



Memorandum

To: Tracie Winbigler
Executive Vice President/Chief Financial Officer

From: Jim Morrison *JM*
Assistant Inspector General, Audits

Date: January 12, 2022

Subject: Termination of Project Code 007-2018: Monitoring Revenue Growth Initiative

On January 8, 2018, we initiated a project to monitor the company's activities associated with the Revenue Growth Initiative, particularly its efforts to use a master developer at five major terminals: Chicago Union Station, Baltimore Penn Station, Philadelphia 30th Street Station, New York Penn Station, and Washington Union Station. The overall objective was to keep apprised of the various governance, planning, implementation, and financing issues associated with the initiative. Our monitoring work included attending quarterly status meetings with project representatives of the Major Stations Planning and Development group, interviewing company officials, and reviewing program documentation.

We are closing the project code for our monitoring effort. Although the company has entered into master development agreements in Chicago, Baltimore, and Philadelphia, the project in Chicago was of limited scale that resulted in just one action: the sale of a parking garage to a developer. While the company anticipates further development in Chicago, it does not plan to use a master developer for these actions. The projects in Baltimore and Philadelphia are ongoing, but need time to mature. Further, while the company continues to pursue development plans in New York and Washington, D.C., it no longer plans to use the master developer model to manage these projects. We may restart our monitoring work or pursue a more targeted audit of the projects at a later date if circumstances warrant.

We appreciate the time and effort extended to our staff during this monitoring project. If you have any questions please contact me at (703) 975-5237

(james.morrison@amtrakoig.gov) or Eileen Larence, Deputy Assistant Inspector General, Audits at (703) 400-6831 (eileen.larence@amtrakoig.gov).