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## Contamination study will delay La Mesa project

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It may be at least three weeks before the City Council knows the extent of soil contamination on the site of the proposed La Mesa Village Plaza Project, including the cost of cleanup.

That news was delivered last night to council members and the developer, who were hoping to clear the way for escrow to close today and for ground breaking to take place next week.

Instead, the council, acting as the Redevelopment Agency, decided to extend the close of escrow on the project until August to give consultants a chance to complete an analysis of the soil contamination.

The delay could put a further crimp in the multimillion dollar redevelopment project since the developer was ready to sign the escrow papers this morning. However, the lender, Home Savings of Kansas City, balked at closing escrow until it had a guarantee it would not be held liable for cleanup of the site.

Frank DeFoe, president of Commonwealth Cos. Inc., the developer of the project, said the lender would close before the May 31 deadline under certain circumstances, including that the city would accept full responsibility.

But council members also were reluctant to take on liability for cleanup of the site, at least until it is known how extensive the contamination is and how much it will cost.

"We need the extra time to gather that data," said Mayor Fred Nagel.

DeFoe said he would accept the city's extension, but was not certain if the lender would go along with it.

"There's definitely a danger. The lender would expect the city to accept liability and move on. I don't know what the reaction will be to the extension request," he said. "We certainly want to hang in there and make it work."

Commonwealth is the fourth firm to attempt to develop the site, which would include two office buildings, a 27,000 square-foot retail area, a condominium project and a trolley station.

An "environmental audit" required by the lender revealed soil contamination on the site earlier this month, most likely from underground fuel storage tanks that existed at the site in the 1940s.

Tom Sweet, vice president of Irvine-based Hydrotech Consultants Inc., said lab tests have revealed that there are low levels of three contaminants on the site: diesel fuel, gasoline and waste oil. Tests also revealed that there has been migration of contaminants to the south of the site, which is at La Mesa Boulevard and Spring Street.

"You do not have a severe hazardous waste problem. With certain remediation, it can be corrected."