

# City of Prescott

## Charter Review Committee



May 18, 2026 | 2:30 PM  
201 N. Montezuma Street  
Council Chambers, 1st Floor  
Prescott, AZ 86301

### AGENDA

The following Agenda will be considered by the **Charter Review Committee** at their meeting to be held **May 18, 2026**. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38431.02.

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **DISCUSSION & ACTION ITEMS**
  - A. Approval of Minutes from the May 4, 2026 Charter Review Committee Meeting.  
**Recommended Action: MOVE to approve minutes as presented**
  - B. Discussion & Possible Action Regarding Follow up to the Committee Presentation at the May 12, 2026 Council Study Session.  
**Recommended Action: Following discussion, possible action on revisions to proposed ballot language based on Council feedback during the Study Session presentation**
  - C. **CONTINUED ITEM:** Discussion & Possible Action Regarding an Update to the Prescott City Charter Establishing Certain Restrictions on Development Agreements by City Council And a Presentation on Development Agreements.  
**Recommended Action: MOVE to recommend forwarding proposed Charter revision to Council for approval or denial**
  - D. **CONTINUED ITEM:** Discussion & Possible Action Regarding Requested Updates to the Prescott City Charter Article XI - City Court.  
**Recommended Action: Following discussion, possible action regarding forwarding proposed ballot language to Council for consideration**
  - E. Presentation & Discussion From Staff Regarding Future Agenda Items.  
**Recommended Action: This item is for discussion only. No formal action will be taken.**
4. **ADJOURNMENT**

Upon a public majority vote of a quorum of the Board, the Board 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)).

**CERTIFICATION OF POSTING OF NOTICE**

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on 5/15/26 at 8:30 a.m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

*Sarah M. Thornhill*

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Sarah M. Thornhill, City Clerk



TO: MAYOR AND CITY COUNCIL  
AGENDA: May 18 Charter Review Committee  
DATE: May 18, 2026  
DEPT: City Clerk  
ITEM #: 3.A  
SUBJECT: Approval of Minutes from the May 4, 2026  
Charter Review Committee Meeting.

## ITEM SUMMARY

This item is for the approval of the May 4, 2026 Charter Review Committee Meeting Minutes. Staff recommends approval of the minutes as presented.

## BACKGROUND

None.

## FINANCIAL IMPACT

There is no fiscal impact associated with this item.

## RECOMMENDED ACTION

MOVE to approve minutes as presented

## ATTACHMENTS

1. May 4, 2026 CRC Minutes

# City of Prescott

## Charter Review Committee



May 4, 2026 | 2:30 PM  
201 N. Montezuma Street  
Council Chambers, 1st Floor  
Prescott, AZ 86301

### MINUTES

#### 1. CALL TO ORDER

Chair McMinn called the meeting to order at 2:30 p.m.

#### 2. ROLL CALL

Bonnie McMinn - Chair  
Rod Moyer - Vice Chair  
Michael Broggie - Member  
Michael Gjede - Member  
Ralph Hess - Member

#### 3. DISCUSSION & ACTION ITEMS

- A. Approval of Minutes from the April 20, 2026 Charter Review Committee Meeting.  
**MOTION BY MEMBER HESS TO APPROVE THE MINUTES AS PRESENTED;  
SECONDED BY VICE CHAIR MOYER: PASSED (5 - 0)**
- B. Presentation from Staff Regarding Proposed Updates to Article VI, Section 17 "Approval of High Value Capital Projects Exceeding \$15 Million".  
Chair McMinn stated that the purpose of this amendment was to provide enhanced oversight and transparency before major capital projects. She reviewed the proposed amendments to be added to the Charter for projects greater than \$15 million.

Public Works Director Gwen Rowitsch provided a presentation regarding the city's existing processes related to high-value capital projects related to Public Works. There are other departments that also do high-value capital projects so there may be some variation in the steps but there is a general project lifecycle.

#### Project Lifecycle Overview:

- \* Planning
- \* Funding
- \* Capital Improvement Project Development
- \* Design
- \* Construction

#### Planning:

- \* Utility Projects
  - 5-year, 10-year and 20-year buildout scenario
  - Water & Wastewater Management Plan (updated every 5-years)
  - Age and condition or capacity

- \* Street Projects
  - Pavement Condition Index (PCI)
  - Utility Replacement Coordination
  - Contracts & Development Agreements

Funding:

- \* Utility Projects
  - Development Impact Fees (ARS 9-663.05)
  - Land Use Assumptions (LUA) and Infrastructure Improvement Plan (IIP)
 are both required as part of this process: includes a notice of intention, comment periods, and public hearing required to assess a DIF as well as Ordinance Adoption
  - Advisory Committee (50% from real estate, development or building sectors)
  - Updated at least every five years
- \* Water and Wastewater Utility Enterprise Fund
  - Rates and fees
  - Public Hearing, ordinance adoption
  - Updated every five years
- \* Contracts, Developer Agreements and Contributions
- \* Street Projects
  - DIF - same requirements as Utility
- \* Street Fund - Enterprise Fund
  - 1% Street Tax
  - Highway User Revenue Funding (HURF) Funding
  - Street Light Fee
- \* Yavapai County Flood Control District
  - Annual IGA with a variable amount

Vice Chair Moyer asked when the Impact Fees are set.

Ms. Rowitsch responded that the IIP includes known for the next five-years, these include new projects tied to development as well as projects related to areas where there are known capacity issues.

