



Unlocking Opportunity: Ohio's Brownfield Remediation Fund Awards & The Benefit of Brownfields

An Updated Analysis of the Brownfield
Remediation Fund & Programmatic
Recommendations for Additional
Funding

White Paper by the
Greater Ohio Policy Center (GOPC)

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Background

In 2021, the state Main Operating Budget [i] included a new \$350 million grant program for assessing and cleaning up environmentally contaminated sites. The Brownfield Redevelopment Fund (BRF) provided Ohio's communities with the first significant investment in brownfield grant dollars since the sunset of the Clean Ohio Revitalization Fund (CORF) in 2013.

The Ohio Department of Development (ODOD) began to accept applications in December 2021; by June 2022 the Round 1 awards had been announced. In total, Round 1 awarded \$252 million to 190 projects. Round 2 opened on March 1, 2022, and accepted applications for counties that had not utilized the one-million dollar set aside per county. Round 2 closed April 30, 2022. Round 3, the final round of the program, opened July 1, 2022, and closed within a week due to oversubscription. Grant awards for Rounds 2 and 3 were announced in December 2022. Rounds 2 and 3 awarded \$88 million to 123 brownfields projects. In all, the Brownfield Remediation Fund's awards are located in 83 of Ohio's 88 counties [ii].

The Benefit of Brownfields

Ohio was a national model for brownfields redevelopment in the early 2000s [iii]. GOPC research found that the previous program, the Clean Ohio Revitalization Fund (CORF), yielded a return of nearly \$5 for every \$1 of CORF funds. Cleanup/remediation is a labor-intensive process and during its tenure, CORF contributed \$1.4 billion annually to the state's GDP through the remediation and redevelopment of brownfields. Additionally, the new end uses on remediated sites include highly-paid jobs in the fields of medicine, medical research, military research and development, manufacturing [iv].

As cleanup and assessment projects funding by the Brownfield Remediation Fund get underway, the full economic impact of the BRF will become obvious. Based on past research and analysis, the \$341 million awarded in the BRF has the potential to pump more than \$1.7 billion into the state's economy through private investment, job creation, and redevelopment, as well as on-going activity associated with new end-uses.

Analysis of All Brownfield Remediation Fund Awards

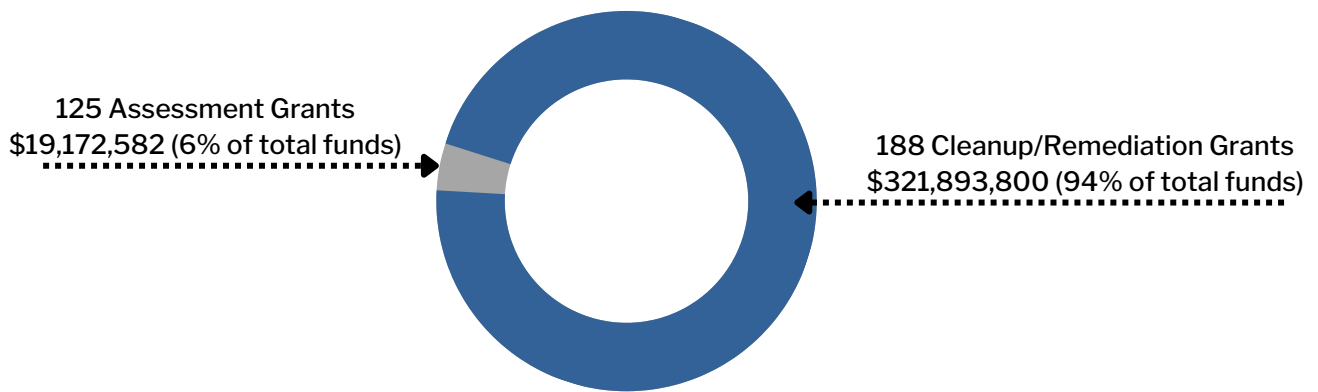
Charts and visualizations included in this White Paper were created by Greater Ohio Policy Center based on data provided by the Ohio Department of Development in August 2022 and January 2023. One visualization is extracted from the Governor's Office Press Announcement in December 2022.

