



Testimony before the House Finance Committee
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Substitute House Bill 237– Proponent Testimony

Chairman Oelslager, Vice Chair Plummer and Ranking Member Sweeney, members of the House Finance Committee, thank you for the opportunity to testify in support of the substitute version of House Bill 237 to maintain historic precedent that equally divides recording fee revenue between county governments and the Ohio Housing Trust Fund. I'm Nate Coffman, Executive Director of the Ohio CDC Association and I'm testifying on behalf of my organization, the Coalition on Homelessness and Housing in Ohio, and the other members of the Home Matters to Ohio coalition.

Since we testified on this legislation a year and a half ago, Ohio's affordable housing crisis has grown worse. Rents have increased at an unprecedented rate. Just from August 2021 to August 2022 average two-bedroom rents in Ohio rose 11%. Rent inflation is outpacing wage increases. In Ohio only four out of the 10 most common jobs pay enough to afford modest two-bedroom apartment, and only two are comfortably above that Housing Wage. In communities small and large throughout Ohio evictions are rising. We're seeing an increase in unsheltered homelessness. More and more seniors are foregoing essential home repairs like a leaky roof or a broken furnace, jeopardizing their ability to continue living independently.

The substitute bill before you would infuse much needed resources into local agencies and public private partnerships to help address these growing problems. The Housing Trust Fund is the state's primary source of funding for homelessness and affordable housing services. It supports local agencies' efforts to prevent and end homelessness for families with children and individuals struggling to overcome mental illness and addiction; it helps agencies do the home repairs and modifications necessary to keep low-income seniors and people with disabilities out of nursing homes and institutions; it provides the gap funding needed to develop housing that parents working low-wage jobs can actually afford.

The Housing Trust Fund impacts communities throughout the state and targets people who need help the most. Current statute requires at least half of OHTF funding be awarded to rural areas. In fiscal year 2020, the OHTF helped fund local efforts to:

- Prevent and end homelessness for 17,793 households, including families with children and individuals;

- Repair and modify 2,538 homes to keep low-income seniors and people with disabilities out of nursing homes and institutions, and;
- Develop and rehabilitate 834 affordable rental units in 14 counties to create homes that low-income seniors and single parents working low-wage jobs can actually afford.

After voters approved the constitutional amendment on Ohio Housing Assistance in 1990, the General Assembly passed implementing legislation to create the Housing Trust Fund with broad bipartisan support. During the early years, the legislature appropriated GRF while working to identify a permanent source of funding for the new Housing Trust Fund. Three separate study committees convened by Gov. Voinovich, Gov. Taft, and the legislature itself all came to the same conclusion: create a Housing Trust Fund Fee that mirrors the county recorder fee. In other words, fee revenue collected by recorders should be divided 50-50 between counties and the Housing Trust Fund. That proposal garnered consensus and was finally adopted through the 2003 budget bill.

This substitute bill will restore historic precedent and ensure that any additional revenue generated by the proposed fee adjustment flows equally to counties and the Housing Trust Fund. This change positions our state to respond more effectively to housing insecurity in our communities moving forward.

Housing is the foundation of healthy, stable, prosperous families and communities. The OHTF benefits Ohio's economy and helps to grow the number of jobs and revenue for the state. OHTF dollars are matched by private and federal funds to create a major positive impact. During FY 2019 and 2020, the OHTF annually generated \$14 million in state and local tax revenue and created or supported 2,754 jobs per year across all major industries, according to the Ohio Housing Finance Agency. In total, each OHTF dollar allocated generated \$8.30 in economic activity for Ohio.

With housing costs rapidly soaring out of reach for so many Ohioans, we believe it's critical to ensure that any increase in document recording fees be shared equally with the OHTF. Thank you for the opportunity to present testimony. I'm happy to answer any questions you may have.