Capital Improvement Plan:

- \* Five and 10 year plans
- \* CIP adopted as part of annual budget which includes a public hearing
- \* Project is evaluated alongside other capital needs - funding availability, age/condition projects from masterplan, capacity projects from masterplan, contractual or DA obligations, and timing of other projects
- \* Project is programmed into the appropriate year of the CIP - program adjusted annually

Design:

- \* Design Phase - feasibility or conceptual designs (as needed), scoping report, consultant selection (RSOQ 60-120 day process; On-Call Professional Services 30-60 day process)
- \* Design Services - four to 18-months to design a project, includes property and easement acquisition (if needed), bid ready plans/reports/documents completed

(10-15% of construction costs), public meeting during 30-60% design

Construction:

\* CIP Construction

- Notice Inviting Bid Process: 45-60 days with posting in OpenGov
- Council Approval: 45-60 days posted agenda unless the project is on the

AEL list

- Award of Bid: within 60-days of the bid opening per supplement to

Maricopa Association of Governments Section 103.3

- Notice to Proceed: within 60-days after contract award per supplement to MAG Section 103.10

Public Input:

\* Most effective during funding phase - DIF (include public hearing/public comment period), rate and fee study (include public hearing), annual adoption of budget/capital improvement plan (include public hearing and public comment in public meeting), design process includes public meeting

\* Next most effective phase, after funding but prior to start of design - feasibility and conceptual phases or scope of work

Exceptions for Consideration:

\* Projects approved in IIP

\* Projects satisfying contractual or DA obligations

\* Replacement or repair of existing sewer and water lines

\* Replacement or repair of wastewater treatment systems

\* Projects mandated by state or federal law or court order

Projects over \$15 million in the 10-year CIP (all funded in IIP):

\* FY27-31: Sundog C3

\* FY27-31 - Willow Creek Gravity Sewer

\* FY27-31 - Effluent and Wastewater Pipelines and SR89 Improvements

\* FY27-31 - Deep Well Wastewater & Airport Water Distribution Loop

\* FY32-37 - Transfer Station Expansion

\* FY32-37 - Airport WRF Expansion Phase II

\* FY32-37 - SR89 Widening

Ms. Rowitsch continued with an overall review of the revised proposition language provided by staff.

Member Hess asked for the historical cost of repairs that need to be done immediately because of a breakdown in infrastructure.

Ms. Rowitsch responded that with regard to what he is alluding to on SR89, it was a repeated break. Overall, in those situations, it depends on what is happening the costs will vary. The proposed exceptions included would cover that if there was that type of issue.

City Attorney Joseph Young responded that having a 3/4 majority requirement would cause an issue. This is more than a process when you are requiring a different number of votes.

Deputy City Attorney Alane Moore added that there is also the issue of the 14-days between each public hearing which could cause a delay.

Chair McMinn commented that the Committee is looking at this from the perspective of having this be required before the construction phase.

Ms. Rowitsch stated that the optimal time to have the additional public comment period would be during the scoping phase. Her understanding is that this proposal was meant to come before any money was spent, and there are no contracts issued before design. The first one is a design consultant to work on designing the project.

Mr. Young commented that this process would be required before the overall project is started.

Member Hess said he is comfortable with changing the public comment period from 60-days to 30-days.

Member of the public Deb Thalasis addressed the Committee and discussed the super majority requirement, which can sometimes be an issue and she encouraged the Committee to think about that more. It seems to her that this process is to try and allow the people to have more public input, and whether this is something that actually belongs in the Charter.

Member of the public Lois Fruhwirth added that she would be concerned with the Council not having any oversight regarding projects. She also asked staff about the CPI referenced. She added that sitting down with staff to review the IIP was one of the most informative times she has had and thinks that in-depth review of the CIP during the budget process.

Ms. Rowitsch stated that a CPI statement should be included, but they can defer to the Phoenix Metro, which Finance uses for all other references.

Mr. Young stated that he would like to see discussion from the Committee regarding: 1. length of public comment period, 2. when that period is triggered and is it for each contract throughout a project.

Chair McMinn thanked Public Works staff for putting this information together. She said she senses that this is squishy right now and needs more work that wouldn't be finalized today. Sequencing is important and needs to be clarified more.

Vice Chair Moyer agreed, he understands the good intentions, but there are possible unintended consequences of something like this. He is also concerned about the language "aggregate of projects", and questioned what projects would have to be aggregated to determine if the 3/4 super majority would be required. The language doesn't even say if it has to be related or not.

Member Gjede stated that the Committee is overthinking this whole thing, staff

has provided the guidance they think, and now it is becoming more confusing.

Member Broggie stated that legal has offered to draft language and the Committee should defer to that.

Member Hess commented that he agrees there is a lack of clarity in the language. He would like to see "capital project" not projects. He also would like to see that it is for each and every contract for a project exceeding \$15 million; 60-day public comment prior changed to 30-days; flexible on the super majority requirement.

Mr. Young stated that staff could have revised language drafted for the next meeting.

***This item was for discussion only, no formal action was taken.***

- C. Discussion & Possible Revisions to Proposed Ballot Language for Article II, Section 18 "Consideration of Petitions" for Approval at the November 2026 Election.

Member Hess stated that his question relates to the provision of "public hearing" being changed to "public meeting", if it is a public meeting could a Council member move to close the public hearing.

