

June 4th, 2021

Save the Dells received a copy of the “DA” yesterday from the City. While we appreciate the preview, we have asked for draft copies for months and only now, just a week before the City intends to roll this out to the public, do we see it, and there are significant deficiencies that render the annexation severely unpalatable.

The DA is a sweetheart deal for AED, loaded with protections for the developer, which is fine, but lacks key protections for the public interest. The DA provides no assurances that promised open space in the Dells, as well as water rights to Watson Lake, will actually be turned over to the City by AED. For five years Save the Dells’ goal has been clear: protect 500 acres of highly valued open space in the Dells in exchange for water enough to supply AED’s 3000-home development. Now, in an 11th hour twist, the conveyance of the open space – which has dwindled to 463 acres of our original proposal – is tied to the City’s successful purchase of 116 acres of AED’s land near the airport. The DA is written such that the purchase of the airport land and concurrent conveyance of the 463 acres of open space at Point of Rocks would happen after the approval of the annexation and after the end of a mandated 30-day referendum period. So, AED can get their development approved, get their 753 acre-feet of water, get the city to commit to building roads and bridges, get past the threat of a referendum, and then back out of the airport land sale and keep their land in the Dells. This is unacceptable. For months we have asked the City to provide a guarantee that the open space will be turned over to public ownership at the time of annexation. Now AED has a legal pathway to skip out of that responsibility.

In addition, the May 2020 Letter of Intent specified that AED’s claims to 375 acre-feet of water in Watson Lake are to be transferred to the City in exchange for City-provided potable water and sewer service. Now, in another last minute power grab, the conveyance of the water in Watson Lake to the City is being held hostage by requiring the City to acquire rights of way across state land to serve water to a portion of AED’s land that is not being annexed by the City, and it’s dependent on forming an intergovernmental agreement with either Yavapai County or the Town of Prescott Valley, where this 1000-home development would reside. If the easements and intergovernmental agreements cannot be finalized within three years, AED is off the hook for handing over their Watson Lake water claims. So if either the City, County, Prescott Valley, the State, or AED drag their feet even a little bit, three years will pass and AED gets the many services promised in the DA, but the City doesn’t get the promised water in Watson Lake.

Another issue is a proposed road crossing of the Peavine Trail to access AED’s luxury resort overlooking the Dells. For years, the public has asked for assurance that the crossing would be grade-separated to avoid traffic conflicts for trail users. Now, the DA provides a framework for getting a grade-separated crossing, but only if the City and AED can find a way to finance it. This is baloney. The DA specifies that the City will buy both a 116 acre and a 133 acre parcel

from AED near the airport. If the City can cough up the cash to buy 250 acres of land from the developer, they can find a way to commit to protecting the 100,000 people a year who use the Peavine National Recreation Trail.

These are three big issues, and there are a few more. Our concerns should not be a surprise, as our positions have not changed. It's clear that the City has been negotiating with the developers interests in mind, not the people of Prescott. The fix is simple: the DA and Water Service Agreement should include a stipulation specifying that the Annexation is only effective and AED only gets their water allocation once the Dells open space and the water in Watson lake is in City ownership, free and clear. It's that simple. Unless these problems are fixed, Save the Dells will oppose the annexation, and bring a vote to a referendum if needed.

Let me know if you have any questions,

Joe Trudeau, Conservation Director
Save the Dells