

PRELIMINARY STATEMENT OF HON. FRANK C. HILTON,
SECRETARY, DEPARTMENT OF PROPERTY AND SUPPLIES,
READ TO THE SELECT COMMITTEE OF THE HOUSE OF
REPRESENTATIVES, INVESTIGATING REAL ESTATE LEASE
PROCEDURES,

CHAIRMAN PATRICK A. GLEASON AND MEMBERS OF THE COMMITTEE:
MY NAME IS FRANK C. HILTON. MY HOME IS IN MEADVILLE. I
AM THE SECRETARY OF THE DEPARTMENT OF PROPERTY AND SUPPLIES
OF THE COMMONWEALTH OF PENNSYLVANIA.

YOU AND I HAVE BEEN ABLE TO OBSERVE HOW BADLY WATERGATE
HAS SHAKEN AND DAMAGED CONFIDENCE IN GOVERNMENT AT ALL LEVELS
AND MADE THOSE OF US WHO ARE PART OF GOVERNMENT SUSPECT IN
THE MINDS OF MANY PEOPLE.

IT IS TRAGIC TO HEAR THE COMMENTS OF YOUNG PEOPLE AND THE
RANK AND FILE OF WORKING MEN AND WOMEN WHEN THEY DISCUSS
POLITICIANS WITH ANGER AND DISGUST.

AND SO MR. CHAIRMAN AND MEMBERS OF THIS COMMITTEE I WOULD
FIRST REVIEW WITH YOU THE EVENTS OF THE PAST TWO YEARS AND
THE EFFECT ON ME AND MY DEPARTMENT AS AN IMPORTANT DIVISION
OF STATE GOVERNMENT.

I EXPECT THE OPPOSITION TO USE EVERYTHING AT THEIR
DISPOSAL AS A CAMPAIGN TECHNIQUE.

(MORE)

HOWEVER, THERE COMES A TIME WHEN CAMPAIGN ORATORY, DEMAGOGUERY, INFERENCES OF DISHONESTY AND FALSE CHARGES MUST BE CONVERTED TO PROOF WITH PROVEN FACTS. THAT TIME IS HERE AND NOW.

THE ORIGIN OF THIS CURRENT POLITICAL INVESTIGATION HAD ITS GENESIS ON JANUARY 26, 1972 IN A NEWS STORY OF ALLEGATIONS MADE BY FRANKLIN M. McCORKEL, AN OBSCURE REPUBLICAN FROM LEOLA, LANCASTER COUNTY, RUNNING FOR AUDITOR GENERAL OF THE COMMONWEALTH.

McCORKEL HAD BEEN ENDORSED FOR THE FISCAL OFFICE BY THE REPUBLICAN STATE COMMITTEE ONLY FOUR DAYS PREVIOUSLY. McCORKEL QUICKLY RETURNED TO OBSCURITY, BUT HIS POLITICAL CONTRIBUTION REMAINS A REPUBLICAN PARTY ALBATROSS.

WHAT BETTER VEHICLE COULD BE FOUND THAN AN OBSCURE CANDIDATE--WITH NOTHING TO LOSE--WHO COULD PULL SOMETHING OUT OF A HAT AND ASK THE STATE'S AUDITOR GENERAL, HIMSELF A CANDIDATE, TO INVESTIGATE THE 10-YEAR LEASE OF THE FORMER HARRISBURGER HOTEL?

WHAT BETTER WAY COULD BE FOUND THAN TO USE McCORKEL TO DIVERT THE MINDS OF PENNSYLVANIANS FROM WATERGATE SCANDALS; THE INVOLVEMENT OF PRESIDENT NIXON'S REELECT THE PRESIDENT COMMITTEE IN MONEY-PASSING SCANDALS; THE INVOLVEMENT OF THE ATTORNEY GENERAL OF THE UNITED STATES, AND NUMEROUS TOP AIDES TO THE PRESIDENT IN OTHER ACTIVITIES.

