



Legislation Text

File #: 0104X-2021, **Version:** 1

To Join the Ohio Housing Council in Opposition to State Budget Amendments Against Affordable Housing

WHEREAS, The past year has illustrated how critical housing security is for all Ohioans. Unfortunately, an amendment included in the Senate substitute version of the biennial budget (HB 110) would exacerbate Ohio's affordable housing shortage by undermining the economic viability of affordable housing developments. This amendment would effectively increase property tax liability on many types of federally assisted housing developments without regard to the fact that these projects generate less rental income, and often cost more to operate, than market-rate housing projects;

WHEREAS, The Ohio Supreme Court has a long history of ruling that property taxes on subsidized housing should be based on the income that is actually received - not market-rate rent that could be theoretically collected if there were no rent restrictions in place;

WHEREAS, This proposal, which is similar to legislation introduced in the 133rd General Assembly (SB 36), would warp Ohio's property tax valuation system in an inequitable manner, and apply that inequitable method against only one type of property - properties that are designed to house our poorest citizens;

WHEREAS, The Senate Ways & Means Chairman asked interested parties to collaborate on a solution that would ensure federally assisted housing could remain viable, while satisfying county auditors' need for the time and information necessary to accurately assess these properties. A working group has made significant progress toward developing a proposal and has started implementing a pilot program that gives county auditors a clear method for valuing affordable housing properties. This controversial budget amendment has not been fully vetted in the Senate, and not at all in the House; enacting it now would preempt the working group's consensus solution;

WHEREAS, Maintaining property taxes at fair and reasonable levels is the only way for these affordable housing developments to remain economically viable while providing social service resources to low-income residents facing a variety of challenges. Destabilizing the property tax system in a way that undercuts these properties will force many operators to shut down, meaning fewer affordable housing options for low-income seniors, Ohioans with disabilities, and low-wage single parents trying to provide a better life for their children;

WHEREAS, We stand in opposition to this budget amendment because it would hinder efforts to end homelessness and expand access to safe, decent, affordable housing at a time when so many Ohioans are struggling to keep a roof over their heads.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF COLUMBUS:

That this Council does hereby, join the Ohio Housing Council in opposition to state budget amendments that will hinder efforts to expand affordable housing throughout the state of Ohio and in the City of Columbus.