

## **Companies Offer Housing Assistance to Retain Employees**

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Employers that sponsor housing assistance programs see them as a popular benefit that fosters employee loyalty and reduces turnover. Positive outcomes from the initiatives are likely to grow during the current mortgage market meltdown.

CVS Caremark launched Prescriptions for Homeownership in 2005 in Washington and last year in Los Angeles. The company, which has helped 46 employees in the capital and six in California close on homes, offers \$500 in down payment assistance.

CVS also makes an annual contribution to Mt. Lebanon Baptist Church in Washington to support a housing education program that the church conducts with Freddie Mac.

Harley-Davidson Motor Co. gives eligible employees \$2,500 in down payment help to purchase homes in neighborhoods surrounding company facilities in the Milwaukee area. From 2000 to 2005, the motorcycle manufacturer provided \$67,500 in assistance to 27 employees.

CVS and Harley-Davidson were honored on Capitol Hill during an event Monday, February 11, sponsored by Homes for Working Families. The nonprofit group gave Pioneer Awards to 14 companies that have launched housing assistance programs.

The organization targets families who make between 60 percent and 120 percent of the annual median income for their region. That amounts to between \$46,000 and \$92,000 in San Jose, California, and \$24,000 and \$48,000 in New Orleans. Nationally, it's \$25,000 to \$50,000.

In addition to CVS and Harley-Davidson, award recipients were Aflac, Applied Materials Inc., Brownstein Hyatt Farber Schreck LLP, Citizens Financial Group, the cities of Columbia, South Carolina, and Seattle, Johns Hopkins University, Northrop Grumman Corp., the Schwan Food Co., Honeywell, Unite Here, and the University of Chicago and University of Chicago Medical Center.

Each of the companies offers housing benefits, which include help with down payments, education and counseling as well as rental, renovation and construction assistance. Homes for Working Families is distributing a guidebook on housing programs to about 2000 employers, local governments and advocacy groups.

CVS housing assistance pays off in engagement.

"We really look at this as a retention tool," said Steve Wing, director of government programs. "If we can help [employees], especially in hard times, the loyalty is going to be there."

Harley-Davidson sees its program as an investment in its community. It targets its initiative, called "Walk to Work," at neighborhoods near its offices, which have moderately priced, older and architecturally unique houses.

"It builds a lot of stability and equity for us in the neighborhoods where we do business," said Tony Shields, Harley-Davidson manager of community relations.

Both Wing and Shields stress that the educational component is as beneficial to workers as the monetary assistance.

Harley-Davidson has an annual \$6000 contract with Select Milwaukee, which administers the housing program and provides credit counseling. In Washington, Wing said that the CVS relationship with Mt. Lebanon Baptist Church was the catalyst for success.

Employees felt more comfortable navigating the Washington housing market with their minister, the Rev. Lionel Edmonds, involved in the process along with Freddie Mac.

“Who do people trust the most? The church,” Wing said. “We see that as a tremendous partnership and something we can build on. We don’t want the loan companies to have the upper hand. We want to make sure the best interest of the employee is met.”

Local governments are also participating with companies in housing assistance programs. In the Chicago area, Mayor Richard M. Daley, the Illinois Housing Authority and 60 employers work together.

“If they can prevent a predatory loan or a foreclosure, that promotes workforce stability,” said Robin Snyderman, vice president of community development at the Chicago Metropolitan Planning Council. “If people are in crisis at home, it’s much harder to do a good job at work.”

With the economy potentially heading into a recession, housing worries aren’t likely to dissipate. “Home affordability will continue to be a problem for American families for quite some time,” said Beverly Barnes, executive director of Homes for Working Families.