



City of Prescott

City Council - Special Meeting

August 5, 2025 | 3:00 PM
201 N Montezuma Street
City Council Chambers, 1st Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Mayor Goode called the meeting to order at 3:00 p.m.

2. ROLL CALL

Phil Goode - Mayor
Connie Cantelme - Mayor Pro Tem
Lois Fruhwirth - Councilwoman
Ted Gambogi - Councilman
Patrick Grady - Councilman (Excused)
Brandon Montoya - Councilman
Eric Moore - Councilman

3. DISCUSSION & POSSIBLE ACTION

- A. **CONTINUED ITEM: HP25-004:** Continuation of an Appeal with Updated Design for Review & Discussion Related to the Proposed Demolition of the Existing Building and Construction of 47-Room, 4-Story Boutique Hotel (Prescott Plaza Hotel). Location: 136, 138 & 140 S Montezuma Street, APN: 109-02-014A. Zoning: DTB; Historic Preservation District: #1 Courthouse Plaza. Applicant/Owner: Jim Griset. Architect: Doug Stroh.

City Clerk Sarah Thornhill provided an overview for the meeting and set expectations for the discussion.

City Attorney Joseph Young discussed the design and criteria for the project, the historic design guidelines are the totality of the consideration for the council in their quasi-judicial role today. Any zoning or engineering considerations will come at a later time. The Council must be able to articulate the reasoning for their vote. Decision in 2024 was a final decision and is not being reviewed, this is a new project and review process, this has gone through Historic Preservation staff and the Prescott Preservation Commission (PPC).

City Manager Dallin Kimble added that the zoning is by-right in this area, the question isn't whether or not he is able to build a hotel it is whether or not the design is compliant enough within the preservation guidelines.

Planning Manager Alex Bramlette provided a presentation to the Council regarding the proposed project. She reviewed the location of the hotel, within the downtown business zoning district with a zero setback requirement. Ms. Bramlette continued with a review of historic district overlays and reviewed the

process for the project.

Process Overview:

- * PPC review and approval for district guidelines
- * Applicant will need to apply for a Special Use Permit due to size
- * Applicant will need to apply for a Water Service Agreement
- * Applicant will need to apply for construction permits which will encompass - structural/engineering, building and zoning code, right-of-way encroachments and equipment staging

She emphasized that the city is still at the first step of the total overall process.

Guideline Review History:

- * March 2022 and July 2023 PPC Study Sessions
- * August 2023 PPC denied the approval
- * March 2024 applicant appealed denial to Council, denial was upheld
- * July 2025 Council discussed revised proposal and PPC conducted a Special Meeting at which they denied the proposal 3-1

Meets Historic Preservation Criteria:

- * Buildings in the district are generally rectangular in plan and symmetrical in massing
- * First floor facing the plaza are pedestrian oriented
- * Encourages the use of fabric awnings throughout the district
- * Commercial blocks distinguished by brick or a combination of two masonry materials
- * Require brick or stone as the major exterior material
- * Use only integral and natural colors of a neutral tone, compatible with the building and the district
- * Encourage detailing in design; details must be historically consistent with the district
- * Storefronts, should have opaque bottom panels, individual glass panes should have a vertical orientation, fixed transom panels above doors and windows are encouraged
- * Allow only double or single hung windows or casements with pane design of "one-over-one" or "two-over-two"
- * Allow and encourage "storefront" openings only at the first floor; store fronts should have opaque panels at the bottom and should have a vertical orientation
- * Emphasize vertical orientation on windows; encourage locating windows singularly; use up to two vertical windows for a larger opening versus a large horizontal window
- * Keep all existing alleys open and usable
- * Encourage continued alley use for service to take the burden off of the front of the property; encourage and coordinate safer alley use by pedestrians
- * Replace demolished buildings with building of massing and scale to contributing buildings in the district
- * Each building occupies the entire width of its parcel up to the front property line

Demolition Criteria Met:

- * Demolition within the courthouse plaza historic district will not be permitted

unless one or more of the following conditions are met - building is a noncontributory to the historic district; or the condition of the building has deteriorated beyond the point where it can be rehabilitated in an economically viable manner/rehabilitation shall be determined to be "economically viable" when the costs of renovation are 50% or less than the cost of new construction of a similar building in size, use and height; or the condition of the building is such that it becomes a public nuisance because of safety, aesthetic or condition

Partially Meets Criteria:

- * Use wood for doors, windows or storefronts

Does not Meet Criteria:

- * Require zero setbacks at the front property line for at least 50% of the front facade and 100 percent of the second and third floor facade, including the roofline

Changes:

- * Reduced by one total story
- * Lowered building height to 43'6"
- * Rooftop terrace moved to fourth floor
- * Juliet balconies added in middle of 2nd and 3rd stories
- * Sandstone frieze/banding removed
- * Window configuration at sidewalk level modified

Summary:

- * Applicant is still in the beginning stages of the overall approval process
- * Hotels are allowed by right within the downtown business district
- * Current design reflects changes based on previous commission and council input
- * Approval of the design does not constitute approval of the construction permit

Mayor Goode asked if there is any reference to the balconies extending beyond setback.

