

Mr. GRAY. Will the gentleman yield on that point?

This represents air space that the railroads now own, so really they would not be pre-empting any of the 330,000 square feet that are encompassed in the existing monument, as we call it, the existing station at the present time?

Mr. SCHWENGEL. This is the basement plan.

Mr. JETT. I am sorry, I thought this was the basement.

Mr. SCHWENGEL. This is not air space; this is actual space here.

Mr. GRAY. The Commission in their long deliberations with Washington Terminal Co., had never taken into account the so-called tunnel and basement area. We were talking about the station from the ground up, which encompasses two floors, the ground-level floor, the concourse, the so-called waiting room, and the second floor space. But, of course, this is a matter that will be subject to negotiation certainly.

Secretary UDALL. I think the answer Congressman Schwengel wants, as you will find when the designers present their report in a moment, is that we do not, in terms of this first phase at least, contemplate needing this basement area, and therefore presumably this would be available if the railroad needs it during this first phase of the project.

Mr. SCHWENGEL. If the railroad uses it, then they would be paying us rent, some comparable fair rent, for the space.

Secretary UDALL. Well, it might be that that is the way you would work it out, or you would reduce the rent that we pay. I mean this would be something that you would negotiate.

Mr. SCHWENGEL. Something negotiable?

Secretary UDALL. Yes.

Mr. SCHWENGEL. I raise the question because actually, as I understood when we were negotiating, the whole area, basement and all would be given to the Government—the question was raised at one point, what areas are involved. As I understand it, the answer I got was, of course, all of it in that area would be subject to our control.

Secretary UDALL. I would presume this is the way that we would want it, and that the railroad would want us, too, to have the entire present Union Station be under our control and management. But I mean we would work these details out. And I think you will see when the plan is presented how the whole thing would mesh together.

Mr. GRAY. You may proceed, sir.

Secretary UDALL. Mr. Chairman, I have one or two other points; I would like to get to the presentation, then take any further questions maybe after you have seen the presentation.

Our report does not take a specific stand with respect to the tax arrangements, and we defer to the views of the Commissioners of the District of Columbia on this matter.

We understand the District of Columbia Commissioners are opposed to the provisions that would exempt the improvement from taxation. That is another problem the committee has got to consider. I am simply saying we are not taking a position on that issue.

I would like to have Mr. Plavnick, who is our consultant, and his associate, Mr. Auerbach, make their presentation quickly, and then we can take any further questions at that time.

Mr. GRAY. Yes, Mr. Secretary.

Would you please state your name for the record?