



Fees and Charges Report

Date: June 16, 2025

To: City Council

Through: Candace Cannistraro, Deputy City Manager

From: Illya Riske, Acting Director for the Department of Arts and Culture
Kelly Farrow, Sr Fiscal Analyst of Arts and Culture

Subject: Department of Arts and Culture Update to Schedule of Fees and Charges, Citywide

Purpose and Recommendation

The Department of Arts and Culture is proposing a five percent (5%) increase to the Facility Use Fees and an increase to the ticket handling fees at the Mesa Arts Center. Also included is an administrative adjustment in the Fee Schedule to reflect the name changes of the Mesa Grande Cultural Park to Sce:dagi Mu:val Va'aki and the i.d.e.a. Museum to idea Museum. If the proposed changes are approved by City Council, the fees and charges will be effective July 1, 2025.

The purpose of this report is to explain the rationale and fiscal impact of the increase for customers of the Mesa Arts Center.

Background

The Mesa Arts Center has four theaters that are available to the public for rentals depending upon availability. Per the Schedule of Fees and Charges, the Arts and Culture Director will review these rates annually and, based upon market and competition, is permitted to raise or lower rates no more than 5%. The Arts and Culture Director is proposing a 5% increase to the Facility Use Fees at Mesa Arts Center theaters and at the Mesa Contemporary Arts Museum to support cost increases in general maintenance and operational costs due to inflation and increased contract costs.

The Mesa Arts Center is proposing an increase in Box Office ticket handling fees. This increase will allow the department to support operational needs and expenses to ensure the Mesa Arts Center's continued success.

Administrative changes include updating facility names in the Schedule of Fees and Charges. The i.d.e.a. Museum was rebranded and simplified to the idea Museum. On November 4, 2024, the Mesa Grande Cultural Park was renamed to Sce:dagi Mu:val Va'aki to reflect the region's cultural heritage and tribal connections.

Discussion

The Department of Arts and Culture recognizes the importance of identifying revenue streams to support its ongoing maintenance and operations costs, without overly burdening our rental clients and Founding Resident Companies. To support increases to maintenance and operational costs, the Department Director is proposing a 5% increase to the rental fees for use of the theater's spaces at the Mesa Arts Center. Increasing rates for Facility Use Fees helps recuperate these increasing costs and more accurately reflects the cost of running the facilities. Fiscal impacts listed in Exhibit A are based on current scheduled events in FY 2024/25 to demonstrate the FY 2025/26 impact.

The Mesa Arts Center offers a wide variety of performances throughout the year, including self-produced concerts and performances, co-promotions, and rentals. All ticketed events that utilize the Mesa Arts Center's Box Office are charged ticket handling fees. Mesa Arts Center's ticket fees are competitive in the market and do not exceed local competitors' ticket fees.

Methodology

Handling Fees

Ticket handling fees vary based on ticket price. A comparison of local venues with tickets ranging from \$30-\$50 includes the following handling fees:

- Van Buren Theater \$11.75
- Arizona Financial Theater \$19.69
- Arizona Broadway Theater \$13.68
- Orpheum Theater \$14.62

Increasing the maximum Handling Fee from \$7.00 to \$8.50 per ticket remains below handling fees at similar local venues.

Alternatives

The alternative to raising rental fees for the City's theater rentals is to request additional General Fund support for the Mesa Arts Center for maintenance and operations.

Taking no action would result in flat revenues and fewer resources to support maintenance and operational costs. Without additional revenue or General Fund support, the Department would have to reduce services to support these increased costs.

Fiscal Impact

The fiscal impact is that this increase will generate an additional \$133,049 in revenue to the Arts and Culture Fund and will offset increasing operational costs at the Mesa Arts Center.

Coordinated With

The Arts and Culture Department coordinated updates with the Office of Management and Budget.

