

RESIDENCY INCENTIVE PROGRAM FOR NEW FULL-TIME EMPLOYEES

I. PURPOSE:

The following guideline establishes policies and procedures for the Residency Incentive Program for new full-time employees hired after August 1, 2016, with the City of Little Rock. This would include part-time employees living outside the City of Little Rock who are promoted to full-time positions.

II. RESPONSIBILITY:

Responsibility for this guideline rests with the City Manager.

III. POLICY:

In an effort to provide an incentive for new full-time employees to reside in the City of Little Rock, the Board of Directors authorized the City Manager to offer the one-time taxable incentive payment. The incentive payments are not a part of the compensation of any new employee who receives the payment.

IV. PROCEDURE:

- A. Purchase of a Home within the City of Little Rock: The City will provide a one-time taxable incentive payment of \$5,000 for all new full-time employees who do not currently own and reside in a residential property within the City of Little Rock. This incentive payment must be utilized to assist in the purchase of a primary home located within the City of Little Rock. The home must serve as the employee's primary residence for at one (1)-year from date of purchase.
- B. Lease of Rental Unit with the City of Little Rock: For all new full-time City employees who reside outside the City of Little Rock, the City will provide a one-time taxable incentive payment of \$2,500 in order to enter into a lease agreement for a single-family or multi-family rental unit located in the City of Little Rock. The lease must be for a minimum of one (1)-year.
- C. Repayment of Incentive Payment: In consideration of receipt of the one-time taxable incentive payment provided under this program as described above, employees are required to maintain employment with the City for a period of two (2) years from the date the payment is received. If an employee voluntarily leaves his or her employment with the City prior to the

expiration of the two (2)-year period, the residency incentive payment must be repaid to the City. Employees who are involuntarily separated from employment will not be required to repay the incentive payment. Employees must maintain residency as specified above or be required to re-pay the benefit. Employees are required to notify Human Resources if they are not able to meet the length of residency as stated above.

- D. Employees must apply for the incentive payment prior to the first anniversary of the employee's date of hire. Employees will be provided with an application form to use in requesting the payment by the Human Resources Department. The application form must be approved by the City Manager before the incentive payment is issued.
- E. Employees must include appropriate documentation with the application for payment. Appropriate documentation would include, but not be limited to, a signed lease of a minimum of one (1)-year, or the seller's Purchase Contract demonstrating the intent to rent and/or purchase of a home. If purchasing a home, employees must agree to provide a copy of Settlement Statement (HUD-1) document and closing/title paperwork within five (5) business days after closing. The Human Resources Department may request additional documentation to ensure that the employee qualifies for the requested benefit.
- F. Hiring Managers will ensure that Employment Offer Letters to new employees contain notification of this program.
- G. The payment is not available until the employee has successfully completed the probationary period required for their position. For new uniform employees of the Little Rock Police Department and Little Rock Fire Department, the incentive will be available after successful completion of the training academy.
- H. In the case of two (2) married employees working for the city, the incentive will be limited to one (1) payment per household.
- I. Employees recruited to work for the City of Little Rock who have entered into a lease and/or purchase contract prior to their hire date will be eligible for payment after receiving an offer of employment.

Approved:



Bruce T. Moore
City Manager