



# **Employer-Assisted Housing Programs for Public Sector Employees**

Carl Scruggs

# Employer-Assisted Housing Programs for Public Sector Employees

OLO Report 2019-10

## Executive Summary

July 30, 2019

Employer-Assisted Housing (EAH) programs are financial assistance programs to help mitigate employee housing-related costs. This Office of Legislative Oversight (OLO) report was written to provide the Council with an overview of EAH programs offered specifically by local governments for their employees.

### Research on Policies Related to Employer-Assisted Housing Programs

Some employers have developed EAH programs to help alleviate some expenses associated housing costs, particularly if the cost of living is high in an area. Research revealed several types of EAH programs, including:

- Ongoing subsidies or “allowances” to help subsidize housing costs;
- Mortgage assistance in the form of long-term loans or mortgage guarantees;
- One-time payments or grants for down-payments, closing costs and similar expenses; and
- Publicly- or privately-owned living space made available for rent or purchase by employees.

**Policy research indicates that housing allowance policies for public employees may help lower housing costs, reduce commute times and expenses, and provide cost savings for employers and economic benefits for the community.** Researchers assert that employer-assisted housing programs that help employees live closer to work may help reduce commuting time and expenses and decrease tardiness, absenteeism, and turnover. Housing-assisted housing programs may also boost the local economy by increasing the tax base and allowing employees to spend more money in their local community.

### Examples of Public Employer-Assisted Housing Programs

The most common type of EAH program found by OLO provides a loan or grant to help employees with the cost of down payments and/or costs related to purchasing a residential property. The data in the next table briefly summarize the primary programs reviewed in this report. The table also shows each jurisdictions’ 2017 median income and median value of owner-occupied housing, along with Montgomery County for comparison.

**Characteristics of Employer-Assisted Housing Programs Reviewed by OLO**

Jurisdiction	Median Income (2017)	Median Value, Owner-Occupied Housing (2017)	Program Offers	Eligible Participants
San Mateo County, CA	\$105,667	\$917,700	Loans up to \$100K	County government employees
Alexandria, VA	\$93,370	\$537,900	Interest-free loans up to \$10K	Full-time City employees
Seattle, WA	\$79,565	\$537,800	Loans for down payments, closing costs, other expenses	Many public and private Seattle employers
Washington, DC	\$77,649	\$537,400	Loans up to \$20K; additional \$10K for first responders	District government employees
Loudoun County, VA	\$129,588	\$475,500	Down payment grants up to \$10K	“Moderate-income” full- or part-time County and school employees
<b>Montgomery County, MD</b>	<b>\$103,178</b>	<b>\$467,500</b>		
Baltimore City, MD	\$46,640	\$153,200	Loans or grants up to \$5K	City, quasi-city agency employees (loans); select public, private org employees (grants)
Waco, TX	\$36,004	\$107,700	Loans up to \$25K for first-time home purchase	City of Waco employees
Rochester, NY	\$32,347	\$79,400	Grants up to \$1K; additional dollar-matched amount up to \$3K	Employees of City of Rochester, City schools, some universities, some private employers

## Residence Location and Income of Full-Time Montgomery County Employees

**47% of full-time Montgomery County employees live outside the County.** The most populous jurisdictions for employee residence outside of Montgomery County are Frederick and Prince George's Counties. Employees living in Montgomery County earn, on average, \$1,296 less than employees living in other jurisdictions.

### Full-Time County Government Employees, by Residence

Residence	Full-Time County Employees		Average Length of Employment (years)	Full-Time Employee Avg. Salary	
	#	%		Average Salary	Difference from MoCo
<b>All Full-Time Employees</b>	<b>8,594</b>	<b>100%</b>	<b>13</b>	<b>\$81,157</b>	<b>--</b>
Living in Montgomery County	4,532	53%	12	\$80,545	--
Living in Other Jurisdictions	4,062	47%	13	\$81,841	\$1,296
Frederick County	1,235	14%	14	\$83,926	\$3,382
Prince George's County	737	9%	12	\$72,040	(\$8,505)
Howard County	266	3%	13	\$88,750	\$8,206
Washington County	257	3%	16	\$84,444	\$3,899
Other*	1,567	18%	12	\$83,208	\$2,663

\*Other includes 81 other jurisdictions

**In five County Government departments, over half of employees live outside Montgomery County.** Employees in MCFRS, Corrections, General Services, Permitting, and the Sheriff's Office account for 43% of all full-time employees who live outside of Montgomery County.

### Full-Time County Government Employees, by Department

County Department	% of Employees Living Outside County	# of Employees	% of Employees	Average Salary
<b>All Full-Time County Employees</b>	<b>47%</b>	<b>8,594</b>	<b>100%</b>	<b>\$81,157</b>
Fire and Rescue Services	77%	1,314	15%	\$84,105
Correction and Rehabilitation	63%	480	6%	\$78,012
Permitting Services	51%	219	3%	\$96,606
Sheriff's Office	51%	195	2%	\$78,459
General Services	50%	400	5%	\$81,591

## Recommended Discussion Issue

**What policy reasons have led other jurisdictions to establish employer-assisted housing programs? Do similarities and differences in Montgomery County and the County Government's workforce merit consideration of a County Government EAH program?**

- What primary factors lead County Government employees to live in jurisdictions outside Montgomery County?
- What financial incentive(s) would persuade County Government employees to live in the County?
- How does the average housing costs in Montgomery County compare to other jurisdictions with EAH programs?

If the Council wishes to consider establishing an employer-assisted housing program in the County, OLO recommends that the Council engage a consultant to conduct an in-depth analysis feasibility study.

## OFFICE OF LEGISLATIVE OVERSIGHT REPORT 2019-10

### Employer-Assisted Housing Programs for Public Sector Employees

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**CHAPTER I. Introduction**

The Council is aware of the challenges of finding affordable housing in Montgomery County, particularly for young people entering the public sector workforce. The Council is interested in better understanding programs offered by local governments or municipalities that provide housing allowances or assistance for their own employees if an employee lives within the jurisdiction.<sup>1</sup> Several jurisdictions across the country have implemented these types of programs. This Office of Legislative Oversight (OLO) report describes different ways that local governments provide housing assistance to their employees and provides information about programs across the Country.

**Chapter II** provides background information and observations on housing allowance programs;

**Chapter III** describes the income and housing characteristics of homeowners living in Montgomery County;

**Chapter IV** describes the income, age, and location of residence of full-time Montgomery County employees; and

**Chapter V** describes a variety of housing allowance programs for public employees within municipalities and local governments in the United States.

**Methodology and Acknowledgements.** OLO staff member Carl Scruggs conducted this study with assistance from Leslie Rubin. OLO conducted online research and received data on County employees from Montgomery County’s Office of Human Resources (OHR). OLO staff also interviewed administrators and administrative staff from numerous municipalities and local governments that have enacted housing allowances or home-buying assistance programs for public employees.

OLO appreciates everyone who contributed their time to this report, including:

**County Government**

- Fariba Kassiri, Office of the County Executive
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- Kimberly D. Williams, Office of Human Resources
- Jennifer Shovlin, Office of Human Resources

\*Former employee

**Other Jurisdictions**

- Brenna Rowe, City of Menlo Park Fire Protection District
- Kathy Jackson, City of Menlo Park Fire Protection District
- Roza Mendoza, San Mateo County Housing Authority
- Michael Guye, City of Baltimore Dep’t of Housing and Community Development
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- Carol Wheeler, City of Rochester
- Alisa Gillan, City of Rochester
- Lissette J. Wearing, City of Rochester
- Lia Kieren Anselm, City of Rochester
- Mellett R. Harrison, City of Waco – City Manager’s Office
- Richard Livingstone, City of Waco – City Manager’s Office

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<sup>1</sup> This report describes programs provided by local government employers for their own employees. It does not include descriptions of programs related to “workforce housing,” in general, or programs offered by local governments that are available to all residents in a jurisdiction.

## CHAPTER II. Employer Assisted Housing (EAH) Programs

Employer-Assisted Housing (EAH) programs are housing programs where employers provide some sort of financial assistance to employees to mitigate housing-related costs. This report primarily focuses on programs to help employees purchase homes. Both public and private sector employers have created these types of programs for employees.

Research revealed several different approaches to providing assistance through EAH programs, including:

- Ongoing subsidies or “allowances” to reduce housing costs, such as mortgage payments;
- Mortgage assistance in the form of long-term loans or mortgage guarantees;
- One-time payments or grants for down-payments, closing costs and similar expenses; and
- Publicly- or privately-owned living space made available for rent or purchase by employees.

One persistent challenge for employers in highly-developed regions can be building and maintaining a workforce, particularly when the cost of housing and other living expenses in these areas are high. Some employers have developed EAH programs to help alleviate some expenses associated with the cost of living in a particular area.

According to research compiled by the National Association of Counties (NaCO), local government workers who cannot afford housing near their place of employment often are forced to live farther away, leading to longer commutes, declines in productivity, and disconnection from the community which they serve.<sup>2</sup> The U.S. Department of Housing and Urban Development defines “affordable” housing for moderate-income workers as housing for which the occupants 30 percent or less of their income on gross housing costs, including mortgage and utilities.<sup>3</sup> According to a research study conducted by NaCO’s *Counties Futures Lab*, in 2016, 31 percent of nationwide households with mortgages spent more than 30 percent of their income on housing costs. This rate is even greater in highly-developed areas. An average of 34 percent of mortgage-holding households spend more than 30 percent of their income on housing costs in large counties with populations of 500,000 or more residents compared to approximately 28 percent of households in small- and medium-sized counties.<sup>4</sup>

According to a 2007 research paper completed by the research institute *PolicyLink*, employer-assisted housing programs that give workers the opportunity to live closer to their workplace help reduce their total time and expenses spent getting to work and may also reduce tardiness and absenteeism.<sup>5</sup> *PolicyLink*’s research paper cites Bank of America’s Employer-Assisted Housing program, begun in 1999, which reduced employees turnover rates by 10 percent for employees participating in the program. Reduced turnover coupled with lower costs for recruitment and retention of existing employees can partially offset the cost of such a program for employers.<sup>6</sup>

Housing affordability is also closely tied to an area’s economy. Research from the University of Pennsylvania’s *Fels Institute of Government* indicates that employer-assisted housing programs can help boost economic revitalization – stabilizing communities, increasing the tax base, and leading employees to spend more of their money in the community.<sup>7</sup> NaCO’s *Counties Futures Lab* research study adds that residents living in housing for which they spend a smaller portion of their income will also, in general,<sup>8</sup> be more stable in their employment.

