

United States General Accounting Office Washington, DC 20548

March 23, 2001

The Honorable Mike DeWine Chairman The Honorable Mary Landrieu Ranking Member Subcommittee on the District of Columbia Committee on Appropriations United States Senate

The Honorable Joe Knollenberg Chairman The Honorable Chaka Fattah Ranking Minority Member Subcommittee on the District of Columbia Committee on Appropriations House of Representatives

Subject: District of Columbia: National Museum of American Music

The conference report accompanying the District of Columbia Appropriations Act of Fiscal Year 2001 directed us to review the National Museum of American Music (NMAM) proposal targeted for the current Convention Center site in downtown Washington, D.C., and to provide certain information to the Appropriations Committees by April 1, 2001. The NMAM proposal is in the conceptual stage and the Mayor's office has not yet decided on how to use the current Convention Center site once the new Convention Center is ready. Therefore, as agreed with your staff, we obtained information on the status of the NMAM proposal and the decision process of the Convention Center Redevelopment Task Force as well as information currently available related to the four questions in the conference report.

On March 1, 2001, we briefed the staff of both of your Subcommittees on the results of our review. Your staff asked us to provide additional information about the use of the \$300,000 appropriation for the needs and design study for the proposed NMAM. We have incorporated this information in the briefing slides enclosed with this letter. Also, we agreed to monitor the ongoing events related to the NMAM proposal until the District makes a decision and to keep your offices informed of any major developments.

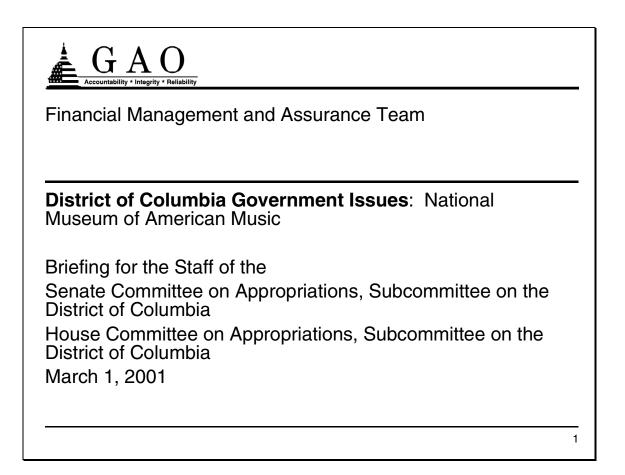
We are sending copies of this letter to Senator George V. Voinovich, Senator Richard J. Durbin, Representative Constance A. Morella, and Representative Eleanor Holmes Norton in their capacities as Chair or Ranking Minority Member of Senate and House Committees and Subcommittees. This letter will also be available on GAO's home page at <u>http://www.gao.gov</u>.

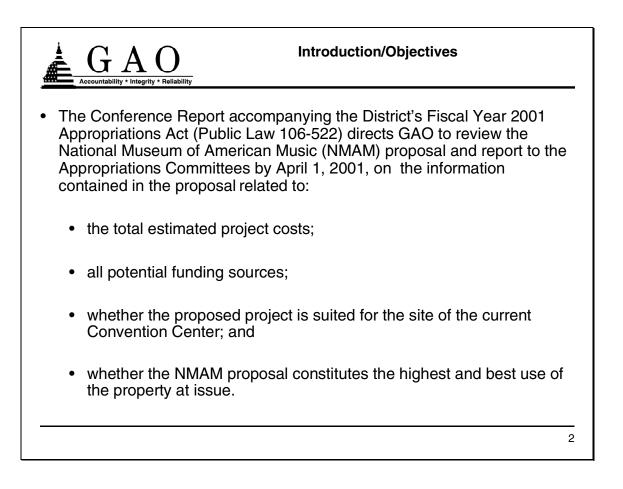
If you have any questions, please contact me at (202) 512-9450 or by e-mail at *steinhoffj@gao.gov* or Jeanette Franzel, Acting Director, at (202) 512-9471, or by e-mail at *franzelj@gao.gov*. Key contributors to this letter were Ronald L. King, Keith A. Thompson, Anne M. Hilleary, Wendy Wierzbicki, Arkelga L. Braxton, and Louis Fernheimer.

