Written Statement of Bryant P. Chambers
Assistant General Manager, Union Station
JONES LANG LASALLE RETAIL
UNION STATION
40 MASSACHUSETTS AVENUE, N.E.
WASHINGTON, D.C. 20002
Tel: 202 289 1908
Before The
Subcommittee on Economic Development, Public Buildings and Emergency Management
Committee on Transportation and Infrastructure,
U.S. House of Representatives

July 22, 2008

Chairwoman Norton, Ranking Member Graves, and Members of the Subcommittee, I am pleased to be here this morning to testify about the management of Union Station.

Background

Union Station is one of the most successful public/private partnerships in the history of the United States. In 1985, the U.S. Government, acting through the Secretary of Transportation, leased the property to Union Station Redevelopment Corporation (USRC), a non profit District of Columbia corporation formed to redevelop Union Station under a ground lease. In turn, USRC subleased Union Station to Union Station Investco, LLC (USI).

In the United States, Jones Lang LaSalle Retail is the largest third-party regional shopping center manager with a 50-million-square-foot portfolio of more than 100 regional malls, strip centers, power centers, lifestyle centers, ground-up development projects, mixed-use centers and transportation terminals across 28 states. Jones Lang LaSalle (NYSE: JLL), the only real estate money management and services firm named to Forbes magazines "400 Best Big Companies" for three consecutive years, has a portfolio of 1.2 billion square feet of property under management worldwide, including more than 10,000 retail locations on four continents.

In 1986, Jones Lang LaSalle was awarded the development management of Union Station. As a result, over 120 stores, restaurants and a cinema were constructed, providing over 213,000 square feet of retail space to Union Station.

Union Station Today

Since the grand opening of Union Station in 1988, Jones Lang LaSalle has managed the asset for our clients. In 2007, the leasehold interest was purchased by Union Station Investco, LLC who retained Jones Lang LaSalle's management services. Our role as a management firm includes client accounting, financial services, skilled management and marketing services.

In general, we oversee all contracted services at Union Station that includes security, cleaning and repairs and maintenance. Public events at Union Station are coordinated through our office. We establish the annual capital plans for building improvements and repairs throughout the station and execute these plans when approved by Ownership and USRC. In addition, tenant coordination for build-outs and remodels are the responsibility of the management team.

Union Station is the national headquarters for Amtrak. Amtrak leases 106,200 square feet of office space and 63,800 square feet of operations space for waiting rooms and customer service and ticket services. Also, Union Station is a hub for the Maryland Rail Commuter Train (MARC), Virginia Railway Express (VRE) and the most heavily traveled stop on the Metro System.

There are over 130 merchants in Union Station today. The property enjoys high sales performance and is one of the most visited sites in Washington, D.C. Over 32 million visitors pass through Union Station annually.

Union Station serves as a venue for special events including inaugural balls, art exhibits, concerts and other events that draw patrons into the Station.

In 2007, Union Station restaurant operators and merchants contributed approximately $10,631,100 in sales tax to the District of Columbia. USI, through management agreements and contracts for cleaning and security services employs approximately 124 employees.

Community Contributions

Union Station Ownership has cooperated with the City on transportation logistics and City Metro buses will drop off and pick up passengers in front of Union Station when the Columbus Plaza reconfiguration is complete. Also, a bicycle center will be located at the Station and the City will pay no rent for the premises due to the service it provides to citizens and visitors.

We actively participate as members of the Capitol Hill Business Improvement District and the General Manager serves on the Board of Directors and as an Executive Committee Member.

Union Station is an active member of the Capitol Hill Merchants Association (CHAMPS). For many years, the Marketing Directors served on the Board of Directors.

Union Station is a member of the Guild of Professional Tour Guides of Washington, D.C.

We participate in the annual "Ask Me About Washington" function in conjunction with the D.C. Chamber of Commerce.

We assist the Mayor's Office working with the D.C. Film Commission to increase awareness of Washington, D.C. and Union Station through films such as Along Came A Spider and Wedding Crashers.

Union Station is an active member of the Washington Convention and Tourism Corporation, recently re-branded as Destination D.C. to ensure that millions of regional, domestic and international tourists know about the cultural diversity and the wealth of shopping and dining opportunities the City affords them.

Thank you. I am pleased to answer any questions you may have.