

STUDY SESSION MEETING AGENDA

TUESDAY, APRIL 9, 2019, 2:00 PM

Council Chambers, 201 South Cortez Street
Prescott AZ 86303
(928) 777-1272

Greg Mengarelli, Mayor

Billie Orr, Mayor Pro Tem
Steve Blair, Councilman
Phil Goode, Councilman

Jim Lamerson, Councilman
Alexa Scholl, Councilwoman
Steve Sischka, Councilman

The following Agenda will be considered by the Prescott **City Council** at its **Study Session Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of the meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02. One or more members of the Council may be attending the meeting through the use of a technological device.

1. CALL TO ORDER

2. ROLL CALL

3. DISCUSSION

- A. Presentation of the proposed Development Impact Fees.
- B. Report on the Prescott Gap Analysis by Ron Drake Consulting.

4. ADJOURNMENT

EXECUTIVE SESSION

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (1) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));
- (2) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));
- (3) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));
- (4) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. §38-431.03(A)(4));
- (5) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));
- (6) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6));

- (7) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).

THE CITY OF PRESCOTT ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. With 72 hours advanced notice, special assistance can be provided for sight and/or hearing-impaired persons at this meeting. Reasonable accommodations will be made upon request for persons with disabilities or non-English speaking residents. Please call the City Clerk (928) 777-1272 to request an accommodation to participate in this public meeting. Prescott TDD number is (928) 445-6811. Additionally, free public relay service is available from Arizona Relay Service at 1-800-367-8939 and more information at www.azrelay.org

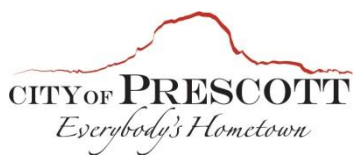
Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. §38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed \$500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless City Council takes a legal action at a properly noticed open meeting to approve of such expenditures prior to incurring any such obligation or indebtedness. A.R.S. §38-431.07(A)(B).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on _____ at _____ m. in accordance with the statement filed by the Prescott City Council with the City Clerk

Maureen Scott, MMC, City Clerk

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **STUDY SESSION MEETING** **4-9-19**

DEPARTMENT: **Finance**

AGENDA ITEM: Presentation of the proposed Development Impact Fees.

Approved By: Michael Lamar, City Manager

Item Summary

On August 28, 2018, Council received a presentation from Raftelis, consultant, regarding updating the Development Impact Fees (DIFs) for Water Resources, Water System Impacts and Wastewater System Impacts. The study also included reviews and recommendations for adoption of new Development Fees related to Streets, Police, Fire and Parks.

A Mayor's Commission comprised of members who work in the development community was formed, and met on October 9th, November 7th, November 28th, and January 9th. The Commission provided feedback to staff, forming the proposed Infrastructure Improvement Plan and Land use Assumptions.

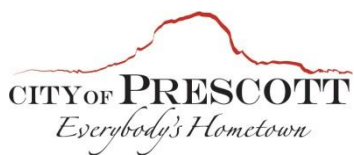
The DIF process, required by state law, is a 225 day process. As we approach the end of the process, this presentation is to clearly outline the DIFs that are being proposed. At the April 9th meeting, Council will hold a public hearing on the proposed DIFs and consider action on their May 14th meeting. The full DIF process is outlined below.

AGENDA ITEM: Presentation of the proposed Development Impact Fees.

Development Impact Fee Process

Date	Type	Description
November 13, 2018	Council Workshop (1:00pm)	Workshop on Land Use Assumptions (LUA) and Infrastructure Improvement Plan (IIP)
November 13, 2018	Council Voting (3:00pm)	Adoption of Notice of Intent of intention to review and update the City's LUA and IIP, publishing LUA and IIP, and set public hearing date
January 22, 2019	Council Workshop (1:00pm)	Workshop on Land Use Assumptions (LUA) and Infrastructure Improvement Plan (IIP)
January 22, 2019	Council Voting (3:00pm)	Public hearing on LUA and IIP
February 26, 2019	Council Voting (3:00pm)	Presentation on proposed Development Impact Fees (DIF) Adoption of LUA and IIP Adoption of Notice of Intent, publish DIF report, and set public hearing on DIF
April 9, 2019	Council Voting (3:00pm)	Public hearing on Development Impact Fees
May 14, 2019	Council Voting (3:00pm)	Adoption of Development Impact Fees
August 1, 2019		Implementation of adopted Development Impact Fees

Recommended Action: This item is for presentation only. No action will be taken.

