



FINAL REPORT

EXECUTIVE SUMMARY

SEPTEMBER 2020

Regional Housing Strategy

Acknowledgments

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CONSULTANT TEAM



Funding Partners

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| AEP | Columbus Partnership | Mount Carmel Health |
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| Westerville | Licking County | The Columbus Foundation |
| Columbus Chamber | | Union County Ohio |

Advisory Board

In addition to the Project Sponsors, the following organizations provided direction to the Regional Housing Strategy as members of its Advisory Board:

- | | |
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| Affordable Housing Alliance of Central Ohio | Lancaster Fairfield Community Action Agency |
| Affordable Housing Trust | Legal Aid Society |
| Age Friendly Communities | Licking County Coalition for Housing |
| Alliance for the American Dream at Ohio State | Licking County Job & Family Services |
| Village of Ashville | Licking County United Way |
| Building Industry Association of Central Ohio | Move to PROSPER |
| The BREAD Organization | National Church Residences |
| Central Ohio Transit Authority | Ohio Capital Corporation for Housing |
| Columbus Metropolitan Housing Authority | Ohio Housing Finance Authority |
| Columbus Urban League | Ohio State Center for Real Estate |
| Community Development for All People | The Ohio State University |
| Community Shelter Board | Omni Title |
| Connect Realty | City of Reynoldsburg |
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| DRK Realty | US Together |
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Central Ohio is at a critical inflection point.

The past decade has been one of historic growth for Central Ohio, and that growth is expected to continue for the foreseeable future – with the Mid-Ohio Regional Planning Commission (MORPC) projecting the region to have as many as 3 million residents by 2050. Not only is the region growing; it is changing. Increases in both the young adult and 65 and older populations are shifting housing preferences. Furthermore, the highly competitive real estate market and a persistently high poverty rate have led to more vulnerable groups struggling to find housing in neighborhoods of their choice.

The Central Ohio Regional Housing Strategy (RHS) sets forth a bold vision: A future where growth and recovery help realize more equity among Central Ohioans, not less. Housing—where it's built or maintained, who it's for, and how it's priced—can be a platform to achieve this vision.

How was the RHS developed?

The RHS is a collaborative effort by public and private partners across the Central Ohio Region, led by MORPC, the City of Columbus, and Franklin County. It was supported by the consultant team of Enterprise Community Partners, Inc., Ice Miller LLP, RAMA Consulting Group, and Vogt Strategic Insights. The RHS would not have been possible without the wide range of stakeholders who committed time and resources to this effort.

The process began with a thorough investigation of existing and projected housing needs in the region, grounded by both quantitative and qualitative assessments to understand housing supply and demand throughout the region, barriers to development, and the regional housing finance landscape.

From there, potential investment strategies and housing interventions were identified, based on national best practices. These strategies were vetted with regional stakeholders to better understand their regional relevance and viability, resulting in region-specific recommendations for future action. Each strategy was then aligned with the various housing submarket conditions throughout the region to help decisionmakers choose among the potential interventions for implementation.

Stakeholder engagement was the backbone of this process. Engagement activities included stakeholder convenings, regional strategy workshops, informant interviews and focus groups, and an on-line community survey. More information about this process may be found in the Stakeholder Engagement Summary.

The RHS engagement strategy focused on ground-truthing findings and recommendations while building the capacity of decisionmakers to implement regional housing solutions. Further engagement with a broader range of community members is necessary to advance the RHS vision and ensure implementation is grounded in the full range of Central Ohioans' lived experiences.



A NOTE ON THE EVENTS OF 2020

The Regional Housing Strategy was developed during the 2020 COVID-19 pandemic. Although at the time of writing, it remains unclear what the true impacts of the pandemic will be on the region's housing market, COVID-19 and the civil unrest experienced across the country have changed the lens through which we view issues such as housing.

Anecdotal evidence suggests housing instability, including homelessness, may affect more people, including people who have never had concerns about affording their homes before. Moreover, we have all witnessed and felt the sadness, the outrage, and the frustration concerning senseless deaths and unnecessary trauma across the nation and closer to home. These tragedies impact us deeply and cast a brighter light on racism and its long legacy and impact on every community.

The Regional Housing Strategy seeks to be responsive to the uncertainty generated by COVID-19, to address disparities through action, and to reaffirm Central Ohio's commitment to inclusive and equitable housing. It creates a strong and agile toolkit that can address a wide range of housing issues in ways that use housing as a platform for equitable growth and recovery. Committing to and taking local action on housing issues positions the region to tackle housing instability and socioeconomic disparities, and promotes stability and resilience among Central Ohio households.

The core regional housing issues.

1

Increased competition for homes, driven by increased population growth, a low rate of housing production, and lasting impacts from the Great Recession.

2

Barriers limiting access to homes, including disparities in lending practices, creditworthiness, housing instability, and housing discrimination.

