



MESA 2025: FINANCING THE FUTURE CITIZEN COMMITTEE

January 26, 2005

The Mesa 2025: Financing the Future Citizen Committee met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on January 26, 2005 at 5:30 p.m.

COMMITTEE PRESENT

Kyle Jones, Chairman
Kirk Adams
Jill Benza
Pat Esparza
Don Grant
Rex Griswold
Greg Holtz
Aaron Huber
Eric Jackson
Dennis Kavanaugh
Mark Killian
Robert McNichols
Scott Rhodes
Pat Schroeder
Robin White

COMMITTEE ABSENT

None

EX-OFFICIO MEMBER

Keno Hawker, Mayor

STAFF PRESENT

Various Members

1. Follow up on items from last meeting.

Chairman Jones welcomed everyone to the meeting and stated that Economic Development Director Dick Mulligan and his staff have prepared an extensive presentation and he requested that they limit their talk until 6 p.m. so that the members of the Committee will have sufficient time to pose questions to staff.

2. Approval of minutes from the previous meetings.

The minutes of the November 10, 2004 Committee meeting were approved unanimously by those present.

3. Presentation on Economic Development issues.

Mr. Mulligan addressed the Committee and highlighted a power point presentation. Detailed copies of the presentation were distributed to the members in the packet of meeting materials.

Chairman Jones thanked Mr. Mulligan for his presentation and encouraged brief questions from the members of the Committee.

Committeemember Griswold commented that with the completion of the new Red Mountain Freeway out to the Falcon Field Airport area, and the potential of the Longbow project, and asked what efforts could be expended to expedite the area and attract more professionals to that location.

Mr. Mulligan responded that efforts continue to be expended to attract more developers to the area. He stated the opinion that competition is healthy and noted that other communities with higher professional employee percentages and employment opportunities also have more development and housing activity occurring. He said that Mesa needs to be on that same page and staff is doing whatever possible to make that happen.

Committeemember Adams concurred that transportation is a key issue and noted that the voters obviously feel the same way because they approved Proposition 400 in November. He said he has concerns about when money from Proposition 400 transportation dollars are being applied to the southeast valley. He pointed out, for example, that Williams Gateway Freeway is not slated to begin construction until 2016 and said that a large portion if not the most significant portion of the monies that Mesa will receive from the transportation tax will not be received until the latter half of the plan. He noted that the South Mountain Freeway, which was slated to be built with the original transportation tax, was not built at all because they ran out of money. He added that oftentimes these projects tend to be over budget and are relegated to the last half of the plan, under funded or not funded at all. He commented that given the two million additional residents that are anticipated to locate in that area, he asked whether staff views that as a threat to the financial stability of Williams Gateway given the fact that if the infrastructure improvements are put in place, it may be too late or it may not happen at all.

Mr. Balmer responded to Committeemember Adams' comments and stated that he views it more as a challenge than as a threat. He stated that the way Proposition 400 was structured, the funding is divided into four phases and each phase requires the community to contribute 30% of the cost of the capital improvement project to obtain the 70% from the Countywide share. He noted that most of the projects in the first two phases are located up in the existing part of Mesa, solving existing transportation problems, intersections that need to be widened, streets that need to be widened, very expensive projects that involve going back into existing neighborhoods and upgrading the facilities. He added that the latter year projects/funding involve the Williams Gateway area because that is not the area with the greatest need at this point in time. He commented that this will create the same type of problems in the future because the City will have to go into the area and improve and/or rebuild that facility if work is delayed. He reported that that is one of the issues that the Council would be looking at when they consider holding a 2006 bond election. He said if they have an additional source of funding, they can begin to upgrade to projected use standards so they are in place to attract the right kind of new development. He emphasized that at the current time the City does not have sufficient monies to rebuild current facilities and plan for future facilities. He added that they have to pick one or the other and that is a challenge for the Council given the City's current financial status.

