



Testimony on HB3

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**House Economic & Workforce Development Committee
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Chair Swearingen, Ranking Member Upchurch, and members of the committee, thank you for the opportunity to provide testimony on HB 3, which would authorize a tax credit for certain affordable rental housing. LeadingAge Ohio represents nearly 400 mission-driven, values-based providers of aging and end of life services, including affordable and market rate housing operators, assisted living, nursing homes, home health and hospice, and other home- and community-based service providers like adult day services and PACE. The largest portion of our membership is affordable senior housing, numbering 140 across the state. Over 80 percent of our affordable housing members are part of faith-based organizations that are increasingly concerned about the livable options available to those who have spent their whole lives in the Buckeye State.

Over the next decade, Ohio's older adult population is expected to grow by over 20 percent. This growing population is finding there to be a lack of affordable housing options - over 400,000 Ohioans spend over half their income on rent. According to the National Investment Center for Seniors Housing & Care (NIC), 54% of middle-income seniors will not be able to afford annual expense for assisted living, independent living or other housing-related costs even if they allocated all their resources to housing. Extremely low income renters are more likely than those in the general renter population to be at least 62 years old or to have a disability.

Nationally, the federal Low-Income Housing Tax Credit (LIHTC) program is the most important program driving affordable housing development in the United States. The LIHTC program provides state agencies like the Ohio Housing Finance Agency budgetary authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households. Developers may then sell those credits to investors, who may recoup their investment over a ten-year period. A state LIHTC program would mimic this successful private-public partnership tax credits with private investment to grow Ohio's housing development capacity.

A new, state-level LIHTC program would offer a new lever for housing developers working to boost Ohio's affordable housing stock during a time of great scarcity. As Ohio approaches a new future in which its older adult population becomes a prime driver of our economy, it is critical that we make sure we have safe, affordable options for all Ohioans. As you know, housing stability is a principle social determinant for health outcomes in all populations, and a state LIHTC program offers a low-cost intervention that has the added benefit of driving down healthcare costs.

HB 3 provides an opportunity for Ohio to better serve its aging population now and in the future, and sets the stage for strong economic development in the senior housing sector as its population of older adults grows. We appreciate the opportunity to lend our support to this legislation and welcome any questions you may have.