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **STUDY SESSION MEETING** **4-9-19**

DEPARTMENT: City Manager

AGENDA ITEM: Report on the Prescott Gap Analysis by Ron Drake Consulting.

Approved By: Michael Lamar, City Manager

Item Summary

Representatives of the Ron Drake Steering Committee will present the initial findings of the gap analysis from Ron Drake Consulting, plus initial goals and timeline for the committee to advance the ideas.

Attachments

1. Final Prescott Gap Analysis

Recommended Action: This item is for presentation only. No action will be taken.



18775 Fisher Ford Road, Siloam Springs, AR 72761

Cell 479.238.5158

Ron@RonDrakeConsulting.com

RonDrakeConsulting.com

Prescott Chamber of Commerce,

Thank you so much for the invitation to work within your downtown. Your downtown is so intriguing and has a lot of potential! Your community has tremendous opportunities all around you, hopefully they will be captured more effectively moving forward. I really enjoyed my time there, and I know that your downtown is poised for positive development. The time is now, the opportunity is here.

The pages that follow is my best interpretation of the current state of Prescott, where you would like to go in the future, and what I feel it will take to get you there.

Please use this as a motivational tool to inspire your downtown community to take action! I would love to come back Prescott and assist with any area I can.

Again, my time in Prescott was amazing. Thank you so much for the final night out. I can honestly say I have some great friends to hang out with again the next time I come to town. You should be proud of your community spirit.

Please let me know if there are any questions or comments from my analysis!

Keep up the good work downtown!

All the best!

Ron Drake



Prescott Gap Analysis

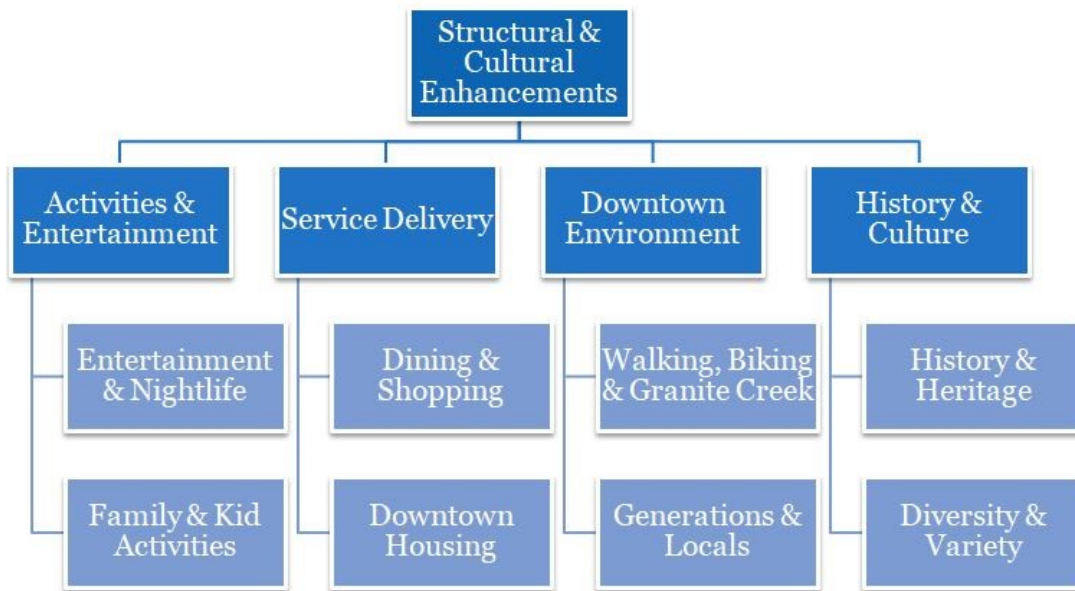
Current state of Prescott as perceived in three days:



1. The people I talked with see the opportunity, yet don't believe great things can happen in Prescott. They don't believe that revitalization will work in their small town.
2. Prescott feels like a town of 5,000 with 40,000 people living in it. That is great with small town charm, but it aids in small town thinking.
3. There's little for students and young people to do in town, especially the downtown. There are potential places and spaces in the downtown core, yet it is underutilized. Closed by 8pm.
4. The current City Hall environment appears to be developer friendly, although that doesn't appear to be the sentiment of the development community.
5. Great quality of life opportunities is evident; good schools, retirement opportunities, low crime, great parks nearby & amazing outdoor lifestyle which could be more than currently realized.
6. Most of the buildings look to be in great shape, yet underutilized.
7. Great restaurants and bars downtown. Some seem "Touristy." Some could use a freshen up and all need to accept the idea of staying open later. I'm sure there are those that do but this came up over and over again as a downtown epidemic.
8. Only a few retail boutique shops downtown. Most of the retail seemed to be tourist driven.
9. Two hour parking in everywhere but the garage is problematic. Send the message of "Come downtown, but only stay 2 hours."
10. Prescott has a culture that is averse to change.
11. There is a great need for affordable housing, especially in the downtown core.
12. Although Prescott has an amazing climate, there is little outdoor dining options downtown.
13. The school system seems to be a great source of pride in the community! Although, there is little for the students to do. Walmart parking lot is the local hang out spot.
14. There is a lack in skilled labor and is difficult to retain middle class workers in Prescott.
15. There is a belief that students move away to college, or come to Prescott for college yet most don't come home or stay due to a lack of work and things to do. There's an apparent lack of an entrepreneurial spirit for young people.



Vision for the future/What you want to be as your reality:



Activities & Entertainment

1. Strong downtown organization with support from all major industry in the area. Many downtown events annually that attracts tourists from all over.
2. Prescott has plenty of options for corporate and family entertaining. On a Friday night people can hang out at "Whiskey Alley." Others dine on the sidewalks while others have a great craft beer while playing cornhole in the new play area for adults and kids!
3. Prescott is open for business and open late! Restaurants and retail are capitalizing on all the pedestrian activity that goes on after dark.
4. On any given night there is music and other entertainment venues going on within the downtown. Local talent is on display!

Service Delivery

5. The quality employees of the industries are living, shopping and eating in downtown Prescott.
6. Prescott downtown feeds off the excellent quality of outdoor life by having a third place for citizens...that place between home and work. The place you go to relax, or visit, or shop or eat. Entertainment of the mind and soul.
7. The existing veteran businesses mentor the new ones, and the streets are filled with successful business that attracts folks from multiple states into Prescott.
8. College students are staying after college! Prescott is a great place to raise a family, start a business and buy a home. Affordable downtown living is also a great option.



Downtown Environment

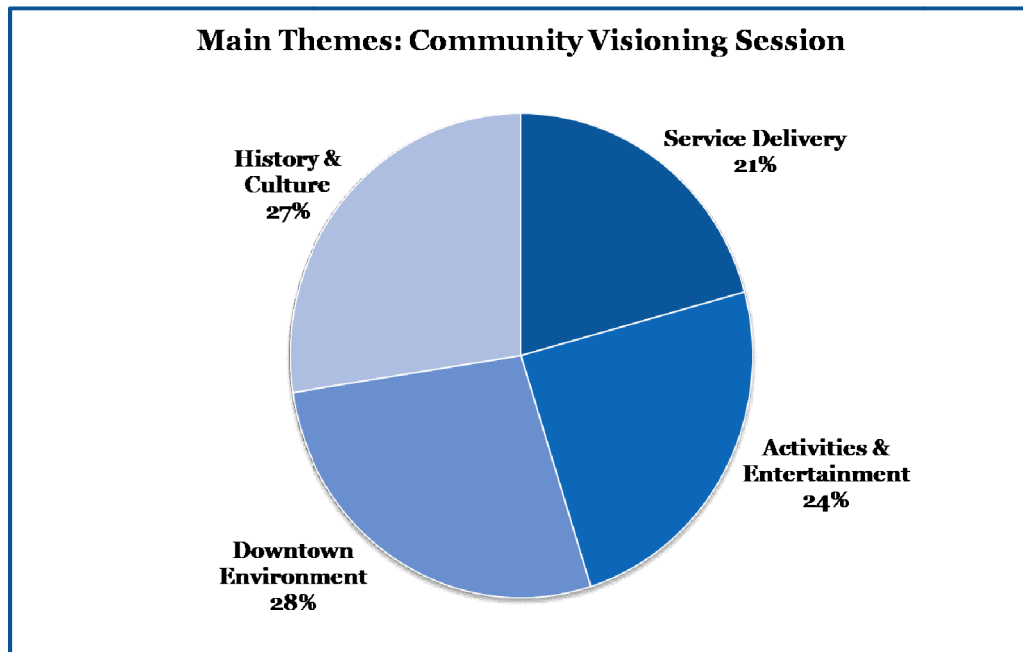
9. The downtown is filled with young people of all ages creating and enjoying a fun and vibrant cultural center for families and adults to enjoy.
10. The coffee shops are open late downtown! Multiple areas for young people of all ages to hang out.
11. The streets feel alive! There is a great sense of community. More of a local scene is evident.
12. Downtown Prescott is known for its eclectic vibe. It's an artsy center with affordable works completed by local artisans.
13. There is a great connection between the parks and the downtown. People that visit the park can come downtown for an excursion and vice versa. There are bike trails from downtown leading from the local bike shop to the park. Prescott is known as a healthy hub for outdoor activity!
14. Millennial sightings are a common occurrence with the downtown being full of people living in every available second story space, as well as any infill location available. Developers are now looking at Prescott in a different light due to its excellent quality of life, progressive attitude and developer friendly reputation.
15. With all of the people having ownership in downtown, and the type of people living downtown that fully embrace the ideals of recycling, lower fuel use, healthy living and supporting local economy. Their front yards are clean, and the city has restored Granite Creek alongside the restoration of the creek side buildings, and the streets are beautiful and quaint.
16. The Plaza is very pedestrian and bicycle friendly! The traffic lanes are decreased with bike lanes added. People feel safer crossing from side to side as they spend the afternoon shopping and dining downtown.
17. Prescott is known as "Everybody's Hometown!" All people groups and types are welcome here.

