

ENLARGEMENT OF THE CAPITOL GROUNDS

MARCH 25, 1926.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

MR. ELLIOTT, from the Committee on Public Buildings and Grounds, submitted the following

REPORT

[To accompany S. 2005]

The Committee on Public Buildings and Grounds, to which was referred the bill (S. 2005) entitled "An act for the enlargement of the Capitol Grounds," having duly considered the same, hereby make report of it to the House and with the recommendation that the bill do pass.

The sundry civil act of June 25, 1910, declared it to be the purpose of Congress to ultimately acquire all of squares numbered 632, 633, 634, 680, 681, 682, 683, 684, 685, 721, 722, and 723, located between the Capitol and Union Station in the city of Washington, for the enlargement of the Capitol grounds and for the construction of a direct avenue of about 150 feet in width from the Peace Monument to the Union Station Plaza, and the Vice President of the United States, the Speaker of the House of Representatives, and the Superintendent of the Capitol Building and Grounds, now known as the Architect of the Capitol, were authorized to acquire the said premises by purchase, condemnation, or otherwise, and to expend for that purpose not more than \$500,000 in any one year, commencing with the year 1911. No limit of cost was stated and \$500,000 was appropriated for the first year.

On April 23, 1912, squares 634 and 685 were acquired through condemnation proceedings at a cost of \$1,119,035.50. Condemnation proceedings as to the 10 additional squares, namely, 632, 680, 681, 682, 683, 684, 721, 722, 723, and that part of square 633 lying east of Arthur Place, were commenced September 16, 1912, and concluded January 29, 1913, the total appraisal being \$3,204,434.78, and on June 23, 1913, Congress appropriated the necessary amount to carry out the acquisition of this land.

However, on October 22, 1914, a joint resolution was approved (H. J. Res. 331, 63d Cong., Public Res. No. 55) turning down the

court's award and providing for the appointment by the President of a commission of three men to complete the acquisition of this property, the commission to be under the control of and all purchases to be approved by the President. The commission was authorized to purchase any of the said real estate, not, however, at a cost exceeding the amount of the award; and the said commission did, under the terms of the joint resolution, acquire for the sum of \$1,414,306 all the property in the said 10 squares with the exception of that owned by the Baltimore & Ohio Railroad Co., and the Real Estate & Improvement Co. of Baltimore City (the latter company being a subsidiary of the former), and the said companies are the present owners of the squares sought to be acquired under the terms of this bill. It is understood that the commission recommended the payment to the companies of the sum of \$1,143,443.54 for their holdings, which they refused to accept, holding that the property had already been acquired under the condemnation proceedings and that the only thing necessary to complete the transaction was the payment of the amount of the court's award. Subsequently, the court proceedings were, on order of the Department of Justice, dismissed, and the Attorney General held that the Government had in good faith abandoned its intentions to acquire the property under the condemnation proceedings and especially in view of the passage of the joint resolution above referred to.

The court award of January 29, 1913, affecting this land is summarized as follows:

	Amount
Square 632.....	\$294, 820
Part of square 680.....	22, 209
Square 681 and part of square 680.....	725, 932
Square 682.....	239, 933
Square 683.....	207, 037
Square 684.....	181, 771
Square 721.....	60, 235
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	1, 731, 937

In the 12 squares originally named to be acquired, there is a total of 1,325,204 square feet, of which the Government has acquired 689,467 square feet and the said companies own 635,737 square feet.

The following letter, signed by the Baltimore & Ohio Railroad Co. and the Real Estate & Improvement Co. of Baltimore, and addressed to the chairman of your committee, it is believed should be included in this report:

BALTIMORE, Md., March 22, 1926.

HON. RICHARD N. ELLIOTT,
Chairman Committee on Public Buildings and Grounds,
House of Representatives, Washington, D. C.