<sup>2</sup> “Why Employers are Turning to Employer-Assisted Housing Programs,” Fels Institute of Government, University of Pennsylvania, March 2018, <https://www.fels.upenn.edu/recap/posts/1570>.

<sup>3</sup> “Affordable Housing,” www.hud.gov, [https://www.hud.gov/program\\_offices/comm\\_planning/affordablehousing/](https://www.hud.gov/program_offices/comm_planning/affordablehousing/).

<sup>4</sup> “Building Homes – County Funding for Affordable Housing,” National Association of Counties, May 2018, page 6, [https://www.naco.org/sites/default/files/documents/BuildingHomes\\_CountyFundingForAffordableHousing\\_0.pdf](https://www.naco.org/sites/default/files/documents/BuildingHomes_CountyFundingForAffordableHousing_0.pdf)

<sup>5</sup> “Equitable Development Toolkit: Employer Assisted Housing,” PolicyLink, October 2007, page 3, <https://www.policylink.org/sites/default/files/employer-assisted-housing.pdf>.

<sup>6</sup> “Equitable Development Toolkit: Employer Assisted Housing,” page 3.

<sup>7</sup> “Why Employers are Turning,” page 2.

<sup>8</sup> “Building Homes,” page 7.

**CHAPTER III. Housing and Income Characteristics of Montgomery County Homeowners**

This chapter describes the current housing market in Montgomery County, and includes an examination of the population, income, and housing characteristics of the total Montgomery County population, focusing specifically on homeowners in the County. Montgomery County is a highly-developed metropolitan area that abuts Washington, DC and makes up part of the greater capital region. Its population was 1,039,400 as of 2017.<sup>9</sup> Data in Table 3-1 below describes the County population from 2013 through 2017.

**Table 3-1: Montgomery County Population and Housing, 2013 - 2017**

	2013	2014	2015	2016	2017
<b>Total County Population</b>	989,474	1,005,087	1,017,859	1,026,371	1,039,198
<b>Total Housing Units</b>	377,824	380,250	382,913	385,485	386,587
<b>Total Occupied Households</b>	360,563	362,608	365,235	367,764	369,242

Source: American Community Survey

**County Household Income.** Data in Table 3-2 below summarizes the County population and its household and income distribution characteristics from 2013 through 2017. Median household income was \$103,178 per year and median cost of owner-occupied housing units in the County was \$467,500 as of 2017, an increase of five percent from \$446,300 in 2013.<sup>10</sup> Of the County’s total homeowners with a mortgage, 21.8 percent spend more than 35 percent of their income on housing costs.<sup>11</sup> Median monthly housing costs, which includes mortgage or rent payments, utility costs, etc. – actually declined slightly, from \$1,860 per month in 2013 to \$1,846 per month in 2017.

**Table 3-2: Montgomery County Household Characteristics and Income Distribution, 2013 - 2017**

	2013	2014	2015	2016	2017
<b>Median Household Income</b>	\$98,221	\$98,704	\$99,435	\$100,352	\$103,178
<b>Average Household Income</b>	\$128,633	\$129,327	\$130,104	\$135,849	\$136,651
<b>Median Value, Owner-Occupied Housing</b>	\$446,300	\$448,700	\$454,700	\$460,100	\$467,500
<b>Median Monthly Housing Costs</b>	\$1,860	\$1,842	\$1,827	\$1,814	\$1,846

Source: American Community Survey

<sup>9</sup> “2013-2017 American Community Survey 5-Year Estimates,” American Fact Finder, U.S. Census Bureau, [https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_17\\_5YR\\_DP05&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_5YR_DP05&prodType=table).

<sup>10</sup> “Quickfacts: Population Estimates, Montgomery County,” American Fact Finder, U.S. Census Bureau, <https://www.census.gov/quickfacts/montgomerycountymaryland>.

<sup>11</sup> “American Community Survey 5-Year Estimates”



## Chapter IV. Residence and Income Characteristics of Montgomery County Employees

This chapter summarizes data provided by the Office of Human Resources for full-time County Government employees, examining where they live, their average salaries, and how long, on average, employees have worked for the County.<sup>12</sup>

The Office of Human Resources (OHR) provided OLO with non-identifiable data for all County employees, including age, date of hire, salary, home county, and department. For privacy reasons, OLO did not have access to employees' home addresses to evaluate how far employees lived from their place of work and whether there is a correlation between salary and distance lived from work. This analysis does not include data for employees of Montgomery County Public Schools, Montgomery College, or other County-related agencies or organizations.

The first section of the chapter provides data on all full-time County Government employees and the second section provides data for departments where 50 percent or more of employees reside outside of Montgomery County.

### I. County Government Employees

As of April 2019, 12,230 individuals were employed in the County Government workforce – 70 percent (8,594) are full-time employees and 30 percent (3,636) are part time employees. The data in Table 4-1 on the next page show that:

- 53% of full-time County Government employees (4,532) live in Montgomery County;
- 47% of employees (4,062) live outside of Montgomery County;
- The most popular counties for residence outside of Montgomery County are Frederick County (1,235 employees) and Prince George's County (737 employees) – making up 23% of full-time employees;
- The remaining County employees live in other localities – primarily in Maryland, Virginia, the District of Columbia, West Virginia, and Pennsylvania – each housing 3% or less of all full-time employees;
- On average, employees living outside of Montgomery County have worked 13 years for the County Government compared to 12 years for employees who reside in the County; and
- Employees living in Montgomery County earn on average \$1,296 less than employees residing in other jurisdictions.

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<sup>12</sup> Salary data does not include overtime pay.

**Table 4-1: Full-Time County Government Employees, by Residence**

Residence	Full-Time County Employees		Average Length of Employment (years)	Full-Time Employees' Average Salary	
	#	%		Average Salary	Difference from MoCo
<b>All Full-Time Employees</b>	<b>8,594</b>	<b>100%</b>	<b>13</b>	<b>\$81,157</b>	<b>--</b>
Living in Montgomery County	4,532	53%	12	\$80,545	--
Living in Other Jurisdictions	4,062	47%	13	\$81,841	\$1,296
Frederick County	1,235	14%	14	\$83,926	\$3,382
Prince George's County	737	9%	12	\$72,040	(\$8,505)
Howard County	266	3%	13	\$88,750	\$8,206
Washington County	257	3%	16	\$84,444	\$3,899
Carroll County	244	3%	14	\$87,389	\$6,844
Anne Arundel County	205	2%	12	\$82,015	\$1,470
Washington, DC	163	2%	10	\$75,282	(\$5,263)
Baltimore County	133	2%	13	\$80,185	(\$360)
City of Baltimore	107	1%	9	\$76,277	(\$4,268)
Berkeley County, WV	75	1%	14	\$77,739	(\$2,805)
Adams County, PA	61	1%	14	\$90,650	\$10,106
Fairfax County, VA	52	1%	11	\$97,251	\$16,707
Other*	527	6%	12	\$84,891	\$4,346

Source: OHR data; OLO analysis

\*Other includes 73 other jurisdictions

## II. County Employees by Department

The data in table 4-2 below show the numbers of full-time Montgomery County employees and their average annual salary by County department. Overall, 47 percent of County employees live outside of Montgomery County.

In five County departments, at least half of the employees live outside of Montgomery County. Those five departments account for 43 percent of all full-time employees who live outside Montgomery County. The departments are Fire and Rescue Services, the Department of Correction and Rehabilitation, the Department of Permitting Services, the Sheriff's Office, and the Department of General Services.

In the department-specific tables on the following pages, the columns on the right compare the average salaries of employees in a department who live outside the County to the average salary of employees in that same department living in the County. The dollar amount in the column heading is the average salary for employees in that department who live in Montgomery County.

The following sections summarize data for employees in these departments by location of residence, average annual salary, and how the salary of employees living in Montgomery County compares to employees living in other jurisdictions.

**Table 4-2: Full-Time County Government Employees, by Department**

County Department	% of Employees Living Outside County	# of Employees	% of Employees	Average Salary
<b>All Full-Time County Employees</b>	<b>47%</b>	<b>8,594</b>	<b>100%</b>	<b>\$81,157</b>
<b>Departments with 50% or More Employees Residing Outside Montgomery County</b>				
Fire and Rescue Services	77%	1,314	15%	\$84,105
Correction and Rehabilitation	63%	480	6%	\$78,012
Permitting Services	51%	219	3%	\$96,606
Sheriff's Office	51%	195	2%	\$78,459
General Services	50%	400	5%	\$81,591
<b>Departments with 50% or Less of Employees Residing Outside Montgomery County</b>				
Department of Transportation	48%	1,268	15%	\$62,795
Police	44%	1,808	21%	\$82,126
Technology Services	39%	142	2%	\$121,731
Environmental Protection	36%	142	2%	\$96,360
Liquor Control	32%	293	3%	\$62,397
Recreation	32%	128	1%	\$79,166
Department of Finance	31%	110	1%	\$101,895
Health and Human Services	31%	1,273	15%	\$84,931
Public Libraries	29%	212	2%	\$78,757
Other	31%	610	7%	\$93,280

Source: OHR data; OLO analysis

## Employer-Assisted Housing Programs for Public Sector Employees

**Montgomery County Fire and Rescue Services.** Table 4-3 summarizes data for full-time Fire and Rescue Services (MCFRS) employees. Only 23 percent of full-time MCFRS employees live in Montgomery County; 77 percent (1,018) live outside the County, the highest share among all County departments. Additionally:

- The most popular locations of residence for MCFRS employees outside of Montgomery County are Frederick, Carroll, Washington, and Prince George’s Counties;
- On average, MCFRS employees living outside the County have worked for the County for 13 years compared to 11 years for MCFRS employees who live in the County;
- Almost 60% of MCFRS employees who live outside Montgomery County earn more than the average employee living in the County; and
- Overall, the average salaries of MCFRS employees living outside Montgomery County is approximately \$8,000 higher than employees who live in the County.

