COUNCIL SUBCOMMITTEE ON APPOINTMENTS MEETING
THURSDAY, APRIL 14, 2023
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR MEETING OF THE COUNCIL SUBCOMMITTEE FOR APPOINTMENTS HELD ON APRIL 14, 2023, IN CITY COUNCIL CONFERENCE ROOM, LOCATED AT 201 NORTH MONTEZUMA STREET, PRESCOTT, ARIZONA.

1. Call to Order

Chairman Goode called the meeting to order at 12:30 p.m.

2. Roll Call

Present:
Chairman Goode
Member Sischka
Member Moore

Staff Present:
Jennifer Wiita, Deputy City Clerk
Joseph Young, City Attorney

3. Workforce Housing Committee Finalist Interviews

Allison Lenocker

Member Moore asked Ms. Lenocker how she would define workforce housing, and what the difference is between workforce housing, affordable housing, and low-income housing.

Ms. Lenocker responded that workforce housing is housing for individuals in a particular workforce, and there is no difference between the types. Affordable housing, defined by HUD, costs less than 30% of your income, workforce housing is affordable for a workforce, and low-income housing is affordable housing for those on a fixed income, on SSDI, or retired.

Chairman Goode asked Ms. Lenocker which talents, knowledge, and professional experience she has on the subject matter of workforce housing.

Ms. Lenocker replied that she is the Executive Director of Coalition for Compassion and Justice (CCJ) and knows the need for workforce housing – she has a finger on the pulse, is boots on the ground, and is involved in programming and with other entities that do similar work.

Chairman Goode asked Ms. Lenocker how long she had been with CCJ.

Ms. Lenocker stated that she has been with the CCJ for six years.

Member Sischka asked Ms. Lenocker to describe how she sees the role of government (the public sector) and developers (the private sector) in making Workforce Housing a reality in Prescott.

Ms. Lenocker stated that the bottom line is that it will take effort on both sides. The work would need to involve incentives to developers, tax breaks, and assurance to the public so they understand what we are doing. We all have to come to the table and learn what each other is willing to do.

Chairman Goode asked Ms. Lenocker for confirmation that she has had experience working with developers and that CCJ is working on a housing project in Prescott Valley.

Ms. Lenocker replied that she had had a lot of experience working with developers.

Member Moore asked Ms. Lenocker to describe her leadership abilities and how she collaborates with others to achieve an actionable goal and to give an example.

Ms. Lenocker stated that her leadership style is not to micromanage, adding that she is very collaborative. She stated that it is important to hear everyone at the table. She gave an example of the CCJ collective impact meetings in which they create measurable goals and objectives for the community. With the Paloma Village project and another housing project in Prescott called The Lodges, she is collaborating with contractors like Dorn Homes, subcontractors, and donors.

Member Moore asked Ms. Lenocker how long she has assisted with the Prescott Valley Attainable Housing Committee.

Ms. Lenocker stated she has been assisting for five to six months.

Member Sischka asked about the Prescott Valley Attainable Housing Committee.

Ms. Lenocker replied that the Committee comprises nonprofits, a developer, a banker, and retired people who took a plan and revitalized it. They worked on statistics and surveys regarding the actual need in Prescott Valley, adding that in Prescott Valley, more people are living in vehicles, doubled in homes, and homeless children.

Member Sischka asked if she sees the Prescott effort as more focused or all-encompassing.

Ms. Lenocker responded that attainable and workforce housing are about the same thing. Many of her clients have jobs but need more services. She sees two different models and needs, but the same topic.

Chairman Goode asked Ms. Lenocker what the end result of this process looks like to her, and what her realistic expectation of how quickly we will actually have housing units available for occupancy for qualifying candidates such as teachers, nurses, firefighters, police officers, etc.

Ms. Lenocker replied that she is extremely excited that workforce housing is being discussed. She knows there is a focus on teachers, nurses, firefighters, and police, but added that we are also missing out on other workforces such as the hospitality and construction industry and grocery store workers. She realizes they need housing, but we should not forget those who make coffee and bag groceries.

Chairman Goode asked Ms. Lenocker to describe the working process of the lodges.

Ms. Lenocker stated that there is a vetting process; they work with clients and prioritize those living in shelters. The lodges are permanent as well as transitional. There are monthly walk-throughs and an advocate for each client. They are compassionate property owners; clients aren't required to leave if they lose their job, and past evictions are not held against someone. They help clients build a positive rental history; CCJ is not a handout but a hand-up.

