

CITY COUNCIL REPORT
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TO: Mayor, Vice-Mayor and City Council

FROM: Josh Copley, City Manager

CC: Barbara Goodrich, Shane Dille, Sterling Solomon and Leadership Team

SUBJECT: Executive Leadership Housing Roundtable

The purpose of this City Council Report is to provide an update on the status of the Employer Housing Roundtable.

At its work session on April 28, 2015 Council gave direction to staff to facilitate a discussion among major community employers regarding housing issues and associated challenges experienced by their respective workforces. I believe that the intent of this direction was to allow Council to better understand the specific needs of employers and what impact our housing situation has on their ability to recruit and retain employees rather than rely on anecdotal information. This would then allow Council to approach solution strategies that had the best chance for a successful outcome.

After my appointment as City Manager in late August of 2015 the scheduling of the CEO roundtable became a heightened priority and I learned from NAU President Cheng that she was also trying to pull a similar group together to talk about this subject. We decided to combine our efforts and utilized then ECoNA CEO Rich Bowen to handle the logistics of the meeting.

As you might expect, finding a schedule that worked for the majority of the CEO's was a task unto itself and we had our first meeting here at City Hall on Jan 13th, 2016. This meeting was well attended by the leader of every major employer in Flagstaff including Northern Arizona Healthcare, GORE, Nestle-Purina, Joy Cone, FUSD, NAU, City of Flagstaff, Coconino County, and the Navajo Nation. We had a very productive meeting and received some informative presentations from our City of Flagstaff Planning and Housing staffs. After a roundtable discussion where each executive spoke about his or her organization's unique housing challenges we decided that, corporately, we share a common problem that would best be solved by continuing to work together. We recognized that developing housing solutions is complex and will involve private sector developers, land, capital investment, infrastructure, and policy. Additionally, we decided that it would be best to have ECoNA act as the facilitator of continued meetings so that no one organization was perceived to be driving the discussion.

We met again on June 27th at NACET and continued our dialogue. We had a presentation on some of the housing cost drivers that are experienced by several cities, including Flagstaff, situated in the Rocky Mountain West region. We agreed that we

needed more consistent and reliable information to assist us in formulating solution strategies. This included engaging the services of a consultant to assist us in understanding the real estate market, assessing availability of housing assistance resources, identifying financial gaps between typical wages and housing costs, and identifying the key obstacles to employee housing availability. We also decided that we needed to survey our combined employee workforce to better understand their perspectives. To this end we have engaged the services of the Regional Policy Institute at NAU's W.L. Frankie Business College to help create a survey tool. The plan is for this survey to be disseminated to all the participating organization's employees in mid-September. We will be reporting back to our respective Boards with a status update once that part of our investigative phase is complete.