**Table 4-3: Full-Time MCFRS Employees, by Residence**

Residence	MCFRS Employees		Average Length of Employment (years)	MCFRS Average Salary		Salary Higher than \$77,840	
	#	%		Average Salary	Difference from MoCo	#	%
<b>ALL MCFRS Employees</b>	<b>1,314</b>	<b>100%</b>	<b>13</b>	<b>\$84,105</b>	<b>--</b>	<b>--</b>	<b>--</b>
Montgomery County	296	23%	11	\$77,840	--	--	--
All Other Jurisdictions	1,018	77%	13	\$85,926	\$8,086	603	59%
Frederick County	224	17%	15	\$89,903	\$11,979	144	64%
Carroll County	100	8%	15	\$90,694	\$12,854	68	68%
Washington County	66	5%	17	\$97,248	\$19,408	52	79%
Prince George’s County	63	5%	13	\$83,915	\$6,074	36	57%
Anne Arundel County	59	4%	12	\$80,283	\$2,442	25	42%
Adams County, PA	45	3%	14	\$89,003	\$11,162	32	71%
Baltimore County	42	3%	12	\$78,714	\$874	18	43%
Berkeley County, WV	36	3%	15	\$84,103	\$6,263	21	58%
York County, PA	34	3%	11	\$80,429	\$2,588	19	56%
Howard County	32	2%	17	\$91,578	\$13,737	24	75%
Baltimore City	29	2%	10	\$80,805	\$2,965	15	52%
Franklin County, VA	27	2%	11	\$83,447	\$5,607	15	56%
Harford County	20	2%	13	\$86,484	\$8,643	13	65%
Jefferson County, WV	20	2%	14	\$90,424	\$12,583	13	65%
Queen Anne’s County	20	2%	14	\$86,087	\$8,247	12	60%
Other*	200	15%	11	\$79,462	\$1,622	96	48%

Source: OHR data; OLO analysis

\*The 200 “other” employees live in 55 different jurisdictions

**Department of Correction and Rehabilitation.** Table 4-4 summarizes data for full-time Department of Correction and Rehabilitation (DOCR). Just 37 percent of full-time Correction employees live in Montgomery County; 63 percent live elsewhere. Overall:

- 41% of all DOCR employees live in Frederick, Prince George’s, Washington, or Baltimore Counties;
- On average, DOCR employees living outside the County have worked for the County for 14 years compared to 10 years for DOCR employees living in the County; and
- About 63% of all DOCR employees living outside Montgomery County have an annual salary higher than \$73,017 – the average annual salary for DOCR employees who live in the County.

**Table 4-4: Full-Time Department of Correction Employees, by Residence**

Residence	DOCR Employees		Average Length of Employment (years)	DOCR Average Salary		Salary Higher than \$73,017	
	#	%		Average Salary	Difference from MoCo	#	%
<b>ALL DOCR Employees</b>	<b>480</b>	<b>100%</b>	<b>13</b>	<b>\$78,012</b>	--	--	--
Montgomery County	177	37%	10	\$73,017	--	--	--
All Other Jurisdictions	303	63%	14	\$80,930	\$7,913	192	63%
Frederick County	77	16%	13	\$80,333	\$7,317	43	56%
Prince George’s County	64	13%	14	\$79,174	\$6,157	36	56%
Washington County	28	6%	16	\$85,569	\$12,552	20	71%
Baltimore County	27	6%	16	\$82,567	\$9,550	22	81%
City of Baltimore	20	4%	13	\$73,372	\$355	11	55%
Howard County	17	4%	15	\$87,937	\$14,920	15	88%
Anne Arundel County	13	3%	17	\$89,506	\$16,489	10	77%
Franklin County	12	3%	15	\$82,961	\$9,944	9	75%
Carroll County	11	2%	11	\$76,951	\$3,934	6	55%
Prince William County, VA	7	1%	10	\$66,832	(\$6,185)	2	29%
Berkeley County, WV	5	1%	13	\$75,944	\$2,927	2	40%
Charles County	4	1%	15	\$79,102	\$6,085	3	75%
District of Columbia	3	1%	14	\$77,128	\$4,111	1	33%
Jefferson County, WV	3	1%	20	\$90,582	\$17,565	3	100%
Adams County, PA	2	0%	21	\$112,570	\$39,553	2	100%
Fairfax County, VA	2	0%	10	\$68,314	(\$4,703)	1	50%
Other*	8	2%	18	\$80,882	\$7,865	6	75%

Source: OHR data; OLO analysis

## Employer-Assisted Housing Programs for Public Sector Employees

**Department of Permitting Services.** The data in Table 4-5 below show the full-time Department of Permitting Services (DPS) employees by their home county. Roughly 50 percent of full-time DPS employees (108) live in Montgomery County and 50 percent (111 employees) live outside the County. Overall:

- About one-third of all DPS employees live in Frederick, Prince George’s, Carroll, and Washington Counties;
- On average, DPS employees living outside the County have worked for the County for 13 years compared to 15 years for DPS employees living in the County;
- The average salary of DPS employees who live outside Montgomery County is approximately \$5,000 lower than employees who live in the County; and
- However, DPS employees on average earn a higher annual salary compared to all County Government employees (\$96,606 compared to \$81,157).

**Table 4-5: Full-Time Department of Permitting Services Employees, by Residence**

Residence	DPS Employees		Average Length of Employment (years)	DPS Average Salary		Salary Higher than \$99,024	
	#	%		Average Salary	Difference from MoCo	#	%
<b>All DPS Employees</b>	<b>219</b>	<b>100%</b>	14	<b>\$96,606</b>	--	--	--
Montgomery County	108	49%	15	\$99,024	--	--	--
All Other Jurisdictions	111	51%	13	\$94,254	(\$4,770)	42	38%
Frederick County	31	14%	15	\$95,315	(\$3,708)	17	55%
Prince George’s County	20	9%	15	\$93,001	(\$6,023)	6	30%
Carroll County	11	5%	13	\$90,736	(\$8,287)	3	27%
Washington County	11	5%	15	\$91,178	(\$7,845)	3	27%
Howard County	7	3%	10	\$107,777	(\$9,679)	5	71%
Anne Arundel County	7	3%	5	\$89,344	\$8,754	0	0%
District of Columbia	5	2%	16	\$78,331	(\$20,693)	1	20%
Jefferson County, WV	4	2%	5	\$92,670	(\$6,353)	1	25%
Baltimore City	3	1%	16	\$94,935	(\$4,088)	1	33%
Fairfax County, VA	2	1%	17	\$127,066	\$28,042	2	100%
Other*	10	5%	9	\$96,521	(\$2,503)	3	30%

Source: OHR data; OLO analysis

\* The 10 “other” employees live in 10 different jurisdictions

**Sheriff's Office.** The data in Table 4-6 below show the full-time Sheriff's Office employees by the location of their residence. Roughly 49 percent of full-time employees (95) live in Montgomery County; 51 percent (100 employees) live outside the County. Overall:

- More than half of Sheriff employees who live outside of Montgomery County live in Frederick County;
- Another 12% of all Sheriff employees live in Prince George's, Anne Arundel, or Howard Counties;
- On average, Sheriff's employees living outside the County have worked for the County for 13 years compared to 12 years for Sheriff's employees living in the County; and
- The salary of over half (54%) of employees living outside Montgomery County is higher than the average salary of employees living in Montgomery County.

**Table 4-6: Full-Time Sheriff's Office Employees, by Residence**

Residence	Sheriff's Employees		Average Length of Employment (years)	Sheriff's Average Salary		Salary Higher than \$77,075	
	#	%		Average Salary	Difference from MoCo	#	%
<b>Total</b>	<b>195</b>	<b>100%</b>	<b>13</b>	<b>\$78,459</b>	--	--	--
Montgomery County	95	49%	12	\$77,075	--	--	--
All Other	100	51%	13	\$79,773	\$2,698	54	54%
Frederick County	56	29%	12	\$79,285	\$2,210	29	52%
Prince George's County	8	4%	13	\$68,003	\$3,564	3	38%
Anne Arundel County	8	4%	15	\$82,849	(\$14,846)	5	63%
Howard County	7	4%	9	\$81,345	\$13,342	4	57%
Carroll County	6	3%	15	\$83,470	\$2,125	4	67%
Washington County	6	3%	14	\$90,590	\$7,120	5	83%
Baltimore County	3	2%	18	\$79,311	(\$11,279)	2	67%
Jefferson County, WV	2	1%	12	\$84,349	\$5,038	1	50%
Calvert County	1	1%	6	\$70,187	(\$14,162)	0	0%
District Of Columbia	1	1%	6	\$63,068	(\$7,119)	0	0%
Franklin County, PA	1	1%	10	\$101,667	\$38,599	1	100%
York County, PA	1	1%	17	\$75,187	(\$26,480)	0	0%

Source: OHR data; OLO analysis

## Employer-Assisted Housing Programs for Public Sector Employees

**Department of General Services.** The data in Table 4-7 show the total full-time employees of the Department of General Services. About half of full-time General Services employees (201) live in Montgomery County and half (199) live outside the County. Overall:

- 35% of all DGS employees live in Prince George’s, Frederick, Carroll, or Howard Counties;
- On average, DGS employees living outside the County have worked for the County for 14 years compared to 13 years for DGS employees living in the County; and
- Approximately 52% of all DGS employees living outside Montgomery County earn on average \$1,557 more than DGS employees who live in Montgomery County.

