



City of Prescott

Workforce Housing Committee

November 8, 2023 | 2:30 PM
201 N. Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Chair Fann called the meeting to order at 2:30pm.

2. ROLL CALL

Mike Fann - Chair

Jonathan Rocha - Vice Chair

Nicole Kennedy - Member

Randy Goodman - Member

Arnold Urias - Member

Anthony Teeters - Member

3. DISCUSSION & ACTION ITEMS

A. Presentation, Discussion & Possible Action Regarding a Public Outreach Plan.

Recommended Action: Possible action regarding approval of a public outreach plan to be forwarded to Council for consideration

Community Outreach Manager John Heiney reviewed a possible community outreach plan for the committee.

Member Goodman asked for specifics on the item of, "creates better quality of life for residents."

Manager Heiney stated that a workforce that lives in the community can give back to the community they live in, which is part of allowing the workforce to have more community engagement which leads to a more cohesive community. He then spoke about the community outreach fact sheet.

Staff Liaison Walton reviewed the different pieces of the fact sheet and how it could be used for community outreach. She also stated the outreach and fact sheet could be a recommendation to Council.

Member Goodman asked if there was anything in the packet that specified what Section 8 housing is and that workforce housing is not that.

Staff Liaison Walton stated that it only clearly defines what workforce housing is, not the other types of housing that it isn't. She reviewed the definition provided that would address the local workforce.

Vice Chair Rocha stated that it's important to include the negative as that is what

people relate to more. He stated it's important to put in the negative of what happens if there isn't workforce housing such as a reduction in service levels. He asked that the stakes be painted in a negative light.

Manager Heiney stated that some of the negative can be included but it should lead with the positive. He stated that this is a living document that can be updated as the committee continues.

Member Kennedy stated that the documents are a good start and she would like a mix of negative and positive and that it should be personalized. She stated that people will relate better to personal stories.

Manager Heiney agreed that adding stories is possible.

Member Goodman stated that there may be value to explaining in the documents that this is not low-income housing.

Manager Heiney stated that it's important to emphasize the key points and hit the emotional chord that this is about health services, first responders, and our local workforce.

Member Kennedy stated that "essential" shouldn't be used due to the meaning that it received during COVID.

Member Goodman agreed.

Chair Fann asked if the AMI is workforce related and is the definition specific to the AMI of workforce or in general.

Staff Liaison Walton stated that 30% of gross per HUD is considered affordable plus utilities. She stated that the median family income is \$76,700 and it will be that number that 80% will be applied to.

Chair Fann stated that in the definition, housing after workforce should be dropped.

Member Goodman stated that 80% doesn't mean much to the public reading this.

Staff Liaison Walton said that the amount of the median family income will change as well over time.

Council Liaison Cantelme stated that the number had just changed. She stated it may be helpful to mention that no more than 30% of income should be put towards housing.

Staff Liaison Walton stated that HUD uses that definition as well.

Chair Fann stated that the second paragraph does mention fire, police, nurses, and teachers but should also include construction, public works, service industry and other essential services.

Member Goodman stated that service industry workers are as important as essential workers and should be included.

Member Kennedy stated that she has concerns about the 80% number. She stated that low income is considered after 50% and she has concerns about the gap between 50% and 80%.

Staff Liaison Walton stated that, per HUD there are different definitions and that low income is considered the 80% and the very low is listed at 50%. She stated that there can be a range if the committee prefers.

Chair Fann stated that if the range gets too close to the very low range, then the committee could end up discussing affordable housing, not workforce housing.

Member Kennedy stated that affordability is at 50%.

Chair Fann stated that it's important to specify workforce housing.

Council Liaison Cantelme stated that there is a stigma about low income housing and it would be beneficial to start conversations about workforce housing not being affordable housing. She stated that the committee should discuss NIMBY-ish (Not In My Back Yard) and how to address it. She stated that CCNRs and HOAs will be a way to address those concerns.

