



City of Prescott

Workforce Housing Committee

July 3, 2024 | 10:00 AM
201 N. Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

AGENDA

The following Agenda will be considered by the **Workforce Housing Committee** at their meeting to be held **July 3, 2024**. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

1. CALL TO ORDER

2. ROLL CALL

3. DISCUSSION & ACTION ITEMS

- A. Approval of Minutes from the June 5, 2024 Workforce Housing Committee Meeting, and the June 6, 2024 Workforce Housing Committee Stakeholder Meeting.

Recommended Action: MOVE to approve minutes as presented

- B. Presentations & Discussion Regarding Identifying City and Privately Owned Land Within City Limits Suitable for Workforce Housing.

Recommended Action: This item is for discussion only. No formal action will be taken.

- C. Presentation & Discussion Regarding Possible Tools and Options Related to Workforce Housing.

Recommended Action: This item is for discussion only. No formal action will be taken.

- D. Presentation & Discussion Regarding Future Agenda Items.

Recommended Action: This item is for discussion only. No formal action will be taken.

4. UPDATES

- A. Staff Announcements

5. ADJOURNMENT

Upon a public majority vote of a quorum of the Board, the Board may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (1) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));
- (2) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));
- (3) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-

431.03(A)(3));

- (4) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. § 38-431.03(A)(4));
- (5) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));
- (6) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6));
- (7) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on 6/27/24 at 11:15 a.m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

Sarah M. Siep

Sarah M. Siep, City Clerk



TO: MAYOR AND CITY COUNCIL
AGENDA: July 3 Workforce Housing Committee Meeting
DATE: July 3, 2024
DEPT: City Manager
ITEM #: 3.A
SUBJECT: Approval of Minutes from the June 5, 2024 Workforce Housing Committee Meeting, and the June 6, 2024 Workforce Housing Committee Stakeholder Meeting.

ITEM SUMMARY

This item is for the approval of minutes taken at the June 5, 2024 Workforce Housing Committee Meeting and the June 6, 2024 Workforce Housing Committee Stakeholder Meeting. Staff recommends approving the minutes as presented.

BACKGROUND

None.

FINANCIAL IMPACT

None

RECOMMENDED ACTION

MOVE to approve minutes as presented

ATTACHMENTS

1. June 5, 2024 WHC Minutes
2. June 6, 2024 Stakeholder Meeting Minutes



City of Prescott

Workforce Housing Committee

June 5, 2024 | 10:00 AM
201 N. Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Chair Fann called the meeting to order at 10:02 a.m.

2. ROLL CALL

Mike Fann - Chair
Jonathan Rocha - Vice Chair
Nicole Kennedy - Member (Excused)
Randy Goodman - Member
Anthony Teeters - Member
Luther Kraxberger - Member
Arnold Urias - Member

3. DISCUSSION & ACTION ITEMS

- A. Approval of May 1, 2024 Workforce Housing Committee Meeting Minutes.

**MOTION BY MEMBER TEETERS TO APPROVE MAY 1, 2024 MINUTES;
SECONDED BY MEMBER KRAXBERGER: (6 - 0)**

- B. Presentation & Discussion Regarding Strategic Plan Implementation Timeline.

Staff Liaison McInnes reviewed the agenda for the meeting. He reviewed the timeline for the implementation plan for the Council strategic goal regarding workforce housing.

Chair Fann stated that the first priority is to get the stakeholder meeting together to better understand the needs and desires and willingness to help.

Staff Liaison McInnes asked if everyone was able to attend the stakeholder meeting the following day.

Member Goodman asked what the state is doing regarding ADU's.

Member Urias stated that it sounds good like the state's adjustments are going to affect larger municipalities.

Chair Fann stated that the state established a 75,000 population so it likely won't affect Prescott at this time, but it will be up to Mayor and Council.

Planning Manager George Worley stated that staff has been following legislation as well and reviewed state legislation and what has occurred and that most of the things have not affected municipalities of Prescott's size but the General Plan is looking at things that may occur in the next 5 years. He stated that a more specific ordinance change will be brought to the committee in the next few months.

Chair Fann asked if there was anything else.

Staff Liaison McInnes asked Member Urias to elaborate on his thoughts on public outreach.

Member Urias stated that the priority is to create educational packets. He stated that it's important to get out into the public and educate the workforce on healthy budgeting.

Staff Liaison McInnes stated that committee members have been attending public meetings regarding projects in the community and it has been a good opportunity. He stated that staff will continue to keep the committee informed of possible projects, so they are able to participate.