**Table 4-7: Full-Time Department of General Services Employees, by Residence**

Residence	DGS Employees		Average Length of Employment (years)	DGS Average Salary		Salary Higher than \$80,816	
	#	%		Average Salary	Difference from MoCo	#	%
<b>Total DGS Employees</b>	<b>400</b>	<b>100%</b>	14	<b>\$81,591</b>	--	--	--
Montgomery County	201	50%	13	\$80,816	--	--	--
All Other Jurisdictions	199	50%	14	\$82,373	\$1,557	103	52%
Prince George’s County	54	14%	14	\$77,667	(\$3,149)	23	43%
Frederick County	52	13%	15	\$82,653	\$1,837	29	56%
Carroll County	15	4%	14	\$79,038	(\$1,778)	8	53%
Howard County	14	4%	14	\$84,024	\$3,208	6	43%
Washington County	12	3%	17	\$85,759	\$4,942	9	75%
Anne Arundel County	9	2%	15	\$85,353	\$4,536	3	33%
Jefferson County	8	2%	14	\$84,164	\$3,348	5	63%
Berkeley County, WV	6	2%	12	\$81,129	\$313	4	67%
Baltimore County	5	1%	17	\$87,114	\$6,298	2	40%
Franklin County	5	1%	13	\$81,605	\$789	2	40%
Charles	4	1%	13	\$78,114	(\$2,702)	2	50%
District of Columbia	3	1%	17	\$104,543	\$23,727	2	67%
Fairfax	3	1%	8	\$92,357	\$11,541	2	67%
Loudoun	2	1%	38	\$117,912	\$37,095	2	100%
Other*	7	2%	17	\$85,485	\$4,669	4	57%

Source: OHR data; OLO analysis

\* The seven “other” employees live in seven different jurisdictions



## CHAPTER V. Review of Public Employer Housing Assistance Programs

This chapter describes examples of public employer housing assistance programs. The following types of local government housing assistance programs are examined in this discussion:

- **Section I** examines programs that offer housing stipends and rent subsidies;
- **Section II** examines programs that offer loans, grants, or other financial benefits to assist in the purchase of a home; and
- **Section III** examines programs that provide discounted government-owned housing to employees.

### I. Housing Stipends

OLO identified one example of a jurisdiction providing a direct monthly payment to employees to help offset housing costs. The Menlo Park Fire Protection District in Menlo Park, California provides a monthly residency stipend to firefighters and other employees of the Fire Protection District if they live within a certain distance of the Fire Protection District’s administration offices. Table 5-1 below summarizes the stipends.

The Fire District’s Board of Directors initiated the benefit in 2015 after observing a large percentage of firefighters (and other categories of employees) move out of the Fire District’s boundaries over a period of several years. The program was designed to provide a lasting incentive for employees to live closer to or within the District, and ultimately closer to their work.

Fire district staff report that the program has not provided enough incentive to encourage their employees to move into the district – while 100 percent of them are now eligible, some still decide to live outside of its stated boundaries, either because of the higher cost of housing expenses or because their work schedule makes it more convenient to do so. Fire district staff also noted that the Board’s intent for the benefit (and its required qualifications for employees) could be “more clearly-defined”, noting that several employees rent small apartments within the Fire District, and thus qualify for the benefit, but reside in residences with their families outside of the district.

**Table 5-1: Monthly Stipend for Housing Expenses Offered to Employees of Menlo Park Fire District**

Employee Types	Maximum Distance Living from Work	Monthly Stipend Amount
<ul style="list-style-type: none"> <li>• Support Staff, confidential employees</li> <li>• AFSCME Union members</li> </ul>	30 miles or less	\$250/month
<ul style="list-style-type: none"> <li>• Firefighters, engineers, captains (IAFF Union members)</li> </ul>	60 miles or less	\$400/month
<ul style="list-style-type: none"> <li>• Battalion Chiefs</li> </ul>	30 miles or less	\$600/month
<ul style="list-style-type: none"> <li>• Chief officers</li> </ul>	30 miles or less	\$600/month
	20 miles or less	\$800/month
	10 miles or less	\$1,000 month

Source: Menlo Park Fire District employee salaries and benefits.  
<https://evogov.s3.amazonaws.com/media/6/media/44903.pdf>

## Employer-Assisted Housing Programs for Public Sector Employees

### II. Housing Loans and Grants

Many jurisdictions have programs to help employees purchase residential property, including mortgage assistance benefits, grants, tax credits, or other financial assistance. Table 5-2 below includes a selection of employer-assisted housing programs that are summarized in this section.

**Table 5-2: Characteristics of Employer-Assisted Housing Programs**

Jurisdiction	Type of Assistance Offered	Terms of Assistance	Eligible Participants
San Mateo County, CA	Loans of up to \$100,000	Deferred for five years, amortized for 30-years at 3% interest	County government employees
Alexandria, VA	Interest-free loan up to \$10,000	Regular payments for 3 years	Full-time City employees
Seattle, WA	Loans for down payments, closing costs, other expenses	--	Numerous public and private Seattle employers
Washington, DC	Loans up to \$20,000; additional \$10,000 for first responders	Deferred for five years at 0% interest	District government employees
Loudoun County, VA	Down payment assistance grants of up to \$10,000	Loans forgiven at 20% per year if employee is in good standing	"Moderate-income" full- or part-time County employees, County school system employees
Baltimore City, MD	Loans or grants of up to \$5,000	Loan forgivable at 20% per year over 5-years	City or quasi-city agency employees (loans); select public, private orgs. employees (grants)
Waco, TX	Loans of up to \$25,000 for first-time purchase of home	Loan forgivable at 10% per year over 10-years	City of Waco employees
Rochester, NY	Grants of up to \$1,000 with additional dollar-matched up to \$3,000	Employee must contribute \$1,500 of own funds	Employees of City of Rochester, City schools, some universities, some private employers

#### 1. San Mateo County, CA

San Mateo County is in California's Silicon Valley. Its population was 769,545 as of 2018, and 6,137 individuals were employed in the county government workforce as of 2016. In 2017, median household income was \$105,667 per year, the median value of owner-occupied housing was \$917,700, and the median monthly housing cost with a mortgage was \$3,227.<sup>13</sup> On average, households spend 37 percent of their gross household income on housing and 54 percent of income when combining housing and transportation costs.<sup>14</sup>

The San Mateo County Board of Supervisors established the *County Employee Down Payment Assistance Program* in 2016, administered through the County's Housing Authority. The Program is open to all county and/or Housing Authority employees, regardless of income, who have been employed for at least 18 months and who do not

<sup>13</sup> QuickFacts, U.S. Census Bureau. <https://www.census.gov/quickfacts/fact/table/US/PST045218>

<sup>14</sup> "Access to Housing – Supporting County Workers Through Affordable Homes," Aaron Ridings, National Association of Counties, July 9, 2018, page 10, <https://www.naco.org/resources/featured/access-housing-supporting-county-workers-through-affordable-homes>.

currently own a home in San Mateo County. The County Board of Supervisors designed the program to encourage employees to live within the County and decrease “the environmental impact and the emotional/physical impact on the employees” from their long commutes.<sup>15</sup>

To date, 14 County employees have used the program to purchase homes in the County. Program participants who previously had lengthy commutes reported being satisfied with securing homes closer to their work.<sup>16</sup> Table 5-3 details the down payment assistance program’s features, requirements, and application process.

**Table 5-3: San Mateo County Employee Down Payment Assistance Program Features and Requirements**

Program Attributes	Details
<b>Assistance Provided</b>	<ul style="list-style-type: none"> <li>Loans up to \$100,000 for 35-year terms, deferred for five years, amortized for 30 years at 3% interest</li> <li>“Jumbo” loans for home purchases of up to \$1.5 million with 40-year terms</li> </ul>
<b>Intended Usage</b>	<ul style="list-style-type: none"> <li>Funding toward down payment for single-family homes (SFH), condominiums, townhouses, or owner-occupied 2-unit properties in the County</li> <li>Additional grants of \$5,000 are available to help cover additional closing costs</li> </ul>
<b>Current Funding</b>	<ul style="list-style-type: none"> <li>\$3.2 million in County government funds, as of October 2018</li> </ul>
<b>Available Assistance</b>	<ul style="list-style-type: none"> <li>Five loans per quarter</li> </ul>
<b>Employment Requirements</b>	<ul style="list-style-type: none"> <li>Employed by the County or Housing Authority for at least 18 months</li> </ul>
<b>Property Value Requirements</b>	<ul style="list-style-type: none"> <li>Assessed value of property must not exceed \$1.5 million</li> </ul>
<b>Income and Financial Requirements</b>	<ul style="list-style-type: none"> <li>Income at or below 80% of Area Median Income (AMI)</li> <li>Pre-approved for mortgage loan with San Mateo Credit Union</li> <li>Creditworthiness, including:                             <ul style="list-style-type: none"> <li>Minimum FICO credit score of 680</li> <li>Maximum 47% debt-to-income ratio</li> <li>Reserves of at least 2 months’ of principal, interest, taxes, and insurance</li> </ul> </li> <li>Must provide a minimum of 3% towards down payment from their own funds with a total down payment of 20%</li> <li>\$1,295 lender fees are waived upon approval</li> </ul>
<b>Selection and Loan Completion Process</b>	<ul style="list-style-type: none"> <li>Pre-approved applicants are included in a quarterly drawing for available loans:</li> <li>Selected applicants have 6 months from the time of notification to locate and secure a contract to purchase a home</li> <li>Selected applicants who can’t locate a property within 6-months may include their name in the next drawing</li> <li>Immediate repayment required if the home is sold, converted into rental property, or if the employee leaves the county workforce for any reason prior to the completion of the five-year deferral period</li> </ul>

**Source:** “San Mateo County Employee Down Payment Assistance Program – Frequently Asked Questions,” County of San Mateo County Department of Housing, [housing.smcgov.org](https://housing.smcgov.org/sites/housing.smcgov.org/files/Q%20%20A%20revised%2011-2018.pdf), Nov. 2018, <https://housing.smcgov.org/sites/housing.smcgov.org/files/Q%20%20A%20revised%2011-2018.pdf>.

