

City of Prescott  
**Workforce Housing Committee**



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January 30, 2025 | 5:30 PM  
201 N. Montezuma Street  
Council Chambers, 3rd Floor  
Prescott, AZ 86301

**MINUTES**

**1. CALL TO ORDER**

Meeting called to order at 5:30pm

**2. ROLL CALL**

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

**3. DISCUSSION & ACTION ITEMS**

A. Discussion Regarding the Initiatives of the Workforce Housing Committee.

Staff Liaison Fraser welcomed attendees and provided an overview of the forum's purpose and format. She provided a brief history of the Workforce Housing Committee. She presented the committee's working definitions of workforce and workforce housing.

Member Kraxberger outlined the committee's long-term goals, and the need for collaborative efforts to create viable workforce housing solutions. He stated that one of the committee's primary objectives was to facilitate partnerships with developers and organizations to create tangible housing options. He mentioned that there have been discussions regarding city-owned properties that could be leveraged for workforce housing. Member Kraxberger stressed that workforce housing was a regional issue, not just a challenge for Prescott alone. A housing needs assessment is in progress, supported by a grant from the State Housing Trust Fund. This effort would help quantify the number of housing units required and shape future policies.

Member Goodman highlighted the committee's short-term goals, which included securing additional funding to support a full-time workforce housing facilitator. He emphasized the importance of formalizing partnerships with stakeholders, such as local businesses, healthcare organizations, and educational institutions, as their participation was crucial to the success of workforce housing initiatives. He also discussed the city's request for proposals (RFP) for a workforce housing

consultant, which would help develop a comprehensive housing plan and implementation strategy. Additionally, Member Goodman spoke about the need for informational packets for developers and workforce members, explaining that these resources would outline available incentives, permit processes, and financial assistance options. Finally, he underscored the importance of employer-backed housing solutions and financial support from stakeholders, stating that without their involvement, it would be challenging to develop affordable housing options.

Vice Chair Kennedy addressed the critical role of policy in addressing workforce housing challenges. She explained that the committee was preparing to propose several policy changes to City Council on May 27. These proposals included development fee incentives, expedited review processes for workforce housing projects, modifications to zoning regulations, and water policy adjustments to encourage housing development. She stated the importance of community involvement in advocating for these policy changes. She noted that decisions made by the City Council were often influenced by public input, and she encouraged attendees to share their voices during future meetings. Additionally, she emphasized that workforce housing was distinct from low-income or subsidized housing, explaining that the committee's focus was on solutions for middle-class workers who were struggling to afford housing in the area.

Member Goodman emphasized the critical role of small businesses in the community and the need to include their employees in workforce housing solutions. He highlighted that small businesses rely on a stable workforce to provide essential services efficiently and stressed that addressing housing affordability for these workers is just as important as supporting public service employees like police, firefighters, nurses, and teachers.

B. Discussion Regarding Public Input and Questions for the Committee.

Ms. Fraser discussed the platform that would allow people to submit questions for the committee to answer prior to public comment. She read a question about whether the committee would use Point in Time numbers to determine number of units needed.

Vice Chair Kennedy stated that those numbers will likely be part of the housing needs study.

In response to a question about who stakeholders were, Member Fann stated the importance of forming a stakeholder group that includes major employers such as hospitals, school districts, public agencies, the City of Prescott, Yavapai County, and local colleges. He stated that these organizations have a vested interest in ensuring workforce housing solutions to support the employees who sustain the community.

In response to a question about unique workforce housing solutions, Member Fann highlighted several approaches beyond simply building new housing. He discussed down payment assistance programs, noting that overcoming the initial

down payment hurdle significantly improves long-term housing stability. He also mentioned employer-backed subsidies that help workers afford housing near their jobs. The committee has explored various solutions, including rental assistance, homeownership programs, and partnerships with developers to provide diverse housing options.

Member Goodman stated that he supports down payment assistance as a crucial retention tool, particularly for essential workers like police officers. He proposed a program where employees become eligible for down payment assistance after a probationary period, with a requirement to stay with the employer for a set number of years. This would help retain trained employees, reducing turnover costs and improving workforce stability. He stated that housing ownership fosters deeper community investment, leading to a more stable and engaged workforce. Additionally, he discussed the financial and operational risks of staffing shortages, including burnout, workplace injuries, and increased costs from excessive overtime.

In response to concerns about the "brain drain" of young professionals leaving due to high housing costs, Member Fann shared his experience growing up in Prescott, noting that a lack of affordable housing and job opportunities has long driven young people away. He emphasized the need for a balanced, family-friendly community that avoids becoming an elitist community. Fann stated that addressing housing affordability is crucial to retaining essential workers and maintaining a vibrant, thriving community.

In response to concerns about NIMBYism (Not In My Backyard), Chair Kennedy discussed the need for ongoing education and open conversations to address misconceptions about workforce housing. She highlighted the committee's role in engaging with the community and participating in neighborhood discussions to alleviate fears.

Member Kraxberger reinforced that education is key, noting that many objections arise from misunderstandings. He pointed out that all homes were once new developments, and future projects should be viewed with a community-building mindset.

Member Teeters stated that workforce housing is not low-income or homeless housing but is intended for essential workers like EMTs, teachers, and police officers. He warned that without younger generations, the community would struggle to sustain itself.

Member Goodman echoed this, explaining that the committee initially had to adjust its own language and ensure workforce housing was clearly distinguished from low-income housing. He urged attendees to use the correct terminology when discussing the issue to help shift public perception.

