

BOARD OF SUPERVISORS MINUTES WITH SUPPLEMENTAL TRANSCRIPT
(Where a supplemental transcript is available, it is printed in bold type)

OFFICE OF BOARD OF SUPERVISORS
YAVAPAI COUNTY, ARIZONA

Prescott, Arizona

May 9, 2006

The Board of Supervisors met in special session in Prescott, Arizona on May 9, 2006, at 1:00 p.m.

Present: Thomas Thurman, Chairman; Chip Davis, Vice Chairman; Carol Springer, Member; Bev Staddon, Clerk.

Also present: Jim Holst, County Administrator; Dave Hunt, Board Attorney/Assistant County Administrator.

Present from the City of Prescott: Rowle Simmons, Mayor; Council Members Steve Blair, Jim Lamerson, Bob Roecker, Bob Luzius, Bob Bell and Mary Ann Suttles; Liz Burke, City Clerk; Steve Norwood, City Manager; and Gary Kidd, City Attorney.

Clerk's note: A copy of these minutes with a supplemental transcript is available in the Office of the Clerk of the Board of Supervisors and is also available on the County website.

The Board met in joint session with the Prescott City Council at the City Council Chambers, 201 South Cortez Street, Prescott Arizona, for discussion of the following items:

1. Possible trade or trades of City and County property.

Mr. Norwood opened the meeting by saying this would be an informal discussion to look at possible land trades for future uses, and that the most important thing to determine was whether there was general consensus for land trades. He reminded those present that the City and the County jointly own approximately 170 acres on Prescott Lakes Parkway, of which the City owns 65% and the County owns 35%. Mr. Norwood said that the City Council had also indicated that preserving the rodeo grounds in Prescott is a priority for the City. He said that appraisals of the Prescott Lakes Parkway and rodeo properties had been done and that the City was not at even dollar for dollar with the County. He said the rodeo grounds were worth more than the Prescott Lakes Parkway property because of infrastructure, but that there were other properties owned by the City that might be included in order to accomplish a trade without having money change hands. Mr. Holst said the appraisal that was done for the rodeo grounds was done in two pieces in order to give the City Council two parcels to consider. He said the largest parcel was 30.53 acres and that it appraised at \$8.8 million with the smaller 9-acre parcel appraising at \$3.6 million for a total of the two pieces of more than \$12 million. He said that the new value of the Prescott Lakes Parkway property, minus right-of-way, was \$11.5 million and that this value was twice the value of that property just one and one-half years ago. In response to a question from Mayor Simmons, Mr. Holst said that the County had always had an agreement with Prescott Frontier Days to allow them to use the County's parking facilities at Fair Street for spectator parking. Councilman Roecker asked why the rodeo grounds had been broken into two pieces. Mr. Holst said it was simply to try to give a sense of whether there was enough property and what might be a fair trade. Councilwoman Suttles asked which parcel at the rodeo grounds the City would be interested in and whether it would be the larger piece. Council Blair said he would like to look at purchasing both pieces. Councilwoman Suttles asked if the County was interested in expanding on the 9-acre piece. Supervisor Springer said she was not interested in that. Chairman Thurman said he would like to keep at least four acres adjacent to the County's Fair Street building for future uses. Mayor Simmons asked Supervisor Springer if she would go along with saving four acres. Supervisor Springer responded that she was not really interested in keeping the Fair Street building at all and that she thought the building could be thrown into the discussion as well. She said she believed the more options that could be thrown on the table the more staff would have to look at. Mayor Simmons said would like to see the City have as much property at the rodeo grounds as it can afford. Supervisor Davis said he thought that with regard to the 9-acre piece, it would depend upon the City's ability to acquire it but that he believed it would be a good addition to the rodeo grounds. He said that if the City could not acquire it now the County could look at expanding on the property or even just holding it until the City is in a position to purchase it. Supervisor Davis said he would like to see the County pursue the Prescott Lakes Parkway property because it would enable the County to put funds into capital improvements instead of into land purchases. Councilman Luzius said he would be in favor of the City purchasing the entire 39.5-acre parcel if it can afford it. Mr. Norwood said the City would need to look at its future needs, adding that the City has a great deal of land in the Sundog area. He said that some of that land would be a real challenge to develop but probably no more so that the Prescott Lakes Parkway property. Mr. Norwood said he would like to be able to get to the 39.5-acre parcel at the rodeo grounds without jeopardizing too much City land, but that his recommendation would be to pursue acquisition of the entire 39.5 acres. Supervisor

