

City of Prescott
Workforce Housing Committee



March 5, 2025 | 10:00 AM
201 N. Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. **CALL TO ORDER**

Called to order at 10:00am.

2. **ROLL CALL**

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

3. **DISCUSSION & ACTION ITEMS**

- A. Approval of Minutes from the January 30, 2025 Workforce Housing Committee Forum and the February 5, 2025 Workforce Housing Committee Meeting.

**MOTION BY MEMBER FANN TO APPROVE JANUARY 30 MINUTES;
SECONDED BY MEMBER GOODMAN: PASSED (4 - 0)**

Member Kraxberger joined the meeting after the first minutes were approved.

**MOTION BY MEMBER FANN TO APPROVE FEBRUARY 5 MINUTES;
SECONDED BY MEMBER GOODMAN: PASSED (5 - 0)**

- B. Discussion & Possible Action Regarding the Appointment of Vice Chair for the Committee.

**MOTION BY CHAIR KENNEDY TO APPROVE APPOINTMENT OF VICE
CHAIR TO LUTHER KRAXBERGER; SECONDED BY MEMBER FANN:
PASSED (5 - 0)**

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

Chair Kennedy reviewed that more discussion will occur at the following study session with the City of Flagstaff.

Member Goodman provided questions he had for Flagstaff at the Study Session.

Community Development Director Chelsea Walton reviewed the fees for a hypothetical project.

Member Goodman asked where the funds would come from for waived or reimbursed fees.

Ms. Walton stated it would likely be the general fund, but there would be a discussion between Finance and Council to determine.

Member Goodman asked about the feasibility would be to budget for workforce housing in the general fund.

Council Liaison Cantelme reviewed what departments are funded from the general fund.

Member Kraxberger discussed the impact of zoning changes on workforce housing.

Member Goodman discussed how Flagstaff handles zoning for workforce housing and reviewed some options but it would be on a case-by-case basis.

Ms. Walton agreed that many options will be on a case-by-case basis and reviewed possible changes and what Council would need to address.

Chair Kennedy asked about impact fees and how it affect the budget each year.

Ms. Walton reviewed the process of the impact fees.

Chair Kennedy stated that she would like to know more information on impact fees and how they affect the budget.

Ms. Walton suggested more verbiage in the policy about impact fees and that many projects will be addressed on a case-by-case basis

Chair Kennedy asked for the Finance Department to provide input on impact fees and options.

Ms. Walton stated that she would speak with our Finance Department to get more information.

Member Goodman reiterated the impact it could have to have a set amount of funds set aside.

Member Fann stated that if it is a priority to Council, then Council will fund it so the committee will provide a recommendation and then Council will make a determination. He stated that recent Council decisions have went in a different direction than workforce housing.

Council Liaison Cantelme stated that it would be unlikely for funding to be provided to developers up front but there are in kind donations that could provide opportunity.

Chair Kennedy asked Council Liaison Cantelme what percentage of projects she sees come through as workforce housing.

Council Liaison Cantelme stated that there haven't been any workforce housing builders come up in the past 10 years when the impact fees were lower. She did say that she sees a benefit to increasing density as a way to make up for impact fee losses.

Chair Kennedy repeated what Council Liaison Cantelme stated for clarification and stated that it's more a reason to provide significant incentives for workforce housing projects.

Council Liaison Cantelme stated that developers want to make a profit so there has to be options that are beneficial to them but not at the cost of the taxpayer. She stated that there are ways to creatively fund options without expecting the City to cover everything.

Member Goodman reviewed that Flagstaff brings up workforce housing with every project.

Council Liaison Cantelme reviewed that there are ways to get things done but putting it all on the taxpayer shouldn't be the option.

Staff Liaison Fraser reviewed the updates to the policy from the last meeting.

4. UPDATES

A. Staff Announcements & Discussion Regarding Future Agenda Items.

Staff Liaison McInnes reviewed updates on the housing needs assessment and the RFP for a workforce housing consultant.


ADJOURNMENT

5. Meeting adjourned at 10:50am.

ATTEST:



AMBER FRASER, Staff Liaison



NICOLE KENNEDY, Chair