(MORE)

THE STATE'S AUDITOR GENERAL ROBERT P. CASEY HAS STUDIED THE CIRCUMSTANCES SURROUNDING THE HARRISBURGER LEASE. HE AND HIS AUDITORS FINE-TOOTHCOMBED THE LEASE AND FOUND NOTHING ILLEGAL IN THE TRANSACTION.

AUDITOR GENERAL CASEY HIMSELF ABSOLVED CHARLES ADLER, II, DEPUTY SECRETARY OF PROPERTY AND SUPPLIES FOR STATE PROPERTIES, FROM ANY WRONGDOING OR ANY PARTICIPATION IN CONNECTION WITH THE LEASE TO THE STATE. THIS HAD BEEN A CENTRAL ALLEGATION AGAINST ADLER.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I MUST POINT OUT TO YOU THAT THE SYSTEM OF LEASING PROPERTIES IN HARRISBURG WHICH YOU HAVE UNDER INVESTIGATION AND RESTRICTED SOLELY TO THE SHAPP ADMINISTRATION--WAS ALSO IN USE IN THE SHAFER ADMINISTRATION; ALSO IN THE ADMINISTRATION OF GOV. SCRANTON, AND EVEN BEYOND.

THIS COMMITTEE, TOO, AFTER LONG AND PENETRATING QUESTIONING OF ADLER FOUND NO WRONGDOING BY HIM.

THIS COMMITTEE ALSO QUESTIONED FRANK P. LAWLEY, DEPUTY COUNSEL TO AUDITOR GENERAL CASEY.

WITH DUE RESPECT TO LAWLEY AS A LAWYER, HIS INCOMPETENCE IN SUCH TECHNICAL MATTERS AS LEASING; FAIR COST OF A LEASE OR REAL ESTATE IN GENERAL, REQUIRES LITTLE FURTHER COMMENT FROM ME IN THIS PRELIMINARY STATEMENT.

(MORE)

LAWLEY'S REFUSAL TO IDENTIFY THE SOURCE OF HIS INFORMATION REGARDING REAL ESTATE SHOULD BE SUFFICIENT TO THROW OUT ALL OF HIS TESTIMONY AS BEING BASED ON HEARSAY.

NONE OF THE PRECEEDING RESUME WOULD INDICATE THERE WAS ANY TRUTH IN THE OBSERVATION MADE ON THE FLOOR OF THE HOUSE ON JULY 25 LAST YEAR BY THE CHAIRMAN OF THIS COMMITTEE THAT 'THE FIX IS IN'--MEANING THE LEASES UNDER REVIEW BY THIS COMMITTEE. I DEPLORE AND RESENT THIS GROSS ABUSE OF A PUBLIC TRUST.

IT IS FOR THESE, AND OTHER REASONS, THAT I WELCOME THE GLEASON COMMITTEE INQUIRY. REP. GLEASON HAS PUBLICLY STATED THAT HE HAS 'NO EVIDENCE OF CRIMINALITY' NOR WOULD HE 'SPECULATE ON THE POSSIBILITY OF CRIMINALITY BEING INVOLVED IN THE FUTURE.'

REP. GLEASON ANNOUNCED I WOULD BE INVITED TO TESTIFY AND SAID HE 'HOPED WE WILL NOT HAVE TO SUBPOENA HIM.' 'REP. GLEASON CAN DISABUSE HIMSELF OF SUCH UNWARRANTED FEARS, I'LL BE THERE,' I SAID.

AT THIS POINT, MR. CHAIRMAN, I WISH TO REITERATE WHAT I SAID IN A NEWS RELEASE DATED AUGUST 5, 1973:

'HAVING NOTHING TO HIDE, WE WELCOME THE POLITICALLY-MOTIVATED, UNFAIR INQUIRY INTO OUR REAL ESTATE SYSTEM, AND COMPETITIVE BIDS FOR PURCHASING THOUSANDS OF ARTICLES FROM AUTOMOBILES TO ZINC USED BY STATE AGENCIES.