History & Culture

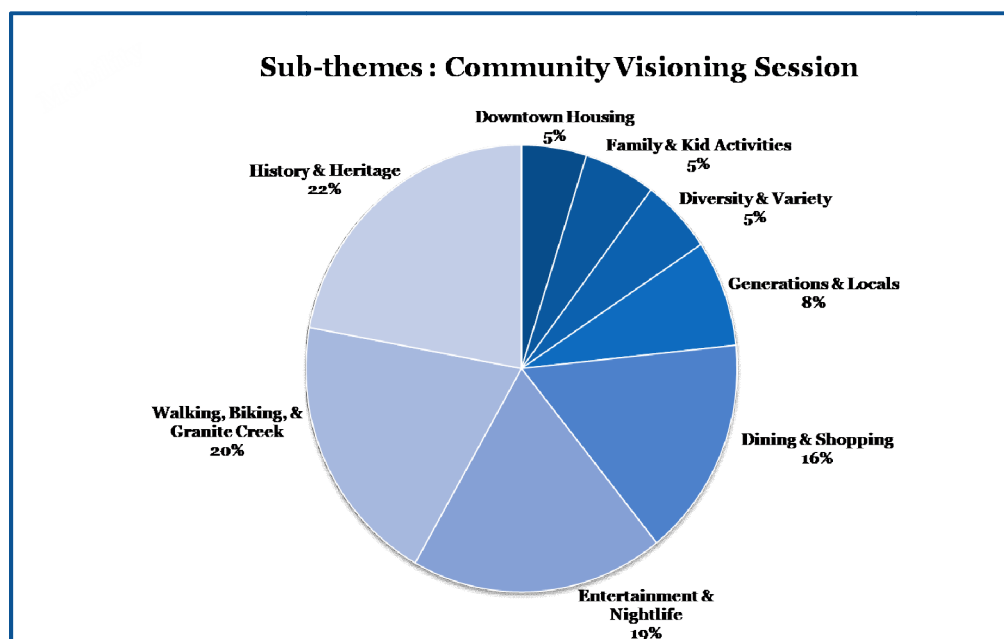
18. The community believes in themselves and wants to invest in Prescott. They believe that cool restaurants and residential will work, and trust in the statistics that show there is a need.
19. People driving along the highway stop in the downtown to shop and stay. The gateway into the community is warm, inviting and very progressive to the consumer.
20. The citizens of Prescott are open to ideas and change, as long as the root ideals of good citizenship and community pride are not compromised. #PrescottProgress is the new way of thinking. Community pride is at an all-time high
21. There is a great diversity in both retail and restaurant options. There are more cool shops for locals and visitors alike to enjoy.