Staff Liaison Walton stated that zoning would be a good conversation to have with planned area development and that there is a level of oversight within City procedures. She stated public input is important for when a credible project comes forward and that will be an important process of feedback. She stated that from the data collected, the local organizations were ranging between the \$50,000 and low \$60,000 range. She stated that the 80% of the AMI and specifying within the definition will clarify that this is regarding the workforce.

Member Kennedy stated that there is still a gap and asked if the committee wants to fill that gap. She stated that Sandy from YCCA said that the average construction worker makes \$41,000 a year and they would be missed on that range.

Vice Chair Rocha stated it was a difficult situation. He stated that there are a lot more resources available to the range of 50% to 80% and the purpose of the committee is to focus on finding programs and projects that are attainable for the workforce. He stated that expanding would broaden the subject too much. He stated that there should be an index to follow. He asked if the definition should be off of Labor Statistics or HUD to create a benchmark for the percentages.

Chair Fann agreed with Vice Chair Rocha and that he doesn't want to leave anyone behind, but people will be left behind no matter what the range is. He stated that the fire, police, nurses, and teaching professions should be the focus demographic.

Member Goodman asked if there could be a mortgage range.

Chair Fann stated that is something the committee doesn't have control over. He stated that there are options that can be offered from a range.

Member Goodman asked if there would be value in putting a mortgage range in the document.

Manager Heiney stated that the eligibility information should be a later phase. He stated that charts and graphs can be put into the documents as well.

Staff Walton stated staff will take the committee's feedback and will update the documents and will bring the updated version back to the committee in December. Then the committee will determine whether the document is ready to be recommended to Council in January.

Member Goodman asked if the updated version could be sent out prior to the next meeting.

Staff Liaison Walton stated yes, it would be sent out as soon as possible.

B. Presentation & Discussion Regarding Committee Mission, Vision, and Workforce Housing Definition.

Recommended Action: Possible action regarding a motion to approve the Committee mission, vision, and Workforce Housing definition for Council consideration

Staff Liaison Walton reviewed the Mission, Vision, and Definition that were created with input from the committee.

Member Kennedy asked if opportunities could be removed from the mission as they plan to plan and preserve solutions not opportunities.

Staff Liaison Walton read an updated version of the mission with the edit and reviewed the vision.

Chair Fann said that the option in the vision doesn't encompass all of the concepts they've discussed.

Member Urias stated to switch options with solutions to support the mission.

Chair Fann agreed.

Staff Liaison Walton read the vision with the update.

Council Liaison Cantelme asked if facilitating rather than providing would be better.

Member Kennedy stated facilitating would be better.

Member Teeters, Chair Fann, and Vice Chair Rocha agreed.

Staff Liaison Walton read the updated version.

Chair Fann asked what the committee was considering for updating the definition.

Staff Liaison Walton reviewed the feedback provided by the committee.

MOTION BY COMMITTEE MEMBER TEETERS TO ADOPT THE MISSION AND VISION STATEMENTS; SECONDED BY COMMITTEE MEMBER GOODMAN: PASSED (6 - 0)

- C. Presentation & Discussion Regarding Workforce Housing Committee Goals.
Recommended Action: Possible action regarding motion to approve a list of goals for Council consideration

Staff Liaison Walton reviewed the short-term goals and that they would be recommended to Council to direct staff to pursue them. Staff would then bring items back to the committee for review. She asked if the committee had feedback.

Chair Fann stated that the stakeholder meeting should be with employers, not developers, builders, and landowners.

Staff Liaison Fraser stated that this item was from Council Liaison Cantelme's recommendation which was separate from the long term goal of the third party stakeholder meeting.

Staff Liaison Walton stated that they should both be on the short-term list.

Council Liaison Cantelme agreed because they would both interact at some point.

Member Urias asked if the word of landowner could be specified to stakeholders who have an interest in having land to contribute.

