



May 21, 2024

Chair Peterson, Vice Chair Thomas, Ranking Member Humphrey and Members of the House Government Oversight Committee,

We appreciate the opportunity to present favorable testimony on this most timely topic.

The Ohio Home Builders Association (OHBA) is a trade association representing 4,000 builders, remodelers, and land developers across the state. The vast majority of home construction and development in Ohio is undertaken by our members.

The sizeable deficit of housing availability across Ohio is simply understood by looking at our actual housing construction starts over many years. I have attached starts data dating back decades. In fact, Ohio housing starts per capita, in America, have been one of the lowest for decades. It should be of no surprise we need to step up housing production at all levels everywhere in the state. HB 499 is a good start at moving us in the right direction.

While the current interest in accommodating home ownership and affordability is welcomed, we must be aware that incentivizing demand without increasing supply could have a negative effect on increasing prices. In short, we must increase the number of developed lots. In particular, incentives must reform the zoning/platting and planning process and remove barriers and costly regulations. We agree this is no simple task, but in our view, it is necessary.

The general assembly has been helpful promoting increased housing affordability in the past. Our residential building code process has enabled the committee to reject many costly add ons and improving affordability. The ephemeral streams bill (HB 175) has helped remove \$9,000 per lot; also, favorable tax treatment on newly developed lots will encourage new home lot development.

In particular, we feel suggested item (6) on page four should be a centerpiece and lead incentive:

**HAVING A HOUSING PLAN THAT TRACKS THE NEEDS, GAPS, AND POTENTIAL STRATEGIES FOR INCREASING HOUSING ACROSS ALL INCOME LEVELS WITHIN THE TOWNSHIP OR MUNICIPAL CORPORATION FOR AT LEAST THE NEXT TEN YEARS.**

Equally as important is the emphasis on zoning to the extent it requires innovative Planned Unit Development (PUD) which increases densities as well as promoting innovative use of land with careful planning. This preserves unique characteristics of the land and allows for increased NET density zoning to keep lot costs reasonable. I have included a link to a model

zoning ordinance which serves as a guide to achieve these goals. [https://429db0b4-8b5a-4c50-b981-0d8f1379d1c8.filesusr.com/ugd/008776\\_2895dc9edce74d39879f1683c1f984c6.pdf](https://429db0b4-8b5a-4c50-b981-0d8f1379d1c8.filesusr.com/ugd/008776_2895dc9edce74d39879f1683c1f984c6.pdf)

According to a recent National Association of Home Builders economic report, an important reason for the lack of inflation reduction continues to be the elevated measures of shelter inflation, which can only be tamed in the long-run by **increasing housing supply**.

All other suggestions are welcome and would help alleviate the current crises.

We look forward to working with the many interested parties in helping shape critically needed reform to the housing development process in Ohio which will surely improve our supply shortage, improve affordability and, hopefully, make Ohio a great place to live and enhance economic development.