(MORE)

'NEITHER REP. GLEASON OR ANY REPUBLICAN MEMBER OF THE HOUSE EVER APPEARED IN MY DEPARTMENT OR ADDRESSED A COMMUNICATION TO ME OR MY DEPARTMENT REGARDING ANY LEASE OR COMMODITY PURCHASE.

'IT MUST BE NOTED THAT IN MARCH OF 1973--FIVE MONTHS PRIOR TO MY NEWS RELEASE OF AUGUST 5--I PERSONALLY CONFERRED WITH SPEAKER OF THE HOUSE KENNETH B. LEE AND INVITED HIM, OR ANY COMMITTEE HE WOULD APPOINT, TO INSPECT THE RECORDS OF MY DEPARTMENT. A YEAR HAS NOW PASSED AND THIS INVITATION HAS NOT YET BEEN ACCEPTED.

IN VIEW OF THIS, IT IS, THEREFORE, SURPRISING THAT WITHOUT ANY FOUNDATION AN INVESTIGATION HAS BEEN LAUNCHED.

I WAS ALSO SURPRISED FOR ANOTHER GREVIOUS REASON:

MR. CHAIRMAN, FROM JANUARY 1972, AT THE TIME McCORKEL MOVED TO INVOLVE THE AUDITOR GENERAL IN THIS MATTER UNTIL NOW, I HAVE NOT ENGAGED IN ANY CRITICISM OF THE CHAIRMAN OR ANY MEMBER OF THIS COMMITTEE. I HAVE BEEN LAW-ABIDING.

BUT, I CANNOT NOW REFRAIN FROM STATING MY GREVIOUS REASONS FOR SURPRISE.

(MORE)

I WOULD HAVE APPEARED VOLUNTARILTY BEFORE THIS COMMITTEE, AS I INTENDED, BUT, THE CHAIRMAN INSTEAD OF MAINTAINING HIS 'HOPE NOT TO SUBPOENA ME,' NOT ONLY DID SUBPOENA ME, BUT AGGRAVATED SERVICE OF THE SUBPOENA.

HE TOOK THE ULTIMATE ACTION EXPECTED IN A CRIMINAL INVESTIGATION BY ORDERING STATE POLICE TO DESCEND UPON MY DEPARTMENT AND SEIZE APPROXIMATELY 2,000 CURRENT LEASES. ONLY AFTER MY PROTEST OF THIS OUTRAGEOUS ACT TO THE ATTORNEY GENERAL WAS THE DRAMATIC PROCEDURE MODIFIED. THIS ACTION THAT SO FRIGHTENED OUR EMPLOYEES WAS WHOLLY UNNECESSARY.

IT WAS UNNECESSARY BECAUSE ON JULY 25, 1973 ON THE FLOOR OF THE HOUSE WITH APPROXIMATELY 200 MEMBERS PRESENT TO HEAR THE DEBATE ON AUTHORIZING THIS UNUSUAL PROCEEDING, MR. GLEASON DID NOT DIRECTLY CHARGE CRIMINALITY IN THE LEASES. INSTEAD HE SAID, 'I DO NOT BELIEVE THERE IS ANY CRIMINALITY INVOLVED.'

YET, THREE WEEKS LATER AND STILL WITHOUT ANY INCRIMINATING EVIDENCE WHATSOEVER THE SECRETARY OF PROPERTY AND SUPPLIES OF THIS COMMONWEALTH WAS PUBLICLY SUBJECTED TO DEGRADING SEARCH AND SEIZURE ACTIONS ASSOCIATED WITH CRIMINAL INVESTIGATIONS.

AT THE TIME THE FULTON BUILDING WAS LEASED, THERE WAS ONLY ONE OTHER SUITABLE BUILDING IN DOWNTOWN HARRISBURG THAT MIGHT BE AVAILABLE. THAT BUILDING WAS THE PENN HARRIS HOTEL.