Direction from Community Visioning Session



After conducting a Content Theme Analysis, citizens' desires for Prescott's downtown, expressed during the Community Visioning Session, fell under four main themes: (1) History & Culture, (2) Downtown Environment, (3) Service Delivery, and (4) Activities & Entertainment. As shown above, these main themes were evenly represented at the Community Visioning Session.

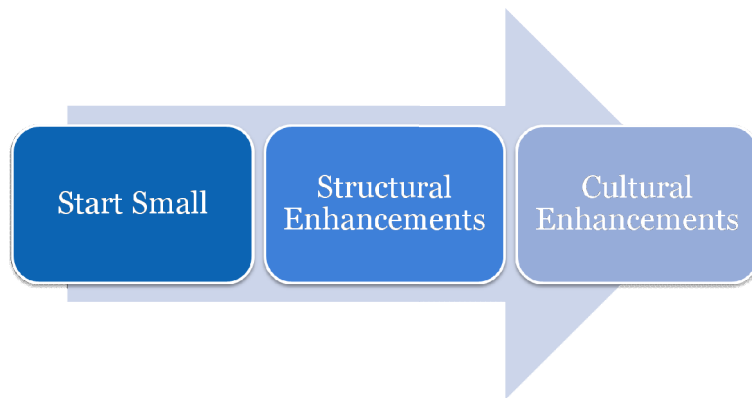


Then, these main themes breakdown further into the different categories displayed in the pie chart above. In light of this data, the majority of Prescott's citizens want to see a more pedestrian and bike friendly downtown, more entertainment, nightlife, dining, and shopping options, and lastly, to preserve and highlight the town's history and heritage.



Introduction: Roadmap to get there.

In order to address the needs and concerns of your community, I suggest following the roadmap provided next. This roadmap is meant to be a guide to give your community a direction moving forward, as well as provide your community with specific changes you can make. Remember, revitalization is about starting small, celebrating those small wins, and then tackling the more complex structural and cultural changes.



Additionally, throughout the Community Visioning Session, three words came up frequently: improve, transform, and preserve. I recommend focusing on these three words while moving Prescott forward using the roadmap as your community's guide to an even better future.

Enhance

- Prescott's current assets

Improve

- Prescott's existing infrastructure

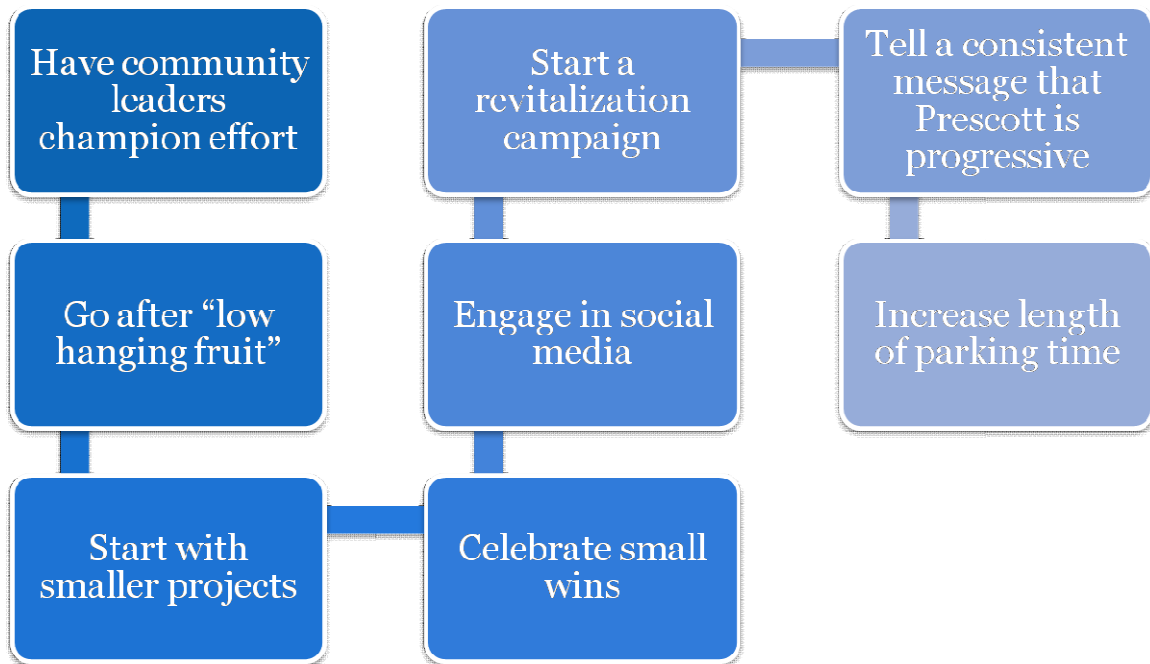
Preserve

- Prescott's history and heritage



Roadmap to get there. The agent of change:

Start Small



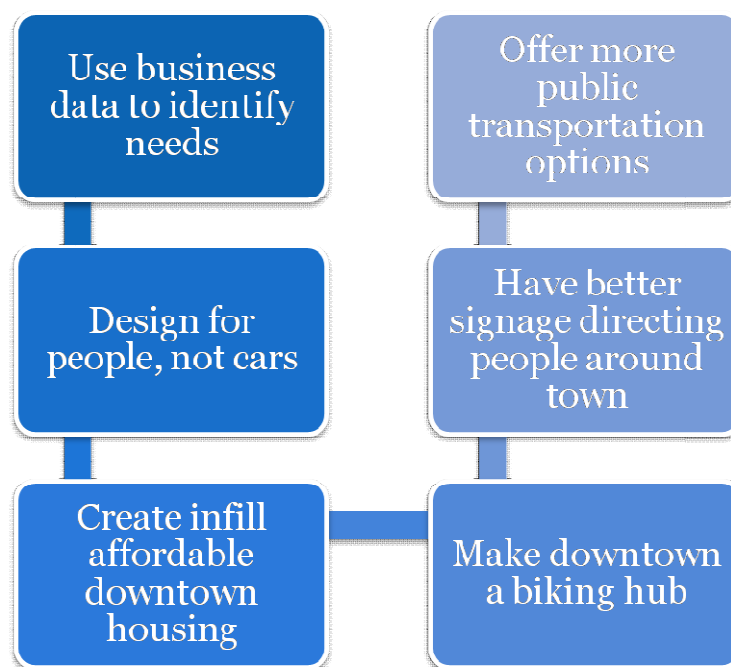
1. A downtown organization comprised with community leaders and the “Movers & Shakers” of Prescott needs to champion this effort. Historically, City Hall cannot do this alone; this must be grass roots from the community itself. I suggest the focus group starts planning to expand the downtown organization and possibly consider becoming a Main Street organization.
2. Go after the “Low Hanging Fruit” like sidewalk dining and closing the alley on Whiskey Row. Feel free to start slow, only one night a month or week. Be flexible. Don’t feel like you must make the alley perfect for it to work. A broom, little bit of paint on the dumpster and electrical stations, then adding string lights will turn the alley into an event center!
3. There is an obvious need for affordable housing downtown, yet many of the buildings are priced too high. Step one: Don’t focus on what you can’t control, focus on what you can. Encourage smaller projects and get them filled up with people. Constantly work to engage the sellers of the higher priced buildings to compromise so restoration can happen in their town. Show them the data of what’s needed. Trust in the process. I have been surprised in more than one community about the eventual sale of a problem building to someone that beautifully restored it.
4. Get a project started, even small ones, then celebrate the heck out of it! Get the press involved, start the message that downtown restoration is happening in Prescott! Take lots of pictures. Advertise for the contractors that do the work. Tag and share!



Roadmap to get there. Start small continued:

5. Engage in social media! Educate store and restaurant owners on the importance of Yelp and Facebook reviews. More Yelp reviews will cause the stores to show up on Google maps and iPhone maps. Print out "Rate us on Yelp" cards and place them in every location. You have a great social media presence in Prescott, but I would argue that you are not using it to the fullest.
6. It was said to me while in Prescott, "We are behind the curve. Other towns seemed better prepared." Something like that. Be intentional, use the hashtag to start a campaign for revitalizing your downtown. Never underestimate the power of momentum.
7. People are wonderful in this community yet you need a consistent message that Prescott can be a small town that's progressive. I have been attacked on social media more than I can remember for working in Prescott. I know that's not a representation of your community but symptoms of fear of change. Get young and old involved, they will spread the message for you. Utilize social media! Create a hashtag to rally around. #PrescottProgress- I'm certain there is a better one than I came up with. Something with a local touch.
8. "Welcome to Prescott, but only stay 2 hours." Obviously, I'm not a fan of 2 hour parking as the solution to downtown parking problems. Without a true study it is difficult to give a clear direction; but here is a couple of ideas. Install a parking map of the areas for all day parking, like the garage. Consider having the spaces around the plaza 4 hour while the spaces in front of businesses go to 3 hour. Designate areas for employees to park and educate business about the importance of leaving spaces for customers.