<sup>15</sup> “County Employee Down Payment Assistance Program, County of San Mateo Department of Housing, 10-1-2018, <https://housing.smcgov.org/sites/housing.smcgov.org/files/EDPAP%20Guidelines%2010-2018.pdf>.

<sup>16</sup> “Access to Housing,” page 12.

2. Washington, DC

Washington DC is centered in a highly-developed metropolitan area, with large suburban populations surrounding it in both Maryland and Virginia. Its population was 702,455 in 2018. In 2017, the median household income was \$77,649, the median value of owner-occupied housing was \$537,400, and the median monthly housing cost with a mortgage was \$2,375.<sup>17</sup> On average, households spend 36.4 percent of gross household income on housing and just under 50 percent when combining housing and transportation costs.<sup>18</sup>

The DC Government offers the *Employer-Assisted Housing Program (EAHP)* for District government employees that provides a deferred, zero-percent interest loan and matching funds for a down payment and closing costs to purchase a home in the District. Data on the program is summarized in Table 5-4. In October 2017, the maximum loan amount was increased from \$10,000 to \$20,000 and the maximum matching fund amount was increased from \$1,500 to \$5,000.<sup>19</sup>

**Table 5-4: Washington DC Employee-Assisted Housing Program Features and Requirements**

Program Attributes	Details
Assistance Provided	<ul style="list-style-type: none"> <li>5-year loans up to \$20,000, deferred and amortized at 0% interest; matching funds grants up to \$5,000 for down payment, closing costs</li> <li>Additional for first responders: \$10,000 in down payment assistance who agree to a five-year service obligation plus matching funds grant of up to \$15,000</li> </ul>
Intended Usage	<ul style="list-style-type: none"> <li>Must use the loan to purchase a principal residence in the District</li> </ul>
Employment Requirements	<ul style="list-style-type: none"> <li>Employees of DC Government</li> </ul>
Property Value Requirements	<ul style="list-style-type: none"> <li>Maximum property purchase price of \$636,150</li> </ul>
Income and Financial Requirements	<ul style="list-style-type: none"> <li>There is no income cap or cash contribution requirement for applicants</li> </ul>
Selection and Loan Completion Process	<ul style="list-style-type: none"> <li>Payments are not required until the property is (1) sold or transferred, (2) no longer occupied as a principal residence, or (3) refinanced with a cash out</li> <li>First responders must maintain their property as their primary residence for five years and satisfy five-year service commitment or the grant converts to a deferred, 0% interest loan</li> </ul>

Source: “Employer-Assisted Housing Program,” Washington, DC Department of Housing and Community Development, dhcd.dc.gov, <https://dhcd.dc.gov/service/employer-assisted-housing-program-eahp>

<sup>17</sup> QuickFacts, U.S. Census Bureau.

<sup>18</sup> “Consumer Expenditures for the Washington Metropolitan Area: 2016-17,” Mid-Atlantic Information Office, Bureau of Labor Statistics, [https://www.bls.gov/regions/mid-atlantic/news-release/consumerexpenditures\\_washington.htm](https://www.bls.gov/regions/mid-atlantic/news-release/consumerexpenditures_washington.htm).

<sup>19</sup> <https://dhcd.dc.gov/service/employer-assisted-housing-program-eahp>.

### 3. City of Alexandria, VA

The City of Alexandria, VA had a population was 160,530 in 2018. In 2017, median household income was \$93,370 per year, the median value of owner-occupied housing units in the city was \$537,900, and the median monthly housing cost with a mortgage was \$2,648.<sup>20</sup>

The City of Alexandria offers the *Employee Homeownership Incentive Program (EHIP)* to its employees, providing interest-free loans of \$10,000 to full-time employees who purchase homes in the City. These funds can be used for down payments, closing costs, or similar expenses to purchase any property listed for sale in the City by the Alexandria Office of Housing.

Employees must remain at their jobs with the City for at least three years while paying off the loan. Subsequently, the loan becomes repayable upon sale of the property or may be folded into a subsequent home purchase within the City provided the participant is still employed with the City. Table 5-5 below summarizes details about the program.

**Table 5-5: City of Alexandria City Employee Loan Assistance Program Features and Requirements**

Program Attributes	Details
Assistance Provided	<ul style="list-style-type: none"> <li>Loans of up to \$10,000 for full-time City employees to purchase homes in the City</li> <li>Loans are interest-free, payments deferred</li> </ul>
Intended Usage	<ul style="list-style-type: none"> <li>Used for down payments, closing costs, or other costs to purchase properties marketed for sale by City of Alexandria Office of Housing</li> </ul>
Employment Requirements	<ul style="list-style-type: none"> <li>Employees of the City, Constitutional offices, or local state government offices for which the City supplements their employee salaries</li> <li>Employees must regularly work 20+ hours per week (loans prorated for part-time employees)</li> <li>Must remain at their jobs for minimum of three years while paying off their loan</li> </ul>
Property Value/ Income Limits	<ul style="list-style-type: none"> <li>None</li> </ul>
Selection and Loan Completion Process	<ul style="list-style-type: none"> <li>After three-year minimum term, loan becomes repayable upon sale of the property</li> <li>If participant is still employed with City, loan may be rolled over to a subsequent purchase within the City</li> <li>Employees who voluntarily leave must pay their loan back immediately or loan will begin accruing interest after 90 days</li> </ul>

Source: "City of Alexandria Employee Homeownership Incentive Program (EHIP)," City of Alexandria Department of Housing, alexandriava.gov, 2018, [https://www.alexandriava.gov/uploadedFiles/housing/info/EHIP%20Fact%20Sheet%20\(7.5.18\).pdf](https://www.alexandriava.gov/uploadedFiles/housing/info/EHIP%20Fact%20Sheet%20(7.5.18).pdf).

<sup>20</sup> QuickFacts, U.S. Census Bureau.

## Employer-Assisted Housing Programs for Public Sector Employees

### 4. Loudoun County, VA

Loudoun County had a population of 406,850 in 2018. In 2017, the median household income was \$129,588 per year and the median value of owner-occupied housing units in the County was \$475,500, and the median monthly housing cost with a mortgage was \$2,664.<sup>21</sup>

The Loudoun County Board of Supervisors established the *Down Payment/Closing Cost Assistance Program (DPCC)* in 1996. The program provides loans of up to 10 percent of the purchase price of a new home or \$25,000, whichever is less, to any first-time homebuyer living in the County.<sup>22</sup> In 2009, the Board of Supervisors established the *Public Employee Grant Program (PEG)*, providing forgivable \$10,000 loans for moderate-income Loudoun County public employees and school system employees to purchase homes in the County.<sup>23</sup>

Applicants cannot apply for both the PEG and DPCC – but can combine the PEG with other outside grants. Applicants must complete a six-hour VA Housing Development Authority Homebuyer Education Class and a Loudoun County HomeCents Seminar. County staff report approval of about 80 percent of applicants with funding available for about 12 employees per program per year. Between 2010-2017, 76 County employees received program benefits – primarily teachers. County staff currently are considering adjusting the AMI threshold to allow more applicants. Table 5-6 details the DPCC and PEG program features and requirements.

**Table 5-6: Loudoun County DPCC and PEG Program Features and Requirements**

Program Attributes	DPCC Program	PEG Program
<b>Assistance Provided</b>	<ul style="list-style-type: none"> <li>Loans up to 10% of home sale price or \$25,000, whichever is less</li> <li>30-year loan with 5% interest rate</li> </ul>	<ul style="list-style-type: none"> <li>Forgivable loan up to \$10,000</li> <li>Loan is forgiven by 20% per year</li> </ul>
<b>Intended Usage</b>	<ul style="list-style-type: none"> <li>Down payment or closing costs for first-time purchase of new home</li> </ul>	<ul style="list-style-type: none"> <li>Funds for purchase of a new home</li> </ul>
<b>Available Assistance</b>	<ul style="list-style-type: none"> <li>Approx. 12 employees per year</li> </ul>	<ul style="list-style-type: none"> <li>Approx. 12-15 employees per year</li> </ul>
<b>Employment Requirements</b>	<ul style="list-style-type: none"> <li>All County residents employed for at least six months</li> </ul>	<ul style="list-style-type: none"> <li>County public and school system employees, employed for six months</li> </ul>
<b>Property Requirements</b>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Assessed value &lt;=\$408,100</li> </ul>
<b>Income Requirements</b>	<ul style="list-style-type: none"> <li>Income within 30-70% of AMI</li> </ul>	<ul style="list-style-type: none"> <li>Income within 30-70% of AMI</li> </ul>
<b>Selection and Loan Completion Process</b>	<ul style="list-style-type: none"> <li>Applicant must provide minimum \$1,000 of own funds towards down payment, closing costs</li> </ul>	<ul style="list-style-type: none"> <li>Applicant must provide minimum \$1,000 of own funds</li> <li>Loans forgiven at 20% per year, fully at 60 months from date of settlement if employee remains in good standing</li> </ul>

**Source:** “Homeownership Loan Programs,” Loudoun County Department of Health and Human Services, Loudoun.gov, <https://www.loudoun.gov/1800/Homeownership-Loan-Programs>.