Mr. Young responded that if the public is present and wants to speak in a public hearing, they have to be allowed to do so. His issue related to listing it as a "hearing" rather than a "meeting" is the notice requirements that are associated with a public hearing.

City Clerk Sarah Thornhill stated that language specifying that public comment has to be taken could be added to the language, which would avoid the issue that Member Hess has expressed related to the petitions being placed on the Consent Agenda.

Member Hess suggested "at which they shall take public comment from the petitioner and any other person requesting to comment"

**MOTION BY VICE CHAIR MOYER TO APPROVE ADDITION OF LANGUAGE AS PROVIDED BY MEMBER HESS TO THE ALREADY APPROVED BALLOT LANGUAGE; SECONDED BY MEMBER GJEDE: PASSED (5 - 0)**

- D. **CONTINUED ITEM:** Discussion & Possible Action Regarding Requested Updates to the Prescott City Charter Article XI - City Court.

Chair McMinn reviewed the proposed language related to Section 4 of the City Court Article. This would mirror the language for the other direct reports.

Ms. Moore stated that previously the city judge was the justice of the peace elected and shared with the city through the consolidated court agreement, however, now that the courts are separated, the language should be updated.

Mr. Young stated that the language could be more specific, but the Committee needs to consider weighing the independent nature of the court and allowing for

judicial discretion in a way that still gives the Council cause.

Member Hess asked if there should be specificity to what would constitute termination. He asked about misdemeanors, for example, criminal speeding would be considered a criminal violation and that isn't something he would want to be considered cause.

Mr. Young agreed and stated that "violations of the judicial code of conduct or criminal law" would be appropriate. Setting that as a threshold is okay, and then it would allow the Council to evaluate the individual's conduct.

Member Gjede echoed Member Hess' comments.

Member Broggie commented that the Council could also censure the Judge.

Member Hess stated that he is comfortable defining cause in the way that Mr. Young described.

Vice Chair Moyer agreed.

Member of the public Deb Thalasis addressed the Council regarding Article IV referencing a "magistrate" and suggested that this should be looked at. She asked if, addressing the question of separation of powers with the separation of the Court, the court staff should report to the City Manager rather than the Judge.

Member of the public Lois Fruhwirth addressed the Committee regarding the budget and requests from the Court, which prompted her to have questions about independent judgment over fees.

Mr. Young responded that independent discretion needs to be weighed over the benefit of the city. At the conclusion of a term, Council can make decisions based on the best interest of the city, and that language can be clarified. Also, the Judge should have to coordinate through HR to hire.

Ms. Thornhill commented that the other appointee sections don't address how the budgets are prepared, but that could be included if the Committee chose to do so.

Member Gjede said he is comfortable with the budget not being listed.

Member Hess stated that the language "at the pleasure of Council" should be removed.

Mr. Young directed the Committee not to vote, and that now that direction has been provided staff can work on revisions and bring back at the next meeting..

Chair McMinn stated that this section needs to be addressed at the November election.

***This item was for discussion only, no formal action was taken.***

- E. **CONTINUED ITEM**: Discussion & Possible Action Regarding an Update to the Prescott City Charter Establishing Certain Restrictions on Development Agreements by City Council.

Following discussion on Item F the Committee discussed this item generally and determined to continue it to the next meeting.

Member Hess asked if there are any DAs that would be impacted by the proposed DA language.

Mr. Young stated that he couldn't provide a specific answer to that, but that he doesn't anticipate a DA before the November election that would be impacted by this amendment.

Chair McMinn commented that there are provisions in the DA item that need to be discussed to potentially move the language forward.

Mr. Young stated that there are a lot of DAs without sunset dates, which is not an ideal scenario, but 10-years might be burdensome.

***Further discussion on this item was continued to the next meeting.***

- F. Presentation & Discussion From Staff Regarding Future Agenda Items.

Chair McMinn stated she would like to see the following Items discussed at the next meeting: 1) City court, 2) DA and 3) \$15 million as those should be included on the November ballot.

Ms. Thornhill reviewed the items and suggested that the group make some determinations about what their priorities are and how they would like to move items forward.

Member Hess agreed and stated that the super majority discussion and the item related to city as lessor could be continued beyond May 18.

Vice Chair Myoer, Member Gjede and Member Broggie concurred.

Chair McMinn added that the Anti Discrimination language should be continued as well, given everything else that the Committee is proposing that wouldn't make it on a ballot this year.

Member Hess disagreed and stated that he is opposed to postponing the anti-discrimination language beyond May 18.

Chair McMinn stated that she would want a presentation from legal regarding the proposal. The goal is to move things through this Committee and the Council to be voted on by the public.

Ms. Thornhill reviewed the items that would be part of the May 18 meeting agenda: 1) Recap of the May 12 Study Session, 2) Approval of the May 6

Minutes, 3) Development Agreement Restrictions, 4) City Court, 5) \$15 Million Capital Projects and 6) Anti-Discrimination Language

*This item was for discussion only, no formal action was taken.*

**4. ADJOURNMENT**

There being no further business to discuss, Chair McMinn adjourned the meeting at 4:13 p.m.

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BONNIE MCMINN, Chair

ATTEST:

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SARAH M. THORNHILL, City Clerk



TO: MAYOR AND CITY COUNCIL  
AGENDA: May 18 Charter Review Committee  
DATE: May 18, 2026  
DEPT: City Clerk  
ITEM #: 3.B  
SUBJECT: Discussion & Possible Action Regarding Follow up to the Committee Presentation at the May 12, 2026 Council Study Session.