City Manager Mike Hutchinson informed the Committee that he was involved with the plan in 1985 when it was originally developed and implemented. He agreed that they did run out of funds and discussed the Maricopa Association of Governments (MAG) and the fact that all of the different municipalities and Indian communities believe they are on the "short end of the plan" as far as the Transportation Plan. He noted that the plan is structured with timetables and noted that Mesa intends to continue to be very aggressive as they have been over the last ten years in order to do everything possible to expedite the freeway and make sure that the planning continues. He added that planning is already underway for Williams Gateway and added that the Mayor, as Chairman, is going to remain very active as it goes through the MAG review process as well as other processes that end up with the Arizona Department of Transportation (ADOT). He noted the creative ideas generated by staff, which convinced the Legislature and ADOT to speed up the progress of the Red Mountain Freeway. He added that they did the same on the 60 and will probably have to do it on the Williams Gateway Freeway as well. He commented that there are many different mechanisms in place but emphasized that Mesa is going to be at the table. He also discussed the fact that they are working with a regional body and stressed the importance of developing a consensus. He added that much time is spent in the development of the plan and said he believes that one of the big issues is when the arterial streets are going to be built. He expressed the opinion that there will be controversy regarding freeways, arterial streets and which entities get the new bus lines first. He noted that there will also be lots of discussion taking place and Mesa is going to be right in the middle of the fray representing itself and the entire East Valley.

Committeemember Adams requested input relative to anticipated revenue to be potentially generated as a result of Williams Gateway Airport. He noted that Sky Harbor Airport is a very profitable venture for the City of Phoenix. He asked what type of revenue staff anticipates cargo and passenger service will generate. He added that the area also contains educational institutions and has the potential of becoming a major job center.

Mr. Balmer responded that Williams Gateway has as many acres as Sky Harbor and reported that there are currently 3,000 jobs at the airport today and eventually there will be 10,000 jobs filled by personnel just involved in the operation of the airport. He added that the real growth will occur right next to the airport and said that they are looking at a significant number of office buildings, hotels and restaurants. He added that discussions are also taking place about golf course facilities, industrial buildings, warehousing and a wide variety of other activities that generate jobs, sales taxes and property taxes and will bring in new shared revenues. He also discussed the "secondary people" who come into the area such as suppliers for Cessna plane parts and commented on benefits that would be received if an educational center such as Embree Aeronautical University was located right next to the airport.

Mr. Balmer also informed the Committee that the manner in which the Airport Authority was structured is also unique because all of the monies that have been spent to date are actually "loans" to the Airport Authority. He noted that Mesa will be repaid out of the proceeds from the airport. He added that revenues that are generated by the airport have to be spent on the airport, but all of the spin-off development can be funded in part by the revenues the City receives from those loans. Mr. Balmer indicated that he would provide the Committee with copies of airport operational forecasts.

Discussion ensued relative to the proposed Riverview project at an estimated cost of \$80 million; the fact that the project will consist of two Phases with Phase I being the theater project; the fact that "triggers" have been built into the agreement and the developer has to develop approximately 600,000 square feet (include a Bass Pro Shop) before sales tax incentives kick in; the fact that there are also a variety of "triggers" associated with the retail component and a different structure

on the car dealership parcel, which is located directly off of the freeway; the fact that the payback timeframe depends upon how fast the development goes and how successful it is; the fact that staff will provide the Committee with a copy of an economic analysis prepared by Ernst & Young; and the fact that some of the items are ten-year sales tax rebates and others are longer than that.

Committeemember Killian asked whether the City could legally participate in a type of bonus commission program (following legal review and authorization), whereby if a broker brings a client to Mesa, some sort of arrangement is worked out with the property owners for the broker to receive a bonus. He added that perhaps brokers who bring businesses to Mesa could receive a higher commission or some type of other incentive program could be established. He added the opinion that the suggestions warrant some consideration. Committeemember Killian added that Mesa does not have any five-star resorts and questioned how many potential clients are lost because of that fact. He said they go to Scottsdale and/or Tempe to stay at high-quality hotels.

Mr. Mulligan noted that developers who are willing to build four or five-star resorts require a corporate base to support the projects and guarantee functions and room rentals. He stated that Mesa has not been able to meet their needs and, in addition, commented that the City has experienced extensive periods when hotel financing has been extremely challenging.

Mr. Hutchinson commented that staff would love to see a five-star hotel open in Mesa but noted that the last plan for a private resort at Las Sendas is probably not going to happen. He said that staff is more interested in full-service hotels. He informed the Committee that the last full-service hotel deal that staff worked on was in the Superstition Springs area near where P.F. Changs and the new auto mall will be located. He commented that they are hearing from Williams Gateway people that they need business development and a hotel. He added that a developer came forward with a significant incentive package that was reviewed by the City Council but staff determined that it was not a good investment for the City because of the risky nature of the hotel industry. He noted efforts that are being expended by the City of Phoenix in their downtown area to gain a third hotel and pointed out that they are actually fronting the money for that project. He said that staff believes there may be potential at Williams Gateway and added that the Gila River Indian Community, which is one of William Gateway's partners, is considering some hotel development next to their golf course.