OWNERS OF THE PENN HARRIS HOTEL REFUSED SEVERAL OF OUR OFFERS TO LEASE FOUR, AND POSSIBLY, SIX FLOORS.

(MORE)

AT THIS POINT, MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I WISH TO REFUTE 'OPINIONS' OFFERED BY INEXPERT PEOPLE WHO CLAIM WE MADE A BAD LEASE OF THE FULTON BUILDING, ESPECIALLY AS TO SQUARE FOOT COST.

FIRST I WISH YOU TO RECOLLECT THE DIFFICULTIES THE WRECKER HAD IN DEMOLISHING THE PENN HARRIS. I ALSO WISH YOU TO RECALL THE COMPARABLE STRENGTH OF THE FULTON BUILDING. THIS FACTOR MUST BE TAKEN INTO CONSIDERATION IN CONCLUDING WHETHER A LEASE IS GOOD OR BAD.

WITH YOUR PERMISSION I WISH TO READ INTO THE RECORD SOME BASIC FACTS REGARDING THE PENN HARRIS HOTEL IN A LETTER WRITTEN BY MARK W. SWEGER, PRESIDENT AND MANAGING DIRECTOR OF THE PENN HARRIS TO MR. ADLER, DATED MARCH 14, 1972, IN RESPONSE TO OUR OFFER TO LEASE 62,000 SQUARE FEET:

"SORRY I WAS OUT OF TOWN YESTERDAY WHEN YOU HAD OCCASION TO DISCUSS WITH MR. KEIL THE LEASING OF AN AREA IN THE HOTEL OF APPROXIMATELY 62,000 SQUARE FEET WHICH ORIGINALLY WE WERE ESTIMATING ON THE BASIS OF 70,000 SQUARE FEET.

"I THINK YOU WILL AGREE WE ARE NOT IN THE SAME POSITION AS THE HARRISBURGER, AS THERE YOU ARE DEALING WITH A PARTNERSHIP AND HERE A CORPORATION, WITH SOME FOUR HUNDRED STOCKHOLDERS LOOKING FORWARD TO DIVIDENDS AT THE END OF EACH YEAR.

(MORE)

"AFTER ANALYZING THE COST AS COMPARED TO THE INCOME FOR THE LEASING OF FOUR FLOORS HERE AT THE HOTEL WE FIND WE ARRIVE AT A NET LOSS.

"PLANS AS SUBMITTED BY MR. WARWICK WERE TURNED OVER TO OUR CONTRACTOR AND SUBCONTRACTOR FOR A BALL PARK FIGURE AS TO THE COST OF THIS PROJECT, WHICH AMOUNTED TO \$1,300,000.00 BE ARCHITECT FEES WHICH ACCOUNT FOR ANOTHER \$100,000.00, AND WITH THE ADDING OF \$100,000.00 FOR CONTINGENCIES WE FIGURED THE OVER ALL PROJECT AT A COST OF \$1,500,000.00. AFTER TAKING THESE FIGURES INTO ACCOUNT I WAS INTERESTED AS TO WHAT THE COST WOULD BE PER YEAR FOR HEAT, AIR CONDITIONING, AND LIGHT, AND LEARNED FROM PENNSYLVANIA POWER AND LIGHT COMPANY THEY NO LONGER CARRY ANY SPECIAL RATES FOR AN ALL ELECTRIC INSTALLATION. THEREFORE, THIS ITEM JUMPED FROM ABOUT \$21,000.00 TO \$59,500.00 PER YEAR. ADDED TO THIS SQUARE FOOT AREA WE DETERMINED OUR REAL ESTATE TAXES, INSURANCE, SALARIES, AND AMORTIZATION OF LOAN WITH INTEREST AT 7% OVER A TEN YEAR PERIOD WHICH AMOUNTED TO \$6.01 PER SQUARE FOOT, OR \$372,698.00 PER YEAR.

