



Air Quality Development Authority

TESTIMONY
TO THE
OHIO SENATE AGRICULTURE AND NATURAL RESOURCES COMMITTEE
BY
CHRISTINA O'KEEFFE
EXECUTIVE DIRECTOR
OHIO AIR QUALITY DEVELOPMENT AUTHORITY

MAY 8, 2025

Introduction

Chairman Schaffer, Vice Chair Koehler, Ranking Member Hicks-Hudson, and members of the Committee, my name is Christina O’Keeffe, and I am the executive director of the Ohio Air Quality Development Authority (or OAQDA). We respectfully request \$3,996,000 in FY 2026 and \$4,773,000 in FY 2027 to ensure the agency’s efficient operations in the next biennium, supporting our programmatic growth. This funding is essential to meet the increasing demands of Ohio businesses seeking our financial assistance, which drives economic relief and promotes a strong economy in our communities.

Proven Track Record of Success

For more than 50 years, OAQDA has been a non-regulatory state agency governed by a seven-member board. We are focused on furthering economic development in Ohio by issuing conduit revenue bonds for projects that reduce air emissions, regardless of whether the project uses coal, natural gas, oil, or another resource type.

The results are significant. For every **\$1 invested in an OAQDA-financed project, \$6.41 in benefits are returned to Ohio** in new jobs, lower operating costs, healthier workplaces, reduced health incidences, and improved economic opportunities locally.

Each project tells a compelling story. It may be the neighborhood dry cleaner who eliminated toxic chemicals that help him and his daughter, working by his side, and their customers breathe easier. Or the mid-size manufacturer who upgraded their building expansion with clean air and energy-saving features that meet environmental standards as a supplier to keep their book of business. We also work with major employers in the state to grow their businesses and add jobs to local communities. Recent examples include AMG Vanadium and Cargill, which both expanded business operations in Ohio using OAQDA-issued clean air bonds.

Our website is filled with these customer stories, videos, and case studies. In the last five years alone, OAQDA has partnered on nearly 100 projects to finance a total of \$1.3 billion. Exhibit A includes a map and some projects. Furthermore, in Exhibit B, accessible via QR codes, we also captured video customer stories highlighting our work in the advanced manufacturing and small business sectors. That way, you hear directly from our customers about the impact of OAQDA on growing their businesses and local economies in their communities.

Our entire bond and loan portfolio currently stands at \$3.5 billion, involving banks, investors, and other private capital providers who use our bonds to direct private capital into hundreds of projects throughout the state. OAQDA performs robust due diligence on applications through our signature programs, including the Clean Air Improvement Program and Small Business Assistance Program, to qualify these clean air improvements for financing and the related tax benefits. Additional responsibilities given to OAQDA by the 133rd General Assembly include the

program administration of the Solar Generation Fund, which involves approval, monitoring, and verification of payments for certain solar facilities as required by statute.

To fulfill our mission, OAQDA is a proven and adaptable state partner in meeting our customers where they are in the project development process and achieving their high service standards. We accomplish these tasks with efficiency and focus by a small, dedicated staff. The core functioning of OAQDA is fully supported by revenues generated through the issuance of project bonds, loans and other financial assistance from federal awards. No general revenue funds are included to support our operating costs.

Challenges and Priorities in the Next Biennium

OAQDA continually monitors industry and market trends to anticipate and align its programs to meet the needs of Ohio businesses. Many are exploring more creative, lower-cost financing options and incentives beyond their reliance on traditional borrowing to fill these gaps. Greater needs come from rural communities, where the economic headwinds may be more persistent.

Many manufacturers, small businesses, and developers turn to OAQDA for help. We have close to \$1 billion in active project requests and another billion in inquiries fielded every day. OAQDA is ready to meet the growing demand from our business community. OAQDA is a recipient of federal funding awards, which expands the ability to provide financial and technical assistance to more clean air improvement projects and expanded regions of the state. This effort can further maximize the return of benefits to Ohio, alleviating the economic barriers many are facing.

This budget request is consistent with authorizations by the General Assembly in 2021 and 2024 to ensure OAQDA has sufficient personnel to meet the rising business demands for its financing programs. Preferring its small, agile structure that better serves customers, OAQDA seeks a modest increase in the number of positions and payroll spending authority, as reflected in the operating line of the budget request, which is required to manage at least a fivefold increase in the number of projects forecasted in 2026 – 2027. This approach includes our continued use of professional service providers to augment our capacity and expertise. It demonstrates our commitment to focusing on governmental efficiency while achieving high customer service and successful project compliance, all to maximize the funding and impact for Ohioans.

Conclusion

Consistent with our purpose over the past five decades, OAQDA will fulfill its mission with efficiency and cost-effectiveness while meeting the increasing demands of businesses and communities. Our ability to expand our financing into more areas of the state with the modest increase in our spending authority for operating costs will enable more benefits for Ohioans, especially those significantly impacted by negative economic conditions.

Thank you, Mr. Chairman. I will be happy to answer any questions.