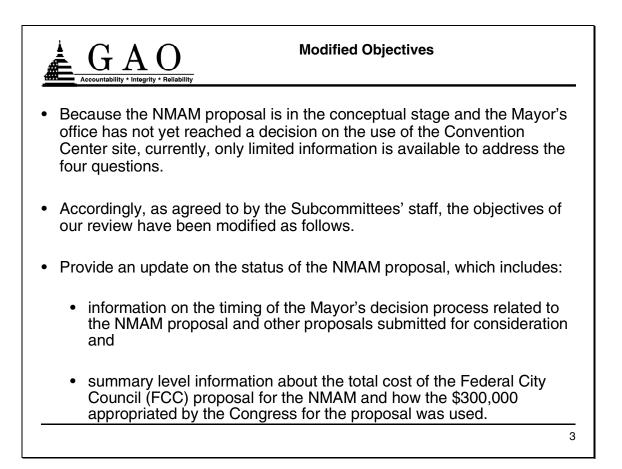
Jeffrey C. Steinhoff Managing Director Financial Management and Assurance

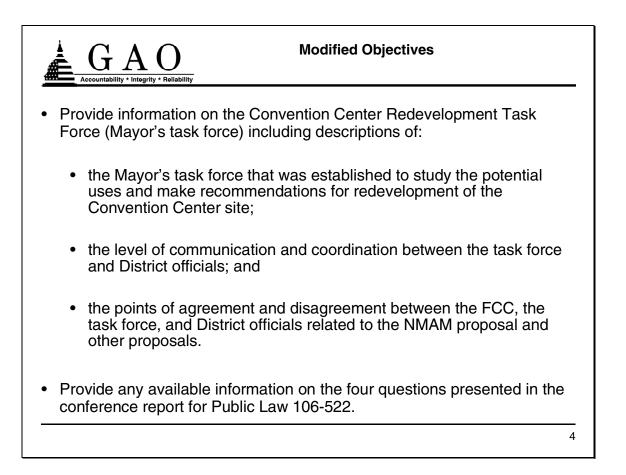
Enclosure

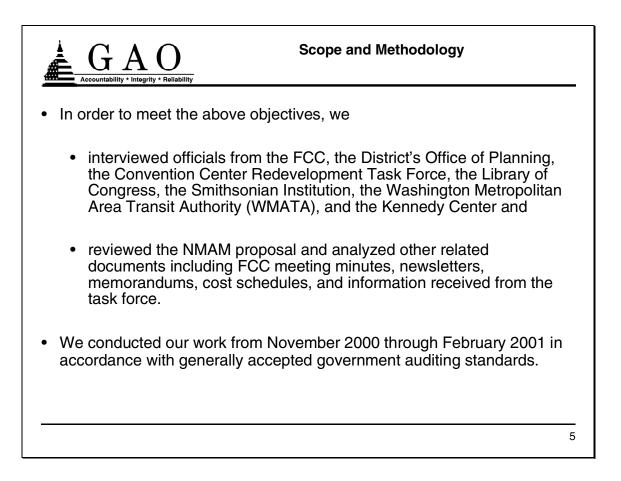
March 1, 2001, Briefing on the National Museum of American Music