<sup>21</sup> QuickFacts, U.S. Census Bureau.

<sup>22</sup> “Downpayment/Closing Costs Assistance Program – Program Information for Lenders,” Loudoun County Department of Family Services, loudoun.gov, <https://www.loudoun.gov/DocumentCenter/View/113171/Program-Information-for-Lenders-DPCC?bidId=>.

<sup>23</sup> *Public Employee Homeownership Grant Program – Program Information for Lenders*, Loudoun County Department of Family Services, loudoun.gov, <https://www.loudoun.gov/DocumentCenter/View/113174/Program-Information-for-Lenders-PEG>.

## 5. Seattle, WA

The City of Seattle, WA had a population of 744,955 as of 2018. In 2017, median household income was \$79,565 per year, the median value of owner-occupied housing units in the city was \$537,800, and the median monthly housing cost with a mortgage was \$2,388.<sup>24</sup>

The City of Seattle created the *Hometown Home Loan Program* in 1994, in partnership with the community HomeStreet Bank to encourage City employees to become homeowners in the City. The program is open to both first-time and established homebuyers. First targeted to police officers and fire employees, it was extended to all City employees in 1996 and to other select public and private agency employees in 1997.<sup>25</sup> Currently, over 50 public and private organizations in Seattle participate in the program. The program was expanded again in 2012 to the greater Spokane area.<sup>26</sup>

Table 5-7 below details the program's features and requirements. To date, over 10,000 people have used the program to purchase or refinance homes. Of these, roughly 40 percent were for first-time home purchases. In 2014, the program helped to produce 504 loans, 60 percent of which were first-time home buyers and 50 percent of which were low- or moderate-income earners.

**Table 5-7: City of Seattle Hometown Home Loan Program Features and Requirements**

Program Attributes	Details
Assistance Provided	<ul style="list-style-type: none"> <li>Reduced-cost mortgage loans for new or existing homebuyers in City of Seattle</li> </ul>
Intended Usage	<ul style="list-style-type: none"> <li>Down payments, closing costs, or similar expenses for purchase of home</li> <li>Applicant must use the home as primary residence</li> </ul>
Employment Requirements	<ul style="list-style-type: none"> <li>Must be employed by participating public or private organization in Seattle</li> </ul>
Property Value and Income Requirements	<ul style="list-style-type: none"> <li>None</li> </ul>
Selection and Loan Completion Process	<ul style="list-style-type: none"> <li>HomeStreet offers monthly homebuyer education classes to approved applicants</li> </ul>

Source: "HomeStreet's Hometown Home Loan program provides special benefits for employees," Tri-Cities Area Journal of Business tricitiebusinessnews.com, February 2016, <https://www.tricitiebusinessnews.com/2016/02/homestreet-hometown-home-loan-program-provides-special-benefits-employees/>

<sup>24</sup> QuickFacts, U.S. Census Bureau.

<sup>25</sup> "Seattle Hometown Home Loan Program," Better Government Competition, <http://bgc.pioneerinstitute.org/seattle-hometown-home-loan-program/>

<sup>26</sup> "HomeStreet Bank Extends Employer-Assisted Housing Program to Spokane," BusinessWire.com, June 14, 2012, <https://www.businesswire.com/news/home/20120614006300/en/HomeStreet-Bank-Extends-Employer-Assisted-Housing-Program-Spokane>

### 6. Baltimore City, MD

Baltimore, MD is a medium-sized metropolitan area located in the State of Maryland. Its population was 602,495 in 2018. As of 2017, median household income was \$46,641 per year, the median value of owner-occupied housing was \$153,200, and the median monthly housing cost with a mortgage was \$1,424.<sup>27</sup>

The City of Baltimore offers both the *Baltimore City Employee Homeownership Incentive* and the *Live Near Your Work Program* to employees within the City. Funds from these programs may be used in conjunction with other grants.

The City's *Employee Homeownership Incentive* was first established as a first-time homebuying benefit for public employees of the City of Baltimore and other City agencies, with the goal of retaining more of these employees as residents within the City. Prospective homebuyers are eligible for up to \$5,000 to be used towards down payment and closing cost expenses. They must be employed by one of the approved private or public entities for a minimum of six months, and their total required mortgage loan amount may not exceed \$417,000. It is structured as a five-year loan, with the balance forgiven by 20 percent per year.<sup>28</sup>

The City's *Live Near Your Work Program* offers financial grants through partnerships with over 100 public and private employers in the City of Baltimore to encourage homeownership for their employees near their work. Employees of participating companies or agencies who are first-time homebuyers are eligible to apply for a financial grant to use toward down payment or closing costs. These incentives are funded partially by employers and partially by the City. The minimum grant amount is \$2,000 (\$1,000 from the City of Baltimore and \$1,000 from the employer) and the maximum is \$5,000 (\$2,500 from each).<sup>29</sup>

City of Baltimore staff report that, while they have not established express goals for either program, demand for both has steadily increased in recent years – their office completed 115 Employee Homeownership Program loans in FY15, 127 in FY16, and 155 in FY17. Staff also reported that, because of high demand, their funding for the programs ran out for the first time this year, and they will need to request additional funds for the next fiscal year.

Table 5-8 on the next page details the assistance programs' features and requirements.

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<sup>27</sup> QuickFacts, U.S. Census Bureau.

<sup>28</sup> *Baltimore City Employee Homeownership Assistance Program*, Baltimore Housing Office of Homeownership, <http://static.baltimorehousing.org/pdf/BCEHPapplicationpacket.pdf>

<sup>29</sup> *Baltimore City Live Near Your Work Program*, Department of Housing and Community Development, August 2011, [https://dhcd.baltimorecity.gov/sites/default/files/livenear\\_employers.pdf](https://dhcd.baltimorecity.gov/sites/default/files/livenear_employers.pdf)



**Table 5-8: City of Baltimore Employee Homeownership Program and Live Near Your Work Program Features and Requirements**

Program Attributes	Details	
	Employee Homeownership Incentive	Live Near Your Work Program
<b>Assistance Provided</b>	<ul style="list-style-type: none"> <li>Loans of up to \$5,000 for closing costs and other related expenses for public employees purchasing their first home in Baltimore City</li> <li>5-year loan term, with balance forgiven 20% each year</li> </ul>	<ul style="list-style-type: none"> <li>Provides grants to encourage homebuying</li> <li>City will match employer contributions of \$1,000 - \$2,500, depending on employer</li> </ul>
<b>Intended Usage and Restrictions</b>	<ul style="list-style-type: none"> <li>Down payment or closing costs for purchase of new home</li> <li>Must be homeowner’s primary residence</li> <li>Only one City employee per household may apply</li> <li>Cannot currently own a home in Baltimore City</li> </ul>	<ul style="list-style-type: none"> <li>Approved bank closing costs or down payments</li> <li>Must be homeowner’s primary residence</li> <li>Cannot currently own a home in Baltimore City</li> </ul>
<b>Employment Requirements</b>	<ul style="list-style-type: none"> <li>Full-time, permanent City employees (City agencies, Mayor’s office, employees of Baltimore City Council) or “quasi-City” agency for minimum of six months*</li> </ul>	<ul style="list-style-type: none"> <li>Full-time, permanent employees of participating companies or organizations**</li> </ul>
<b>Property Value Requirements</b>	<ul style="list-style-type: none"> <li>House value must not exceed \$417,000</li> </ul>	<ul style="list-style-type: none"> <li>Mortgage under FHA limit of \$517,000 for single-family properties</li> </ul>
<b>Income and Financial Requirements</b>	<ul style="list-style-type: none"> <li>No annual income limits</li> <li>Homebuyer must invest minimum of \$1,000 from personal resources</li> </ul>	<ul style="list-style-type: none"> <li>No annual income limits</li> <li>Homebuyer must invest minimum of \$1,000 from personal resources</li> </ul>
<b>Selection and Loan Completion Process</b>	<ul style="list-style-type: none"> <li>Applicants must complete and earn Homeownership Counseling Certificate from City-approved counseling agency prior to writing contract</li> </ul>	<ul style="list-style-type: none"> <li>Must obtain fixed-rate mortgage from a federally-insured lender</li> <li>Applicants must complete and earn Homeownership Counseling Certificate from City-approved counseling agency prior to writing contract</li> </ul>

Source : “Baltimore City Employee Homeownership Program” and “Baltimore City Live Near Your Work Program,” LiveBaltimore, livebaltimore.com, <https://livebaltimore.com/financial-incentives/employer-based/>.

\* Quasi-City Agencies currently include the following: Baltimore Area Convention and Visitors Association, Baltimore Convention Center, Baltimore Development Corporation, Baltimore Housing, Baltimore Main Streets, The Baltimore Museum of Art, Baltimore Office of Promotion and the Arts, Baltimore Rising, Downtown Partnership of Baltimore, Emerging Technology Center, Empower Baltimore Management Corporation, Enoch Pratt Free Library, Mayor’s Office of Employment Development, Mayor’s Office of Minority and Women-Owned Business Development, Parking Authority of Baltimore City, Small Business Resource Center, Visit Baltimore, Walters Art Museum, Waterfront Partnership of Baltimore.

