

Employee Housing Incentives

FEBRUARY 21, 2018

COUNCIL BUSINESS MEETING

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Agenda

1. Background

2. Research

3. Analysis and Findings

4. Recommended Strategies

Background

- Ongoing interest of the Council for many years
 - 22% of Town employees live in town
 - 1 in 3 Town employees have a commute time of more than 30 minutes
- Spring 2017, Council asked staff to explore options for employee housing incentives
- Spring 2017, staff developed project scope using design thinking approach



Background

Research

- Best Practices
- Employee Data Collection
 - Surveys
 - Focus Groups

Analysis

- Review Data
- Findings

Strategies

- Prototype Strategies
- Areas for Further Inquiry

Best Practices

MODELS IN PRACTICE



Research

Analysis

Strategies

Best Practices

Municipalities

- Vail, CO
- Town of Frisco, CA
- Washington, D.C.

Private Companies

- Google
- Harley-Davidson

Universities

- University of Chicago
- University of Kentucky



Benefits: For the Employees

Greater diversity
of housing
options

Opportunity for
greater gains in
financial security

Reduces
commuting times
and distance

Shorter commute
decreases stress
levels



Benefits: For the Employer

Improves
employee
retention and
recruitment

Decreases costs of
recruiting, hiring,
training

Increases
employee morale
and productivity

Greater buy-in and
connection to the
community



Benefits: For the Community

Shorter commute
reduces pollution and
traffic congestion

Further Town's
affordable housing,
transportation, and
Comprehensive Plan
goals



Employee Data Collection

SURVEYS & FOCUS GROUPS

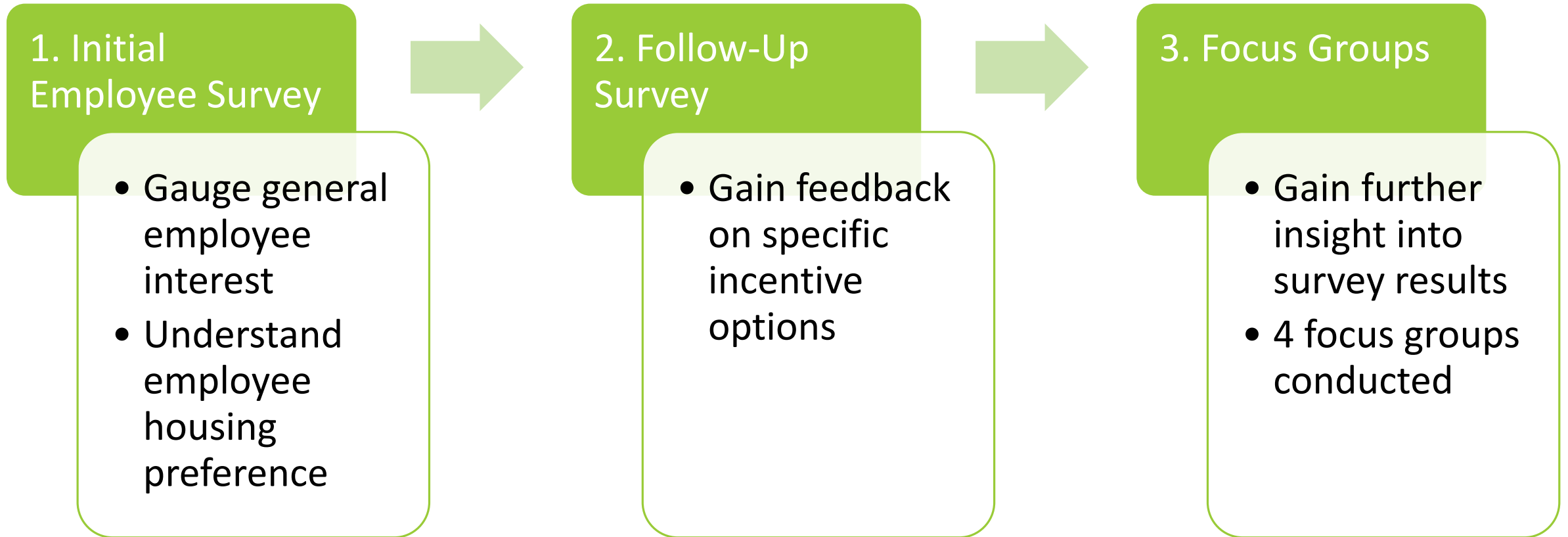


