



**Proponent testimony submitted to the
Senate Finance Committee
Sub. House Bill 110
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Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes, and Members of the Senate Finance Committee, thank you for the opportunity to provide testimony on Substitute House Bill 110. The Ohio CDC Association is a statewide membership organization that fosters vibrant neighborhoods and improves the quality of life for Ohioans in all communities through advocacy and capacity building of our member agencies. Our nearly 300 members are locally-based rural and urban non-profits that work to rebuild neighborhoods through initiatives such as economic development, affordable housing, financial counseling and local food access.

Ohio communities have been hard-hit by the ongoing pandemic. With many businesses being forced to close their doors permanently, now is the time to invest in catalytic programs to rebuild Ohio communities such as the **Main Street Job Recovery Program**.

The Main Street Job Recovery Program will provide state funds for nonprofit organizations that address the economic needs of low-and moderate- income individuals and families through the creation of permanent business development and employment opportunities. This pilot program will focus on creating jobs for Ohioans while rebuilding Main Streets by addressing priorities such as blight remediation, vacant properties, housing, and the reentry population. The Development Services Agency will administer the program and work with grantees to track the impact on these metrics. Program success will be measured based on the number of businesses created and expanded, the number of jobs created, and the amount of funds leveraged as a result of the Main Street Job Recovery Program.

We know this is a successful model because it is similar to a small federal program called the Community Economic Development grant program housed under the U.S. Department of Health & Human Services. CED awards funds to private, non-profit organizations, including faith-based organizations, that have as their principal purpose developing projects to create employment opportunities that lead to increased self-sufficiency for individuals with low income.

Trumbull Neighborhood Partnership's Building a Better Warren (BABW) program connects the need for resident-driven community revitalization with job creation, putting residents to work in full time, year-round jobs doing blight remediation. The program provides job training and employment in renovation, deconstruction, landscape installation and vacant property maintenance to stabilize the city's vacant and blighted properties. Participants build marketable skills, gain long-term employment and have the chance to develop professionally, all while improving their community. BABW created 11 new full-time jobs as a result of the \$225,000 CED grant. The grant was a catalytic investment that leveraged an additional \$2.5 million.

MidTown Cleveland was awarded an \$800,000 CED grant for the EAT Well Café, Market, Food Pantry & Food Pharmacy, which is a cross-sector, innovative partnership between MidTown Cleveland, Inc., University Hospitals, Sodexo, Hemingway Development, Dave's Supermarkets, and the Greater Cleveland Food Bank to address access to healthy affordable food and employment. The project fostered a community anchor institution while creating 161 employment and business opportunities for the community.

On average one Ohio nonprofit community development organization has been awarded a CED grant each year. In the last five years, five organizations received CED grants totaling just under \$5 million. These projects are now self-sustaining as nonprofit recipients have leveraged an additional \$80 million in public and private funds for job creation and revitalization efforts.

Sub. House Bill 110 includes \$250,000 each fiscal year for this program, which would support two projects over the biennium. We ask for your support of an amendment to increase the appropriation to \$1.5 million each fiscal year, to support up to 14 project sites in rural, suburban and urban areas of the state

Nonprofit organizations are uniquely positioned to spur economic development by leveraging public resources to draw additional private investments. It is difficult to assess the total impact that COVID-19 has had on Ohio's economy, but we know that countless Ohioans and their communities have suffered through this crisis, and it will take strategic, locally-driven actions to rebuild our great cities, counties, villages, and townships. Creation of the Main Street Job Recovery Program will create a powerful tool for Ohio communities to create permanent skilled jobs while strengthening and restoring their communities.

Thank you again for the opportunity to testify today. I'm happy to answer any questions you may have.