

Senate Government Oversight & Reform Committee

Interested Party Testimony, House Bill 96 (Stewart)

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Chair Manchester, Vice Chair Brenner, Ranking Member Weinstein and members of the Senate Government Oversight and Reform Committee, my name is Jason Warner, and I am the Director of Strategic Engagement at the Greater Ohio Policy Center (GOPC). GOPC advocates for policies that revitalize Ohio. I appreciate the opportunity to share with you today our thoughts on the main operating budget.

Ohio has the 7th largest GDP in the nation, and all communities across the state contribute to this strong position. However, the [Ohio Department of Development's](#) population projections anticipate Ohio will lose nearly 6% of its population by 2050, with most of the state's legacy cities and surrounding metros expected to experience shrinking populations.

Earlier this year, GOPC [published a white paper that concluded](#) that 59% of Ohio's GDP production comes from counties that are expected to decline in population.

If Ohio wishes to maintain its position as a major GDP producer, Ohio must continue to invest in its legacy communities.

It is for these reasons that GOPC strongly believes Ohio must continue to prioritize investment in the clean-up of brownfield sites throughout Ohio, and invest in the development of quality, attainable housing across every region of the state.

1.) Retain House-passed Funding for Brownfields Assessments and Clean-Up

Ohio has hundreds of underused and blighted industrial and commercial sites with utility infrastructure, transportation access, and nearby workers, that are currently unusable. Environmental contamination from previous use is the only barrier to their future use.

In the last four years, Ohio has invested \$700 million to assess and clean-up a portion of these brownfield sites through the Brownfield Remediation Program (BRP). These funds have leveraged millions of additional private and public dollars, with clean-up work underway statewide. GOPC is proud to have championed this investment, working with policymakers to reactivate land that will house new businesses, homes, and recreation spaces. However, thousands of brownfields still exist across Ohio.

The House-passed budget re-allocates \$250 million in GRF funds for the BRP over the biennium. We appreciate that the House has continued to prioritize this investment and urge the Seante to retain this funding as you craft proposed changes to the budget.

We have heard from many at the local level, and here at the statehouse, that there is a strong desire to modify the program, specifically: changing the current first come, first serve structure to a more competitive one. GOPC has come to recognize that changes of the scale needed to level the playing field cannot be accomplished through the budget process alone. GOPC will pursue our programming recommendations through stand-alone legislation.

2.) Make Three Small Adjustments to Program Rules

However, we do believe that there are three small corrections the Senate could bring to the BRP as part of the budget process. These provisions ensure submitted projects are truly ready to receive state investment.

A. *Reinstate Match Requirement:* Changes made late in 2024 eliminated the need for a local match for future brownfield grant requests. We believe that it is important for brownfield revitalization to be a joint effort between the state, local government, and private sector - who has access to the program. Therefore, we would ask the Senate to re-insert language that requires a local match for grants beyond the \$1 million set-aside each Ohio county is entitled to under the current BRP.

B. *Reinstate Lead Applicant Role and*

C. *Provide Permissive Authority to Explicitly Allow Them to Prioritize Projects:*

Changes made late in 2024 eliminated the Lead Applicant role. We believe state funding will be more effectively deployed if one applicant has a “birds eye view” of assessment and redevelopment projects. In this same vein, some lead applicants would like legislative assurance that they may have discretion over the order in which project applications are submitted into ODOD’s application portal. We are asking for permissive language that local lead applicants can chose to utilize or not. These complementary provisions will help prevent the application portal from ‘jamming’ and create more opportunities for all counties to access funds.

3.) Retain House-Version of Welcome Home Ohio

The House made several changes to the Welcome Home Ohio Program (WHO). These changes include adding Community Development Corporations (CDCs) to the list of qualified nonprofit developers as eligible applicants for grants; extension of WHO tax credits from the end of FY25 to the end of FY27; increases to the amount of the WHO tax credit from one-third of the construction cost to 90% of such costs; increases to the income eligibility threshold to purchase a WHO home from 80% AMI to 120% AMI, and an increase in the amount WHO-funded homes can be sold, increased from \$180,000 to \$220,000, among other.

GOPC supports these changes and respectfully requests they be retained by the Senate.

4.) Retain House-Version of the Housing Accelerator Program

The House also created a new program, known as the Housing Accelerator Program. This new program would provide grants to municipalities and townships that adopt at least three defined “pro-housing policies”. A total of \$5 million (\$2.5 million per year) would be available for grants to communities that have any three of the eight qualifying policies.

GOPC has long supported many of the defined pro-housing policies that would qualify a community for grants under this program, including permitting housing pre-approvals. Earlier this year, GOPC, in partnership with the Ohio Realtors, published [Housing Ohio: Tools for Development](#), a toolkit designed to promote new housing production and infill development in Ohio. The toolkit aims to reduce barriers to new housing development, with a focus on revitalizing underutilized areas in established neighborhoods that already have existing homes, infrastructure, and amenities rather than promoting development at the fringe of developed areas.

The toolkit, paired with the Housing Accelerator Program, presents a real opportunity to jumpstart development of quality, attainable housing in Ohio, and we urge the Senate to retain this new program as part of the budget.

5.) Reverse House-Version and Preserve Current ORC for the Ohio Housing Trust Fund

The House-passed budget removes the requirement that housing trust fund fees collected by the county recorders be deposited into the Ohio Housing Trust Fund (OHTF) account and requires that each county use low- and moderate-income Housing Trust Fund fees for purposes determined by the appropriate county board of commissioners.

The Trust Fund is a flexible state funding source that provides affordable housing opportunities, expands housing services, and improves housing conditions for low-income Ohioans and families.

According to ODOD, who administers the program, the fund supports a wide range of housing activities including housing development, emergency home repair, handicapped accessibility modifications, and services related to housing and homelessness. In addition, Trust Fund dollars may be used for predevelopment costs, rental assistance, housing counseling, rehabilitation, and new construction.

We recognize that lawmakers may have concerns with the existing model of the Trust Fund. However, we believe such a sudden change to a program that has been a safety net for millions of Ohioans for more than 30 years is a radical step to take. That is why we support the adoption of 136_1326 which would remove the House language and create a study committee to assess the impact, local control, effectiveness, and sustainability of the Trust Fund moving forward.

Conclusion

Chair Manchester and members of the Senate Government Oversight and Reform Committee, thank you for the opportunity to provide interested party testimony and for GOPC to share our views on what it will take to create the tools and policy environment Ohio needs to thrive in the years to come. I would be happy to address any questions the committee may have.