

ECONOMIC IMPACT STUDY OF THE **COLUMBUS METROPOLITAN HOUSING AUTHORITY** IN FRANKLIN COUNTY, COLUMBUS MSA, AND THE STATE OF OHIO



Executive Report

Prepared for the



COLUMBUS METROPOLITAN
HOUSING AUTHORITY



Research
Foundation





“We are not simply building structures; we are building communities and deploying substantial financial resources to stimulate economic growth.”

MESSAGE FROM THE CEO

Dear Valued Partners,

I trust this message finds you well.

I am thrilled to share the results of the comprehensive economic impact study conducted by the Ohio Chamber of Commerce in collaboration with the Columbus Metropolitan Housing Authority (CMHA). This study aims to assess CMHA’s impact on the region’s economic and social well-being, with a focus on employment, earnings, value-added, and economic output.

Before delving into the findings, I would like to extend my sincere appreciation to each member of our organization who contributed to this endeavor. Your dedication and expertise have been instrumental in the successful completion of this study, and I am truly grateful for your unwavering commitment to our mission: CMHA helps people access housing for all through collaborative partnerships to develop, renovate, and maintain housing; promote neighborhood revitalization; and assist residents in accessing needed social services.

Now, let us turn our attention to the heart of the matter: the economic impact study. This in-depth analysis has provided us with invaluable insights into the multifaceted ways in which our initiatives ripple through the local, state, and national economies. By examining key metrics, we have gained a clearer understanding of our role as catalysts for sustainable growth and prosperity.

As we reflect on this study’s findings, it is evident that our efforts extend far beyond the realm of housing. We are not simply building structures; we are building communities and deploying substantial financial resources to stimulate economic growth. Through strategic investments in housing for all and community development programs, we are laying the groundwork for a more equitable and vibrant Columbus and beyond.

In closing, I want to express my gratitude once again to each and every one of you for your contributions to this important study. Together, we have laid the groundwork for an even brighter future for Ohio, Columbus, and Franklin County, and I am excited to continue this journey with you.

Warm regards,

Charles Hillman

President & CEO
Columbus Metropolitan Housing Authority

EMPLOYMENT

encompasses the total number of both full-time and part-time jobs created or sustained.

EARNINGS

comprise employee compensation, proprietor's income, and employer health insurance contributions.

VALUE ADDED

include earnings, is the total economic output minus the cost of intermediate inputs, directly contributing to the Gross State Product (GSP).

GROSS OUTPUT

or economic output is the broadest measure of economic activity, equals the market value of all goods and services produced, comprising value added plus the cost of intermediate inputs.

EXECUTIVE SUMMARY



OVERALL ECONOMIC CONTRIBUTION

From 2018-2022, CMHA's activities and Housing Assistant Payment (HAP) programs

Generated over
\$1.8 billion
in earnings

Contributed
\$3.28 billion
in value added

Achieved
\$6.06 billion
of Gross output

(All numbers are in 2023 dollars)



ECONOMIC MULTIPLIER EFFECT

For every dollar CMHA spends, the Economic Output increases by

\$1.77
in Franklin County

\$2.02
in the Columbus MSA

\$2.2
across Ohio

(All numbers are in 2023 dollars)



JOB CREATION

CMHA's direct investments resulted in

5,404
full-time and part-time jobs
in Franklin County

8,276
Total Jobs in
Columbus MSA

9,017
total across Ohio



DIRECT EXPENDITURE IMPACT

CMHA's direct spending, excluding HAP, generated

\$1.18 billion
in economic output in Franklin County

\$1.66 billion
statewide over five years

(All numbers are in 2023 dollars)

HOUSING ASSISTANCE PAYMENT (HAP) PROGRAMS

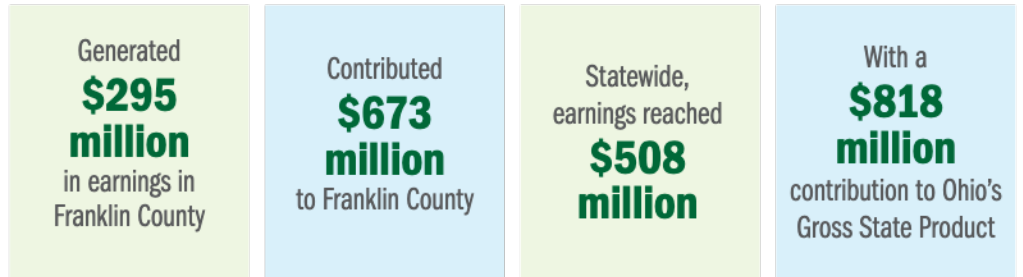
CMHA acts as an intermediary for the Department of Housing and Urban Development (HUD) in administering the critical Section 8 programs that include - Housing Choice Voucher (HCV) Program and the Project-Based Rental Assistance (PBRA) Programs in Ohio and Washington, D.C.

