

Investing in Brownfields

Identifying Potential Funding Options for a Statewide Brownfield Grant Program

Enhancing Opportunities for Job Growth and Development

Ohio has the potential to bring millions of dollars in additional investment, enhance job growth, and foster economic development through the renewed investment in brownfield redevelopment. These environmentally contaminated sites are found in every county— in both rural and urban communities. **To unlock this economic potential, the state will need to dedicate \$50 million specifically for brownfield remediation.**

GOPC advocates for a brownfield revitalization program with funding that is flexible, sustainable, and complementary to existing environmental remediation programs. GOPC and others call this proposed program **Clean Ohio Revitalization Fund 2.0 (CORF 2.0)** in a nod to the former brownfield remediation program.

To fund CORF 2.0, GOPC recommends:

Reprogramming Existing Revenue

JobsOhio Revitalization Fund

The Revitalization Program is a loan and grant fund designed to support the acceleration of redeveloping sites in Ohio, with an annual allocation of around **\$100 million** per year. Economic development officials, local governments, and real estate investors have reported that the program guidelines, as maintained from 2014 to present, have limited redevelopment opportunities.

Returned Liquor Profits from JobsOhio

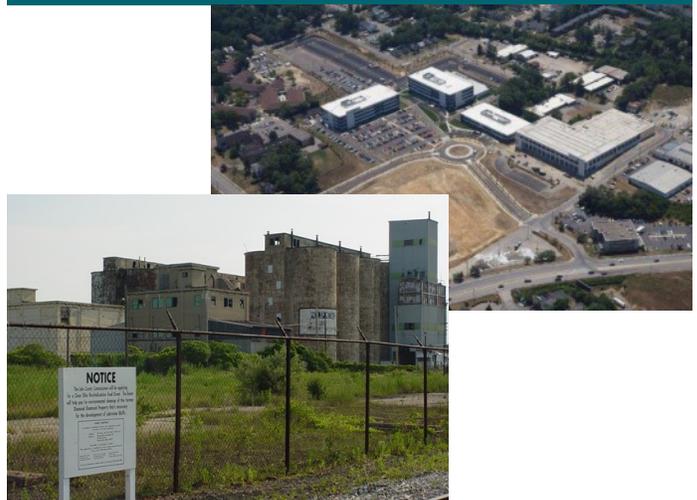
When JobsOhio was established, the state transferred the state-owned liquor agency to provide operating capital for the organization. Each year, excess profits earned from sales are returned to the state. In 2018, the returned profits to the state's GRF was **\$48.1 million**. Estimates show this number will continue to rise through FY21.

Abandoned Gas Station Grant Program

Standing as one of the few state-operated environmentally-focused redevelopment grant programs still in operation, this grant program was established in 2015 to cover cleanup and remediation costs associated with underground storage tanks at eligible sites across the state. The program has **\$17 million** available for grants, from the original \$20 million set aside.

Under the original Clean Ohio Revitalization Fund, every \$1 invested by the state into brownfield cleanup generated \$4.67 in additional economic activity.

From 2002 to 2013, brownfield remediation contributed \$1.4 billion annually to Ohio's GDP.



The Clean Ohio Revitalization Fund (CORF) was originally supported by state liquor sales, and the Revitalization Fund and Abandoned Gas Station Cleanup Fund consists of funds originally derived from the CORF program. GOPC recommends that the nearly \$160 million in available funds should be considered as the main funding source for CORF 2.0.

Downtown Sandusky: A Clean Ohio Success Story

Sandusky is a town of 24,000 residents on the shores of Lake Erie. Despite its proximity to the Cedar Point amusement park, Sandusky experienced the same economic challenges that impacted many other Ohio cities in the late 20th Century. For decades, downtown Sandusky lost residents along with commercial, industrial, and retail businesses. In devising a turnaround plan, city leaders focused on one million square feet of abandoned factories and warehouses on the northern edge of downtown that created an eyesore and blocked access to the lake.

To spark rejuvenation of the city's downtown, redevelopment plans focused on repurposing a former paper mill. The city decided to repurpose the site for residential and recreational uses through the construction of a three-story condominium building and a marina with a seasonal restaurant. In 2003, the city competed and received a \$3 million CORF grant to help with the costs of cleanup and demolition on the Chesapeake property adjacent to the lake, as well as with cleanup of the Tricor and Keller Building just to the south.

The project has proven to be a transformative development that catalyzed the rebirth of downtown. Today, the Chesapeake Lofts building contains 195 individually-owned condominiums. The city retains ownership of the marina and leases the property to the restaurant. The condominiums generate approximately \$700,000 in total annual property tax payments on a site that previously sat vacant for many years. After the Lofts were built, new restaurants and retail businesses began to relocate downtown, and many of the older 2 or 3 story mixed-use buildings are starting to have residential units again, along with a small hotel that was recently build a block away.



About Greater Ohio Policy Center

Greater Ohio Policy Center (GOPC) is a statewide non-profit organization that champions revitalization and redevelopment in Ohio's cities and metros. GOPC is highly respected for its data-driven, nonpartisan policy analysis, research expertise, and policy development, and regularly provides expert analysis to public, private, and nonprofit leaders at the local, state, and national level.

In 2013, GOPC conducted the first and only independent, comprehensive study of the CORF program to analyze the statewide economic impact of public investment in brownfield remediation. In addition to advocating for additional brownfields funding, GOPC continues to support regulatory reforms that make it easier for communities to cleanup contaminated brownfield sites and policies that provide legal assurances to prospective landowners and real estate developers who did not contaminate sites, to encourage development.