Member Sischka asked Ms. Lenocker if she would be available for the Committee if not selected.

Ms. Lenocker stated that she would love to be involved whenever necessary.

<u>Jonathan Rocha</u>

Chairman Goode asked Mr. Rocha how he would define workforce housing and what the difference is between workforce housing, affordable housing, and low-income housing.

Mr. Rocha replied that the definitions are subjective and there are different opinions. Workforce housing is a global approach to reverse housing engineering synonymous with attainable housing. There is no solution for all towns, and the City of Prescott needs to determine what is necessary for the community. Affordable housing doesn't hold much water these days, and he prefers the terms attainable housing and workforce housing. Low-income housing sparks government-sponsored major metropolitan projects in towns and cities that are doing their best to support low-income families.

Member Sischka asked Mr. Rocha which talents, knowledge, and professional experience he has on the subject matter of workforce housing.

Mr. Rocha stated that his experience goes back to when he was a full-time firefighter in Chino Valley. From that perspective, he knows the challenges and can validate that even back then, trying to raise a family and find a place to live was difficult. From the brokerage real estate side, knowing land values, real estate law, and trends are valuable to this Workforce Committee. For the last three years, he has been in construction and is the owner of Southwest Homes and can validate the labor problems in construction. He is in a place that will benefit the Committee; he has been on CDBG Advisory Committee for three years, has been exposed to the city's needs from mental health to housing, and is aware of the city's pain points. Additionally, he is the Board Chair of CCJ which serves vulnerable folks. He noted that that is a different mission from the Workforce Housing Committee, but it gives him perspective. He has also been a part of the Teacher Village, and that process has given him confidence that he can accomplish similar projects.

Member Moore asked Mr. Rocha to describe how he sees the role of government (the public sector) and developers (the private sector) in making Workforce Housing a reality in Prescott.

Mr. Rocha replied that relationships are necessary and everyone must work together. He referred to the Teacher Village, where both public and private gave something. He will determine how to accomplish this if he makes it on the Committee.

Chairman Goode asked Mr. Rocha to describe his leadership abilities and how he collaborates with others to achieve an actionable goal and to give an example.

Mr. Rocha asked the Subcommittee to look at what he has done over the last few years; he has worked to provide available housing for people and has worked with the other applicants to this Committee at some point. The key is to find those with experience and those that have provided solutions. He has questioned if there is a conflict of interest to be on this Committee, but he feels he could contribute.

Member Sischka asked Mr. Rocha what the end result of this process looks like to him, and if we can achieve what we are trying to achieve.

Mr. Rocha replied that it is achievable, and he is excited that the city is taking all these voices from within the community and bringing them together. On a larger scale, he has talked to those who have the resources to help, and he would not be here if he did not think the Committee could produce results. He feels that the meetings should be more frequent and would like something actionable by the year mark.

Chairman Goode asked Mr. Rocha what term he would prefer if chosen to be on this Committee.

Mr. Rocha said he would be okay with either, but he prefers a two-year term; he would not want to put his heart and soul into this and walk away.

Chairman Goode pointed out that a reappointment is an option.

<u>David Roe</u>

Member Sischka asked Mr. Roe how he would define workforce housing and what the difference is between workforce housing, affordable housing, and low-income housing.

Mr. Roe stated that he has been in the affordable housing business for 35 years, and the definition is challenging because sometimes it can mean the same thing. He is on a mission to change the definition of affordable housing to mean attainable housing. People tend to view affordable housing as Section 8 housing in high crime areas, which is not the case. He recently did a project for Baghdad Mine, where homes were installed for the workers because there was no available housing, not because they were low income; to him, that is workforce housing. Low income is for those that need government assistance to help pay the bills.

Member Sischka noted that typically, the land is most expensive and asked Mr. Roe to expand on that.

Mr. Roe agreed that, as of today, that is true; it would have been lumber last year. The question is whether Prescott's land is available to serve the need and be cost-effective.

Member Moore asked Mr. Roe which talents, knowledge, and professional experience he has on the subject matter of workforce housing.

Mr. Roe replied that he did the Baghdad Mine and worked with the towns of Chino Valley and Prescott Valley on rehabilitation programs to replace older homes with newer homes and stay within a budget. He knows construction and new products such as Boxable and would be able to work with the Department of Housing to help modify and get plans approved. He sees zoning as the biggest challenge with manufactured typed housing.

