

March 21, 2023

To: Chair Jones, Ranking Member Troy, Mr. Miller, Ms. Pavliga, and Mr. Peterson members of the House Finance Subcommittee on Agriculture, Development, and Natural Resources

Re: Interested Party Testimony regarding the state's Main Operating Budget for Fiscal Years 2024 and 2025

Dear Chair Jones, Ranking Member Troy, and members of the House Finance Subcommittee, thank you for the opportunity to provide testimony regarding the state's Main Operating Budget for Fiscal Years 2024 and 2025.

Richland County Land Bank would like to testify in favor of additional \$350 million to assess and cleanup environmentally contaminated sites and \$150 million to fund demolition.

Richland County Land Reutilization Corporation (Land Bank)

My name is Amy Hamrick, and I am the Director of Richland County Land Bank. The Land Bank is a 501(C)3 nonprofit corporation whose mission is to make a positive sustainable impact on our community by strategically acquiring vacant and abandoned properties, reducing blight, and returning them to productive use improving the quality of life for county residents.

Richland County's Land Bank has successfully completed 390 demolition using, Land Bank, Neighborhood Initiative, and Lead demolition funds, 1 US EPA cleanup, 3 gas station cleanups and sold 69 structures to be rehabbed by purchaser. We are very proud of the fact that we have transferred 1167 parcels of forfeited properties to new owners.

Redevelopment on tax delinquent, forfeited, abandoned parcels of land has been very successful, especially within Mansfield's city limits. Land Bank transferred parcels to non-profits, developers and individuals who built 3 single family homes and 3 multifamily structures (for a total of 20 housing units) built between 2016 and 2022. Currently there are an additional 7 single family homes and 13 multifamily structures (for a total of 50 housing units) under construction. *Amazingly, 60 of these housing units were built by private investors without any tax credits or local, state or federal assistance in financing*.

Successes with Brownfield Remediation and Building Demolition and Site Revitalization Program funds

Recognizing the challenge presented to Ohio by the presence of brownfields and the continued need for blight remediation, the FY22-23 main operating budget established the Brownfield Remediation Fund (BRF), providing \$350 million to assess and cleanup these environmentally contaminated sites as well as Building Demolition and Site Revitalization Program (BDSRP) providing \$150 million for demolition. We commend the Legislature for the inclusion of this program, and the Ohio Department of Development in its administration of this successful program.

The 22-23 Brownfield Remediation funds of \$350 million provided grants to 313 projects (out of which 125 projects were assessment only grants to determine if cleanup is needed) in 83 of Ohio's 88 counties. The Building Demolition and Site Revitalization Program funds of \$150 million provided grants to 3,699 projects 87 of Ohio's 88 counties.

I would like to highlight what these funds have accomplished in just 1 out of the 87 counties.

Richland County received \$3,172,500.00 from the Brownfield Remediation funds allowing us to clean-up two contaminated sites (Westinghouse and 861 Expressview Drive in Madison Township), conduct a Phase I and II on an abandoned foundry, as well as assessment funds to monitor the mitigation system installed using a US EPA cleanup grant for a dry cleaners.

To begin with, I would like to talk about the Westinghouse site where the previous owner demolished the majority of the buildings leaving approximately 14 acres of concrete dubbed the "concrete jungle" and a 1919 five story approximately 78,000 square foot building. "See Attachment A". Ohio invested \$3 million in BRF funds, Richland County invested \$500,000.00 in ARPA funds, and the City of Mansfield invested \$500,000.00 in ARPA plus and additional \$200,000.00 in other funds to demolish and cover the \$1M abatement of the building and remove concrete leaving just over \$300,000.00 remaining in above budget for additional soil removal. *This 17 acre site just blocks from Downtown Mansfield will receive additional TBA funds from the Ohio EAP and a <u>Site Revitalization Planning grant from US EPA</u> (the grant includes helping Richland County find a developer to implement the final plan).*

Secondly, I would like to talk about the abandoned foundry site that we applied for assessment funds. Over the years the foundry had many different uses, but the stories were always the same, the site was contaminated. Located in Mansfield's north end, historically Mansfield's poorest community, just 190 feet away from Friendly House Community Center, a United Way agency, which provides crime prevention, recreational, educational health/fitness, camping, and day care programs since 1913. Luckily this site's Phase II came back showing no contamination. We currently have 2 different developers interested in building low to moderate income housing (9 to 12 units) on this site.

861 Expressview Drive will eventually be the location of Madison Township's new fire station. The downtown dry cleaners will be incorporated into the Imagination District. "See Attachment B"

Richland County received \$2,077,500.00 from the Building Demolition and Site Revitalization Program allowing us to demolish an abandoned pool, 2 residential properties in Shelby, and a school.