By directing rental subsidies to tenants' household incomes, CMHA plays a vital role in stimulating economic activity through Household multipliers.



EARNINGS AND GSP CONTRIBUTION

CMHA's direct spending



(All numbers are in 2023 dollars)



INDUCED IMPACT OF HAP PROGRAMS

CMHA's HAP programs in Ohio annually



(All numbers are in 2023 dollars)



ANNUAL JOB CREATION

CMHA's operations and HAP programs annually sustain



McKinley Manor Ribbon Cutting

ECONOMIC IMPACT ANALYSIS



ECONOMIC IMPACT ANALYSIS

study for CMHA quantifies the impact of CMHA activities and spending in Franklin County and statewide. We utilize the Regional Input-Output Modeling System II (RIMS II) with 2021 regional multiplier data for Franklin County, Columbus MSA, and Ohio.

DIRECT IMPACT

denotes the immediate job creation, wage increases, and economic output from CMHA's spending, focusing on the initial supply chain effects and output multipliers from domestic inputs. It encompasses full-time and part-time positions generated by CMHA's activities.

INDIRECT IMPACT

refers to the economic boost in employment and wages among suppliers to CMHA projects, such as a construction company purchasing materials, which benefits its suppliers and stimulates further demand. This creates a cascading effect, leading to job creation and higher economic output across local and state levels, showcasing the ripple effect of CMHA's spending.

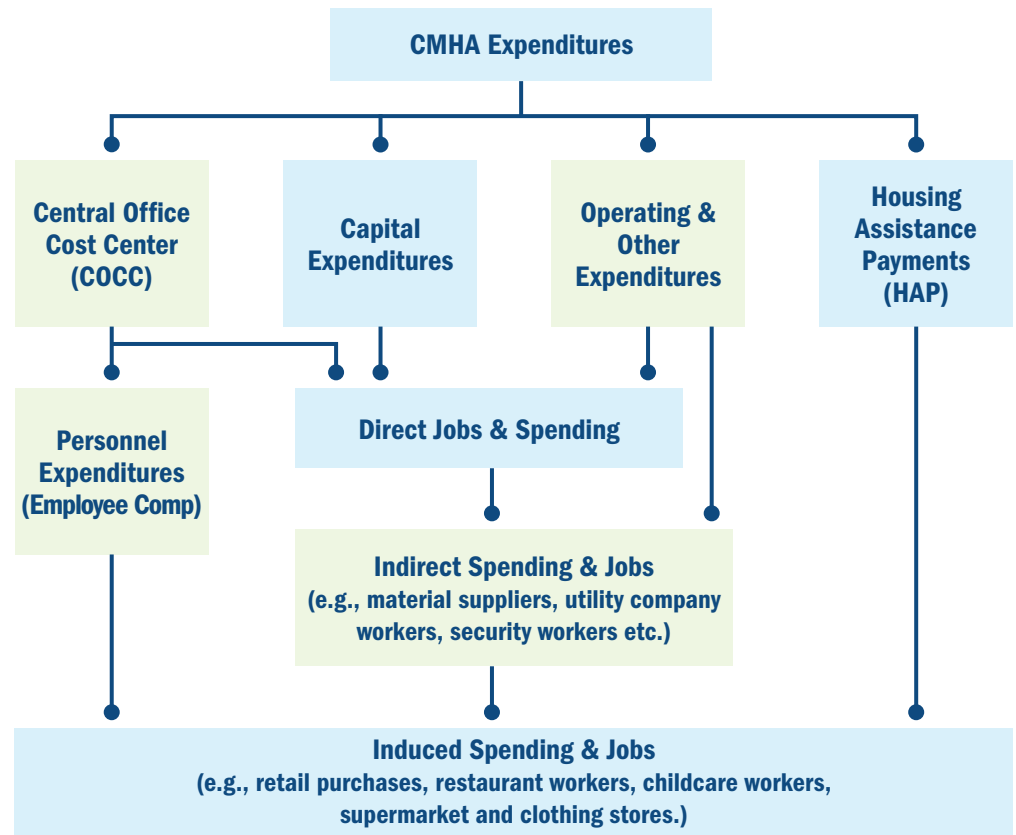
INDUCED IMPACT

describes the economic ripple effect from employees spending their wages in areas impacted by CMHA's investments. For instance, wages from a CMHA project's supplier spent locally boost the economy, creating a multiplier effect that increases consumer spending and job creation.