Committeemember McNichols referred to charts displayed in the Chambers and asked Mr. Mulligan whether staff's emphasis has been taken away from the employment sector and redirected to retail. He also asked what the direct benefits to the City are as far as recruiting new employees. He commented that someone mentioned at the last meeting that the City was not recruiting employers because there are no incentives in place to do so. He said that there is no property tax being generated by the development of other non-retail commercial buildings. He added the opinion that the only thing the City benefits from is the retail sales tax and that is where the emphasis is being placed. He emphasized the importance of generating some incentives for people to locate their businesses and increase the employment base. He reported that lower paying jobs are being generated in Mesa because of the less expensive housing available in Mesa compared to other municipalities. He pointed out that there is a direct relationship between the price of housing and the salaries being paid to people who work in the City. He commented that if they continue to recruit all lower-paying jobs, the average price of housing is not going to increase and employment will continue to drop. He said it is important to identify what the direct benefits to the City are so that they can create incentives and recruit more non-retail businesses.

Mr. Mulligan stated that he doesn't believe that the emphasis has shifted in terms of where they deal and added that he believes that the City is focusing more on various types of office, industrial and retail development. He noted that Mesa is the 40th largest City in the country and has attempted to "push" staffing and programs in such a manner as to allow them to deal in any of those areas, as a City of this magnitude should. He pointed out that economic development is very much a team sport and all the members of the Economic Development team strive to achieve success in carrying out their responsibilities. He added that they would obviously like to have higher paying jobs in the community because the increased income levels mean that the City is attracting higher education attainment level residents, which provides more disposable income and results in higher retail sales. He said that although some progress has been made in this area, they still have a long way to go given the historical development pattern within the community and the challenging environment that exists. He informed the members that staff does not "pitch" the fact that Mesa does not have a property tax very hard because it really doesn't provide any advantage to the City. He said that they prefer to teach staff to sell based on how they compete on value. He added that the motto "*Cheap taxes, cheap land, cheap labor*" is not a very successful long-term motto because it tends, over time, to attract businesses that have weak balance sheets. He commented that what he attempts to do with new prospects is emphasize the assets the community has that will benefit the prospect in terms of training, educational institutions, financing, quality of life for the employees, etc. and then at the end of the day tell the prospect "*and by the way, you also get a great bang for your taxpayer dollar.*"

Mr. Mulligan said that some benefits are direct and others are indirect and noted that the City receives sales tax benefits, construction sales tax, jobs and those type of things.

Committeemember McNichols questioned whether those benefits "paled" under the benefits that retail brings and Mr. Mulligan commented that they have clearly demonstrated that they want to continue to change the makeup and balance of the City's economic base. He pointed out, however, that the base will change over time, not quickly.

Mr. Hutchinson said that staff has spent a significant amount of time over the last few years on a number of retail projects and added that although they try to get the word out that the City works on various projects, the bottom line is as long as Mesa has a dependence on sales tax, the team has to expend effort to attract retail development. He added that they have to "protect their flanks" or customers will go to other cities. He pointed out that the Tempe Marketplace project is a perfect example and said they have spent time on that as well as on Cessna, Longbow and stadium projects. He stated that they spend lots of time on various aspects of economic development.

Chairman Jones advised that it is time to move on to the next agenda item and thanked Mr. Mulligan, Mr. Balmer and staff for their presentation. He encouraged members who had questions to forward them on to Denise.

4. Discussion on Revenue and Tax issues.

Financial Services Director Bryan Raines highlighted a presentation regarding revenue streams and tax issues. A detailed copy of the presentation was provided to the members of the Committee in their packets.

Chairman Jones thanked Mr. Raines for his informative presentation. He commented that when he attended the Arizona League of Cities & Towns' conference this past year, he came across a

survey that was done at the University of Arizona in conjunction with Wells Fargo Bank and other businesses. He noted that they did a comparison of the entire State of Arizona county-by-county and reported that the comparison deals with population, assessed valuations, employee levels, and taxes (primary, secondary, sales and bed taxes). He stated that the comparison clearly shows how relatively inexpensive it is to live in Mesa.