Structural Enhancements





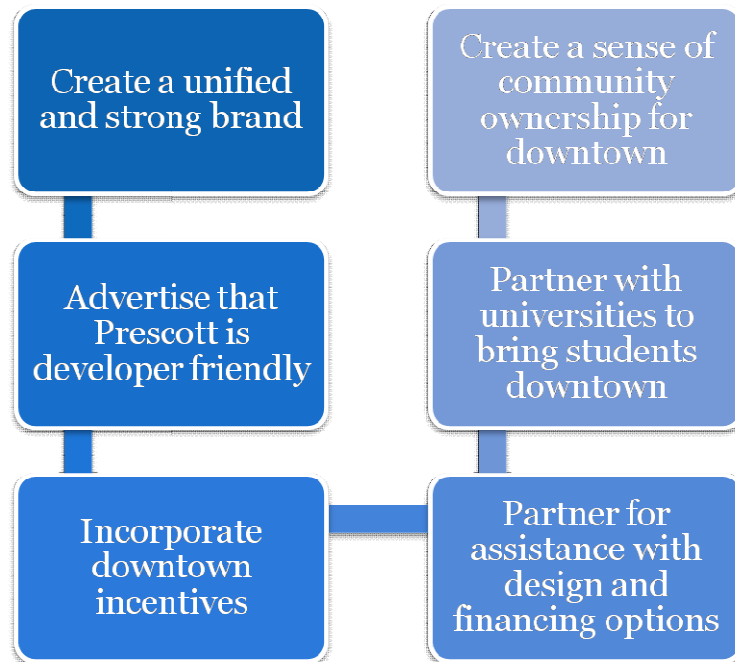
Roadmap to get there. Structural enhancements continued:

9. Ask the industry and company leaders for data. Find the needs of the employees and managers and be intentional about working to fill the needs within the boundaries of Prescott. If most have similar concerns, like difficulty recruiting or retaining quality young people it will be easier to convince developers to help meet their needs.
10. Consider the idea of designing around people rather than the car. Look at ways to make the Plaza as pedestrian friendly as possible. Traffic calming is becoming very popular in downtowns. This is most often created by shrinking the streets and adding bike lanes. By narrowing the street cars drive slower and the crosswalks appear shorter, therefore people feel more comfortable.
11. HOUSING!! Creating infill housing that is not overly expensive may be one of your most critical components in this effort. In order to bring *Life* downtown you need to bring *Lives* downtown. With the shortage of affordable housing in Prescott, trying to entice mixed use within the buildings will work, especially for the artists and creatives you hope to bring to life downtown. They don't want the cookie-cutter homes in the burbs, they want unique. Build it for them.
12. Downtown should be the biking hub of the city. With over 500 miles of hiking and biking trails there should be bike racks all throughout town. Have a contest at the colleges for a fun rack design. There should be bike lanes throughout the downtown connecting to the trails. Bikers spend a lot of money! They love craft beer and outdoor spaces. Engage them.
13. You need better signage along the highway encouraging drivers to check out your town and learn your story. Direct them to the places to park and insist to be pedestrian friendly. Be intentional with your guests. Think of when you have guests come over, you take their coat, you show them the bathroom and invite them to sit. Do the same with your downtown guests.
14. Many of the groups we talked with expressed the need for public transit. I would agree with this in terms of the size of your community, from the downtown to the parks, neighborhoods and the colleges. As a visitor it would be great to keep my car at the hotel and rely on public transit. As a young professional trying to survive in Prescott with high real-estate costs it would be a necessity to rely on public transit rather than owning a car.