Chair Fann stated that the stakeholder meeting for developer, builder, and landowner doesn't belong as a goal. He stated creating a third party stakeholder employer committee is a goal.

Staff Liaison Walton stated that the purpose of the developer, builder, landowner meeting was to get all of the people to build in a room together to speak. She stated that it's up to the committee on whether this item stays on the list and how it's phrased.

Member Goodman stated he has concerns about discussing the legality of requiring a percentage be allotted to workforce housing. He stated it shouldn't be a requirement.

Chair Fann stated that as long as members of Council spread discontent about developers, the developers are not going to want to work with the City on projects like this.

Member Goodman would like to see the requirement item removed.

Chair Fann said there are opportunities there in certain cases but there needs to be someone to follow up and enforce.

Staff Liaison Walton stated that the item could be more basic. She stated that the committee could recommend to the Council that a policy be looked at to look at new developments and projects to determine if the project has the ability to participate in workforce housing.

Member Goodman stated it shouldn't be required but should be discussed.

Council Liaison Cantelme stated that if a developer decides to be a workforce housing developer that has a connection to tax payers then there can be requirements involved. She stated that private builders couldn't be required to do things regarding workforce.

Deputy City Attorney Podracky stated that previously the committee discussed incentives but requirements run into private property rights. He stated the development agreements can be a place for discussing incentives.

Council Liaison Cantelme asked for the line to be clarified to use incentivized rather than required so it's easier for people to understand.

Vice Chair Rocha asked what gives the City the teeth it needs to negotiate with a developer in a development agreement.

Deputy City Attorney Podracky stated that the City has things that they can give to developers. He reviewed the different items that could be negotiated depending on the agreement. He stated there can't be a general law to require developers to include workforce housing. Deputy City Attorney Podracky stated that there could be an incentivization policy but it would need to be voluntary.

Vice Chair Rocha asked how to go about the policy change.

Staff Liaison Walton stated a short term goal would be to remove the language and replace it with, "create a workforce housing policy which includes incentives for developers and certain other criteria." She stated then it would go to Council to direct staff and the committee to create a draft policy.

Chair Fann stated this would combine the incentive goal with the requirement goal to restate it in a clear manner.

Deputy City Attorney Prodracky explained the process of bringing a recommendation to Council for a policy.

Council Liaison Cantelme stated that it's important to define what it means to qualify for a workforce housing development and to clearly state what the City can and cannot do.

Staff Liaison Walton stated that the incentive package could stay separate as an

advertising mechanism rather than a policy. She discussed that projects don't need to be fully workforce housing to still contribute to the cause of workforce housing.

Chair Fann stated that the developer meeting shouldn't be a goal.

Member Kennedy stated that it should be reorganized to broader goals with objectives in them.

Vice Chair Rocha stated that the short term goal is to recommend things to the Council. He stated that the goals are recommendations for Council. He stated that if that is the case, then a full-time staff member needs to be on the goal list. He stated that a staff member should be added on the short term goals to enforce the recommendations.

Staff Liaison Walton stated that the committee was formed to research and provide recommendations to Council to direct staff. Staff can then bring drafts to the committee to review and recommend back to Council. She stated that the third party stakeholder group would likely be the mechanism to be the action component that the City would participate in.

Chair Fann stated he agreed with the need for a staff member. He said this should be a recommendation to Council in January.

Council Liaison Cantelme stated that once it's proven that a full-time person is needed, then Council would consider it. She stated the recommendations would be given to Community Development to follow through with. She stated that it was unlikely that the Council would agree to a position at this time.

Chair Fann stated that the committee isn't speaking just about another Community Development employee but an administrator to reach out to third party entities and researching grants and following up on different avenues. He stated that the committee is going to make recommendations and then it will be up to the Council at that time.

Council Liaison Cantelme stated that she has been advocating for a grant writer for the whole City and this would fall partially into that position.

Member Goodman stated that this is a national issue and that the committee should work on creating an avenue to fund a position.

