

Senate Housing Committee Andrew Huffman & Veronica Cardello February 18, 2025

Chair Reynolds, Vice Chair Timken, Ranking Member Craig, and members of the Senate Committee on Housing, thank you for the opportunity to testify today on behalf of Ohio REALTORS®. My name is Andrew Huffman, and I am the Assistant Vice President of Government Affairs at Ohio REALTORS®. I am joined today by Veronica Cardello, our Assistant Vice President of External Engagement who will speak about an exciting initiative Ohio REALTORS® is engaged in with other stakeholders to address housing inventory and affordability.

Formed in 1910, Ohio REALTORS® is the state's largest professional trade association with approximately 36,000 members representing both residential and commercial practitioners.

It is no secret that Ohio has a crisis-level housing shortage across the state. Nationally, it is estimated that the underbuilding gap in the U.S. totaled more than 5.5 million housing units in the last 20 years.¹ In Ohio, we have a shortage of nearly 270,000 affordable rental units and over 100,000 single-family units. As a result of the shortage, we have seen the cost of housing skyrocket. The most recent sales data from 2024 showed the average sales price in Ohio reached \$291,062, a 7.3% increase from the previous year and nearly double what it was in 2014 (\$149,210). As home values have risen, so have property taxes. Far too many homeowners are struggling to keep up with their growing tax bills and face the real possibility of being taxed out of homeownership. In fact, a recent study conducted by the Ohio Chamber of Commerce Research Foundation found that Ohio's property taxes are 72% higher in Ohio than in other locations examined by the study.² Needless to say, the time for action is now. This committee should be commended for its work last session and will hopefully spearhead solutions to solve the housing crisis in Ohio.

As we look toward future efforts to address the housing shortage, it is important to recognize that there is no silver bullet to fix this problem, and lawmakers should look for a combination of policies that best fit the needs of local communities. I would like to highlight a few initiatives that the committee could examine further to increase housing supply in Ohio. These suggestions, as well as others, are highlighted in the 2021 analysis conducted by the Rosen Consulting Group titled "State and Local Policy Strategies to Advance Housing Affordability."³

One of the more obvious solutions to increase housing stock and affordability is to reduce the cost of construction as the cost of building homes has rapidly increased over the past decade.

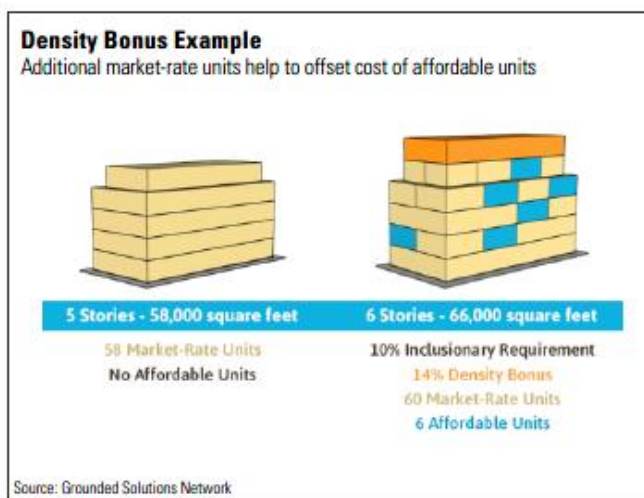
¹ [RCG: Housing is Critical Infrastructure: Social and Economic Benefits of Building More Housing](#)

² [Ohio Chamber Foundation: Ohio Tax Benchmarking Analysis: A Deep Dive into Ohio's Tax Competitiveness](#)

³ [RCG: State and Local Policy Strategies to Advance Housing Affordability](#)

Innovations in the homebuilding industry could help drive down these costs. The Department of Housing and Urban Development (HUD) recently concluded that modular housing construction could achieve an overall savings of up to 20% over traditional construction. State and local governments should explore policies that make it faster and easier for homes built off-site to be placed in communities. Policies could include expanding zoning for pre-built homes, coordinating between local agencies to allow more efficient transportation of these homes to the final build site, and continued support for the development of these building methods.

Density bonuses can also be a powerful tool for increasing affordable housing options in communities without directly subsidizing development. These policies provide developers with a level of density above what local zoning would traditionally provide in exchange for the development of on-site or off-site affordable housing. Local communities benefit from increasing affordable housing options, while developers are able to offset the costs of affordable units with increased revenue from a greater number of market-rate units. Cities such as New York and Austin have utilized density bonuses to incentivize the development of affordable and market-rate housing in their communities. Below is an example of how this policy is implemented.



Local and state governments must also review zoning and permitting requirements, which are often prohibitive in nature and discourage new residential development. Up-zoning and rezoning policies involve converting low-density or underused commercial and industrial real estate into higher-density housing options. By rezoning these properties, communities can receive the benefit of increasing tax revenues on existing land and achieve the goal of increasing the housing supply. Local governments can combine rezoning efforts with other programs like density bonuses or inclusionary housing policies to increase affordable housing options. Local and state governments should also review their property holdings to identify underutilized public property that could be zoned for housing development. Montana recently passed SB 382, or the Montana Land Use Planning Act, which overhauled its rules for local zoning and permitting. The bill applies to cities with a certain threshold of residents and has them to adopt at least five of over a dozen

strategies for housing development, which could include reducing minimum lot sizes, allowing multifamily development in more areas, increasing building height limits, eliminating impact fees, and reducing restrictions on accessory dwelling units (ADUs). Legislation was introduced last session in Ohio (HB 499) that resembles the Montana legislation, but instead of a mandate, it provided financial incentives for local governments to invest in pro-housing policies.

I would be remiss if I did not highlight the report this committee developed last session. Ohio REALTORS® supports many of the recommendations contained in that report. An initiative we have been pursuing includes the development of pre-approved infill housing plans, which we believe could be a tool to benefit Ohio's communities. These plans could be part of the "Ohio Housing Toolkit" that the report recommended to provide resources to local governments to increase housing development and improve community planning.

I am now going to invite Veronica Cardello to provide you with a presentation on additional information about that initiative and how it will help local governments address the housing shortage.