



House Families, Aging, and Human Services Committee
Written Proponent Testimony for House Bill 560
May 26, 2022

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Chair Manchester, Vice Chair Cutrona, Ranking Member Denson and members of the House Families, Aging, and Human Services Committee, thank you for the opportunity to provide written testimony in support of House Bill 560.

Formed in 1910, Ohio REALTORS is the state's largest professional trade organization with more than 36,000 members representing both residential and commercial practitioners, as well as auctioneers and appraisers. We also represent homeowners, homebuyers, investors and support policies to protect private property rights.

It is no secret that Ohio has crisis-level housing shortages across the state. Although housing shortages are typically noticed initially in large metropolitan areas, there now are rural communities across Ohio that have no housing available for the workforce in those areas. In fact, there are communities that are forced to bus in employees from large metropolitan areas as there are no housing options in that area.

As mentioned, Ohio's largest cities are facing historical housing shortages. According to a study conducted by Rosen Consulting Group, looking at all large markets in the United States with 1-3 million residents, Ohio has *three* cities on the top ten most underbuilt cities list: Cincinnati, Columbus and Cleveland. The shortfall in residential housing production is across all types of housing including luxury, workforce, and especially affordable housing. Notably, production of two-to-four-unit structures, likely considered workforce housing, fell by nearly 75% during the last two decades. Ohio needs more housing options.

According to the National Low Income Housing Coalition, Ohio has a shortage of 252,027 affordable rental homes available for extremely low-income Ohioans. Extremely low-income is defined as someone in Ohio who makes less than \$25,750 and include senior citizens, disabled Ohioans, single caregivers, people enrolled in school and our labor workforce. In short, they are our neighbors and friends, and Ohio REALTORS supports policies to encourage development of all types of housing, including affordable housing.

Affordable housing plays a very important role in our economic growth and the future of our great state. It is important to note that affordable housing has a positive impact on not only our neighborhoods, but it provides an opportunity for a person to save for their next home, whether it is renting a market-rate apartment or saving for their first house. In many communities, high quality affordable housing has lifted neighborhoods up. Many affordable housing developments are often the



only significant investments made in certain communities. Often, blighted or distressed real estate is purchased and redeveloped into attractive, high-quality housing, thereby removing neighborhood blight and subsequently raising valuations of nearby housing. In short, affordable housing can stabilize and improve. More importantly, affordable housing can give our neighbors a place to call home.

However, with low inventory and quickly rising home prices, we are working with various partners to explore and identify any and all policies that may help reduce the shortage of housing. House Bill 560 would create a state-wide low-income housing tax credit program, similar to the federal program. Although there is a cost to implement such a program in Ohio, we believe the positive aspects far outweigh the cost to taxpayers as many of Ohio's taxpayers who seek affordable housing would directly benefit. We are grateful for Representatives Hoops and Pavliga for their thoughtful work on the housing shortage crisis in Ohio.

We would also like to take the opportunity to mention Ohio REALTORS has commissioned a study to be completed by the University of Cincinnati Economics Center to further explore the housing shortage in Ohio, across several communities large and small. The study will also provide state-level policy recommendations that we can use to guide our advocacy work with the General Assembly. Once the study is complete, we will share that information with policymakers across the state including members of this Study Committee.

We appreciate the opportunity to provide written comments and we respectfully encourage support of House Bill 560.