

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF GENERAL SERVICES**



Questions and Responses as of 1/08/13

1. What Type of Lease will be awarded?

A triple net lease will be awarded. Tenant will be responsible for all operating costs and expenses. District will be responsible for structural and capitol repairs such as the roof and exterior walls.

2. Can you provide the exact yearly property tax bill for the Lincoln Theatre Building?

No. DC Government is exempt from the assessment of real property taxes. DGS recommends that interested parties contact the DC Office of Tax and Revenue regarding the assessment of any taxes, including possessory taxes that may be charged to the tenant as a result of the lease.

3. Could you please clarify what action exactly will DGS be taking with submissions that contain FOIA exemption requests that DGS overrules and makes available? Are Offerors notified of such decision? Can that submission be withdrawn given such action?

We do not release anything before an award is made. After an award is made, we will generally provide offeror with notice that we have received a request for their proposal under FOIA and the offeror will have the opportunity to challenge the release. Offerors should identify materials within their proposal that they believe are exempt under FOIA. All offers and proposals may eventually become public. DGS does not return proposals after an award is made.

4. Are there any prior commitments or shows booked or any existing contracts that will be shared as part of the transition process?

Yes. There are several events currently booked that will be shared after the first phase of selection, a written list of performances with dates and times will be provided. There are a few such as the Mayor's State of the District address that we expect the awardee to honor

5. Will the tenant be allowed to bring their own sound system or will the District provide?

The District completed a full assessment of the building including the sound system. The District will make some improvements to the building prior to turnover of the building to the tenant. The successful awardee will be informed of what capital upgrades the District will make prior to turnover. Further, the District will post the copy of the building assessment. Beyond the upgrades disclosed by the District regarding capital upgrades, the building will be provided in as-is condition for the new lease.

6. Can the district provide copies of utility expenses?

Yes – the District will post a report of payments made. In addition the District will post a Profit and Loss Statement for October 2012 – September 2011.

7. Is there a liquor license from the previous operator that can be transferred to the new tenant?

No. The new tenant must acquire all new licenses and permits independently.

8. Are there any existing contractual agreements?

The District holds an exclusive contract with Ticket Master. The District will share copies of existing service contracts to the successful bidder.

9. What is the sitting capacity?

1,225

10. Is there a kitchen?

No

11. How is the loading dock situation?

Loading is via the public alley

12. What about the parking?

The parking lot in the rear of the Lincoln Theatre is part of the leased premises. There is a license agreement with U Street Parking that will be shared with the successful awardee.

13. What are some types of successful performances held at the Lincoln Theater?

Comedies, concerts, movies, and dance troupes

- 14. We did not get a comprehensive walk through, for example, we did not get to look at the front offices or walk through all of the bathrooms, however, you did indicate that the District would provide us with a comprehensive assessment of physical plant needs, which I hope will cover those spaces that we did not see. Will those spaces be covered in the assessment?**

The walkthrough was extensive and there was an opportunity to request during the question and answer session a review of areas missed. The building assessment will be posted.

- 15. And, do you have architectural drawings of the theatre which provide dimensions of the offices, placement of electrical and water lines; and if so, can you share those with the potential bidders?**

Available drawings will be posted; however, none of the drawings provide dimensions.

- 16. Thank you for providing us with utility costs so we can properly analyze and project what future costs might be. Additionally, can the Commission provide us with a copy of the 2011 and 2012 budgets for the Lincoln, which should be public as the funding had to be approved by the DC Council and with a list of event conducted at the theatre during 2011 and 2012?**

The profit and lost statement for October 2010 – September 2011 will be posted and is the only annual report we have available.

- 17. You indicated during the walk through that the District has figured in potential funding for improvements to the light and sound systems. Can you provide us with the potential model and capabilities that have been used to project the money needed for upgrading the system. Or, if the Commission has determined the actual model, what warranties are offered by the manufacturer for the upgraded systems? And, was that amount returned to the Lincoln and included in its budget?**

No particular model has been selected for repairs or upgrades to the lights/sound system at this time. However, there is a capital budget currently to support physical improvements by the District. \$1.1 million was allocated in FY2012 for support of the ongoing improvements and upkeep to date. These budgeted funds will not be made available to the tenant, but will be used by the District to make improvements.

- 18. You mentioned that the Friends of Lincoln Theatre were no longer affiliated with the theatre. Although they are no longer affiliated, they have stayed on site and will probably challenge the new management. What will the District propose to ensure that the old entity does not preempt new business models and organizations which might be used by PG residents?**

The U Street Theatre Foundation was the nonprofit that entered into a license agreement with the District to use the building. The Foundation's relationship with the District was

terminated in December 2011. The U Street Theatre Foundation is no longer present at the Theatre.

- 19. As part of the comprehensive assessment was the repair and reencapsulation of asbestos on the ceilings incorporated into the capital costs that the District will cover related to the Theatre?**

Yes. The District has addressed the issue to date.

- 20. During the walk through I notice water damage on the wallpaper and some of the plaster work? When was the roof last repaired and can we review the repair journal?**

The roof was last repaired in 2009.

- 21. When were the seats last reupholstered?**

The seats are part of the original renovations done when the Theatre reopened in 1994.

- 22. Were the scrims, curtain and cinema screen included in the comprehensive physical plant assessment?**

The assessment will be posted for your review. However, these items are not capital improvements.

- 23. As the exclusive agent for Ticketmaster, has the Lincoln profited from that relationship in 2010, 2011 and 2012? And, if not, how large a deficit has occurred from the use of this service; and how are we calculating the deficit related to this line item?**

A profit and loss statement will be posted which includes the Ticketmaster expense. This level of impact/detail is not available from the previous tenant.

- 24. How much money was made from leasing out the parking lot; and was that money funneled back into the operations or capital budget for the Lincoln?**

\$12,000 to \$15,000 for the past two years of operation.

Can you share with us the number of lawsuits filed against the Lincoln and/or its management in 2010, 2011 and 2012, what was the disposition of each lawsuit and what were the total judgments annually levied for problems arising in the theatre; and what was done to minimize risk associated with litigation against the Lincoln Theatre?

There was one noted incident in 2010, to which no judgment has been made to date. The renting promoter is required to take on responsibility for minimizing risks at the Theatre.

The tenant will be required to maintain its own insurance to mitigate suits against the District.

- 25. Did the Lincoln run its concession stands or did it lease out this function? If they ran the concessions, how much did they make annually in 2010 off of concessions; and the amount paid to the theatre by the contractors who ran the**

The U Street Foundation ran the concession stand, the revenue amounts are not readily available from the previous tenant.

The above are all the questions received as of 01/10/13. No additional questions will be accepted for this phase of the solicitation process.