

Tim Williams, Executive Director Ohio Manufactured Homes Association House Government Oversight Committee House Bill 499 Interested Party Testimony June 11, 2024

Chairman Peterson, Vice Chair Thomas, Ranking Member Humphrey, and Members of the Committee

Since 1947 the Ohio Manufactured Homes Association (OMHA) has represented all segments of the manufactured housing industry providing affordable manufactured homes to over 900,000 Ohioans.

OMHA applauds the sponsors for their efforts to address the critical housing and affordability crisis in Ohio. However, there are several concerns with the bill that if addressed can further strengthen the legislation.

OMHA has concerns about reducing partial property tax exemptions to fund the housing grants. While we support the proposed housing grants and the intent for political subdivisions to earn eligibility for those grants, it appears to be a de facto tax increase to fund grants which works against the intended purpose of the bill. I urge the Committee to identify a different funding source that does not inadvertently increase the cost of housing.

When it comes to affordability, manufactured homes represent a significant opportunity for Ohio. I appreciate the sponsors' inclusion of modular homes in HB 499 and recommend expanding eligibility to include "manufactured homes" and "manufactured home communities". I believe the bill should **explicitly incorporate at least a 10% set aside for housing grants designated for modular homes and manufactured homes.**

Manufactured homes provide high quality homes built with the same construction materials as any type of housing as well as unmatched affordability and the most rigorous construction, safety, and inspection process of any form of housing in Ohio.

One of the metrics for political subdivisions to demonstrate per the legislation is to reduce plan approval review time by 20%. Having such a process in place and adhering to that process in our experience tends to be two different things. Political subdivisions

should have to **first demonstrate** they have actually reduced such timeframes for all applications by 20% over a six-month period before utilizing such a metric.

And lastly, allowing local boards of education to have limited authority regarding partial tax exemptions adds a needless layer of bureaucracy to the process. Moreover, local boards of education should have **no authority to limit partial tax exemptions (full stop)**. However, if such provisions remain as currently written in the bill, I believe local boards would unlikely approve more than 15 years of property tax exemptions.

There is much about HB 499 that OMHA supports. I urge the Committee to consider the opportunities that manufactured and modular homes can contribute to the affordability of Ohio's housing needs.

With these suggested changes and perhaps a few others, OMHA believes HB 499 can be further strengthened.

Thank you, Chairman Peterson, and Members of the Committee. Please do not hesitate to contact me if you have any questions.

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