for public use, that you require no taxpayers' funds, but you would need tax-exempt bonds the same as a municipality?

Mr. POWELL. I hesitate to say we want to be treated as a municipality, because it is a private, though nonprofit, corporation. I am just comparing the fact——

Mr. GRAY. Maybe the question is not clear.

Mr. POWELL. The fact the bonds would be exempt would be similar to bonds of municipalities that are issued to build similar projects for the public.

Mr. GRAY. This is what I had reference to; you want similar treatment as the municipalities is what I had reference to.

Mr. POWELL. Yes. Yes.

Such an exemption is completely justified when the following is considered:

First, the donation of the large additional space of 1,600,000 square feet to the National Visitor Center, a fair rental value of $10,520,000 per year.

Second, the provision of a critically needed additional 7,000 parking spaces to make a total onsite availability of 10,000 automobile spaces and parking for 116 buses. We will, however, have to have a nominal charge for parking in the 7,000-space area. We are anticipating a charge of $1.50 or less per car for all day parking.

Third, the principal activities in the new building will be a nonprofit education and information center and a nonprofit international club.

Fourth, the founding cooperation would pay real estate taxes to the District of Columbia government of $2,758,000 per year. This would amount to about $52,413,000 over the 23-year bond amortization period and should far more than pay for the road, freeway, and street rearrangement for easy ingress and egress to the National Visitor Center, as well as modernizing the depressing underpassess on H, K, and L streets.

Fifth, the new building complex would place a sizable wedge of redevelopment in an area in very urgent need of it embarrassingly close to the Capitol. This new building and its activities would undoubtedly cause a spate of further redevelopment in the surrounding area, including yet further additional parking, hotel facilities, and so forth.

Sixth, of the total number of square feet of building constructed, not counting parking, only about one-half would be devoted to the production of rental income. The other half would be utilized by the National Visitor Center and the Electronic Education and Information Center at no charge. Total area would be 10,539,400 square feet; total rental area would be 5,800,500 square feet and a rental rate of $6 per square foot is anticipated.

Seventh, the tax exemption of the bonds cannot be argued to cost the Government money, because without the exemption, there would be no bonds and no interest income at all, since this project cannot be done on this basis without the bonds being tax exempt. Moreover, it cannot be argued that investors would invest in taxable income-producing securities if they did not invest in these bonds, because the money which will be invested in these bonds most likely would be put into other tax-exempt municipals if it were not invested here.