



## House Government Oversight Committee Proponent Testimony

**HB 499**  
**5/21/24**

Chair Peterson, Vice Chair Thomas, Ranking Member Humphrey, and members of the Ohio House Government Oversight Committee, thank you for the opportunity to testify in support of House Bill 499 on behalf of Ohio REALTORS®. Formed in 1910, Ohio REALTORS® is the state's largest professional trade organization with approximately 36,000 members representing both residential and commercial practitioners, as well as auctioneers and appraisers.

HB 499 recognizes the immediate need to boost housing supply across Ohio, where we are currently experiencing a severe housing shortage with far-reaching, detrimental implications for our residents. The state's homeownership rate, which peaked at 70% in 2020, declined to 64% by 2022, falling below the national average. This plunge came amidst a backdrop of soaring home values, which have doubled over the past decade, while median household income has only grown by 13.5%<sup>1</sup>. This widening disparity has significantly aggravated housing affordability hardships, with many low-income households forced to spend more than half of their income on housing costs. Additionally, Ohio is part of a nationwide underbuilding gap of 5.5 million homes<sup>2</sup>, speaking to a pressing need for solutions to increase supply within our housing market.

The severity of Ohio's housing shortage cannot be overstated, as it poses significant obstacles for our residents. Young families face overwhelming difficulties while trying to purchase their first home, often being priced out of the market or burdened with excessive debt. The lack of housing options also restricts community development and economic growth, stifling opportunities for local businesses. Given that each region of Ohio faces unique housing challenges, it is imperative that we look for tailored solutions to meet the specific needs of each community.

In proposing such a solution, the Ohio Housing Fund would provide local governments access to resources to support pro-housing initiatives. To qualify for funding, local governments would need to adopt at least three pro-housing policies out of the twelve outlined in the legislation. These policy options are designed to be adaptable to the different needs of communities and span a wide range of options, such as expediting the permitting process, allowing accessory dwelling units, and reducing single-family zoning regulations.

Under this bill, the grant funds awarded to local communities would need to be invested directly back into pro-housing initiatives, maximizing their impact on making homes more affordable and increasing supply. This could be accomplished in several ways, such as supporting first-time homebuyers, enforcing anti-discrimination housing regulations, and acquiring and readying sites for development. By requiring that these funds be dedicated to specific, targeted efforts, this program will increase homeownership and bolster Ohio's housing supply.

The funding mechanism to support the Ohio Housing Fund would come from restricting eligibility for the 10% non-business tax credit to only owner-occupied dwellings. While it is imperative for this grant program to have a

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<sup>1</sup> [OHFA Ohio Housing Needs Assessment](#)

<sup>2</sup> [NAR: Housing Supply and Affordability](#)



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sustainable funding source, we recognize that this may pose a burden on landlords and has potential implications for rental costs. We are open to exploring potential alternative funding sources that mitigate these concerns while still ensuring the viability of this important grant program.

HB 499 presents a comprehensive, incentive-based approach to tackling the housing crisis in our state, one that is not only effective but also acknowledges the diverse needs of our communities. The Ohio Housing Fund would ensure that our local governments have the tools and resources they need to address their unique housing challenges and is a step forward towards better housing solutions that are truly innovative and impactful. We urge a yes vote and commend Representative Isaacsohn and Representative Mathews for bringing this bill forward.

Sincerely,



Scott Williams  
Chief Executive Officer  
Ohio REALTORS®