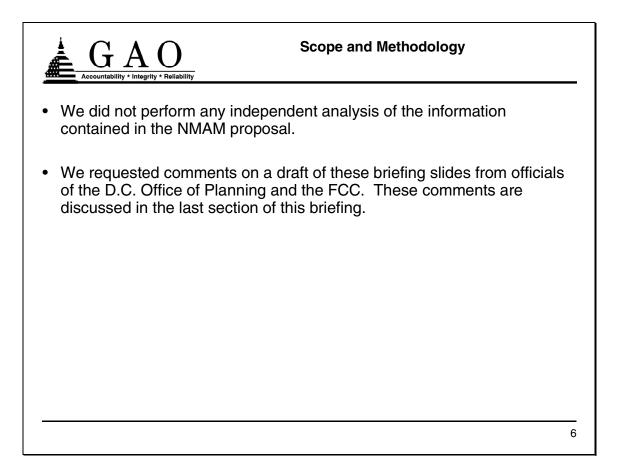


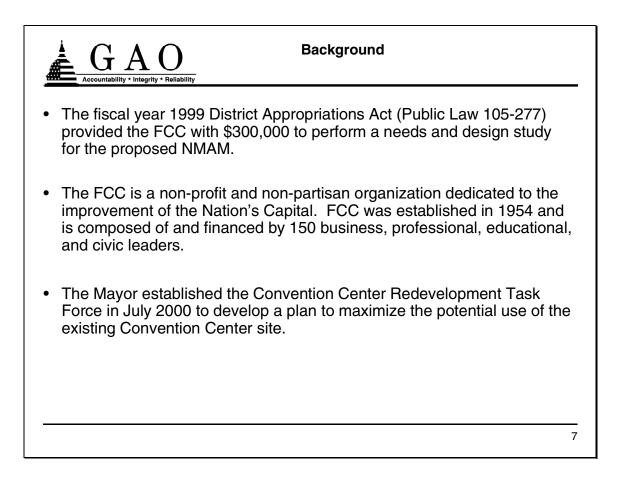


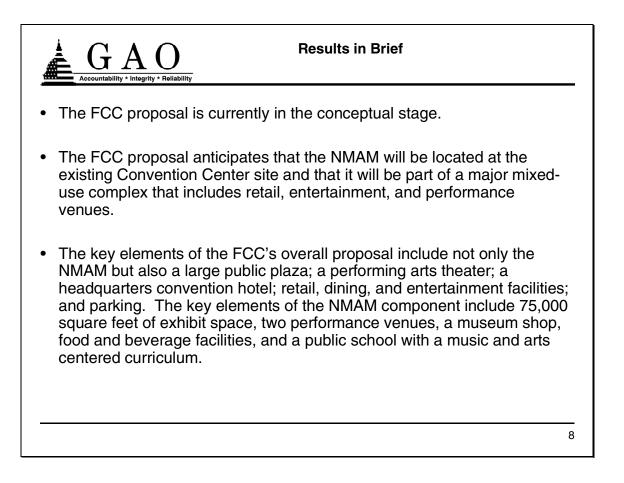


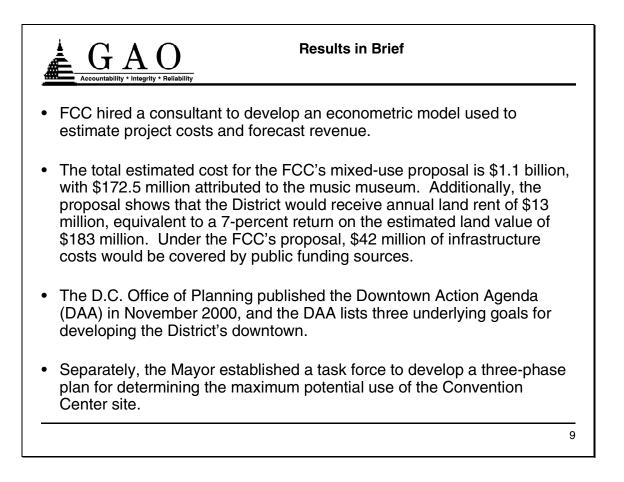


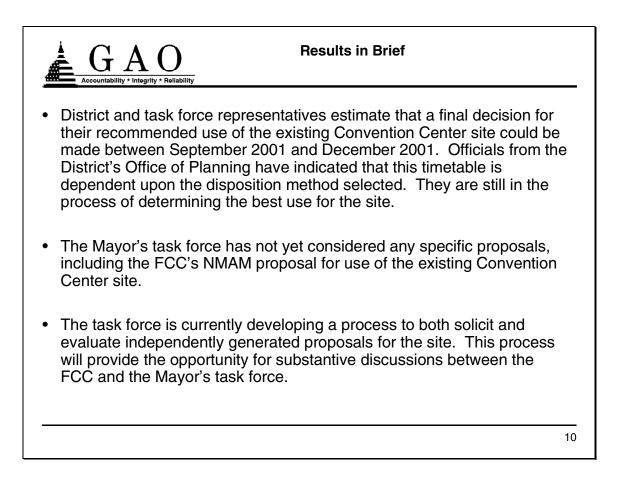


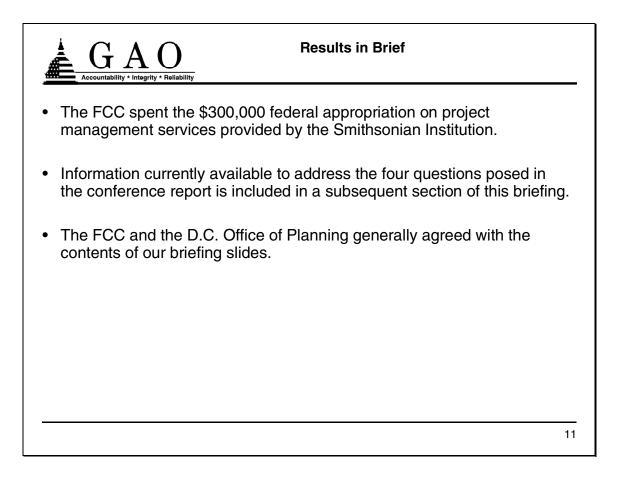


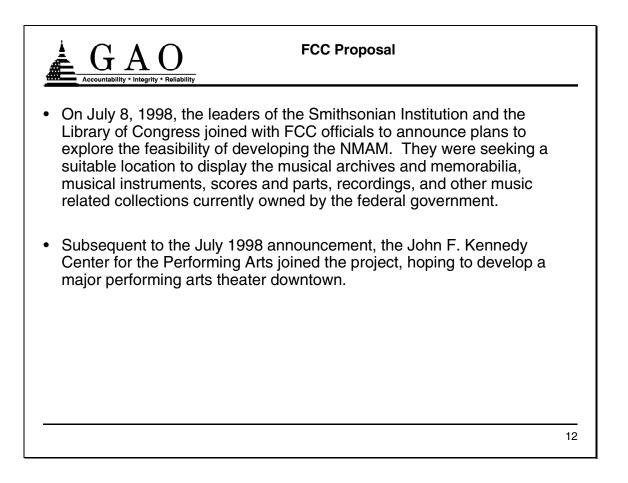


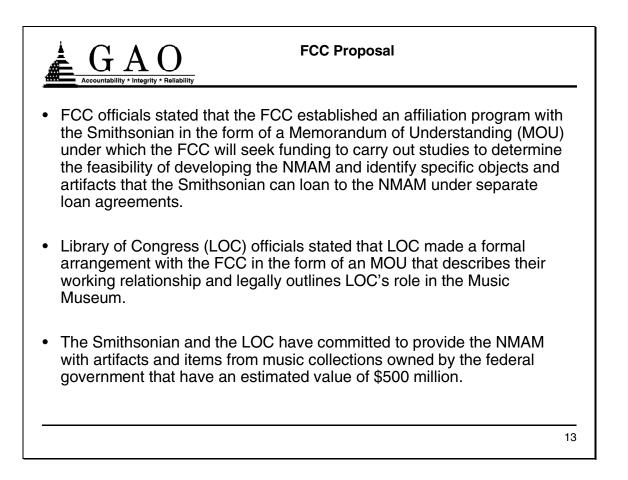