3

Limited supply of homes priced for low-income households, as more homes are built at higher price points, the region loses some of its existing affordable options (including single-family rentals and expiring subsidized housing), and demand for rental assistance continues to outweigh supply.

4

Demand for more homes that serve a wider range of ages, abilities, and household sizes, which is growing as a result of the region's changing demographics. This includes trends like the increasing racial and ethnic diversity in Central Ohio and the growing number of both older and younger adults in the region.

5

Housing instability among Central Ohioans, as reflected in the region's rates of cost-burden, evictions, homelessness, and homes in need of repair.



People and areas across Central Ohio do not universally experience these issues in the same way or to the same extent. Some people – including low- and moderate-income households, families with children, people of color, older adults, and people living with disabilities – are more acutely impacted by these housing issues. And these issues often look different in different areas of the region. Recognizing this, the RHS provides tailored data and solutions that speak to the range of submarket conditions across the region.

More information about regionwide and submarket-specific housing conditions in Central Ohio may be found in the RHS Existing Conditions summary.

What issues does the region face?

Housing issues are not new to the region. In fact, most are well-documented in previous reports – including the Columbus and Franklin County Affordable Housing Challenge and Joint Analysis of Impediments to Fair Housing Choice, insight2050, and the Ohio Housing Finance Agency’s annual Housing Needs Assessment. The RHS set out not only to deepen the region’s understanding of these issues, but also to investigate the barriers that were holding the region back from addressing them.

The following barriers rose to the top:



Not-In-My-Backyard (NIMBY) attitudes and negative perceptions about housing density and affordability, resulting in a lack of public and political support that affects development feasibility in Central Ohio.

Uncertainty associated with local land use processes and standards, driven by significant variations in local policies, processes and standards with little centralized information to help navigate the process. This increases the time and cost of development.

Increasing costs of residential development, including land costs, site selection, and regulatory costs. This can decrease production, particularly of housing at lower price points. The increased cost of construction materials and labor were identified as key drivers in the economics of residential development in Central Ohio.

Need for more assistance than available resources, across multiple fronts. From rental assistance to support for home repairs, demand dwarfs available programs. This need plays out in the region’s housing finance landscape as well, where limited gap financing has created an over-dependence on Low-Income Housing Tax Credits to produce affordable housing in the region.

Like the issues themselves, the barriers to addressing them vary significantly across the region. The housing finance landscape is a key example of this: there are many more resources for development financing and direct housing assistance within Columbus and Franklin County, compared to surrounding counties. To account for this variation, the RHS includes an Investment Allocation Portfolio that demonstrates what it will take, from a funding perspective, to address regional priorities and needs.

Where do we go from here?

The RHS culminates in a robust Implementer’s Toolkit that includes more than 100 different actions, designed to equip leaders across Central Ohio with the information and tools to action on the region’s most pressing housing issues – whether they are a local or state government official, a member of the development community, an employer, a housing advocate, a financial institution or philanthropy, the administrator of a housing program, or an interested citizen.

From the toolkit, stakeholders involved in the RHS process adopted the following actions as top priorities for the near-term.

Priority actions elevated at the August 2020 stakeholder working session.

At this workshop, stakeholders prioritized among selected actions for each of the five core regional housing issues using live polling technology. In breakout sessions organized around the five core housing issues, participants focused on the action receiving the most votes, with facilitated questions of who, what, and where guiding the discussion. A few common themes emerged and each breakout session wrestled with how to balance local, regional, and statewide actions – as well as participation by public, private, and non-governmental sectors.

Participants agreed that regional tasks were more effective if they were shaped at the local level, and in partnership with staff from peer communities. That approach, in turn, should lead to broader support from communities throughout the region. Likewise, a diverse region speaking with one voice would effectively carry a message at the state level.

In most discussions, stakeholders also agreed that the government and policy voices would carry further if they also were backed by the private and non-governmental organization (NGO) sectors – stressing the idea that addressing housing issues is good for economic development, a stable workforce, public education, and many other economic and social benefits.

A summary of the five breakout discussions is below.

Core Regional Housing Issue: Increased competition for homes

Priority Action: Green tape development review

“Green tape” development review removes or lowers regulatory barriers, making it quicker or cheaper for developers to move ahead with their projects – in return for providing a public benefit, such as low/moderate-income homes in residential development. Stakeholders recommended initiating this action with a pilot project so communities throughout the region could see how the process works.

This – combined with a public awareness campaign – could address misperceptions about density, development, and affordable housing, and make housing a natural part of discussions about economic development. It could also open the door to zoning changes that balance the needs of economic development and housing. Stakeholders also suggested planning with, or an advisory role for, entities such as school districts and county engineers’ offices which have a stake in housing issues.

Core Regional Housing Issue: Housing instability among Central Ohioans
Priority Action: More tenant-based rental assistance to address housing instability

Housing advocates already know where the eviction hotspots are, what entities already provide assistance or models, and what interests have the knowledge and expertise to develop and expand an assistance program. Most of the data and programs, however, are focused on Columbus and Franklin County. Information and infrastructure are needed for the entire region.

