



# EAH EMPLOYER ASSISTED HOUSING

*In order to ensure the economic vitality of Florida's communities there must be affordable housing options in place for our workforce*

Working creatively to increase the supply of affordable housing is critical. EAH programs offer an innovative mechanism for leveraging public and private funds to make housing affordable for working families. EAH programs have been shown to help attract and retain workers, and, ultimately, enhance the economic stability of communities across the entire nation.

But the abundance of job opportunities is offset by the lack of housing opportunities in many areas. Housing production has failed to keep pace with job growth, sending housing prices sky-high. Frustrated employers can't find workers, and workers can't find affordable housing without the economic and time burdens of commuting.

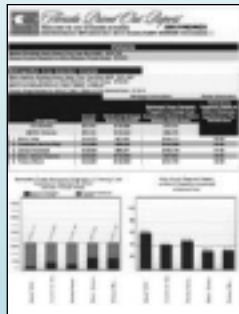
Municipal, state, and federal government entities are also using EAH programs to provide housing solutions for teachers, firefighters, and police. A nationwide shortage of teachers has prompted municipalities and school boards to provide both homeownership and rental assistance.

Local governments seem to be particularly inclined to support EAH programs given that these programs promote regional economic development and often leverage private dol-



## **PUBLISHER OF FLORIDA'S PRICED OUT REPORT FOR FLORIDA EMPLOYERS**

[www.PricedOutReport.org](http://www.PricedOutReport.org)



Presents wage information for more than 60 occupations for 18 Florida Metropolitan Areas. The purpose of Florida's Priced Out Report is to:


- Allow analysis of annual incomes for workforce employees within 18 Metropolitan Areas
- Calculate the maximum mortgage amount that workforce employees can afford based on market supported variables
- Compare how much down payment and closing cost assistance each workforce employee needs to afford a home in their community based on your inputted home price

lars to support housing. Fannie Mae, the nation's largest purchaser of home mortgages, sees EAH programs as good for business and has developed a specialized EAH mortgage product. The U.S. Department of Housing and Urban Development (HUD) has successfully tied in employer assisted housing with HOME block grants and other federal housing programs.

## **WHAT EXACTLY IS EAH?**

Employer-assisted housing can be described as any employer sponsored housing benefit, which could include down payment assistance or rental assistance, home buyer education and counseling, low-interest mortgages to name a few. Specifically, EAH programs can close the homeownership and rental affordability gap and allow workers to live in the communities they serve.

## **WHAT BENEFITS ARE THERE FOR STAKEHOLDERS OF AN EAH PROGRAM?**

 The employer enjoys the benefits of a more stable workforce when employees live near work. Improved morale, less turnover and reduced recruitment result in bottom line savings.

- Can serve as incentives for employee recruitment and retention depending on how the assistance is structured.
- The employee, beyond receiving financial support from an employer to buy a home closer to work, also gains extra time – formerly spent in traffic – for family or community life.
- And the surrounding community gratefully trades in a portion of its traffic congestion for the new investment and property taxes, as former commuters buy homes near the jobsite.
- The more partners work together to develop affordable housing programs/opportunities for local employees, the more these partners are recognized as essential to the economic health of the region.

### HOW WOULD AN EMPLOYER START AN EAH PROGRAM?

Although developing and implementing a basic program is relatively simple, many employers choose to contract with a local community organization to provide homeownership counseling and administer other aspects of the programs. This model works well when there are multiple participating employers in a concentrated geographic area.

- Set up a partnership of the County, municipalities, employers—especially public agencies, lenders, development interests and local housing providers.
- Meet on an on-going basis to discuss employee needs. Participating employers are usually the health care industry, education, local government and utilities. However, it is not limited to these groups and others may find it more beneficial to participate in a pool of assistance rather than create their individual programs.
- A partnership or one entity can immediately launch a program to work with local employers to (1) notify all employees with attention to those who may not have immediate access to information (2) conduct informal sessions and post information through flyers, and websites. This can lead to a greater participation of employers if they see interest among their employees.
- Decide on the type/amounts of assistance i.e. matching local government assistance with employer dollars on a per unit basis, based on income level of applicant. For example, a \$75,000 subsidy could use a \$5,000 or \$10,000 employer subsidy.
- Decide on what type of resale formula or retention method to use to keep the property in the affordable housing inventory.
- Decide on the income level for eligibility.

### OTHER ASPECTS TO CONSIDER:

- Administrative aspects such as qualifying and counseling individuals may be considered the work for a third party in order to reduce an employee’s hesitation in providing financial information to his/her employer.
- Tracking for numbers served and timelines will be important to assess program progress/ effectiveness.
- Oversight in adhering to any regulatory requirements

### EMPLOYER ASSISTED HOUSING EXAMPLES

- Martin County - Growth Management Department** Evaluated employer assisted housing possibilities and developed a strategic plan to guide the county in supporting its local employers who wish to provide housing assistance. The Coalition sponsored a workshop for employers to provide information about finance and meeting targeted housing needs.
- Sanibel Community Housing Resources:** The Coalition has assisted this nonprofit housing provider to develop a strategy for building affordable housing in partnership with a large health care provider who is facing employee losses due to the escalating cost of land and housing in the vicinity.
- Lee County: The Bonita Bay Group & Lee County School Board - Down payment Assistance Program** Subsidy of up to \$5,000 for the purchase of a home held by a deferred second mortgage that amortizes over time The Bonita Bay Group and Lee County School Board (Florida): A partnership established to purchase sixty condominiums for School District employees. The Lee County Housing Development Corporation provides the technical and counseling support.
- Hendry County Citrus Growers:** A citrus grower developed rental housing for employees on a private basis to provide decent and affordable housing in this rural area with proximity to the workplace.

The Florida Housing Coalition will assist employers with establishing successful Employer Assisted Housing programs by coordinating partnership meetings, performing on-site trainings and providing clinics on topics including way employers may use land donation, low-interest construction financing and down payment assistance to attract and retain reliable employees in their area. To learn more, contact the Coalition office today at (850) 878-4219.