House Finance Committee – Prepared by: Pike County Land Reutilization Corporation (PCLRC-Landbank) March 23, 2023

Chair Edwards, Ranking Member Sweeney, and members of the House Finance Committee. Thank you for allowing us to submit interested party testimony on House Bill 33.

My name is Ed Davis, Chairman of Pike County Land Reutilization Corporation (PCLRC). I am submitting written testimony on behalf of the PCLRC, a non-profit group, operating as a county landbank incorporated with the Ohio Secretary of State. Our mission is to revitalize and strengthen Pike County's communities and its rural areas by preserving the current property values through the strategic demolition and remediation of abandoned, blighted and tax delinquent properties. Rehabilitating brownfield properties of potentially significant value but that are otherwise non-productive due to abandonment and returns or recirculates these properties back into productive use through a transparent, public, and community-oriented process.

Recognizing the challenges of addressing brownfield sites and the need to have sites ready for redevelopment throughout the State, the FY22-23 main operating budget established the Brownfield Remediation Fund (BRF) and the Building Demolition and Site Revitalization (BDSR), providing \$350 million to assess and cleanup environmentally contaminated sites and \$150 million to address commercial and residential demolition. We applaud the Legislature for these programs, and the Ohio Department of Development in its administration of these successful programs. It has presented opportunities in nearly every county in the State.

The Brownfield Remediation Fund's \$350 million provided grants to 313 projects in 83 of Ohio's 88 counties. The Demolition Fund's \$150 million will support 3,699 projects in 87 of Ohio's 88 counties. While this is a significant investment, the need remains for grant dollars to remediate and redevelop these blighted brownfields into productive use.

The as-introduced budget does not include funding for the Brownfield Remediation Program or the Building Demolition and Site Revitalization Program, and therefore, we are writing encourage the committee to provide an additional \$350 million and \$150 million respectively to these programs in the FY24-25 budget.

An additional investment of \$350 million to this program will allow the 125 projects, including ours that received an assessment to compete for cleanup dollars. In addition to these 125 projects, the need for brownfield grant dollars remains. The final round for applications through ODOD opened and closed in less than three business days due to limited funding remaining and an overwhelming number of applications. Knowing how blighted properties in a neighborhood can impact the value of other properties and can result in a downward spiral of disrepair, foreclosure, and vacancy in a neighborhood, and thinking there would be additional funding made available in 2024, PCLRC paid for the assessment of an old, dilapidated school in the Village of Beaver expecting to have the final round money available for this project. Without the additional cleanup money, the project is at a stand-still.

Equally as important, the Building Demolition and Site Revitalization Program's \$150 million investment has allowed for communities to address decades long blight remediation needs. This program has been the first meaningful investment into commercial demolition and this is evident by the 87 counties awarded these funds. This program allowed for an obvious impact in Ohio's communities, but more investment is needed to continue to create opportunities for future development.

I am writing to encourage members of the House Finance Committee to include this in the budget. A

\$500 million investment in the brownfield and demolition grant programs will have a positive impact throughout the state, and the communities that are utilizing these funds. Past research by the Greater Ohio Policy Center shows that for every dollar the state invests, there is a five dollar return in private investment. Ohio's previous brownfield grant program contributed more than one billion dollars to the state's GDP during its tenure.

Chair Edwards, Ranking Member Sweeney, and members of the House Finance Committee, thank you for your time and attention to this important issue.

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