



Legislation Text

File #: [18-0898], Version: 1

Consider Approving an Employee Housing Incentive Pilot Program Proposal.

Staff:

Loryn Clark, Executive Director
Sarah Osmer Viñas, Assistant Director
Nate Broman-Fulks, Affordable Housing Manager

Department:

Housing and Community

Overview: In the spring of 2017, the Council asked the Town Manager to explore options for providing assistance to Town employees who would like to live in Chapel Hill. The purpose of this item is to provide Council with an overview of a proposed pilot program, which was developed based on significant input from employees, national best practices of similar programs, input from potential partners, and staff's knowledge of local resources.

☆ **Recommendation(s):**

That the Council approve the proposed Employee Housing Incentive Pilot Program.

Project Background

To explore the opportunity for creating housing incentives for Town employees, staff conducted a multi-layered research process (see the attached Staff Report for additional details):

- Staff first researched national best practices around employer assisted housing
- We then underwent an in-depth process to understand employees' interest in the Town providing housing incentives to live in town, including:
 - **initial employee survey:** designed to understand employee housing preferences and gauge interest in an employee housing incentive program (May 2017)
 - **follow-up survey:** designed to gain feedback on potential incentives that could be offered if the Town created an employee housing incentive program (November 2017).
 - **focus groups:** designed to gain a more nuanced understanding of survey results. Staff conducted four focus groups with Transit, Fire Department, Police Department, and Town Hall employees (November 2017).
- We then presented our findings and initial recommendations to Council for their reaction and feedback. Council directed staff to develop a pilot program (February 2018).
- Staff then developed a Pilot Program prototype (March-September 2018). We tested the prototype again with employees through a second series of focus groups with Transit, Public Works, and Library employees (October 2018), as well as through input from potential partners, including Community Home Trust and Community Empowerment Fund. The Housing Advisory Board then reviewed the prototype and staff incorporated their suggested feedback into the pilot program proposal.

Town Employee Housing Incentive Pilot Program Proposal

Staff propose implementation of a pilot program this fiscal year with the following components (see attached Pilot Program Proposal for additional details):

1. **Rental Assistance Incentive:** one-time assistance with up-front costs of securing rental housing in town:

- Two-bedroom home or less maximum grant: \$1,250
- Three-bedroom home maximum grant: \$1,650
- Four or more bedrooms home maximum grant: \$1,850







2. Homebuyer Assistance Incentive: down-payment and closing cost assistance for the purchase of a home in town:

- Maximum assistance of \$7,500 per employee

3. Financial and Housing Counseling Workshops

Fiscal Impact/Resources: The proposed budget for the pilot program implementation is \$49,050, which would allow us to assist an estimated five Town employees with homebuyer assistance and seven employees with rental assistance. Staff recommend using resources available through the Town’s Affordable Housing Fund for this purpose.

Council Goals:

<input checked="" type="checkbox"/>		Create a Place for Everyone	<input type="checkbox"/>		Develop Good Places, New Spaces
<input type="checkbox"/>		Support Community Prosperity	<input type="checkbox"/>		Nurture Our Community
<input type="checkbox"/>		Facilitate Getting Around	<input type="checkbox"/>		Grow Town and Gown Collaboration



Attachments:

- Resolution
- Draft Staff Presentation
- Staff Report - February 2018
- Rental Program Overview
- Homebuyer Program Overview
- Draft Budget and Homebuyer Purchase Price Analysis

A RESOLUTION APPROVING A TOWN EMPLOYEE HOUSING INCENTIVE PILOT PROGRAM (2018-11-07/R-5)

WHEREAS, in 2017 the Town Council asked the Town Manager to explore options for providing assistance to Town employees who would like to live in Chapel Hill; and

WHEREAS, the Town has an established commitment to supporting employees and providing benefits that serve as effective recruitment and retention tools; and

WHEREAS, the Town is committed to supporting innovative solutions that advance the Council's affordable housing goals and making Chapel Hill a Place for Everyone.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council approve a pilot program for Employee Housing Incentives to be piloted over the next year.

This the 7th day of November, 2018.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

PRESENTER: Sarah Osmer Viñas, Assistant Director
Nate Broman-Fulks, Affordable Housing Manager

RECOMMENDATION: That the Council approve a pilot program for Town Employee Housing Incentives.