

TO: City Council
FROM: Mike Applegarth, Executive Director
SUBJECT: Hale Centre Theatre Cultural Celebration Series
DATE: May 11, 2021

PROPOSAL

At the April 20, 2021 Sandy City Council Meeting, the Hale Centre Theater requested that Sandy City provide \$33,120 to sponsor a proposed Cultural Celebration Series to take place in the Cairns Plaza located at 9900 S Monroe St, Sandy, UT 84070 over six dates in the summer of 2021. A copy of the presentation materials and a supporting memo from Council Member Brooke Christensen are attached. The meeting video is available at: <https://sandyutah.legistar.com/Calendar.aspx>.

PROJECT BACKGROUND

According to the information presented to the City Council, Hale Centre Theatre will coordinate six individual events as part of the Cultural Celebration Series. Each event will highlight various cultures and ethnicities through culturally-inspired music, dance, costume, and other artistic expressions. In addition, cultural food and/or food trucks will be available to further accentuate the spotlighted cultures. The proposed dates include June 3, June 17, July 8, July 22, August 5, and August 19. Each event is scheduled to last for one hour from 6:15-7:15 PM. Hale Centre Theatre representatives have informed the City Council that the Salt Lake County Health Department has issued a permit which would allow up to 200 attendees per evening. Free parking is available at the Hale Centre Theatre/Mountain America Credit Union parking garage, or immediately across Monroe street at Sandy City Hall. The individual events are also planned to be livestreamed to those who choose to participate remotely. The City's contribution of \$33,120 is intended to help cover the costs of booking entertainment groups, decorations, sound equipment, marketing, staffing, and police presence. Hale Centre Theatre estimates the total cost of the Cultural Celebration Series at \$50,000 to \$60,000. The difference between the total cost of the series and the City's sponsorship will be covered by Hale Centre Theatre or through other sponsors.

As summarized by Hale Centre Theatre, "This respectful and entertaining program can influence neighboring cities and districts to be more culturally aware in their communities. This Cultural Celebration Series has the potential to **expand perspectives** and **bring individuals together** in the significant effort to help create a society our nation has always sought for. This partnership perfectly aligns with the mission of Hale Centre Theatre: To *enrich lives* through world-class theatre."

LEGAL REQUIREMENT

Utah Code Annotated 10-8-2(3) guides the process for considering appropriations to nonprofit organizations.¹ Generally, the City Council may, "appropriate money for any purpose that, in the

judgment of the municipal legislative body, provides for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality...” Specifically, the law requires that a study be performed, and a properly noticed public hearing be held to consider the following:

- I. The identified benefit the City will receive in return for any money or resources appropriated. The net value received for any money appropriated shall be measured on a project-by-project basis over the life of the project. The criteria for a determination under this section shall be established by the City Council. The City Council may consider intangible benefits received by the City in determining net value received. The City Council’s determination of value received shall be presumed valid unless it can be shown that the determination was arbitrary, capricious, or illegal.
- II. The City’s purpose for the appropriation, including an analysis of the way the appropriation will be used to enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality; and
- III. Whether the appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of the City in the area of economic development, job creation, affordable housing, blight elimination, job preservation, the preservation of historic structures and property, and any other public purpose.

Appeals from the City Council’s decision must show that the decision was arbitrary, capricious, or illegal and must be filed with the district court within 30 days after the date of the decision.

ANALYSIS

I. Identified benefit the City will receive.

Direct Financial Costs and Benefits

Benefits to the City and its residents are both quantitative and qualitative. One simple way to begin framing the value of the Cultural Celebration Series to City residents is to understand cost per resident for the series. The United States Census Bureau estimates Sandy City’s 2019 population at 96,380.² Therefore, the cost per resident for the City to sponsor the Cultural Celebration Series is \$0.34 (\$33,120 ÷ 96,380). This figure can be considered the “ceiling” cost per resident as it does not take into consideration the value of any return on the City’s \$33,120 investment.

Sandy City funds various special events. As a comparison to the Cultural Celebration Series the following tables summarizes the cost per resident of other events Sandy has sponsored in the past.*

* These events are taken from the FY 2019-20 budget as the FY 2020-21 budget does not have similar comparisons due to the COVID-19 pandemic.

Event	Budgeted Amount	Population	Cost per Resident
Fourth of July	\$98,000	96,380	\$1.02
Balloon Festival	\$25,000	96,380	\$0.26
Deck the Hall	\$15,700	96,380	\$0.16
Miss Sandy Pageant	\$13,000	96,380	\$0.13
Heritage Festival	\$11,000	96,380	\$0.11
Awards Banquet	\$7,000	96,380	\$0.07
Holiday Open House	\$6,000	96,380	\$0.06
Community Movies	\$5,000	96,380	\$0.05
Sandy City Summit Awards	\$3,100	96,380	\$0.03

From a cost per resident perspective, the Cultural Celebration Series is consistent with other community-building activities the City has previously funded.

Sales Tax

While food trucks will likely be available during the events, the value of sales tax returned to the City is *de minimis*. It is difficult to calculate the City’s share of the statewide pool of the local option sales tax and the share of the participant pool of the local transportation sales tax. For reference, Sandy’s “Point of Sale” share for both sales taxes combined on \$10,000 in sales would equate to \$55.00 (10,000 × 0.55%). In short, direct economic benefit through sales tax is not a significant factor in determining the value of the event to the City and residents.

- II. **The City’s purpose for the appropriation** (enhancement of the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality).

