

## GREATER OHIO POLICY CENTER

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## Senate Agriculture and Natural Resources Committee Proponent Testimony – Senate Bill 84 (Williams – Rulli) Aaron Clapper, Project Manager, Greater Ohio Policy Center March 23, 2021

Chair Schaffer, Vice Chair Huffman, Ranking Member Fedor, and members of the Senate Agriculture and Natural Resources Committee: thank you for your time today in allowing me to provide supporting testimony for Senate Bill 84, legislation related to the Clean Ohio Revitalization Fund, or CORF program.

My name is Aaron Clapper, and I am with the Greater Ohio Policy Center (GOPC). GOPC is a statewide, non-partisan not-for-profit organization. GOPC's mission is to improve the communities of Ohio through smart growth strategies and research. Our vision is a revitalized Ohio.

Ohio has the potential to generate millions of dollars in additional tax revenue, provide jobs, create new housing options, and unlock new endeavors in economic development. This can be achieved if we seize the opportunity to redevelop the thousands of environmentally contaminated brownfield sites across the state, known as brownfields. Found in every county, these former industrial and commercial sites are unusable for new development in their current condition. These abandoned factories, derelict hospitals, and former dry cleaners discourage investment and create barriers to economic development and job creation across the state.

Ohio was once a national model for brownfield redevelopment; however, brownfield redevelopment is down in Ohio after the sunset of the Clean Ohio Revitalization Fund (CORF) in 2013. While state and federal programs do exist to provide dollars for environmental remediation, these programs often have highly competitive application processes, with restrictive site types and uses, and oftentimes only offer loans. This makes it difficult for weak-market and smaller communities to effectively compete for funding and utilize it for their identified redevelopment goals. Communities across the state are familiar with CORF, and valued the responsiveness of the program to meet their needs in redeveloping brownfields.

SB84 will support and enhance other state brownfield programs by facilitating redevelopment of projects that the other programs are unable to prioritize.

CORF is designed to be flexible, sustainable, and complementary to existing environmental remediation programs at the state and federal levels – and fills a necessary gap in brownfields funding. At a time when the state and its cities are in recovery mode from the COVID-19 pandemic, SB84 can restart economic development across Ohio, create jobs, revitalize our downtowns, and boost the economy. For Ohio to remain competitive in business re-shoring, the state must provide resources to local communities to revitalize once-productive sites.

SB84 directs the excess liquor profits returned to the state from JobsOhio to fund CORF. This dollar amount does not impact JobsOhio's funding, as this dollar amount is in excess to the formula established under JobsOhio's lease. Funding currently available at JobsOhio to fund brownfield remediation for commercial and industrial use **will not** be impacted by SB84.

GOPC has completed an economic impact study of CORF, which involved an in-depth analysis of 21 diverse CORF projects located throughout Ohio. Our research showed remediation and construction activities on these projects totaled \$1.16 billion in one-time contributions to Ohio output, and their ongoing adaptive reuse contributed \$1.4 billion annually to the state's GDP. This led to \$42 million in one-time state and local taxes, \$55 million in annual tax revenues, and a return on investment of \$4.67 in economic activity for each program dollar spent.

GOPC has worked closely with brownfields stakeholders throughout the state over the past few years, identifying the need to couple regulatory reforms with increased funding for brownfields redevelopment programs. Last General Assembly, the House and Senate unanimously passed House Bill 168 (HB168). HB168 better aligns Ohio and federal regulatory law, providing prospective purchasers of brownfield sites with liability protections when necessary due diligence is followed. SB84 will provide Ohio's communities with additional resources to further redevelop brownfield sites and get these unusable properties into productive use.

Chair Schaffer and members of the Agriculture and Natural Resources Committee, thank you again for the opportunity to testify today. I am happy to answer any questions you or members of the committee may have.