CITY OF PRESCOTT
ARIZONA



Workforce Housing Strategy & Implementation Plan

March 10, 2026

Table of Contents

1.0 Introduction	1
2.0 Housing Strategy	5
3.0 Implementation Plan	19

Prescott Workforce Housing Strategy & Implementation Plan

1.0 Introduction

Over the last five years, the city of Prescott has experienced declining housing affordability, similar to that occurring across Arizona. In total, about 29.2% of households in the community are currently burdened by their housing costs (spending more than 30% of income on housing), including 46.6% of all renters. The city is projected to experience moderate growth for the foreseeable future, and affordability challenges will continue. Solutions are needed for current residents burdened by housing costs and to plan for the housing needs of future residents.

The Prescott City Council established the Workforce Housing Committee with the purpose of researching, reviewing and proposing recommendations to Council regarding attainable housing options and solutions for the workforce of Prescott. The term "Workforce" includes those employed in occupations considered essential to a community's functioning including those in education, healthcare, public safety (police officers and firefighters), construction, and other key services. The cost of housing in Prescott has created difficulty for the City, colleges, medical centers, and local businesses to hire and retain essential personnel. The work of the Committee resulted in the adoption of the Prescott Workforce Housing Policy Framework in November 2025. This important groundbreaking document provides an initial directive for increasing the availability of attainable workforce housing in Prescott. This Implementation Plan and Strategy outlines the actions that will be required to move the City forward to solutions that will meet the goals of the Workforce Housing Policy Framework.

Prescott has a wide range of housing affordability needs. Workforce housing is an area that the city can impact at the local level through various incentives. A workforce household is defined as earning between 60% and 120% of the area's median income. Median income is determined by family size as shown on the following chart. For the Prescott metro area in 2025, this equates to a family of four earning between $54,360 and $108,720.

Table 1

FY 2025 Multifamily Tax Subsidy Project Income Limits Yavapai County, AZ								
Area Median Family Income $87,300								
% of Median Income	**Persons in Family**							
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
120%	$76,060	$86,980	$97,850	$108,720	$117,420	$126,120	$134,810	$143,510
80%	$50,720	$58,000	$65,200	$72,500	$78,300	$84,100	$89,900	$95,700
60%	$38,040	$43,500	$48,920	$54,360	$58,740	$63,060	$67,440	$71,760
Source: Department of Housing & Urban Development								

Affordable workforce housing costs for households ranging in size from one to four persons are shown in Table 2. Costs range from $751 for a one-person household earning 60% of AMI to $2,518 for a four-person household earning 120% of AMI (after deducting $200 per month for utilities).

Table 2

2025 Affordable Workforce Housing Costs Prescott Workforce Housing Policy						
Household Size	**Income Range**			**Housing Cost Range**		
	60%	**80%**	**120%**	**60%**	**80%**	**120%**
1 person	$38,040	$50,720	$76,060	$751	$1,068	$1,702
2 people	$43,500	$58,000	$86,980	$888	$1,250	$1,975
3 people	$48,920	$65,200	$97,850	$1,023	$1,430	$2,246
4 people	$54,360	$72,500	$108,720	$1,159	$1,613	$2,518
Note: Cost range includes $200 per month estimate for utilities						

Prescott is in a strong position to address the affordability needs of its growing community. Given its size, Prescott has a broad economy that is built on a variety of industries including manufacturing, government, media (publishing and entertainment), healthcare, education, retail, and telecommunications. The city's unemployment rate stood at 5.0% as of September 2025, an increase from 4.0% one year earlier and slightly above the September state-wide average of 4.7%. While unemployment has increased in the city and state, the rate is still an indicator of robust employment.

However, the primary concerns with the Prescott economy are (1) a labor force participation rate for Prescott of 42.4% which is well below the state average of 60.1% and (2) the median age of the Prescott population at 60 years (40.5% of the population is over the age of 65

compared to 18.6% for the state). This raises questions about the ability of the local labor force to continue to provide services for the aging population. In order to ensure the availability of a qualified workforce, housing needs to be available for service and essential workers.

