

Ohio Workforce Housing Tax Credit Bill Will Fuel Economic Growth, Create More Than 25,000 Housing Units by 2030

COLUMBUS, OHIO, USA, March 15, 2023 /EINPresswire.com/ -- The Ohio Housing Council today released an economic analysis of HB 3, The Ohio Workforce Housing Tax Credit, which shows the passage of the bill would help create 4,325 new affordable housing units annually and 69,300 jobs over a 6-year period. These jobs are expected to pay \$4.8 billion in wages and generate over

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\$10 billion in construction-related economic activity throughout the state. Across construction and operations for 30 years, this program is projected to create \$24.7 billion in economic activity, as well as nearly \$3.9 billion in tax revenue for state, county and local governments.

The report - produced by [Elliott D. Pollack & Company](#), a well-respected economic consulting firm with deep experience in real estate and housing- used data from the Ohio Housing Finance Authority (OHFA), US Census Bureau, Ohio's historical experience with low-income housing developments, and industry data regarding

construction costs, square footage and rents. Using the IMPLAN model, the analysis focused on the construction impacts as well as the ongoing operations including direct expenditures by the residents.

The full report can be found at: www.ohiohousingcouncil.com The analysis finds that the Ohio Housing Workforce Tax Credit will have a significant positive impact on the Ohio economy, while expanding the number of affordable housing units on the market and paying billions in wages and benefits to workers. These benefits include:

- Approximately 4,325 new affordable housing units constructed annually, for a total of 25,950 new units over the 6 years of the program.
- Construction of the new housing units will lead to the creation of 11,550 jobs in each year of the program, totaling 69,300 jobs over a 6-year period.
- These jobs will pay \$4.8 billion in wages and provide over \$10 billion in construction related

economic activity throughout the state.

- Housing unit operations and new resident spending in the economy will also create 2,365 permanent jobs and over \$108 million in annual wages.
- In total, new construction, property operations, and additional resident spending will create over \$24.7 billion in economic activity over the course of construction and 30 years of operations.
- HB 3 would produce a net plus in generating tax revenues in Ohio. In total, construction and operating tax revenues of the program to be created by HB 3 would total nearly \$3.9 billion in tax revenue to state, county, and local governments.

Representative Gail Pavliga (R-Portage County) and Representative Lauren McNally (D-Youngstown) co-sponsored HB 3 which would authorize state tax credits of up to \$500 million annually for qualified affordable housing projects. Similar to the Low-Income Housing Tax Credit at the federal level, the Ohio Workforce tax Credit program would be administered by the Ohio Housing Finance Agency and can be claimed by eligible investors who receive a certificate for the construction a qualified affordable housing. This credit can be utilized against the state income tax, financial institutions tax, or insurance company premiums tax.

Twenty-two other states have some version of a state affordable housing tax credit. We've personally witnessed the effectiveness of these credits in other states, and we believe they can have a beneficial impact on Ohio's economy, job market, and tax revenue. Based on the success of this credit in other states, it's clear that this is a proven strategy for policy makers and business to not only create more housing, but also generate employment opportunities and increase tax revenue for their communities," said Matt Rule, President, Ohio Housing Council.

Passing HB 3 would provide stability for at-risk households, reducing the burden on other social services. It would also enable access to federal funding and attract private investment for addressing Ohio's housing needs. Additionally, our economic analysis indicates that developing housing can generate employment, stimulate economic progress, and increase tax revenues for the state and local governments," said Rule.

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