

## **Employer Assisted Housing a proposal to ABC Company**

- to establish an Employer Assisted Housing program for regular employees paid less than \$50,000<sup>1</sup> who have been with the company for at least a year
- the program would offer<sup>2</sup>
  1. for prospective homebuyers:
    - a. a no-interest loan of up to \$5,000 for a down payment or closing costs, moving, repairs or improvements – the loan to be forgiven over a five-year period of continued employment at the rate of a 60th a month, the remaining balance to be repaid if employment ends earlier
    - b. referral of first-time homebuyers to a homebuyer education program
  2. for renters moving to a new apartment:
    - a. a grant of \$1,500 to be used for a security deposit, moving costs, rent and/or furnishings
- a guess at costs in a typical year to an employer with 40 employees<sup>3</sup>

1 employee given homebuying help: \$5,000 forgivable loan	\$5,000
2 employees given rental help @ \$1,500	3,000
administration	<u>250</u>
	\$8,250
- benefits to employer (in addition to benefits to employees and the community)
  1. help with recruitment
  2. less time lost to housing difficulties
  3. a more stable workforce – less turnover
  4. improved morale and loyalty

baah  
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<sup>1</sup> Or other maximum, to be adjusted periodically.

<sup>2</sup> The income limit and program benefits would be pro-rated for part-time regular employees.

<sup>3</sup> A bill considered but not, so far, passed by Congress would treat housing assistance to employees as a non-taxable benefit similar to health insurance.