Table 3

Labor Force Participation 2023			
	Prescott	Yavapai County	Arizona
Population 16 year and over	42,149	209,074	5,862,117
Civilian Labor Force	17,870	100,945	3,522,511
Employment	17,041	96,693	3,340,327
Unemployment	829	4,252	182,184
Labor Force Participation Rate	**42.4%**	**48.3%**	**60.1%**
Source: ACS 2023 5-year estimate			

Workforce Housing Need

Households are considered burdened by the cost of housing if rent and other housing costs total more than 30% of total household income. For a homeowner, the cost of housing typically includes a mortgage, property taxes, and insurance (often wrapped into one payment) plus utilities. For a renter, the cost of housing is rent and utilities. According to data from the American Community Survey of the U.S. Census, 1,996 workforce households in Prescott earning between 60% and 120% of AMI are currently burdened by housing costs including 771 renters and 1,225 owners (Table 4).

Table 4 also estimates the growth in workforce households over the next 15 years totaling 1,104 households. Based on the current percentage of workforce households burdened by housing costs today, about 214 future households may find a similar situation as they search for affordable housing. However, this estimate is viewed as conservative since many workforce households entering the Prescott market in the future will likely find it difficult to find affordable housing due to the increase in construction costs over the past five years. The total current and future workforce that may be burdened by housing costs is conservatively estimated at 2,210 households.

Table 4

Existing & Future Workforce Housing Demand City of Prescott		
	Households	**%**
Existing Renter Workforce Households 60%-120% AMI		
$50,000 to $74,999:	1,565	
30 percent or more spent on housing	506	32.3%
$75,000 or more:	1,918	
30 percent or more spent on housing	265	13.8%
Total Burdened Renter Households	**771**	**22.1%**
Existing Owner Workforce Households 60%-120% AMI		
$50,000 to $74,999:	2,839	
30 percent or more spent on housing	690	24.3%
$75,000 or more:	8,479	
30 percent or more spent on housing	535	6.3%
Total Burdened Owner Households	**1,225**	**10.8%**
Total Existing Burdened Workforce Households	**1,996**	**13.5%**
Future Workforce Households 60%-120% AMI		
$50,000 to $74,999	661	
30 percent or more spent on housing	180	27.2%
$75,000 to $99,999	443	
30 percent or more spent on housing	34	7.7%
Total Potential Workforce Households	**214**	
Total Potential Workforce Housing Burden	**2,210**	
Source: ACS 2023 5-year estimate		

2.0 Housing Strategy

2.1 Preface

The Workforce Housing Policy Framework establishes Prescott's intent to address workforce housing affordability. The following Initiatives, Strategies, and Implementation Plan provide the roadmap for the commitment by the City to establish an investment in workforce housing by using incentives and land use tools that have been shown to be effective. The effort will involve both city staff and Elliott D. Pollack & Company as a third party consultant who will collaborate with the staff on various implementation activities.

There are several different administrative models for establishing a workforce housing program. In order to maintain simplicity and the ability to provide flexibility to amend the program over time, this Workforce Housing Strategy recommends reliance on two primary documents that will provide guidance on administration of Prescott's Workforce Housing program. Those documents are:

- The Workforce Housing Policy Framework as currently written and amended in the future, and
- Amendments to the Prescott LDC that will be prepared in the next year to ensure the Framework can be implemented in conformance with state law.

The Vision

As outlined in the Workforce Housing Policy Framework, the Workforce Housing Committee's Vision is to facilitate housing solutions to attract and retain quality employees and lead to improved service delivery and quality of life for residents and the workforce.

The Goal

The overall goal of a Workforce Housing Policy Framework is to create and maintain housing that is affordable for critical, essential workers, ensuring they can live in the communities they serve.

2.2 Strategic Initiatives

The following Strategic Initiatives follow from the Workforce Housing Policy Framework. Strategic Initiatives are actions that need to be taken by the City to implement the Workforce Housing Policy Framework. Strategies outline specific steps that are required to achieve each Initiative.

Initiative 1: Amend the Prescott Land Development Code (LDC) to implement the Workforce Housing Policy Framework

Strategy 1.1: Adopt a new section of the LDC for Workforce Housing

A Workforce Housing text amendment to the LDC needs to be adopted to ensure actions taken by the City Council and staff in implementation of the Workforce Housing Policy Framework are consistent with Arizona State law and current provisions of the LDC. A new "Workforce Housing" section should be amended to the LDC in Section 2.0 or Section 9.0. The amendment should include the following elements.

- Define eligibility for incentives such as the minimum percentage of workforce housing units to be included in a project, the location of workforce housing projects relative to community amenities, and the types of acceptable housing units.
- Outline how the program would be administered by the city and the requirements to be placed upon the developer to ensure compliance with the program.
- Define LDC development standards modifications such as density bonuses, eligible/potential parking reductions, and other code requirements.
- Utilize the Planned Area Development provisions of the LDC, Section 9.5, to provide flexibility in site design, property development standards, and increased density for incentivized workforce housing complexes.
- Determine if the maximum densities of the PAD section of the LDC can be exceeded with the granting of a density incentive for a workforce housing complex.

