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House Finance Committee Interested Party Testimony, House Bill 33 (Edwards) Mark Mauter, Director-Dept. of Development Newark, Ohio

Chair Edwards, Vice Chair LaRe, Ranking Member Sweeney, and members of the House Finance committee, thank you for the opportunity to provide Interested Party Testimony on House Bill 33 (HB33), regarding the state's Main Operating Budget for Fiscal Years 2024 and 2025.

My name is Mark Mauter, and I am the Director for the Dept. of Development at Newark, Ohio. One of my responsibilities is to oversee the city's brownfields.

Brownfield Successes Over Past Two Years

Recognizing the challenge presented to Ohio by the presence of brownfields, the FY22-23 main operating budget established the Brownfield Remediation Fund (BRF), providing \$350 million to assess and cleanup these environmentally contaminated sites. We commend the Legislature for the inclusion of this program, and the Ohio Department of Development in its administration of this successful program.

The Brownfield Remediation Fund's \$350 million provided grants to 313 projects in 83 of Ohio's 88 counties. While this is a significant investment in the assessment and cleanup of brownfields, the need remains for grant dollars to remediate and redevelop these blighted brownfields into productive use.

Addressing the Ongoing Need for Revitalization

The as-introduced budget does not include funding for the Brownfield Remediation Fund, and therefore, we are here today to encourage the committee to provide an additional \$350 million to this program in the FY24-25 budget.

The initial investment of \$350 million granted 188 cleanup grants, which is the final step in the remediation process to address environmental contamination and allow these brownfields to become new industrial and commercial sites, new housing, mixed-use space, or developable land.

Being an older industrial city, we have a number of known and unknown brownfield sites, that require both cleanup and Phase 1 & 2 assessment testing, to determine the extent of contamination and how to go about a proper remediation. We were recently awarded an ODOD Brownfield Remediation Grant on one of our sites. Without this Grant we would not be able to take-action on this site, which borders a residential area. This same site had the USEPA come in with their Rapid Response team in 2022, to remove and dispose of over 600 - 55 gallon drums of hazardous materials. The ODOD Brownfield Grant will allow us take the next steps towards the



cleanup of underground water contamination at this site and the demolition of the storage building that housed the 55 -gallon drums and sets over top of the contaminated water plume. This site sets in close proximity to a rail spur, which is a highly sought- after amenity for many Mfg. business. We need to get this site cleaned up and back in to productive use. The ODOD Brownfield / Demolition funds is the only way we can afford to make progress.

The 125 projects that were granted assessment dollars, merely determines the contamination present on the site, but does not provide cleanup dollars to complete the work. Without additional funding, these 125 projects will likely remain contaminated, and unable to move into productive economic engines.

An additional investment of \$350 million to this program will allow the 125 projects that received an assessment to compete for cleanup dollars. In addition to these 125 projects, the need for brownfield grant dollars remains. The final round for applications through ODOD opened and closed in less than 3 business days due to limited funding remaining and an overwhelming amount of applications.

Greater Ohio Policy Center (GOPC) has worked with lawmakers to have a budget amendment drafted to add this funding into the budget. I am here today to encourage members of the House Finance Committee to include this in the budget. An investment in a brownfield grant program is an economic win for the state, and the communities where remediation occurs. Past research by GOPC shows that for every dollar the state invests, there is a five dollar return in private investment. Ohio's previous brownfield grant program contributed more than one billion dollars to the state's GDP during its tenure.

Conclusion

Chair Edwards, Vice Chair LaRe, Ranking Member Sweeney, and members of the House Finance committee, thank you for your time and attention to this important issue. I am happy to answer any questions you may have.

Sincerely,

Mark Mauter