Chair Fann moved on to the next item.

C. Presentation & Discussion and Review of the Pronghorn Project.

Staff Liaison McInnes opened up for discussion regarding the Baja Project and if the committee feels it's a possible project for Prescott.

Chair Fann stated that he missed the tour, but he stated it's too early to say if it's a viable project for Prescott.

Staff Liaison McInnes asked for the opinions of those who attended.

Member Kraxberger stated that they had some cost savings to them, and they are a step in the right direction. He stated that there are things the committee can learn from and can use as a comparison for future projects.

Vice Chair Rocha stated it's too early as well to determine its fit for Prescott but it was clear to him how important it is to hire a full-time employee. He stated that the project is a step in the right direction but there were a lot of hurdles they faces which extended the timelines. He stated it's important to find someone who can help alleviate the strains on projects. He stated it's important to find out how to do several of those projects and fast. He stated that there were issues with electrical meters, some issues with water, and that there were issues with how many permits at a time they could pull.

Member Kraxberger agreed that there were issues but if there was a full time employee then that person could really dive in to each project before they even reach the rest of staff.

Vice Chair Rocha stated that this was a newer type of concept which really slowed things down. He stated that if there was a person full-time then they could look at the parameters and set it up for success internally.

Council Liaison Cantelme stated that the committee should track every movement that the Baja Project made to determine how Prescott could mold their own path with our own Community Development. She stated the issues that they had should've been addressed up front.

Member Goodman stated that he admires the project and that the developers are learning as they go. His concern is longevity and what the project will look like down the road but that it will get better as they go.

Council Liaison Cantelme stated that the savings and money was a focus of the developer but with some added aesthetics, it would appeal to more people. She stated that they need to balance their building materials with their bottom line to provide a quality product.

Staff Liaison McInnes asked if there was any mentioned community push back on this project.

Vice Chair Rocha stated that they said there was zero opposition.

Member Urias stated that high density areas like Prescott will have more opposition and the community needs to be more proactive on community outreach. He stated that there is a project near downtown Prescott, and it is getting a large amount of opposition. He stated that it's important to discuss how values are being protected which will get more community buy-in and provide more equitable projects for potential rentals and in turn, will lead to more retention in the workforce. He said those are key variables the committee should focus on.

Member Teeters stated a large portion of that is the education portion. He stated the community needs to know who will be in the housing and that they are the workforce and will be a positive, not a negative, to the neighborhood. He stated that the education portion needs to be at the top.

Member Goodman stated that he has been asked for input on the Baja Projects and he has been trying to give them guidance to raise the bar.

Chair Fann stated that this was a great project to learn from and a project to see how to make processes better. He stated that it comes back to how housing can be kept at affordable pricing for the workforce. He stated that he would like someone hired to fully focus on the mission.

D. Presentation, Discussion & Review Regarding the Fain Signature Series Forum Event.

Chair Fann opened up the discussion regarding the Fain Signature Series Forum Event.

Staff Liaison McInnes asked Vice Chair Rocha to discuss the forum as he was on the panel.

Vice Chair Rocha gave an overview of the event and who was in attendance as well as what was discussed. He stated that it is a difficult time based on the markets, labor, land availability, etc. and that it seems like public private partnerships are the main things that work during this time. He stated that it was very positive and that setting up a structure for a private public partnership is needed.

Chair Fann stated it was very informative and different ideas were looked at.

Council Liaison Cantelme stated that it seemed that the community members are where the committee is and that it was a good event.

E. Presentation & Discussion Regarding Future Agenda Items.

Staff Liaison McInnes stated that the next meeting will be discussing land, zoning, and Community Development will be there to present. He asked if the 3rd works for everyone.

It appears there will be a quorum on the 3rd.

Member Goodman stated that he has been working with Planning Manager Worley on a project and he would like to present it at the July 3rd meeting.

Staff Liaison McInnes asked if there were any other future agenda items.

Chair Fann stated that the grant funding should be on the next agenda expecting that the Council will accept the funds on the 11th. He would also like to discuss the stakeholder meeting and next steps.

Member Goodman asked what the plan was for the stakeholder meeting.

Chair Fann stated that there will be brainstorming on what everyone needs and determining who is able to contribute.

Staff McInnes asked what the room layout should be.

Chair Fann stated that he would like it to be casual and a discussion.

Council Liaison Cantelme asked if there would be presentation materials.

Vice Chair Rocha stated that those items were going to be for the larger public open house.

Council Liaison Cantelme asked for statistics to be available.

