

**Testimony on SB39 - Transformational Mixed-Use Developments
Before the House Economic and Workforce Development Committee
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City of Hamilton
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Good afternoon. My name is Jody Gunderson and I am the Economic Development Director for the City of Hamilton. I am here today to express my strong support for Senate Bill 39, the legislation creating a tax credit for investments into “transformational mixed-use developments.”

As you may be aware, the City of Hamilton is in the middle of a renaissance. Small businesses are returning to our downtown store fronts and the first new development to be built in the Central Business District in over two decades was recently completed. Our companies are investing millions in the community, which has led to historic levels of job growth. In short, we have momentum and we want to keep it rolling.

SB 39 can help us do that by solidifying the financial structure for a project that will quite literally change the landscape of our downtown.

We have an investor preparing to transform one of our community’s biggest eyesores into a driver of tourism and economic growth. Champion Paper Mill, which was a primary employer in our community for over a century, sits on the banks of the Great Miami River in the heart of downtown Hamilton. Spooky Nook Sports is undertaking a project to turn this now abandoned site into the nation’s largest indoor sports complex. This is a \$144 million redevelopment of a 40 acre brownfield into a massive facility that will attract more than a million visitors every year to spend time and money in our community. This kind of project is a game-changer for Hamilton, and for a former industrial site that has not received commercial interest for years.

For some perspective, I’ve been an economic development professional in a few Midwestern states over last 25 years. Spooky Nook Sports presents an opportunity that economic developers rarely see in their lifetime. As you know, the tax credit we’re discussing today is designed to incentivize insurance companies to invest in high density, critical mass type development projects. Encouraging the deployment of more capital into large scale projects is critical in ensuring that economic growth continues in major employment centers, and that Ohio’s cities continue to be competitive compared with other states. This is especially true in those situations where we can create infill projects with more intense uses to create urban environments that are extremely desirable.

Development in these infill neighborhoods is often cost prohibitive based on the price of land and the need for structured parking, for which few markets can charge and which escalates in cost year after year. Other factors driving up development costs include rising prices related to construction, including both materials and labor, and the fact that rent prices are not going up as quickly.

Our reading of this legislation leads us to believe that the Spooky Nook redevelopment project is eligible under the existing terms of the bill. The team working on the project is extremely

supportive of and eager for this bill being enacted. In fact, the investors have had preliminary, favorable discussions with insurance companies to spur interest in this tax credit as a means of generating additional capital for this massive redevelopment.

I ask that the House please advance this legislation and establish this tool to enable massive redevelopment projects, like the one taking place in Hamilton, to proceed.

Thank you for you for your time and attention to my testimony.