\*\* Eligible organizations include the State of Maryland; the University of Maryland - Baltimore County; the University of Maryland Medical System; the University of Baltimore; Morgan State University, and several dozen additional private companies, organizations, and educational institutions listed here: <https://livebaltimore.com/live-near-your-work>.

**7. City of Waco, TX**

The City of Waco, TX had a population of 138,183 in 2018. In 2017, median household income was \$36,004 per year, the median value of owner-occupied housing was \$107,700, and the median monthly housing cost with a mortgage was \$1,218.<sup>30</sup>

The City Government offers loans for down payment and closing cost assistance to lower-income employees to purchase a primary residence in Waco. Part of the City’s homebuyer assistance programs, the program provides no-interest loans of up to \$25,000. Table 5-9 below details the homebuyer assistance program’s features, requirements, and application process.

**Table 5-9: City of Waco, TX Homebuyer Assistance Programs Loan Features and Requirements**

<b>Program Attributes</b>	<b>Details</b>
<b>Assistance Provided</b>	<ul style="list-style-type: none"> <li>• Forgivable, no-interest loan for City of Waco employees up to \$25,000</li> <li>• Forgiven at \$2,500 per year for 10 years if employee remains employed in good standing with the City</li> </ul>
<b>Intended Usage</b>	<ul style="list-style-type: none"> <li>• For the first-time purchase of a primary residence in the City</li> <li>• Property must be owner-occupied</li> </ul>
<b>Employment Requirements</b>	<ul style="list-style-type: none"> <li>• Employees in good standing with the City who have been employed for at least 12 consecutive months</li> <li>• Must remain employed with the City for 10 years</li> </ul>
<b>Income and Financial Requirements</b>	<ul style="list-style-type: none"> <li>• Income less than 80% of AMI for City of Waco</li> <li>• Minimum employee investment of \$500 towards home purchase</li> </ul>
<b>Selection and Loan Completion Process</b>	<ul style="list-style-type: none"> <li>• Must qualify for first-lien mortgage</li> <li>• Loan subject to repayment if employment is terminated or the property is sold/transferred<sup>31</sup></li> </ul>

Source: “Homebuyer Assistance Programs,” City of Waco Texas Dept. of Housing & Economic Development, <https://www.waco-texas.com/housing-homebuyer-assistance.asp>.

<sup>30</sup> QuickFacts, U.S. Census Bureau.

<sup>31</sup> “City Employee Loan Assistance,” City of Waco, Texas,” <https://www.waco-texas.com/housing-homebuyer-assistance.asp#assistance>.

## 8. Rochester, NY

Rochester, NY is a medium-sized metropolitan area located in Western Upstate New York. Its population was 206,284 as of 2018. In 2017, median household income was \$32,347 per year, the median value of owner-occupied housing was \$79,400, and the median monthly housing cost with a mortgage was \$1,032.<sup>32</sup>

The City of Rochester's *Employer Assisted Housing Initiative* program provides funding for down payments, closing costs, and other first-time homebuying expenses for employees to purchase homes in the City of Rochester. Twelve public entities and private organizations participate in the program, including the City of Rochester, the City School District, several universities, and private employers.

Participating private employers provide a minimum of \$1,000 – \$3,000, which the City of Rochester matches dollar-for-dollar. Depending on the participating company, employees may also receive a matched contribution from their approved lending financial institution. City staff indicate that the “flagship” program offers a maximum of \$3,000 from the private employer, \$3,000 from the city, and \$3,000 from approved lenders, for a total of \$9,000. Table 5-10 below describes the program's features, requirements, and application process.

**Table 5-10: City of Rochester Employer-Assisted Housing Initiative Program Features and Requirements**

Program Attributes	Details
Assistance Provided	<ul style="list-style-type: none"> <li>Grants to employees for purchase of a home in Rochester</li> <li>Employers grant of \$1,000-\$3,000 and matching funds from the City and lenders</li> </ul>
Intended Usage	<ul style="list-style-type: none"> <li>Assistance for purchasing a home in the City of Rochester</li> <li>May be used for bank pre-payable items, closing costs, down payments, or recording fees</li> <li>Can be used in conjunction with other grant programs<sup>33</sup></li> </ul>
Requirements	<ul style="list-style-type: none"> <li>Cannot currently own a home in Rochester</li> <li>Available to Rochester-based public employees and employees of several private participating organizations</li> </ul>
Property Value Requirements and Income Limits	<ul style="list-style-type: none"> <li>None</li> </ul>
Selection and Loan Completion Process	<ul style="list-style-type: none"> <li>Applicant must live in the property for at least five years, contribute \$1,500 of their own funds, and qualify for a conventional mortgage</li> <li>Buyers must complete an approved Home Ownership class before closing</li> </ul>

Source: “2018 Employer Assisted Housing Initiative (EAHI) Program Highlights,” City of Rochester, 2018, <http://www.cityofrochester.gov/EAHIhighlights.aspx>.

<sup>32</sup> “QuickFacts, U.S. Census Bureau.

<sup>33</sup> “Home Buyer Services,” City of Rochester, March 2017, <http://www.cityofrochester.gov/homebuyerservicesapp.aspx>.

### III. Employer-Assisted Housing Programs that provide publicly-owned housing for rent

Several jurisdictions provide employer-assisted housing benefits in the form of publicly-owned housing made available for employees to rent.

**Santa Clara, CA.** The Santa Clara Unified School District (USD) maintains the [Casa Del Maestro](#) workforce housing apartments, which are available as lower-cost apartment housing for teachers working in the district.<sup>34</sup>

**San Mateo County Community College District.** The San Mateo County (CA) Community College constructed [104 rental housing units](#) for the use of its faculty and staff on two of its campuses.<sup>35</sup>

**Dare County School System (Nags Head, NC).** The school system maintains [two housing complexes](#) that provide affordable housing options for teachers within the Dare County school system.<sup>36</sup>

**Teachers' Village Development (Newark, NJ).** The Teachers' Village was developed by the RBH Group, a real estate and financing firm based in Newark, NJ, to provide dedicated housing options to teachers within the City of Newark. The village comprises 3 charter schools, retail space, and hundreds of individual apartments with preference given to teachers.<sup>37</sup>

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<sup>34</sup> "Casa Del Maestro," KTG Architecture, <http://ktgy.com/work/casa-del-maestro/>.

<sup>35</sup> "Editorial: Caution on teacher housing," Palo Alto Online, Jan 16, 2018, <https://www.paloaltoonline.com/news/2018/01/26/editorial-caution-on-teacher-housing>.

<sup>36</sup> "Facilities – Teacher Housing Units," Dare County Schools, <https://www.daretolearn.org/resources/facilities>.

<sup>37</sup> "Teachers Village: One City's Innovative Solution to the Problem of Teacher Retention," Forbes.com, June 8, 2018, <https://www.forbes.com/sites/emilylanghorne/2018/06/08/teachers-village-one-citys-innovative-solution-to-the-problem-of-teacher-retention/#6f04c3b363b7>

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## CHAPTER VI. Findings and Recommendation

This chapter summarizes the main findings from OLO's review of employer-assisted housing programs for public sector employees and outlines considerations for the Council's discussion of these types of programs.

### I. Findings

**Finding #1. Policy research indicates that housing allowance policies for public employees may serve to lower housing costs, reduce commute times and expenses, and provide cost savings for employers and economic benefits for the community.**

OLO reviewed academic and policy literature on the benefits of the use of employee-assisted housing policies and programs by municipal governments for their public employees. According to research compiled by the National Association of Counties (NaCO), local government workers who must live farther away from their place of work have longer commutes and may experience declines in productivity and disconnection from the communities that they serve. OLO's research found that the use of these programs by local governments can offer several advantages to their employees:

- Employer-assisted housing programs that help employees live closer to work may help reduce their total commuting time and expenses, according to research conducted by PolicyLink. Their research also indicates that these policies may decrease employee tardiness, absenteeism, and turnover.
- Housing-assisted housing programs may also help boost the local economy, according to research conducted by the University of Pennsylvania's *Fels Institute of Government*. More employees moving into the community they serve can help stabilize it through an increased community tax base and lead the employees to spend more of their money in the community.

## Employer-Assisted Housing Programs for Public Sector Employees

**Finding #2. Many local governments around the country operate programs that provide financial assistance to their employees to help them purchase or live in a home in the jurisdiction.**

OLO reviewed employer assisted housing programs in many jurisdictions across the United States. The most common type of program provides a loan or grant to help employees with the cost of down payments and/or closing costs related to purchasing residential property. One organization – the Menlo Park Fire Protection District in San Mateo County, CA – provides a monthly residency stipend ranging from \$250-\$1,000 per month for employees who live nearer to the fire district’s administrative offices.

The data in the next table highlight the type of assistance provided by the jurisdictions that have programs to provide loans and/or grants for employees and the median cost of single-family homes in those jurisdictions.

**Table 6-1: Characteristics of Housing Assistance Programs Reviewed by OLO**

Jurisdiction	Median Income, 2017	Median Value of Owner-Occupied Housing, 2017	Program Offers	Eligible Participants
San Mateo County, CA	\$105,667	\$917,700	Loans of up to \$100,000	County government employees
Washington, DC	\$77,649	\$537,400	Loans up to \$20,000; additional \$10,000 for first responders	District government employees
Alexandria, VA	\$93,370	\$537,900	Interest-free loans up to \$10,000	Full-time City employees
Loudoun County, VA	\$129,588	\$475,500	Down payment assistance grants of up to \$10,000	“Moderate-income” full- or part-time County employees, County school system employees
Seattle, WA	\$79,565	\$537,800	Loans for down payments, closing costs, other expenses	Numerous public and private Seattle employers
Baltimore City, MD	\$46,640	\$153,200	Loans or grants of up to \$5,000	City or quasi-city agency employees (loans); select public, private org. employees (grants)
Rochester, NY	\$32,347	\$79,400	Grants up to \$1,000 with additional dollar-matched amount up to \$3,000	Employees of City of Rochester, City schools, some universities, some private employers
Waco, TX	\$36,004	\$107,700	Loans of up to \$25,000 for first-time purchase of home	City of Waco employees

Sources: QuickFacts, U.S. Census Bureau, data from local jurisdictions

**Finding #3. 47% of full-time Montgomery County employees live outside of Montgomery County. On average, employees living outside Montgomery County have worked for the County Government one year longer than employees who live in the County.**

The 4,062 full-time County Government employees who live outside Montgomery County reside in 85 different jurisdictions. The most populous alternatives to Montgomery County are Frederick County (14 percent) and Prince George's County (nine percent). The remaining 82 jurisdictions are each home to three percent of full-time employees or less. On average, employees who live outside Montgomery County have worked for the County for 13 years compared to 12 years for employees who live in the County.