Strategy 1.2: Adopt Additional LDC and City Code Amendments

- Amend the Guest Quarters and ADU section of the LDC (Section 2.5.6) to permit the rental of a Guest Quarters or ADU separately from the principal dwelling unit.
- Consider amending the Guest Quarters and ADU section of the LDC to conform to the principles of HB 2720 (A.R.S. § 9-461.18).

Recommendations for LDC Workforce Housing Amendment

- ***Recommendation:*** Establish the minimum percentage of workforce units planned for any project at 10%.
- ***Recommendation:*** Provide a sliding scale of density bonus to the percentage of workforce housing units proposed for a project. The adjacent chart is a suggestion for density bonuses.
- **Recommendation:** Parking may be reduced based on a traffic and parking study and proximity to community amenities.
- **Recommendation**: Building height and setbacks may be modified from LDC standards through a PAD designation.

Percentage of Affordable Units & Density Bonus	
% of Affordable Units	**% Density Bonus**
10%	15%
12%	18%
14%	21%
16%	24%
18%	27%
20% plus	30%

Initiative 2: Develop Incentive Programs for Workforce Housing

Strategy 2.1: Use Development Agreements (DA) as the Primary Instrument to Document the Conditions and Requirements of a Workforce Housing Award

- Develop a standardized Development Agreement that will outline all conditions and requirements imposed by the City on approved Workforce Housing projects including fee waivers, impact fee deferral, density incentives, deed restrictions, maintenance of units, reporting requirements, performance bonds, and other inducements.

Strategy 2.2: Implement Non-Impact Fee Waivers for Building, Planning, Engineering, and Utility Fees

- Fee waivers would be granted based on the percentage of workforce housing units in a project (for example if 25% of the total units in a project are designated as workforce housing, then 25% of eligible fees may be waived or reimbursed). Fees subject to waiver could include Building Permit Fees, Planning and Zoning Fees, Site Plan Review Fees, Subdivision Fees, Building Plan Review and Inspection Fees, Utilities Department Fees (connection, service initiation), and other development-related fees as determined by the City.

Strategy 2.3: Explore In-Lieu Alternatives for the Provision of Workforce Housing

- As an alternative to including workforce housing in a project, establish a formula for a "payment in-lieu of development". In-lieu fees would be deposited into a dedicated affordable housing fund.
- Evaluate options for the use of in-lieu revenue for workforce housing purposes such as a down payment assistance program, land acquisition for workforce housing, low-interest gap loans, and similar options.

Strategy 2.4: Provide Standards for Expedited Review

- Provide accelerated review slots for qualified workforce housing projects with an approved Workforce Housing Certification.
- Provide outreach to qualified developers early in the process to establish a review schedule for qualified projects.

Initiative 3: Prepare Workforce Housing Proposal Documentation

Strategy 3.1: Prepare a Workforce Housing Certification Form

- Prepare a Workforce Housing Certification form that ensures compliance with program standards including targeting household earning between 60% and 120% of AMI, the percentage of workforce housing units in the project, and commits the developer to maintain affordability for 30 years. The status of the developer as a viable candidate for workforce housing development is also established.

Strategy 3.2: Develop a Standardized Review Framework

- Prepare a standardized review framework for workforce housing proposals that will allow for evaluation of Land Development Code modifications, fee waivers, density incentives, and other inducements to ensure fairness and consistency among proposals.

Initiative 4: Establish a Community Land Trust (CLT)

An important element of promoting homeownership for workforce households is a Community Land Trust (CLT) that owns the land and leases the land to a buyer on a 99-year term. The workforce household owns only the improvements and therefore the value of the home price is reduced by 15% to 25%. When the home is sold, the price is capped so it can be sold to another workforce household. The CLT retains ownership of the land, and the seller retains a portion of the equity that can be used to purchase another unit. CLTs can be used for a variety of purposes including infill development as well as for new home subdivision development.

Strategy 4.1: Consider Options for Establishing a CLT

- A CLT is often operated by a non-profit organization but can also be administered directly by a municipality. A non-profit organization that already manages a CLT may prove to be an efficient way in which to initiate a CLT as well as providing home-buying counseling for buyers, assisting with qualifying candidates for purchase, and helping with resale of workforce units.

