

# EAH Incentive Helps Employers Retain Good Workforce

## WORKPLACE/ HUMAN RESOURCES

### Guymon uses loan program to retain workers

BY DAVID PAGE  
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GUYMON – After difficulties recruiting and retaining employees, officials with the city of Guymon started seeking solutions.

Unemployment rates in the Oklahoma Panhandle are relatively low, and the city is limited by salaries it can afford to pay, said Ted Graham, Guymon's human resources director. The jobless rate in Texas County was 3.8 percent in February, according to the Oklahoma Employment Security Commission.

"We are restricted by our revenues," he said. Graham started seeking ways to provide additional benefits for city employees, and after attending a Rural Enterprises of Oklahoma Inc. workshop in Oklahoma City, he found an answer.

The city is now participating in REI's Employer-Assisted Housing Incentive program. So far, 21 Oklahoma employers have developed incentive plans through the program helping 73 employees become home owners.

Program participants include businesses and manufacturers statewide, in addition to municipalities. The program was created by REI to help employers retain and recruit employees.

Incentives provided through the program vary among participating employers.

"Basically the employer determines how the plan will be structured," said Dena Sherrill, housing program manager for Durant-based REI.

Some employers provide the incentive as a low-rate loan the employee must repay. Other program participants provide a loan that is forgiven if the employee meets certain requirements, such as remaining in a job for a certain amount of time, she said.

"The employers get to determine what their guidelines will be," Sherrill said.

REI will match the employer's benefit up to \$2,500. The REI match does not have to be repaid, she said.

"The loan is usually \$1,000 to \$2,500, which helps with the down payment and closing costs," Sherrill said. "Most forgivable loans are for three to five years."

Several partners work with REI to provide the funding including Fannie Mae, the Oklahoma Department of Agriculture and the Federal Home Loan Bank of Topeka.

Guymon offers a \$2,500 loan that will be forgiven for three years of continuous employment. With the \$2,500 match from REI, the potential benefit for city employees totals \$5,000.

The city began offering the program in January, and the first employee participant is scheduled to close on a home purchase in May, Graham said.

Guymon is offering the program to three employees each year on a first-come, first served basis, he said. The program could be expanded if funds are available.

The city has 122 full-time employees.

Guymon will forgive the loan after three years of continuous employment.

"It is a significant benefit to our employees," Graham said. "It allows the city to reward the loyalty of our employees and help them buy a home."

The home must be in the city limits and employees must complete the application process, including qualifying for a mortgage through a traditional lender.

"The city wanted to provide a benefit that would significantly impact the employee and the community," said Graham. "But, we also wanted to show our commitment to them for their loyalty and service."

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- Ted Graham, Guymon's human resource director

To receive REI matching funds, home buyers must complete a home buyer education program, Sherrill said. In Guymon, the home buyer education program is provided by the Texas County Housing Authority.

The program provides a multiplier effect. Employers can expect reduced employee turnover and training costs. On top of that, employees are encouraged to live close to the workplace, which means the home buyers increase the local tax base.

"It's just a great benefit for everyone," Sherrill said. "This program can even be used with other programs like USDA Rural Development's direct loan program, so the chances of increasing the benefit are even greater."



# HOUSING INCENTIVE PLANS HELP BUSINESSES RETAIN WORKERS

Oklahoma businesses are catching the vision for the potential of the Employer-Assisted Housing (EAH) Incentive to help them retain good, loyal employees. The EAH Incentive is provided by Rural Enterprises of Oklahoma, Inc. (REI) in partnership with Fannie Mae and USDA Rural Development.

EAH is a benefit plan offered by an employer to assist eligible employees with down payment and closing cost for the purchase of a home. The financial benefit offered by the employer is matched by REI, up to \$2,500 per family through the EAH Incentive.

Businesses are encouraged to develop housing benefit plans because it helps them retain good workers and reduces recruitment, turnover and training costs. Ultimately, it improves the bottom line because homeowners are usually more satisfied, more productive and more active in their community.

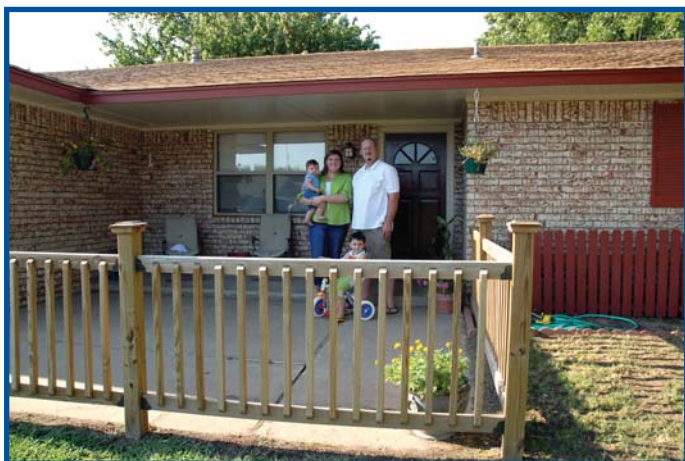
Advance Food Company is a national manufacturer of meat products for the food service industry with six facilities in three states. The Enid operation employs over 1,400 and a planned expansion will add another 500 jobs.

In 2001, the company developed an EAH benefit plan to assist eligible employees with costs for the purchase of a home. The company provides the employee a \$2,500 loan that is forgiven after three years of continuous employment. However, by incorporating the EAH Incentive of REI which provides a match of \$2,500, Advance Food Company increases the benefit for workers at its Enid, OK plant to \$5,000.

Marquita Cisneros, Advance Food Company product packer, now owns the two bedroom house she had been renting. The company's benefit plan provided Cisneros with \$2,500 for down payment and closing cost assistance, matched by REI. The participating mortgage lender was Central National Bank, Enid.

"I never thought it was possible for me to own a house, but now I've been blessed with a place I can really call home," Cisneros said. "And, my house payment is \$125 less than what I had been paying in rent, so now I am going to save that money for central air conditioning."

Wesley Rainey, his wife Carissa and their two sons have been in their new three bedroom home for about two months. Rainey is a truck driver for Advance Food. He utilized the company's housing benefit plan, matched by REI and he received additional assistance of \$4,995 from Enid's Community Development Support Association for a total assistance of \$9,995. The participating mortgage lender was Bank of Oklahoma, Enid.



"We could not have bought this house without the assistance we received through these great programs," Rainey said. "It was such a smooth process and we're paying just a little bit more in house payments than we were in rent but we have the freedom to do what we want and we are building equity to help us down the road when we need a larger house for our growing family."

Currently, 15 Oklahoma businesses have developed an EAH plan and as a result, 42 working families or individuals have realized the American Dream of homeownership.

"REI is all about assisting businesses and improving the quality of life for Oklahoma's working families," Dena Sherrill, REI community development specialist said. "We couldn't do it without

our partners across the state and businesses that have a progressive and innovative mind-set to improve their operations which in turn, stimulates the state's economic climate."

REI is a statewide economic development firm with a diversity of business and community assistance services. For more information about REI or the EAH Incentive, visit [www.ruralenterprises.com](http://www.ruralenterprises.com), or call Dena Sherrill at 800-658-2823. ♦