Grant Dollars by Project Type (Assessment & Cleanup/Remediation)

Grant awards for Round 1 were announced in June 2022, in two batches. Grant awards in Round 1 totaled \$252 million, or 72% of the total BRF funding. The second round of funding was announced in December 2022, for Rounds 2 and 3, and included \$88 million in grant awards. In total, the BRF granted \$341 million, with the remaining funds presumably staying with ODOD for administrative purposes.

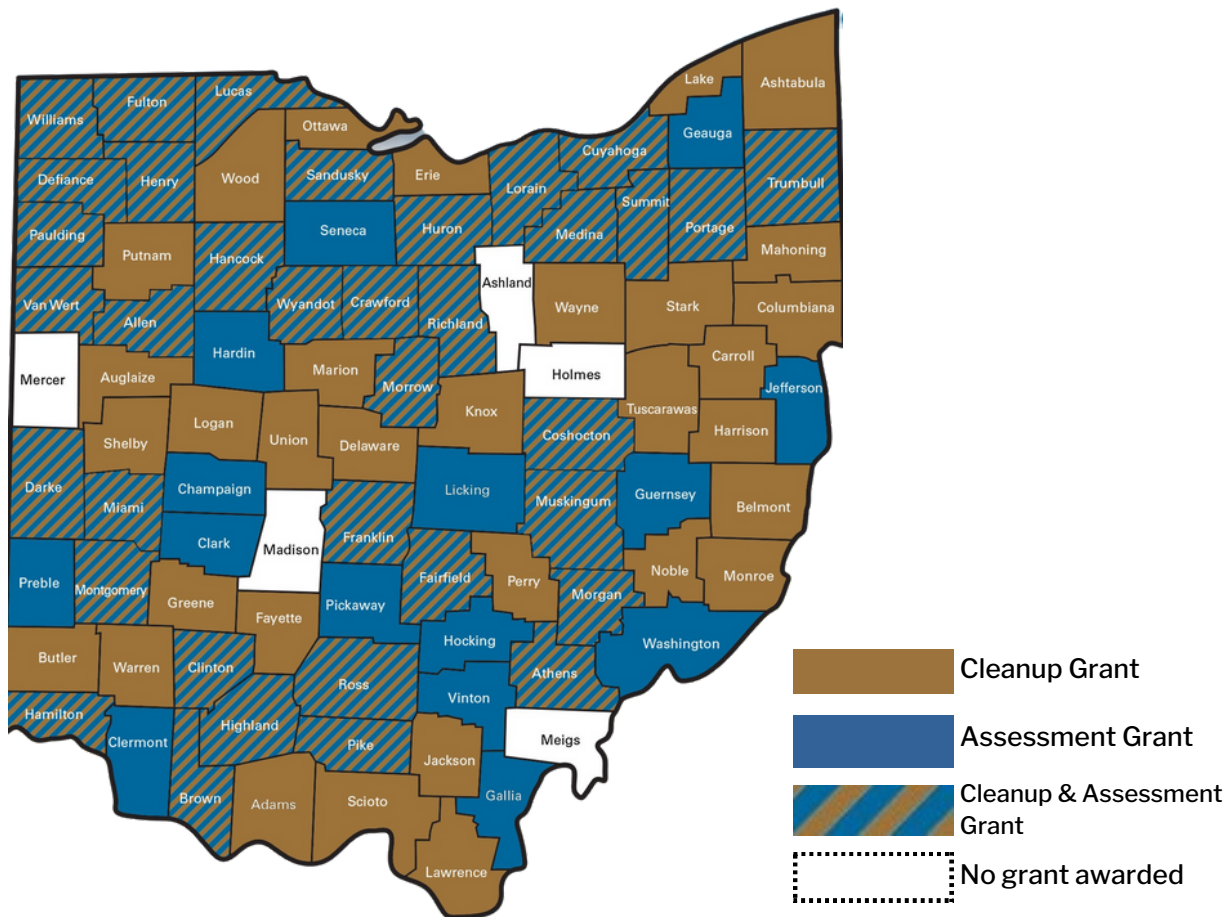
Of the \$341 million granted through the BRF, \$19.2 million were assessment grant dollars (6% of the total allocation) and \$321.9 million were cleanup/remediation dollars (94%). One hundred and twenty five (125) projects were awarded assessment dollars, and 188 projects were awarded cleanup/remediation grant dollars [v].

