

**LOWER COLUMBIA BASIN AUDUBON SOCIETY  
9016 Sunset Trail, Pasco, Washington 99301**

**RIDGES TO RIVERS OPEN SPACE NETWORK  
P.O. Box 2232, Richland, Washington 99352**

July 11, 2011

Mr. Matt McCormick, Manager  
U.S. Department of Energy, Richland Operations Office  
PO Box 550 – A7-50  
Richland, Washington 99352

Dear Mr. McCormick,

We are writing on behalf of the Lower Columbia Basin Audubon Society (LCBAS) and the Ridges to Rivers Open Space Network (RROS) to comment on the TRIDEC request for transfer under 10 CFR 770 of approximately 1,341 acres located along the southern boundary of the Hanford site, as announced on May 31, 2011.

We understand that TRIDEC is acting on behalf of the City of Richland, Port of Benton, and Benton County as a Community Reuse Organization. In this capacity, TRIDEC is requesting fee-simple transfer of the 1,341 acres to its wholly owned subsidiary, the Tri-Cities Asset Reinvestment Company (TARC). They are requesting a sale price at less than market value. As we understand the proposal, TRIDEC would then resell the land, at no profit, to recoup their investment. The cost of site improvements would ultimately be borne by the taxpayers of the City of Richland.

We support the use of this land for industrial use because such use was agreed upon through a fair and open public process, the Hanford Future Site Uses Working Group, which established the basis for the Comprehensive Land Use Plan (CLUP). We expect the CLUP to be honored by all parties as Hanford Site uses transition throughout the clean up process. However, we have concerns about how this land transfer will occur and to what extent environmental review will play a part in site planning. We also wish to ensure that this transfer provides maximum benefit for the Tri-Cities' economy and quality of life. We believe TRIDEC's proposal falls short on many of these issues.

Our proposal differs from TRIDEC's and we believe the transfer plan could be made much stronger. We propose that DOE convey the land to a public entity at no cost or, if required by law to sell the land, for a sale price of \$1. Richland is the logical entity to receive this land since it is within the City's Urban Growth Area. As a condition of this transfer, the City of Richland would be obligated to sell this land at fair market value. Proceeds would be applied to site improvements to relieve additional tax burden on Richland citizens. Because the Hanford property is currently undeveloped public land that belongs to all citizens of the United States, a portion of the proceeds would be set aside for the purchase of replacement public lands as undeveloped natural open space. We recommend that at least 25% of the funds be set aside for this purpose.

The City of Richland and TRIDEC state that this parcel is unique within Washington State and that there may not be a comparable to establish value. We note that similar, although less unique, adjacent lands have been sold for approximately \$25,000/acre. Furthermore, other nearby lands that have had more

extensive enhancements sell for up to \$55,000/acre. It is in the public's interest to recoup their stake in these public lands and derive maximum beneficial use, which certainly includes the industrial development TRIDEC envisions, but is also much broader than what TRIDEC imagines.

LCBAS and RROSN have a very high regard for TRIDEC and its long history of striving to expand and improve the economy of the Tri-Cities. This organization has served the Tri-Cities well as the region's economic development organization with its focus on business and industrial development. We have no objection to TRIDEC acting as a facilitator, organizer, and participant in this process. However, we strenuously object to transferring fee simple title of the property to either TRIDEC or TARC because they are not government agencies. Their leaders are not elected nor do they have to answer to the citizens of the Tri-Cities.

Therefore, it is important that the property in question be transferred to a public entity with a broader outlook on the community's needs and the impacts of industrial development on community services, roads, schools, law enforcement, and taxes. We propose that the land be conveyed to the City of Richland, since the property is located within the City of Richland Urban Growth Area and is zoned for industrial development. The public interest will be better served if ownership is held by city government, controlled and guided by a city council elected by the public. The City of Richland can better direct the development of this property to meet the broad spectrum of community's needs and minimize problems associated with growth.

Growth, while a blessing on one hand, has brought budget straining problems such as traffic congestion, school overcrowding, and loss of open space, to name but a few. We believe the proceeds of the sale of this property to private business should be used by the community to alleviate and mitigate some of these problems.

We recommend using at least 25% of the proceeds from the sale of the property to purchase public undeveloped natural open space to replace that which will be lost to development. There are numerous priority open spaces that have been identified, including those identified by the Ridges to Rivers Open Space Network Steering Committee, to which these proceeds could be applied. We bring to your attention that Washington State is now in the process of purchasing a portion of the over 13,000 acre McWhorter Ranch, located on the slopes of Rattlesnake Mountain adjacent to the Hanford Reach National Monument. We recommend that \$1,700,000 of the proceeds from the sale of this property be used to complete the purchase of the McWhorter Ranch, for management by the State of Washington. This, and other, public land acquisitions would go a long way to preserving our open space, maintaining a beautiful skyline that defines our community, providing outdoor recreation, and protecting fish and wildlife habitat. The acquisition of open space enjoys wide support in the Tri-Cities and would benefit all in the community and region. Best of all, the cost to taxpayers would be nothing. Funds would be raised by private business, playing by the same rules as the common citizen, by simply paying fair market value for real estate that will later prove extremely profitable to them.

Outdoor recreation generated \$8.5 billion for Washington's economy in 2006. Locally, Badger Mountain trails were visited over 200,000 times in the last 3 years with a direct economic benefit to our area estimated at over \$1 million per year. The purchase of the McWhorter Ranch and other priority natural open space areas is a way to grow our tourism base, diversify our economy, and maximize the public benefit from transfer of these DOE lands.

The 1,341-acre property is now raw land but has high commercial and industrial potential. The fair market value, after an initial investment of approximately \$5,000,000 for roads and utilities, will soar to a minimum of \$35,000,000. As TRIDEC has pointed out, the Hanford property is unique in its industrial characteristics, size, location, and access to transportation. We believe the public should receive maximum value for the property when it is sold to private business.

We therefore recommend that TRIDEC's request be amended with the following conditions:

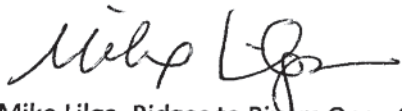
1. Transfer of title should be made to the City of Richland
2. The property should be appraised by an independent third party. This assessment would be based on fair market value after roads and utilities are installed.
3. The property must then be sold for no less than 90% of fair market value by the City of Richland.
4. The City agrees to use a minimum of 25% of the proceeds from the sale of the property for acquisition of undeveloped natural open space, to include completing the state's purchase of the McWhorter Ranch and other priority properties in the greater Tri-Cities area.
5. The City would use the remaining proceeds of the sale for site improvements and to mitigate problems associated with growth.

We appreciate this opportunity to comment on the TRIDEC proposal and look forward to working with The Department of Energy, City of Richland, and TRIDEC to bring this transfer to a successful conclusion for the benefit of all.

Sincerely,



Rick Leumont, Lower Columbia Basin Audubon Society  
509-547-4815



Mike Lilga, Ridges to Rivers Open Space Network  
509-375-4354

CC:

City of Richland  
Port of Benton  
Benton County  
TRIDEC  
Sen. Patty Murray  
Sen. Maria Cantwell  
Rep. Doc Hastings  
Asst. Secretary Ines Triay  
Secretary Steven Chu