPARE THIS SURVEY.

9. SUBJECT PROPERTY IS A PORTION OF THE PLAT RECORDED IN BOOK 4, PAGE 1 OF THE APPROPRIATE COUNTY, IOWA. THE PLAT SHOWS NO EASEMENTS OR STRIPES.
10. PROPERTY IS SUBJECT TO EGRESS EASEMENT FIELD IN BOOK 2007, PAGE 744 IN THE APPROPRIATE COUNTY, IOWA. RECORDS OFFICE OFFICE FOR EGRESS AND EGRESS IN FAVOR OF LOT 3 AND 2 IN BLOCK 4, RANGE 4 N IN THE ORIGINAL TOWN OF CENTERVILLE, IOWA. OVER THE 1851 50' FEET OF PARCELS 1 AND 2 SHOWN ON SURVEY.
11. PROPERTY IS SUBJECT TO EASEMENT IN FAVOR OF IOWA SOUTHERN UTILITIES FIELD IN BOOK 78, PAGE 198 IN THE APPROPRIATE COUNTY, IOWA. RECORDS OFFICE OFFICE FOR EGRESS AND EGRESS IN FAVOR OF LOT 3 AND 2 IN BLOCK 4, RANGE 4 N IN THE ORIGINAL TOWN OF CENTERVILLE, IOWA. OVER THE 1851 50' FEET OF PARCELS 1 AND 2 SHOWN ON SURVEY.
12. PROPERTY IS SUBJECT TO GAS REGULATOR SITE EASEMENT FOR EGRESS AND EGRESS IN FAVOR OF IOWA SOUTHERN UTILITIES FIELD IN BOOK 78, PAGE 198 IN THE APPROPRIATE COUNTY, IOWA. RECORDS OFFICE OFFICE FOR EGRESS AND EGRESS IN FAVOR OF LOT 3 AND 2 IN BLOCK 4, RANGE 4 N IN THE ORIGINAL TOWN OF CENTERVILLE, IOWA. OVER THE 1851 50' FEET OF PARCELS 1 AND 2 SHOWN ON SURVEY.



WARRANTY DEED
(CORPORATE)

(Handwritten mark)

Know All Men by These Presents:

That James Gavronsky, Inc., an Iowa Corporation
having its principal place of business at Centerville in Appanoose
County and State of Iowa a corporation organized and existing under the
laws of Iowa, ~~in consideration of the sum of \$~~ as a gift
and without consideration

~~XXXXXX~~ does hereby CONVEY unto the City of Centerville, Iowa

~~XXXXXX~~ Address: _____

the following described real estate situated in Appanoose County, Iowa, to-wit:

All of Lot Three (3) and all of Lot Four (4) except the South Forty (40) feet of Lot Four (4), all in Block Four (4); Range Five (5), Original Town of Centerville, and the West Two (2) feet of the vacated alley in said Block which is adjacent to said property with the South boundary of said Two (2) foot strip being the South boundary line of that part of Lot Four (4) conveyed above extended to the East Two (2) feet, all of the above being in Appanoose County, Iowa; and

The South Forty (40) feet of Lot Four (4), Block Four (4), Range Five (5), Original Town of Centerville, Appanoose County, Iowa, except the East Thirteen (13) feet thereof.

And said Corporation hereby covenants with said grantees, and successors in interest, that it holds said real estate by title in fee simple; that it has good and lawful authority to sell and convey the same; that said premises are free and clear of all liens and encumbrances whatsoever, except as may be above stated; and it covenants to Warrant and Defend the said premises against the lawful claims of all persons whomsoever, except as may be above stated.

Words and phrases herein, including acknowledgement hereof, shall be construed as in the singular or plural number, according to the context.

IN WITNESS WHEREOF said corporation has caused this instrument to be duly executed this 15th day of November, 19 79

JAMES GAVRONSKY, INC., an Iowa Corporation

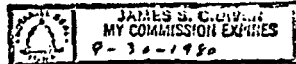
* Real Estate Transfer Tax: See Iowa Code, Chapter 428A.

