



Ohio Revised Code

Section 122.636 Workforce housing project grants.

Effective: November 25, 2025

Legislation: House Bill 434

(A) As used in this section:

(1) "Major economic development project" means a project in this state that is reasonably expected to create, retain, and attract jobs or otherwise improve the economic well-being of the area surrounding the project site and that meets either of the following:

(a) The project is reasonably expected to create at least seven hundred new permanent jobs.

(b) At least seven hundred million dollars in private investments are committed to establish, expand, renovate, or occupy a facility as part of a single project at a designated project site, including investment in new buildings, additions or improvements to existing buildings, machinery, equipment, furniture, fixtures, and inventory.

(2) "Major workforce housing project" means a project that reserves at least one hundred units, designed for residential occupancy by at least one hundred individuals or families living independently from each other.

(3) "Pro-housing development policy" may include any of the following:

(a) Having a process in place to increase the rate at which permits for housing developments are reviewed;

(b) Having a pre-approval process in place for an expedited review of permits for a diverse range of housing developers;

(c) Subsidizing or decreasing costs related to water or sewer connections and extensions for major workforce housing projects;



- (d) Acquiring and readying sites that are ready to be financed and built upon by developers;
- (e) Reducing or eliminating impact, inspection, and plan review fees for housing developers;
- (f) Adopting a zoning plan that includes promoting higher density, small lot size, and minimum setback requirements;
- (g) Developing a comprehensive plan that promotes diverse residential development options;
- (h) Having no or minimal parking requirements for developments that include residential units;
- (i) Conducting a traffic study, improving water or sewer infrastructure, improving roads, or permitting both rigid and flexible pavement types;
- (j) Developing partnerships to expand the provision of sewer and water services to new areas;
- (k) Promoting the use of non-traditional building structures such as modular or manufactured homes.

(4) "Residential economic development district" means all parcels of land within a twenty-mile radius of a major economic development project.

(B) A county, township, or municipal corporation that is fully or partially located within a residential economic development district may apply for a grant under this section in the form and manner prescribed by the department of development. The county, township, or municipal corporation may submit the application independently or in collaboration with a housing developer, port authority, council of government, regional planning commission, or one or more other counties, townships, or municipal corporations. The application shall, at minimum, include documentation or other evidence that proves, to the satisfaction of the department, that the applicant has done or has imminent plans to do both of the following within the district:

- (1) Adopt and implement pro-housing development policies;
- (2) Approve a major workforce housing project.



(C)(1) The department shall review applications and award grants under this section on a rolling basis, to the extent that funds are available.

(2) The department shall evaluate applications and determine the amount of each grant awarded in accordance with scoring metrics that include all of the following:

- (a) Density, with more points awarded to projects that have more units per acre, starting at two units per acre;
- (b) Lot size, with more points awarded to projects that have smaller lot sizes, starting with an average of seven thousand five hundred square feet;
- (c) Side yard setbacks, with more points awarded to projects that have smaller setback requirements, starting with six feet;
- (d) Open space requirements, with more points awarded to projects that have lesser open space requirements, starting with twenty-five per cent of gross acreage;
- (e) Inspection, plan, impact, or water and sewer tap fee reductions, with more points awarded for lower or no fees;
- (f) Use of rigid and flexible pavement types, with more points awarded for allowing both;
- (g) Traffic studies and thoroughfare plans, with more points awarded for applicants that seek to use funds for those purposes and have demonstrated success in completing such studies or plans for a major workforce housing project;
- (h) Sanitary sewer or water extensions, with more points awarded for applicants that seek to use funds for those purposes as related to the major workforce housing project.

(3) The department shall give preference to applicants that adopt more pro-housing development policies in terms of both quantity and impact.



(D) If a county, township, or municipal corporation is approved for a grant under this section based on imminent plans to adopt and implement pro-housing development policies and approve a major workforce housing project, the department shall confirm that the county, township, or municipal corporation follows through with those plans, as described in the grant application, before disbursing grant funds. A grant recipient shall use the funds only for the following purposes:

- (1) Providing capital for housing development through grants or loans;
- (2) Readyng sites for development;
- (3) Providing financial assistance for housing-related infrastructure projects including road improvements and water or sewer connections;
- (4) Addressing additional service or public safety needs due to increases in population.

(E) The director of development shall adopt rules in accordance with Chapter 119. of the Revised Code to implement and administer this section. The rules shall address application procedures, scoring metrics, grant distribution, and state model zoning plans that include density, lot size, and setback preferences. The director shall finalize and publish the initial application procedures and scoring metrics to the department's web site no later than December 31, 2025.

(F) All applications for grants under this section and the scoring metrics used by the department of development in awarding such grants are public records for the purposes of section 149.43 of the Revised Code.

(G) The general assembly, in enacting this section, hereby declares its intent to encourage major workforce housing projects in areas of the state that otherwise would not attract such developments and to increase home ownership among Ohioans.