(MORE)

"RENTAL INCOME ON THE BASIS OF \$5.00 PER SQUARE FOOT WOULD PRODUCE \$310,000.00 PER YEAR, AND AT \$5.50 PER SQUARE FOOT, \$341,000.00 PER YEAR, LEAVING A DEFICIT OF \$63,498.00 AND \$32,498.00 RESPECTIVELY FOR THE OPERATION.

"AS I WAS NOT SURE OF MY CALCULATIONS I HAD MY FIGURES CHECKED BY ANOTHER ACCOUNTANT AND HE WAS WITHIN \$5,000.00 OF MY PROJECTIONS.

"AFTER REVIEWING THE FINAL FIGURES WITH THE EXECUTIVE COMMITTEE AND THE FULL BOARD, IT WAS VOTED NOT TO CONSIDER THE HOTEL FOR THE USE OF OFFICE SPACE.

"PERSONALLY, I WANT TO THANK YOU AND YOUR ASSOCIATES WHO WERE INVOLVED IN OUR DISCUSSIONS FOR THEIR WONDERFUL COOPERATION. SORRY, IT DID NOT WORK OUT AS WE THOUGHT IT WOULD.

"WITH MY KINDEST PERSONAL REGARDS. SINCERELY YOURS, MARK W. SWEGER, PRESIDENT AND MANAGING DIRECTOR."

LEASING OF THE PENN HARRIS WOULD HAVE PROVIDED THE HOTEL'S OWNERS WITH A LONG-TERM LEASE TENANT WHO WOULD HAVE PAID A CONSIDERABLE PART OF THE OVERHEAD. ANOTHER BENEFIT WOULD HAVE BEEN THAT FOUND IN RETAINING A FIRST-CLASS HOTEL IN THE IMMEDIATE VICINITY OF THE CAPITOL.

(MORE)

IN SEEKING THE PENN HARRIS LEASE WE HAD IN MIND THE CONVENIENCE OF THE HOTEL FOR SENATORS, REPRESENTATIVES, THE GOVERNOR, HIS CABINET AND OTHERS IN STATE GOVERNMENT WHO VIRTUALLY MADE THE PENN HARRIS THEIR SECOND HOME.

YOU NOW KNOW THAT WE MADE EVERY EFFORT TO GET THE ADDITIONAL DOWNTOWN SPACE THE DEPARTMENT OF ENVIRONMENTAL RESOURCES NEEDED. YOU HAVE ALSO BECOME AWARE OF THE COST DIFFERENCE BETWEEN THE FULTON BUILDING LEASE AT PER SQUARE FOOT AND THE PENN HARRIS' REFUSAL TO ACCEPT OUR OFFER EVEN AT \$ PER SQUARE FOOT THEY QUOTED AS A MINIMUM.

AT THE JANUARY 18, 1974 INTERROGATION OF MR. ADLER BY CHAIRMAN GLEASON, THE CHAIRMAN SAID HE WAS 'NOT CERTAIN THAT THE STATE IS SATISFACTORILY DILIGENT,' IN LEASING.

IT IS MY BELIEF, MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, THAT RECITATION OF THE PENN HARRIS EXPERIENCE COMPLETELY REFUTES ANY CHARGE OF LACK OF CLOSE ATTENTION IN SEEKING AND LEASING THE MOST DESIRABLE PROPERTY TO MEET THE REQUIREMENTS OF A GOVERNMENTAL AGENCY.

SIMPLY STATED, OUR LEASING SYSTEM FOLLOWS THIS SEQUENCE:

- (1) AN AGENCY OF THE COMMONWEALTH NOTIFIES PROPERTY AND SUPPLIES OF ITS SPACE REQUIREMENTS AND WHERE THE SPACE SHOULD BE LOCATED.
- (2) THE DEPARTMENT'S BUREAU OF REAL ESTATE, THOROUGHLY FAMILIAR WITH MARKETS AND CURRENT OFFERINGS, ATTEMPTS TO PRECISELY MATCH THE STATE'S REQUIREMENTS WITH PROBABLE PROPERTIES AND SO NOTIFIES THE AGENCY OF THE POSSIBILITIES AND APPROXIMATE COST.