By Oscar Gavronsky - President
Title President

By Ruby Furstenberg - Sec. Treas.
Title Secretary-Treasurer

~~XXXXXX~~

STATE OF IOWA APPANOOSE COUNTY, ss.
On this 15th day of November, A.D. 19 79 before me, the undersigned, a Notary Public in and for said County and said State, personally appeared Oscar Gavronsky and Ruby Furstenberg to me personally known, who, being by me duly sworn, did say that they are the President and Secretary-Treasurer respectively, of said corporation; that [no seal has been procured by the said] corporation; that said instrument was signed ~~XXXXXX~~ on behalf of said corporation by authority of its Board of Directors; and that the said Oscar Gavronsky and Ruby Furstenberg as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by them voluntarily executed.



James S. Craver Notary Public in and for said County and said State.

P-3122

2. CORPORATE DEED
This Printing: March 13, 1978

#2556 Filed for record the 15th day of November, 1979 at 2:12 PM
Fee \$3.00 Virginia Barbaglia, Recorder
Book 79, Town Lot Deeds 747



February 15, 2016

Centerville Senior Lofts, LLC
% Michael Craver
Craver and Grothe
303 West State Street
Centerville, Iowa 52544

**Re: Summary of Purpose
Proposed Centerville Senior Lofts
East Washington and North 13th Street
Centerville, Iowa
Terracon Project No. 06157733**

Dear Mr. Craver:

This letter has been generated as part of the submittal of a proposed environmental covenant (EC). This letter will fulfill the "Summary of Purpose" requirement set forth in the Iowa Department of Natural Resources (IDNR) – *Environmental Covenant Preparation Guidance*, dated August, 2005.

The sale of the property between the City of Centerville (current owner) and Centerville Senior Lofts, LLC (developer) is pending. It should be noted that the property along with an adjoining (west) parcel of land will be redeveloped for use as senior residential community. Specifically, future use of the property that pertains to the Environmental Covenant (EC) is intended to be a paved parking area which will serve the nearby by senior community.

On May 5, 2015, Terracon completed a Limited Site Investigation (LSI) on the property to evaluate the potential presence of contamination on the property as a result of historic use of the area as a manufactured gas plant. Prior investigations completed by Black & Veatch under a consent order between Alliant Energy (responsible party) and the IDNR, had identified the northwest corner of the property as the source area for soil and groundwater contamination, which historically extended several city blocks north of the property. A boring (B-11) advanced as part of the May 2015 LSI, in the northwest corner of the property measured contamination exceeding a statewide standard. Additional borings advanced by Terracon in the vicinity (east, west, and south) of B-11 did not indicate further contamination of the property as a result of past manufactured gas plant operations.

The LSI was submitted to the IDNR for review and comment. Based on several subsequent phone conversations, email exchanges, and a letter (dated July 7, 2015) from Mr. Matt Culp of the IDNR Contaminated Sites Section, it was concluded that an EC restricting groundwater use

Terracon Consultants Inc. 2640 12th Street SW Cedar Rapids, IA 52404
P [319] 366-8321 F [319] 366-0032 www.terracon.com

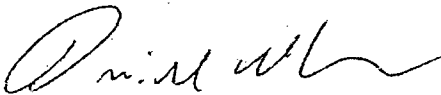
at the property was needed as a response action to further mitigate potential future exposure. The proposed response action(s) is as follows:

- To prevent creation of a groundwater ingestion exposure pathway at the site, an institutional control, through deed restrictions, prohibiting installation of water wells at the site is proposed. To sever the potential groundwater ingestion exposure pathway, an institutional control/deed restriction on the property is recommended.
- Place a restriction on the property so the affected area cannot be redeveloped as residential.

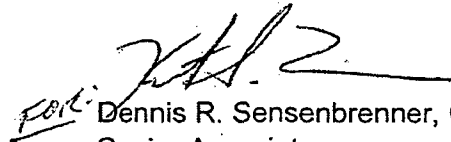
The proposed response action is to implement land restrictions/institutional controls to restrict the installation of drinking or food process water wells or redeveloped as residential on the proposed east parking lot area.

If you have any questions or comments regarding this proposal or require additional services, please contact the undersigned at 319-366-8321.

Sincerely,
Terracon Consultants, Inc.



Daniel M. Green, CGP
Sr. Staff Scientist



Dennis R. Sensenbrenner, CGP
Senior Associate

DMG/DRS: N:\Projects\2015\06157733\PROJECT DOCUMENTS (Reports-Letters-Drafts to Clients)\06157733.Centerville Senior Lofts Summary of Purpose Letter.Final.docx

Cc: Mike Athan, Miller Valentine Group (pdf)