Ms. Bramlette stated they are not mentioned in the plan.

Architect Doug Stroh provided a presentation to the Council. He believes the PPC voted the project down because of a misunderstanding about the number of stories they are allowed to have. The guidelines discuss height and not stories. They are close to meeting all the criteria and would be happy to add in the opaque windows in the back if the Council would like that. He reviewed the plans for the hotel.

Councilwoman Fruhwirth commented that the building to the north creeps over the property line of this property. She asked how a person needed ADA Access would get in from the back of the building.

Mr. Stroh confirmed, it does encroach by approximately three (3) feet. This isn't unusual for these historic properties. There is an ADA access lift in the back of the building.

Councilman Moore asked about windows on the first and second floor when there are buildings on either side.

Mr. Stroh responded that they would look out at walls to allow light in and meet building requirements. The fourth floor is 43' in height, which is within guidelines for the district area; the massing is in line with St. Michaels and within 1/3 of the Palace. There will be two fireplaces on the deck.

Councilwoman Fruhwirth asked about the setback of the rooftop terrace which doesn't meet the guidelines.

Mr. Stroh commented that it was pushed back to meet the massing; this makes the building appear smaller. From a design standpoint, this enhances the project. They could bring the setback out and up another five feet, but they didn't feel that it would look as pleasing and would seem much bigger. He continued with a review of historic buildings in the area over the years. This building collapsed in 1967 and was redone to how it exists today.

Councilman Gambogi commented on how fascinating these old photos of downtown Prescott are. He thanked Mr. Stroh for giving the Council and public an orientation for the history of downtown Prescott. He reiterated that the project meets twenty-three of the twenty-five criteria, partially meets another and is only not meeting one criteria.

Mr. Stroh added that Montezuma will not be closed down and the sidewalk will not be closed down during construction. Staging will be done in the alley and may need to be closed down for about a week or so. The plan is to do component building on this to make it a shorter time frame. He added that the building will be the most structurally sound on Montezuma. It will be an economic engine for the whole of the Plaza and create a lot of income for the city. It is essential for a historic district to be maintained to be successful.

Councilman Montoya commented on the fact that Mr. Stroh has stated he would be willing to make some compromises if there is a desire to do that and that while he understands the property owner has the right to build this hotel he feels it should meet the guidelines. It isn't appropriate for the Council to tell him how to do his job.

Mr. Stroh responded that they would be willing to discuss compromises that the Council feels would meet the criteria. He added that Councilwoman Fruhwirth has come up with good suggestions. They can modify the doors so they are not large all glass doors and, with regard to the roof, they can make modifications with a movable canvass top that could be out for shade, winter days, etc. Doesn't see a lot of sticking points. That seems to be the largest issue is the roof.

Councilman Montoya added that open-air design is nice and, as a user of that space, he agrees that it would be nicer, but on that specific front they don't meet the guidelines. He gave Mr. Stroh and Mr. Griset credit for modifying plans along

the way but still feels they need to do more. Without a rendering to see and understand he doesn't know that he would be able to get to yes. While the Council can't stop them from building the hotel, they would like it to meet the guidelines.

Mr. Stroh concurred. He has a lot of ideas that would work.

Councilwoman Fruhwirth echoed Councilman Montoya's comments. She noted her five current design concerns as follows: Three major concerns being: 1) Zero setbacks to the roofline (and to note the 4th floor roof line height was at 42'6"), 2) 100% glass doors in front and back of property, and 3) Overhanging walkout balconies. However, precedence was recently established with the Assembly at Old City Hall project with approved Juliet balconies that are not meant to walk out on. Two minor concerns being: 1) Storefront criteria with bottom solid panels at alley-side store, and 2) Color of roof material must be earth toned.

Mayor Pro Tem Cantelme stated that she is well-traveled and loves architecture and has restored fourteen properties so while she understands that these are guidelines, there are differences between requirements and guidelines. She loved the first design, it would've been amazing for downtown, this will look like everything else on Whiskey Row. This building is historically compatible in her opinion, and they have done a wonderful job with it. She will vote in favor of this.

Mayor Goode feels the guidelines are clear and unambiguous. While he appreciates the historical information, the photos shown predate the federal and city guidelines.

Councilman Gambogi asked for clarification on the two criteria not being met.

Ms. Bramlette responded that: 1. use of wood doors and framing is partially not met; and 2. the setback of the rooftop terrace doesn't meet criteria.