Research

Analysis

Strategies

Process: Evaluating Employee Interest



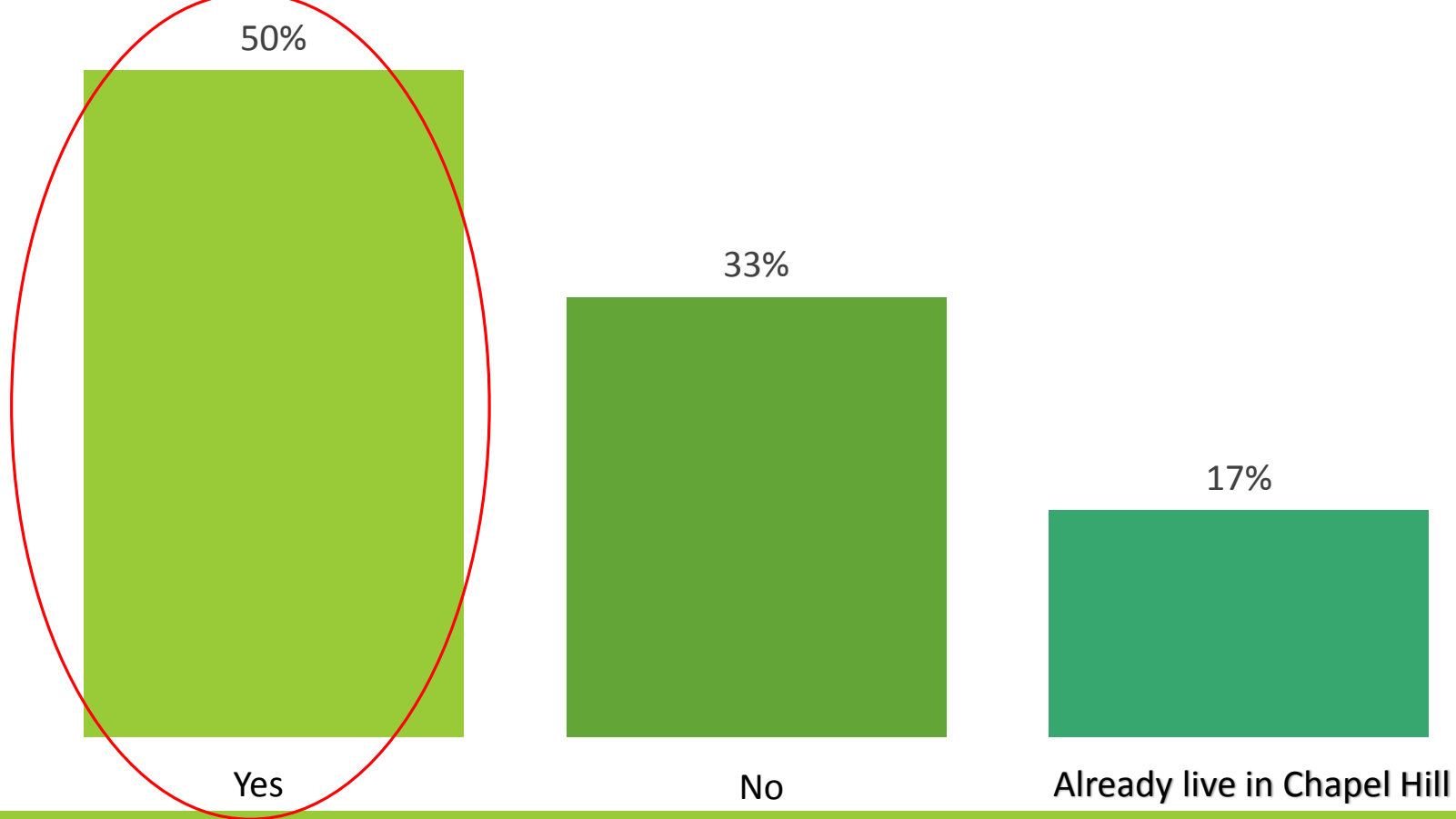
Analysis and Findings

SURVEYS & FOCUS GROUPS



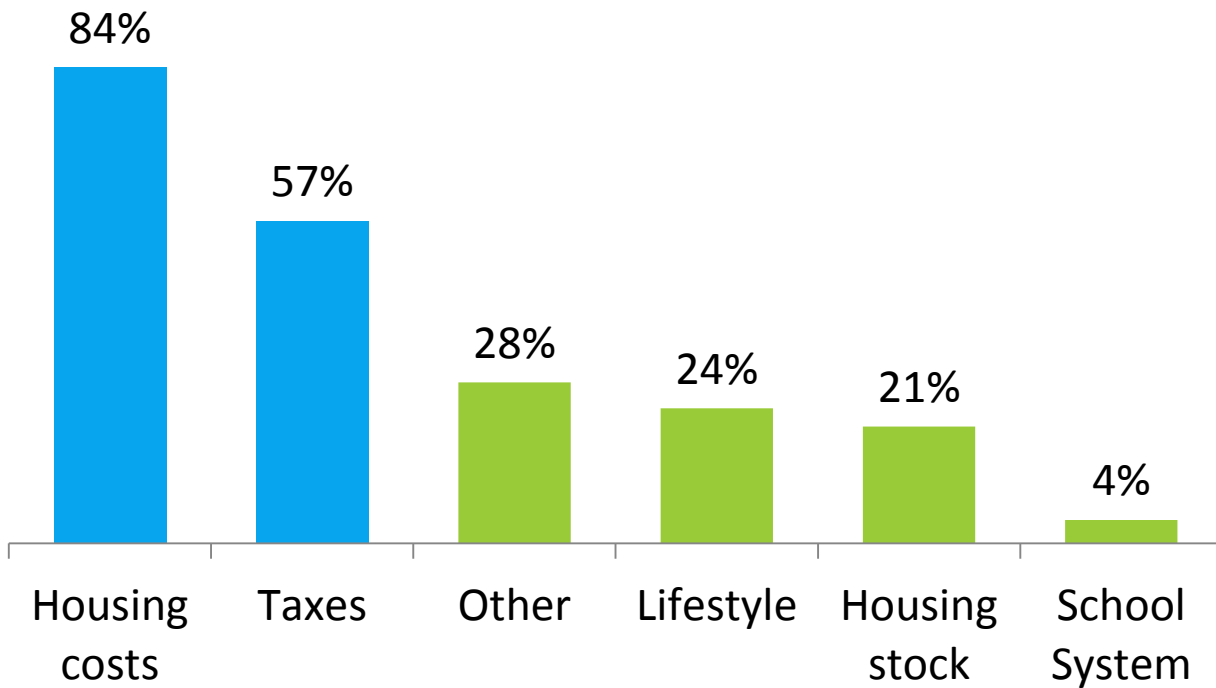
1. Town employees have significant interest in living in Chapel Hill

If you do not currently live in Chapel Hill, would you want to live here?



2. There are significant barriers to Town employees living in Chapel Hill

What influenced your decision to live outside of Town?

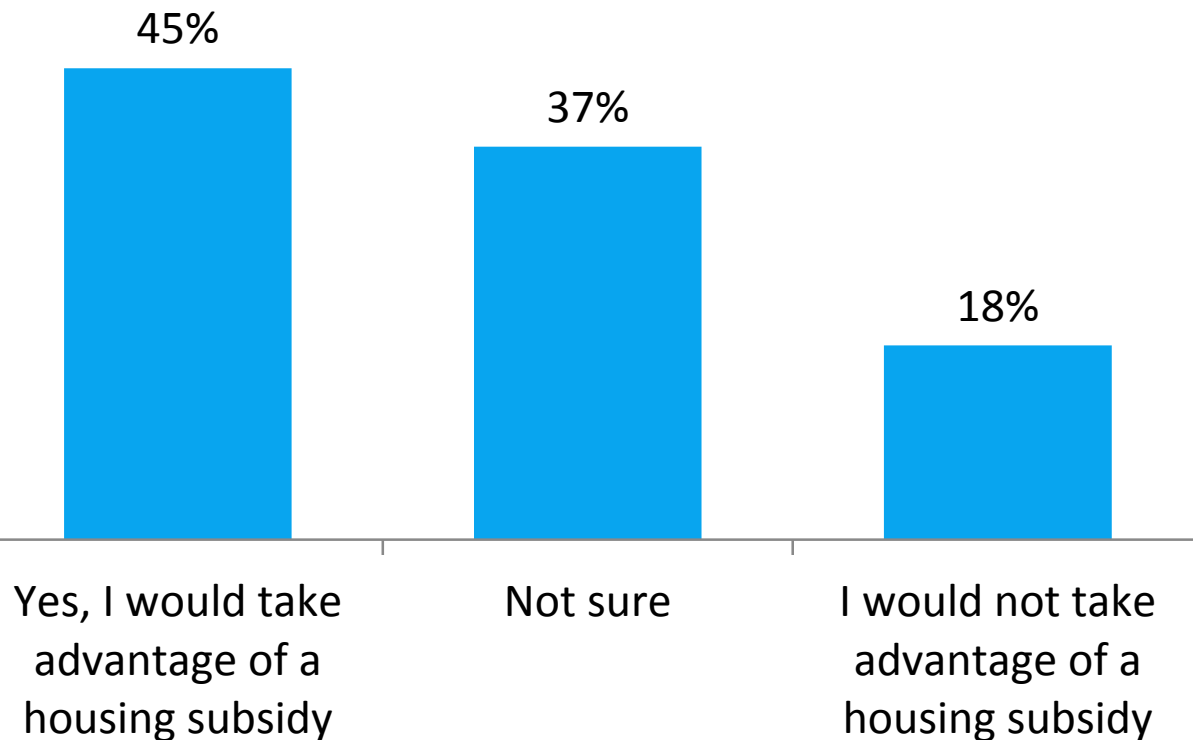


“The rent from my apartment is increasing every year.”
Town Employee

“There is no way I could afford to buy a home in town.”
Town Employee

3. A significant percentage of Town employees support housing incentives

If the Town provided subsidies to employees to live in Town, would you take advantage of it?



