



City of Prescott

City Council - Study Session

September 24, 2024 | 2:00 PM
201 N Montezuma Street
City Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Mayor Goode called the meeting to order at 2:00 p.m.

2. ROLL CALL

Phil Goode - Mayor
Connie Cantelme - Mayor Pro Tem
Lois Fruhwirth - Councilwoman (Excused)
Ted Gambogi - Councilman
Brandon Montoya - Councilman
Eric Moore - Councilman
Cathey Rusing - Councilman

3. DISCUSSION

- A. Discussion & Presentation from Peter de Krassel Regarding Workforce Housing Concepts and Opportunities.

Dr. de Krassel provided a presentation to the Council regarding breaking housing matters, a solution for workforce housing opportunities in the City of Prescott. He recently presented to the Yavapai County Board of Supervisors. He doesn't feel workforce housing should be limited to first responders and teachers, but should be open to everyone as all people are part of the workforce. His proposal provides affordable housing that can be built for a profit for everyone, but his focus is on buyers and renters. At its core, breaking housing is a proposal that creates a partnership between the public and private sector, nobody should have to spend more than 25% of their income for rent or a mortgage, and the program is a-political so there are no changes when newly elected officials come into office. He's represented landlords and developers as an attorney in California and Nevada so he understands how they think. There are five stakeholders involved in these concepts.

Councilman Moore commented that he has often thought there are areas within city limits that would be appropriate for workforce housing but are currently used for industrial uses, particularly when they are right in town rather than on the outskirts of town.

Dr. de Krassel concurred, he stated that most industrial buildings even if they are retained could be converted to mixed use. It is about looking at housing in a new light.

Councilman Gambogi stated that he read the book this weekend which had him come up with quite a few questions. He asked why he used the word "maid" rather than "made"; why he claims in the book that affordable housing was a major part of the January 6 attack on the capitol; why he discussed climate change and sea level rising. He commented that there is only minimal information within the book regarding the specific topic of workforce housing. Finally he asked why "illegal immigrants" should be housed.

Dr. de Krassel responded that the taxpayers are constantly asked to clean up the messes and are therefore maids. He stated that many of the people there were homeless and that has been lost in the media, additionally, he added that insurance claims have increased and floods are causing a great deal of homelessness not only in the US but throughout the world. All of this, including workforce housing, is a work in progress. Dr. de Krassel said that leaving illegal immigrants unhoused increases crime and sanitary issues.

Mayor Pro Tem Cantelme commented that she was struck by the worldly concept views presented in his book, but she said that she is struggling with the city's ability to handle this issue when they don't have the finances or the political will to do so. She asked if he is finding that it is going to take the private sector to solve this problem, and what his thoughts are on a housing authorities.

Dr. de Krassel commented that there is a lot of wasted money on consultants, there has to be a partnership between the private sector and government. All stakeholders need to be involved, share and participate to address the issue. This is compassionate capitalism, he added that nothing should be done for free unless there is a tax incentive to do so. He said that authorities are usually government run, but needs the private sector to improve them.

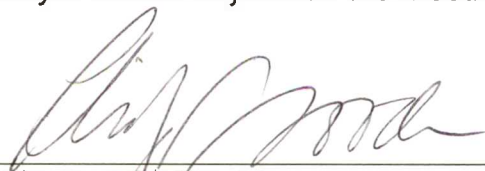
Councilmember Rusing thanked Dr. de Krassel for coming and providing a presentation to the Council and stated that she believes there is the political will in Prescott to get affordable housing and there will be many more discussions regarding this problem.

Mayor Goode stated that the Workforce Housing Committee is looking at options and proposals for these issues.

This item was for discussion only, no formal action was taken.

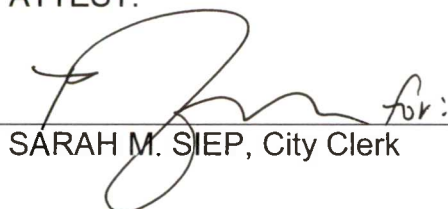
4. ADJOURNMENT

There being no further business to discuss, Mayor Goode adjourned the meeting at 2:40 p.m.



PHILIP R. GOODE, Mayor

ATTEST:



SARAH M. SLEP, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Voting Meeting of the City Council Voting Meeting of the City of Prescott, Arizona held on September 24, 2024. I further certify the meeting was duly called and held and that a quorum was present.



for:

Sarah M. Siep, City Clerk

