



The Patriot-News

Feds stick with current court site

Saturday, February 09, 2008

BY BRETT LIEBERMAN
Of Our Washington Bureau

After three more months of studying locations for a new courthouse to be built in Harrisburg, federal officials concluded that rebuilding at Third and Walnut streets, their preferred site, is still the best.

The current courthouse site "best serves the federal government and the community, maximizes investment in the city of Harrisburg and minimizes required local investment," according to a copy of the study obtained by The Patriot-News.

City officials dispute the findings, saying the locally preferred site at Sixth and Reily streets would save taxpayers at least \$31 million. They cite the U.S. General Services Administration's own estimates of temporarily moving workers and demolishing the Ronald Reagan Federal Office Building.

"It's shocking that they found that their site was preferred," Harrisburg Mayor Stephen R. Reed said, laughing mockingly.

"The truth is that GSA has never agreed to seriously consider or really look at Sixth and Reily," he said.

The agency will make its case at a hearing at 1 p.m. Monday at Harrisburg Area Community College's midtown campus.

"I'm going take a look at it and ... have some questions for them," said Sen. Arlen Specter, R-Pa., who called the hearing.

Agency officials insisted they looked at both sites.

"We were being particularly objective as we looked at Sixth and Reily because we knew people would be saying that we weren't," said Barbara Shelton, the agency's regional director.

Congress froze development of the project in December and ordered the agency to do a new study. Shelton added that analysis, at a cost of \$300,000, goes far beyond the site selection work for similar projects.

"I don't think we've ever done a market and economic analysis to this depth," Abby Low, the courthouse project manager, said Friday night.

Building the courthouse at Sixth and Reily would require a parking garage, upgrades to Seventh Street and \$700,000 in subsidies that would be needed to support commercial development for up to 10 years until it is self-sustaining.

The temporary relocation costs represent "\$27 million that the federal government would be investing in the city of Harrisburg that only get invested when we build at Third and Walnut," Low said.

What comes next in the debate over the courthouse development is unclear if local and congressional leaders continue to fight the agency's decision.

"At this point, we're not actually sure," Shelton said.

With the study done, the agency could technically move ahead, but congressional aides and GSA officials doubted that would happen as the opposition continued.

The courthouse's costs are rising. Initially tagged at \$100 million for construction, it has now grown to \$135 million because of rising construction costs nationwide. Design work, demolition, moving and other factors would make the eventual total cost at least \$164 million.

GSA officials said they erred on the city's side by giving the benefit of the doubt to all economic and development numbers that Reed provided.

According to the agency's study, the city would lose \$36,000 a year in tax income by building at Sixth and Reily because the site would be taken off the tax rolls. It says there would be no tax impact by rebuilding at the current site.

Local officials contend the opposite, saying that relocating to Sixth and Reily would boost city tax rolls and lower the government's costs because the existing federal building would be sold to a private developer under the city plan.

Non-court agencies that would not relocate to the new courthouse would remain as tenants in the privately owned downtown building that would add to tax rolls in Reed's plan.

But Low said even if the courthouse was built at Sixth and Reily streets, the federal building could remain at Third and Walnut.

The agency study also contends building at Sixth and Reily would require \$16 million in local investment for a parking garage. Reed said the facility is scheduled to be built anyway.

Reed also questioned the agency's estimate that building the 14-story courthouse on the narrow downtown site would cost only 3 percent more. But GSA officials cited their years of experience building such courthouses nationally.

BRETT LIEBERMAN: 202-383-7833 or blieberman@patriot-news.com

©2008 The Patriot-News

© 2008 PennLive.com All Rights Reserved.