

Talk of the Town: Kudos for new city hall purchase



The Prescott City Council approved paying \$7.55 million for a new City Hall building Tuesday, April 13, 2021. The National Bank building at 201 N. Montezuma Street will serve as a new City Hall location. The three-story bank building, which dates back to 2007, will replace the current City Hall at 201 S. Cortez, which has served as Prescott's municipal headquarters since it was built in the early 1960s. (Cindy Barks/Courier)

Originally Published: May 6, 2021 4:55 p.m.

Share

Tweet



The new city hall purchase has been a long-time coming. Those signing below have served on a volunteer committee for the past 2.5 years to analyze the physical needs of the City of Prescott's employees, departments, and services. The mayor's Facility Optimization and Property Usage Committee is comprised of eight long-time local business owners, real estate professionals, developers and lawyers. All of the meetings were open to the public and advance notice of all meetings was provided as required under Arizona statute. All of us volunteered our time and expertise and none of us benefited financially from the decision as some critics have suggested.

The City Hall building is almost 60 years old and is in need a many costly upgrades and repairs. For several years, the maintenance and repairs cost about \$10,000 per month. The building also experiences perennial flooding in the basement and is in immediate need of a new roof that would cost at least \$250,000. Upgrades to security, access, and handicap accessibility upgrades have also been recommended at a significant additional cost. The committee considered moving all city personnel out of the building for about one year to perform extensive repairs and upgrades. However, the disruption and cost to relocate services and renovate the building would have been in the millions and did not resolve the most significant issue with the building — it is too small.

Because of the inadequate size of the building, many city departments have moved to various off-site locations. The recommendation of the committee was to find a location that could accommodate most of the employees and departments. After an extensive review by city staff and consultants, the committee determined that the optimal size of any new city hall should be 27,000 square feet.

After coming to consensus of the city's needs, the committee spent considerable time reviewing potential options in the downtown area. Nothing was found. In October 2019, the committee made a public report to the Prescott City Council in open session that was publicly noticed and broadcast. The process was transparent and months of volunteer effort and expertise were provided.

Early this year, Mayor Greg Mengarelli learned of the imminent sale of the three-story office building of approximately 30,000 square feet, located at 201 N. Montezuma St. At the mayor's request, the owner of the building held off on the sale and agreed to provide the city with an opportunity to conduct preliminary research with the help of

the committee. The office building meets all of the city's current needs, the structure was built in 2007 and has over 90 parking spaces. If the city closes escrow, the bulk of city services can be consolidated in one location and the ongoing costly repair expenses to the existing City Hall can be avoided. The existing City Hall is a visible and valuable property that will be sold and redeveloped to maximize its potential and add to a vibrant downtown.

The purchase price of the office building is well below market at \$7,550,000, or about \$247 per square foot. A building of the same size and quality would cost over \$400 per square foot to construct, or about \$12 million. Further, to construct a building of that size would require at least one acre of land — which is simply not available in the downtown and, if land could be found, would add another million or more to the price tag. The purchase is a bargain and the building is essentially “ready to go,” so that city departments can be moved with minimal disruption to city services. The sale of the city's soon-to-be vacant buildings is expected to allow for the repayment of a significant portion of the loan.

This council's decision came after 2.5 years of public study, public discussions, and many public meetings. It's unfair to characterize the City Council's decision as a “rush to purchase.” The new City Hall will provide long-term cost savings to the taxpayers and achieves all of the goals of the commission.

The Prescott City Council should be applauded for their decisive action and the commission unanimously supports the purchase.

Justin Scott, Chair

Sheri Heiney

Alex Vakula, Vice Chair

Bill McCleary

Jesse Burke

Steve Pierce

Mike Fann

Cody Anne Yarnes

Facility Optimization and Property Usage Committee

Sign up for our e-News Alerts
