

Friday, September 2, 2022

Biz Groups Back Use Of Federal Funds For Affordable Housing

Several statewide business organizations have thrown their support behind an effort to steer a portion of Ohio's American Rescue Plan Act funding toward affordable housing initiatives.

The groups noted in a [letter](#) to the DeWine Administration that the U.S. Treasury Department recently updated guidance for the money that clears the way for such uses.

"This means affordable housing developers can now utilize these funds in full compliance with the proposal to invest \$308 million in ARPA funding that was submitted to your office earlier this year by the Coalition on Homelessness and Housing in Ohio (COHHIO) and over 225 other Ohio-based companies and organizations," the groups wrote.

The letter was signed by the Ohio Housing Council, Ohio Chamber of Commerce, Ohio REALTORS, Ohio Bankers' League and Ohio Apartment Association.

"These groups recognize that affordable housing is the foundation of a strong, healthy and productive workforce," COHHIO Executive Director Amy Riegel said in a statement. "Businesses need a diversity of workers in order to thrive, and those workers need a range of affordable housing options."

The push for ARPA housing funds come as Ohio has benefitted from several recent development announcements that promise to attract more workers to the state and thus put more pressure on the housing market.

Ms. Riegel noted that a surge in energy jobs a few years ago in southeast Ohio had that effect as rents in Guernsey, Jefferson, and Monroe counties tripled and put many long-time residents in a housing bind.

"Building the Intel plant will require 7,000 construction workers, and it could be thousands more if Ohio gets Honda's new battery facility. We need to learn from the fracking boom that dislocated many in Eastern Ohio nearly a decade ago," she said.

Initiative Funded: In a separate development, the Ohio [Housing Finance Agency announced](#) it is providing \$75,000 in additional funding to Move to PROSPER to support its Empower 100 initiative to improve outcomes for families with low-wage jobs and their children.

Move to PROSPER creates residential and financial stability through temporary rental support and comprehensive life coaching that facilitates successful moves to higher resourced communities, OHFA reported.

"Our mission at the Ohio [Housing Finance Agency](#) closely aligns with the goals of Move to PROSPER and we are proud to be a partner in the Empower 100 initiative," Executive Director Shawn Smith said in a release. "Safe and affordable housing is an essential part of a strong quality of life. The results of the pilot program show that providing quality housing and support services can change the path for at-risk families."

OHFA said the funding will help Move to PROSPER provide rental support with life coaching to 100 families over the next three years. The move follows a pilot involving 10 families.

"Our pilot families saw their incomes rise by an average 58%, or \$17,000," co-founder and Move to Prosper President & CEO Amy Klaben stated. "That shows us that our approach works, and we are so grateful to OHFA for investing deeply in our plans to serve more families with this unique approach."

OHFA [separately reported](#) on data collected under the agency's Save the Dream Ohio program, which provides funding to homeowners who have been financially impacted by the pandemic.

The main goal of the initiative, comprised of the Mortgage Assistance program and Utility Assistance Plus, is to prevent mortgage delinquencies, foreclosures, and other negative housing outcomes, according to OHFA.

"Prior to establishing SDO, the 2021 OHFA Ohio Housing Needs Assessment indicated that 67% of those earning less than 30% of the Area Median Income in Ohio are severely cost burdened. That means they are spending 50% or more of their income on housing-related expenses," the agency reported.

"This is reflected in the SDO applicant data. Of the applicants making below 30% AMI, 60% are either cost burdened or severely cost burdened, compared to 36% of applicants with an AMI between 30-60%. As of the end of July 2022, more than \$17 million in funding has gone to help applicants most at risk for housing cost burden with average assistance amounts of \$1,900 for households earning between 0-30% AMI and just over \$1,800 for households with AMIs between 30-60%."

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