BRF Grant Awards (all rounds)



Grant Awards to Ohio's Counties

Eighty-three (83) of Ohio's 88 counties received BRF grant dollars. Over 98% of Ohio's population live in the 83 counties that received at least one grant award.



The map above, provided by the Governor's Office December 16, 2022 press release, identifies counties that received an assessment grant(s), a cleanup/remediation grant(s), and counties that received both [vi].

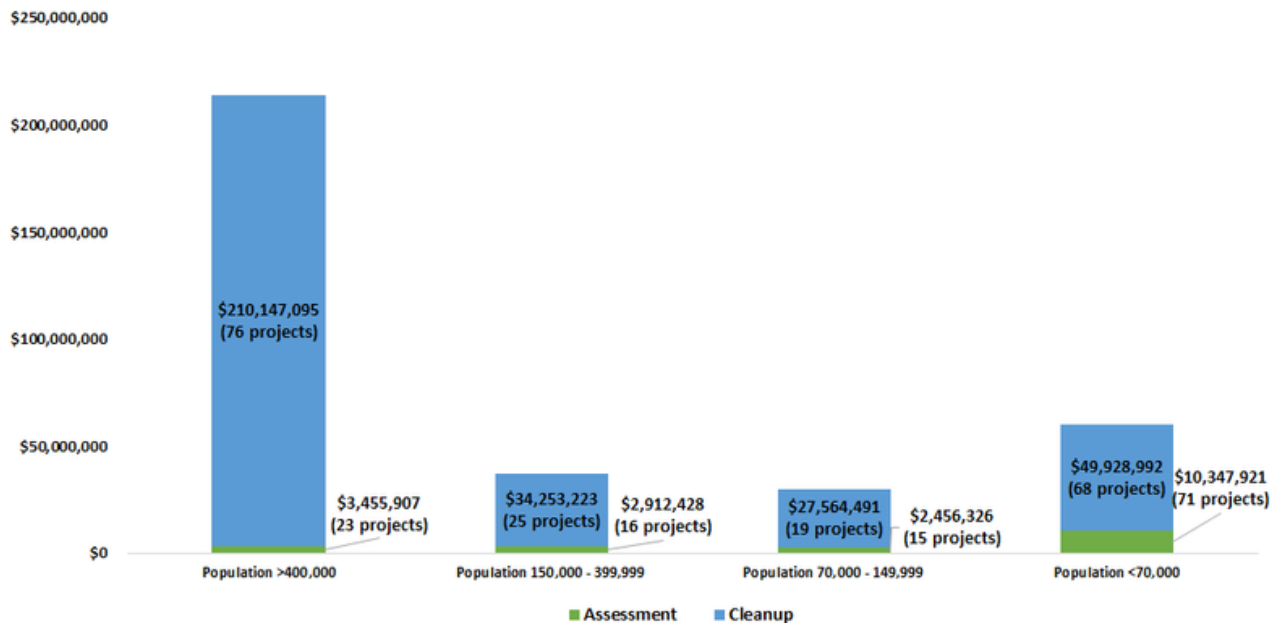
Thirty-six (36) of the 83 counties received both an assessment and cleanup/remediation grant. Thirty-two (32) counties received a cleanup/remediation grant, and 15 counties received only an assessment grant. This map does not indicate the number of grants awarded, if a county were to receive more than one grant.

Grant Distribution by County Population Size

A visualization of grant dollars, based on county population size, is below.

Total BRF Funding by County Population

Total Funding: \$341,066,382



Ohio's counties with populations less than 70,000 received the most awards when compared to their peer counties. In total, these seven counties received 140 awards totaling \$60.3 million. Counties with the largest populations (those above 400,000) received the next highest award total at 99 awards, totaling \$213.6 million. It is important to note that brownfields are found in every county, and likely every community, across Ohio. Ohio's larger counties include large legacy cities, such as Cleveland, Cincinnati, and Toledo, which have a history of industrial and manufacturing industries. Award grants for cleanup projects in these larger counties likely have an increased cost for remediation, due to site size and historical contamination.

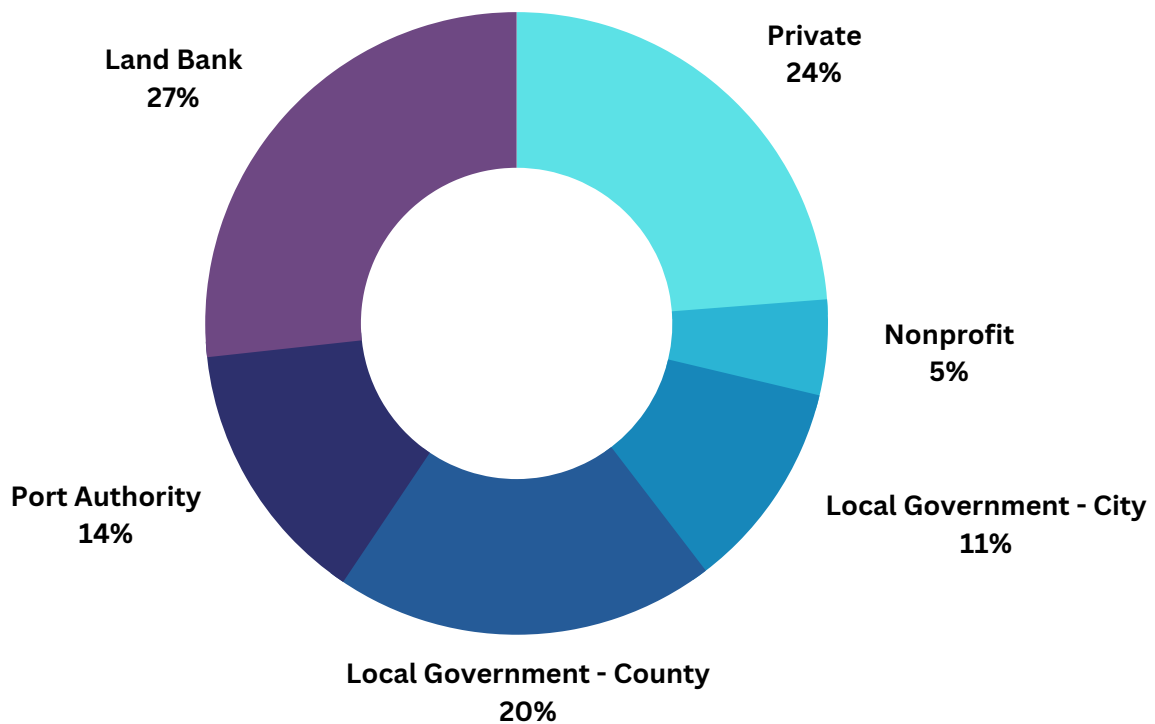
Ohio's smaller counties received 71 assessment grant awards, which is the first step to identify contamination and establish a remediation plan. Applicants receiving an assessment grant have identified these brownfield sites as important to revitalization in a particular community, and will likely seek additional funding opportunities to complete the remediation/cleanup following the assessment.

BRF Applicants/Grantees

The Ohio Department of Development (ODOD) specified eligible applicants as units of local government, including counties, townships, municipal corporations, port authorities, or conservancy districts or park districts, or other similar park authorities. Additionally, other eligible applicants included county land reutilization corporations (land banks), nonprofit organizations, or organizations for profit. Land Banks, nonprofit, and for-profit organizations had to enter into an agreement with a unit of local government to work in conjunction on the project for the purposes of this program.

Below, GOPC has identified the recipients for the 313 projects awarded grant dollars through the Brownfield Remediation Fund.

