

EMPLOYER ASSISTED HOUSING (EAH) PROGRAM

July 2022

► ACCORDING TO GALLUP:

The cost of replacing an individual employee can range from **one-half to two times the employee's annual salary** — and that's a conservative estimate. So, a 100-person organization that provides an average salary of \$50,000 could have turnover and replacement costs of approximately \$660,000 to \$2.6 million per year.

Problem for Employers:

Very Expensive to Replace and Find Employees

CHALLENGES FACING FLORIDA EMPLOYERS

- ❖ LOW UNEMPLOYMENT RATES (3% in Florida as of May 2022)
- COMPETITION FOR EMPLOYEES
- **❖** EMPLOYEE RETENTION
- ❖ LONG EMPLOYEE COMMUTES = DECLINE IN PRODUCTIVITY, INCREASE IN ABSENTEEISM, TARDINESS, AND STRESS.

The further an employee lives from their work, the lower the productivity.

National Association of Realtors



Employer-Assisted
Housing (EAH) is any
housing program –
rental or
homeownership – that
an Employer finances or
assists in some way.

- DRAMATIC PRICE INCREASES IN PINELLAS

 COUNTY -ACCORDING TO THE PINELLAS REALTOR

 ORG:
- Median Sales Price of Single-Family Home as of June 2022: \$445,000 18.7% increase from 2021
- Median Sales Price of Townhome/Condominium as of June 2022: \$300,500 26.3% increase from 2021
- Median Rent Price: \$2,000/month 24% increase in 2021 Per Tampa Bay Times

CHALLENGES FACING FLORIDA'S WORKFORCE



HOME PRICES ARE SUBSTANTIALLY OUTPACING INCOME

In Pinellas County, the average income is \$56,419 according to the 2020 Census.

An employee can afford a mortgage of about \$230,000 at that income level

"DRIVE TILL YOU QUALIFY" IS NO LONGER A SOLUTION TO HIGH HOUSING COSTS. With rising transportation costs, long commutes do not result in savings.

CHALLENGES FACING FLORIDA'S WORKFORCE AND EMPLOYERS

MISSISSIPPI HOUSING ASSISTANCE FOR TEACHERS

Closing Cost Assistance to teachers if agree to stay 3 years

ARLINGTON COUNTY WORKFORCE HOUSING INITIATIVE

Participating employers offer employees closing cost assistance and flexible mortgages through Freddie Mac

EAH EXAMPLES FROM AROUND THE COUNTRY

MORE EXAMPLES FROM AROUND THE COUNTRY

ROCHESTER FIRST HOMES (MINNESOTA)

First Homes was established in collaboration with the Rochester Area Chamber of Commerce in an effort to alleviate a severe shortage of affordable housing. Mayo Clinic provided a major gift in support of First Homes.

REGIONAL EMPLOYER
ASSISTED COLLABORATION
FOR HOUSING (REACH)
ILLINOIS

Collaboration among employers, a technical assistance provider and local nonprofit housing agency

REACH Partners work directly with homebuyers, providing credit counseling and other assistance through the home buying process, to save the employer the administrative costs.



HOW CAN SPONSORING AN EAH PROGRAM BENEFIT AN EMPLOYER?

- ► MORE COMPETITIVE EMPLOYEE **RECRUITMENT**
- ► EMPLOYEE STABILITY AND **RETENTION**
- ► BETTER COMMUNITY **RELATIONS**
- ► NEIGHBORHOOD STABILIZATION & **REVITALIZATION**

THE 4 "RS" FOR EMPLOYERS:



- DESIGNED TO MEET EACH EMPLOYERS NEEDS,
- CREATES PRODUCTIVE, STABLE
 WORKFORCE WITH REDUCED ABSENTEEISM
 AND TARDINESS.
- PARTNERING WITH A NON-PROFIT HOUSING AGENCY ALLOWS LEVERAGING THE EMPLOYER RESOURCES WITH OTHER FUNDS TO BENEFIT THE MOST EMPLOYEES.
- EMPLOYERS BECOME COMMUNITY LEADERS BY ASSISTING IN STABILIZING HOUSING AND VALUES IN THEIR NEIGHBORHOODS

EAH PROGRAMS
BENEFITS TO EMPLOYERS



- COST EFFECTIVE METHOD TO REDUCE TURNOVER
- ABILITY TO LEVERAGE OTHER FUNDING TO ASSIST WITH PROGRAM CREATION
- EASY DESIGN AND IMPLEMENTATION
- ABILITY TO CREATE "FUNDING POOLS" TO ASSIST MULTIPLE EMPLOYERS
- ELIMINATE "RED TAPE" FOR EMPLOYERS

EAH PROGRAMS
BENEFITS TO EMPLOYERS

- ▶ DECREASED HOUSING COST BURDEN
- ▶ BOOSTS EMPLOYEE MORALE
- ► REDUCED STRESS
- ► INCREASED LOYALTY (benefit to employer?)
- ▶ A SHORTER COMMUTE
- ▶ DECREASED TRANSPORTATION COSTS
- ► INCREASED IN FAMILY TIME

BENEFITS TO YOUR TEAM MEMBERS



#1 GOAL OF EAH PROGRAM

HOUSING
STABILITY FOR
EMPLOYEE AND
FAMILY

- ► ALLOWS WORKERS TO LIVE AND WORK IN THE SAME COMMUNITY
 - MORE INVESTED AND INVOLVED IN CIVIC AND VOLUNTEER ACTIVITIES WITHIN THEIR COMMUNITY.
- ► EMPLOYEES WILL SPEND MORE OF THEIR MONEY WITHIN THEIR COMMUNITY BY SUPPORTING LOCAL MERCHANTS
 - RESULTING IN AN INCREASED TAX BASE

BENEFITS TO YOUR TEAM



We Work With Employers to Determine Needs

We will work with you to determine what type of EAH will provide the most benefit

Program Design

Provide the expertise to design a costeffective program that can be implemented efficiently and effectively. Identify other funding resources available.

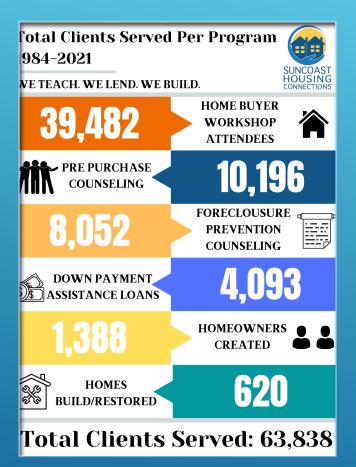
Implementation

 Provide the expertise to implement a housing program that will benefit both employer and employee

SUNCOAST HOUSING CONNECTIONS WORKS WITH EMPLOYERS TO CREATE A PROGRAM THAT FITS YOUR NEEDS

- ► FOUNDED IN 1982, WITH THE MISSION TO PROVIDE EDUCATION, COUNSELING, HOUSING OPPORTUNITIES AND TO REVITALIZE
- ► A HUD-APPROVED HOUSING COUNSELING AGENCY SINCE 2002
- ► A NEIGHBORWORKS CHARTERED MEMBER/AFFILIATE AND A NATIONALLY RECOGNIZED HOMEOWNERSHIP CENTER

SUNCOAST HOUSING CONNECTIONS?



WITH OUR EXPERIENCE AND LONG-TERM COMMITMENT TO OUR CLIENTS, PARTNERS, AND COMMUNITIES COMES HUMBLING SUCCESESS



THANK YOU!

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