4. UPDATES

A. Staff Announcements.

Staff Liaison McInnes discussed his meeting with the Neighborhood Services Director from Prescott Valley and what they were working on. He stated that Prescott Valley and Prescott staff will stay in communication. He stated that two organizations have been reached out to regarding the needs assessment. He stated that the idea is to keep the assessment as cheap as possible to have more funding for a position.

Member Urias asked what research would be performed by Yavapai College.

Staff Liaison McInnes stated that the piece they may be able to assist with is a needs assessment document showing what the housing needs are for our area.

Vice Chair Rocha asked if the winning bid could use information obtained by the committee.

Staff Liaison McInnes stated that they could use that information as well.

Chair Fann stated they will be compiling all the necessary data.

5. ADJOURNMENT

Chair Fann adjourned the meeting at 10:45 a.m.

ATTEST:

MIKE FANN, Chair

AMBER FRASER, Staff Liaison



City of Prescott
Workforce Housing Committee
Community Stakeholder Meeting

June 6, 2024 | 10:00am
201 N. Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Chair Fann called the meeting to order at 10:05 a.m.

2. ROLL CALL

Mike Fann - Chair
Jon Rocha – Vice Chair
Randy Goodman - Member
Nicole Kennedy - Member (Excused)
Luther Kraxberger – Member
Anthony Teeters - Member
Arnold Urias - Member

3. DISCUSSION & ACTION ITEMS

A. Presentation and Discussion Regarding Workforce Housing Regional Needs and Input.

Chair Fann opened the meeting with stakeholder introductions. The following stakeholder organizations were represented in the meeting:

City of Prescott Valley: Neighborhood Services Director Stephanie Robinson

City of Prescott: Mayor Phil Goode, Mayor Pro Tem Connie Cantelme, City Manager Dallin Kimble, Deputy Chief of Police Jon Brambila, Deputy Fire Chief Thomas Knapp, Division Fire Chief Scott Luedeman, Community Outreach Director John Heiney, Community Development Director Chelsea Walton, Planning Manager George Worley, CDBG Coordinator Michael McInnes

Prescott Chamber of Commerce: Executive Director Sheri Heiney

Central Arizona Fire and Medical Authority (CAFMA): Assistant Chief of Administration Lee Barnes

Yavapai College Regional Economic Development Center (YCREDC): Economist Ryan Jones

Yavapai College: Executive Director of Government Relations Richard Hernandez, Associate Vice President John Morgan, Student Rental and Housing Manager Shanna Collier

Yavapai Regional Medical Center (YRMC): COO Jeremy Murdock, Community Affairs Penny Perella

Prescott Area Association of Realtors (PAAR): Public Affairs Manager Ali Gosselin

Yavapai County Contractors Association (YCCA): Executive Director Sandy Griffis

Chair Fann stated the mission and vision of the Workforce Housing Committee to the stakeholders present. The immediate target of the WHC is police, fire, education, and healthcare. The purpose of the stakeholder meeting is to provide an open forum to discuss community needs and possible solutions around housing Prescott's workforce.

Prescott Police shared their biggest challenge has been in recruitment and retention of employees. Currently down 14 officers. Lateral hires are very difficult because housing is not affordable. The city is growing, and the Police Department needs to appropriately staff with the community's growth.

Chair Fann asked Prescott Police the type of housing needed, rental or ownership.

Department staff responded that both options are needed.

Member Urias asked Prescott Police about their thoughts on downpayment assistance and financial education programs.

Prescott Police stated they have been looking at those types of options for potential hires. City of Flagstaff has a downpayment assistance program which could be modeled. Many recruits are going through the Yavapai College Police Academy and have been living on their campus. Partnerships with other stakeholders remain important.

Member Rocha asked if barriers for hire are more financial or more due to lack of housing supply?

Prescott Police stressed housing supply is an issue where police officers, especially with families, leave the area because they cannot find an affordable house to buy. Police officers, both new recruits and lateral hires, want to own a house and raise their families within the community they serve.

Member Rocha stated the difficulty of keeping new housing supply affordable when demand continues to be high in Prescott. He asked what budgetary space could be made available to within the Police Department to aid in an assistance program?

Prescott Police stated an active, solution-based dialogue is happening with City leadership.

YCREDC shared data showing workforce salaries and what those salaries can afford within the city. The results were poor due to existing housing stock being unaffordable.

Yavapai College shared about the "Cal State Model," which made available housing on public college land. Yavapai College has available land and is

dedicated to providing student and workforce housing. However, Yavapai College cannot meet this challenge alone and encouraged City public service engagement.