All Applicants Awarded Grants in the BRF



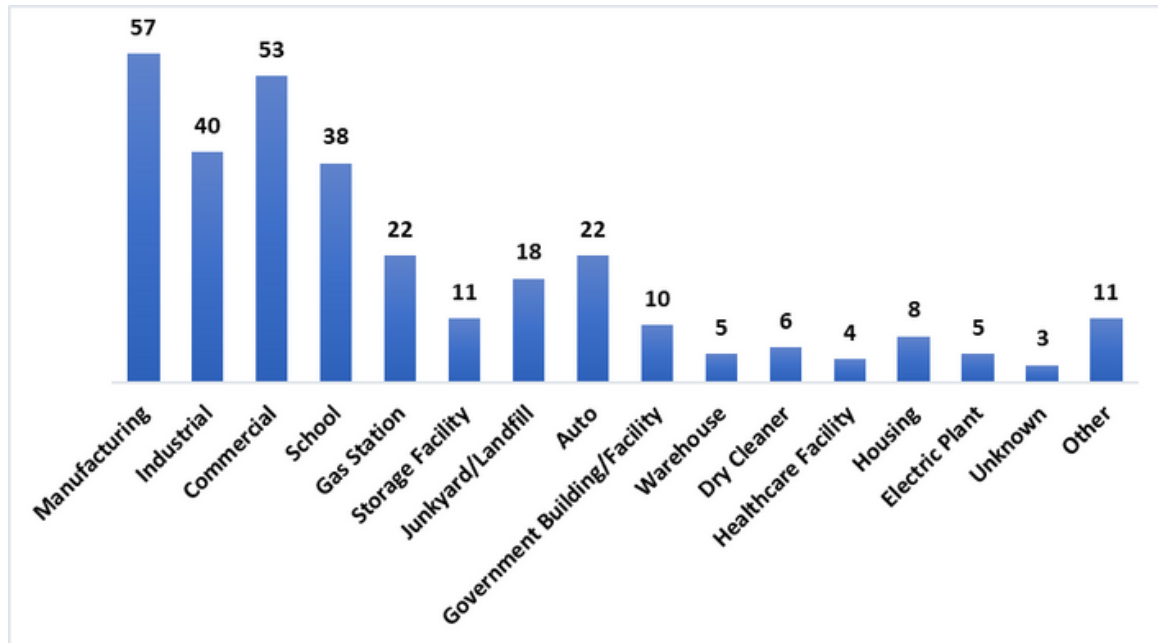
It is important to note that a unit of local government is also a signatory, and in some cases, co-applicant for the grants awarded to the private sector, land banks, and nonprofit organizations.

The number of County Government applicants nearly doubled from the first award announcements to Rounds 2 and 3. Round 2 was only open to county set-aside applicants, which a high number of County Governments were the lead applicant.

Previous Site Types Receiving Round 1 Grants and Anticipated Future Use

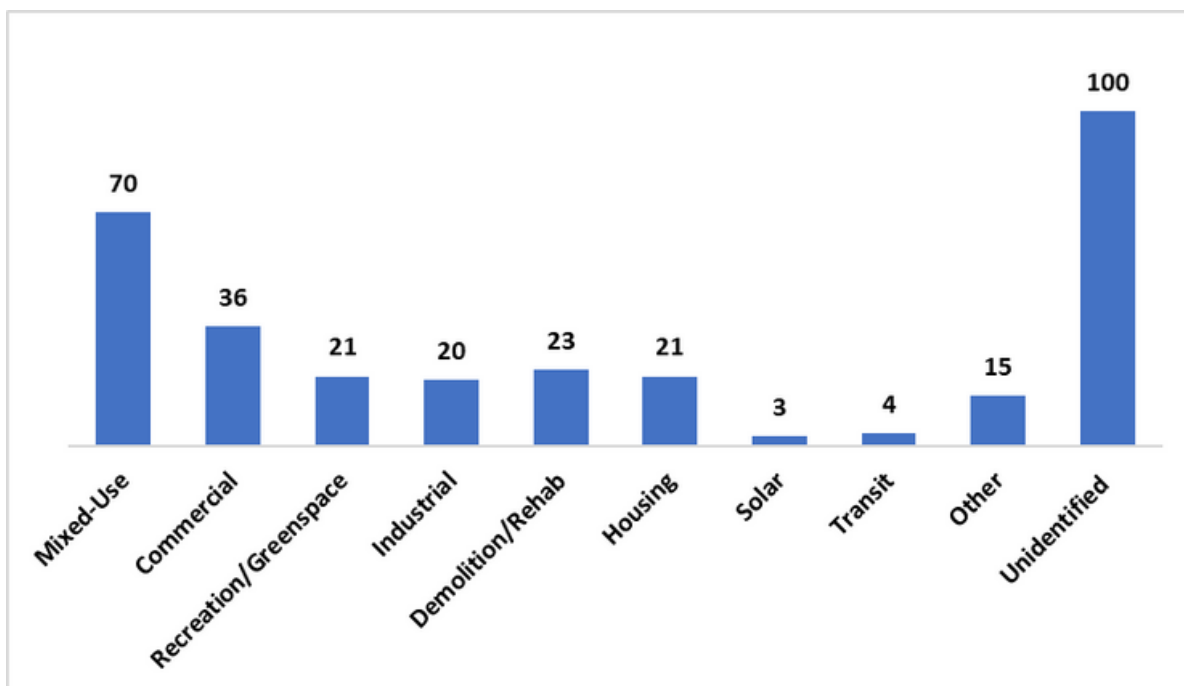
As part of the application process, applicants were required to identify past uses on the site of the project. Applicants identified (and in some cases, current) use of the site in open-ended responses. GOPC compiled the site types, categorized into the below chart.