One of the 2 properties in Shelby 1 will be sold to an adjacent property owner as a side lot and the Land Bank is currently looking for someone to develop housing on the other. The pool has already been sold to a developer who will start construction on 6 - 8 single family homes for resale later this summer. "See Attachment C"

The school is also located in the north end of Mansfield, this 1.3 acres is adjacent to a planned 8-15M community center. *"See Attachment D"* Several developers have shown an interest in building residential housing on this site once the demolition has been complete.

Addressing the Ongoing Need for Revitalization

The initial investment of \$500 million is just the first step in the remediation process to address brownfields and blight to welcome new industrial and commercial sites, new housing, mixed-use space, or developable land in Ohio Counties.

The as-introduced budget does not include funding for the Brownfield Remediation Fund or Building Demolition and Site Revitalization, and therefore, we are here today to encourage the committee to provide an additional \$500 million for these programs in the FY24-25 budget.

Richland County citizens really appreciate how much the 22-23 funded projects have been able to improve the neighborhoods, reduce blight in areas long forgotten, and look forward to seeing what these sites can become long into the future. But these projects just scratched the surface, there are so many more blighted and contaminated properties that needs to be addressed.

Statewide there are 125 Brownfield projects that were granted assessment dollars, which merely determines the contamination present on the site, but does not provide cleanup dollars to complete the work. Without additional funding, these 125 projects will likely remain contaminated, and unable to move into productive economic engines. These numbers do not take into account the projects that received Ohio EPA Targeted Brownfield Assessment grants and the projects that counties invested their own dollars on assessments in hopes of being able to apply for 22-23 funds for cleanup. The final round for applications through ODOD opened and closed in less than 3 business days due to limited funding remaining and an overwhelming amount of applications.

Richland County Brownfield projects, assessment work has been completed, did not get funded in FY22-23

- 11-13 Broadway, Shelby Ohio approximate cost \$900,000.00 "See Attachment E"
- 400-424 Park Avenue East, Mansfield, Ohio approximate cost \$1,000,000.00 "See Attachment F"
- 474 Bowman Street, Mansfield, Ohio approximate cost \$350,000.00 "See Attachment G"

These are the projects that <u>top the list</u>, there are many other projects that need assessed that will need cleanup funds into the future. *At this time, we have stopped looking at different Brownfield sites due to lack of funds.*

Richland County Demolition projects

- City of Shelby's smoke stack approximate cost \$500,000.00 "See Attachment H"
- Jefferson Township Lutheran Church approximate cost \$20,000.00 "See Attachment I"
- GM site, Ontario, Ohio approximate cost \$10,000,000.00 "See Attachment J"

These are the projects that <u>top the list</u>, there are many other projects that need funded into the future.

The need for additional demolition funding is just as great, all you have to do is drive through any distressed neighborhood in the State to find numerous residential, commercial, and industrial structures that need to be remediated.

I really appreciate the work Greater Ohio Policy Center (GOPC) and lawmakers have done to amendment the drafted budget and to add this funding into the FY24-25 budget. I am here today to encourage members of the House Finance Committee to include this in the budget. An investment in these programs is an economic win for the state, and the communities where remediation occurs.

Conclusion

Chair Mr. Jones, Ranking Member Mr. Troy, Mr. Miller, Ms. Pavliga, and Mr. Peterson, thank you for your time and attention to this important issue. I am happy to answer any questions you may have here in person or feel free to email me at <u>ahamrick@richlandcounty.oh.gov</u> or call 419-774-5623 anytime.

Sincerely,

Amy Hamrick

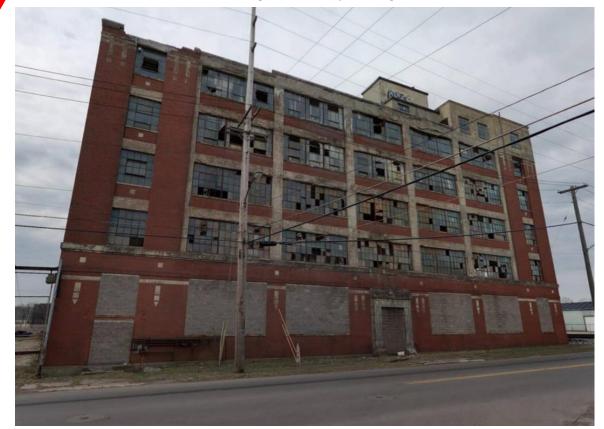
Amy Hamrick

Attachment A

Westinghouse (FY22-23 Brownfield Cleanup funded project)



Westinghouse 5 story building



Richland County Public Testimony

Westinghouse concrete jungle



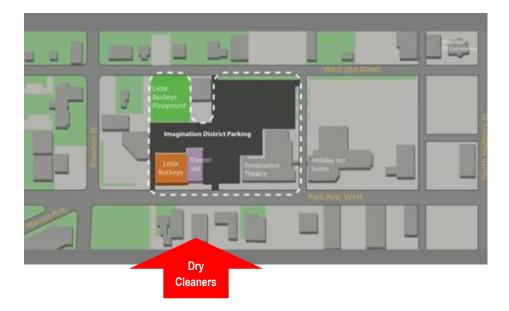


1 of 13 pits found under the concrete

Attachment B

Dry Cleaners (FY22-23 Brownfield Assessment funded project) Imagination District – Downtown Mansfield





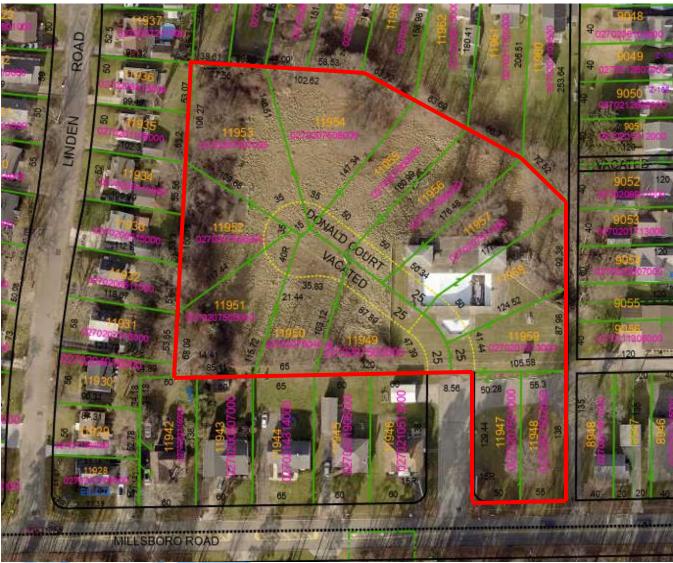
The Renaissance Performing Arts Association and the Little Buckeye Children's Museum began discussions in 2105 regarding a shared concern: their lack of space to meet the educational and cultural needs of Mansfield and surrounding communities. The opportunity to resolve this shared dilemma and create an innovative and collaborative solution occurred in 2016 when the Renaissance Performing Arts Association purchased from, the Land Bank, the building at 166 Park Avenue West to create the Renaissance Education Center.

Together, the two organizations have currently raised more than \$6.5 million to establish the Imagination District, a joint venture that provides multiple arts and education experiences and drives economic growth in Mansfield.

The Imagination District will further the respective missions of the Renaissance and the Museum, meet the needs of our community, and establish an attractive, creative and financially viable anchor from a series of neglected, derelict buildings. A visual eyesore near the heart of downtown Mansfield has been reclaimed as a cultural and educational hub. This development—which has been funded almost entirely through private contributions and at no cost to residents—attracts those who live and work in Mansfield as well as tourists, and provides support not only for the anchor organizations but also for area restaurants, hotels, and retail businesses.

Attachment C

City of Mansfield Pool site (FY22-23 Building Demolition and Site Revitalization Program funded project) outlined in red





This new single family home is just about complete and ready to be put on the market. The same developer plans on building similar 2 and 3 bedroom single family houses with 1 car attached garage on the pool site.

Attachment D

School (FY22-23 Building Demolition and Site Revitalization Program funded project) Planned Community Center/ School site map outlined in red



Proposed Community Center



Attachment E

11-13 Broadway, Shelby Ohio

Info – Located on corner of Broadway and Main – structure outlined in red has been a blight for at least a decade.

He purchased the building paying off state liens with the hope the Land Bank would be able to find funds to demolish. In the future, if structure is demolished and site cleanup, he will relocate his investment company to this location.

Phase I and II paid for by the Land Bank has been completed, there are environmental issues with this property.

NOTE: Land Bank applied for FY222-23 the Brownfield Remediation Funding in round 3 – project did not get funded.

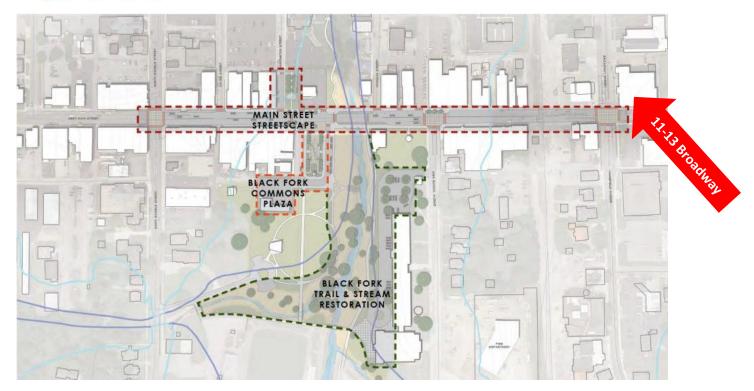






City of Shelby \$3.5 M Main Street Corridor Revitalization Plan – street scape completed 2022 – City is going to resurface the streets summer 2023 and Black Fork Commons Plaza is under construction to be complete by the end of June 2023.

Project Boundaries



Attachment F

400-424 Park Avenue East, Mansfield, Ohio

Info – Located just outside of Downtown Mansfield on State Route 430 aka Park Avenue East, this site was originally owned by Westinghouse. Owner passed away and site was auctioned off May 2022. Adjacent property owners went together to purchase site with the hope the Land Bank would be able to find funds to demolish the front building and both will be able to expand their businesses. Note: this building is attached to Goyal Industries

Phase I and II paid for by the Land Bank has been completed, there are environmental issues with this property. *Due to the time it took for estate to transfer property, Phase I and II were not completed before the final round for applications through ODOD closed*. Site outlined in red.





Richland County Public Testimony

Attachment G

474 Bowman Street, Mansfield, Ohio

Info – This property is across the street from the school the Land Bank demolished using FY22-23 Building Demolition and Site Revitalization funds. Gas station containing 8 tanks – testing indicates a release.

This property has been forfeited to the State of Ohio for years, Land Bank tried <u>unsuccessfully</u> in 2017 to get this property to qualify as a class C and to apply for BUSTR gas station cleanup funds.





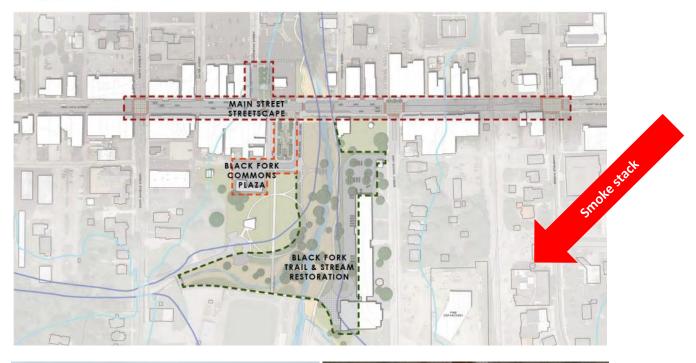
Attachment H

City of Shelby's smoke stack – attached to Shelby's power plant

Info – located just south of Downtown Shelby - smoke stack is unsafe – brick falling off of structure daily

City of Shelby \$3.5 M Main Street Corridor Revitalization Plan – street scape completed 2022 – City is going to resurface the streets summer 20223 and Black Fork Commons Plaza is under construction to be complete by the end of June 2023. Portion to be demolished outlined in red.

Project Boundaries

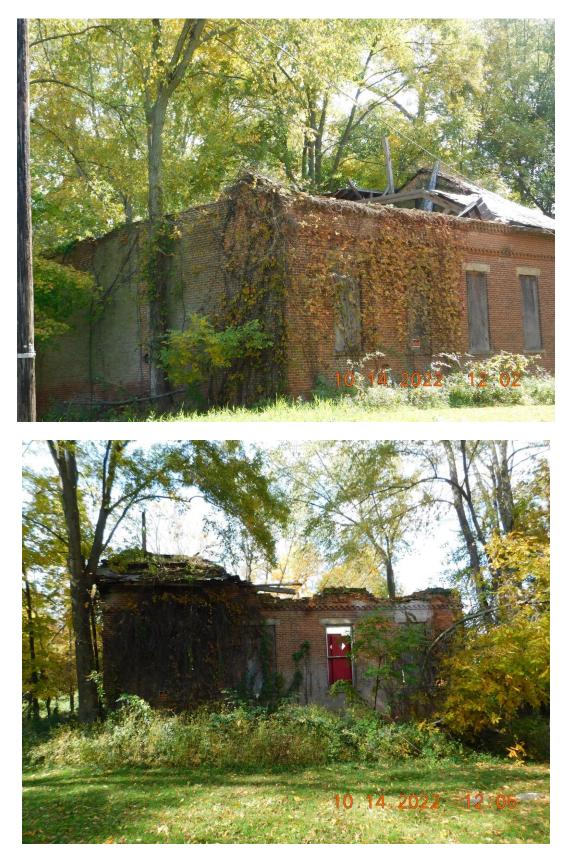




Attachment I

Jefferson Township Lutheran Church

Info – Jefferson Township church is located inside cemetery dating from 1820 – 1950 – extremely unsafe



Attachment J

GM site, Ontario, Ohio

Info – after GM closed someone purchased the site, demolished the building for the scrap and left all of the concrete and pit disappearing. Village of Ontario somehow managed to obtain ownership. While there has been some new development on portions of property that was not left a mess, there is approximately 83 acres that are unusable. This location is very desirable for commercial reinvestment if site could be made developable. Site outlined in red.





Google earth view



New manufacturing built on portion of GM site that could be redeveloped

