



Before the Senate Ways & Means Committee
Interested Party Testimony on Senate Bill 118

May 24, 2023

Chair Blessing, Vice Chair Roegner, Ranking Member Smith and members of the Ohio Senate Ways & Means Committee, thank you for the opportunity to provide interested party testimony on Senate Bill 118 on behalf of the members of the Ohio Chamber of Commerce. My name is Tony Long, and I am the General Counsel and Director of Taxation & Economic Policy at the Ohio Chamber.

The Ohio Chamber has identified the lack of housing stock as a critical issue facing Ohio. The overall lack of housing stock in Ohio impacts all strata of housing. This lack of housing impacts affordability for first-time home buyers, creates a missing middle for workforce, and takes away housing options for low-income households. The Ohio Chamber of Commerce's *Blueprint* listed a shortage of nearly 255,000 units for extremely low-income households. The Ohio Chamber is advocating an all the above approach to address this housing shortage crisis.

SB 118 is another economic development tool to move renters into home ownership and allows for the construction of additional housing stock. The cities that qualify have renter occupied housing above 50% of all housing units in the city. According to a recent Cleveland.com article only 30 cities hit that threshold. SB 118 is a modest program that could be a model for expansion of other owner-occupied programs to spur the building of more housing stock in Ohio. Along with other programs already in the budget to address both home ownership and the lack of affordable units, these various programs can spur development of housing stock.

Thank you for the opportunity to provide testimony on SB 118. I will now try to address any questions you may have for me.

Appendix A

Ranking Ohio cities by share of renters vs. homeowners, from 1 to 247 - new census estimates

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CLEVELAND, Ohio - Most apartments and houses in Ohio cities are occupied by their owner. But in 30 cities, rentals make up more than 50% of the occupied housing units, including 11 in Greater Cleveland, according to new estimates released from the Census Bureau. East Cleveland tops the list for the highest percent of rentals at 68.1%. This is nearly 10 percentage points higher than Cleveland (58.8%).

Several other Cleveland suburbs have more renters than owners, including Warrensville Heights (62.2%), Bedford Heights (57.2%), Lakewood (56.1%), Euclid (55.8%), Mayfield Heights (55.2%) and Willoughby Hills (54.7%).

Other Greater Cleveland cities with a higher percentage of renters than homeowners include the college town of Kent in Portage County (59.8%), Painesville in Lake County (52.8%) and Ravenna in Portage County (52.8%).

The average percent for Ohio city homes that are rented is 34.7%.

Nine Ohio cities have less than 10% rentals, nearly entirely populated by homeowners. The Cincinnati suburb of Indian Hill tops this list, with 98.1% of residents owning their living arrangements. This is followed by the Cleveland suburbs of Pepper Pike (97.8%) and Independence (94.4%).

Both Ohio renters and homeowners typically live with between two to three people in their housing - an average of 2.5 people for owner-occupied homes and 2.1 for rentals.

But this isn't the case everywhere. Forty-one cities in Ohio have a larger average household for renters than homeowners.

At the top of this list is Trenton in Butler County, which has an average household size of 3.5 people for the 28.1% of residents who rent, as opposed to the 2.9 household size of homeowners.

The top 12 Ohio cities with larger household sizes for renters have fewer renters than homeowners in the area. In Greater Cleveland, this includes Maple Heights, which has 2.8 people for the 40.6% who rent and 2 people for homeowners.

The estimates are from the Census Bureau's five-year American Community Survey, taken from 2017 through 2021 and released in mid-December. They are the latest available estimates for all places in the United States. In some cases, the estimates differ from one-year estimates released earlier for places of at least 65,000.

See the chart below for the full ranking of cities based on homeownership and household size. Not shown in the chart are smaller places of less than 5,000 people because of higher margins of error from the survey for smaller places.

City	Pct. rent	Pct. own	Avg. household size, renter	Avg. household size, owner
East Cleveland	68.1%	31.9%	1.9	2.6
Athens	68.1%	31.9%	2.4	2.6
Bowling Green	65.7%	34.3%	2.0	2.4
Oxford	63.7%	36.3%	2.6	2.3
Warrensville Heights	62.2%	37.8%	2.3	2.2
Cincinnati	60.9%	39.1%	2.0	2.3
Whitehall	60.4%	39.6%	2.4	2.8
Kent	59.8%	40.2%	2.0	2.4
Nelsonville	59.3%	40.7%	2.3	2.6
Cleveland	58.8%	41.2%	2.1	2.3
Norwood	57.4%	42.6%	2.0	2.5
Bedford Heights	57.2%	42.8%	1.7	2.0
Mount Healthy	56.8%	43.2%	2.4	2.3
Lakewood	56.1%	43.9%	1.7	2.3
Euclid	55.8%	44.2%	2.0	2.2
Zanesville	55.7%	44.3%	2.3	2.4
Columbus	55.2%	44.8%	2.2	2.4
Mayfield Heights	55.2%	44.8%	1.9	2.1
Willoughby Hills	54.7%	45.3%	1.6	2.6

City	Pct. rent	Pct. own	Avg. household size, renter	Avg. household size, owner
Lima	54.3%	45.7%	2.5	2.3
Alliance	54.0%	46.0%	2.3	2.5
Painesville	52.8%	47.2%	2.5	2.6
Ravenna	52.8%	47.2%	1.9	2.6
Portsmouth	52.7%	47.3%	2.4	2.3
Dayton	52.6%	47.4%	2.2	2.2
Canton	52.2%	47.8%	2.3	2.3
Cambridge	51.6%	48.4%	2.1	2.4
Mansfield	50.9%	49.1%	2.2	2.2
Fairborn	50.9%	49.1%	2.1	2.3
Cheviot	50.3%	49.7%	2.4	2.2
Akron	50.0%	50.0%	2.2	2.2
Hillsboro	50.0%	50.0%	2.1	2.2
Geneva	49.5%	50.5%	2.0	2.7
Sandusky	49.2%	50.8%	2.0	2.4
Springfield	48.7%	51.3%	2.3	2.4
Ashtabula	48.7%	51.3%	2.5	2.2
Jackson	48.4%	51.6%	2.6	2.6
Toledo	48.1%	51.9%	2.2	2.3
Circleville	48.0%	52.0%	2.4	2.3