In response to a question from Committeemember Rhodes, Mr. Raines said that when he talks about major revenues, he is including the three major ones that he has discussed in depth (sales tax, utility revenues and property tax revenues). He concurred that the figures contained in his report are net of the differences that he showed them on utilities (negative differences).

Committeemember Rhodes asked whether on a secondary property tax rate the ballot issue authorizing a revenue bond has to identify the tax as a means or repayment or whether later on they can authorize a secondary property tax as a means of repaying that revenue bond. Mr. Raines responded that since 1990, the City has put on its general obligation bond questions that are placed on the ballot specific language to the effect that a secondary property tax may be levied if necessary. He stated the opinion that even prior to placing that language on the ballot, he believes that intent was assumed and the vote for the bond issue is really a vote for approval of a secondary property tax, if necessary. He informed the Committee that the City's Bond Attorney is compiling a legal opinion on this matter. Mr. Raines clarified that the City began to place the language on the ballot in 2000, not 1990.

Committeemember Killian asked Mr. Raines how much money a year the City has to raise and he stated that last week the various departments were provided their goals for next year's budget. He noted that staff has until the 19th of February to not only submit their requirements but their forecasted amounts as well. He said that once the forecasts have been received, staff will be able to prepare a chart for the Committee showing the entire picture for the seven-year planning horizon that they brought before the Committee on two separate occasions. He noted that the members will be able to review proposed funding availability and then begin to determine whether to cut activities or methods of generating additional revenues. He added that staff plans to bring this information to the Committee's second meeting in February.

Committeemember Killian noted that if nothing changes and the City stays with the current revenue structure and continue to meet all of the current needs, there is a definite deficit figure and the Committee needs to know what that number is. Assistant Budget Director Chuck Odom said that a ballpark figure is approximately \$20 million and noted that that is the minimum amount they would need in either service reductions or increased revenues. Mr. Raines added that the \$20 million figure does not pick up the match for Fund 400, freeway requirements and does not provide for any growth. He further stated that it doesn't provide the City with the ability to shorten response times for the Fire Department or add growth positions to both the Fire & Police Departments.

Committeemember White stated that the Committee needed to obtain anticipated ("ballpark") revenue projections for Williams Gateway Airport, (revenues to the City), particularly in view of the fact that Sky Harbor Airport's operation has been so successful.

Mr. Balmer explained that Phoenix not only owns the airport, it also owns all of the land around it. He added that the airport self (and Williams Gateway as well) generates relatively little direct revenues for the City. He said that there is a sales tax on the fuel that is sold at the airport, spaces are leased in the terminal and taxes are generated on the rental cars etc. but stated that a significant portion of the revenues that are generated at the airport are required, in accordance with

Federal law, to be put back into the airport itself. He pointed out that the passenger facility charge that everyone pays when they use Sky Harbor Airport goes to pay for the terminals, the parking garages and that type of thing.

Mr. Balmer informed the Committee that the revenue generated as a result of Sky Harbor Airport is the direct result of all the surrounding hotels, restaurants, office buildings and employment located on the land surrounding the airport, which, as previously stated, is also owned by the City of Phoenix. He commented that people who work at and/or round the airport spend their monies at businesses located around the airport and generate revenue for the City of Phoenix. He said that the challenge the City is going to face with Williams Gateway is that although the airport will generate revenue from on the resale sales, fuel flowage, utility sales, etc., the airport (and the university within the airport) is located right next to the Town of Gilbert. He referred to an article he distributed with a headline that read "Williams Gateway ... High Flying Employment Base for Gilbert." He commented on the fact that the services, freeway interchanges and roads are all on the west side of Power Road. He added that right now all of the new hotels, shopping centers and retail centers are going to be located on the west side of Power Road. He stated that in order for Mesa to receive both the primary and secondary benefits of an airport, the City needs to develop the area around the airport to the north, to the east and to the south. He commented that if this is not done, the benefits will be realized by the west side because that is the path of least resistance and Mesa will not see the type of return on its investment that they desire. He added that Gilbert, on the other hand, will realize a tremendous return of their investment. He noted that Gilbert is experiencing the same type of sales tax struggle as Mesa and said the Town is trying to generate sales tax on the west side of Power Road. He emphasized that the challenge for Mesa is how soon can the City develop the east side of Power Road, the north side of the Santan Freeway and east along Ellsworth Road, in order to capture its fair share of those benefits.