**Table 6-2: Full-Time County Government Employees, by Residence**

Residence	Full-Time County Employees		Average Length of Employment (years)	Full-Time Employees' Average Salary	
	#	%		Average Salary	Difference from MoCo
<b>All Full-Time Employees</b>	<b>8,594</b>	<b>100%</b>	<b>13</b>	<b>\$81,157</b>	<b>--</b>
Living in Montgomery County	4,532	53%	12	\$80,545	--
Living in Other Jurisdictions	4,062	47%	13	\$81,841	\$1,296
Frederick County	1,235	14%	14	\$83,926	\$3,382
Prince George's County	737	9%	12	\$72,040	(\$8,505)
Howard County	266	3%	13	\$88,750	\$8,206
Washington County	257	3%	16	\$84,444	\$3,899
Carroll County	244	3%	14	\$87,389	\$6,844
Anne Arundel County	205	2%	12	\$82,015	\$1,470
Washington, DC	163	2%	10	\$75,282	(\$5,263)
Baltimore County	133	2%	13	\$80,185	(\$360)
City of Baltimore	107	1%	9	\$76,277	(\$4,268)
Berkeley County, WV	75	1%	14	\$77,739	(\$2,805)
Adams County, PA	61	1%	14	\$90,650	\$10,106
Fairfax County, VA	52	1%	11	\$97,251	\$16,707
Other*	527	6%	12	\$84,891	\$4,346

**Finding #4. Except for employees who live in Prince George’s County, more than half of employees in the jurisdictions outside Montgomery County with the most County Government employees earn more than \$80,545, the average salary of employees who live in Montgomery County.**

One policy reason cited for establishing employer housing subsidy programs is that the high cost of living in certain jurisdictions may not allow employees to live near their place of work. For privacy reasons, OLO did not have access to employees’ home addresses to evaluate how far employees lived from their place of work and whether there is a correlation between salary and distance lived from work.

Salary data for County Government employees, however, did allow OLO to compare the salaries of employees who live in Montgomery County with employees who live in other jurisdictions. OLO found that overall, approximately half of employees who live outside Montgomery County earn more than \$80,545, the average salary of employees living in Montgomery County.

**Table 6-3: Location of Residence and Average Salary of Full-Time County Government Employees**

<b>Residence</b>	<b>%</b>	<b>Average Salary</b>	<b>% with Salary Higher than MoCo Average Salary</b>
Montgomery County	53%	\$80,545	n/a
Frederick County	14%	\$83,926	52%
Prince George’s County	9%	\$72,040	33%
Howard County	3%	\$88,750	56%
Washington County	3%	\$84,444	57%
Carroll County	3%	\$87,389	57%
Other	15%	\$82,437	48%
<b>Grand Total</b>	<b>100%</b>	<b>\$81,157</b>	<b>48%</b>

**Finding #5. Employees in five County Government departments account for 43% of full-time employees who live outside of Montgomery County.**

In five departments, more than half of employees live outside the County: Fire and Rescue, Corrections, General Services, Permitting, and the Sheriff’s Office.

**Table 6-4: Five Departments with Highest Percentage of Employees Residing Outside Montgomery County**

<b>County Department</b>	<b># of Employees</b>	<b>% of All Employees</b>	<b>% of Employees Living Outside MoCo</b>
Fire and Rescue Services	1,314	15%	77%
Correction and Rehabilitation	480	6%	63%
Permitting Services	219	3%	51%
Sheriff's Office	195	2%	51%
General Services	400	5%	50%



**Finding #6. Except for the Department of Permitting Services, on average, employees in the five departments with 50 percent or more of employees living outside Montgomery County earn more than their department counterparts living in Montgomery County and have worked for the County for a longer period of time.**

Data show that, on average, employees who live outside Montgomery County earn more than their counterparts who live in Montgomery County. Except for the Department of Permitting Services, more than half of the employees who live outside of Montgomery County earn more than the average salary of their department counterparts living in Montgomery County.

Overall, employees who live outside the County have worked for the County longer than their department counterparts who live in the County. Of the five departments in the table below, only employees in the Department of Permitting Services who live outside the County have worked for the County for a shorter period of time, on average, than their counterparts who live in the County.

**Table 6-5: Montgomery County Employee Length of Employment and Average Salary by Residence**

Department	Residence	#	%	Average Length of County Employment	Average Salary	% with Salary Higher than MoCo Average for That Group
<b>All Departments</b>	Montgomery County	4,532	53%	12	\$80,545	
	All Other	4,062	47%	13	\$81,841	48%
<b>Fire and Rescue</b>	Montgomery County	296	23%	11	\$77,840	
	All Other	1,018	77%	13	\$85,926	59%
<b>Correction and Rehabilitation</b>	Montgomery County	177	37%	10	\$73,017	
	All Other	303	63%	14	\$80,930	63%
<b>Permitting</b>	Montgomery County	108	49%	15	\$99,024	
	All Other	111	51%	13	\$94,254	38%
<b>Sheriff</b>	Montgomery County	95	49%	12	\$77,075	
	All Other	100	51%	13	\$79,773	54%
<b>General Services</b>	Montgomery County	201	50%	13	\$80,816	
	All Other	199	50%	14	\$82,373	52%

### II. Discussion Issue

**OLO recommends that the County Council discuss the policy reasons that have led other jurisdictions to establish employer-assisted housing programs and whether similarities and differences in Montgomery County and the County Government's workforce merit further consideration of an employer-assisted housing program in the County Government.**

One persistent challenge for local government employers in highly developed regions can be building and maintaining a workforce, particularly when the costs of housing and other living expenses are high. Living closer to work can reduce employees' commuting costs and can help reduce tardiness and absenteeism. Research from the University of Pennsylvania also has shown that employer-assisted housing programs can have positive impacts on communities, increase a jurisdiction's tax base, and lead to employees spending more money in their community.

Some local governments have developed employer-assisted housing programs that provide financial assistance to employees to help them purchase or live in a residence in the jurisdiction where they work. Programs range from providing a monthly stipend for housing-related costs to providing loans or grants for costs related to purchasing residential property.

Analyzing data on County Government employees, OLO found that 47 percent (4,062) of the County's 8,594 full-time employees live in jurisdictions outside Montgomery County. Of the total that reside outside the County, 48 percent of these employees earn more than employees who live in the County. Overall, employees living outside Montgomery County have worked for the County for a longer period of time, on average, than employees who live in the County – 13 years vs. 12 years.

Below are some questions that can focus the Council's analysis of public employees housing assistance programs. Some questions require additional data, analysis, and/or discussion with Executive Branch representatives.

- What are the primary factors that lead County Government employees to live in jurisdictions other than Montgomery County?
- What type of financial incentive(s) would persuade County Government employees to purchase a residence in the County?
- How does the average housing costs in Montgomery County compare to other jurisdictions that have employer-assisted housing programs?

If the Council would like to consider establishing an employer-assisted housing program in the County, OLO recommends that the Council engage a consultant to conduct an in-depth analysis feasibility study.

**CHAPTER VII. Agency Comments**

The Office of Legislative Oversight circulated a draft of this report to the Office of the Montgomery County Executive. OLO greatly appreciates the time taken by the Chief Administrative Officer to review the draft report and provide comments.

The written comments received from the CAO are included in their entirety, beginning on the following page.



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich  
*County Executive*

Andrew W. Kleine  
*Chief Administrative Officer*

MEMORANDUM

July 19, 2019

TO: Chris Cihlar, Director  
Office of Legislative Oversight

FROM: Andrew Kleine *AWK*  
Chief Administrative Officer

SUBJECT: OLO Draft Report 2019-10: Employer-Assisted Housing Programs for Public Employees

Thank you for providing a copy of the Office of Legislative Oversight's (OLO's) Draft Report 2019-10, Employer-Assisted Housing Programs for Public Employees. The report is primarily a survey of such programs in the Baltimore-Washington area and some other jurisdictions around the nation. The report summarizes various types of programs that have been implemented and provides detailed information about the specific programs of eight jurisdictions. For policy discussion it would be helpful to better understand why those jurisdictions established their employer-assisted housing programs, what problems they intended to solve, what the program outcomes were, and whether there are similarities or differences in Montgomery County (i.e., housing costs, funding resources, County Government's workforce, etc.). In addition, it would provide a more comprehensive view of the housing issues if MCPS employee data could be incorporated into the analysis.

We have no additional comments.

Thank you for the opportunity to review the draft report and present our comments.

AK:mc

cc: Fariba Kassiri, Deputy Chief Administrative Officer  
Michael Coveyou, Acting Director, Department of Finance  
Timothy Goetzinger, Acting Director, Department of Housing and Community Affairs  
Richard S. Madaleno, Director, Office of Management and Budget  
Barry Hudson, Director, Public Information Office  
Karen Plucinski, Acting Director, Office of Human Resources