OAQDA – Project Examples**District 10**

Borrower Name: Howald's Paint & Body Works

Program: Small Business – Clean Air Resource Center (CARC)

Financial Assistance: \$140,833 bond financing, \$20,000 grants

Address: 2001 Lagonda Ave, Springfield, OH 45503

Date Approved: August 2021

Bondholder: First Federal Leasing, a division of First Bank Richmond

Project Summary:

This project involves the installation of a new downdraft paint booth, which includes a filtration system that is rated at 99% efficiency for 10-micron particulates. In addition to improving the working conditions, indoor air quality, and cycle times in the shop, the project preserved and created 6 jobs.

Borrower Name: Tomco Machining

Program: Clean Air Improvement Program (CAIP)

Financial Assistance: \$22,300,000 bond financing over 2 issuances

Address: 3160 S Tech Blvd, Miamisburg, OH 45342

Date Approved: January and March 2020

Bondholders: First Financial and Dayton Port Authority

Project Summary:

This project was air quality improvements to a new advanced manufacturing facility in Montgomery County. The project included energy efficiency and renewable generation equipment and was expected to result in creation and retention of 20 jobs.

Borrower Name: Dutch & Dutch Real Estate, LLC

Program: Clean Air Improvement Program (CAIP)

Financial Assistance: \$992,500 bond financing over two issuances

Address: 2018 E Main St, Springfield, OH 45503

Date Approved: September 2024

Bondholders: First Financial and IR Capital Funding, LLC

Project Summary:

This project was air quality improvements to a new construction Cassano's Pizza restaurant in Clark County. The project included energy efficiency and renewable generation equipment. The project is expected to achieve annual energy cost savings of over 40 percent and result in creation and retention of 8 full-time equivalent jobs.

District 11

Borrower Name: 2-Scale

Program: Small Business – Clean Air Resource Center (CARC)

Financial Assistance: \$116,365 bond financing, \$20,000 grants

Address: 7710 Hill Ave, Holland, OH 43528

Date Approved: March 2022

Bondholder: Waterford Bank

Project Summary:

This project involves the installation of a new paint booth, which includes a filtration system that is rated at 99% efficiency for 10-micron particulates. In addition to improving the working conditions, indoor air quality, and cycle times in the facility, the project preserved and created 15 jobs.

Borrower Name: **JAMLAND2 LLC**

Program: Clean Air Improvement Program (CAIP)

Financial Assistance: \$2,800,000 bond financing over 2 issuances

Address: 4934 Lewis Ave, Toledo, OH 43612

Date Approved: June 2022

Bondholders: Signature Bank and Toledo-Lucas County Port Authority

Project Summary:

This project was air quality improvements to a formerly vacant industrial property in Lucas County. The owner, JAM Best One Fleet Service, relocated its headquarters to this property, which was vacant for over 11 years. The project included energy efficiency and renewable generation equipment and was expected to result in over 50% energy savings and creation and retention of nearly 200 jobs.

District 12

Borrower Name: **Cargill**

Program: Clean Air Improvement Program (CAIP)

Financial Assistance: \$75,000,000

Address: 2400 Industrial Dr, Sidney, OH 45365

Date Approved: April 2021

Bondholder: Private Investors (public offering)

Project Summary:

The project involves solid waste facilities to recycle soybean meal and hull waste as part of the company's expansion of its Sidney site. The facilities reduce the emission of particulate matter into the atmosphere and re-incorporate the particles into the product, as well as reducing volatile organic compound (VOC) emissions. The project also includes creating and preserving of over 300 jobs.

Borrower Name: **Pratt Paper LLC**

Program: Clean Air Improvement Program (CAIP)

Financial Assistance: \$210,000,000

Address: 2060 County Road 25A, Wapakoneta, OH 45895

Date Approved: November 2017

Bondholder: Private Investors (public offering)

Project Summary:

The project involves solid waste facilities in the company's new facility in Auglaize County. The facility will recycle mixed waste paper and old corrugated containers in the manufacturing process for new linerboard and corrugating medium. The project included creation of over 200 jobs.

Borrower Name: Vintage Metal Werks
Program: Small Business – Clean Air Resource Center (CARC)
Financial Assistance: \$67,786 bond financing, \$25,675 grants
Address: 19240 Town Line Road, Wapakoneta, OH 45895
Date Approved: September 2017
Bondholder: First Federal Leasing

Project Summary:

This project involves the installation of a new downdraft paint booth, which includes a filtration system that is rated at 99% efficiency for 10-micron particulates. In addition to improving the working conditions, indoor air quality, and cycle times in the shop, the project preserved and created 4 jobs.

District 16

Borrower Name: Forjak Industrial
Program: Small Business – Clean Air Resource Center (CARC)
Financial Assistance: \$365,000 bond financing, \$36,825 grants
Address: 544 Clinton St, Circleville, OH 43113
Date Approved: November 2018
Bondholder: S&T Bank

Project Summary:

This project involves the installation of a new sandblasting booth, which includes dust collection equipment. In addition to improving the working conditions, indoor air quality, and cycle times in the shop, the project preserved and created 62 jobs.