How effective do you think employee housing incentives would be to attract new employees to work with the Town?



4. A majority of Town employees are interested in homeownership incentives



**69% of surveyed
employees own their
home**

Employee Responses

Homeownership Incentives of Interest to Town Employees:

Closing Cost
Assistance

Down Payment
Assistance

Matched
Savings for
Homeownership

Homeownership
and Budget
Counseling

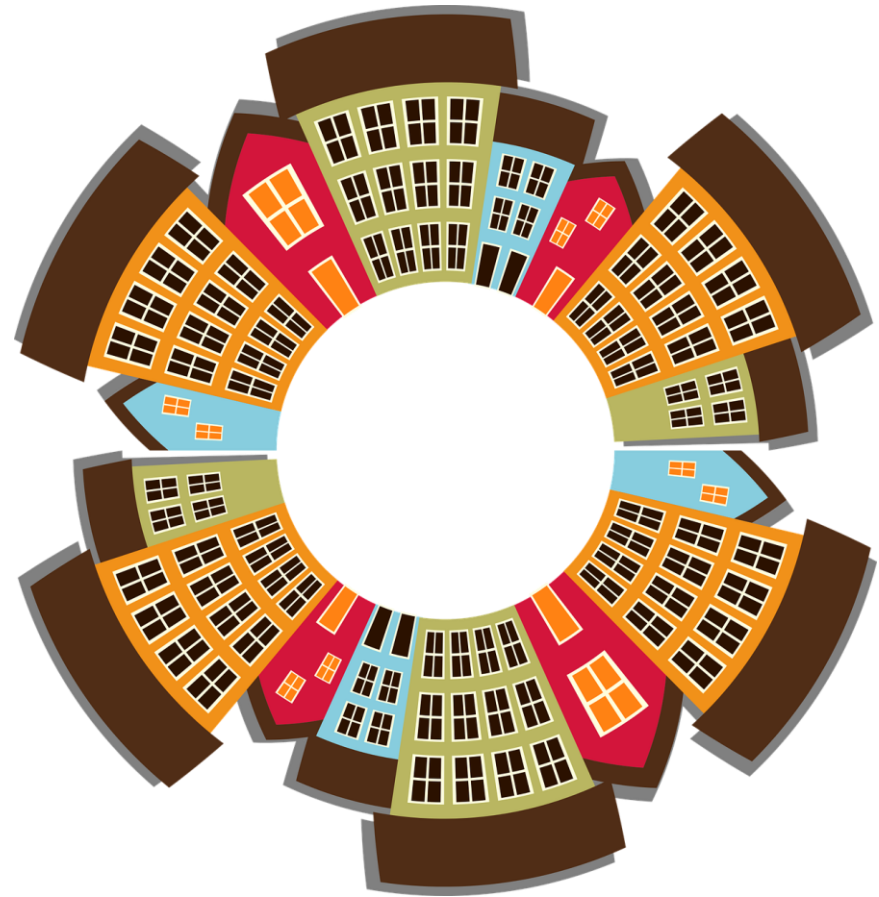
5. Of employees who rent, a large majority are interested in rental incentives



- 27% of surveyed employees rent their home
- 71% of renters have interest in a rental deposit and utility connection fee assistance

6. Employees identified other potential incentives

- Leverage relationships with complexes to provide discounted rental rates
- Develop a master-lease program with an apartment complex in town



Recommended Strategies

MOVING FORWARD



Recommendation: Create a pilot program to include rental and homeownership incentive options:

Rental

- **Security Deposit and Utility Assistance**
- **Facilitate the Provision of Affordable Rental Units for Town Employees**

Homeownership

- **Matched Savings**
- **Down Payment Assistance**

Potential Funding Sources

- Affordable Housing Development Reserve
- Affordable Housing Fund
- HOME
- CDBG
- Foundations and financial institutions
- Local resources from partners



Proposed Next Steps

- **Come back to Council in the Spring with a Pilot Program Proposal**
 - Continue to explore partnership opportunities
 - Determine more detailed budget
 - Determine eligibility criteria
 - Create communications plan