Springer said she believed the Fair Street building was an option that should be on the table. She estimated the building's value at around \$8 million, adding that there was no current appraisal on the building. Mr. Norwood said it was his understanding that staff would work toward doing the land swap for the entire 39.5 acres at the rodeo grounds and that this would likely involve throwing some other City properties into the mix and that staff would then look at the building on Fair Street. Councilman Lamerson said there might be some applications at the Fair Street building that would benefit the City. Supervisor Davis said he felt the Board needed to have a discussion about the Fair Street building and other buildings, such as the Marina Street building. Chairman Thurman said if the County moved its offices out of the Fair Street building perhaps it could move back into the Gurley Street building, adding that the Fair Street building was already overcrowded and that if there was no expansion someone would have to move out. He said he believed the Fair Street building should be part of the discussion and asked if the City was really serious about acquiring it. Mayor Simmons said he wanted the City to have the rodeo grounds and did not want the Fair Street building to interfere with that but that if something could be worked out so that the City could acquire the building it would be fine with him. He said the first thing that would have to happen would be for the City to look at whether the Fair Street building might fit into its game plan. Supervisor Springer said she thought Supervisor Davis' suggestion about the Marina Street building was a good one and that she was not opposed to including that building in discussions as well. Mayor Simmons said he thought this was a good time to discuss these issues because both the City and the County have needs. Supervisor Springer said that if the goal was a non-cash transfer or exchange, then she did not think discussions necessarily had to be limited to just one parcel. Councilman Blair said there were City-owned properties in the downtown area that the County could purchase to build a courthouse downtown. Chairman Thurman said if the County has to construct new buildings it has to find a way to pay for them and the only way to do that was to acquire more property from the City on a trade and then sell some of it to pay for construction. Supervisor Davis said he appreciated the City's focus on taking care of the rodeo grounds and that he believed everyone could agree on that. He said he also agreed on the County acquiring the City's interest in the Prescott Lakes Parkway property and that he would like to have a study session of the Board to talk about where the County needs to go with regard to future facilities needs. Mayor Simmons said the entire City Council was on board with regard to acquiring the rodeo grounds. He said at this point the City needs to get appraisals on some of its properties and the Board needs to talk about what other County properties might be available. There was brief discussion regarding the difference in value between County-owned property and City-owned property as it relates to the rodeo grounds and the Prescott Lakes Parkway property, after which Mr. Norwood said the first task was to come up with a way to trade the grounds for the Prescott Lakes Parkway property using whatever different land the City might have to throw into the mix and then look at other facilities. Mayor Simmons said he was very happy that the City Council and the Board had had the opportunity to sit down together and discuss this issue. Councilman Luzius said everything sounded great and that he was very interested in the City acquiring the rodeo grounds but that there was another item he did not want people to lose sight of and that was keeping the County's courthouse facilities in downtown Prescott. Mayor Simmons said people could speculate but that without knowing what is available he did not think that anyone could really focus on the downtown area and the courts. Supervisor Springer asked about setting a time frame for staff to get back to the Board and the City Council with information and another joint session. Mr. Holst said that staff could estimate property values but that it would not be possible to get appraisals back within a month. Chairman Thurman said he believed that direction had been given with regard to the first item on this day's agenda and that everyone could get back together whenever staff is ready. Mr. Norwood said he thought that 30 days was a good target for staff, with the idea that another joint session could occur about two weeks afterwards.

2. Potential future uses of Prescott Lakes Parkway property. This item was not discussed.

There being no further business to discuss, the meeting was adjourned.

ATTEST:

Clerk _____Chairman