

GREATER OHIO POLICY CENTER

People. Land. Prosperity.

House Finance Committee Interested Party Testimony, House Bill 33 (Edwards) Jason Warner, Director of Strategic Engagement, Greater Ohio Policy Center Thursday, March 30, 2023

Chairman Edwards, Vice Chair LaRe, Ranking Member Sweeney, and members of the Committee, thank you for the opportunity to present interested party testimony on House Bill 33 (HB33), the state main operating budget for fiscal years 2024 and 2025.

My name is Jason Warner, and I am the Director of Strategic Engagement for the Greater Ohio Policy Center (GOPC), a statewide non-profit organization that champions revitalization and sustainable growth in Ohio's cities and metros. Our mission is to improve the communities of Ohio through smart growth strategies and research for a revitalized Ohio.

Last week I provided GOPC's opinions on seven items within HB 33 to the Agriculture, Development & Natural Resources Subcommittee. I will not go through those again.

However, I did want to bring GOPC's top priority to the full committee. And that is, <u>a request to</u> <u>provide level funding to the Brownfield Revitalization Program and the Building Demolition & Site Revitalization Program.</u>

Brownfields and Demolition Programs are Having Impact Statewide

Two years ago, the Legislature created the Brownfield Revitalization Program, also known as the BRF and its companion program, the Building Demolition & Site Revitalization Program, usually known as the Demo program.

The BRF's \$350 million is assessing and cleaning up 313 environmentally contaminated sites in 83 counties. The Demo Program's \$150 million is helping to demolish nearly 3,700 dilapidated commercial and residential buildings in 87 counties.

Past research by GOPC shows that for every dollar the state invests in cleaning up brownfields there is a five dollar return in new economic activity. We have no reason to believe that the return would decrease with the funds allocated in the last budget.

We commend you for leadership in 2021 and thank the Department of Development for its administration of these programs. They are having visible, tangible benefits to communities.

The Need for Revitalization Funds Remains

However, the as-introduced budget does not include any new funding for the BRF or Demo programs. Therefore, GOPC and other stakeholders supporting these transformational programs are encouraging the committee to provide an additional \$500 million to these two programs: \$350 million to the BRF, \$150 million to Demo.

125 of the 313 projects that the BRF funded are only assessments, meaning the grants will cover soil testing and other steps that determine the type and extent of contamination at a site. These sites will

need additional funding to cover the cost of actual clean up. Without additional funding, these 125 projects will likely remain contaminated, and unable to move into productive economic engines.

An additional investment of \$350 million to the BRF program will allow the 125 projects that received an assessment to compete for cleanup dollars.

Level funding through HB33 will also allow for other assessment and clean up projects to move forward. The need is still acute: ODOD opened and closed the final round for applications in less than 3 business days due to limited funding remaining and an overwhelming number of applications.

Ohio's land banks can tell you more about their ongoing needs, but we know that there will still be problematic commercial and residential buildings, even after the initial \$150 million is expended.

Conclusion

GOPC has worked with lawmakers to have a budget amendment drafted to add level funding for these two programs into the budget. An investment in the BRF and Demo programs is an economic win for the state, and the communities where remediation occurs.

We would greatly appreciate the committees support for the renewed funding for the BRF and Demo programs in HB33.

Chairman Edwards, thank you for the opportunity to share our thoughts regarding House Bill 33. I appreciate your attention and will be happy to address any questions the committee may have.