## ITEM SUMMARY

This item is for the Committee to discuss Council feedback received during the May 12 Study Session presentation.

## BACKGROUND

Chair McMinn attended the May 12, 2026 City Council Study Session and provided a presentation to the Council regarding the following proposed ballot language that will be considered for a vote of the Council on June 9:

### I. Article II, Section 18 "Consideration of Petitions"

**Current Language:** *Any citizen may appear before the council at any regular meeting and present a written petition; such petition shall be acted upon by the council, in the regular course of business, within sixty (60) days. (Amended November 7, 2023)*

**Proposed Language:** *Any citizen may appear before the council at any regular meeting and present a written petition; council shall conduct at least one (1) public meeting at which they shall take public comment from the petitioner and any other person requesting to comment, and act upon such petition in the regular course of business within sixty (60) days such petition shall be acted upon by the council, in the regular course of business, within sixty (60) days*

General Council feedback on this item was that they would like to see a threshold for signature requirements or other option that would help to eliminate the issue of allowing any citizen to set the agenda. Following discussion, the Committee can determine to either move forward the language as already adopted to the Council or make revisions before forwarding.

### II. Article VIII, Section 11 "Leases of City Property"

**Proposes to add the following paragraph to Article VIII, Section 11:** *No land, building, or part thereof owned by the city, the value of which exceeds four million dollars (\$4 million), shall be leased for a period of more than four years without the following:*

- 1) an affirmative vote by three-fourths of the city council by "ayes and nays"*
- 2) conducting one study session followed by a public comment period of no less than sixty (60) days, followed by at least one public hearing (if more than one public hearing is conducted, there shall be at least 14-days in between each) before a vote of the city council takes place, which shall begin at the time of a formal council vote to authorize a request for bids on the project; and*
- 3) a public presentation of all public comments received during the 60-day comment period to the city council by city staff*

General Council feedback on this item was that they would like a clear definition of what "value" means in order to have staff research how many potential problems would be impacted by the proposal.

In addition to these two proposed amendments, Chair McMinn discussed the Committee's anticipation of potentially forwarding amendments related to: 1) Article XI - City Court, 2) Article VI, Section 17 - High Value Capital Projects Exceeding \$15 Million, and 3) Article VIII, Section 14 - Related to Establishing Certain Restrictions on Development Agreements. Following Council discussion and feedback, Chair McMinn would also like to look into appraisal requirements and has

suggested the following language for discussion:

*Transactions involving the purchase, sale, lease, exchange, or transfer of City property above a specified value threshold would require an independent property valuation and public disclosure of that information prior to final Council action. Specific procedures, thresholds, and implementation requirements would be established by ordinance.*

*The purpose of such provisions would be to promote transparency, support informed decision-making, protect public assets and taxpayer interests, and provide consistent valuation safeguards for significant property transactions involving the City.*

## **FINANCIAL IMPACT**

There is no fiscal impact associated with this item at this time, however, there will be future election costs.

## **RECOMMENDED ACTION**

Following discussion, possible action on revisions to proposed ballot language based on Council feedback during the Study Session presentation

## **ATTACHMENTS**

None



TO: MAYOR AND CITY COUNCIL  
AGENDA: May 18 Charter Review Committee  
DATE: May 18, 2026  
DEPT: Legal  
ITEM #: 3.C  
SUBJECT: **CONTINUED ITEM**: Discussion & Possible Action Regarding an Update to the Prescott City Charter Establishing Certain Restrictions on Development Agreements by City Council And a Presentation on Development Agreements.

## ITEM SUMMARY

This item is continued from the April 20 and May 4 Meetings for discussion and possible action related to an addition to the City Charter establishing certain restrictions on City Council approval of Development Agreements. There will also be a presentation on development agreements generally and the legal framework of same in Arizona law.

## BACKGROUND

At the April 6 and April 20 Committee Meetings, the group discussed proposed revisions to the City Charter to incorporate restrictions related to Development Agreements. On April 20 the Committee discussed potential amendments and provided direction to staff. Based on that direction, staff has drafted the following, which would be a new Section 14 in Article VIII of the City Charter.

### **Article VIII, Section 14. Development Agreements**

#### **A. Authority and Purpose.**

The City may enter into development agreements with property owners or developers for the purpose of establishing the terms and conditions under which development of property shall occur, consistent with the Prescott General Plan, Arizona Revised Statutes, and applicable ordinances. The restrictions outlined in this Section shall apply to any development agreement approved following the adoption of this section [DATE]

#### **B. Prohibition on Adjoining or Adjacent Property Provisions.**

No development agreement shall include provisions that obligate, restrict, encumber, or otherwise impose conditions upon real property other than the property that is the subject of the agreement. Clauses purporting to apply to adjoining or adjacent properties, whether currently owned or subsequently acquired, are expressly prohibited and shall be void and unenforceable.

#### **C. Infrastructure and Easement Costs.**

All infrastructure improvements, including but not limited to roads, utilities, drainage facilities, and public service extensions, as well as any easements necessary to serve the development, shall be planned, designed, constructed, and fully funded by the developer. The City shall not bear financial responsibility for such improvements, whether newly constructed or due to increased capacity necessitated by increased usage, unless expressly approved by the voters at a regular or special election.

#### **D. Term and Duration.**

Every development agreement shall include a defined term and expiration date.

#### **E. Open Space Requirements for Large-Scale Developments.**

Any development project encompassing more than two hundred fifty (250) acres shall dedicate and permanently preserve not less than twenty-five percent (25%) of the total project area as open space. Such open space shall be meaningful and functional, providing use to the greatest extent practicable which:

1. Preserves wildlife corridors and native habitat;
2. Provides public access to usable open areas, including hiking, biking, or similar recreational trails; and
3. Is configured in a manner that promotes connectivity and environmental sustainability, rather than consisting of isolated or fragmented parcels.

## **FINANCIAL IMPACT**

There is no fiscal impact associated with this item at this time, however, there will be future costs for conducting a Special Election and administrative costs for updates to the City Charter.

## **RECOMMENDED ACTION**

MOVE to recommend forwarding proposed Charter revision to Council for approval or denial

## **ATTACHMENTS**

1. Development Agreements Presentation

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# DEVELOPMENT AGREEMENTS

ARIZONA MUNICIPAL DEVELOPMENT AGREEMENTS UNDER  
A.R.S. § 9-500.05

Presented by Joseph Young





What is a development agreement?

Statutory authority in Arizona

Key Components of DAs

Infrastructure financing mechanisms

Vesting and Legal Protections

Negotiation and Approval Process

Risks and Legal Considerations

Best Practices

Conclusion

# AGENDA



# WHAT IS A DEVELOPMENT AGREEMENT?

A development agreement (DA) is a negotiated contract between a public entity and a property owner/developer governing future land development rights and obligations.

**TYPICAL PARTIES:**

- Municipality
- Developer
- Landowner
- Community Facilities District (CFD)

# ARIZONA REVISED STATUTE 9-500.05

## 9-500.05. Development agreements; public safety; definitions

A. A municipality, by resolution or ordinance, may enter into development agreements relating to property in the municipality and to property located outside the incorporated area of the municipality. If the development agreement relates to property located outside the incorporated area of the municipality, the development agreement does not become operative unless annexation proceedings to annex the property to the municipality are completed within the period of time specified by the development agreement or any extension of such time.

B. A development agreement shall be consistent with the municipality's general plan or specific plan, if any, as defined in section 9-461, applicable to the property on the date the development agreement is executed.

C. A development agreement may be amended, or cancelled in whole or in part, by mutual consent of the parties to the development agreement or by their successors in interest or assigns.

D. No later than ten days after a municipality enters into a development agreement, the municipality shall record a copy of the agreement with the county recorder of the county in which the property subject to the development agreement is located, and the recordation constitutes notice of the development agreement to all persons. The burdens of the development agreement are binding on, and the benefits of the development agreement inure to, the parties to the agreement and to all their successors in interest and assigns.

E. Section 32-2181 does not apply to development agreements under this section.

F. Notwithstanding any other law, a municipality may provide by resolution or ordinance for public safety purposes, and with the written consent of an owner of property that has been granted a development agreement pursuant to this section, an owner of a protected development right pursuant to chapter 11 of this title or the owner of any other residential or commercial development subject to the supervision of a municipality pursuant to this title, for the application and enforcement of speed limits, vehicle weight restrictions or other safety measures on a private road that is located in any development in the municipality and that is open to and used by the public. A municipality may require payment from the property owner of the actual cost of signs for speed limits or other restrictions applicable on the private road, before their installation.

G. Notwithstanding section 19-142, subsection B, a decision by the governing body involving a development agreement may not be enacted as an emergency measure and that decision is not effective for at least thirty days after final approval of the development agreement.

# **CORE COMPONENTS OF ARIZONA DEVELOPMENT AGREEMENTS**

- **Permitted Land Uses**
- **Density/Intensity Standards**
- **Building Heights and Setbacks**
- **Infrastructure Obligations**
- **Phasing Schedules**
- **Dedications and Easements**
- **Reimbursement Agreements**
- **Water and Sewer Commitments**
- **Impact Fee Arrangements**
- **Annexation Timing**
- **Sunset Dates**
- **Any Limitations**

**\*\*IMPORTANCE:** Development agreements create long-term predictability for both the public and private sectors.



# INFRASTRUCTURE FINANCING

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## Public Infrastructure Often Includes:

- Roads
- Water Systems
- Sewer Systems
- Drainage
- Parks
- Fire and Polic Facilities

## Financing Mechanisms:

- Developer-funded improvements
- Reimbursement districts
- Impact Fees
- Improvement districts
- Community Facilities Districts (CFDs)

Key Benefit: Allows large-scale master planned communities to phase infrastructure over many years.

# VESTING AND DEVELOPMENT RIGHTS

**WHY USE A DA?  
DEVELOPMENT AGREEMENTS  
HELP “VEST” RIGHTS AGAINST  
FUTURE REGULATORY CHANGES.**

## **Typical Protections**

- Existing Zoning Protections
- Infrastructure reimbursement rights
- Timing Protections
- Density Assurances
- Entitlement Certainty

## **Arizona Importance:**

- Large master-planned communities
- Long-term phased developments
- Mixed-Use Projects
- Annexation Areas

# ANNEXATION AND EXTRATERRITORIAL AGREEMENTS

Cities may enter into agreements for land outside municipal boundaries if annexation occurs later.

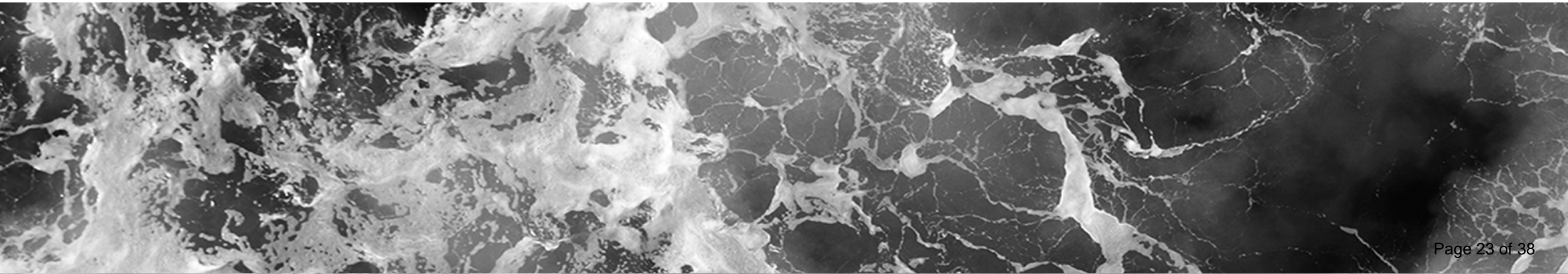
## COMMON USES

**Planned Annexations**

**Infrastructure  
Coordination**

**Utility Extension**

**Future Zoning  
Commitments**



# RECORDING REQUIREMENT

AGREEMENTS MUST BE RECORDED WITH THE  
COUNTY RECORDER.

Legal Effect:

- Binding on successors and assigns
- Runs with the land
- Public notice to future purchasers

Enforcement:

- Contract remedies
- Specific performance
- Injunctive relief
- Declaratory judgment actions

## Benefits:

- Predictability
- Economic development
- Infrastructure coordination
- Long-term planning certainty

## Criticisms:

- Reduced flexibility for municipalities
- Long-term commitments by future councils
- Potential public subsidy concerns
- Negotiation transparency issues

# **PUBLIC POLICY CONSIDERATIONS**

# WATER SUPPLY AND ARIZONA GROWTH ISSUES

## Increasing Importance of Water

Arizona growth management increasingly intersects with:

- Assured Water Supply Requirements
- Groundwater Limitations
- Infrastructures Commitments
- Long-Term Sustainability

## DA Implications

Modern agreements increasingly address:

- Water Infrastructure
- Recharge Obligations
- Conservation Measures
- Alternative Water Sourcing

\*\*Arizona's recent groundwater restrictions have significantly affected development planning.



# COMMON LEGAL RISKS

## Risks for Municipalities:

- Overcommitting infrastructure funding
- Improper delegation of police powers
- Conflicts with future zoning changes

## Risks for Developers:

- Annexation failure
- Infrastructure cost escalation
- Political opposition
- Market downturns

## Litigation Issues:

- Contract Interpretation
- Vesting Disputes
- Impact Fee Reimbursement Conflicts
- Timing/default Disputes

# BEST PRACTICES

## For Municipalities:

- Maintain general plan consistency
- Clearly define infrastructure obligations
- Include amendment procedures
- Protect future public safety authority

## For Developers:

- Address force majeure provisions
- Coordinate utility commitments early

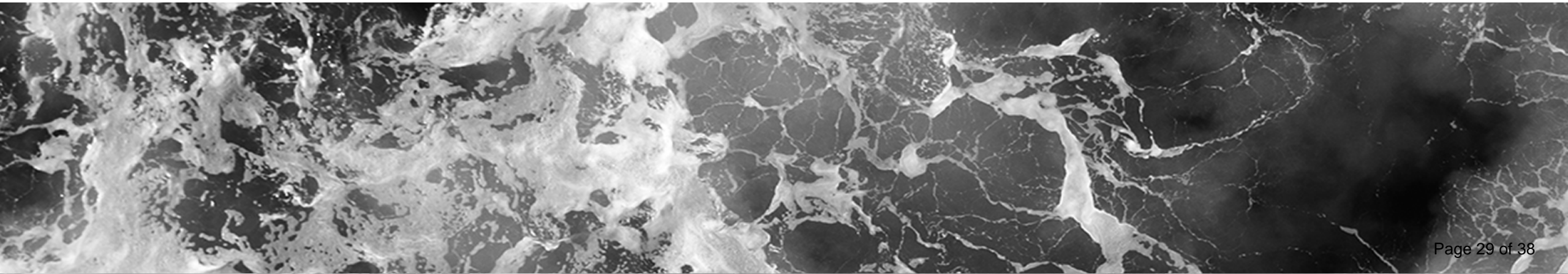
# ARIZONA TRENDS

## Current Trends

- Increased use in master-planned communities
- Greater infrastructure reimbursement complexity
- More detailed water provisions
- Public-private partnership structures
- Increased scrutiny of development incentives

## Emerging Issues

- Housing affordability
- State preemption
- Water availability
- Transportation funding
- Sustainably growth management