Mr. Balmer commented on the fact that America West's new corporate office building is located in Tempe and said that although there is a share of the profits there, he questioned how Mesa can get into a better position to capture more of the secondary dollars. He stated that staff can provide an estimate regarding the primary dollars on the airport but emphasized that it is going to be a relative small amount of the potential revenue that the airport could generate if they include the primary and secondary benefits as well as things that are not presently captured, such as sales tax and property tax on the new hotel.

Chairman Jones noted that as passenger service continues at the airport, the main terminal will eventually be on the east side. Mr. Balmer responded that staff is trying to accomplish this as quickly as possible.

Discussion ensued relative to the fact that the chart provided by staff did not include the monies that are generated from the City's electric utility (approximately \$2.8 million) or the \$4.4 million from the natural gas utility; Mr. Raines' comment that if someone is living in any of the other cities, they are paying those electrical fees to SRP or APS and the natural gas to Southwest; the fact that approximately \$70 million from utilities was transferred to the General Fund last year and as the City moves out of debt valley, it is going to transfer significantly less than that amount in future years because the City's bond debt comes back on line and a lot of that profit will be going straight back to the bond; and the fact that if the City was going to have less utility revenue in order to maintain its relative stance, they would need additional sales tax revenue or some form of revenue source.

In response to a question from Committeemember Holtz, Mr. Raines stated that when the five-year Capital Improvement Plan comes back, it will contain a fiscally restrained plan that the City can afford provided they have the current revenue stream. He added that if the revenue stream changes, then the numbers start moving up. He emphasized that the process is very involved when you take into consideration all of the projects that are projected out over the next five to fifteen years.

Committeemember Holtz agreed but said if the City does that, there may not be enough under that process to sustain what was spent in the ten-years in capital. He said he believes they should develop a plan that would be scrubbed with some type of classification system, if you will, of things that are absolutely required. Mr. Raines added that on items like wastewater and water, items that are straightforward, like the Transportation Plan and what needs to be done in order to match the City's commitment. He commented that then they will start getting into the Police plan and what the City wants the response times to be as well as the Fire plan and station spacing. He stated the opinion that it becomes more of a value judgment as they proceed.

Committeemember Adams stated that he would recommend the book "The Price of Local Government" to everyone and noted that there are many things that have been implemented nation-wide that produced incredible savings, which the City of Mesa is not currently doing. He asked whether (according to Slide #13), Mesa would receive approximately \$46.1 million if it implemented the Town of Gilbert's property tax structure for the primary rate. Mr. Raines said yes, based on the City of Mesa's assessed value.

Mr. Raines commented that the City has a seven-year forecast and agreed that a property tax is not an "end all, solve all" issue. He noted that other valley cities are facing similar shortfalls and added that in the end, it is an issue of choices.

Committeemember Adams stated that the conclusion he draws is that there is clearly no "revenue panacea" that will solve all of Mesa's problems and provide Mesa with a stable source of revenue to 2025 and beyond. He expressed the opinion that perhaps they should be focusing on implementing some of the new budgeting processes that have produced savings in other states.

Chairman Jones advised that those who simply say "cut, cut, cut" when Mesa is already the lowest in the valley are wrong. He stressed the importance of determining what the City really needs and the most efficient way of obtaining it and paying for it.

Committeemember Rhodes discussed utility income and the City's dependence upon it. He said that he would like to make the point that if they find ways to increase revenues for the General Fund that there will not be a dollar for dollar reduction for the utilities, at least not in the beginning.

Additional discussion ensued relative to the fact that according to the charts prepared by staff, the City will go into a deficit in 2007 (\$11 million); the importance of receiving input from the various departments on how they can improve; and the fact that staff is getting ready to finalize the budget figures and move forward.

Committeemember Griswold commented that one of the largest challenges the City faces is the huge amount of infrastructure that is needed in southeast Mesa in order to obtain a return. He added that they are beginning to look at modern financing structures, such as special improvement districts and asked for staff input regarding this issue.

Mr. Raines responded that he believes Special Improvement Districts are not something that has been widely utilized by the City and explained that that is where you take a defined area, put in the improvements and then those who move into that area pay for the improvements over time. He added that other cities have used these districts on a larger scale, Community Facility Districts, Special Improvement Districts, etc. He noted that the City is beginning to look at alternatives and expressed the opinion that they are fairly close to bringing some on-line.

