



Hearing of the Joint Committee on Property Review and Reform

Written Testimony of Kristen Baker, Executive Director

May 8, 2024

Co-Chair Blessing, Co-Chair Roemer, Ranking Member Troy and members of the Joint Committee on Property Tax Review and Reform. My name is Kristen Baker and I am the Executive Director of LISC Cincinnati. Thank you for the opportunity to provide written testimony on such an important issue that touches some many Ohioans.

We encourage the Committee to recommend expansion of Ohio's Homestead Exemption to both increase the size of the exemption for eligible households AND increase the eligibility threshold to include more households in the Greater Cincinnati Region and throughout the state. Increasing the eligible exemption amount would provide much-needed relief to older homeowners. The current exemption, set by statute, has not kept pace with inflation and soaring housing values in many areas of Ohio. Many senior homeowners are struggling to get by on fixed, low incomes. Increased home values, while positive for many, continue to marginalize our older homeowners and make them financially insecure in their homes.

Increasing the income eligibility to secure the Homestead Exemption would also provide critical relief to older taxpayers throughout the state. In Hamilton County, we have seen a 26% decrease in use of the Homestead Exemption in the last 10 years. The current income requirements have had a similar effect across the state with an average 20% decrease in use since 2013. This disparity between eligible income level and rising home values is endangering the homes and finances of seniors and disabled households across the state.

A home is the largest financial asset for many Ohioans and is a key component of building generational wealth. Increasing both the size and eligibility levels for the Homestead Exemption would not only give immediate relief to many struggling Ohio households but would help strengthen the financial assets of millions of Ohio households.

About Local Initiatives Support Corporation (LISC)

LISC is a non-profit housing and community development organization and certified Community Development Financial Institution (CDFI) with offices in 38 cities throughout the United States, and a rural network encompassing 146 partners serving 49 different states. LISC's work supports a wide range of activities, including affordable housing, economic development, building family wealth and incomes, education, community safety, and community health. LISC and its affiliates raise and deploy well over \$2 billion annually in grants, loans and equity capital into distressed urban and rural communities.

LISC is an investor, capacity builder, convener, and innovator. LISC is uniquely positioned to connect hard-to-tap public and private resources to community needs. We raise funds from foundations, corporations, financial firms, federal, state and local governments, and through the capital markets. Through public and private dollars, we are able to invest in neighborhoods and people working to access opportunities every one of us deserves. In Ohio, LISC works across the state through offices in Toledo, Cleveland, and Cincinnati, and our LISC Rural network. We collaborate to support innovative, scalable solutions in our communities, including tools like homeowner repair programs and housing financing strategies.

Our impact in the region and across the state is substantial. Over the last two decades, LISC Greater Cincinnati has invested more than \$193 million in the community, supporting more than \$686 million in community development projects. We have supported the development of over 2,700 housing units and 1.75 million square feet of commercial, retail, and community space. LISC Toledo has invested \$171 million in the community while leveraging another \$285 million. We have supported the creation of over 2,100 affordable homes, and over 1.4 million square feet of commercial, retail and community space. Over the last two decades, LISC Cleveland has invested more than \$160M supporting almost \$653M in projects - resulting in over 2M square feet of commercial space and over 5,100 units of affordable housing.

LISC believes that a safe, affordable home is one of the basic foundations of life -- a key to individual health, well-being and financial security. We also believe that investments in quality housing have benefits that extend beyond the walls of a home and the experience of the people who live there to the community at large. It stimulates spending and employment in the local economy, revitalizes and brings revenue to the community, and builds wealth.

Thank you for the opportunity to provide this written testimony. If you have any questions or would like additional information, please feel free to reach out to:

Kristen Baker
Executive Director
LISC Greater Cincinnati

(513) 723-2115
kbaker@lisc.org