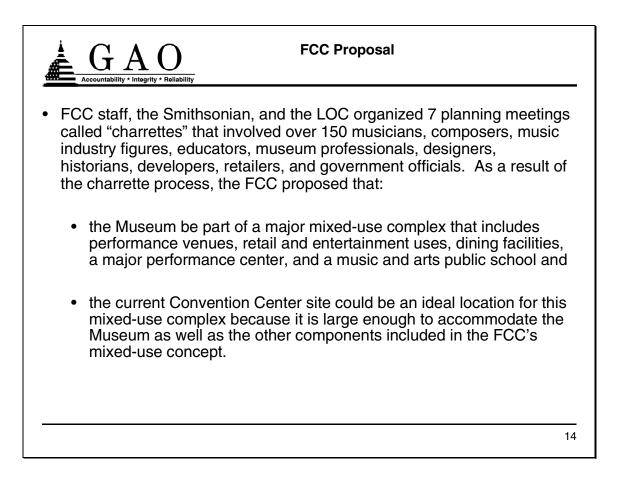


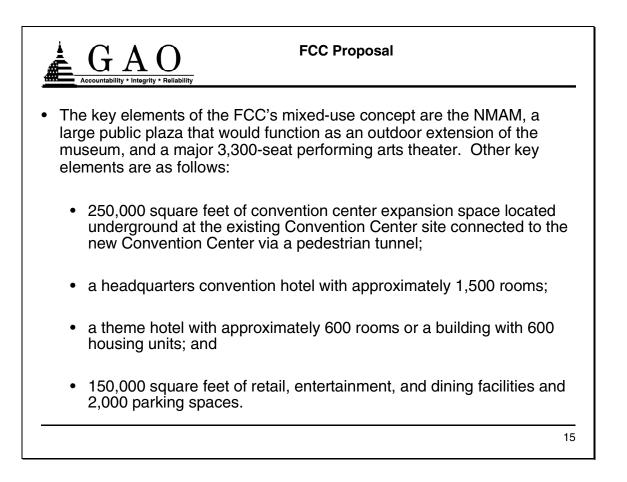


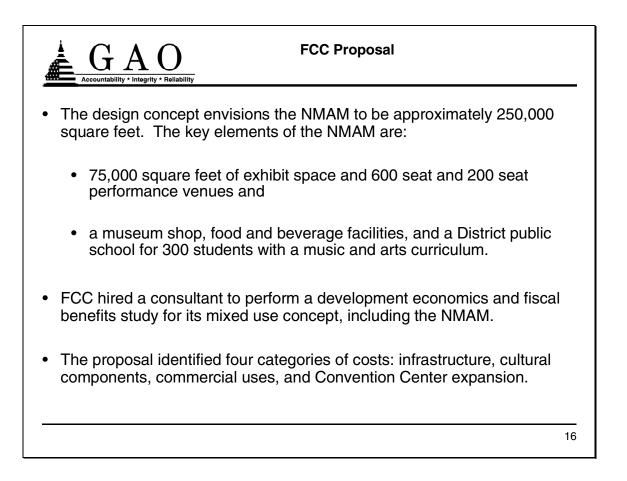


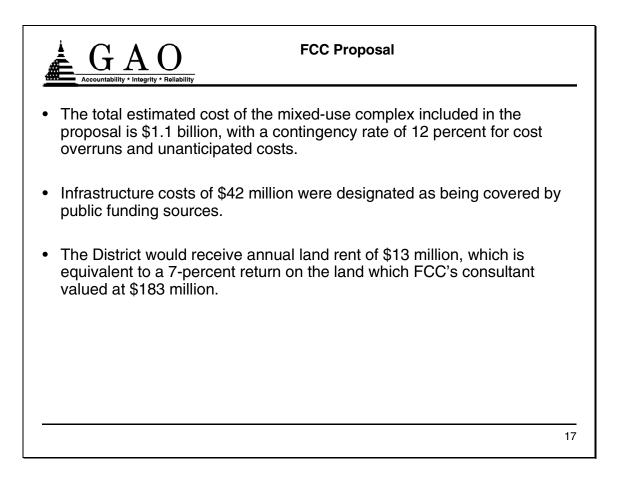












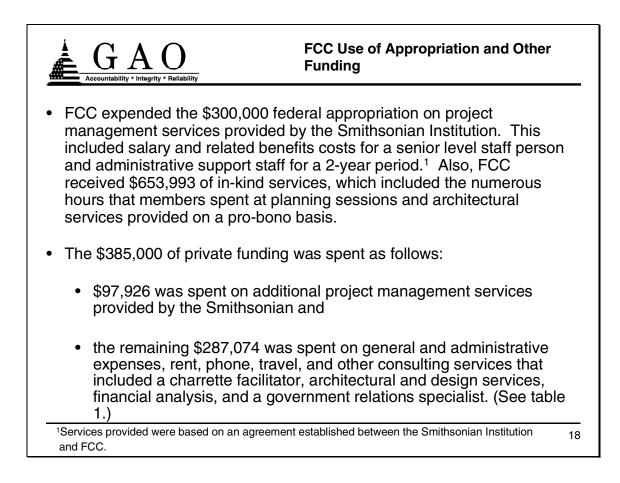
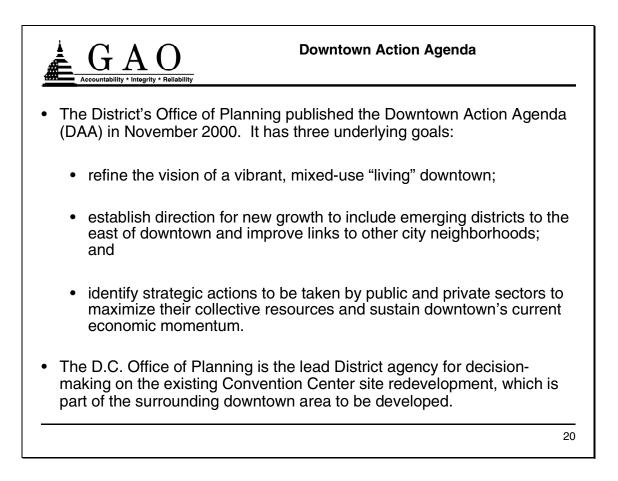
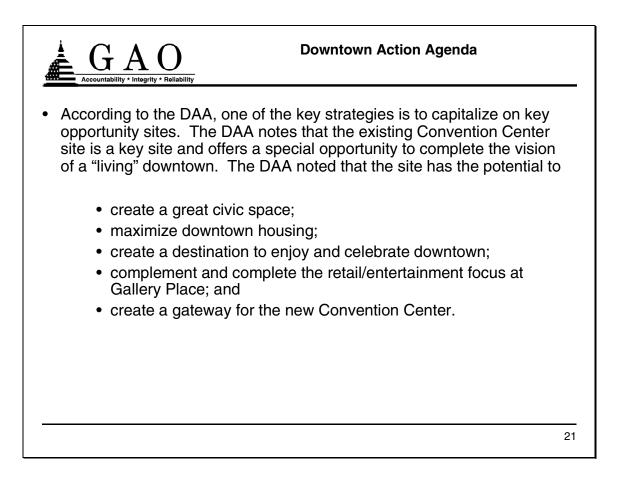
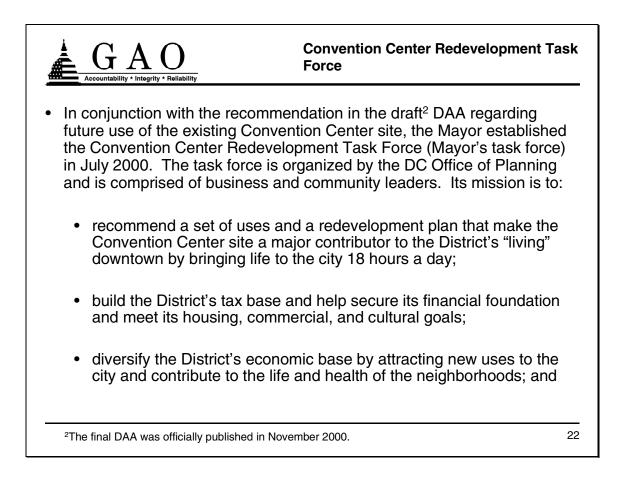