Chairman Goode asked Mr. Roe to describe how he sees the role of government (the public sector) and developers (the private sector) in making Workforce Housing a reality in Prescott.

Mr. Roe stated that he had been involved in affordable housing since 1990, and he sees that people need the education to help them understand manufactured housing. Therefore, he is working with engineers to educate the industry to help reduce costs.

Member Sischka asked Mr. Roe to describe his leadership abilities and how she collaborates with others to achieve an actionable goal and to give an example.

Mr. Roe responded that we are all on the same team, so you must be open-minded and transparent.

Chairman Goode asked if he has worked with strong personalities in the past.

Mr. Roe said that all the boards he is on are volunteer-based; his heart is in it, and he wants to help where he can. So he sits down with the team, brainstorms the purpose of the mission, and works with developers, lobbyists, and realtors to resolve whatever issue is in front of them.

Member Moore asked Mr. Roe what the end result of this process looks like to him, and what his realistic expectation of how quickly we will actually have housing units available for occupancy for qualifying candidates (teachers, nurses, firefighters, police officers, etc.)

Mr. Roe replied that he would have to sit down and determine a time frame and budget, what the product will be and the parameters, put together subcommittees for research and work with contractors on infrastructure. Ideally, everyone wants it done yesterday.

Member Sischka asked what creative ideas he had heard about how to deal with the land situation.

Mr. Roe stated that we would have to work with the Board of Realtors and the Department of Real Estate to take a large parcel down to smaller lots. It will be about buying the land up front and bringing the density down to spread the cost.

Chairman Goode asked Mr. Roe which term he prefers if chosen.

Mr. Roe replied he would take either and start tomorrow if needed.

Anthony Teeters

Member Moore asked Mr. Teeters how he would define workforce housing, and what the difference is between workforce housing, affordable housing, and low-income housing.

Mr. Teeters replied that workforce housing is an incentive for employment when income derived from a job is insufficient. It is provided to prevent candidates from walking away because they can't afford to live in the area. Affordable housing is a broader term not specific to a workforce class of people. Low-income housing refers to those who can't earn enough money to live anywhere and is usually subsidized by the government.

Chairman Goode asked Mr. Teeters which talents, knowledge, and professional experience he has on the subject matter of workforce housing.

Mr. Teeters responded that he had not had much experience in workforce housing; however, he has many years of banking experience working with cities, government, and contractors to complete a project. Additionally, he has been a landlord for 15 years.

Chairman Goode asked Mr. Teeters if he was still involved with financial blending.

Mr. Teeters replied that he had provided financial advice to the Eagles and the town of Baghdad, he was on Big Brothers Big Sisters' board, where he provided financial advice, and he still advises some former customers to help prepare presentations for loans.

Member Sischka asked Mr. Teeters to describe how he sees the role of government (the public sector) and developers (the private sector) in making Workforce Housing a reality in Prescott.

Mr. Teeters responded that the project must be sustainable and benefit the city and the individual and it can't be so costly that it affects the city budget. The city government has an obligation to the people who live here to provide the best of everything it can within its budget. This project will put the city in a better light.

Member Moore asked Mr. Teeters to describe his leadership abilities and how he collaborates with others to achieve an actionable goal and to give an example.

Mr. Teeters stated that he ran up to five bank branches simultaneously; he was always sent to struggling banks and could always help. Years ago, Habitat for Humanity asked him to spearhead a one-house project. He asked all the banks in town for donations; however, a conflict ensued between the big and little banks over recognition of the amount donated. He solved the issue by making the donations anonymous and making the donors realize that it was not about top billing but building the house.

Chairman Goode asked Mr. Teeters what the end result of this process looks like to him, and what his realistic expectation of how quickly we will actually have housing units available for occupancy for qualifying candidates (teachers, nurses, firefighters, police officers, etc.)

Mr. Teeters replied that if existing properties are used and rehabbed, that will shorten the time to maybe six months. If starting new, it will take much longer; however, whichever way the Committee decides on, it will have to get hold of those in town who can help. From his experience, most people want to be part of the community and help. He added that the projects must be sustainable to continue and fair to all new and existing employees. He was raised to give back, is willing to help with anything he can, and has enjoyed the boards he has been on.

Chairman Goode asked Mr. Teeters which term he would prefer if selected.

Mr. Teeters said he would prefer the longer term but would take either.