Mr. Stroh added that all construction traffic will be routed to Sheldon and Gurley, not into the neighborhoods.

John Riches from Goldwater Institute addressed the Council regarding the historic preservation guidelines. The preservation specialist has acknowledged that the project is substantially in compliance with the guidelines, and these are not enforced in the same way as zoning laws. The policy question is whether the Council wants a hotel that fits with the historic nature of the neighborhood. The only real issue here is the rooftop terrace, yet Mr. Stroh has confirmed that they could run an awing out which would comply with the standards. Council should approve this project and show they respect the property rights of all citizens, exercising appropriately applied criteria.

Mayor Goode opened the floor to public comment.

Member of the public David Segal addressed the Council regarding a records request he submitted to the city and reviewed ordinances and state statute he found that apply to this project. There is no reason for anyone to be here. The

builder reapplied for a new project on June 16 and a new number was assigned. He commented on alleged "unclear and ambiguous language" which it is not.

Member of the public Glenn Bevilacqua addressed the Council as a representative of the Palace Saloon. This is not a property rights issue when it is not. The city is not attempting to take Mr. Griset's property. During the construction and demolition process, the quiet enjoyment of Whiskey Row would be disturbed. The downtown area is doing just fine and doesn't need this hotel. The character of Prescott is a legitimate issue.

Member of the public Cecelia Allen addressed the Council regarding regular walks around the courthouse plaza, and her enjoyment of watching people dressed up as people from another era walking as well. People with money and lawyers are invading this city for the sake of profit.

Member of the public Kenneth Fidyk addressed the Council regarding the unattractive nature of the fourth floor. He encouraged the Council to support the PPC.

Member of the public Linda Conn addressed the Council on behalf of Ann Marie Decarlo. She read a statement requesting the Council vote no on the proposal. Surprised that parking was not part of the consideration for the project, it should be. Also, she asked what this would add to the tax base and if it was wise to have another hotel in the downtown area.

Member of the public Stacey Brown addressed the Council as a resident for six months. She moved from San Jose because it became unrecognizable. Prescott is rare and it is fragile, just because you can build something doesn't mean you should.

Member of the public John Kirkeide addressed the Council stating that he was horrified that someone would want to put a monstrosity like this on the iconic Whiskey Row. This building dominates everything else around it. If this moves forward the developer must be held to the highest standard.

Member of the public Margaret "Peggy" Reihl addressed the Council stating that she used to work at JDs under Hotel St. Michael. The Row is the biggest tourist draw in town besides the Rodeo. This man should pay all the surrounding business owners two years income.

Member of the public Ralph Rodarte addressed the Council regarding honoring the historical district by keeping Whiskey Row what it is. He urged the Council to think carefully about what they are doing.

Member of the public Diane Travis addressed the Council as a member of the Historic Preservation Commission and stated that after further review of the guidelines and project, she believes her vote should have been in support of the project as it meets the guidelines. As for the setback not being met, the alternative would have been a patio on the back which would have raised the height on the front.

Member of the public Rob Johnson addressed the Council as a member of the Historic Preservation Commission and stated that while this project is within the height limitations, it doesn't fit with regard to the scale and massing.

Member of the public Regina Kilmer addressed the Council as the General Manager of the Hotel St. Michael regarding the economics of hotels on the square. As long as the property owner is in compliance, they believe they should be able to build, however this project does not do that. Standards refer to the building nearby, not down the street, and this would be 200% larger than its immediate surrounding buildings.

Member of the public Rick Sprain addressed the Council as the Chair of the PPC and commented on statements that Mr. Stroh made which he feels are inaccurate. The fourth floor doesn't meet any of the criteria at all, and the west elevation is over 50 feet and not within the guidelines.

Member of the public Mel Roop addressed the Council and stated that Councilman Montoya really hit the nail on the head when he said he isn't an architect and the city staff does not have a qualified architect to help with these types of projects which he suggested the city do as well. He added that using terms "criteria" and "guidelines" is difficult because they are different definitions.

Member of the public William Fields addressed the Council regarding the valuable property that Mr. Griset owns, the bank opened just down the street doesn't really go with Whiskey Row but that is property rights. This process has been going on for four years, and it keeps changing. He is concerned about the safety issue of the entry in the alley, as well as his adjoining building collapsing during construction. They have just as many property rights as Mr. Griset.

Member of the public John Stevens addressed the Council and stated that this is a good project that deserves their support. The applicant has made many modifications to meet standards.

Member of the public Rick Potocki addressed the Council regarding the fact that the proposed hotel only has two egress paths. He would never stay in this hotel.

Member of the public Johnnie Graffitis addressed the Council regarding the fact that very few people have said anything positive about this project. He added that this is an emotional topic for the people of this community.