Borrower Name: Betty Janes Best dba Elliott Park Apartments
Program: Clean Air Improvement Program (CAIP)
Financial Assistance: \$22,300,000 bond financing
Address: 147 N High St, Gahanna, OH 43230
Date Approved: November 2024
Bondholder: FC Bank, a division of CNB Bank

Project Summary:

This project was air quality improvements to a 13-building, 252-unit, Class A multi-family residential apartment project. The project includes energy conservation equipment and a solar photovoltaic system and will achieve approximately 51% energy cost savings, which will be passed directly to residents.

Borrower Name: Madison Fields Solar Project
Program: Clean Air Improvement Program (CAIP)
Financial Assistance: \$53,000,000

Address: 21359 SR 613, Village of Continental, OH 45831
Date Approved: July 2023
Bondholder: Private Investor

Project Summary:

The project involves a 180 megawatt solar facility located in Pike Township in Madison County. Letters of support for the project include the Board of Commissioners of Madison County, Fairbanks Local Schools and Pike Township. The project includes the creation of 596 construction jobs and 2 onsite permanent positions. As part of a compensation agreement, the developer is providing annual payments to the local taxing district, Madison County General Fund, and Pike Township.

District 17

Borrower Name: Hocking Valley Community Hospital

Program: Clean Air Improvement Program (CAIP)

Financial Assistance: \$1,918,748 bond financing

Address: 601 OH-664 North, Logan, OH 43138

Date Approved: March 2018

Escrow Agent: Huntington Bank

Project Summary:

The project includes energy conservation measures including highly efficient boilers, LED lighting, utility meters, building management systems, water conservation systems, and mechanical system upgrades. The project supports reduced energy costs at the Logan County critical-access hospital which includes a geriatric psychiatric unit, emergency department with urgent care, and other services. The hospital is a component unit of Hocking County and the energy improvements were guaranteed under a performance contract with a private energy service company (ESCO).

District 20

Borrower Name: Fashion & Vanity Cleaners

Program: Small Business – Clean Air Resource Center (CARC)

Financial Assistance: \$200,000 bond financing, \$20,000 grants

Address: 2585 E Main St, Lancaster, OH 43130

Date Approved: February 2020

Bondholder: Standing Stone Bank

Project Summary:

This project involves the installation of dry-cleaning equipment that now utilizes a synthetic hydrocarbon fluid cleaning solution, thereby avoiding the use of perchloroethylene (PERC), a more toxic solvent that is a known carcinogen. In addition to improving the working conditions and indoor air quality, the project preserved and created 10 jobs.

Borrower Name: Brewer-Garrett (Southeastern Correctional Complex project)

Program: Clean Air Improvement Program (CAIP)

Financial Assistance: \$10,698,869 bond financing

Address: 5900 BIS Road SW, Lancaster, OH 43130
Date Approved: November 2017
Bondholder: U.S. Bancorp Government Leasing and Finance, Inc.

Project Summary:

The project includes energy conservation measures including highly efficient steam plant and efficiency equipment, LED lighting, and building management systems. The equipment and upgrades involves oversight by the Ohio Facilities Construction Commission to achieve over \$250,000 in annual energy savings at these state facilities, guaranteed under a performance contract with a private energy service company (ESCO).

District 31

Borrower Name: **AMG Vanadium**
Program: Clean Air Improvement Program (CAIP)
Financial Assistance: \$307,200,000
Address: 2885 Adamsville Rd, Zanesville, OH 43701
Date Approved: June 2019
Bondholder: Private Investors (public offering)

Project Summary:

The project involves solid waste facilities to recycle hazardous spent catalyst into useful alloys of vanadium, nickel, and molybdenum to support the steel and stainless steel industries at the company's new facility in Muskingum County. The project reduces the need for storing hazardous waste in nearby landfills in Ohio and will achieve strong economic impact through creating over 100 jobs.

Borrower Name: **Midtown Dry Cleaners**
Program: Small Business – Clean Air Resource Center (CARC)
Financial Assistance: \$86,787 bond financing, \$17,357 grants
Address: 1341 3rd St NW, New Philadelphia, OH 44663
Date Approved: October 2022
Bondholder: First National Bank of Dennison

Project Summary:

This project involves the installation of dry-cleaning equipment that now utilizes a synthetic hydrocarbon fluid cleaning solution, thereby eliminating the use of perchloroethylene (PERC), a more toxic solvent that is a known carcinogen. In addition to improving the working conditions and indoor air quality, the project preserved and created 5 jobs.



**Air Quality
Development
Authority**

Customer Stories

Sector-Specific Stories



Advanced
Manufacturing



Multi-generational
family-owned
small businesses

Case Studies

Bringing Jobs and
Clean Energy to
Mason



Investing in Clean
Air and Job
Preservation in
Tipp City



Expanding a
Small Business in
Springfield



Revitalizing a
Historic
Landmark for
Cincinnati



Efficiently
Designed Housing
for Cincinnati's
Future



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