(MORE)

- (3) THE AGENCY INSPECTS THE PROPERTY.
- (4) IF IT IS ACCEPTABLE IN ALL RESPECTS, EVEN THOUGH IT MIGHT REQUIRE REPAIR AND RENOVATION, WE BEGIN NEGOTIATIONS TOWARD LEASING.

WE RESENT ALLEGATIONS THAT CRONEYISM, FAVORITISM, OR ANY OTHER ISM EXISTS IN OUR LEASING SYSTEM. NO ISM IS COUNTENANCED AT ANY STEP OF THIS SYSTEM. OUR LEASES ARE NEGOTIATED ON THEIR MERIT ALONE. ACCEPTANCE OF THE PROPERTY IS MADE BY THE USING AGENCY, NOT THE DEPARTMENT OF PROPERTY AND SUPPLIES.

IN RESPONSE, I ASK THAT OUR SYSTEM, THAT IS DECADES OLD, BE REMEMBERED WHEN CONSIDERING THE HARRISBURGER HOTEL LEASE.

MR. CHAIRMAN, I REGRET THAT YOU WILL NOT ACCEPT EXPERT KNOWLEDGE OF REAL ESTATE IN HARRISBURG OFFERED IN THESE HEARINGS BY MR. ADLER, BUT WILL ACCEPT THE INEXPERT KNOWLEDGE EXPRESSED AS 'OPINIONS' BY FRANK P. LAWLEY, DEPUTY COUNSEL TO AUDITOR GENERAL CASEY.

I AM CONFIDENT THAT IN A COURT OF LAW YOU WOULD OBJECT TO THE ADMISSABILITY OF MR. LAWLEY'S OPINIONS AS EVIDENCE.

AS SECRETARY OF PROPERTY AND SUPPLIES I MUST RELY UPON THE VALUE OF EXPERT KNOWLEDGE AGAINST HEARSAY IN MAKING REAL ESTATE DECISIONS.

IF I DID NOT FOLLOW THIS RULE IN THE CASE OF THE HARRISBURGER LEASE, YOU MIGHT HAVE HAD A JUSTIFIABLE EXCUSE FOR THIS POLITICALLY-MOTIVATED INQUIRY.

(MORE)

I DO NOT WANT TO BELIEVE MR. GLEASON THOUGHT HE HAD A 'WATERGATE' SITUATION THAT WOULD BE BENEFICIAL IN RESTORING THE BADLY DAMAGED IMAGE OF THE REPUBLICAN PARTY AT THE EXPENSE OF THE GOOD IMAGE OF THE SHAPP ADMINISTRATION.

YET MR. GLEASON, ALTHOUGH A LAWYER, WITHOUT EVIDENCE, BUT AWARE OF THE POWER OF IMPLICATION, STATED THE FULTON BANK BUILDING LEASE WAS A 'SWEETHEART LEASE.' HE REFUSED TO DEFINE HIS PERSONAL UNDERSTANDING OF THE MEANING OF 'SWEETHEART LEASE.'

MR. GLEASON DID SAY THAT IN HOLDING HANDS UNDER THE TABLE: 'THERE IS NOT ANYTHING NECESSARILY CRIMINAL ABOUT THAT, BUT I DO THINK IT COULD BE QUITE QUESTIONABLE.'

DOES SOMETHING ADMITTEDLY ONLY 'QUITE QUESTIONABLE' NECESSITATE POLICE SEARCH AND SEIZURE ACTION BY ONE ARM OF PENNSYLVANIA'S GOVERNMENT AGAINST ANOTHER ARM WHICH HAS NOT BEEN FOUND GUILTY OF CRIMINALITY OR WRONGDOING?