Most of the benefits to the City are indirect. For example:

Safety & Health

At the April 20, 2021 presentation about the Cultural Celebration Series, it was noted that both the Sandy City Police and Fire Departments will be present at the events as a recruiting tool. The value of recruiting safety personnel at events specifically designed to draw in diverse crowds is subjective. However, studies and professional articles suggest that diversity among the public safety workforce helps ensure cultural competency, moral responsibility, and can also reduce risk. For example, in a presentation to the International City/County Management Association, Fire 20/20 Executive Director Larry Sagen concluded, “A qualified, inclusive, diverse, and safety-conscious Fire/EMS department that respects and represents the multicultural communities it serves, enhances its ability to increase the reach and effectiveness of: safe and responsive emergency services; cost-effective fire prevention and community risk reduction; engaged disaster preparedness; efficient and inclusive emergency management; and successful diversity recruitment and a more inclusive department culture.”³ Even if the Cultural Celebration Series does not result in direct recruitment and retention of new police officers or firefighters, it certainly demonstrates that Sandy desires an inclusive workforce.

Moral Well-Being, Peace, Order

The City Council also received the following information about the demographic make-up of Sandy City at its April 20, 2021 discussion.

White alone, percent	90.1%
Black or African American alone, percent (a)	0.6%
American Indian and Alaska Native alone, percent (a)	0.3%
Asian alone, percent (a)	3.7%
Native Hawaiian and Other Pacific Islander alone, percent (a)	0.6%
Two or More Races, percent	2.4%
Hispanic or Latino, percent (b)	8.7%

While the Cultural Celebration Series hopes to draw crowds from all demographic segments of the City and region, it is clear that this series stands apart in the effort to recognize traditionally underrepresented constituencies. In addition, one of the stated goals of the Cultural Celebration Series is that it will facilitate, “...critical understanding and healing for both the community and the celebrated culture of interest.”⁴ Again, the degree to which such a series necessarily enhances representation and fosters healing or understanding is subjective, however, the effort likely contributes to the moral well-being, peace, and order of the City by demonstrating unity through diversity.

COMFORT & CONVENIENCE

Sandy has a tremendous reputation of providing high-quality community building amenities. Sandy’s support of the Hale Centre Theatre is well established through the issuance of bonds to facilitate the theater’s construction.[†] In addition, to the Hale Centre Theatre, the City has also participated in the construction of the Mt. Jordan Middle School Theatre. Community events like those listed above as well as the events and concerts at the Sandy Amphitheatre are well supported. For example, on a 1-5 scale with 5 being the highest, the 2018 Sandy Citizen Survey reported high scores (showing much support) for artistic events.⁵

- Sandy Amphitheater: 4.42
- Sandy Arts Guild Theater: 4.14
- Sandy Arts Guild Youth Programs: 4.00
- Sandy Arts Guild Visual Art Show: 3.89
- Sandy Arts Guild - Other programs: 3.88

[†] It should be noted that while the City issued the bonds to help create necessary capital for construction, the Hale Centre Theatre is responsible for making the actual bond payments.

Most telling of the community's support for artistic events, 71.78% of respondents to the 2018 survey noted that they would like to see more free events in Sandy. Again, while the contribution of the Cultural Celebration Series to the comfort and convenience of Sandy residents is subjective, this data does indicate support from residents for such events.

III. Appropriateness of the appropriation to accomplish reasonable City goals and objectives.

The Cultural Celebration Series is most definitely consistent with the type of events and amenities envisioned in The Cairns Master Plan which states: "To meet the growing needs of its citizens, Sandy City has crafted a vision for the development of a City Center. Sandy City has embarked on a comprehensive redevelopment project for The Cairns with the goal to place Sandy City on a planned path of healthy growth for residents, visitors, tourists and businesses and to create a major international destination."⁶ The very purpose of the Cairns Plaza was to create space dedicated to outdoor events that would draw in crowds from Sandy and the region to highlight the Cairns as the City Center. While the immediate economic impact of any one event in the Cairns may be minimal, events like the Cultural Celebration Series are critical in facilitating the City's long-range economic development plan for the City Center.

CONCLUSION

While many of the benefits to the City government and residents are intangible, the appropriation to the Cultural Celebration Series is reasonable and appropriate as defined in the Utah Code. It can be reasonably argued that the combination of quantitative and qualitative benefits to the City and its residents outweigh the direct cost of the appropriation.

REFERENCES

¹ https://le.utah.gov/xcode/Title10/Chapter8/10-8-S2.html?v=C10-8-S2_2019051420190514

² Annual Estimates of the Resident Population for Incorporated Places in Utah: April 1, 2010 to July 1, 2019 (SUB-IP-EST2019-ANNRES-49), U.S. Census Bureau, Population Division, May 2020, <https://www.census.gov/data/datasets/time-series/demo/popest/2010s-total-cities-and-towns.html>.

³ ICMA, “Fire Department Diversity and Inclusion Are Key to Reducing Risk,” October 10, 2013, <https://icma.org/articles/article/fire-department-diversity-and-inclusion-are-key-reducing-risk>.

⁴ “Cultural Celebration Series,” Hale Centre Theatre Presentation, April 20, 2021, <https://sandyutah.legistar.com/LegislationDetail.aspx?ID=4916866&GUID=38FC5744-5A2D-4E2B-B5E0-2360D17F29D8&Options=&Search=>

⁵ Annual Resident Survey: Parks & Recreation, Community Events, Arts, December 19, 2018, <https://content.civicplus.com/api/assets/f6301d06-402a-49aa-8f43-1f0ea63ebd1e>.

⁶ The Cairns Master Plan. <https://content.civicplus.com/api/assets/9dde8df3-cf2b-4b78-85bf-281bc0c12bcd>.