



Testimony before the House Financial Institutions, Housing & Urban Development Committee

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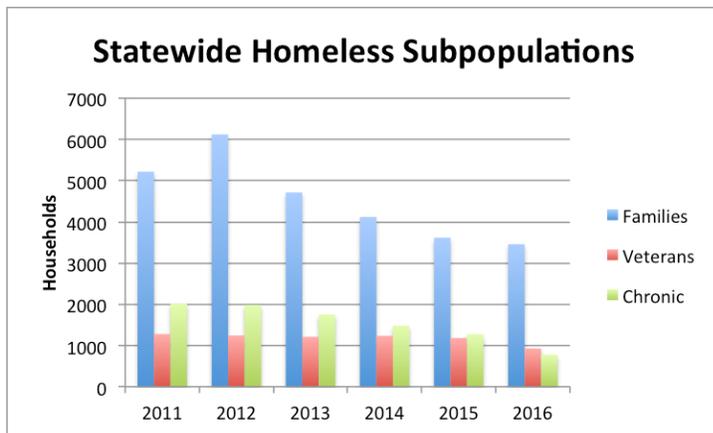
Chairman Dever, members of the Financial Institutions, Housing & Urban Development Committee, thank you for giving me an opportunity to discuss homelessness and Ohio's affordable housing shortage, what's being done to address it, and how we can build on the progress we've already made.

Since 1994 I've been executive director of the Coalition on Homelessness and Housing in Ohio, an organization that works with hundreds of local organizations and partners to fight homelessness and promote safe, decent, fair, affordable housing. We feel strongly about our work, because without a safe place to call home, Ohioans cannot fully participate in the opportunities afforded by our great state.

COHHIO is known for our advocacy work over the years, but you might not know that we also work with local agencies to ensure they are working as effectively as possible to make homelessness rare, brief and non-recurring. COHHIO leads the Ohio Balance of State Continuum of Care, which coordinates homeless services for Ohio's 80 non-urban counties. In this role, COHHIO develops the annual HUD funding application, which secured \$33.7 million in federal funding for 185 grants for local homeless projects in smaller cities, rural and suburban areas Ohio. COHHIO staff also train local agency personnel in the most effective, proven methods for addressing homelessness.

COHHIO's Youth Housing Initiative partners with state and local agencies to fight youth homelessness, which can be connected to domestic violence, behavioral health/substance abuse issues, and human trafficking. Our collaboration with the Ohio Attorney General's Office helped local providers access more than \$3.5 million in Victims of Crime Act funding to combat youth homelessness for each of the last two years. Just last month, COHHIO was awarded a \$2.2 million federal Youth Homelessness Demonstration Project grant – one of just 10 in the U.S. – to employ innovative methods for ending youth homelessness in parts of Southeast Ohio.

All of these efforts, along with the hard work being done by local agencies on the front lines, is having a positive impact. Between 2011-2016, the total rate of homelessness dropped 20% in Ohio, with much larger decreases in some communities and subpopulations (see attached chart for complete breakdown). Dayton, for example, was



recognized last year for achieving a 62% reduction in homelessness among veterans. Cincinnati has achieved a 50% reduction in family homelessness. Cleveland cut their chronic homeless numbers in half.

This is primarily the result of three factors: 1) providers have adopted proven strategies; 2) local, state and federal agencies have gotten much better at coordinating their

efforts; and 3) Congress modestly increased funding at the same time Ohio utilized Housing Trust Fund resources to assist local groups in maximizing the leveraging of federal funds.

Ohio's move to expand Medicaid coverage has also helped reduce homelessness and housing insecurity. It has been critical in helping people access behavioral health services, drug treatment, and care for long-term chronic health conditions. Before 2014, homeless adults without children were generally not eligible for Medicaid, even if they had very limited or no income. In Ohio's 80 non-urban counties, the number of homeless people covered by Medicaid went from less than 30% in 2013 to 80% in 2016.

While homelessness has decreased significantly in recent years, this progress is jeopardized by the fact that housing costs are becoming increasingly unaffordable for low-income Ohioans. Ohio households must earn at least \$14.45/hour to afford a basic two-bedroom apartment. There are almost 1.5 million renter households in the state and more than 400,000 of them are spending over half of their income on housing costs.

Access to affordable housing is critical for addressing other public policy issues, like fixing health care, reducing infant mortality, improving education and child welfare. Overcoming addiction or mental illness is hard for anyone, but it's much more difficult when you're living on the street. So is delivering a healthy baby, doing your homework, getting a job, and staying out of trouble. Research shows that the risk of foster care placement among children from homeless families is 34 times greater than the rate for children who are housed. And 40% of homeless adults were once foster care children. So addressing homelessness is not only the right thing to do, it also reduces needless and costly expenditure of taxpayer dollars in hospitals, mental health facilities, nursing homes, schools, foster homes, courts and jails.