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, NO FACTUAL EVIDENCE HAS BEEN PRESENTED HERE OR ELSEWHERE INDICATING THAT THE FULTON BANK BUILDING LEASE WAS CRIMINALLY CONTRIVED OR IS DISADVANTAGEOUS TO THE COMMONWEALTH.

MR. CHAIRMAN, NONE OF YOUR SUPPOSITIONS OR FEARS HAVE MATERIALIZED. THAT WITH WHICH YOU INTENDED TO DAMAGE THE GOOD IMAGE OF THE SHAPP ADMINISTRATION HAS BOOMERANGED. THE 'WATERGATE' THAT WAS SUPPOSED TO EXIST HAS BEEN FOUND TO BE NON-EXISTENT.

(MORE)

MR. CHAIRMAN, IT IS OBVIOUS THAT YOUR HOPES OF CREATING A PENNSYLVANIA WATERGATE MUST END IN DISMAL FAILURE. I LEARNED AS A BOY THAT TRUTH WILL ALWAYS PREVAIL, AND THE TRUTH IN THIS MATTER IS THAT NO ACTS OF IMPROPRIETY WERE COMMITTED BY ME OR BY ANY MEMBER OF MY DEPARTMENT.

YOU, AND EVERY MEMBER OF THIS COMMITTEE, KNOWS THESE FACTS TO BE TRUE. WHY, THEN, CONTINUE THIS USELESS INVESTIGATION AND WASTE OF TAXPAYER MONEY?

A RECENT NEWSPAPER ARTICLE CALLED THIS INVESTIGATION A "FIZZLE." I DO BELIEVE, HOWEVER, THAT SEVERAL LESSONS MIGHT BE LEARNED FROM IT--QUITE DIFFERENT FROM THAT WHICH WAS ORIGINALLY CONTEMPLATED.

THE FIRST LESSON IS THAT THERE MUST BE SOME REASONABLE BASIS FOR THE COMMENCEMENT OF AN INVESTIGATION. AN INVESTIGATION SHOULD NOT BE AUTHORIZED UPON SUSPICION AND CERTAINLY SHOULD NOT BE AUTHORIZED WHEN NO GROUNDS OR ACTUAL BASIS IN FACT EXISTS.

THE SECOND LESSON TO BE LEARNED IS THE NEED FOR SOME TYPE OF BODY TO WHICH A PROSPECTIVE HIGH-LEVEL EMPLOYEE OR APPOINTED OFFICIAL COULD GO IN ORDER TO OBTAIN ABSOLUTE CLEARANCE FROM ANY POSSIBLE CONFLICT OF INTEREST. I WOULD VENTURE TO SAY THAT HAD SUCH A BODY EXISTED WE WOULD NOT BE HERE TODAY.

THERE IS A THIRD LESSON WHICH CAN BE LEARNED AND THAT IS THAT THE RIGHT OF THE DEPARTMENT OF PROPERTY AND SUPPLIES, BUREAU OF REAL ESTATE, TO ENTER INTO LEASES SHOULD NOT BE CURTAILED BY OTHER DEPARTMENTS OR AGENCIES OF GOVERNMENT.

(MORE)

I SUBMIT TO YOU THAT ALL DEPARTMENTS OF GOVERNMENT DESIRE THE PRIVILEGE OF BEING ABLE TO FUNCTION UNINTERRUPTABLY IN THE PROPER PERFORMANCE OF THEIR DUTIES.

NO DEPARTMENT, NO SECRETARY, NO EMPLOYEE DESIRES THE HARRASSMENT WHICH HAS TAKEN PLACE IN THIS INSTANCE.

I SAY TO YOU THAT THIS INVESTIGATION SHOULD BE TERMINATED, AND IT SHOULD BE TERMINATED NOW: THAT MY DEPARTMENT AND EACH AND EVERY EMPLOYEE, BE HE APPOINTED OR NOT, SHOULD BE GIVEN A CLEAN BILL AND YOUR GRATITUDE FOR A JOB WELL DONE.

#