Together, these impacts reveal CMHA's comprehensive economic influence on local and state economies through their direct expenditures and HAP activities.



ECONOMIC IMPACT OF CMHA'S ACTIVITIES



Central Office Cost Center (COCC) covers central office expenses, including administration, operations, and the Resident Initiatives for Success and Empowerment (RISE) EnVision Center in Franklin County, Ohio.

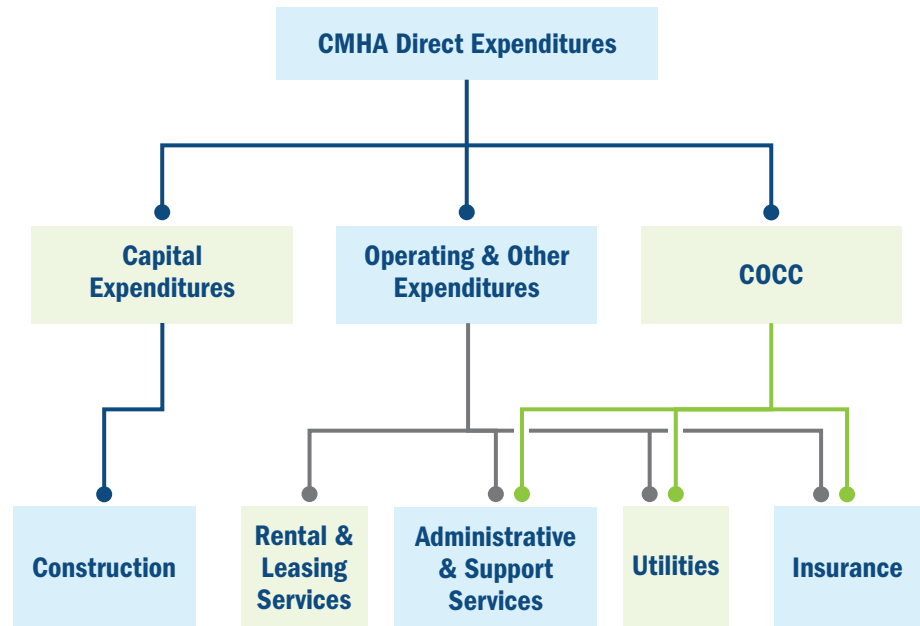
The RISE EnVision center provides economic, educational and other services so people can be self-sufficient.

ESTIMATING ECONOMIC IMPACT IN 2023 DOLLARS

1. Calculate inflation adjusted direct expenditure based on CMHA's actual expenditures from 2018 to 2022, in 2021 dollars using Chain-linked Price Index for Personal Consumption Expenditures (PCE).
2. Input direct expenditure in 2021 dollars into the RIMS II model, categorizing it as salary and non-salary spending across industries per North American Industry Classification System (NAICS) definitions.
3. Use RIMS II model to estimate direct, indirect and induced economic impacts, value added, earnings, and employment associated with CMHA's direct expenditures.
4. Calculate annual average Housing Assistance Payments in 2021 dollars and estimate the Induced effect of these HAP in 2021 dollars using RIMS II regional Household Multipliers.
5. Find the total employment general on annual average basis for Employment for CMHA's direct expenditures and HAP.
6. Express the earnings, value added, and output in 2023 dollars for CMHA's direct expenditures and HAP.



CATEGORIES OF CMHA DIRECT EXPENDITURES



About **70%** of the economic output generated in Ohio is in Franklin County, which is CMHA's primary jurisdiction.