In a response to a statement about the lack of housing for working-age individuals and local homeless children, Member Fann clarified that the committee's focus is not on solving homelessness but on providing affordable workforce housing. He stated that individuals in the workforce living in shelters

are the target group for assistance. He stated that a lack of workforce housing will impact essential services such as nursing and healthcare and noted that a strong education system is also necessary to attract professionals like doctors who want to raise families in the community. He stated that workforce housing is interconnected with multiple sectors, including healthcare and education, making it a crucial issue.

In response to a question about how the housing would remain affordable and that the units needed would not be a static number, Vice Chair Kennedy stated that policies being recommended apply to both for-profit and nonprofit developers. A key component of the plan is accountability, ensuring that developers receiving incentives cannot later sell or rent units outside the defined affordability parameters.

Member Fann emphasized that achieving affordability will likely require government or philanthropic support to bridge the cost gap between construction and affordability. He mentioned ongoing discussions about mechanisms like a trust or authority to maintain affordability over time, preventing homes sold below market value from appreciating beyond reach. He acknowledged that implementation would be complex. Regarding workforce housing affordability, he noted that strategies like deed restrictions or land-lease models are being explored based on lessons from other organizations.

In response to a question about accessory dwelling units (ADUs), Community Development Director Chelsea Walton stated that a legislative change last year allowed long-term rentals for ADUs, but this was not the intended outcome for all communities. Originally, the legislation was meant to apply only to cities with populations of 75,000 or more, but the way it was written made it applicable statewide. There is an effort at the state level to correct this, and City Council is closely monitoring the situation.

Responding to a statement about aging population on a fixed income and leveraging water allocations, Ms. Fraser discussed that the water policy is part of the discussion related to a workforce housing policy.

Vice Chair Kennedy explained that workforce housing specifically targets the gap between low-income and market-rate housing. Section 8 housing is designated for individuals earning below 60% of the area median income (AMI), while workforce housing serves those above that threshold. He noted that AMI figures vary by county and change annually.

In response to another question about how housing will remain affordable, Member Fann stated that it is an issue the committee is looking at as they progress.

Member Kraxberger encouraged the public to share possible solutions with the committee going forward.

Ms. Fraser read a question about what incentives have been discussed for small businesses to partner with the City in addressing workforce housing needs.

Member Goodman explained that discussions included the Building Department, Planning & Zoning, and the Water Department. While impact fees cannot be waived due to state regulations, though the City could choose to pay them, there are other ways to assist. One key incentive under consideration is expediting the permitting and approval process, as delays add significant costs to development. He stated that reducing wait times for approvals and breaking ground faster would save money and support developers.

Vice Chair Kennedy encouraged the public to attend public meetings, including the May 27, 2025 Council Study Session that will discuss workforce housing.

The committee moved onto public comment.

Peter Deel proposed a public-private partnership model for housing, emphasizing the need for a paradigm shift in housing policy. He shared insights from his book on innovative housing solutions and encouraged collaboration between local government, private developers, and community organizations.

Dick Milon discussed an internship program being developed by local hospitality businesses in partnership with Yavapai College. He highlighted the need to attract young professionals to the area and stressed that employment opportunities, educational pathways, and housing options needed to work together in a coordinated effort.

Clint Ewell provided updates on Yavapai College's housing initiatives, including the development of tiny homes and manufactured housing projects. He also shared news about Yavapai College's acquisition of Prescott Pines, which would provide additional housing options for students and workforce members. An open house for this project was scheduled for May 22.

Don Biele expressed concerns about the complexity of the permitting process and suggested that the city provide better guidance to small-scale developers. He also recommended considering impact fee reductions and tax incentives to support affordable housing.

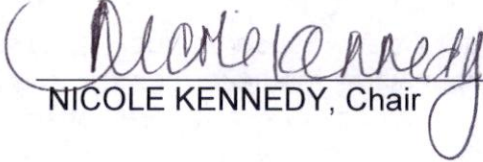
Alex Valuka introduced a new rental housing initiative in Prescott Valley, offering high-quality, affordable housing for essential workers. He invited attendees to an open house event to learn more about the project.

Ms. Fraser closed the public comment portion and invited committee members to share their key takeaways from the discussion.

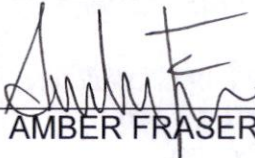
Member Goodman acknowledged public concerns about hearing "the same old stuff" without solutions. He assured attendees that the committee is actively working on real solutions and values public input. He emphasized the urgency of the workforce housing crisis, sharing an example of a firefighter who declined a job offer due to the lack of available housing. He reiterated the committee's commitment to finding and implementing solutions.

Ms. Fraser provided a recap, announcing that the City Council study session on workforce housing policy is scheduled for May 27th. She reminded attendees that committee meetings take place on the first Wednesday of each month at 10:00 a.m. in the same room. She encouraged participation in the housing needs assessment survey, available at [www.edpco.com/Prescott](http://www.edpco.com/Prescott) and on the Participate Prescott website. She also invited attendees to speak one-on-one with committee members, council members, and city staff after the meeting while being mindful of open meeting laws.

4. **ADJOURNMENT**  
Meeting adjourned at 6:41pm.

  
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NICOLE KENNEDY, Chair

ATTEST:

  
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AMBER FRASER, Staff Liaison