



May 14, 2025

Testimony before the Senate Government Oversight and Reform Committee
RE: Ohio Housing Trust Fund

Leah Werner, Corporation for Supportive Housing, Director Ohio Program

Chairwoman Manchester, Vice Chair Brenner and Ranking Member Weinstein and members of the Senate Government and Oversight and Reform Committee

My name is Leah Werner. I am the Director of the Ohio program for the Corporation for Supportive Housing (CSH). CSH is a national nonprofit working to advance supportive housing as a key housing intervention for marginalized communities, including homeless individuals and families. Supportive housing combines affordable housing, where households do not pay more than 30% of their income on housing, with access to voluntary and robust supportive services. Supportive Housing is an evidence based best practice that helps households move from crisis to stability while saving taxpayer dollars that fund safety net services.

The Ohio Housing Trust Fund (OHTF) has been a critical resource in helping communities prevent and end homelessness. It supports emergency shelters, homeless prevention services, the development and rehabilitation of rental units, including supportive housing, as well as home repair and modification to ensure seniors and Ohioans with disabilities can age in place. The proposed amendment to dismantle the established infrastructure of the OHTF will harm communities' efforts to address the growing tide of homelessness, which impacts not only the unhoused but also overall community wellbeing and safety. Our concerns are five-fold, but we will focus on two key areas: equitable distribution of funds and leverage in creating housing—the bricks and sticks of development.

Equitable Distribution: State law requires at least 50% of OHTF resources to go to Ohio's non-urban counties. This means that as funds are collected from counties and sent to the Trust Fund, they are deployed to assure an equitable distribution across the state. Smaller communities overall send far less resources to the fund compared to what they receive. The unintended consequence of the proposed legislation is that Ohio's non-urban counties will receive fewer funds to prevent and combat homelessness and will have higher administrative costs.

Less Bang for the Buck: The state invests OHTF funding to ensure each dollar leverages private and federal funding. Each \$1 from the OHTF drew \$3.71 from federal Low-Income Housing Tax Credits, federal HOME dollars, local government agencies and private financing. In total, every OHTF dollar generates \$9.55 in overall economic activity for Ohio (OHFA).

Of note are three projects in rural and suburban counties that without the mandated 50% distribution and leverage component would likely not be in operation today.

Union Square in Allen County (2015)- 48 units for chronically homeless individuals, \$1,250,000 Housing Credit Gap Financing (OHTF) leveraging \$7,182,250 in federal Low Income Housing Tax Credits (LIHTC)

- \$1: \$2 ratio of receipts to allocation in Allen County in 5 year (2014-2019) look back analysis

Hisel Park in Scioto County (2022)- 48 units for Transition Aged Youth, \$300,000 HDAP (OHTF) leveraging \$7,695,000 in LIHTC

- \$1.2: \$3.3 ratio of receipts to allocation in Scioto County in 5 year look back analysis

Fairway Vista in Muskingum (2016)- 6 affordable units, \$500,000 in HDAP (OHTF) leveraging \$359,999 in LIHTC

- \$1.9: \$15.1 ratio of receipts to allocation in 5 year look back analysis

Housing development does not occur in isolation. Affordable and supportive housing funds are highly competitive, with scoring criteria that prioritize proposals that leverage of other capital sources. Without this leverage, housing projects cannot be developed. The current structure of the Ohio Housing Trust Fund (OHTF) acknowledges this reality by providing rural and suburban communities access to capital sources beyond their own trust fund fee receipts to leverage additional funds, making housing development possible. And as we know homes end homelessness.

Other areas of concern are as follows:

Increasing Homelessness: The 2024 Point in Time data shows increases across the board for all population types. Continuums of Care, the homeless system of care, are all reporting family street homelessness for the first time, as well as senior citizens entering their homeless system. Overall homelessness in Ohio increased by 3% last year to 11,759 individuals. In an era of growing homelessness and a significant lack of affordable housing, destabilizing the OHTF mechanics does not make sense.

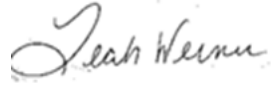
Decreased Receipts: OHTF receipts are down. High interest rates and home price inflation have dramatically reduced the volume of housing-related documents being processed at county recorder offices; the Housing Trust Fund fee, which generates the revenue, has dramatically reduced. The OHTF has an allocation limit of \$65 million, and as the housing market has slowed, revenues have dropped to \$41 million—a \$24 million gap, marking the second lowest year since the Great Recession in 2009.

More Inefficiency: The proposed amendment will shift the burden of administering OHTF fee revenue from the state to counties. This will primarily fall hardest on the many rural counties that do not currently administer housing and homelessness funding – the same counties that collect the least amount of fee revenue.

We are grateful to the General Assembly for the efforts taken in recent years to help fight the affordable housing crisis including the Ohio Low Income Tax Credit. However, we cannot win this fight without preserving and protecting the OHTF.

If you have any questions or require additional information, please feel free to contact me at leah.werner@csh.org or 937-329-1995

Sincerely,

A handwritten signature in cursive script that reads "Leah Werner".

Leah Werner
Director