

Specter vows to fight Postal Service decision

The agency canceled plans for a new building. The senator says that violates a congressional directive.

By Jeff Brown
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Sen. Arlen Specter yesterday vowed to fight a U.S. Postal Service decision to cancel plans to build a \$200 million federal office building at 30th and Walnut Streets. Specter (R., Pa.) said the decision, announced Friday, defied a congress-

sional directive that a the 1-million-square-foot building be constructed, and he said he would raise the matter with members of the Senate Appropriations Committee, on which he sits. "The Postal Service does not have authority to countermand what Congress has done and what [the Postal Service has] agreed to," Specter said.

The Postal Service said Friday that it had determined the project was too expensive. "We try to make every decision in the best interests of the Postal Service and our ratepayers," said postal spokesman Frank Brennan. Plans called for the Postal Service to construct the building on a 14-acre site it already owns, then lease it to the General Services Administration. The GSA was to use the building to house seven federal agencies now leasing space in three Center City

office buildings. Construction had been expected to begin this summer. Specter's strong advocacy of the project won him the endorsement of the 250,000-member Philadelphia Council of the AFL-CIO, which represents many construction trades, during his re-election campaign last fall. Specter said yesterday the project's cancellation would cost construction workers millions in lost wages. Specter said the cancellation also would cost taxpayers more than \$150 million because it would be more expensive for federal agencies to remain in leased space than to move to a government-owned building. Critics of the project have argued that in today's depressed real estate market, construction would be more expensive for the federal agencies than continuing to rent space or buying an existing building. Major opposition to the project came from the owners and managers of existing buildings who said the GSA building would add unneeded office space to a glutted market. "It is true that there are many in the private real estate market who would like to see the building canceled for their own financial gains," Specter said.

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If the building is not constructed, Philadelphia could lose thousands of federal jobs if the agencies that were to relocate to the site move out of the city, Specter said.

David L. Cohen, Mayor Rendell's chief of staff, said yesterday the city had not been notified of the Postal Service's decision. "The mayor continues to believe that this building is the right way to go for the City of Philadelphia," he said.

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