

> REACH Illinois

EMPLOYER-ASSISTED HOUSING



ILLINOIS

OPPORTUNITY IS OUR BUSINESS

Program Description

REACH Illinois is a two-part incentive package for Illinois employers who implement their own employer-assisted housing programs, which includes state matching funds and state tax credits.

Matching funds from the Illinois Affordable Housing Trust Fund provide additional leverage for the employer's investment. For direct financial assistance from employer to employee that may be used for down payment or closing costs, the state matches dollar for dollar up to \$5,000 for income qualified employees.

Eligible employees who are interested in using the down payment funds must complete an approved homebuyer education curriculum offered by an approved local non-profit housing counseling agency. Employees learn how to establish or clean up their credit, develop a household budget and savings plan, understand the home-buying process and home ownership experience, and shop for good mortgages.

To offset the total costs of the program, which include down payment assistance, rental assistance, counseling, and administrative costs, the state is providing a 50-cent tax credit for each dollar invested by the employer in its employer-assisted housing program.



"Our employer-assisted housing program in Cook and Will Counties has minimized turnover and increased employee stability. This important investment in our workforce is a win-win for our company, our employees, and for the communities we serve."

- CHRIS KING, PRESIDENT, ROBINSON ENGINEERING

EMPLOYER INVESTMENT: AN EXAMPLE

Downpayment assistance: 10 people at \$3,000 each	\$	30,000
Outsourced program administration, counseling, evaluation, etc.: 40 – 50 people counseled and 10 closings	\$	25,000
Gross employer investment	\$	55,000
State tax credit	\$	27,500
Federal tax deduction (assuming 38% corporate tax rate)	\$	20,900
Total tax benefit	\$	48,400
Employer net cost	\$	6,600

Additional Employer Benefits:

- Reduced turnover
- Reduced recruitment costs
- Reduced training costs
- Reduced absenteeism
- Increased employee loyalty

Employer Options:

- Benefit amount and type
- Eligible locations to purchase or rent
- Employee eligibility requirements
- Counseling to ensure successful home purchases

REACH ILLINOIS PARTICIPANTS INCLUDE:

- Charter One Bank
- Chicago Public Schools
- City of Northlake
- East Moline Glass, Rock Island
- Harris Bank
- Labelmaster, Chicago
- Robinson Engineering, South Holland
- Medela Inc., McHenry
- Swedish American Health System, Rockford
- System Sensor, St. Charles
- University of Chicago and University of Chicago Medical Center, Chicago
- WQAD-TV, Rock Island

> Contact Information:

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 ILLINOIS

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