



DATE: May 16, 2018

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT: Employee Home Loan Survey Results

RECOMMENDATION

That the Council Budget and Finance Committee (CBFC) reviews results of the employee survey and recommended programs and provides direction.

SUMMARY

In May 2017, City Council expressed a desire to explore options to encourage City of Hayward employees to live within the City limits. Since then, staff has researched various options and administered an employee survey to determine employee interests.

Based on these results, two initial programs are recommended. First, the provision of an educational/informational series of sessions to educate employees on ways to prepare for homeownership, including how to reduce personal debt, credit counseling, as well as education on the home purchasing process. Second, the creation of a down payment assistance program that could be offered to employees who meet specified criteria.

BACKGROUND

To advance Council's direction to develop options for City of Hayward employees to live within the City limits, staff administered a survey of employees in January 2018. The survey was designed to:

- Gauge employee interest in living in Hayward;
- Determine if an employee is planning to buy a home in the near future;
- Identify possible barriers for employees with the desire to purchase a home in the City, and
- For employees who expressed interest in purchasing a home in Hayward, they were asked what type of assistance would be most beneficial to them.

Staff intends to use the results from the survey to assist in designing a useful and desirable loan program should one be introduced in the City.

DISCUSSION

Staff designed a survey and distributed it to the employees of the organization via email, with the knowledge that not all employees were likely to respond, but hopeful that it would result in a representative sample of the population. The survey was made up of six questions and was sent to all employees with an active email address in the City. Of the City's approximately 850 employees, 177 or 21% responded to the survey.

The six questions asked employees the following:

1. Do you currently reside in Hayward?
2. Do you plan to purchase a home in the next three years?
3. Are you considering purchasing your home in Hayward?
4. If you are not considering purchasing in Hayward, why not?
5. Will you be a first-time homeowner?
6. Which of the following home purchase assistance options would you be interested in?
 - Down payment assistance
 - Mortgage loan assistance
 - Debt reduction
 - Improving credit score
 - Other

The results of the survey are included in **Attachment II** to this report.

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STRATEGIC INITIATIVES

The scope of this work may not be directly tied to one of Council's strategic initiatives now; however, this program could assist in advancing the Complete Communities initiative should more City employees live in the community they work.

FISCAL IMPACT

The fiscal impact of a program cannot be quantified currently because costs associated will be dependent on the identification of funds for the program and level of use.

NEXT STEPS

If the CBFC Committee supports staff recommendation, staff will begin researching educational programs and developing a Down Payment Assistance Program proposal that will be brought back to CBFC for feedback and direction. The fiscal impact will be discussed at that time and any necessary appropriation requests would be made during the FY 2019 mid-year budget review process.

Prepared and Recommended by:

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Approved by:



Kelly McAadoo, City Manager