Committeemember Holtz said that he believes she is hearing that there are different ways of budgeting that allows a City to become better. He asked whether, in some areas of the City, a zero-based budget approach would be a positive approach.

Mr. Raines responded that he believes there are places for such an approach and added that in a lot of respects, he would say that many programs, maybe not the department as a whole, but an activity that a department carries out (whether it is a Parks & Recreation program or Police function) would benefit from something of that nature. He added that this year the department's were given "marching orders" to really hold the line in terms of their budget allocation. Mr. Raines added that they now know that three-to-four years out, there is going to be a significant problem and that is why they are attempting to plan now. He commented on activity based budgeting and spoke in support of reporting on activities rather than just reporting on actions. He added that during this 20 years with the City, they have had zero-based budgeting and management by objectives but reiterated that in the activity based budgeting, they are starting to see that their techniques need to be refined and they need to look at their outcomes. He commented that this is not something that can be accomplished overnight but stated the opinion that they are getting a "much better grip" on what the costs are to accomplish those activities as they move forward.

Committeemember Killian noted that one of the greatest challenges they face is that as far as public policy goes, it is not stagnant. He said there are issues that are "fads" that come along and two years later, they get changed. He added that the bureaucrats who are trying to manage the organization never know from year to year what the actual policy is going to be because of the constant changes. He discussed the problems associated with inconsistencies regarding budgets and stressed the importance of establishing priorities and identifying funding.

Committeemember McNichols commented that what has scared him the most about the process is the realization and the understanding that they are relying on a source of revenue to run the City that is under attack by every commercial developer and every other city in the surrounding area. He added that sales tax is a market driven source of revenue and the City is defending itself with a source of revenue that they have no way of controlling. He stated the opinion that they can boil the City's needs down to basic services and determine that there is deteriorating infrastructure that needs to be attended to. He cautioned against depending upon a source of revenue that is totally unpredictable and totally salable by every other business enterprise they can think of. He expressed the opinion that the main differences "between them and us" are rates and property taxes.

Committeemember Nichols further stated that the variables are "killing the City" and added that the dip in revenues they saw when the Chandler Mall was built or when the economy slowed down affected Mesa's revenue and it could not be controlled. He added that this is because the City is so dependent on that single source of revenue for 45% to 50% of its income and are subject to variables. He emphasized that this has to stop if Mesa is going to be a City that will provide services to its citizens long into the future.

Committeemember Rhodes commented that he is not convinced that they need to do the prioritizing now because priorities change. He added that they have not discussed managing surpluses or a "rainy day fund" and expressed the opinion that one of the biggest mistakes the State made was raiding its "rainy day funds." He recommended that the members of the Committee take the time to read the report of an "Arizona Town Hall on Fiscal Planning Processes" and said he believes it contains a number of excellent concepts.

Committeemember Holtz stated that he is disappointed that the Committee doesn't seem to be going out and looking for basic industry. He said he believes that basic industry attracts higher-paying jobs and added that he believes they should emphasize this area.

Ex-Officio Member Hawker commented that the last time they spoke, they discussed how to arrive at a conclusion, what is the "big picture" and what are the steps to arrive at it. He advised that he has put together a draft of where he believes they may be able to go. He noted that as an Ex-Officio member, he does not have a vote, and said he thought it would be appropriate to give the Committee something they can "throw rocks at and improve upon." He added that he has outlined the entire process and although he did not provide data showing the total amount of shortfalls, he believes they can get this information later on. He emphasized that the draft is a working document but hopes that it provides "food for thought."

Chairman Jones thanked all of the members for their input and staff for their presentations.

5. Current issues/miscellaneous items.

All of the discussion took place under agenda item #4.

6. Items from citizen present.

There were no citizens wishing to speak at this time.

7. Schedule next meetings:

Wednesday, February 9, 2005, 5:30 p.m.

Wednesday, February 23, 2005, 5:30 p.m.

Without objection, the Mesa 2025: Financing the Future Citizen Committee adjourned at 8:17 p.m.

8. Adjournment.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Mesa 2025: Financing the Future Citizen Committee meeting of the City of Mesa, Arizona, held on the 26th day of January 2005. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK