

WORK & HOME

AFFORDABLE HOUSING
ALLIANCE OF CENTRAL OHIO

SEPTEMBER 2021

HOUSING+COVID-19

Affordable housing is a powerful economic development tool, shaping workforce dynamics in often-hidden ways. Housing is at the root of employers' decisions on where to locate and how to compensate staff. It supports employee productivity, engagement, and flexibility in the face of evolving workforce needs. And keeping housing costs in-check builds the vital consumer base needed to launch entrepreneurial ventures and foster local innovation.

In Central Ohio, housing was a key consideration in Amazon's HQ2 search and a decisive factor in Reynoldsburg's recent success welcoming 200 new jobs. But, as the pandemic demonstrates, the future of work is uncertain for families without stable homes.

This report dives into the economic challenges and opportunities affordable housing presents for the region, and explores how we can leverage this pivotal moment for a brighter future.



In Franklin County, the hourly wage needed to afford a modest two-bedroom apartment is now \$19.83, up 24% in just five years. **Only one of Ohio's ten most common jobs pays that rate.** A minimum wage worker needs to work 170 hours per week to afford Central Ohio's average home sale price.

Local housing professionals hold significant concerns about homeownership stability for workers in Central Ohio. 88% reported that middle-income homeowners struggle to make critical repairs; a same percent also reported worker's difficulty paying property taxes.



**WORK IMPACTS
HOUSING**

HOUSING IMPACTS WORK

80%

of Survey Respondents say...

Workers have increased anxiety and mental health challenges due to housing instability that reduce employee moral and productivity

53%

Worker turnover is higher due to housing instability. This increases recruiting, training, and other employer costs

47%

Worker productivity is reduced due to long commute times which also raise transit costs and traffic congestion in the region

How does **Central Ohio's** lack of affordable housing impact Franklin County's workforce development needs?

Other Top Answers

- Worker mobility is limited because residents must choose between a reliable paycheck and the education needed to advance in their careers
- Employers have difficulty meeting Diversity, Equity, and Inclusion goals because lack of affordable housing constrains the workforce population
- Employers are deterred from relocating or expanding because lack of affordable housing constrains the workforce population

SEPTEMBER 28 @ 11:00AM
JOIN THE CONVO

Coming Soon!

A new pilot program that leverages affordable housing as a platform for long-term economic mobility.

A unique public-private collaboration will launch this Fall to help low-income Franklin County residents achieve financial independence while advancing our region's workforce readiness and economic development goals. Join us on **September 28th at 11:00 AM** to be the first to learn more!

This initiative was nurtured and supported by the JPMorgan Chase Foundation. Foundational supporters also include the Franklin County Commissioners and the Columbus Metropolitan Housing Authority.



What the Data Tells Us



We're in an historic housing shortage for working families.

Freddie Mac estimated that, nationwide, there were only 65,000 new entry-level homes built in 2020; for comparison, in the late 1970s when we had a smaller population, that figure was six times higher, averaging 418,000 entry-level homes per year.

Research Note May 07, 2021, "Housing Supply: A Growing Deficit"



The growing lack of affordable housing hurts employee retention.

An Urban Land Institute report found that 67% of employers cite the lack of affordable housing as a barrier to retaining qualified entry-level and mid-level employees.

ULI, "Lack of Affordable Housing Near Jobs: A Problem for Employers and Employees."



'A spatial mismatch' between jobs and homes drives unemployment.

Columbus has a high imbalance between where jobs are located, and where people suited for those positions live. Retail and service industry jobs are over represented in our northern neighborhoods, while those job applicants are more concentrated in southern neighborhoods.

Urban Institute, "Too Far from Jobs: Spatial Mismatch and Hourly Workers"



Increasing local commute times threaten worker productivity.

The average Franklin County commute inched up 6% since 2010. Commuters with less than an half-hour daily drive gain a week of productivity each year, while longer commutes increase stress, depression, sleep-loss, and obesity.