Member of the public Michael Broggie addressed the Council regarding the spirit of the law versus the letter of the law. This is an important issue affecting everyone.

Member of the public Tammy Bates addressed the Council on behalf of Kayla Stazenski, urging the Council to vote against this project. This is about the soul of Prescott. The PPC understands the value of our past and that is why they voted it down. Prescott does not want this hotel on Whiskey Row, it is a symbol of who we are.

Member of the public Wendy Johnson addressed the Council as an underwriter for construction projects. Whiskey Row was built after the fire of 1900 and hotel foundations would likely require soil reports and other test to ensure that no additional mitigation would be necessary.

Member of the public Chris Nimmo addressed the Council as a business owner on Gurley Street, stating that a yes vote could diminish property values for surrounding neighbors and businesses, which should be taken into consideration. This project will negatively impact traffic and parking in the area. Recommendation of PPC should be considered as well, history can never be replaced. Urged Council to say no to this project.

Member of the public Hugh Salisbury addressed the Council regarding concerns about the doors and windows proposed in the project. He added that if this project is approved, the Council would have a hard time preventing anyone else from doing that again, and brought up Roundtree vs. Page.

Member of the public Sandy Griffis addressed the Council in support of the project and design. The development embodies progress, resilience and a forward-looking vision for the community. Prescott cannot thrive by holding onto the past, she urged the city to move forward with the project and invest in the future of Prescott.

Member of the public Christopher Lamberton addressed the Council regarding his great appreciation for history, which is one of the reasons he came to Prescott. He discussed the difference between Juliet balconies and regular balconies and expressed his concerns regarding the safety of those in the building. He also noted alternative uses for the buildings.

Member of the public Richard Thompson addressed the Council regarding the importance of Whiskey Row in Prescott's history, and his opinion that this project is a significant departure from that history. It is absurd to say that because the criteria doesn't say four stories, it could be four stories, it is clear that the intent was all buildings be three stories. The PPC has already determined that it doesn't meet the criteria. He recommended that the code prohibit four stories.

Member of the public Linda Thompson addressed the Council thanked Mr. Sprain for clarifying the need for three stories or fewer. Even though parking is not something that is considered in the vote, it is part of the concern of citizens. She encouraged the Council to keep Whiskey Row as is.

Member of the public Jeff Falls addressed the Council regarding construction techniques that would be used on a building like this. Haley construction has been part of some of the most iconic reconstructions in town and many of the techniques used actually improve older structures.

Member of the public Autumn Kline addressed the Council as the business owner next to the project. Growth can be good, but guidelines should be respected. When the bank was remodeled, they respected what was asked of

them, and she is worried that this project will not. Additionally, she is concerned about the impact on local business owners. There has been a lot of change in downtown Prescott over the years, but deleting three businesses in the area will be detrimental. Thinks retail should be incorporated into the project.

Member of the public Cathey Rusing addressed the Council regarding the entertainment district boundary which applies in this area as well. The entertainment district is designed to keep downtown vibrant. Overnight parking is a concern as well. She also discussed HVAC on the rooftop.

Member of the public Gillian Haley addressed the Council regarding the fact that they are supposed to determine whether this project meets the guidelines, and it is her understanding that 23.5 of the criteria are met. The windows and the roofline are an issue, however, the windows will be a wood or woodlike material which would meet criteria so that would just leave the roofline. She addressed a report that was done several years ago which addressed the desire for rooftop patios. This was done at the desire of the city and PDP.

Member of the public Bruce Senkow addressed the Council regarding the fact that this is just one piece of property on Whiskey Row. This project will enhance the downtown and give a place to sit and enjoy whiskey row. He urged the Council to approve the project.

Mayor Goode reiterated that they are here to determine this proposal and the current guidelines. It is clear in his mind that this proposal does not meet the guidelines as established.

MOTION BY MAYOR GOODE TO DENY HP25-004; SECONDED BY COUNCILMAN MOORE: PASSED (4 - 2) MAYOR PRO TEM CANTELME AND COUNCILMAN GAMBOGI DISSENTING

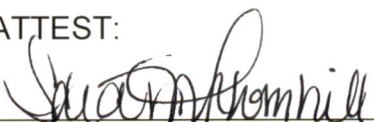
4. ADJOURNMENT

There being no further business to discuss, Mayor Goode adjourned the meeting at 5:52 p.m.



PHILIP R. GOODE, Mayor

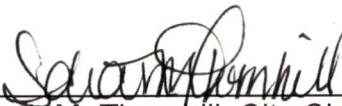
ATTEST:



SARAH M. THORNHILL, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Voting Meeting of the City Council Voting Meeting of the City of Prescott, Arizona held on August 5, 2025. I further certify the meeting was duly called and held and that a quorum was present.


Sarah M. Thornhill, City Clerk

