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1 **R2020-49: TO AMEND RESOLUTION R2020-34, SETTING FORTH THE POLICY OF THE**  
2 **CITY COUNCIL CONCERNING WORKFORCE HOUSING, FOR THE PURPOSE OF**  
3 **ADOPTING THE “CITY EMPLOYEE RESIDENCY ASSISTANCE PROGRAM”.**

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4 **Applicant/Purpose:** Staff/ to adopt the City Employee Residency Assistance Program.

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6 **Brief:**

- 7 • Council set out its Workforce Housing Policy through the adoption of R2020-034 in 08/2020.
- 8 Since then Council has also contracted for management of this initiative w/ Habitat for
- 9 Humanity of Horry County.
- 10 • This amendment adopts the “City Employee Residency Assistance Program” designed to
- 11 make living in the City more affordable for the majority of our full-time employees (those
- 12 making less than \$75,000, or 93.4% of the City’s workforce).
- 13 • Additional incentives are provided for residency in designated “target areas”.
- 14

15 **Issues:**

- 16 • Homeownership Assistance Element of the Employee Residency Assistance Program:
  - 17 ▪ Employee picks a target amount to save for a downpayment, closing costs, or to
  - 18 write down the interest rate (max of \$10,000), & a target date for achieving this
  - 19 goal (max of 52 pay periods).
  - 20 ▪ City withholds 50% of the target amount/pay period until they reach 50% of the
  - 21 target. Then the City matches it at a rate of \$1 to \$1 (40% w/in a target area \$1.50
  - 22 to \$1.00 match).
  - 23 ▪ City’s match would be secured by a 2nd mortgage.
  - 24 ▪ For every year that the employee lives in the home & continues to be employed by
  - 25 the City, the 2<sup>nd</sup> mortgage is reduced by 1/5 of the original amount.
  - 26 ▪ At the end of year 5 the 2<sup>nd</sup> mortgage is satisfied,
- 27 • Rental Assistance Element of the Employee Residency Assistance Program:
  - 28 ▪ Employees who currently reside outside the City will be eligible to apply for a rental
  - 29 assistance of \$100/month upon moving into the City, (\$150/month in a target area)
  - 30 for up to 3 years.
  - 31 ▪ Existing rentals in the City outside of the target area - stipend of \$50/month.
  - 32 ▪ Existing rentals in the City inside the target area - stipend of \$75/month.
  - 33 ▪ Employee must provide a lease copy annually, & notify the City upon moving.
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35 **Public Notification:** Normal meeting notification.

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37 **Alternatives:**

- 38 • Do not adopt the proposed Program.
- 39 • Modify the proposed Program.
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41 **Financial Impact:**

- 42 • Funding (\$100k) is available in the Workforce Housing Fund, comprised of revenues derived
- 43 from the .25% fee on the value of each construction permit (after the 1st \$100k).
- 44 • These funds cannot be used for purposes unrelated to workforce housing.
- 45 • The balance of that Fund currently exceeds \$700,000, exclusive of the \$246,000
- 46 commitment to Habitat for Humanity for program management services.
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48 **Manager’s Recommendation:** I recommend 1<sup>st</sup> reading (12/1/2020).

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50 **Attachment(s):** Proposed resolution.