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March 13, 2023

House Finance Subcommittee on Agriculture, Development, and Natural Resources

Chair Jones, Ranking Member Troy, and members of the House Finance Subcommittee on Agriculture, Development, and Natural Resources, thank you for the opportunity to provide Interested Party Testimony regarding the state's Main Operating Budget for Fiscal Years 2024 and 2025.

My name is Mark Mauter, and I am the City of Newark's Community and Economic Development Director. One of my responsibilities is to oversee the brownfields located in our City.

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.

However, 125 projects were granted assessment dollars, which 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.

One of our high priority sites in Newark, has been in desperate need of assessment and cleanup work for many years. It is located across the street from a residential neighborhood. Without State funding we are unable to make progress in dealing with this brownfield site. The overall expenses for assessment,



demolition, and remediation is cost prohibited for our City budget, on our own. It is my goal to use the Ohio Brownfield Remediation Funds, to get this site cleaned up. This will create a safer surrounding neighborhood and a site that can be put back in to productive use. The City was awarded funds from the 2022 ODOD Round 2 Brownfield Remediation Grant Program to do the needed assessment and for this we are very grateful. But our job is not done. Once the assessment work is done, we will need additional funds to do required demolition work and cleanup of the contamination on site.

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 Jones, Ranking Member Troy, 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,

A handwritten signature in blue ink, appearing to read "Mark Mauter".

Mark Mauter
Director- Community & Economic Development
City of Newark, Ohio