

# Year's delay for post office in Watsonville

By JAMIE MARKS  
Sentinel staff writer

3-3-88

WATSONVILLE — The long-planned Watsonville post office, which city officials consider the cornerstone of downtown redevelopment, has been put on hold for at least a year.

The delay was relayed to city officials by Rep. Leon Panetta, D-Monterey, who said the Watsonville post office is one of 71 projects statewide which have been deferred this fiscal year because of a budget reduction.

Panetta said postal service officials have indicated the project "should be approved in fiscal year 1989, depending on their target limits in capital expenditures."

And in a handwritten postscript, Panetta added: "I'll keep pushing — I think we'll be OK for '89."

City Manager John Radin said the latest word isn't much different from what postal officials have indicated all along.

"If they hadn't bought and paid for the property and started the design, I'd say the chances of it being built would be about nil," he said.

But, since the postal service has already sunk \$1.75 million into the property and untold dollars more in design, both Radin and Mayor Betty Murphy remain optimistic that the delay is nothing to worry about.

And neither Radin nor Murphy think the delay will hinder the negotiations with private developer Barry Swenson, who is planning to erect a commercial and residential building next to the post office on Main Street's 200 block, if the City Council accepts Swenson's offer next Tuesday.

Murphy said the delay could benefit the city by having construction on both projects begin about the same time.

The mayor said she's optimistic the post office will be built some time in 1989. She noted Panetta is expected to become the chairman of the House Budget Committee next year and Democratic Sen. Alan Cranston, the senior senator from California, has offered his support for the Watsonville facility.

With such powerful support from

*Please POST, Back Page*

## Post

*Continued from Page A1*

Washington, D.C., Murphy said she expects the building to go up next year.

"I am going to be one aggravated person if there ends up being no post office, but I just don't see it that way," Murphy said.

Panetta said \$160 million this fiscal year and \$270 million next year have been shifted from capital-construction projects to the postal service's operating budget. This was in response to Congress' deficit-reduction budget bill, which called on the postal service to assume pension-fund costs. Nationwide, the U.S. Postal Service has deferred some \$1.7 billion in contracts for building, equipment and new vehicles, with \$153 million in projects being delayed in California, Panetta said.

In the San Jose planning region, 13 projects have been delayed, including new facilities in Scotts Valley, Hollister and Marina, according to Panetta.

Gus Ruiz, communications director for the postal service, said a new postal facility for the Boulder Creek area has also been put on hold. The postal service is scheduled to purchase a site for that project in 1989.

While the San Jose area had more projects deferred than any other area in the state, Ruiz said it was because of the "growth factor here. We were a little behind in our estimates of growth here and we decided to try to catch up all in one go because we needed so many new facilities."