Boeing Commits Historic Santa Susana Site to Open Space

In a landmark agreement between state officials and The Boeing Company [NYSE: BA], nearly 2,400 acres of land that is currently Boeing's Santa Susana Field Laboratory will become state park land.

According to the plan jointly announced today by Governor Arnold Schwarzenegger, State Senator Sheila Kuehl and Boeing, the property will be donated and preserved as a vital undeveloped open space link in the Santa Susana Mountains above Simi Valley and the San Fernando Valley. The agreement will permanently restrict the land for non-residential, non-commercial use.

In announcing the land use decision, Boeing reaffirmed its commitment to thorough and timely environmental cleanup of the property to comply with stringent regulatory standards. Discussions are already in progress between Boeing and appropriate government and private stakeholders to clear the way for the most optimal public-private stewardship of the acreage.

"Santa Susana is a site of great natural, cultural and historic significance and should be appropriately preserved and placed in the public trust for future generations upon completion of cleanup activities," said Jim Albaugh, president and CEO of Boeing Integrated Defense Systems. "Teaming with a respected land steward will ensure that the environmental cleanup and the ultimate transfer of the property is completed in an appropriate and timely manner such that is safe for use by the public."

Under terms of the agreement, Boeing will dedicate its property to the state for no financial consideration and will make a significant financial commitment to ensure continued cleanup, environmental monitoring and proper stewardship of the open space well into the future. Terms of the agreement include:

- Boeing will provide the state with funding of $22.5 million over 30 years for its use in the conversion of the property to the state's intended use and for ongoing operation, maintenance and management. A portion of the annual payment will be used to establish a permanent endowment for operations, maintenance and management.
- Boeing recognizes the company's responsibility to continue and complete the environmental cleanup of the site and waives any and all future claims against the state connected with hazardous materials and the possible migration of such materials off the property.
- Boeing assumes full responsibility for costs related to the environmental remediation and future claims related to environmental issues at the site.

Research and development operations began at the Santa Susana Field Laboratory in the late 1940s as the United States began preparations for a national space program. The facility was home to rocket engine testing that supported virtually every major space program in U.S. history, from the earliest satellite launches to the Space Shuttle. Work at the site also included a number of national defense programs and research, development and testing for nuclear, solar and other alternative energy sources. Owned and operated by a succession of government agencies and private companies over the years, Boeing's presence at the site began just 10 years ago as operations were winding down and the focus shifted to the ongoing environmental remediation program.

###

For further information:
Dan Beck
The Boeing Company
office: (703) 414-6447
Blythe Jameson
The Boeing Company
office: (562) 484-1536