

### Senate Finance Committee Interested Party Testimony, Sub. House Bill 33 (Edwards) Jason Warner, Director of Strategic Engagement, Greater Ohio Policy Center Friday, June 9, 2023

Chairman Dolan, Vice Chairman Cirino, Ranking Member Sykes, and members of the committee, thank you for the opportunity to present interested party testimony on Substitute House Bill 33 (HB33).

Greater Ohio Policy Center is grateful to the Ohio Senate for continuing to recognize the importance of redeveloping environmentally contaminated sites in Ohio through the Brownfield Remediation and the Building Demolition and Site Revitalization Programs. However, changes contained in the Senate substitute bill have the potential to adversely impact programs that have had tremendous benefit to the entire state of Ohio in the two years of their existence.

# Successes Over Past Two Years

Since the program was created in 2021, the Brownfield Remediation Fund's \$350 million investment has provided grants to 313 projects in 83 of Ohio's 88 counties. This is a significant investment in the assessment and cleanup of brownfields, and the additional funding allocated under this budget will ensure that remediation and redevelopment activity can continue.

At the same time, the \$150 million investment in the Building Demolition and Site Revitalization Program has aided Ohio's land banks in the demolition of nearly 3,700 dilapidated commercial and residential buildings in 87 of Ohio's 88 counties. Communities across Ohio are eliminating these blighted and abandoned structures, creating new opportunities for economic and residential development and revitalizing neighborhoods.

### Taken together, these programs are making a transformational impact across the entire state.

# Changes Threaten to Slow the Impact of Revitalization Statewide

The proposed changes in Sub. H.B. 33 that would require boards of county commissioners to be the sole applicants to the Brownfield Remediation and the Building Demolition and Site Revitalization Programs threatens to slow efforts to revitalization brownfields and vacant commercial and industrial structures across Ohio. Tasking county commissioners with collecting the paperwork and submitting the applications on behalf of a large number of eligible grant recipients, which includes local governments, nonprofit organizations, community development corporations, regional planning commissions, county land reutilization corporations, and community action agencies, creates unexpected burdens on county staff. This burden will be especially onerous for counties with smaller staff.

These changes could also stop the redevelopment of brownfield sites by the private sector. As far back as the original Clean Ohio Revitalization Fund, the private sector has been taking on some of the riskiest brownfield projects in Ohio. Under the Senate's current language, it appears that a private developer must first enter into an agreement with the governing body of a city, village or township, or a nonprofit. Then, the government or nonprofit must forward the application to the county for

consideration. If the county approves, it must enter into an agreement with the local government or nonprofit before submitting the application to the Department of Development for review.

This multi-step process will result in longer timelines and more risk, making brownfield redevelopment less attractive to any developer, especially private development.

Additionally, the proposed Senate changes would restrict the use Brownfield Remediation Program dollars only to make "brownfields operational for economic development activity." This will limit what communities are able to accomplish with brownfield clean-up funding.

Under both the Clean Ohio Revitalization Fund and the Brownfield Remediation Program, funding has supported projects central to revitalization efforts for scores of cities across the state. These have included public spaces, mixed-use development, and housing, including senior housing projects. All of these activities would not be permissible uses under the new definition of remediation under the proposed language.

### Program Continuity is Key for Long-term Success

As Ohio's leading brownfield advocate, we respectfully request that the Senate restore language from the previous version of the budget related to both the Brownfield Remediation and Building Demolition and Site Revitalization Programs. In order to ensure that both programs can continue to make the significant impact in addressing the revitalization of blighted property across the state, we believe that continuity in the existing program is vital. Under the existing program, all funds appropriated by the legislature in 2021 were fully accounted for within the first year of program operation and are currently remediating over 4,000 sites statewide between both programs. Adding an extra layer of bureaucratic red tape will only serve to slow this progress as we work to continue this important progress.

On behalf of the more than 200 local government officials, certified professionals, engineers, construction and demolition experts, environmental professionals, attorneys and more who attended our recent Ohio Brownfield Conference, we respectfully request that the House-passed language related to the Brownfield Remediation and Building Demolition and Site Revitalization Programs be restored to H.B. 33.

# Conclusion

Chairman Dolan, we greatly appreciate the opportunity to submit written testimony of the Finance Committee as you consider changes to the state budget. Should you or members of the committee have any questions, I would invite you to contact me directly at any time to discuss these issues which are critical for Ohio's economic development and public safety now and into the future.