Vice Chair Rocha stated that a short term goal could be to identify funding options to fund a position.

Member Teeters asked if the committee could solicit funds without permission from the Council.

Staff Liaison Walton stated that since this is an advisory committee, their function is to research and provide recommendations to Council.

Member Teeters stated that it wasn't clear if the committee could go seek funding or

donations.

Staff Liaison Walton stated that this may be better handled by the third party stakeholder group.

Vice Chair Rocha asked that if the recommendations are approved, then would the committee be able to go out and request funding.

Staff Liaison Walton stated that the committee would need to specifically ask for that ability.

Council Liaison Cantelme discussed the Yavapai County Community Foundation and the specifics of funding like that.

Chair Fann stated that he wasn't sure if the Foundation was the right avenue but he would need to look further into it.

Staff Liaison Fraser discussed the Change for the Better Program where the City receives donations to provide grants to charities to help the homeless and that the committee could look at a similar program to ask for donations towards workforce housing.

Deputy City Attorney Podracky stated that the City does receive donations often. He stated that the Council needs to give guidance for the committee to seek out donations. He stated a project fund could be created for workforce housing funding.

Member Kennedy asked if a recommendation could be to address neighborhood cleanups more aggressively.

Member Goodman asked if public outreach could be a recommendation.

Staff Liaison Walton stated that the outreach plan would fulfill that recommendation.

Member Goodman asked who the speakers would be.

Staff Liaison Walton stated the committee members would be the speakers. She stated that if Council approves the outreach plan and then the committee could move into phase 2.

Member Goodman confirmed that the speakers would be from the committee.

Member Urias stated that with the plan the committee would sound unified.

Staff Liaison Walton discussed the remaining goals.

Vice Chair Rocha asked that the fund item be more specified to include seeking funds.

Staff Liaison Walton asked if there were any additional comments.

Chair Fann stated that quarterly outreach should be changed to just outreach.

Staff Liaison Walton stated that outreach is important when a project comes forward but the committee can discuss that moving forward.

Vice Chair Rocha asked if the incentive packet could include water policy.

Staff Liaison Walton stated that could be listed as an example.

Vice Chair Rocha stated that would be one of the biggest incentives the City could offer.

Staff Liaison Walton stated that if Council supports the incentive packet, then that could be brought back as a recommendation. She stated the idea of the short term goal list is to check in with Council to make sure they are on track. She then reviewed the long-term goals.

Chair Fann asked for the stakeholder goal to be moved to the short-term goals.

Staff Liaison Walton continued reviewing the long-term goals.

Member Kennedy asked what the goal meant to create a tangible product.

Staff Liaison Walton stated that the goal could be changed to facilitate or partner to create a tangible product.

Chair Fann agreed.

- D. Presentation & Discussion Regarding Potential Future Agenda Items.
Recommended Action: This item is for discussion only. No formal action will be taken.

Staff Liaison Walton stated the updated fact sheet will be brought to the December meeting to finalize for recommendation to Council in January. She stated the presentation to the General Plan Committee has been moved to be at the end of January.

Member Teeters stated that some of the committee members should be at Council.

Staff Liaison Walton stated that the committee could give the presentation.

Deputy City Attorney Podracky said that a joint meeting could be called.

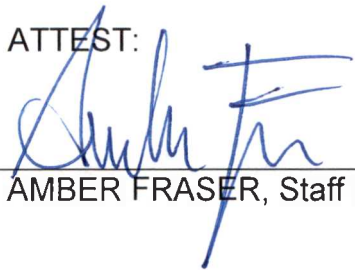
4. UPDATES

- A. Staff Announcements
No staff updates.

5. ADJOURNMENT

Chair Fann adjourned the meeting at 4:14pm.

ATTEST:



AMBER FRASER, Staff Liaison



MIKE FANN, Chair

Jonathan Rocha for Mike Fann
Vice Chair