ACS 5-Year Estimates, 2010-2019 "Commuting Characteristics by Sex"; Mercer, "Long Commutes Costing Firms a Week's Worth of Staff Productivity"

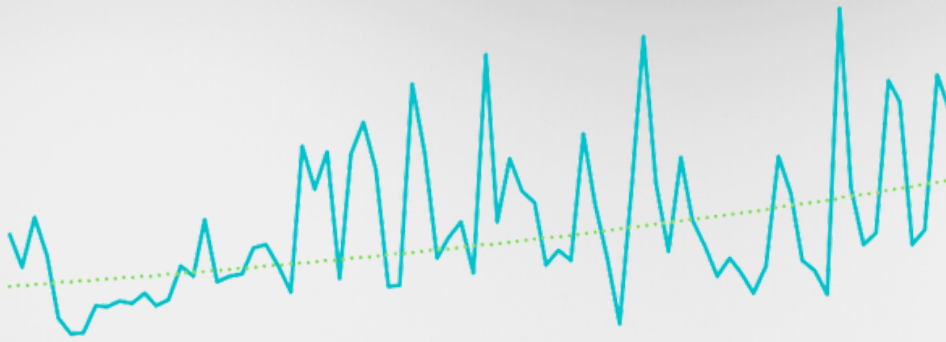


Eviction predicts job loss, housing stability promotes employment

Renowned research Matthew Desmond found that low-income working renters were 11 and 22 percentage points more likely to be laid off if they experienced a preceding "forced move," like eviction.

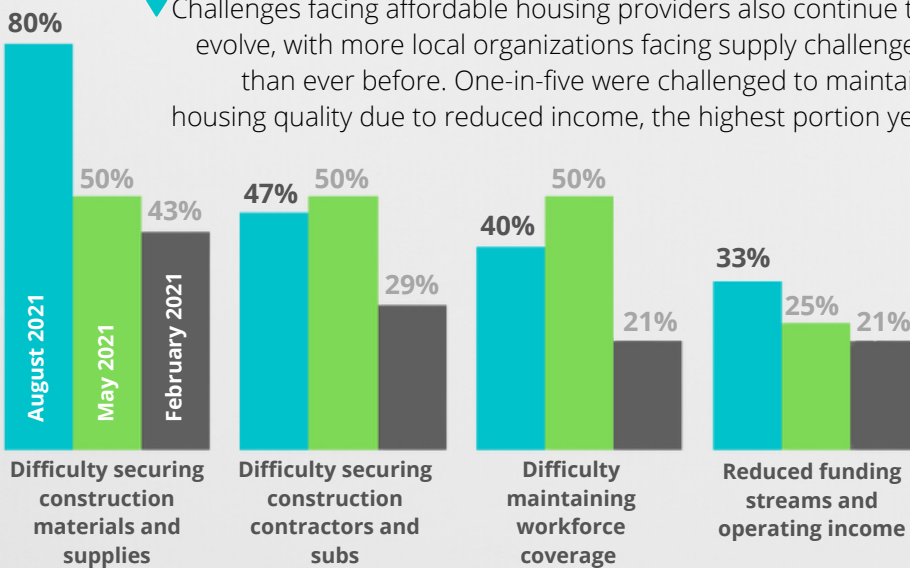
Social Problems, 2016, "Housing and Employment Insecurity among the Working Poor"

CentralOH Stats



Evictions continue their ascent, with almost 1,400 evictions filed in August, which does not include extra- or non-judicial housing displacements. ▲

▼ Challenges facing affordable housing providers also continue to evolve, with more local organizations facing supply challenges than ever before. One-in-five were challenged to maintain housing quality due to reduced income, the highest portion yet.



SOLUTIONS for Today

Ready for Recovery. Invest in housing to create the swiftest, most equitable recovery in American history.

Upward Mobility. Use housing as a platform for economic growth by pairing workforce development and affordable housing.

Lessons Learned. Expand the Housing Choice Voucher, the Low Income Housing Tax Credit, and other safety net programs.

Zone for Equality. Modernize local building codes to legalize affordable housing and align our land use rules with our housing priorities and funding incentives.

Get Creative. From pilots, to Source of Income protections, to minority homeownership, Central Ohio must lead via innovation.

ABOUT US

The members of the Affordable Housing Alliance of Central Ohio are twenty-five non-profit and for-profit organizations that represent the full spectrum of affordable housing activities in Franklin County, from homeless and housing services, to housing development and housing finance. Working together, we advance solutions to address the affordable housing challenge, which support economic progress and strengthen the community.

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AHACO thanks our Strategic Advisory Council for supporting this publication: American Electric Power Foundation, Affordable Housing Trust for Columbus and Franklin County, AT&T, Cardinal Health, Charter Communications, EMH&T, Fifth Third Bank, Huntington Bank, JPMorgan Chase & Co., Nationwide Foundation, Park National Bank, PNC, Starry Internet, Tidwell Group, and United Way of Central Ohio. Fifteen AHACO members responded to this survey. Respondents, allies, and media reports were used to compile this publication.

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