one-third is spent by municipal governments and the balance, about one-sixth, is expended by State governments.

SUMMARY

In summary, there have been about 25,000 public office buildings built by State and local governments in the United States with a total gross floor area of about 330 million square feet. On the average, these structures are 35 years old (18 percent are 60 years old or older). The value of these existing structures is about $7 billion with a median replacement cost of about $30 to $40 per square foot. The rate of capital expenditure for general purpose public buildings has been increasing rapidly (threefold in the last decade) and is currently at the $200 million per year level. In the past the majority, or 70 percent, of civic buildings have been financed by tax-exempt municipal bonds. Federal grants have accounted for about 10 percent of the cost of these facilities. Another 15 percent of the cost has come from direct appropriation from tax sources, particularly used in the case of State financing. The remaining 5 percent came from miscellaneous sources such as State aid, rents, utility service charges, et cetera.

D. Needs and Prospective Capital Outlays

In estimating the probable "unmet needs" for the next 10 years with respect to general purpose public buildings, there are several major considerations. The basic projection is a continuation of past trends. However, possible modification due to changes in policy or economic conditions are considered. The resultant projection gives a range of probable costs for the next 10 years.

Indications are that during the next decade, 1966–75, that the capital requirements for general purpose public buildings will exceed $3 billion. The annual capital expense is projected to rise from $200 million per year at present to about $400 million per year by 1975.

This 100-percent rise in annual capital expenditures over the next 10 years is based on these trends:

Population, current rate of increase: 20 percent per 10 years.

Construction cost, current rate of increase: 20 percent per 10 years.[4]

Government employment, (local and State only) current rate of increase: 50 percent per 10 years.

General rise in quality of facilities: At least 10 percent per 10 years.

In the recent APWA survey, those responding indicated a need for an increase of at least 10 percent in additional revenue from other sources such as Federal grants.

It is important to point out that the projected expenditures for general purpose public buildings are primarily a projection of past trends. The amount that will actually be spent can vary considerably depending on general economic conditions as well as governmental policy. As an example, there are now large antipoverty programs and youth training programs, all requiring space that had

[4] The increase for 1965 was 3 percent and there is some indication that 20 percent may be a conservative figure.