One example elevated by the group is a three-year pilot program beginning at Columbus State Community College, which works with public and non-profit partners to provide rental assistance to students at-risk of having to leave school. Other local programs have focused on rental assistance and financial and life counseling for single mothers. Stakeholders suggested that these and other programs could be continued and expanded, especially if they are aligned with complementary actions, such as source of income protection policies and good landlord programming.

Core Regional Housing Issue: Barriers limiting access to homes
Priority Action: Enact source of income protection laws (or otherwise expand fair housing laws.

Stakeholders considering statewide source-of-income protection laws determined it would be easier to make those changes at the municipal level. They also agreed that initiatives to get people into much-needed housing should include funding for rehabilitation of housing and a regional risk mitigation fund. The carrot-and-stick approach could ease property managers’ opposition to such laws.

It also would require finding, or creating, an entity to manage the funds – and doing so at a multi-jurisdictional and regional scale. But they argued it is more important to build this model effectively than to build it too quickly and recommended bringing potential opponents to the table as the strategy is being developed.

Municipalities could quickly and easily draft an ordinance to make it harder for landlords to deny housing to people who use federal housing vouchers to help pay their rent. But enacting it would require addressing likely opposition. A risk mitigation fund could help soften the opposition, as could a regional approach. If a municipal ordinance is drafted with help from other local leaders, the regional solidarity would likely prompt real estate interests to help with a solution that considers the needs of all.

The Community Shelter Board and Columbus Metropolitan Housing Authority came up as possible fund managers. A role for the Central Ohio Mayors and Managers Association (COMMA) could reinforce the regional nature of housing challenges. MORPC’s history of rehab assistance to low- and moderate-income homeowners could be expanded.

Core Regional Housing Issue: Limited supply of homes priced for low-income households
Priority Action: Create a State housing tax credit to support priority housing development

Stakeholders in this group, as with those looking at source-of-income protections, saw great value in localized programs and Central Ohio advocacy to create state support through housing tax credits to serve as additional gap funding for affordable and mixed-income housing. This local and regional support would aid existing efforts by groups such as the Ohio Housing Council. A coalition in Central Ohio could be a model for similar efforts in other metropolitan areas – especially if it includes groups such as private developers.

Existing programs are limited in their use, but a broad statewide program could go into Community Reinvestment Areas (CRA) and Opportunity Zones and provide single-family and multifamily homes and a variety of tenures, depending on the type of structure.

A statewide effort should emphasize benefits that go beyond those who live in new affordable housing – such as a more stable workforce. Stakeholders suggested a study of potential sources and uses for a state housing tax credit and an overview of housing tax credit legislation in other states. They also identified many organizations and interests whose support would be valuable, including the Ohio Municipal League, County Commissioners Association of Ohio, Ohio Economic Development Association, Ohio Housing Council, One Columbus, and others.

Core Regional Housing Issue: Demand for more homes serving a wider range of ages, abilities, and households
Priority Action: Create a pilot that supports the development of diverse, lower-cost housing products, leveraging innovative design and construction techniques

This group had few specific proposals for pilot projects, other than an overlay zoning pilot in Delaware County townships to create new development options and expedite the zoning process.

But the stakeholders had many thoughts about the characteristics of sites for pilots, such as areas with access to transit and other mobility alternatives; concentrations of economic activity with little affordable housing (downtown Columbus and Bridge Street in Dublin); and parcels that could accommodate such housing types as microunits, accessory dwelling units, etc.

They also recommended partnering with developers, school districts, economic development interests, and financial interests; and identified zoning density waivers and tax abatements among tools to spur pilot projects.

MORPC will work with its members to create Local Housing Action Agendas that translate Central Ohio’s regional housing vision and strategy framework into meaningful local action on housing issues, accounting for unique local priorities and context. Each agenda will include a jurisdiction-specific overview of housing needs and top priorities for local action, with a specific eye towards advancing equitable growth and building community resilience. The process of developing each agenda will offer opportunities to engage a broader range of community stakeholders in crafting local housing solutions across the region.

To further hold the region accountable for action, MORPC has created a dashboard to track progress on key housing indicators related to each of the core regional housing issues. This progress can only be achieved if all partners work together and apply the strategies of the Implementer’s Toolkit.

Realizing a future of equitable growth and inclusive prosperity in Central Ohio requires a coordinated, regional approach that hinges on committed and bold leadership at all levels of governance and among developers, financial institutions, nonprofits, foundations, and community members. Everyone has a role to play in creating a robust housing market in Central Ohio where every resident, no matter their race, age, or ability, can find safe and decent housing without being discriminated against or cost-burdened.
Find out how you can be a part of the solution in the Central Ohio Regional Housing Strategy.