

## Corrected Final Decision Relocation of Retail Services in Santa Monica, California October 4, 2012

In accordance with the procedures set forth at 39 C.F.R. 241.4, this is the final decision of the United States Postal Service ("Postal Service") with respect to the relocation of retail services from the Santa Monica Main Post Office at 1248 5<sup>th</sup> Street ("Santa Monica Post Office") to the Santa Monica Carrier Annex at 1653 7<sup>th</sup> Street ("Santa Monica Carrier Annex"). The Postal Service announced its decision to relocate retail services on August 15, 2012. The Postal Service received requests for review from the City of Santa Monica; the Santa Monica Conservancy; the Wilshire Montana Neighborhood Coalition; the Los Angeles Conservancy; the North of Montana Association, and approximately forty postal customers (collectively referred to as "customers"). I have carefully considered all of the concerns expressed in each of the requests for review along with the complete project file relating to the relocation proposal. While I am sympathetic to the concerns raised, for the reasons set forth below, I will not set aside the Postal Service's initial decision.

The concerns raised by the organizations and customers can be grouped into the following areas: (1) impact on historic resources; (2) closure vs. relocation; and (3) negative impact the loss of services in the Santa Monica Post Office will have on the community. Each of these issues is addressed below:

## I Historic Resources

The Santa Monica Post Office was constructed in 1937 and is eligible for listing in the National Register of Historic Places. The organizations and customers express concern that the building will be sold into private ownership and the building's historic features will not be preserved. There is also concern regarding the applicability of Section 106 of the National Historic Preservation Act ("NHPA").

NHPA requires federal agencies to take into account the effects of their proposed undertakings on historic properties, and when such effects are possible, to initiate and complete the Section 106 consultation process. Section 106 review ensures that federal agencies consider historic properties, along with other factors such as cost and agency mission, in the planning process of proposed undertakings. However, the preservation of every historic property is not the goal of Section 106, nor does Section 106 require a business to continue to operate in a historic property.

NHPA does not apply to this decision to relocate because the relocation of retail services is not an "undertaking" within the meaning of Section 106. An undertaking is a

"project, activity or program" that can result in changes in character or use of historic properties. The relocation of retail services does not alter the character of the Santa Monica Post Office building nor does it change the uses that can be made of the property. There will be no "undertaking" within the meaning of the NHPA until the Postal Service proceeds with the transfer of the Post Office building from Postal Service ownership to private ownership.

## II. Closure versus Relocation

The City of Santa Monica asserts that the decision to relocate the Santa Monica Post Office is a consolidation and should be reviewed in accordance with the procedures for discontinuance of a Post Office set forth in 39 C.F.R. 241.3. Moving the retail services currently located at the Santa Monica Main Office to the Santa Monica Carrier Annex falls under 39 C.F.R. 241.4 and is considered to be a relocation because customers will continue to have the same level of access to retail services in the community after retail services are transferred to the Santa Monica Carrier Annex. Moreover, the Annex is only 0.8 mile away from the Santa Monica Post Office. The Carrier Annex's array of service will be expanded to include retail service in light of the relocation. Hence, these factors make clear that this action is a relocation. The Postal Service took similar actions in Ukiah, California, and Venice, California, and the Postal Regulatory Commission affirmed the Postal Service's treatment of these actions as relocations.

## III. Impact on the Community

The customers and organizations argue that the relocation of the retail services will result in loss of pedestrian access to postal services because they believe the new location is inaccessible for walking customers and is inconvenient for those who rely on public transit. Neither of these concerns is valid. The Santa Monica Carrier Annex is approximately 0.8 of a mile from the Santa Monica Post Office and is readily accessible to pedestrians via paved sidewalks. The Santa Monica Carrier Annex is also accessible by public transit as a bus station is directly across the street. The construction of the light rail system will not impede customer access by foot or car. The Santa Monica Carrier Annex will provide customers on site and on street parking. The current location does not have customer parking. The new location is accessible to pedestrians, those who take public transit and those who drive vehicles. The new location also has more energy efficient building systems, and accommodates the retail counters and post office boxes without expansion of the building. Additionally, the Santa Monica Carrier Annex also provides for safer and better large truck access at the loading platform. The Postal Service will realize an annual cost savings of \$336,179 by moving retail services into the Santa Monica Carrier Annex. The annual cost savings takes into consideration the cost of relocation, which is offset by savings from utilities and maintenance labor.

In reaching this decision, I considered all of the public input received, but the objections expressed do not outweigh the practical and operational benefits for both the Postal

Service and its customers, as well as the financial exigencies facing the Postal Service. With current projections for declining mail volume and the financial condition of the Postal Service, the Postal Service has a duty to make any feasible change to reduce costs and generate revenue. As our customers are no doubt aware, the Postal Service is sustained by the sales of its products and services. It has an obligation to match its retail and distribution networks to the demand for its services from customers. While the Postal Service is not insensitive to the impact of this decision on its customers and the Santa Monica community, the relocation of the Santa Monica Post Office is in the best interest of the Postal Service and its customers.

Accordingly, I conclude that there is no basis to set aside the decision to relocate the Santa Monica Post Office, 1248 5<sup>th</sup> Street, to the Santa Monica Carrier Annex, 1643 7<sup>th</sup> Street. This is the final decision of the Postal Service with respect to this matter, and there is no further right to administrative or judicial review of this decision.

Facilities