TOTAL EARNINGS GENERATED IN FRANKLIN COUNTRY FROM DIRECT EXPENDITURES AS PER INDUSTRY TYPES

(In millions of 2023 dollars)

\$97.4	Construction
\$11.5	Retail trade
\$5.4	Transportation and warehousing
\$10.5	Finance and insurance
\$16.7	Real estate and rental and leasing
\$15.7	Professional, scientific, and technical services
\$84.0	Administrative and support and waste management and remediation services
\$13.6	Health care and social assistance
\$3.8	Food services and drinking places
\$5.7	Other Services
\$30.5	Other Industries*

\$294.8 Total

*Goods manufacturing, Wholesale trade, IT, educational services, Utilities, Arts, entertainment, and government.

EARNINGS, VALUE ADDED, AND ECONOMIC OUTPUT FROM DIRECT EXPENDITURES (EXCLUDING HAP), 2018-2022

(In millions of 2023 dollars)

■ Earnings ■ Value Added ■ Economic Output

FRANKLIN



COLUMBUS MSA



STATE OF OHIO



ANNUAL AVERAGE ECONOMIC IMPACT OF HAP PROGRAMS

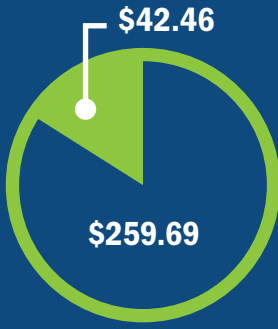
(In millions of 2023 dollars)

FRANKLIN OHIO

OUTPUT



EARNINGS



VALUE ADDED



EMPLOYMENT



EXTRAPOLATING ECONOMIC IMPACT

OF CMHA'S HAP ACTIVITIES OVER 2018-2022 IN 2023 DOLLARS



Housing Assistance Payment (HAP) is an umbrella term for various Section 8 rental subsidy program payments, including Housing Choice Vouchers (HCV), Project-Based Rental Assistance (PBRA) that aid low and very low income residents in both public and private housing. (This report focuses on the HAP program administered by CMHA in Franklin County and Ohio).



ENVIRONMENTAL IMPACT

CMHA spent around **17%** of its capital spending on clean energy and eco-friendly initiatives over 2018-2022.

The range of measures implemented by CMHA in their properties, include installation of energy star appliances, water conservation fixtures (such as low flow water devices), efficiency furnaces and insulated hot water tanks, high efficiency light fixtures, high R-value insulation panels in the form of vacuum insulated panels.

Energy savings generates enough capacity to annually supply electricity to **39,445** US households. **170,000 tons** of CO2 and greenhouse gas (GHG) emissions avoided through such investments annually.



To determine the total direct annual subsidy provided by CMHA, the difference between HUD's Small Area Fair Market Rent (SAFMR) and CMHA's average monthly rent across various zip codes is first calculated. This difference is then annualized to reflect the yearly subsidy. Finally, the annualized figure is adjusted by multiplying it by the current occupancy rate of 94% and further by the 57% proportion of residents not enrolled in the Section 8 program.



The purpose of **CMHA** is not only to provide housing, but to also build a healthy community environment in which our residents can live with safety, comfort and dignity.

5,302

Residential units in Franklin County

13,000+

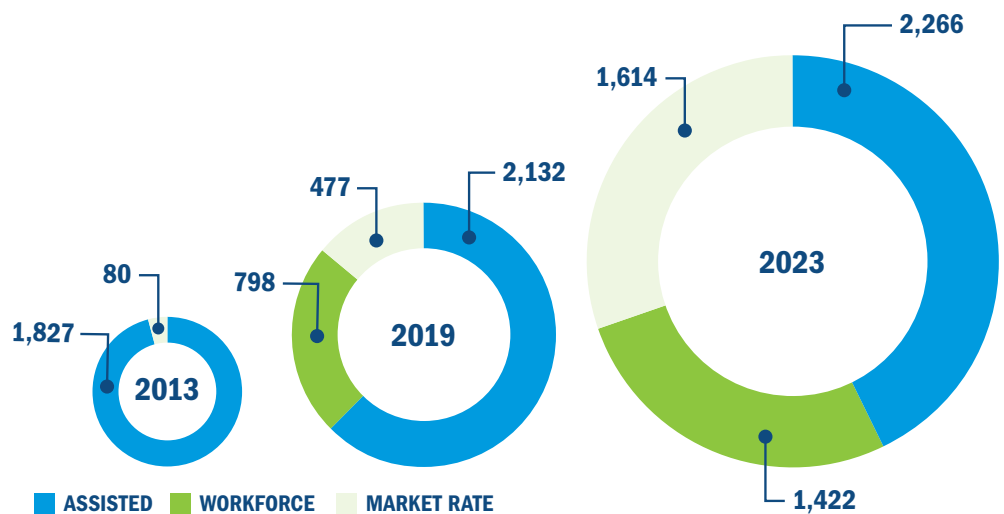
Residents in CMHA-owned buildings

CMHA provided an annual subsidy of **\$4.55 million** to the Work force and market rate renters in 2023, who are not under section 8 programs.

