

of construction, the area in which it is built and labor and material costs. Some buildings are lavish in decor and equipment, others are simple and yet functional.

To keep these buildings in operation, an estimated \$135 million is spent annually on repairs and remodeling.

2. USER CHARGES

Main income to these buildings is from rental fees. While there is a growing number who annually meet operating costs with their income, they are in the minority and only some 25 percent are able to accomplish this. Fewer are able to also contribute to capital costs.

Rental rates for auditorium-theaters and coliseum-arenas vary considerably from location to location. According to a recent survey, commercial rates range widely from \$125 to \$2,500 for an all-day rental. In many cases the building also received from 10 to 15 percent of the gross income of the event being held in the building. There is a "rule of thumb" for coliseum-arenas that is from 10 to 12 cents per seat. Religious, service, and nonprofit organizations usually get lower rates.

Exhibit hall rental rates range from 50 percent of the regular commercial rates to 100 percent. Some charge anywhere from 2 to 35 cents per square foot. To this, in most cases, is added extra charges for various equipment, labor, and services. In some cases, convention and exhibit halls are offered at no charge in order to bring certain conventions to the community.

C. TREND OF CAPITAL OUTLAYS

Annual capital outlays for buildings is huge and is growing. It is estimated that buildings costing some \$800 million will be opened to the public during 1966. This compares with \$667 million in 1965; \$498 million in 1964; \$125 million in 1963; and \$150 million in 1962. No figures are available prior to 1962.

Again, city governments account for most of this financing—72 percent. Counties are represented by 6 percent; State governments and State agencies by 4 percent; towns by 1 percent or less, with the balance divided among other public authorities, private capital, and nonprofit organizations.

Many buildings were constructed with help from Federal sources during the depression years. Works Progress Administration and Public Works Administration funds were allocated not only for construction but for modernization and repair. Today most buildings are financed by municipal bonds, either general obligation or revenue but there is an increase expected in participation of the Federal Government.

D. NEEDS AND PROSPECTIVE CAPITAL OUTLAYS

It is estimated that somewhat over \$8 billion will be needed in the coming decade to provide the needed facilities. Basically, increased population will demand more buildings. Some of the present complexes, built during the depression years through WPA and PWA programs, will be replaced.