

WITNESS INFORMATION FORM

Please complete the Witness Information Form before testifying:

Date: Sunday, February 21, 2021

Name: Scott A. Sylak

Are you representing: Yourself Organization

Organization (If Applicable): Mental Health and Recovery Services Board Of Lucas County

Position/Title: Executive Director

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Do you wish to be added to the committee notice email distribution list? Yes No

Business before the committee

Legislation (Bill/Resolution Number): H.B. No. 71

Specific Issue: Permanent Supportive Housing Property Tax Exemption

Are you testifying as a: Proponent Opponent Interested Party

Will you have a written statement, visual aids, or other material to distribute? Yes No

(If yes, please send an electronic version of the documents, if possible, to the Chair's office prior to committee. You may also submit hard copies to the Chair's staff prior to committee.)

How much time will your testimony require? n/a

Please provide a brief statement on your position:

Tax exemption for permanent supportive housing properties that house individuals with mental illness must be institutionalized. Permanent Supportive Housing services are built upon a very fragile budget framework, increasing expenses related to these units will result in a loss of capacity, increased homelessness, hospitalization and arrest. Allowing the instability that currently exists will stunt the growth of a badly needed resource.

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House Ways and Means Committee
Written Testimony on HB 71

Scott A. Sylak, LICDC
Executive Director

Mental Health and Recovery Services Board of Lucas County
February 21, 2021

Chairman Merrin, Vice Chair Riedel, Ranking Member Sobecki, and other Members of the House Ways and Means Committee: My name is Scott Sylak and I am the Executive Director of the Mental Health and Recovery Services Board (MHRSB) of Lucas County. Thank you for the opportunity to offer written testimony in support of HB 71. The MHRSB of Lucas County fully supports amendment to Ohio Revised Code Section 5709.121 in order to preserve the tax exemption for permanent supportive housing in Ohio.

Each night, approximately 300 individuals and families reside in Lucas County's emergency shelters, approximately 30% to 50% of these individuals will have a mental illness that would make living in an unstructured environment difficult. Currently, the MHRSB of Lucas County funds Neighborhood Properties, Inc. (NPI) to provide permanent supportive housing (PSH) services to approximately 225 individuals with severe and persistent mental illness. These individuals reside in NPI owned properties dispersed throughout Lucas County. Additionally, NPI maintains a "waiting list" of eligible individuals so that they can rapidly fill vacant units when appropriate. If NPI were suddenly required to pay taxes on their PSH properties there is no doubt their budget would experience significant strain. Consequently, their likely options would be to reduce the number of people housed at properties that cannot financially break even and/or seek additional public funds to cover their losses. It would also mean that individuals on waiting lists would experience longer waiting times to access available units.

Regardless, it's reasonable to assume that without maintaining exemption from property tax, permanent supportive housing units will be at risk. The loss of any PSH units within Lucas County would put further strain on an already stagnant housing market where options for displaced residents would be few. Most displaced individuals would likely end up in our publicly and privately funded emergency shelters, hospitals or jails in a time when most communities are actively trying to reduce capacities of those facilities.

We know permanent supportive housing works for individuals with mental illness. We know that having a stable platform (housing) can and does serve as a launching pad for improved mental health and physical health outcomes that often leads to employment. Instead of allowing limited public resources to be the "mole" in a financial game of "whack a mole," it simply makes more sense to institutionalize the tax-exempt status of permanent supportive housing for individuals with mental illness. Not only does it make for strong public policy, but it preserves the housing we currently have and creates an environment for badly needed growth.

Mr. Chairman, thank you for the opportunity to provide this testimony. Should you have any questions, please contact me at ssylak@lcmhrrsb.oh.gov.