Ohio Housing Trust Fund: As housing and homelessness problems worsened during the 1980s, voters approved a constitutional amendment in 1990 declaring housing a public purpose and empowered the legislature to address the problem. A year later, the General Assembly created the Ohio Housing Trust Fund with broad bipartisan support.

After years of stopgap GRF appropriations, multiple study committees came up with the same recommendation of creating a Housing Trust Fund Fee that would mirror the county recorder fee. That proposal garnered consensus and was finally adopted through the state budget bill in 2003.

Since 1992, the Trust Fund has delivered nearly \$800 million to address critical housing needs of more than 1.8 million seniors, veterans, people with mental illness and physical disabilities, and families who are struggling to make ends meet. By statute, rural areas of the state must receive at least 50% of the available funds on an annual basis.

During its lifetime, the Trust Fund has funded three main areas:

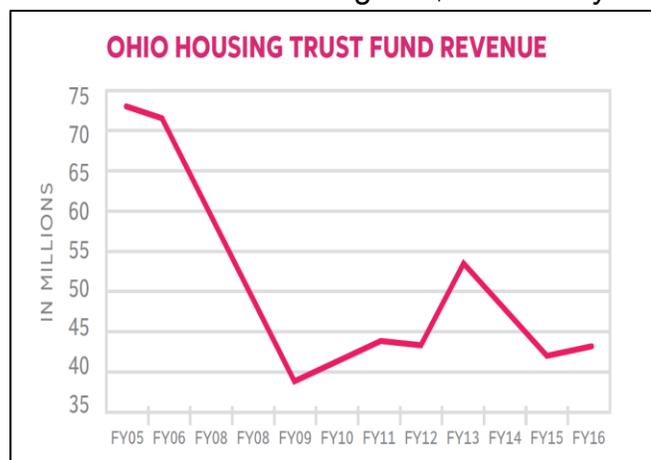
- \$263 million for local programs that prevent homelessness and get people back into housing as quickly as possible;
- Nearly \$300 million has funded housing development that benefitted nearly 63,000 low-income seniors, working families and disabled Ohioans;
- \$102 million has been invested in local home repair and accessibility programs that helped 85,000 Ohioans with disabilities and low-income seniors remain in their own homes.

Each Trust Fund dollar spent leverages far more money from federal and private sources. A new study from the Ohio Housing Finance Agency found that the \$306 million the Trust Fund invested since 2011 attracted over \$1.4 billion from outside sources. Programs that construct and preserve affordable rental housing leverage the most money – more than \$8 for every Trust Fund dollar spent.

The OHFA study also shows the Trust Fund has a huge economic impact; every year it creates \$589 million in overall economic activity. Ohio's economy gets \$11.56 in output from each Trust Fund dollar, and every \$10 million in Trust Fund grants creates or sustains 855 full-time jobs in the state.

Home Matters to Ohio: The recession took a toll on the Ohio Housing Trust Fund, and it hasn't really recovered. The Trust Fund has fallen short of the original \$50 million/year goal during the past few years and seems unlikely to grow much beyond the current \$43 million due primarily to changes in how financial institutions file mortgage documents at county recorders' offices.

Declining Trust Fund allocations to local programs have had a very real impact: from FY 2012 to 2015 the total number of homeless households assisted by programs receiving Trust Fund dollars



decreased 44%, and the number of Trust Fund-supported affordable housing projects dropped from 42 five years ago to only 23 this year.

Last year COHHIO joined forces with hundreds of groups to draw attention to the need to bolster the Trust Fund. The Home Matters to Ohio campaign has garnered support from nearly 400 Ohio companies and organizations (list attached) that recognize housing is the foundation for strong, healthy families and a strong, healthy economy. They include Fifth Third Bank, Cleveland Clinic, Huntington Bank, FirstEnergy, Molina Healthcare, PNC, Nationwide Children's Hospital, the Ohio Association of Realtors to name a few.

Home Matters to Ohio is requesting a significant expansion of the Trust Fund to respond to the growing demand for resources to combat homelessness and expand affordable housing. We were disappointed that the governor did not include this in the executive budget, but we're hopeful that, with your help, the Ohio Housing Trust Fund can be strengthened by the time the bill returns to his desk.

Thank you for your time and I am happy to answer any questions you may have.