Randy Goodman

Chairman Goode asked Mr. Goodman how he would define workforce housing, and what the difference is between workforce housing, affordable housing, and low-income housing.

Mr. Goodman stated that he has a lot of experience with workforce housing and explained that years ago, when he was a firefighter in California, there were no affordable housing options, so the firefighters all got together to build each other's homes. In that same city, they built affordable housing, and unfortunately, it became a ghetto -it was a nice gesture that went bad. He is passionate about workforce housing and stated that people that work here could not afford to live here, so this Committee is essential and is badly needed. He sees low-income housing as a handout that does not have to be earned and is not necessarily for critical employees. In his experience, those who live in low-income housing mistreat and disrespect the homes, which affects the surrounding neighborhoods. It becomes a problem that grows worse over time, and he hopes that is not what this is about.

Member Sischka asked Mr. Goodman which talents, knowledge, and professional experience he has on the subject matter of workforce housing.

Mr. Goodman replied that being able to liaison between the private and public sectors is something he can do and understands development and the associated costs. If the private sector does not prosper, neither does the public.

Member Moore asked Mr. Goodman to describe how he sees the role of government (the public sector) and developers (the private sector) in making Workforce Housing a reality in Prescott.

Mr. Goodman explained that developers are in it for money, understandably so – they want to make money. So we have to entice developers to want to do this. The city can help by absorbing the cost of the underground utility work involved in building a housing development rather than passing that on to the developer. Mr. Goodman also suggested adding development fees to every new development in the city to assist in the construction of workforce housing development.

Chairman Goode asked Mr. Goodman to describe his leadership abilities and how she collaborates with others to achieve an actionable goal and to give an example.

Mr. Goodman replied that he has worked with strong personalities in the past, both in the fire department and construction field. He added that the most important thing is to realize your span of control and be willing to delegate authority, entrust, and believe in these people to do the job. This type of working environment allows you to come up with a conclusion and solution by permitting you to be focused.

Member Sischka asked Mr. Goodman what the end result of this process looks like to him, and what his realistic expectation of how quickly we will actually have housing units available for occupancy for qualifying candidates (teachers, nurses, firefighters, police officers, etc.)

Mr. Goodman said that he built several buildings in Huntington Beach and recently returned to visit to discover that a building had been named in his honor. He continued by stating that we can all do this here and have the same legacy. However, any development takes at least 24 months out, and realistically he feels that a workforce housing development is 3-5 years away.

Chairman Goode asked Mr. Goodman what term he would be interested in if selected.

Mr. Goodman replied that he was available for whatever was needed.

4. Call to Enter into Executive Session

Upon a public majority vote of the members constituting a quorum, the Council may hold an executive session that is not open to the public for the purposes set forth below. When the executive session ends, Council may adjourn or return to open session.

MOTION BY MEMBER MOORE TO CONVENE INTO EXECUTIVE SESSION; SECONDED BY MEMBER SISCHKA: PASSED [3-0].

The City Council Subcommittee for Appointments convened into Executive Session at 2:10 p.m.

5. Reconvene Council Subcommittee for Appointments

The Executive Session was adjourned, and the Council Subcommittee for Appointments Meeting reconvened at 2:26 p.m.

Consider recommendation for appointments to the Workforce Housing Committee.

MOTION BY MEMBER SISCHKA TO FORWARD RECOMMENDATIONS FOR APPOINTMENTS TO THE WORKFORCE HOUSING COMMITTEE FOR THE TERM OF JANUARY 1, 2023, THROUGH DECEMBER 31, 2023, AS FOLLOWS ; SECONDED BY MEMBER MOORE: PASSED [3-0]

Appointment of David Roe, Anthony Teeters, and Arnold Urias.

MOTION BY MEMBER MOORE TO FORWARD RECOMMENDATIONS FOR APPOINTMENTS TO THE WORKFORCE HOUSING COMMITTEE FOR THE TERM OF JANUARY 1, 2023, THROUGH DECEMBER 31, 2024, AS FOLLOWS ; SECONDED BY MEMBER SISCHKA: PASSED [3-0]

Appointment of Mike Fann, Randy Goodman, Nicole Kennedy, and Jonathan Rocha.

6. Adjournment

There being no further business to discuss, the City Council Subcommittee for Appointments meeting adjourned at 2:30 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Council Appointment Committee held on April 13 2023. I further certify the meeting was duly called and held and a quorum was present.

Dated this 24th day of April 2023.

Jennifer L. Wiita, Deputy City Clerk