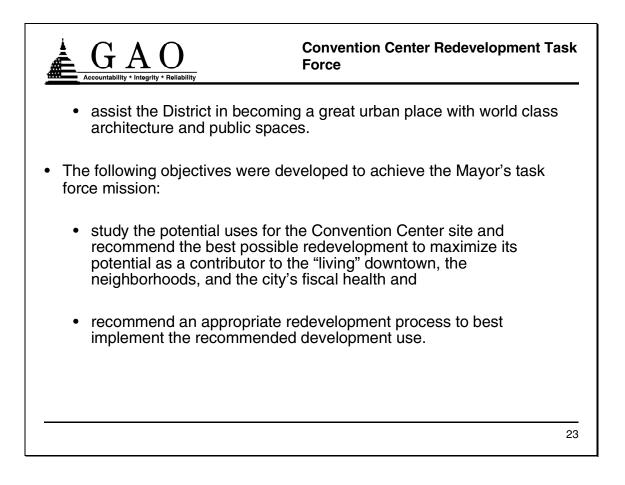


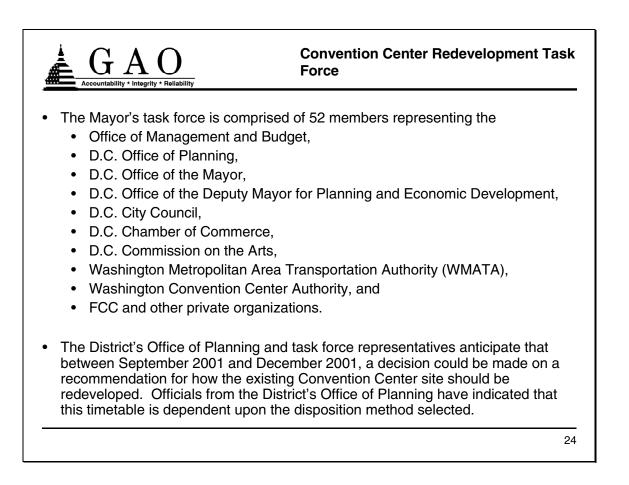
Table 1: Cost of Proposal	by Typ	e of Fund	ing			
Funding/Expense	ap	Federal propriation	Co	ontribution	In-Kind	Total
Funds provided	\$	300,000	\$	385,000	\$ 653,993 \$	1,338,993
Expenses:						
Project management services		300,000		97,926		397,926
Architectural and design services				123,789		123,789
Charrette facilitator				21,100		21,100
Financial analysis				28,139		28,139
Government relations specialist				22,875		22,875
In-kind services					653,993	653,993
Rent, phone, and travel				46,400		46,400
Overhead: general and admin.				44,771		44,771
Total		\$300,000		\$385,000	\$653,993	\$1,338,993

