

# COUNCIL MINUTES

June 23, 2005

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on June 23, 2005 at 7:30 a.m.

## COUNCIL PRESENT

Mayor Keno Hawker  
Rex Griswold  
Kyle Jones  
Tom Rawles  
Janie Thom  
Claudia Walters  
Mike Whalen

## COUNCIL ABSENT

None

## OFFICERS PRESENT

Mike Hutchinson  
Debbie Spinner  
Barbara Jones

1. Discuss and consider the Mesa Arts Center's fees for adult visual and performing arts classes – Fall 2005.

Deputy City Manager Debbi Dollar reported that during the recent budget hearing presentations, staff indicated they would bring back the issue of the Mesa Arts Center's fees for adult visual and performing arts classes prior to the July 7, 2005 deadline for the printing of the fall brochures.

Arts and Cultural Director Gerry Fathauer referred to a document entitled "Exhibit 2: Art Class Fee Comparative Research" and provided a brief analysis of various art-related fees and charges imposed by surrounding cities and nonprofit organizations. (See Attachment 1.) She explained that Mesa's fees reflect a 25% increase instituted for the Arts Center's summer classes. Ms. Fathauer also referred to a second document entitled "Cost Recovery and Corresponding Class Fees." (See Attachment 2.) She also discussed Mesa Arts Center's Executive Summary (Business Plan), which is intended to establish "a comprehensive roadmap" for the operation of the Center during fiscal years 2005/06 and 2006/07.

Discussion ensued relative to the fact that it is the recommendation of staff that a maximum fee (or cap) of \$1,000 be established for individuals to register for intensive arts workshops and symposia in visual and performing arts programs; that a nonresident fee should not be instituted at the current time; the Median Effective Buying Income (EBI) as it relates to an individual's disposable income and ability to pay for arts class fees; that the cost of a class is designed in such a way that generally a minimum of eight students must be enrolled in order to cover the class expenses; and that some registrants may be placed on a waiting list for popular classes, although staff has accommodated approximately 92% of its registrants thus far.

Mayor Hawker encouraged staff to work toward an unrestricted registration fee for the intensive arts workshops and symposia in order to achieve maximum cost recovery. He also suggested the implementation of a lottery system for enrollment in the more popular classes. Mayor Hawker stated that he is anxious to reach full cost recovery of the adult arts classes as soon as possible and added that it might be appropriate for staff to prepare a video to air on Mesa Channel 11 that showcases the Mesa Arts Center and the wide array of classes that are currently available.

Responding to Mayor Hawker's comments, Ms. Fathauer explained that it is staff's recommendation that the fees for the adult visual and performing arts classes remain at their current levels for the next year and a half to two years. She said that if the fees increase too rapidly, Mesa may "price itself out of the market," thereby resulting in declining revenues at the facility.

Associate Director of Art and Education Rob Schultz further indicated that staff is moving toward a 60% cost recovery in the fall and possibly as much as 80% next year. He added that he would prefer to implement a cost increase for the fall classes, monitor the market, and increase the cost recovery percentage when it is financially feasible to do so.

Vice Mayor Walters concurred with Mayor Hawker's suggestion regarding the possible implementation of a lottery system. She also commented that she heard Mr. Schultz say something different than what is contained in the staff report and requested clarification from him in that regard.

Mr. Schultz explained that although the report does reflect maintaining the already implemented 25% cost increase, if it is the direction of Council to increase the percentage of cost recovery of fees at a faster rate, that could be accomplished. He stated the opinion that adult class fees at 60% cost recovery could probably be "comfortably implemented" for the fall and then monitored to assess the effect of such increases.

Vice Mayor Walters expressed support for "testing the market" at 60%, but stressed concerns that a 100% cost recovery could potentially "kill the Arts Center before it is ever open." She further suggested that staff speak with Mesa Community College (MCC) to determine whether the college would be interested in using the Arts Center as a venue in which to teach the college's art classes.

It was moved by Vice Mayor Walters, seconded by Councilmember Jones, to direct staff to implement fees for the adult visual and performing arts classes for the fall session at 60% cost recovery.

Councilmember Rawles questioned the role of government subsidizing adult arts classes at the Mesa Arts Center. He stated that Mesa residents should not be required to pay for "anyone's entertainment," including arts classes.

Councilmember Griswold requested that staff research the issue of the Mesa Arts Center offering accredited classes to, for example, MCC students. He also suggested implementing a nonresident surcharge to increase the cost recovery of fees at the facility.

