

City of Prescott
Workforce Housing Committee



December 4, 2024 | 10:00am
201 N. Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Chair Suttles called the meeting to order at 1:30 p.m.

2. ROLL CALL

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

3. DISCUSSION & ACTION ITEMS

A. Approval of the November 6th, 2024, Workforce Housing Committee Meeting Minutes.

MOTION BY VICE CHAIR KENNEDY TO APPROVE THE MINUTES AS PRESENTED; SECONDED BY MEMBER KRAXBERGER: PASSED (6 - 0).

B. Presentation and Discussion Regarding the City's Water Policy and Workforce Housing.

Mr. McInnes shared an update stating that the current water policy as it relates to workforce housing remains in draft phase.

Vice Chair Kennedy inquired whether any elements of the draft reflected existing City policy.

Water Resources Project Manager Tracie Beasley responded that the majority of the draft consisted of new policy proposals. She then provided information about WaterSense, a federal EPA (Environmental Protection Agency) program, noting that the City is a current EPA partner and the WaterSense program has been incorporated into the draft policy.

Chair Rocha requested corrections to the Area Median Income (AMI) range within the water draft policy, noting that 60% to 120% represents the correct range. He inquired about the estimated additional costs builders might incur when implementing the WaterSense program.

Ms. Beasley indicated that cost discussions would take place during an upcoming call with the EPA regarding WaterSense.

Chair Rocha expressed concerns about implementing requirements that could be cost-prohibitive for workforce housing construction projects.

Member Fann noted that some of the EPA's WaterSense program requirements, especially around landscaping, are already incorporated into existing City code, which Ms. Beasley confirmed.

Chair Rocha sought clarification regarding existing water policy, the Council's Subcommittee on Water Issues, and the objectives of a workforce housing water policy.

Ms. Beasley outlined potential incentives related to both costs and timelines.

Vice Chair Kennedy inquired whether other communities were being referenced in developing the draft.

Ms. Beasley confirmed this and noted that the Water Resource Management team would continue researching best practices from other communities regarding workforce housing development incentives.

Member Goodman inquired whether water allocations for single-family residences change with the addition of an Accessory Dwelling Unit (ADU).

Ms. Beasley confirmed they do not.

Community Development Director Chelsea Walton provided an overview of water allocation limits for both residential and commercial construction. She explained that projects rarely exceed their water allocation limits, which reset every six months. She noted that multifamily projects fall under residential water allocation, and current citywide water allocation status is continuously updated on the Water Resource Management webpage.

Member Fann raised concerns about enforcement of a workforce housing water policy, and asked how the city can insure that developers live up to their promises.

Ms. Beasley indicated that enforcement strategies would be included in their research.

Member Kraxberger suggested that the workforce housing water policy, with its conservation requirements, could be attractive to the public through a community outreach campaign. He also noted its potential benefit to developers through reduced landscaping costs.

Chair Rocha initiated a discussion about potential changes to water allocations as an incentive for workforce housing development.

Ms. Beasley expressed appreciation for the committee's input and indicated this would be incorporated into further development of the draft policy.

Public Comment:

Member of the public Howard Mechanic addressed the committee, stating that current city water allocations have not restricted any construction projects. He emphasized that it doesn't matter how much water is allocated for workforce housing because water is already available. That is not an incentive. Mr. Mechanic argued that water allocations would only serve as an incentive if existing allocations were limited. He stressed the importance of implementing long-term enforcement measures and requested that a future agenda include discussion of water availability for workforce housing projects outside city limits.

Deputy City Attorney Matt Podracky explained that any incentives involving discounted impact fees would need to be funded either by the developer or through City Council approval, as current law requires these fees to be paid. He emphasized that the funding must come from one of these sources

C. Presentation and Discussion Regarding the City of Prescott Workforce Housing Policy.

Mr. McInnes presented a draft copy of the workforce housing policy.

Chair Rocha and Vice Chair Kennedy directed Committee members to review the draft and submit their feedback and edits to staff prior to the next meeting.

Chair Rocha requested that staff ensure consistency throughout the policy document.

Vice Chair Kennedy inquired about updating the Area Median Income (AMI) information within the policy to reflect annual changes. Mr. McInnes confirmed this would be possible.

Chair Rocha initiated a discussion regarding prioritizing workforce housing projects within the City's building and planning process.

Ms. Walton indicated that prioritization could be determined on a project-specific basis.

Mr. Podracky discussed the possibility of using deferred impact fee payments as an incentive for workforce housing development.

Public Comment:

Member of the public Howard Mechanic suggested revising the workforce housing policy regarding the percentage of units that must be designated as workforce housing to receive benefits. He encouraged the city to provide financial support for workforce housing initiatives

4. STAFF UPDATES

Workforce Housing Townhall scheduled for January 30th, 2025.

Mr. McInnes announced that a contract has been executed with the consulting firm Pollack and Company, who will be conducting the Housing Needs Assessment. Additionally, he shared that a Request for Proposals (RFP) is currently in progress to identify consulting firms that will assist in the development of a strategic plan, along with its implementation.

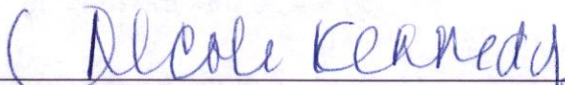
5. ADJOURNMENT

There being no further business to discuss, Chair Rocha adjourned the meeting at 11:31 a.m.

ATTEST:



MICHAEL MCINNES, Staff Liaison


Jon Rocha, Chair *new chair*