



**Overland
Park
Chamber™**

**To: Senator Rob Olson and Members of the Senate Federal and State Affairs
Committee**

**From: Kevin Walker, Senior Vice President of Public Policy
Overland Park Chamber of Commerce**

Date: 9 February 2022

Chairman Olson and members of the committee. Thank you for the opportunity to provide testimony in support of SB 369. This bill would provide a tax credit for certain entities engaged in providing low-income housing as defined in section 42 of the federal internal revenue code.

Housing affordability has become a major topic of conversation among our members. As our employer community struggles to fill job vacancies, it is important that we look at every possible strategy to assist them in fulfilling their employment needs. One component of filling job vacancies is the availability of affordable housing for employees and their families.

In 2021 the Johnson County Community Housing Study was completed and offered clear guidance for each city in Johnson County. For Overland Park, the study cited the following analysis:

- An average annual construction need of 1,420 units through 2030.
- The average annual construction rate from 2012 to 2019 was 1,216 units, with a high of 2,094 in 2018 and a low of 705 in 2012.
- Recent growth has been attributed equally to a large number of rental units, a trend needing to continue.

- Approximately 4,633 additional owner-occupied units are needed priced below \$250,000 (in 2018 dollars)
- Nearly 2,706 rental units will need to be produced with rents below \$1,000 per month. The lowest rent units below \$600 will have to be generated through subsidy programs like low-income housing tax credits.

It is clear that housing affordability is a real issue and creative solutions are necessary to assist in meeting the needs of our growing community. The Housing Study analysis noted above is not unique to Overland Park. Throughout Johnson County the needs are similar.

While not a cure-all, we believe the tax credit authorized by SB 369 is a tool that will support the goal of creating more affordable housing. We encourage the Committee to give careful consideration to this bill and advance it for further action.