

Mayor Phil Goode Letter for February 1, 2024

State of the City of Prescott

Every year, I have the opportunity to give a presentation on the state of the City, to the Prescott Chamber of Commerce at their annual meeting. I am pleased to share some of the highlights of that presentation for our readers.

I would like to begin by congratulating returning Councilmembers Cathey Rusing and Connie Cantelme. Connie has been named Mayor Pro Tem as well. I would also like to extend a welcome to new Councilmembers Ted Gambogi and Lois Fruhwirth, and wish them much success during their terms.

We had a number of accomplishments and projects completed in 2023 including:

- We officially opened the Granite Creek Corridor trail, providing a beautiful outdoor amenity in our downtown area.
- Along with our partners in Prescott Valley and Yavapai County, and with funding assistance from the state, we have purchased land for the creation of the Glassford Dells Regional Park plan.
- Our Public Works Department completed a major new water storage facility. At 12 million gallons, it is the largest in the city.
- At Prescott Regional Airport, we secured the extension of Essential Air Service through August, with a new bidding process beginning soon.
- We recently acquired over 76 acres of land for airport protection, and 15 acres to aid the planned runway extension.

During the past year, we have had some changes to City leadership, but overall operations are proceeding well. Here are some updates on City operations:

- The City Manager recruitment process is underway, and we hope to have candidates to review next month.
- We are also recruiting a new Airport Director. In the meantime, Mr. Kelly Frederiks is serving as Interim Airport Director under a temporary contract. All other key City operational positions are currently filled. In 2023 we appointed Public Works Director, Gwen Rowitsch, and Community Development Director Chelsea Walton.
- We are making progress in staffing our public safety departments. Six new Police Officers have graduated the NARTA academy and are in field training at this time. Six additional new recruits have started academy. The Fire Department is funded for full staffing with recruits scheduled to attend the fire academy beginning in March.

Looking ahead to 2024 we have several important matters for Council to address, including:

- State Route 89 Project through the Granite Dells. This matter will come back to Council for a decision on how to proceed. At the very least, repair of the effluent line will be imperative. The

matter of whether or not, or how much to widen this stretch of the road, will be up to City Council.

- Airport Protection: The City will continue to pursue opportunities to make sure that the area around Prescott Regional airport is appropriate and compatible in use with the nation's 18th busiest airport.
- Public Safety. We will get to work planning for new public safety infrastructure including a new fire station.
- Workforce Housing. The Committee and Council met jointly recently, to bring Council up to date on the Committee's findings so far.
- Glassford Dells Regional Park. Now that the land has been purchased, we will work with Prescott Valley and Yavapai County and begin to plan for how to best utilize this significant open space asset.

The City's finances remain robust, but with some signs of slowing taxable activity. Overall taxable activity, which includes TPT or sales tax, is up a modest .5% year over year as reported in November. Transient Occupancy Tax, or Bed Tax, is down 2.4% year over year through November.

Building permit activity in the City of Prescott is +1.4% through November. Contrasting this to a broad downward trend which are seeing throughout the region. The City does have nearly 1,500 new rental units either in review or under development. My hope is that this new supply will moderate rental rates somewhat for our workforce. Commercial development has been steady, highlighted by two new hotels under development to support our robust tourism activities.

In closing, I believe Prescott is positioned to mirror conditions around the state of Arizona, with steady moderate economic vitality bolstered by enhanced tourism and hospitality amenities including new lodging, dining and attractions such as Glassford Dells Regional Park, and others.

We will post the entire slide show on the city website Prescott-az.gov on the Mayor's Updates page.