PAAR shared current real estate market data. Inventory is available, but not affordable to the workforce. Prescott Valley and Chino Valley are experiencing elevated and unaffordable housing stock, but not as severe as Prescott.

YRMC stated their issues with recruitment and retaining employees due to lack of affordable housing options. Over 100 positions are temporary contract employees. There are barriers to utilizing their capital funds towards housing programs.

Mayor Pro Tem Cantelme stated the demand for housing remains high due to being a retirement community.

Member Goodman stated the city is looking at its land for potential workforce housing.

Member Urias shared potential financial leveraging tools which might help the employee in buying a home.

YRMC shared incentive packages used to entice new employees to relocate to Prescott.

Chair Fann shared the idea of creating workforce housing trust which all stakeholders are involved in and contribute to.

Prescott Fire stated their difficulties hiring new employees due to housing concerns and believed a housing trust would be beneficial.

CAFMA reiterated Prescott Fire's hiring and retention difficulties within their organization.

YCREDC asked the city about changing building codes and zoning to ease barriers on developing housing stock.

Chelsea Walton responded that the city, and State, are looking at their codes and zoning regarding housing development. Many codes are necessary for safety purposes. The WFH Committee is looking at building incentives that might help. The current City code for ADUs does not allow long-term renting and that might a code which could be changed.

Chair Fann stated using deed restrictions as a tool to keep housing dedicated for the workforce. He added that the need for a Workforce Housing Manager that works for the City of Prescott.

City of Prescott Valley shared strategies of working with developers towards workforce housing and infill housing being an option. Community partnerships are important.

Prescott Chamber of Commerce shared about Yavapai County's "Home of your Own" program. Suggested a community advocate that can reach out to landlords to see how they may assist in housing public service workforce.

General discussion on legislative measures. Desire by stakeholders for an advocate. City of Prescott Valley shared about the League of Cities and Towns advocacy organization.

Consensus from the group to have future stakeholder meetings.

Chair Fann concluded the meeting with discussion on setting up a funding apparatus or trust. Request to stakeholders to discuss trust with their respective organization leadership teams.

4. UPDATES

No staff updates.

5. ADJOURNMENT

There being no further business to discuss, Chair Fann adjourned the meeting at 12:00 p.m.

Mike Fann, Chair

ATTEST:

Amber Fraser, Staff Liaison



TO: MAYOR AND CITY COUNCIL
AGENDA: July 3 Workforce Housing Committee Meeting
DATE: July 3, 2024
DEPT: City Manager
ITEM #: 3.B
SUBJECT: Presentations & Discussion Regarding Identifying City and Privately Owned Land Within City Limits Suitable for Workforce Housing.

ITEM SUMMARY

This item is to view and discuss City and privately owned land within the city suitable for workforce housing and to discuss identifying rezoning opportunities and identifying utility requirements and assets necessary for housing opportunities as parcels are identified.

BACKGROUND

Using the City Council Strategic Plan and the Workforce Housing Committee's priority list, staff created an implementation plan to include finding land and working towards a workforce housing project.

FINANCIAL IMPACT

None at this time.

RECOMMENDED ACTION

This item is for discussion only. No formal action will be taken.

ATTACHMENTS

None



TO: MAYOR AND CITY COUNCIL
AGENDA: July 3 Workforce Housing Committee Meeting
DATE: July 3, 2024
DEPT: Community Development
ITEM #: 3.C
SUBJECT: Presentation & Discussion Regarding Possible Tools and Options Related to Workforce Housing.

ITEM SUMMARY

This item is to discuss other tools and options from the Community Development department's perspective that may be used in assisting with workforce housing initiatives.

BACKGROUND

None.

FINANCIAL IMPACT

None.

RECOMMENDED ACTION

This item is for discussion only. No formal action will be taken.

ATTACHMENTS

None



TO: MAYOR AND CITY COUNCIL
AGENDA: July 3 Workforce Housing Committee Meeting
DATE: July 3, 2024
DEPT: City Manager
ITEM #: 3.D
SUBJECT: Presentation & Discussion Regarding Future Agenda Items.

ITEM SUMMARY

This will be to discuss future agenda items including next steps regarding the Stakeholder Group.

BACKGROUND

The Stakeholder Group met on June 6th for a round table discussion.

FINANCIAL IMPACT

None

RECOMMENDED ACTION

This item is for discussion only. No formal action will be taken.

ATTACHMENTS

None