



City of Prescott

Workforce Housing Committee

December 3, 2025 | 10:00 AM
201 N. Montezuma Street
Council Chambers, 1st Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Chair Kennedy called the meeting to order at 10:02am.

2. ROLL CALL

Nicole Kennedy - Chair
Randy Goodman - Vice Chair
Mike Fann - Member
Jeffrey Miller - Member
Gregory Riordan - Member
Corey Suttles - Member
Roger Thomas - Member

3. DISCUSSION & ACTION ITEMS

- A. Approval of Minutes from the October 1, 2025 Workforce Housing Committee Meeting.

MOTION BY MEMBER RIORDAN TO APPROVE OCTOBER 1, 2025 MINUTES; SECONDED BY MEMBER FANN: PASSED (7-0)

- B. Presentation & Discussion Regarding the December 9, 2025 Council Study Session.

Staff Liaison Fraser reported that the Council Study Session originally planned for December 9, 2025 would need to be postponed. The consultant requested additional time to complete the Housing Plan and Implementation Plan, both of which are required under the State Housing Trust Fund grant and are to be based on the Housing Needs Assessment. The consultant had prepared a financial analysis but did not complete the Housing Plan and Implementation Plan in time to meet agenda deadlines, so the study session could not proceed as scheduled.

Ms. Fraser explained that the earliest potential rescheduled date is a January 2026 study session if another item is canceled; if not, the next available study session date would be in May 2026. She noted that staff will be meeting with the consultant and the state to clarify expectations, timelines, and grant requirements, and will update the Committee as more information becomes available.

Committee members expressed concern that the delay could diminish the impact of the Committee's work, particularly regarding the assignment from Council to compare the costs of employee turnover against the cost of housing incentives. Members emphasized a desire to provide this information to Council in a timely manner rather than waiting until May.

Ms. Fraser noted that staff compiled turnover and related cost data for key City positions (including police, fire, public works, and other representative classifications) and provided it to the consultant. The consultant is preparing a professional financial analysis that includes both projected implementation costs of the Workforce Housing Policy Framework and the current costs of turnover and recruitment for critical positions. Staff received preliminary material from the consultant but did not receive the full package in time to bring it forward with the study session.

The Committee discussed options for providing the financial analysis sooner, including: distributing the analysis to the Committee and Council via email once it is finalized, even if the formal study session is delayed, placing the item on a future voting meeting agenda as a shorter presentation, if appropriate, and asking Council to consider a special meeting or a joint Workforce Housing Committee–Council meeting, subject to the consultant's readiness.

Members also questioned why the financial analysis was being completed by the consultant rather than fully in house. Ms. Fraser clarified that staff gathered the internal data but requested the consultant's assistance to complete a comprehensive financial analysis due to workload and the consultant's subject-matter expertise. She also noted that staff will review the consultant's work for completeness and ensure it met the requests of the committee and council.

Several members stressed the importance of including the cost of turnover for a broad range of City staff (police, fire, public works, and other key classifications) as well as the impact on private businesses, particularly small employers who face significant training and recruitment costs when employees move away due to housing affordability. Member Miller offered to compile an example analysis of turnover costs for his firm to illustrate the private-sector impacts.

Ms. Fraser stated that staff will prepare the City's turnover and incentive-related cost information in a presentable format for the Committee's January 2026 meeting, regardless of the study session date and that staff will share the information with Council via email once it is ready so Council can see that the work has been completed and is not being delayed pending the study session. She will report back to the Committee by email after her meeting with the consultant regarding updated timelines and deliverables.

The Committee reaffirmed its commitment to continue work despite the postponement, noting that the Workforce Housing Policy was approved by Council as the 2025 Workforce Housing Policy Framework, which provides a roadmap for future ordinances, programs, and incentives. The Housing Plan and Implementation Plan are on a separate track as third-party consultant products tied to the state grant.

Members discussed additional areas of focus the Committee can pursue while the Housing Plan and Implementation Plan are pending, such as developing educational materials and outreach tools, continuing to refine and prioritize the Committee's goals and work plan, and exploring potential incentives such as down payment assistance programs for City employees and other workforce populations.

During discussion, Member Thomas suggested exploring a possible incentive under which materials purchased for qualifying workforce housing projects from local Prescott businesses might be exempted from sales tax to encourage use of local suppliers.

Ms. Fraser noted that any such proposal would require further analysis on the concept and the possible impacts to Proposition 478 for public safety. Ms. Fraser agreed to seek clarification from appropriate staff on whether a sales-tax-based incentive is legally and operationally feasible and what potential consequences might exist.

Committee members reiterated that urgency remains high due to the cost of losing employees in critical positions and the ongoing challenges small businesses face in recruiting and retaining a professional workforce. They encouraged staff and the consultant to prioritize completion of the financial analysis and related materials as soon as possible.

4. UPDATES

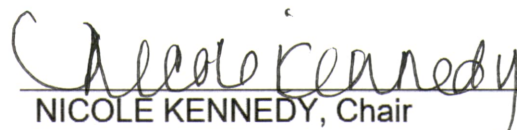
A. Staff Announcements & Discussion Regarding Future Agenda Items.

Ms. Fraser reported that four new members of the City Council were recently sworn in and are participating in onboarding. Councilmember Patrick Grady will serve as the new liaison to the Workforce Housing Committee, although he could not attend this meeting due to onboarding commitments. He is expected to join future meetings and brings significant experience in municipal economic and community development.

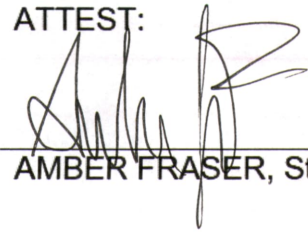
For the January 2026 meeting, the Committee plans to revisit its established goals and priorities, review the upcoming financial analysis on workforce housing and turnover costs, and discuss potential down payment assistance options with input from the Human Resources Director. The Committee also intends to formally introduce Councilmember Grady and continue developing outreach and education efforts that align with the Workforce Housing Policy Framework.

5. ADJOURNMENT

Chair Kennedy adjourned the meeting at 10:29am.


NICOLE KENNEDY, Chair

ATTEST:

A handwritten signature in black ink, appearing to read 'Amber Fraser', written over a horizontal line.

AMBER FRASER, Staff Liaison