

**Senate Agriculture and Natural Resources Committee
Proponent Testimony – Senate Bill 84 (Williams – Rulli)**

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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 Melissa Johnson, I am with the Port of Greater Cincinnati Development Authority (The Port). The Port is a quasi-governmental real estate development and financed-focused agency. Our mission is to mend broken real estate to promote job creation, homeownership, and equitable development throughout Hamilton County.

Since our inception, The Port has remained dedicated to the redevelopment of abandoned, idled, or underutilized industrial and commercial sites – known as brownfields. We are uniquely positioned to form public-private partnerships to leverage private capital and experience. Through 2010, The Port created public-private partnerships on eleven projects across 155-acres using the former Clean Ohio Program to leverage private investments. This work yielded an estimated \$1.35 billion annual economic impact with lasting impacts in nine different Cincinnati and Hamilton County neighborhoods.

In 2015, The Port Board of Directors expanded this strategic platform to more intentionally repurpose former industrial sites for advanced manufacturing investment and job creation. What we have learned is that this is expensive and time-consuming work with an average redevelopment cost per acre of \$266,750. The historic industrial profile of the Cincinnati region creates challenges with limited options to effectively play the “site selection game”. This low real estate inventory has propelled The Port to acquire and develop large-scale assets that few private developers are willing – or can – take on, including a former chemical plant. This work continues to be supported by the City of Cincinnati and Hamilton County as a key strategic initiative to advance development opportunities. Unfortunately, the current funding landscape hinders what we are able to do – and so many former industrial sites in our communities continue to sit blighted.

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.

To date, the Port has leveraged nearly \$80 million in its industrial revitalization strategy through patient capital, state, local and philanthropic grants, and private investments, which proves that with collective and consistent resources the region can be responsive to its environmental and economic development needs. While these resources have been extremely valuable, the fragmentation around the alignment of timing, availability, and accessibility creates challenges in significantly slowing down the work. We could do so much more if additional funds were made available to fill in the gaps where current financing is unavailable.

The Greater Ohio Policy Center 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.

The Port has worked closely with local brownfields stakeholders throughout the City of Cincinnati, Hamilton County, and other partners, supporting the need to couple regulatory reforms with increased funding for 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 needed resources to further redevelop brownfield sites and get these unusable properties into productive use.

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Chair Schaffer and members of the Agriculture and Natural Resources Committee, thank you again for the opportunity to testify today.