Past/Current Site Types Identified for All BRF Grant Awards



Many applicants volunteered expected future uses of sites, after clean-up. These are not guaranteed end-uses but show the diversity and creativity of end-uses that may occur on BRF-funded sites. Short case studies of future uses can be found in the October 2022 publication of this white paper, and on OhioBrownfields.com [vii].

Potential End-Uses Identified for BRF-Granted Projects



The Need for More Funding Remains

The \$350 million allocated in 2021 is a solid start to addressing the numerous acres of unusable or under-utilized land in Ohio. But these funds will not fully address the backlog of sites Ohio currently has, or sufficiently address new properties that are becoming contaminated.

The need for additional funding is still acute because:

- **The Brownfield Remediation Fund was oversubscribed.** GOPC makes this conclusion after observing the window for applications to Round 3 closed just three days after its opening; agency staff also confirmed this in an early December 2022 presentation to the Ohio Controlling Board [viii]. Additionally, GOPC's survey of brownfields practitioners and local communities across the state indicates additional demand for grant dollars, as projects are identified and communities are mobilized to prioritize brownfield redevelopment.
- **125 projects were awarded assessment grants through the Brownfield Remediation Fund, and will be primed to apply for cleanup/remediation grants, should grant funding become available.** Over half (57%) of the assessment dollars were awarded to projects in counties with less than 70,000 residents. Following an assessment, assessment award grantees will have sufficient information to understand historical contamination, and will be prepared to cleanup, remediate, and redevelop the assessed site. Cleanup projects are more expensive than assessment projects, and therefore, additional grant dollars for the BRF will ensure these projects are cleaned up.
- **Communities with limited staff have had time to identify projects to submit applications.** Communities that may have been unable to apply for funding during the Brownfield Remediation Fund application rounds in 2022 may now be ready to apply for future available funding. This includes communities that may have taken longer to identify brownfields sites, align stakeholders, acquire access to properties with known contamination, and engage the private sector to assist with the process of assessing the site, remediating, and identifying a redevelopment plan.

Recommendation to Continue Strengthening Ohio's Redevelopment Outcomes

The 313 projects awarded grants through the Brownfield Remediation Fund are on track to return life to sites that will increase property taxes collection, and, depending on the end use, produce new sales and income taxes. These projects will activate unused land and diminish the need to consider unsustainable greenfield development. But, as outlined above, there is still need for additional cleanup/remediation funds.

GOPC recommends policymakers, in the FY2023-24 Main Operating Budget, fund a brownfield grant program at, or above, the \$350 million investment made in the FY 2022-23. An additional \$150 million, for a total of \$500 million, would significantly increase the opportunity for communities to access grant dollars to remediate blighted brownfields and redevelopment the sites into community-responsive tools for economic and community development.

