



Ohio Development Committee

House Bill 96

Torey Hollingsworth, Executive Director, Ohio CDC Association

Ian Beniston, Executive Director, Youngstown Neighborhood Development Corporation

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Chair Hoops, Vice Chair Lorenz, Ranking Member Abdullahi, and Members of the House Development Committee, thank you for the opportunity to provide testimony on House Bill 96. My name is Torey Hollingsworth, and I am the Executive Director of the Ohio CDC Association (OCDCA), a statewide membership organization of over 250 locally based rural and urban nonprofits that work to rebuild neighborhoods and help Ohioans build wealth and improve their quality of life.

Our members revitalize distressed communities by building, rehabilitating, and preserving affordable, safe for-sale homes and rentals for Ohio families. Funding for these projects has historically been pieced together from a combination of federal, local and private resources. We were pleased to see the state's commitment to add several dedicated funds to support affordable housing in the last budget, including creation of the Welcome Home Ohio Program (WHO) with \$100 million in grants and \$50 million in tax credits, and the Single-Family Tax Credit with \$100 million in tax credits over the biennium.

The WHO program has created significant opportunities for new construction and rehabilitation of single-family for-sale homes across the state, **and we ask for your support of continued funding at the same level as the last budget.** Aimed at buyers at or below 80% of the area median income, the program brings significant resources to help make homeownership affordable for young families and other first-time buyers that may otherwise be priced out of the tight housing market. With dollars slated for both new construction and rehab, the program is especially well-suited to the community development model, which aims to comprehensively address poor housing conditions in a neighborhood- helping long-time residents regain and grow equity in their homes while also creating opportunities for new families to build wealth.

Ohio's community development nonprofits, often known as community development corporations or CDCs, can and have partnered with their local land banks to access the WHO grant funds, but by statute are limited to applying directly only for the tax credit portion of the program. While tax credits can be an effective way of bringing equity into a housing development project, it takes

sustained work to build relationships with and educate possible tax credit investors. Particularly when a program is new, it is challenging to encourage these investors that the program is worth their risk, which can drive down the price they are ultimately willing to pay for the credits. Given that, although some WHO tax credits have been awarded, these dollars have flowed much slower than the grant portion of the program and questions remain as to whether there will be sustained demand for the credits from investors. Similar challenges have prevented the Single Family Tax Credit from being widely used, although there is no shortage of need for these resources.

Ohio CDCs are strong partners with their local governments and land banks, as demonstrated by their involvement in the majority of WHO grants that have been awarded to date. However, as some counties do not have a land bank, or their land bank for an assortment of reasons may choose not to pursue the grants, **we ask that you include a budget amendment to allow CDCs to apply directly for the grant portion of the program.** While many CDCs will continue to partner with their local land bank on these applications, reducing the red tape for the application process will allow CDCs to move more swiftly to bring additional housing online at a time when it is desperately needed. We also ask for your support of additional technical changes to the program as recommended by the Ohio Land Bank Association.

I'd like to introduce an OCDCA policy committee member, Ian Beniston, executive director of Youngstown Neighborhood Development Corporation (YNDC) to share their experience utilizing the WHO program.

Chair Hoops, members of the committee, thank you for allowing me to testify today. YNDC is a comprehensive planning and development organization committed to improving the housing stock and quality of life in Youngstown and Mahoning County by building and encouraging investment in neighborhoods of choice for all.

YNDC works tirelessly to deliver a tangible and lasting impact on the revitalization of Youngstown's neighborhoods. Since 2010, YNDC has:

- Completed more than 2,000 home repair projects for low to moderate income homeowners;
- Canvassed over 6,600 households and developed and implemented over a dozen neighborhood plans;
- Boarded and cleaned up over 2,300 blighted properties;
- Rehabilitated 20 commercial units representing over 56,000 square feet of commercial space bringing dozens of new jobs to a once blighted commercial corridor;
- Rehabilitated over 210 vacant housing and commercial units
- Provided families with \$1,137,000 in fresh produce;
- Leveraged over \$85 million in direct reinvestment in Youngstown's neighborhoods.

Further, YNDC has developed 127 homes for resale to homebuyers, and we have more than 40 new construction and 20 renovation projects in the funded pipeline.

Over the past year, YNDC has worked with its longstanding partner, the Mahoning County Land Reutilization Corporation (Land Bank), to secure two Welcome Home Ohio grant awards, one in fiscal year 24 and one in fiscal year 25. These awards will allow our organizations to develop 31 new units of housing. This number is by far the most significant amount of new housing constructed in Youngstown in the past 20 years and a significant percentage of the new housing developed in Mahoning County on an annual basis.

YNDC is serving as the developer for all 31 units, providing housing counseling services, managing the sale of the properties to eligible homebuyers, and assisting with long term compliance.

These projects represent a total investment of more than ten million dollars. WHO grants leveraged \$6.5 million in additional investment from local banks and Lead Safe Ohio. The projects will create more than 115 jobs (NAHB) and provide working families with high quality and affordable places to live.

Welcome Home Ohio is a powerful tool for Ohio communities to create affordable single-family housing, while strengthening and restoring neighborhoods. The as-introduced budget includes \$40 million for WHO in fiscal year 26. **We ask that you increase funding for this program to the same level as the previous budget, \$50 million each fiscal year for grants and \$25 million each fiscal year for tax credits, so that we can continue to address Ohio's need for additional housing across the state.**

Thank you again for the opportunity to testify today. We're happy to answer any questions you may have.