

FDA's Move Is Torpedoed

House-Senate Panel Votes to Kill Proposed Montgomery Campus

By Karl Vick and Dan Morgan
Washington Post Staff Writers

Plans to consolidate the Food and Drug Administration on a scenic parcel in northern Montgomery County were scuttled yesterday by House and Senate conferees wary of spending hundreds of millions to house a controversial agency whose mission many in Congress want to review.

The \$228 million installment needed to break ground for the 539-acre FDA facility was by far the largest item in a legislative package that would cut billions of dollars for 39 building projects funded by previous congresses.

[House and Senate conferees rescinded more than \$12 billion in spending approved by previous congresses but remained divided on several issues, including whether to discontinue fuel subsidies for low-income people and the federal summer jobs programs for youth. Details on Page A9.]

The conferees left intact appropriations for two smaller FDA projects, in Prince George's County, and held out the possibility of resurrecting on a smaller scale the main campus in Montgomery after "any future FDA restructuring." But that was all Maryland lawmakers could boast of salvaging from a project they had nursed through three previous Democrat-controlled Congresses.

Now that the Republicans are in charge of Congress, the ruling passions are cutting spending and cutting regulation: The \$890 million in total relocation funding for the FDA, an agency that regulates one-quarter of the nation's economic output, proved too inviting a target.

The conference committee's decisions will become final after the conference report is ratified by both houses of Congress and the legislation is signed by the president.

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■ *Proposed funding cuts are met with shock and anger at colleges and elsewhere in the area. Page C1*

FDA, From A1

"Obviously this is not a good day for Montgomery County," County Executive Douglas M. Duncan (D) said. "This is very bad news for us."

In recent weeks the county has been whipsawed by four agencies of the federal government, which employs one of six county workers. The FDA rejection was tempered by language in the conference report favoring "the concept of FDA consolidation" but urging the agency to work with the General Services Administration to find a "more cost-effective site" than the parcel near Interstate 270 known as the Clarks-

burg Triangle.

Rep. Jim Lightfoot (R-Iowa), chairman of the House appropriations subcommittee that has authority over government building projects, said the purchase price of the site came to \$110,000 an acre—almost \$60 million. The government would have to raise "a lot of corn" to pay that price, he cracked.

The real estate broker negotiating the land deal laughed at Lightfoot's figure, saying the General Services Administration was in final negotiations for "substantially less."

But Duncan said yesterday's decision was not about money. Noting that the government now pays \$40 million in rent each year to lease space for the FDA in 40 buildings in the county, Duncan said the conferees' cut was primarily a political act.

"It wasn't Clarksburg or whatever. It was the message to the FDA that, 'We disapprove of you,'" Duncan said.

Duncan argued that the Montgomery consolidation should go forward. "A political decision shouldn't impact on a fiscal decision that is a winner for everyone," he said.

A conservative group that pushes a free-market philosophy and has campaigned against the Clarksburg project saw victory.

"I think more than anything it sends a very strong signal that they're very serious about FDA reform this year," said Jeff Pierce, of Citizens for a Sound Economy, which bought full-page ads in Capitol Hill newspapers comparing the planned Clarksburg facility to the Taj Mahal.

The project was designed to bring more than 5,000 employees scattered across the area, but mostly in Montgomery, into 2.6 million square feet of new office space. The campus was envisioned as the northern anchor of a public-private technology corridor running south to the National Institutes of Health campus in Bethesda.

In addition to money for the FDA project, a total of \$110.8 million was trimmed from funding for six other government buildings in the District and Maryland.

The projects affected include a Secret Service building, two heating

plants, the General Services Administration headquarters and an Army Corps of Engineers building, all in Washington, and a Social Security building in Woodlawn and the De LaSalle federal building in Avondale.

Sources said money for the Woodlawn building could be reinstated in the fiscal 1996 budget. But they said that given the uncertainty about the future of dozens of federal departments and agencies and efforts to reduce the size of government, it is unlikely that many building projects in the Washington area will be funded.

