



Air Force Real Property Agency

County of Sacramento

Press Release



McClellan Propels into the Future to Celebrate 560-acre Property Transfer at McClellan

McCLELLAN, CA--The Air Force and the County of Sacramento, together with McClellan Business Park and state and federal regulators will be celebrating the largest property transfer to date at the former McClellan Air Force Base, near Sacramento, CA on Thursday, Aug. 12 from 10 to 11:30 a.m. at the Aerospace Museum of California, 3200 Freedom Park Drive.

Congresswoman Doris Matsui and Assistant Secretary of the Air Force Mr. Terry Yonkers will be the keynote speakers at the event celebrating the landmark transfer of 560 acres including a variety of industrial facilities, office buildings, a hotel, and housing. The land will be transferred to Sacramento County and then to McClellan Business Park, the developer for the former base.

"Here at McClellan we're at the forefront of combining cleanup and redevelopment while addressing complex environmental and community concerns," said Phil Mook, senior representative for the Air Force Real Property Agency. "The success of this unique transfer speaks to the dedication and teamwork of everyone involved," he noted.

"This transfer represents a major milestone in McClellan's transformation into a vital economic engine for Sacramento County," said Roger Dickinson, Chair of the Sacramento Board of Supervisors. "Bringing this land into our local control is a smart investment for the region and will stimulate the creation of new businesses and jobs."

This property is being transferred using an innovative and complex multi-agency agreement referred to as an "early transfer with privatized cleanup."

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In 1987, the 3,000-acre installation was added to the U.S. Environmental Protection Agency's National Priorities List due to contaminants in the soil and groundwater. Since then the Air Force has been working with the U.S. EPA and the State of California, represented by the Department of Toxic Substance Control and the Central Valley Regional Water Quality Control Board to clean the property before it is transferred to the county and McClellan Business Park for redevelopment.

Under the transfer with privatized cleanup agreement, McClellan Business Park, with oversight from U.S. EPA, will be responsible for addressing contamination in the first 15 feet of soil below the surface, and can do so concurrently with ongoing redevelopment efforts. The Air Force will continue cleaning the groundwater and deeper soil.

This is the second early transfer with privatized cleanup at McClellan. In 2007, the Air Force transferred 62-acres to McClellan Business Park through Sacramento County. Cleanup on that parcel began this summer and should be completed by fall, clearing the way for a new tenant to move in soon thereafter. That pilot 62-acre project, the first of its kind in the nation, served as a model for regulators, the Air Force, Sacramento County, and McClellan Park to develop the legal and financial documents for the 560-acre transfer.

"Privatized cleanup allows the cleanup to be planned and implemented along with redevelopment. This can result in a faster, more efficient redevelopment schedule," said Larry Kelley, President of McClellan Park LLC.

McClellan Air Force Base closed in 2001 following the 1995 recommendation of the Base Realignment and Closure Commission. It is now one of the largest economic development and infill reuse projects in Northern California. Currently some 15,000 people live and work on the base. Sacramento County estimates that when fully developed the Park will have some 35,000 jobs and generate over \$6.6 million per year in local property tax and \$1.1 million per year in local sales tax revenue.

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Regulatory Agency Perspectives:

Jane Diamond, Director, Superfund Division, U.S. EPA, Region IX

"We're very pleased to see this next phase of the transfer moving forward," said Jane Diamond, Superfund division director for EPA Region 9. "This is a wonderful example of how cleanup and redevelopment can work together to efficiently return properties to productive use and benefit the local economy."

Linda Adams, Secretary, California Environmental Protection Agency:

"Governor Schwarzenegger's approval of the early transfer of this property will maximize cleanup and redevelopment dollars. This collaboration is yet another example of the Governor's commitment to stimulating the economy and ensuring the future of our state's environment."

Pamela Creedon, Executive Officer, Central Valley Regional Water Board:

"The Central Valley Regional Water Board has worked in partnership with DTSC, US EPA and the Air Force to ensure that the cleanup and property transfer is protective of water quality and public health now and in the future. It is rewarding to have contributed to the successful transfer of the property. Thanks to the team's innovation, creativity, and commitment, the cleanup and redevelopment of McClellan is a great success story the entire community can be proud of."

Maziar Movassaghi, Acting Director, Department of Toxic Substance Control:

"Thanks to the teamwork we've seen on this project, the McClellan property now becomes an economic engine, creating jobs, and spurring innovation."

Cutlines:

SureWest: The recently transferred 560 acres from the Air Force to McClellan Business Park includes buildings already occupied by longstanding tenants such as JC Penney, SureWest, the Veteran's Administration Outpatient Clinic, and many others.

LionsGate: The LionsGate Hotel and Conference Center in the historic officer's housing area at McClellan is among the properties the Air Force recently transferred to McClellan Business Park in the largest property transfer to date in the conversion of the former base.

Winters Gateway: The newly improved Winters Gateway into McClellan Business Park offers prime interstate and rail access. It is part of the 560 acres recently transferred from the Air Force to McClellan Business Park as part of the ongoing cleanup and redevelopment of the former military base in North Highlands, CA.

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