

SB 184 (Reynolds) – Senate Housing Committee

Proponent Testimony

Nick Rhodes

Director of Policy & Special Projects

Ohio Business Roundtable

Chair Reynolds, Vice Chair Timken, Ranking Member Craig, and members of the Senate Housing Committee, thank you for the opportunity to testify today in support of Senate Bill 184. My name is Nick Rhodes, and I am the Director of Policy and Special Projects for the Ohio Business Roundtable (OBRT), a nonpartisan organization that brings together business leaders from across the state, including some of Ohio's largest employers. We currently have over 125 members, collectively employing over 600,000 Ohioans and generating revenue of more than \$2.5 trillion, contributing significantly to Ohio's economy.

Ohio has seen significant success in attracting major economic projects, including investments from some of the most innovative industries in the world—Anduril, Ultium Cells, and a wave of hyperscaler data centers to name a few. However, these successes have highlighted an urgent need for workforce housing to accommodate the growing number of employees coming to Ohio to support these businesses. Unfortunately, many communities face obstacles in meeting this need due to outdated zoning laws, high construction costs, and delayed permitting processes.

Senate Bill 184 addresses these issues head-on by creating a Housing Accelerator program aimed at removing barriers to housing development while ensuring communities have the flexibility to develop solutions that work for them. This bill incentivizes local governments to adopt pro-housing policies and make investments that will help expand housing options, thus supporting Ohio's economic and workforce development goals.

A core element of Senate Bill 184 is the creation of a Residential Economic Development Districts (REDDs) within 20-miles around a major economic

developments project, defined as those with investments of \$700 million or more. According to data provided by JobsOhio, this definition would apply to at least 25 projects across the state—including the newly announced projects of First Tissue in Defiance County and Kimberly Clark in Trumbull County. Within this REDD, municipalities, counties, and townships can apply for grants through the Housing Accelerator Fund to facilitate housing development. This includes land acquisition, site preparation, infrastructure improvements, and capital to reduce the financial burden on developers.

The Housing Accelerator Fund is a performance-based program, rewarding communities for taking action to improve housing availability. Communities must demonstrate their commitment by adopting **pro-housing policies**, such as:

- **Streamlined and expedited permitting processes**, which significantly reduce the time it takes for developers to begin construction. This is critical in fast-moving industries where delays in housing construction can result in lost business opportunities and workforce shortages.
- **Fee reductions or eliminations for inspections and plan reviews**, which alleviate the financial burden on developers and make projects more viable, especially for housing developments in emerging areas or those involving infrastructure upgrades.
- **Zoning changes to permit higher-density housing**, which are particularly important as Ohio's population continues to grow. By allowing smaller lot sizes, minimal side yard setbacks, and reduced parking requirements, we enable the construction of more units on available land—boosting housing availability without compromising community design.
- **Expanded utility access and site readiness planning**, which addresses one of the key barriers to development: the high costs associated with infrastructure improvements like sewer and water extensions. These upgrades are essential for bringing new housing to communities that have struggled to keep up with the demands of a growing workforce.

- **Use of innovative housing types**, such as modular homes, that provide cost-effective alternatives to traditional construction while meeting the needs of workers and their families.

These pro-housing policies ensure that local governments have the tools they need to streamline housing development, reduce costs for builders, and increase housing supply—all critical components of a successful economic development strategy. This flexibility allows localities to respond to the unique needs of their regions while aligning with the broader goals of the state.

The bill also provides clarity on the **uses of the grant dollars** from the Housing Accelerator Fund. These grants can be used for a range of activities that directly facilitate housing development, including:

- **Land acquisition and site preparation** for new housing projects, ensuring that developers have access to ready-to-build sites without the financial burden of purchasing and preparing land. This is particularly important in areas where prime development land is scarce.
- **Infrastructure upgrades** such as road improvements, sewer and water connections, and broadband installation—key elements that often delay or prevent new housing projects from moving forward. These upgrades are critical for accommodating the increased population and improving the quality of life for residents.
- **Capital for housing development**, including fee waivers for essential services such as permitting, inspections, and development fees. These capital investments reduce the cost burden on developers, making it financially viable to build housing in more challenging areas or on sites that would otherwise be considered too costly.
- **Housing-related infrastructure projects**, such as roads, sewer systems, water pipelines, and even utility expansion to underserved areas. These investments ensure that new housing developments are sustainable and have the necessary infrastructure to support a growing population.

- **General fund allocations** to help local governments address the long-term impacts of population growth, such as increased demand for public services and transportation infrastructure.

Additionally, it is important to highlight how Senate Bill 184 aligns with the recommendations made by the Senate Select Committee on Housing from last year. Specifically, the bill incorporates several key recommendations from the committee's report that address Ohio's housing needs and streamline housing development:

- **Recommendation #3: Zoning.** SB 184 encourages local jurisdictions to adopt zoning plans that allow for higher-density housing, smaller lot sizes, and reduced parking requirements, helping to overcome the restrictive zoning policies that hinder housing development.
- **Recommendation #4: Alternative Housing.** SB 184 accomplishes this recommendation by encouraging local jurisdictions to adopt a policy which promotes increased use and access of alternative types of housing, including manufactured and modular homes.
- **Recommendation #18: Ohio Housing Capacity Building Grant Fund.** Through the Housing Accelerator Fund, SB 184 provides performance-based incentives for communities to adopt pro-housing policies, such as expedited permitting, fee reductions, or developing land use and zoning plans, which directly tackle the barriers to timely housing development.
- **Recommendation #20: Site Development.** SB 184 provides targeted funding for necessary infrastructure improvements to make land "site-ready", such as road upgrades and sewer/water connections, ensuring that communities have the infrastructure required to support new housing developments.

Senate Bill 184 is not only an effective solution to Ohio's housing crisis; it also creates a framework for collaboration between local governments, developers, and the state. By offering financial support for infrastructure, land acquisition, and fee waivers, it ensures Ohio remains a competitive place to live and work. These

investments will have a far-reaching impact on Ohio's economic growth by ensuring that the workforce needed for these new jobs has a place to call home.

On behalf of the Ohio Business Roundtable, we thank Senator Reynolds for her leadership on tackling the housing shortage in this state and we strongly urge support for Senate Bill 184. This legislation offers a practical and impactful solution to Ohio's housing challenges and will help secure the state's economic future.

Thank you for your time and consideration. I am happy to answer any questions.