Further discussion ensued relative to the fact that approximately 47% of the students at the Mesa Arts Center are nonresidents; that nonresidents travel from as far away as Tucson and

Payson because they are attracted by the excellent instruction, affordability of the classes, and the quality of the facility; and extensive discussion ensued among the Council regarding the role of government relative to supporting the arts.

Vice Mayor Walters amended her motion to direct staff to implement fees for the adult visual and performing arts class fees at a 60% cost recovery for the fall session, and also to implement a 20% surcharge, in addition to the 60% cost recovery fee, for nonresidents.

Councilmember Jones seconded the amended motion.

Councilmember Jones requested that staff bring this issue back to the Council upon completion of the fall classes to discuss the impact of the cost increases on the Arts Center's program.

Councilmember Rawles stated that although he supports staff moving in the direction of 100% cost recovery of adult arts fees, as well as a 20% surcharge for nonresidents, he would still oppose the motion because of his previous comments.

Councilmember Griswold said that in the future, he would like to assess certain adult arts classes that are less popular and not fully utilized to determine whether it is really cost effective for the City to continue to offer such classes.

Councilmember Whalen expressed support for the motion and voiced concern that some Councilmembers continue to attack the Arts Center and are "feeding into the negative aspect of the community."

Additional discussion ensued relative to the fact that the Mesa Arts Center has positioned itself as a regional facility; that it is already on the national "radar screen;" and a comparison of the cost recovery of Mesa's golf courses versus the Mesa Arts Center's adult arts classes.

Mayor Hawker called for the vote.

Upon tabulation of votes, it showed:

AYES - Griswold-Jones-Thom-Walters-Whalen

NAYS - Hawker-Rawles

Mayor Hawker declared the motion carried by majority vote.

2. Hear a report, discuss and consider Recommendation IV of the Ad Hoc Redevelopment Advisory Committee's Final Report.

Mayor Hawker indicated that he did not appoint the citizens to the Ad Hoc Redevelopment Advisory Committee due to a conflict of interest. He explained that he owns property in the downtown area and said that the Committee's original charge was to consider whether the Town Center Redevelopment Area boundaries should be expanded. Mayor Hawker noted that the scope of the Committee's work was subsequently modified to consider redevelopment and revitalization efforts Citywide.

In response to a question from Mayor Hawker, City Attorney Debbie Spinner clarified that neither he nor Vice Mayor Walters or Councilmembers Jones and Whalen (who also previously









Mayor Hawker requested that staff research whether a previous Charter changed approved by the voters permitted the Planning & Zoning Board to serve in both that capacity and the Design Review Board or if it was necessary that a separate board be formed.

Mayor Hawker stated that it is the consensus of the Council that staff work toward a more “one-stop shop” approach to expedite various approval processes with regards to redevelopment/infill issues. He suggested that perhaps the Planning & Zoning Board could receive some cross training to apprise them of those types of issues.

Councilmember Griswold suggested that at a future Study Session, it might be appropriate for staff from the Town Center Development Office to make a presentation to the Council regarding their “one-stop shop” approach with regard to redevelopment projects in the Town Center Area.

Mayor Hawker expressed appreciation to Councilmember Griswold and all of the members of the Ad Hoc Redevelopment Committee for their dedication and hard work during their tenure on the committee.

3. Hear reports on meetings and/or conferences attended.

Mayor Hawker	MAG Transportation Policy Committee Meeting; Arizona Municipal Water Users Association (AMWUA) Meeting; Candidate Forum
Vice Mayor Walters	National League of Cities' Economic Summit
Councilmember Jones	Valley Hotel and Restaurant Association Annual Dinner
Councilmember Thom	Community Advisory Panel Meeting

4. Scheduling of meetings and general information.

City Manager Mike Hutchinson stated the meeting schedule is as follows:

Thursday, June 23, 2005, 9:30 a.m. – General Development Committee

Thursday, June 30, 2005, 7:30 a.m. – Study Session

Tuesday, July 5, 2005, 3:00 p.m. – Fire Committee

Tuesday, July 5, 2005, TBA – Study Session

Tuesday, July 5, 2005, 5:45 p.m. – Regular Council Meeting

5. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

6. Items from citizens present.

There were no items from citizens present.

7. Adjournment.

Without objection, the Study Session adjourned at 9:25 a.m.

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KENO HAWKER, MAYOR

ATTEST:

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BARBARA JONES, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Study Session of the City Council of Mesa, Arizona, held on the 23<sup>rd</sup> day of June 2005. I further certify that the meeting was duly called and held and that a quorum was present.

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BARBARA JONES, CITY CLERK

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attachments (2)