Fees & Charges Schedule – Key

Heading Configuration

<u>Schedule of Fees & Charges</u>
Department
Contact Information
HEADING 1
HEADING 2
<i>Heading 3</i>
Description of Fee
Description of Fee 2

Font Indications

Font	Font Indications
Regular Font	Existing fee or language
Strikethrough	Fee or language will be deleted from the Fee Schedule
BOLD CAPS	Language is being added to Fee Schedule
Bold	New or increased Fee Amount

Schedule of Fees & Charges

Exhibit A – Arts and Culture

Department: Arts and Culture

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
MESAARTS CENTER					
<u>FACILITY USE FEES*:</u>					Footnote with * stating "Front of House (FOH) includes usher service and is listed as part of the Labor, Additional Staff line."
<i>Tom and Janet Ikeda Theater:</i>					
Industrial Rate, Daily PLUS LABOR, FOH, AND BOX OFFICE	\$4,497.00	\$4,722.00		\$2,480.00	Increase fee and add verbiage to specify the additional services as separate charge
Commercial Rate Daily Plus Labor, FOH, and Box Office	\$3,611.00	\$3,792.00		\$8,688.00	Increase fee
Non-Profit Rate, Daily plus Labor, FOH, and Box Office	\$2,674.00	\$2,808.00		\$14,338.00	Increase fee
<i>Virginia G. Piper Repertory Theater:</i>					
Industrial Rate, Daily PLUS LABOR, FOH, AND BOX OFFICE	\$2,553.00	\$2,681.00		\$128.00	Increase fee and add verbiage to specify the additional services as separate charge
Commercial Rate Daily plus Labor, FOH, and Box Office	\$2,099.00	\$2,204.00		\$1,680.00	Increase fee
Commercial Rate, Weekly PLUS LABOR, FOH, AND BOX OFFICE	\$10,170.00	\$10,678.00		\$0.00	Increase fee and add verbiage to specify the additional services as separate charge
Non-Profit Rate, Daily plus Labor, FOH, and Box Office	\$1,502.00	\$1,577.00		\$3,375.00	Increase fee
Non-Profit Rate, Weekly plus Labor, FOH, and Box Office	\$7,749.00	\$8,136.00		\$2,322.00	Increase fee

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
<i>Nesbitt/Elliott Playhouse</i>					
Industrial Rate, Daily PLUS LABOR, FOH, AND BOX OFFICE	\$1,338.00	\$1,405.00		\$0.00	Increase fee and add verbiage to specify the additional services as separate charge
Commercial Rate Daily plus Labor, FOH, and Box Office	\$969.00	\$1,017.00		\$624.00	Increase fee
Commercial Rate, Weekly PLUS LABOR, FOH, AND BOX OFFICE	\$3,900.00	\$4,095.00		\$0.00	Increase fee and add verbiage to specify the additional services as separate charge
Non-Profit Rate, Daily plus Labor, FOH and Box Office	\$693.00	\$728.00		\$560.00	Increase fee
Non-Profit Rate, Weekly plus Labor, FOH and Box Office	\$2,972.00	\$3,121.00		\$5,066.00	Increase fee
<i>Anita Cox Farnsworth Studio Theater:</i>					
Industrial Rate, Daily PLUS LABOR, FOH, AND BOX OFFICE	\$638.00	\$670.00		\$0.00	Increase fee and add verbiage to specify the additional services as separate charges
Commercial Rate, Daily plus Labor, FOB, and Box Office	\$457.00	\$480.00		\$0.00	Increase fee
Commercial Rate, Weekly PLUS LABOR, FOH, AND BOX OFFICE	\$1,702.00	\$1,787.00		\$0.00	Increase fee and add verbiage to specify the additional services as separate charges
Non-Profit Rate, Daily plus Labor, FOH and Box Office	\$405.00	\$425.00		\$200.00	Increase fee
Non-Profit Rate, Weekly plus Labor, FOH and Box Office	\$1,216.00	\$1,277.00		\$488.00	Increase fee
<i>Mesa Contemporary Arts:</i>					
Lecture Hall					
4 hour period	\$200			(\$400.00)	Remove Fee
8 hour period	\$300			(\$2,700.00)	Remove Fee
HOURLY		\$100.00		\$800.00	New Fee
DAILY		\$600.00		\$5,400.00	New Fee

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
<u>BOX OFFICE</u>					
Handling Fee, per ticket	\$0.00-\$7.00	\$0.00-\$8.50		\$90,000.00	Increase fee range
i.d.e.a. idea MUSEUM					As a result of rebranding, change all mentions of i.d.e.a. Museum to idea Museum
MESA GRANDE CULTURAL PARK SCE:DAGĬ MU:VAL VA'AKI					Name change to Sce:dagĬ Mu:val Va'aki

Estimated Total Annual Fiscal Impact: \$133,049.00