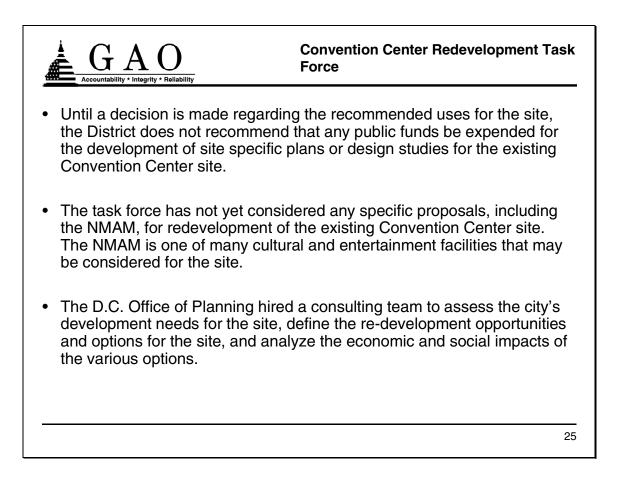


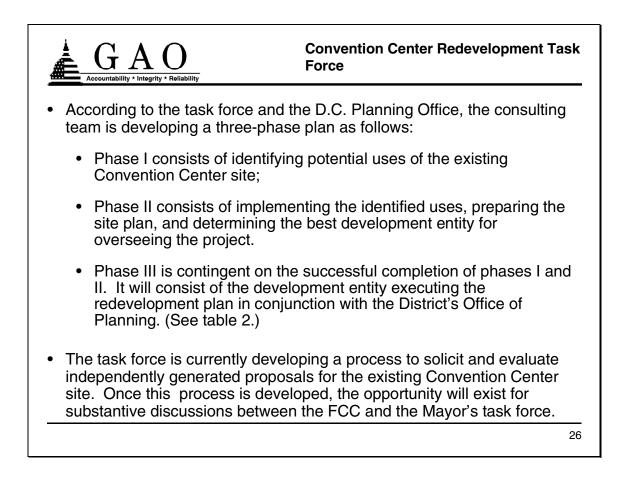




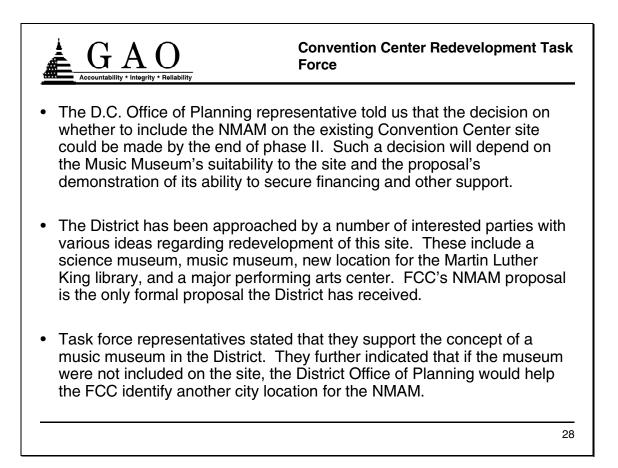


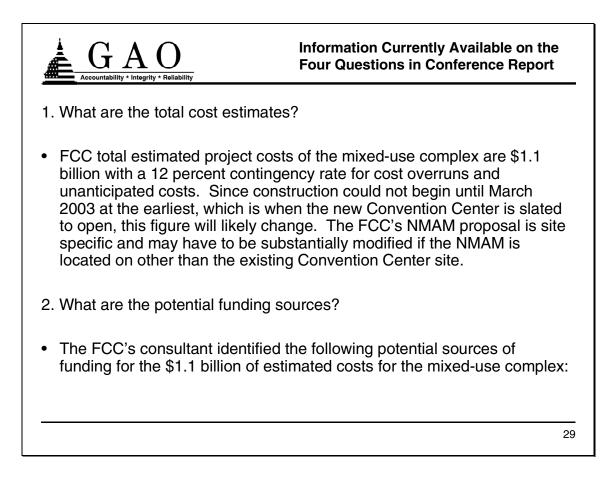


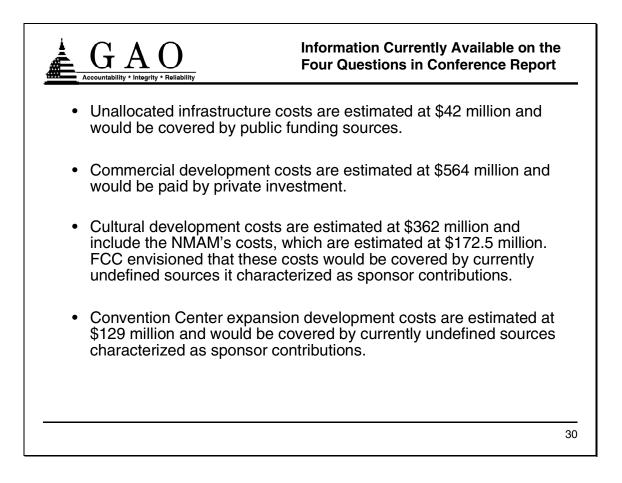


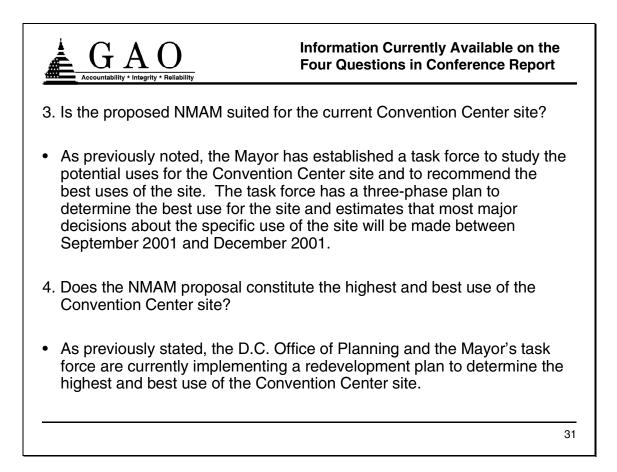


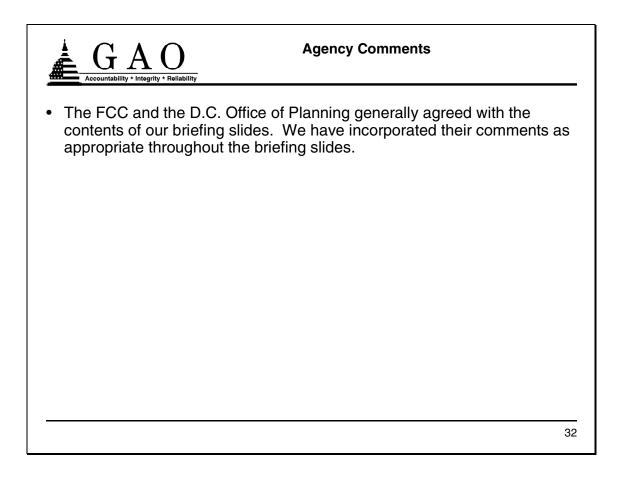
untability * Integrity * Reliability							
	Existing Convention Center site						
Phases	Phase I	Phase II	Phase IIIª				
Time frames	Anticipated to end March 2001.	Anticipated April 2001 through September 2001 or December 2001.	Anticipated January 2002 through March 2003.				
Objectives/Actions	To identify potential uses for the existing Convention Centersite.	Identifying uses, preparing the site plan, and determining the best development entity to oversee the project.	The development entity will execute the redevelopment plan in conjunction with the D.C. Office of Planning.				
Decisions/Conclusions	1. A headquarters hotel should be developed but preferably not on the existing Convention C enter site.	1. Decide where the headquarters hotel will be located.	 The entity sends out request for proposals to the development community, reviews responses, and selects a contractor. 				
	2.400 to 1,000 residential housing units should be included on the site.	2. Decide whether additional exhibit space is needed and its location.	The task force would phase out during this period.				
	3. A main attraction that will draw at least 3 million people a year should be included on the site.	 Determine whether WMATA will want to build a metro station underground on the site. 	 The entity would develop cost estimates, identify funding sources, and estimate revenue for the city. 				
	4. A public open space that is controlled by the District should be included on the site.	4. Determine what main attraction will be located on the site.					
	5. A smaller hotel should be included on the site.	 Prepare a small area plan that will include traffic patterns, parking, and design guidelines for the area around the site. 					
	 Underground uses include parking, additional exhibit space for the new Convention Center, and a metro yard. 	 Decide on what type of development entity will be established and how the land will be transferred to this entity. 					
lssues/Products	The D. C. Office of Planning will issue a report identifying these uses to the Mayor and the Task Force in March 2001.	1. Present the site uses, small area plan, and the type of development entity needed to the City Council.	Not Applicable.				
		2. The City Council will prepare a statute to allow the Mayor to establish this entity and transfer ownership of the land.					











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