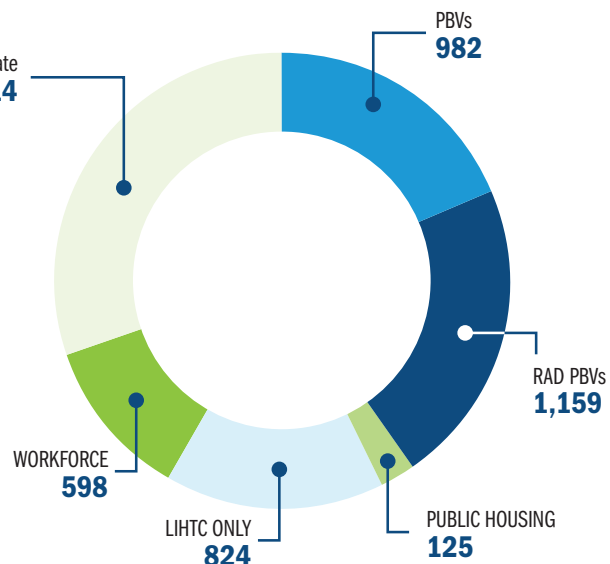
CMHA's housing support serves as an **indirect subsidy** to industries that employ low to medium wage workers, contributing to workforce stability and economic growth as it enables workers to stay in urban areas with competitive rental markets.

GROWTH OF CMHA PORTFOLIO OF HOUSING STOCK (2013-2023)

Number of Housing Units



CURRENT PORTFOLIO OF CMHA OWNED HOUSING STOCK (Q4 2023)





Without affordable housing options, low wage workers would need to work between **64 to 120** hours weekly or hold between **1.6 to 3** jobs to afford rents at Fair Market Rates (FMR's) in Franklin County



Racial Disparity: In Franklin County, Black or African Americans make up about **23%** of the population but represent approximately **85%** of HCV voucher holders from CMHA

30,000+

Residents benefiting from the Section 8 Voucher Program

13,250+

Households subsidized through the Section 8 Voucher program

HOUSING CHOICE VOUCHER (HCV) BENEFICIARIES

The Housing Choice Voucher (HCV) program helps very low-income families, the elderly, and the disabled afford decent housing in the private market by providing assistance directly to them.

CMHA administers HCVs mainly in Franklin County, within the Columbus MSA. Franklin County is the most populous county in Ohio at **1.32 million**, or **11%** of the state's total as per the 2022 Census.

POPULATION SERVED:

CMHA supports

30,597

residents, mainly HCV holders in the Franklin County area.

HOUSEHOLD COMPOSITION OF THE VOUCHER HOLDERS:

Average household size:

3.54

usually one adult and two children.

TOTAL HOUSEHOLDS:

13,280

MEDIAN HOUSEHOLD SIZE:

3

AGE DISTRIBUTION:

54%

Aged 16 to 64

37%

of Children under 15

10%

Seniors over 65

GENDER DISPARITY:

Among adults

69%

Female and

31%

Male

RACIAL COMPOSITION:

Black or African American:

84.45%

White:

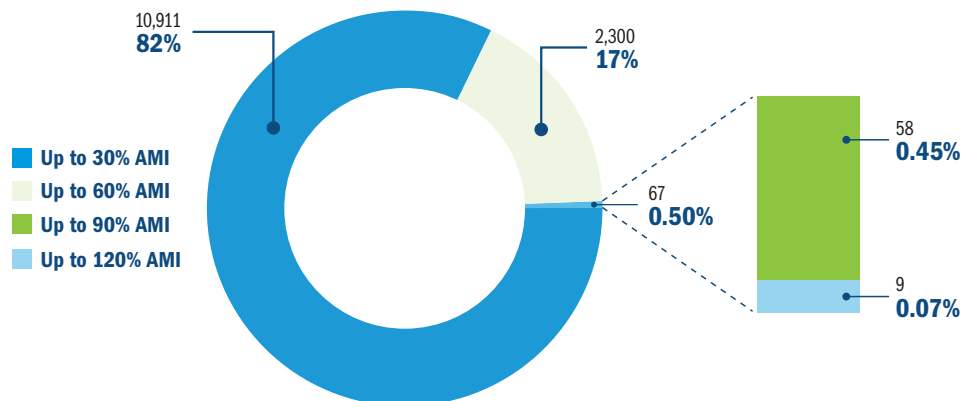
14.6%

INCOME LEVELS:

16%

of households have no employment income.

DISTRIBUTION OF VOUCHER HOUSEHOLD INCOME IN FRANKLIN COUNTY, 2023





HARNESSING ECONOMIC INSIGHTS: A CONCLUDING MESSAGE FROM CMHA'S COO

Dear Valued Partners,

As we conclude our journey through the insights gleaned from the economic impact study conducted by the Ohio Chamber of Commerce in collaboration with Columbus Metropolitan Housing Authority (CMHA), I am filled with a profound sense of optimism and purpose.

Over the past five years, from 2018 to 2022, CMHA's activities have left an indelible mark on our community and beyond. The figures speak volumes: a staggering \$6.06 billion in economic output, \$1.8 billion in earnings generated, and \$3.28 billion in value added. These numbers are not merely statistics; they represent lives transformed, opportunities created, and communities revitalized.

Looking ahead to the fiscal year 2023-2024, we stand on the cusp of a new chapter in CMHA's journey. With plans for a \$300 million capital investment, we are poised to make an even greater impact on Ohio's job market and earnings, particularly in Franklin County. This investment is not just about bricks and mortar; it's about investing in people, empowering communities, and catalyzing economic growth.

The projections are promising: 2,150 local jobs created, over 4,000 jobs statewide, and \$121 million in total earnings in Franklin County alone. Across Ohio, this investment is expected to yield \$234 million in earnings, signaling a ripple effect that extends far beyond our immediate borders.

Crucially, over 70% of these benefits will be concentrated right here in Franklin County, reaffirming our commitment to the communities we serve. This is not just about economic growth; it's about equitable growth, ensuring that every individual has the opportunity to thrive and prosper.

As we embark on this next phase of our journey, let us carry forward the lessons learned, and the insights gained from this study. Let us continue to innovate, collaborate, and strive for excellence in all that we do. Together, we have the power to shape a future where every person has a place to call home, and every community is vibrant and resilient.

I want to extend my heartfelt gratitude to each and every one of you for your dedication, passion, and unwavering commitment to our mission. It is your hard work and determination that drive us forward, and I am honored to stand alongside you in this journey.

Warm regards,

Scott Scharlach

Chief Operating Officer
Columbus Metropolitan Housing Authority

"As we embark on this next phase of our journey, let us carry forward the lessons learned, and the insights gained from this study."

ABOUT CMHA

CMHA was established by the Ohio Legislature in 1934, during the height of the Great Depression, and later funded by the 1937 Federal Housing Act. From its first project, Poindexter Village, CMHA now owns over 5,300 units in Franklin County and supports more than 160,000 individuals in Ohio and Washington D.C., through various housing programs. It serves a wide demographic, including families, veterans and the formerly homeless.



160,000+ residents served in Ohio and Washington, D.C.



\$200+ Million in bond issuances



Nearly **\$1 Billion** portfolio value



\$900+ Million in rental assistance annually



5,300+ mixed-income apartment homes



25% of purchase orders have gone to DBE/MBE/WBE/EDGE organizations



\$150+ Million in average annual development activity



A+ Rating from S&P Global



500+ units developed annually



90 years serving the community

MISSION

CMHA helps people access affordable housing through collaborative partnerships to develop, renovate and maintain housing; promote neighborhood revitalization; and assist residents in accessing needed social services.



**COLUMBUS METROPOLITAN
HOUSING AUTHORITY**



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REFERENCE

Roychoudhury, S., Thomas, D., Chatterjee, A., Mondal, S., & Ahmad, T. (2024).

Economic impact study of the Columbus Metropolitan Housing Authority in Franklin County, Columbus MSA and the state of Ohio.