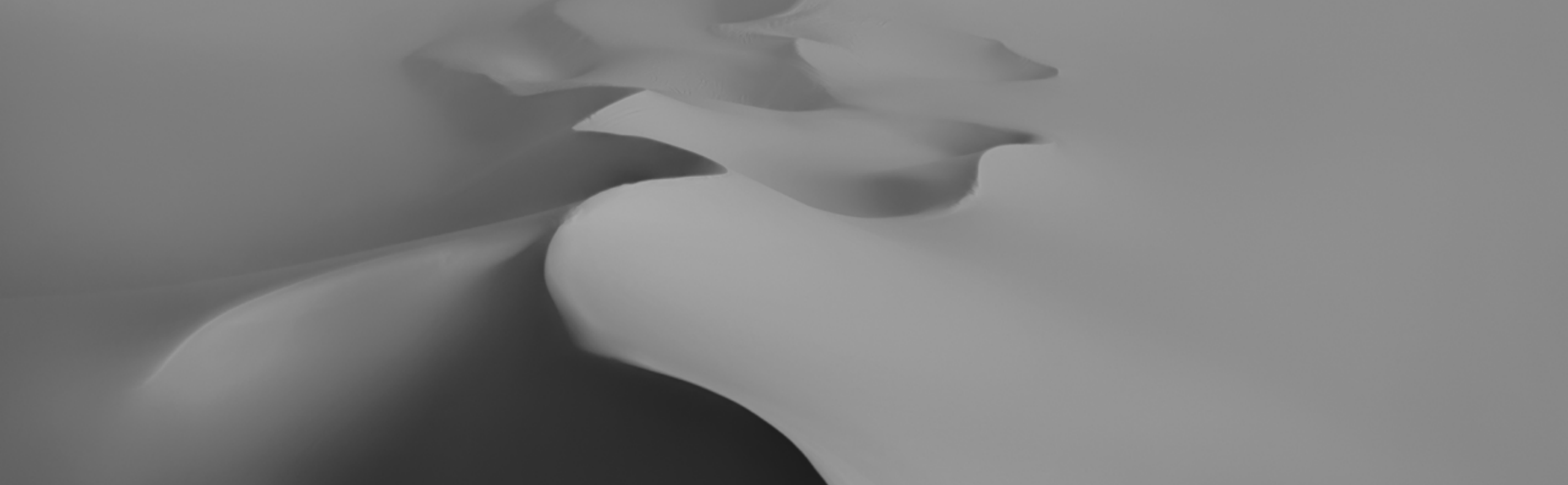




## KEY TAKEAWAYS

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- Arizona expressly authorizes development agreements
- DAs provide long-term certainty for complex developments
- Infrastructure financing is a central component
- Agreements must align with adopted plans
- Water and growth management are increasingly critical
- Proper drafting is essential to avoid litigation



**THANK YOU**





TO: MAYOR AND CITY COUNCIL  
AGENDA: May 18 Charter Review Committee  
DATE: May 18, 2026  
DEPT: City Clerk  
ITEM #: 3.D  
SUBJECT: **CONTINUED ITEM:** Discussion & Possible Action Regarding Requested Updates to the Prescott City Charter Article XI - City Court.

## ITEM SUMMARY

This item is continued from the April 6 and May 4, 2026 Committee Meetings for a discussion and possible action regarding updates to the Prescott City Charter Article XI - City Court.

## BACKGROUND

Included below is the proposed language, as discussed at the April 6 and May meetings for Article XI, Section 4 for discussion and possible approval by the Committee. And, attached is the complete Article to be discussed for possible additional revisions and direction.

### **Article XI, Section 4 Current Language:**

*The presiding officer of the city court shall be a city judge, who shall be appointed by the council in December of each even-numbered year. The term of office of the city judge shall commence on the first business day of the month following his or her appointment, and shall be for two (2) years, or until his or her successor is appointed and qualified. The city court department employees shall be appointed by and accountable to the city judge. The city judge will report to and be responsible for the operation of the city court department to the city council. The city judge shall prepare the budget for the city court department for submission to the city council, and the city court budget shall be established by the city council.*

### **Article XI, Section 4 Proposed Language:**

The presiding officer of the city court shall be the City Judge, who shall be appointed by the council. The City Judge shall be an attorney licensed and in good standing in the State of Arizona and shall serve at the pleasure of the council with a contract to be reviewed annually. At the annual review date, the City Council, at its discretion, shall decide whether to renew the contract. During the term of his/her contract, the Judge may be removed by the City Council only for cause, after notice and an opportunity to be heard. Removal for cause shall be justified by any criminal conduct and/or a violation of the Arizona Code of Judicial Conduct.

The Judge shall exercise independent judgment in accordance with law, comply with applicable judicial conduct rules, and disclose and avoid conflicts of interest. The Court shall operate as an independent judicial function of the City.

In addition, staff proposes an update to Article IV, Section 7 - Outside Employment, to change "city magistrate" to "City Judge"

## FINANCIAL IMPACT

There is no fiscal impact associated with this item at this time, however, there will be future costs for conducting a Special Election and administrative costs for updates to the City Charter.

## RECOMMENDED ACTION

Following discussion, possible action regarding forwarding proposed ballot language to Council for consideration

## **ATTACHMENTS**

1. City Court Article

## **ARTICLE XI**

### **CITY COURT**

#### **Section 1 - Establishment**

There shall be and is hereby established in the city a municipal court, to be known and designated "The City Court of the City of Prescott, Yavapai County, State of Arizona".

