



HOME **MATTERS TO** **OHIO**

A Plan for Housing in Ohio

November 2024

HOME MATTERS TO OHIO

Home Matters to Ohio. It is a simple, but powerful statement.

Like many states, Ohio is facing a challenge of meeting the demand for affordable and diverse housing options throughout the state. It is a challenge that impacts every region of the state. Addressing this challenge is what has brought this unique coalition together.

Collectively, we are a coalition of affordable housing advocates and business and industry leaders who share the common goal of facilitating the development and preservation of a range of housing options that will positively impact housing along with the continuum from homelessness to market rate housing. Our shared mission is to present a platform of state policy priorities that are realistic, well-researched, and data-driven and intended to help ensure Ohioans have a safe, decent and affordable place to call home.

The **Home Matters to Ohio** platform outlines 11 policy proposals along 4 policy goals that will support and provide incentives to increase the supply of affordable housing in the state of Ohio.

Who We Are



Objective: The State of Ohio should support and provide incentives to increase the supply of housing in the state.

I: The State of Ohio should improve the recently enacted state housing development programs, and establish new programs which will make it easier for communities to develop a range of housing options across the state.

1. Increase the number of credits available through the Ohio Low Income Housing Tax Credit Program (OLIHTC). The state established the OLIHTC program in 2023 with a set-aside of \$100 million per year. Already, this program is having a positive impact in the development of affordable housing throughout Ohio. However, requests for credits exceeded the number of credits available by nearly 2.5 to 1. Lawmakers should increase the OLIHTC program with as much as \$500 million in tax credits available for housing developers each year and extend the program through FY2031.

2. Improve the Welcome Home Ohio Program. The state created the Welcome Home Ohio (WHO) program in 2023. The program assists County Land Banks to develop affordable housing in communities throughout the state. However, there are changes that can be made to improve the program and ensure that the program is used to develop residential property, and to make units available to as many qualified buyers as possible.



3. Improve the Single-Family Housing Tax Credit Program. The state enacted Ohio's Single-Family Housing Tax Credit Program (SFHTC) in 2023 to support the development of more single-family housing in the state. While the program is in its infancy, there have been technical changes identified by housing advocates. There are changes that can be made to the SFHTC to improve the program and ensure that it is having the most impact.

4. Safeguard the Future of the Ohio Housing Trust Fund. The Ohio Housing Trust Fund (OHTF) is the primary source of state funding for affordable housing opportunities and improves housing conditions for low-income families throughout Ohio. Created in 1991, the OHTF can provide up to \$65 million each year to support

local housing activities including gap funding and financing for construction, rental assistance, emergency home repair for seniors and vulnerable populations, accessibility modifications and homeless prevention programs. The OHTF fee mirrors county recording fees. However, the shift to digital and online documents recording systems and the variability in the real estate and banking markets, creates uncertainty for future OHTF revenues. Providing greater stability for funding the OHTF is necessary to ensure Ohio has the ability to address housing instability for its most vulnerable citizens.

5. Enact a Housing Infrastructure Program. A number of states provide funding for the development of supportive infrastructure associated with housing, similar to Ohio's programs for economic development sites. This could include the design, construction, building, rehabilitating, repair, or improvement to publicly-owned infrastructure including but not limited to sewers, utility extensions, streets, roads, curb-cuts, water treatment systems, transit improvements, and pedestrian and bicycle ways to advance projects that support housing development, preservation, or rehabilitation, as well as the building or rehabilitation of transit-oriented housing. Ohio should enact a similar program or consider an expansion of the existing All Ohio Future Fund to include projects that support housing infrastructure development in communities throughout Ohio.

