



HB64: Operating Budget—FY 2016-2017

Interested Party Testimony on the Ohio Development Services Agency Budget

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Chairman Oelslager, Vice Chair Coley, Ranking Member Skindell, and members of the Senate Finance Committee. Thank you for the opportunity to offer interested party testimony on the Development Services Agency Budget, as part of the 2016-2017 Operating Budget (HB64).

My name is Lindsey Gardiner and I am the Manager of Government Affairs of the Greater Ohio Policy Center. Greater Ohio is a nonpartisan nonprofit that is valued for its data-driven research. Our mission is to champion revitalization in Ohio to create economically competitive communities. My organization has long supported the remediation and redevelopment of brownfields and other contaminated sites to create economic benefits and opportunities for Ohio's communities.

We were pleased to see that the Ohio Development Services Agency has proposed an amendment to the Service Station Cleanup Fund Program, which will provide critical dollars to create shovel-ready redevelopment sites by cleaning up obsolete gas stations in our rural, suburban, and urban communities.

Last month, Greater Ohio Policy Center had the opportunity to offer testimony in the Senate Finance Workforce Subcommittee, where I shared with members three proposed amendments that would make the program more effective. I am happy to come before this committee today to offer support for ODSA's recommendations, which closely resemble a great portion of what my organization has been proposing since March.

We are thankful to have been able to hold meetings with ODSA and help make this program the best Service Station Cleanup Program possible. Some of the specific alterations our institutions have a shared interest in seeing are:

- **Adding “community improvement corporations” in the definition of a “political subdivision”.** Organizations such as CIC's are more tolerant than local governments of financial risks and are better prepared to manage the challenges associated with these contaminated sites.

- **Adjust the grant amounts for property assessment from \$500,000 to \$150,000 and cleanup from \$2,000,000 to \$1,000,000.** Gauging the appropriate costs in a program for environmental clean-up is essential for ensuring projects are completed successfully and that projects are not over-subsidized.
- **Add some flexibility around the definition of the sites** *to include sites that may not be on the Class C list but are similarly orphaned.* Adding flexibility to this definition will help ensure properties are shovel-ready immediately and will not be abandoned halfway through the redevelopment process, due to the lack of final-phase remediation funding.

We are very pleased to see a commitment by the state of Ohio to assist communities in priming sites that will directly support local economic development efforts. Ohio has much economic redevelopment potential locked-up in contaminated sites and remediating these locations will help businesses thrive and create places where people want to live.

Before I conclude, I would like to note some of the exciting economic benefits remediation creates. In 2013, my organization conducted an [economic impact analysis](#) of state funding used to cleanup and prepare contaminated sites for redevelopment. We found:

- For every \$1 of state funding invested in a contaminated site, the Return on Investment was \$4.67 in new economic activity.
- For every 1 job created or sustained through remediation activities, 1 additional job was indirectly created or sustained.

We hope that the Service Station Cleanup Fund is the first of several programs that leverage the investments needed for these sites. Investing in these sites, which are located in so many of Ohio's communities, produces clear net benefits and returns both to the local community and the state as a whole.

Thank you for your time and consideration. I'd be pleased to answer any questions.

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