Roadmap to get there. Cultural enhancements:

Cultural Enhancements



15. What is your brand? Or maybe story is a better question. Often overlooked is the importance of a unified and strong brand. When people drive into Prescott they should see the gateway into downtown, the sign at City Hall and throughout town with the same brand. Show visitors and locals alike that Prescott is unified and progressive, yet in the same quaint setting.
16. Be certain your building permits are more streamlined and encourage your building officials to fully understand the Existing Building portion of the IBC. The City appeared to be very willing to work with building owners and developers downtown. Be sure that message is told, that Prescott is developer friendly and willing to help.
17. Look at incorporating downtown incentives. Here are a few ideas:
 - Adaptive Reuse Grant (Fast-track through Planning, reduce fees, etc. for those changing use)
 - Entertainment District Grants for adding music, venues, drinking options, etc.
 - Transit Overlay District (TOD Eliminates parking restrictions for areas where there are other transit options other than just cars)
 - Historical Preservation Grant to assist in structural issues or the City could do the street cut for the developer that must sprinkler a 100 year old building. Usually the street cut and tap is about 25% of the sprinkler cost. The City does street cuts all the time.
 - Look at the zoning to be sure there is no parking or square footage requirement on existing buildings that want to add residential.
 - Promote the Opportunity Zone and its benefits to developers. Don't keep that a secret for those in the know. Be intentional about spreading this message.
 - Simplify Special Use Permit for outdoor dining and entertainment.
 - Look into the Arizona Commerce Authority (ACA) for loans expanding small business.



Roadmap to get there. The agent of change continued:

18. Ownership or at least the feeling of ownership downtown is critical. Have movies in the park! Create community space that feels as if it belongs to the people. Find other places in the downtown that do the same. Ownership, or the feeling of, is a powerful thing.
19. Assistance is needed in helping with design ideas as well as financing options. Consider working with the local banks to create a consortium with monies set aside for downtown financing. With the new relationships being harvested between the City and developers, a steadier, accurate action plan is in place for the developers to be able to take to the bank. Build it and they will come, they are waiting in the wings.
20. Find ways to partner with the universities to bring students downtown. Again, be intentional. There are very few students hanging out downtown yet there doesn't appear to be any actions to change that. Maybe consider a student housing option downtown.

Lastly, below are concerns or suggestions that came up over and over during the 3 days. Some of this will require educating merchants, others will take more time to figure out and some things will be remedied with all the life and light downtown. Here are the top suggestions:

- Address the homeless situation downtown.
- More diversity in retail and restaurants-more ethnic food for the locals to enjoy.
- Music and entertainment venues came up at almost every meeting.
- Rooftop dining and just more outdoor dining in general.
- Big discrepancy between the average wage and the cost of living. Hard to retain employees.
- Convention space downtown for meetings, events and concerts.
- Food trucks and beer gardens-probably to go with the dining diversity that is desired.
- Better connectivity from the trails to downtown.
- Best quote, "We have created a beautiful place to die. Now it needs to be a beautiful place to live!" Unknown



The key takeaway for me on this week is the word POTENTIAL! It seemed that many could see and explain the community faults, yet almost nothing is being done to work on them. Prescott appears to be on a path of complacency, rather than being intentional about taking the road to vibrancy. It seems there is a paralysis by analysis in the decision making, therefore things aren't happening. Don't be afraid to make mistakes. Decide who you want to be then be intentional about making that happen! Do something every day towards this goal.

There's a lot of suggestions in this report, and it's up to you to determine the importance. In my opinion, here are the top 5 of the above mentioned to work on ASAP.

1. Have a community meeting to go over this report. From this meeting, make a list of importance and a list of attainable one-year goals.
2. Work on outdoor dining, simple yet effective.
3. You've started the Focus Group, now make it more visible to the community. Open it up for smaller groups to help in this effort. Speak about it at civil groups.
4. Start meetings with the colleges and businesses. Take their data, come up with creative ideas. Find ways to help them by helping downtown at the same time.
5. City needs to streamline the building permit process and work effortlessly on changing the perception they are difficult to work with. The city being a roadblock or very difficult to work with came up very often in meetings. If that's true, fix it. If its not, then find ways to get the word out.

All of this is brief synopsis of my findings in Prescott. It's amazing what can be discovered in just three days, yet a realization that there is yet so much that can be learned. As a professional consultant I can assist in nearly every single aspect of downtown revitalization, and have faced many of the challenges you are facing now. I would love the opportunity to work again in Prescott. Please contact me if there is anything I can help you with as you work to revitalize your beautiful downtown.

All the Best!

Ron Drake

