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Guest Column:By Steve Stivers
President & CEO of the Ohio Chamber of Commerce
614-228-4201

Ohio Must Prioritize Affordable, Accessible Housing

Safe, affordable housing is a necessity that all Ohioans should have the opportunity to enjoy. The Ohio Legislature, statewide leaders and organizations like the Ohio Chamber are all working to make Ohio the best place to live, and to achieve this goal, we must come together to ensure that people are actually able to do just that—live.

The Ohio Chamber recently released our *Blueprint for Ohio's Economic Future*, a report that analyzes Ohio's economic outlook and compares it to other states'. In creating this report, we identified six key areas for improvement.

One of these six levers is "Sense of Place." Sense of Place reflects the characteristics and resources that make a community a desirable place to live, work and visit. As a result, housing access and affordability are a significant part of this conversation.

The situation may not look so dire from the outside— according to US News, Ohio ranks as a top state for affordability in food, energy and housing, in relation to U.S. median family incomes. However, secondary research indicates limited available housing units due to a tenyear low in new builds following the 2008 housing crash.

Additionally, Ohio has a shortage in starter home builds and rental units that are affordable and available to low-income households. Compared to other renters, severely cost-burdened households are more likely to sacrifice other necessities like food and healthcare, which can create a dangerous situation. In 2020, only 3 out of the 10 most common jobs in Ohio paid an hourly rate necessary for a worker to afford a modest two-bedroom apartment. As a result, nearly 400,000 Ohio households are "rent burdened," meaning they spend over half of their income on rent.

With developments announced in the last year such as Intel's \$20 billion semiconductor project in Licking County, Honda and LG Energy Solution's \$4.4 billion battery plant in Fayette County, and Ford's \$1.5 billion investment into its Avon Lake assembly plant, the need for reform will only grow greater. Each of these projects promises to attract a fleet of new workers, all of whom will require safe, affordable housing.

There are no simple solutions to the nationwide housing shortage and increased demand. The *Blueprint*'s recommendation for Ohio involves improving affordability that allows for generational wealth building, which will help this problem lessen down the road. To do this, we must make dedicated efforts to both increase home ownership and provide affordable rent.

State leaders are actively working to address these issues. In his proposed new state budget, Gov. DeWine introduced a proposal that would allocate \$400 million over four years to tax credits for affordable multifamily housing, and \$200 million to building affordable single-family homes. He also said he is working on a new home ownership savings program with Ohio Treasurer Robert Sprague.

Franklin County voters also approved a \$200 million bond package for affordable housing in Columbus last November. This package will build affordable rental units, grow the Central Ohio Community Land Trust, preserve housing affordability in targeted neighborhoods that have seen recent price increases, and provide programs and housing for people dealing with homelessness.

With these initiatives and others, Ohio is on the path to creating a better housing market for all. But we need to figure out how to make housing affordable without subsidies, which means we must address the thorny issues of zoning, building codes, local referendum standards, impact fees, and work to increase allowable density. All these factors can help reduce market prices of both single-family and multi-family new construction cost. We look forward to working with local and state leaders to address these cost drivers in multiple ways.

We must continue these conversations and continue to prioritize housing security in order to build the state that we all desire and fulfill the Sense of Place priorities in the Ohio Chamber's Blueprint.

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