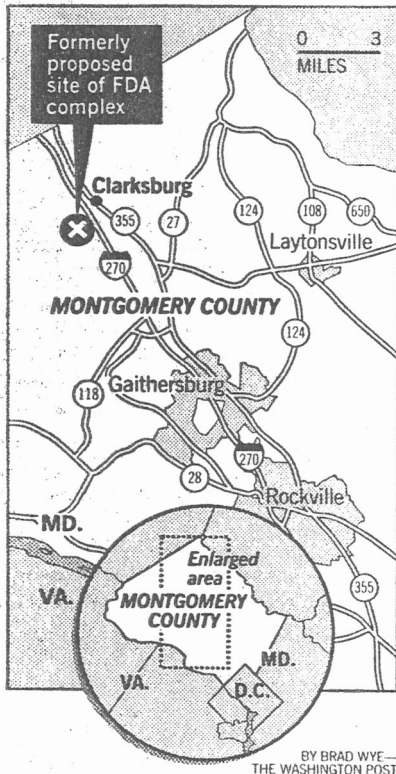
When the Clarksburg FDA site was chosen in December, GSA expected construction to begin at the end of this year and continue until 2003. The decision to call it all off comes almost at the last minute. Congress has limited rescissions to projects on which contracts have not been signed, and GSA was in final negotiation with the land's five owners when a Senate vote set the cut in motion.

The rolling farmland and woods probably will remain vacant for the near future. Mark Glagola, the Washington real estate broker who assembled the land's five owners for the FDA deal, said none are "chagrined that FDA is going away. They have no debt in the property. It's very patient money."

But others around Clarksburg expressed regret. Most people in the area are resigned to the development they see advancing toward them. And while the FDA might have brought development sooner, its campus would have left more open space on the site than the 1,950 houses and 2.3 million square feet of industrial and commercial space envisioned by the county's master plan.

"I've been quoted in the past as saying it was the lesser of two evils," said Norman Mease, of the Upcounty Citizens Advisory Board. "We're just back to the original evil."

"I don't think it comes as a total shock," said County Council member Nancy Dacek (R), who represents the Clarksburg area. "It's just that we've been through so much with



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FDA trying to accommodate them, that it's very disappointing."

The decision also added another element of uncertainty to the county's already fluid federal employment situation. Last week, the U.S. Department of Energy announced that it will eliminate 1,000 jobs from Germantown offices three miles south of the Clarksburg site. Meanwhile, county officials are working to reverse the Defense Department's surprise recommendation to remove an additional 1,000 jobs by closing a Navy laboratory at White Oak that officials had expected to gain 4,000 positions.

In another disappointment for the county, the Securities and Exchange Commission appeared last week to be on the verge of announcing its choice of downtown Silver Spring

over four District sites for its new headquarters, but the decision was delayed pending an unusual review by the GSA.

Rep. Constance A. Morella (R-Md.) said she received assurances from the Republican leadership yesterday that of the \$56 million that conferees left for FDA construction, part will go toward searching out a smaller parcel in Montgomery after "some kind of assessment of FDA's function and operations."

"I have absolute clarification," Morella said.

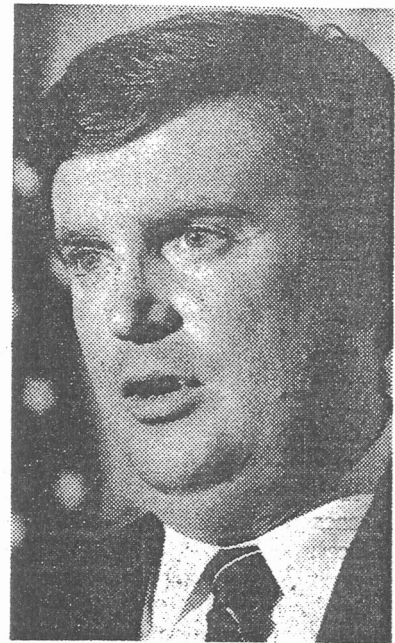
Most of the money, however, is earmarked for Prince George's, one of whose champions, Rep. Steny H. Hoyer (D) served on the conference committee.

That the FDA's Center for Veter-

inary Medicine in Beltsville would be saved was a foregone conclusion; construction has begun. But Prince George's also retained a food safety complex no further along in planning than the Montgomery campus, albeit on land already owned by the federal government.

Morella, a moderate who voted against her party's leadership in the House on several aspects of its "Contract with America," said she had no indication party loyalty had any bearing on the FDA rescission.

But while lobbying against the Clarksburg campus for Citizens for a Sound Economy, Pierce said, "there weren't a whole lot of Republicans we found that were sympathetic about this happening to Mrs. Morella's district."



DOUGLAS M. DUNCAN

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