6. Establish a Home Improvement/Workforce Development Program. While programs like the OHTF support projects that assist with emergency home repair or accessibility modification, a new program that can support measures to address habitability, safety, improved water efficiency, and other modifications (including supporting small landlords to support upkeep and weatherization, keeping units affordable) could have a wide-ranging impact across Ohio. A similar program in Pennsylvania (the Whole Home Repairs Program) provides funding through the program to counties for construction-related workforce development training, enabling the development of new construction trades jobs while also implementing important housing improvements needed in communities throughout the state.



II: The State of Ohio should unleash market potential by helping communities modernize and correct outdated zoning regulations.

7. Provide Financial and Technical Assistance to Local Governments to Correct Outdated Zoning Codes. Many zoning codes in the state of Ohio have not been updated since the 1940s or 1950s. Focused mainly on single-family residential zoning, these zoning codes prevent the development of housing types that consumers are demanding, thus holding back towns and cities from growing. Many states, including Georgia and Michigan, provide support to communities to assist with the expensive and labor-intensive work of updating local zoning regulations to meet 21st Century demand. Ohio should look to emulate the Michigan Housing Readiness Program which provides grants for eligible activities including costs associated with the adoption of land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability. Beyond offering financial assistance, the state can also offer technical assistance in the form of model policies, consultants who are field experts, and peer learning opportunities to aid cities in developing modern zoning codes.

III: The State of Ohio needs to adopt laws that recognize housing as the foundation for family stability, effective workforce development, and increased wealth for individuals, families, and the community at large.



8. Act to Reform Property Tax Regulations to Help Protect Homeowners. Over the past several years, property owners throughout the state have experienced sudden and rapid increases in their property values, which have had a corresponding effect of raising property taxes, in some cases by astronomical figures. This is especially true in older neighborhoods where Ohioans who are looking to age in place, while passing on property to their family, can barely afford the burden of paying taxes on properties whose value has doubled or even tripled. It is imperative for the State of Ohio to act to ensure that vulnerable homeowners are receiving the protections they need to stay in their homes, maintain the stability of communities and neighborhoods, and hold-on to the legacy of generational wealth that can be passed down to the next generation.

9. Address Issues Arising from the Increased Role of Institutional Real Estate Investors. In the aftermath of the 2007-08 housing market crash, communities across Ohio have seen an increase in the conversion of single-family housing from owner-occupied to renter-occupied housing. Much of this transition has been attributed to the role of hedge funds working through institutional investors to acquire large real estate portfolios that profit from the lease of these properties. Due to the nature of this business model, many times, consumers who rent properties from these large companies do not have a locally based management company or individual landlord to address property maintenance issues, and local governments do not have a point of contact to direct property maintenance or tax delinquency issues.

Lawmakers should work to enact policies designed to provide transparency by landlords other than natural persons, that acquire real property or manufactured homes. This should include the need to designate a local, natural person as an owner or agent regarding matters related to the conveyance. This would include tenant issues, property maintenance, and code enforcement issues which arise and need to be addressed. It is incumbent on the State to ensure that bad actors can be identified easily and held accountable for issues affecting the quality of life for residents.

10. Provide Legal Assistance to Qualified Renters Facing Eviction. Since the pandemic, Ohio has seen higher numbers of evictions across the state.

With growing frequency, eviction cases are occurring based on a range of issues. Renters facing eviction who are not aware of their legal rights in these circumstances face the possibility of not only being left with nowhere else to live, but the black mark of having a legal and financial record that shows they have been evicted. This impacts an individuals access to credit, and can lead to difficulty securing new housing due to a legal record which assumes they are no longer a 'good tenant'.

Lawmakers should enact legislation providing access to legal counsel in



eviction proceedings for qualified vulnerable renters, as well as establishing procedures to seal eviction records. These important changes will do much to help the 'good tenant' continue to have access to credit and housing.

IV: The State of Ohio needs to encourage and support efforts to diversify the supply of housing in communities across the state.

11. Support Innovative Solutions for Housing. Ohio has a variety of housing markets and housing needs. We need an 'all of the above' approach and support for new solutions that ensure everyone has a quality home to own or rent.



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