Initiative 5: Explore the Creation of an Infill Incentive District

Arizona Revised Statutes ("ARS") § 9-499.10 enables cities and towns to establish infill incentive districts and adopt an infill incentive plan to encourage redevelopment in the district. Under the plan, a city may provide a variety of redevelopment incentives including expedited zoning or rezoning procedures, expedited processing of plans and proposals, waivers of municipal fees for development activities, financial assistance, and relief from development standards.

Strategy 5.1: Establish an Infill Incentive Plan to Expand Workforce Housing Opportunities

- The Plan will facilitate intensifying residential development in existing developed areas of Prescott, effectively using existing infrastructure. Such development will positively impact commercial development in the infill district and assist with adaptive reuse of commercial and historic buildings that are vacant or underutilized.

Initiative 6: Explore Options for Workforce Housing Funding

The commitment to support development and expansion of workforce housing in Prescott will require significant financial resources.

Strategy 6.1: Explore Creation of a Workforce Housing Trust Fund

- The fund would serve as a repository of revenue for workforce housing purposes that could come from voluntary contributions as well as dedicated revenue streams. The fund could be used to leverage private investment in workforce housing, including gap financing, down payment assistance programs, and other purposes.

Strategy 6.2: Explore Sources of Funding for the Trust Fund

- Consider funding the Trust Fund on a routine basis from City revenue sources to support the Workforce Housing program. Potential funding could come from a combination of a General Fund allocation, state or federal funding, a transient

occupancy tax allocation, proceeds from excess land sales, a dedicated sales tax allocation, and G.O. Bond proceeds.

Strategy 6.3: Consider the Use of Industrial Development Authority (IDA) Bonds for Workforce Housing Financing

- IDA financing at the county and city levels in Arizona has been used for direct financing and gap financing of workforce housing projects. Prescott's IDA could serve the same purpose.

Initiative 7: Explore Housing Resources for City Employees

The city is committed to the recruitment and retention of qualified employees and will consider a variety of strategies to support a skilled workforce.

Strategy 7.1: Explore Programs that Provide Assistance to City Employees

- Integrate housing support programs into the City's overall benefits package that may include downpayment assistance, rent subsidies, housing stipends, and other programs, particularly for those employees in key public service roles that require extensive training at a cost to the City.

Strategy 7.2: Provide Housing Resource Support to Employees

- Provide information to employees on housing opportunities and assistance programs. Work with workforce housing developers to reserve a portion of workforce housing units for City employees.

Initiative 8: Conduct an Inventory of Surplus City-Owned Land

Strategy 8.1: Identify City-Owned Properties that may be Suitable for Workforce Housing Opportunities

- Through the surplus land inventory, identify property that may be suitable for workforce housing based on access, utility availability, proximity to community assets, and neighborhood integration.

Strategy 8.2: Identify City-Owned Property that may be Suitable for a Land Trade

- As part of the surplus land inventory, identify properties that could be leveraged as a land swap for property with better workforce housing opportunities.

Initiative 9: Provide Resources for Implementation of the Workforce Housing Policy Framework

Strategy 9.1: Identify Staffing Resources and Consultant Contracts for on-Going Program Management of the Workforce Housing Policy Framework

- The staffing resources required to continue the Workforce Housing program management are significant. Just some of the initial implementation tasks to establish a workforce housing program as outlined in the Policy Framework and this Strategy document, which will be the responsibility of City staff and consultants, include:
    - Drafting LDC amendments.
    - Developing a standardized financial analysis and scoring system for evaluation of workforce housing projects.
    - Preparing a Workforce Housing Certification form that ensures compliance with program standards.
    - Developing a Workforce Housing Guidebook and a Developer Guidebook.
    - Establishing incentive programs for workforce housing units.
    - Coordinating with program participants to ensure alignment with City's housing goals.
    - Conducting outreach to the community.

  Once the workforce housing program is established and operating, on-going program maintenance and management responsibilities will include:
    - Providing developer and stakeholder support.
    - Monitoring the progress of workforce housing projects, coordinating with developers/owners on qualifying applicants for housing units, and reporting on compliance with adopted policies.
    - Ensuring developer accountability and identifying those who do not meet performance benchmarks.

- In conjunction with City management, identify available staff and contractors to initiate the Workforce Housing Program and additional staffing requirements as the program becomes fully implemented and workforce housing projects come online. Consider retaining private and non-profit organizations that may assist with management of certain elements of the program.

Strategy 9.2: Develop Workforce Educational Guidebooks

- Prepare (1) the Workforce Guidebook for households seeking workforce housing including educational information for City residents on the benefits of workforce housing and (2) the Developer Guidebook providing an overview of the workforce housing incentives, certification process, and accountability standards.

Strategy 9.3: Conduct a Public Outreach Campaign

- Ongoing outreach to the community and collaboration between the Workforce Housing Committee, stakeholders, residents, businesses, developers, and housing advocacy groups is vital to the success of the workforce housing program. Opportunities to engage the public will be identified to build community support for workforce housing.

Initiative 10: Consider Expanding the Tools Available to Implement the Workforce Housing Policy Framework

Strategy 10.1: Consider the Use of the Government Property Excise Lease Tax (GPLET)

- The GPLET is a primary tool available to cities to incentivize development and redevelopment of areas of the community. The GPLET allows ownership of a property to be transferred from a private entity to the municipality and leased back to the original owner. Since the government owned property is not subject to a property tax, the GPLET instead imposes an excise tax on the property which is lower than the normal property tax. The excise tax can be abated for eight years if property is situated within a Central Business District (CBD) and a Redevelopment Area (RDA).

  The GPLET can help reduce the financial gap for workforce housing, infill development, and redevelopment challenges by reducing a project's operating cost. In exchange for imposing the GPLET on a residential property, some cities require a minimum percentage of units to be reserved in the project for workforce households. Alternatively, the developer may opt to pay an in-lieu fee to the community that will be used for housing development purposes.

Strategy 10.2: Consider the use of a Construction Sales Tax Rebate as a Workforce Housing Incentive

- Prescott's construction sales tax is 2.95% of construction cost, subject to certain adjustments. A rebate or reimbursement of all or a portion of the sales tax would be a significant financial incentive for workforce housing developers.

Strategy 10.3: Consider Initiating a Land Banking Program

- Land banking is focused on public entities purchasing vacant, abandoned, and deteriorated properties in order to return them to productive use. The simple acquisition of a deteriorated property can often improve the surrounding neighborhood. Sites are often suitable for workforce housing, often in infill locations.

Strategy 10.4: Work With the School District to Identify Excess Property Which May Provide Opportunities for Workforce Housing

Strategy 10.5: Work With Local Church Groups to Identify Excess Land That Could Support Workforce Housing Development

Strategy 10.6: Conduct a Comprehensive Review of the City's LDC and Development Standards to Reduce or Eliminate Barriers to Workforce Housing

Initiative 11: Promote and Support Missing Middle Housing Types

Strategy 11.1: Ensure Missing Middle Ownership Housing Products can be Accommodated within the LDC

- Following are examples of several types of ownership housing products that may serve to provide options for affordable workforce housing units. The products include six-pack cluster courts, small lot single family units, and townhomes. Product types should be evaluated to determine if the provisions of the LDC and PAD can accommodate similar units.

RANCHO MERCADO SURPRISE, AZ

AN EXISTING RESIDENTIAL DEVELOPMENT BUILT BY TAYLOR MORRISON

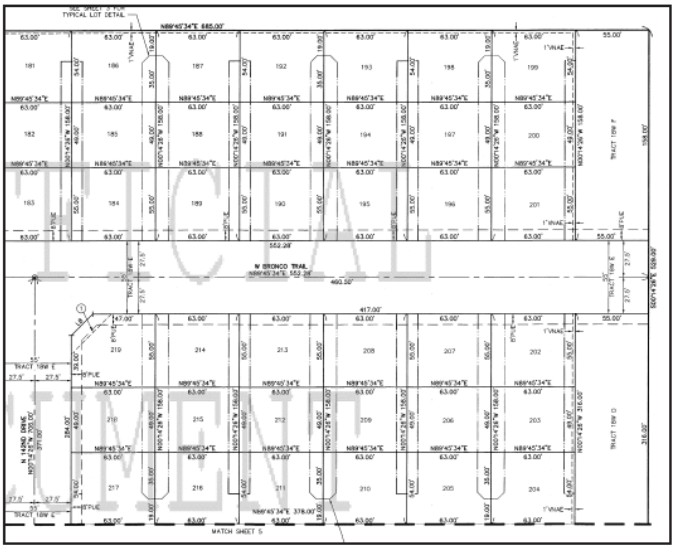
NORTHEAST OF HAPPY VALLEY ROAD AND RANCHO MERCADO PARKWAY

6-PACK AUTOCOURT / CLUSTER HOME

- BUILDING HEIGHT: 2-STORY
- TYPICAL DENSITY: 6-8 DU/AC
- MIN. LOT SIZE: 49'X63'
- MIN. LOT AREA: 3,087 SF
- FRONT DOORS ON COMMON OPEN SPACE TRACT OR PUBLIC STREET









HORIZON CHANDLER, AZ

AN EXISTING RESIDENTIAL DEVELOPMENT BUILT BY LENNAR

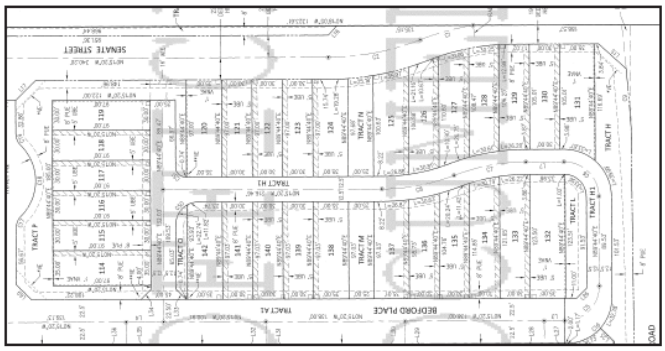
NORTHEAST OF GERMANN ROAD AND MCQUEEN ROAD

DETACHED, ALLEY-LOADED PRODUCT

- BUILDING HEIGHT: 2-STORY
- TYPICAL DENSITY: 6-8 DU/AC
- MIN. LOT SIZE: 30'X97'
- MIN. LOT AREA: 2,910 SF
- SIDE SETBACKS: 0' & 10' WITH 5' U.B.E.
- DOORS ON OPEN SPACE OR STREET







FINCHER FIELDS GILBERT, AZ

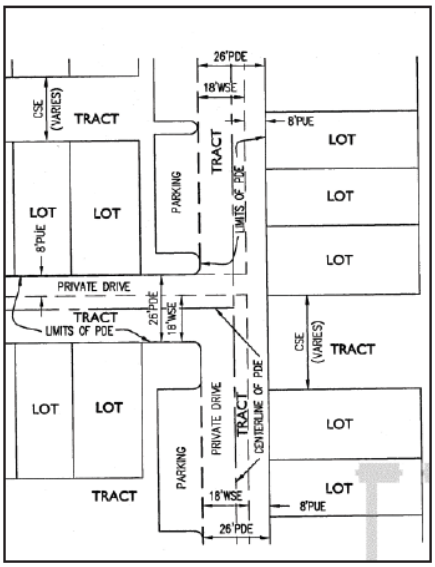
AN EXISTING RESIDENTIAL DEVELOPMENT BUILT BY LENNAR

NORTHWEST OF WILLIAMS FIELD ROAD AND RECKER ROAD

ATTACHED, ALLEY-LOADED TOWNHOMES

- BUILDING HEIGHT: 2-STORY
- TYPICAL DENSITY: 12-18 DU/AC
- MIN. LOT SIZE: 22'X70'
- MIN. LOT AREA: 1,540 SF
- FRONT DOORS ON COMMON OPEN SPACE TRACT OR PUBLIC STREET









23 & 17 NORTH PHOENIX, AZ

TWO RESIDENTIAL DEVELOPMENTS BY K. HOVNANIAN HOMES

23: NE OF NORTHERN RD AND 23RD AVE
17: NE OF INTERSTATE 17 AND JOMAX RD

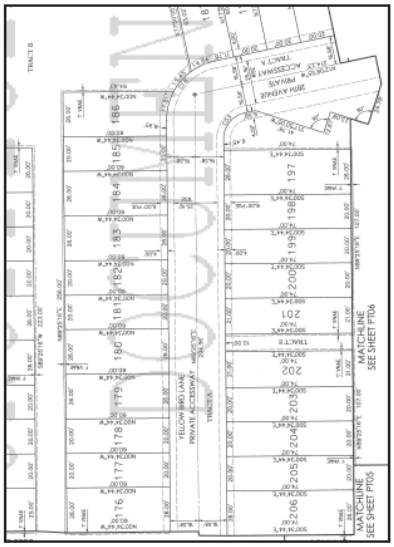
FRONT-LOADED, ATTACHED TOWNHOMES

- BUILDING HEIGHT: 2-STORY
- TYPICAL DENSITY: 10-15 DU/AC
- MIN. LOT SIZE: 20'X60' WITH 3' APRON
  20'X74' WITH DRIVEWAY
- MIN. LOT AREA: 1,200 SF OR 1,480 SF
- FRONT DOORS ON PUBLIC STREET









2.3 Summary of the Impact of Incentives on Workforce Housing Costs

Development incentives and workforce housing programs each affect three of the major elements of the cost of development – land cost, soft costs, and hard costs. The extent of the impact is dependent on the cost element with soft cost incentives likely resulting in the smallest impact relative to the overall cost of the project. Land costs can be effectively reduced by the use of Community Land Trusts (CLTs), use of city-owned land, and density bonuses, often in combination. Hard costs (labor and materials) are associated with financing, assistance with infrastructure improvements, and waiver of construction sales taxes. Overall, any incentives and assistance that the City can offer to a workforce housing project will help to bring the complex to fruition.

Table 5

Workforce Housing Development Tools	
Costs of Development	**Tools**
Land Costs **15%-20% of total costs**	Community Land Trust Use of City-owned land Land Bank Density bonuses Zoning/General Plan policies GPLET City contribution to lower private land cost (Housing Trust Fund)
Soft Costs **15%-20% of total costs** **(Design, Entitlement, Permits)**	Waiver of permit fees Waiver/reimbursement of impact fees Expedited review of plans Flexible design standards Streamlining of development requirements & processes
Hard Costs **60%-70% of total costs** **(Labor & Building Materials)**	Waiver of construction sales tax Reduced parking requirements City assistance with infrastructure improvements Direct capital funding of development costs (Gap Financing) Industrial Development Authority Bonds Partnerships with private developers & non-profits

3.0 Implementation Plan

The Implementation Plan addresses the timeline for executing the Initiatives and Strategies outlined in the Workforce Housing Policy. The Implementation Plan identifies (1) the expected timeline for each strategy ranging from short-term (less than 1 year) to long-term (more than 2 years) and (2) the party responsible for acting on the specific strategy, whether the primarily lead is a consulting firm, the City, or a joint effort between the city and its consultant. It is anticipated that a consulting firm will be involved to some extent in all actions taken in executing the Implementation Plan with transition of responsibility over time as the City gains experience in reviewing and approving workforce housing projects.

The timeline for the Implementation Plan considers the following elements:

- The time commitment on the part of staff and consultant to achieve the strategies.
- Whether a strategy depends on another strategy's completion before it can be started or completed.
- Whether parts of this strategy will require City Council approval for implementation (such as amendments to the LDC).
- Funding commitments, including staffing, that may require significant budget analysis.
- City Council priorities.
- Resources of the staff to undertake the strategy.

3.1 Key Strategies

Several strategies are key to the initial implementation of the Workforce Housing Policy Framework, without which the Framework cannot be executed. The strategies listed below are focused on a few critical tasks to establish the workforce housing program which include both ongoing activities and short-term actions completed in less than one year.

- Adopting an amendment to the LDC for workforce housing (short-term 1-year task).
- Preparing a form of Development Agreement that will outline the responsibilities of the City and developer for a workforce housing project (ongoing task).
- Preparing workforce housing documentation such as the certification form and standardized review framework (short-term 1-year task).
- Establishing a Community Land Trust (short-term 1-year task).
- Exploring housing resources for City employees (ongoing task).
- Providing resources to implement the Workforce Housing Policy Framework (short-term 1-year task).

The Implementation Plan should be reviewed and updated annually as the City gains experience in implementing the Workforce Housing Policy Framework. Strategies will likely change along with timing of implementation based on the response to the Policy from the community and working through workforce housing proposals. Implementing the Workforce Housing Policy should be viewed as a long-term effort to improve affordability in the City that will need constant review and adjustment.

3.2 Implementation Process

The process of executing this Implementation Plan is expected to involve several steps to ensure community acceptance of workforce housing concepts and conformance with the vision of the Workforce Housing Policy Framework. The process will include:

- Drafting of workforce housing documents in accordance with this Implementation Plan.
- Review of documents by the Workforce Housing Committee with recommendations forwarded to Council.
- Presentation to and review of draft documents by City Council.
- Revision of documents and final presentation of recommendations to City Council.

Throughout the implementation process, **community engagement** will be a vital step to gaining feedback from the general public, business interests, and community organizations on workforce housing. Some of that engagement has already occurred. As part of the Housing Needs Assessment prepared in 2025, an online survey was conducted regarding the public's opinions on housing affordability. A total of 252 responses were collected. This firm also conducted personal interviews of 12 stakeholders as part of this study to gather further opinions workforce housing, barriers, and affordability. Further community engagement efforts will include:

- Building coalitions among community organizations,
- Fostering relationships with major employers and the Chamber,
- Coordinating engagement efforts with the Workforce Housing Committee, and
- Identifying opportunities to engage the public in workforce housing dialogue and discussion.

Coordinating with City and department leaders on initial strategy implementation and community engagement will be an ongoing effort.

The Implementation Plan is shown below with the expected timeline for each strategy and the lead party responsible for acting on the specific strategy,

Implementation Plan
Prescott Workforce Housing Policy Framework

Policy Initiative & Strategy	Timeline				Lead Responsible Party		
	Short Term 1 year	Medium Term 1 - 2 Years	Long Term 2 Years+	Ongoing	Consultant	City	Joint Effort
Initiative 1: Amend the Prescott Land Development Code (LDC) to Implement the Workforce Housing Policy Framework							
Strategy 1.1: Adopt a new section of the LDC for Workforce Housing	✓				X		
Strategy 1.2: Adopt Additional LDC and City Code Amendments		✓				X	
Initiative 2: Develop Incentive Programs for Workforce Housing							
Strategy 2.1: Use Development Agreements (DA) as the Primary Instrument to Document the Conditions and Requirements of a Workforce Housing Award				✓	X		
Strategy 2.2: Implement Non-Impact Fee Waivers for Building, Planning, Engineering, and Utility Fees		✓			X		
Strategy 2.3: Explore In-Lieu Alternatives for the Provision of Workforce Housing			✓				X
Strategy 2.4: Provide Standards for Expedited Review		✓				X	
Initiative 3: Prepare Workforce Housing Proposal Documentation							
Strategy 3.1: Prepare a Workforce Housing Certification Form	✓				X		
Strategy 3.2: Develop a Standardized Review Framework	✓				X		
Initiative 4: Establish a Community Land Trust (CLT)							
Strategy 4.1: Consider Options for Establishing a Community Land Trust (CLT)	✓						
Initiative 5: Explore the Creation of an Infill Incentive District							
Strategy 5.1: Establish an Infill Incentive Plan to Expand Workforce Housing Opportunities		✓				X	
Initiative 6: Explore Options for Workforce Housing Funding							
Strategy 6.1: Explore Creation of a Workforce Housing Trust Fund			✓				X
Strategy 6.2: Explore Sources of Funding for the Trust Fund			✓				X
Strategy 6.3: Consider the Use of Industrial Develpoment Authority (IDA) Bonds for Workforce Housing Financing		✓				X	
Initiative 7: Explore Housing Resources for City Employees							
Strategy 7.1: Explore Programs that Provide Assistance to City Employees				✓		X	
Strategy 7.2: Provide Housing Resource Support to Employees				✓		X	
Initiative 8: Conduct an Inventory of Surplus City-Owned Land							
Strategy 8.1: Identify City-Owned Properties that may be Suitable for Workforce Housing Opportunities				✓		X	
Strategy 8.2: Identify City-Owned Properties that may be Suitable for a Land Trade		✓				X	

Continued on following page

Implementation Plan
Prescott Workforce Housing Policy Framework

Policy Initiative & Strategy	Timeline				Lead Responsible Party		
	Short Term 1 year	Medium Term 1 - 2 Years	Long Term 2 Years+	Ongoing	Consultant	City	Joint Effort
Initiative 9: Provide Resources for Implementation of the Workforce Housing Policy Framework							
Strategy 9.1: Identify Staffing Resources for Workforce Housing Policy	✓						X
Strategy 9.2: Develop Workforce Educational Guidebooks	✓				X		
Strategy 9.3: Conduct a Public Outreach Campaign	✓				X		
Initiative 10: Consider Expanding the Tools Available to Implement the Workforce Housing Policy Framework							
Strategy 10.1: Consider the Use of the Government Property Excise Lease Tax (GPLET)		✓					X
Strategy 10.2: Consider the use of a Construction Sales Tax Rebate as a Workforce Housing Incentive		✓					X
Strategy 10.3: Consider Initiating a Land Banking Program		✓					X
Strategy 10.4: Work With the School District to Identify Excess Property Which May Provide Opportunities for Workforce Housing			✓			X	
Strategy 10.5: Work With Local Church Groups to Identify Excess Land That Could Support Workforce Housing Development			✓			X	
Strategy 10.6: Conduct a Comprehensive Review of the City's LDC and Development Standards to Reduce or Eliminate Barriers to Workforce Housing		✓				X	
Initiative 11: Promote and Support Missing Middle Housing Types							
Strategy 11.1: Ensure Missing Middle Ownership Housing Products can be Accommodated within the LDO		✓					X