DEAR SIR: In compliance with the request of the Committee on Public Buildings and Grounds of the House of Representatives at the hearing, on the 16th instant, on the bill providing for the acquisition by the United States of America of property in front of the Union Station at Washington, D. C., for enlargement of the Capitol Grounds, I beg to submit herewith a statement showing the amount awarded January 29, 1913, for the properties of the Baltimore & Ohio Railroad Co. and the Real Estate & Improvement Co. of Baltimore City in the condemnation proceedings instituted by the United States on September 16, 1912, together with the taxes paid since January 29, 1913 (less those paid by the United States on portion occupied by the Government hotels during the war period), with interest thereon at 6 per cent to April 1, 1926, less such

income as has been received from the property since January 29, 1913, with allowance of interest thereon at 6 per cent to April 1, 1926, as follows:

	Amount	Interest 6 per cent to Apr. 1, 1926	Total
Award.....	\$1,731,937.00	\$1,365,937.16	\$3,097,874.16
Taxes.....	228,185.58	82,353.77	310,539.35
Total.....	1,960,122.58	1,448,290.93	3,408,413.51
Less rentals.....	252,800.45	26,015.42	278,815.87
Grand total.....	1,707,322.13	1,422,275.51	3,129,597.64

The Baltimore & Ohio Railroad Co. and the Real Estate & Improvement Co. of Baltimore City, hereby confirms, as requested, the oral statements made to your committee by its representatives, John J. Cornwell, general counsel, and C. H. Moran, real estate agent, at the hearing of March 16, that these companies, at this time, are willing to accept as compensation for the land involved in the original condemnation proceedings \$3,129,597.64, as of April 1, 1926, or on the same basis within a reasonable time, say, not exceeding six months thereafter.

You will understand the companies are not seeking a sale of the property on the above basis, but are led to repeat this suggestion because it is the basis upon which the United States of America would have been privileged to acquire the property had it not released the property from the condemnation award, and because the companies desire to cooperate in carrying out the Government plans for the Capitol development.

In suggesting a time limit, it is with the hope that if the Government should now conclude it inadvisable to proceed with the development upon the original lines, that then it might take such affirmative action as will free the property from the cloud placed upon it incident to the declared purpose of Congress to acquire the property so that the companies, after these many years, might be free to avail of opportunities to dispose of the property, and which it is believed can be done on a more favorable basis than that herein indicated.

Very truly yours,

THE BALTIMORE & OHIO RAILROAD Co.,
By C. H. MORAN, *Real Estate Agent*.

THE REAL ESTATE & IMPROVEMENT Co.
OF BALTIMORE CITY.
By C. H. MORAN, *Real Estate Agent*.

The following information relative to the value of the land is taken from the statement of the Architect of the Capitol in the printed hearings of your committee on this bill:

The value of land owned by Baltimore & Ohio and Real Estate Co. \$1,881,220
The value of improvements owned by Baltimore & Ohio and Real Estate Co. 31,500

Total value of land and improvements of squares 632, 680,
681, 682, 683, 684, 721 1,912,720

Figures based on assessments taken from District book, 1923-24. Land values assessed at true full value; improvements at two-thirds of true full value.

At the time the United States entered the war with Germany this land was used for the building of temporary buildings known as the Government Hotels. A portion of the land occupied by these buildings is owned by the railroad company and was occupied by the United States for housing purposes under a contract providing that the occupancy was to terminate and the buildings to be removed at the expiration of 12 months after the final ratification of treaties of peace, the railroad company to receive no consideration except relief from taxation during the period of Government occupancy.

The time under the contract expired November 14, 1922, and from that date to December 31, 1925, the property has been leased by the Government at approximately \$75,000 annually. New arrangements will now have to be made or it will be necessary for the Government to remove the buildings located on the railroad company property, and as they include the power plant, laundry, etc., the balance of the buildings could not be utilized and would be of no use.

The intention of Congress was to acquire this land for the beautifying of the city of Washington and for park purposes. The bill, S. 2005, authorizes the Vice President, the Speaker of the House, and the Architect of the Capitol to acquire the land necessary to complete the plans of Congress. There is now \$1,798,139.27 available for this purpose, the unexpended balance of appropriations made in the past. This bill reappropriates this amount and authorizes such further appropriation as may be necessary.

As the value of the land sought to be acquired is rapidly increasing as time goes by, your committee feels that, as a matter of economy, if for no other reason, it should be acquired without further delay, and in fairness to the owners the Government should either take the property or determine to let it alone.