#### **Section 2 - When open; transaction of certain business on non-judicial days**

The city court shall always be open, except on non-judicial days, and on such non-judicial days it may transact such business within its jurisdiction as is authorized by law to be transacted by courts of justice of peace, relative to business within their jurisdiction.

#### **Section 3 - Jurisdiction generally**

Said court shall, within the territorial limits of said city, have and exercise jurisdiction as follows:

- (a) It shall have and exercise exclusive original jurisdiction of all proceedings of a criminal nature for the violation of any ordinance of said city, and of every action of a civil nature for the enforcement of a penalty, or the recovery of a penalty or forfeiture imposed by any ordinance of the city for violation thereof, or for neglect to perform any duty by any ordinance imposed, and of every action for the collection of any license, fine or penalty due from any person to said city, and require to be paid, or which is due and collectible under the ordinance of said city.
- (b) The city court shall have concurrent jurisdiction with the justices of the peace, in the precincts where said city is established, over all violations of the laws of the state committed within the limits of said city; said concurrent jurisdiction shall be subject to the rules of criminal procedure applicable to trials before justices of the peace. (Amended September 21, 1993)

## **ARTICLE XI (Continued):**

### **Section 4 - Presiding Officer; appointment; term; Justice of Peace as City Judge**

The presiding officer of the city court shall be a city judge, who shall be appointed by the council in December of each even-numbered year. The term of office of the city judge shall commence on the first business day of the month following his or her appointment, and shall be for two (2) years, or until his or her successor is appointed and qualified. (Amended September 21, 1993; June 7, 2012)

The city court department employees shall be appointed by and accountable to the city judge. The city judge will report to and be responsible for the operation of the city court department to the city council. The city judge shall prepare the budget for the city court department for submission to the city council, and the city court budget shall be established by the city council. (Adopted June 7, 2012)

### **Section 5 - Disposition of fines, penalties and fees**

All fines, penalties and fees collected by the city judge shall be paid monthly to the properly designated officer of the city authorized to receive them.

### **Section 6 - Power of City Judge to issue writs and processes and to hear cases; nature of writs and processes; records to be kept; duty of police to execute, serve and make proper return of writs and processes**

For the proper carrying out of the jurisdiction vested in said city judge, he shall be entitled and authorized to issue and cause to be served any and all writs and processes, and he shall have full authority to hear and determine all matters properly coming before him and coming within his jurisdiction herein specified. The writs and processes to be used shall be similar to those used by justices of the peace in cases of a similar nature, and proper records shall be kept of the issuance of writs and processes and returns, and of any kind of all other actions taken relative thereto, and the actions of the court thereon. The police of the city are hereby authorized and directed to execute and serve any and all writs and processes issued out of said city court by said judge, and proper return shall be made by such officer to the same extent as required of constables and sheriffs in the service and execution of similar papers.

### **Section 7 - Ordinances to give effect**

The council shall pass all necessary ordinances to give effect to the provisions of this article not otherwise herein provided.

### **Section 8 - Discontinuance or Reinstatement of City Court**

Upon provisions by state law or amendment to the state constitution whereby the duties and responsibilities described above may be otherwise fulfilled to the satisfaction of

**ARTICLE XI, Section 8 - (Continued):**

the council, the council may, by appropriate ordinance, abolish, reinstate or make other arrangements in the office of city court. (Adopted May 18, 1976)



TO: MAYOR AND CITY COUNCIL  
AGENDA: May 18 Charter Review Committee  
DATE: May 18, 2026  
DEPT: City Clerk  
ITEM #: 3.E  
SUBJECT: Presentation & Discussion From Staff Regarding Future Agenda Items.

## ITEM SUMMARY

This item will provide an opportunity for staff to discuss upcoming agenda items based on feedback and requests from Committee Members.

## BACKGROUND

At this time, the following items have been continued from previous meeting to an uncertain date following general discussion by the Committee. Staff is seeking direction on how and when the group would like to proceed with the following items:

1. Discussion & Possible Direction Regarding a Potential Addition to the Prescott City Charter Regarding "Lease of Property by the City" (Tenant Safeguards).
2. Discussion Regarding "Super Majority" Language throughout the Charter
3. Article VI, Section 17 "Approval of High Value Capital Projects Exceeding \$15 Million"
4. Anti-Discrimination Language

As of today, the Committee has had two (2) ballot measures approved by the Council for addition to the November 2026 ballot, and following the presentation at the May 12 Study Session, two (2) additional measures have been recommended for Council approval as well. Based on action at this meeting, the Committee may determine whether to forward up to four (4) additional revisions for consideration for a total of eight (8) Charter revisions for voter consideration at the November 2026 Election.

Given ballot language deadlines, upcoming holidays and the fact that the push for the November 2026 Special Election is concluded, staff proposes the following revised schedule for the balance of 2026:

### **June:**

Monday, June 15 at 2:30 pm (follow up to Council Action on June 9)

### **July:**

Monday, July 6 at 2:30 pm

### **August:**

Monday, August 17 at 2:30 pm

### **September:**

Wednesday, September 9 at 10 am

### **October:**

Monday, October 19 at 2:30 pm

### **November:**

Monday, November 16 at 2:30 pm (follow up to November 3 Election Results)

### **December:**

Monday, December 7 at 2:30 pm (planning for 2027)

## **FINANCIAL IMPACT**

There is no fiscal impact associated with this item.

## **RECOMMENDED ACTION**

This item is for discussion only. No formal action will be taken.

## **ATTACHMENTS**

None