To ensure the success of additional brownfield remediation grant funds, GOPC suggests the following modification to the current BRF program.

Establish a Structured Timeline for Application Rounds and Grant Announcements

GOPC recommends additional funds should be available in two funding rounds per year. For example, for a \$500 million allocation:

<i>Suggested future rounds</i>	<i>Suggested application due dates</i>	<i>Amount eligible to apply for</i>
Round 4a	December 1, 2022	\$125M
Round 4b	April 1, 2023	\$125M
Round 5a	December 1, 2023	\$125M
Round 5b	April 1, 2024	\$125M

A structured timeline for when rounds open and close, as well as a timeline for grant announcements, will help applicants take full advantage of a brownfield grant program. With a predictable timeline, applicants would have the opportunity to think strategically about certain projects that may require both an assessment and cleanup. For example, a project may be awarded assessment dollars in Round 4a, complete the assessment, and prepare an application for a cleanup grant in Round 5a. Such timelines are doable and would allow communities to take full advantage of both grant types by allowing a brownfield site to be assessed and remediated in the span of the program.

The current “First come-first served” legislative policy could remain in place within each Round.

Conclusion

The Brownfield Remediation Fund, as identified in this white paper, will greatly benefit Ohio's communities. With awards to 83 of Ohio's counties, and a total of 313 grants totaling \$341 million, the Brownfield Remediation Fund will have immediate and lasting economic impacts for each community and the state.

While the Brownfield Remediation Fund will cleanup 188 sites across the state, the remaining 125 assessed sites will be primed for cleanup and additional brownfield sites exist across the state. A further investment in the Brownfield Remediation Fund is a crucial tool to economic and community development efforts in our state.

End Notes

[i] Main Operating Budget FY 2022-2023 (Am. Sub. House Bill 110-GA133)

[ii] Round 1 of the BRF accepted applications first-come, first-served from December 2021 through January 31, 2022. Governor DeWine announced the first batch of Round 1 grantees in April 2022, totaling roughly \$60 million. In June 2022, the second (and final) batch of Round 1 was announced, for a total of \$192 million. Round 1 awarded a total of \$252 million dollars. Grant awards in Rounds 2 and 3 were announced together, on December 16, 2022, for a total of \$88 million.

The BRF legislative language stipulated a \$1 million set-aside for each county. Round 2 opened in March 2022 to counties that did not exhaust their \$1 million set-aside in Round 1. Round 3, similar to Round 1, was open to all eligible applicants on a first-come, first-served basis. Round 3 opened July 2022, only to close 3 days later.

Non-governmental applicants applying in Rounds 1 and 3 were required to submit letters of support from their local government.

[iii] From 2002-2013, when the Clean Ohio Revitalization Fund (CORF) was operational in the state, the CORF program invested nearly \$800M in brownfield revitalization funds and produced a nearly five to one return on investment, annually contributing more than \$1 billion to the state's GDP in clean-up costs.

[iv] For information on the Clean Ohio Revitalization Fund, visit <https://www.ohiobrownfields.com/corf> and download GOPC's "Investing in Brownfields" report.

[v] To utilize an interactive map showing where all 190 grants have been awarded and to read profiles of select projects, please visit: <https://www.ohiobrownfields.com/brownfield-successes>

[vi] Press Release Issued December 16, 2022 by Governor Mike DeWine's Office on Rounds 2 and 3 of the BRF Grant Awards: <https://governor.ohio.gov/media/news-and-media/Governor-DeWine-Announces-88-Million-in-Brownfield-Grants-to-Create-Redevelopment-Opportunities-12162022>

[vii] GOPC published White Paper in October 2022 covering Round 1 of the BRF: <https://www.greaterohio.org/publications/brownfield-remediation-fund-whitepaper1>; [OhioBrownfields.com](https://www.ohiobrownfields.com)

[viii] ODOD Agency Staff presentation to Ohio Controlling Board, December 12, 2022: <https://ohiochannel.org/collections/ohio-controlling-board>



About Greater Ohio Policy Center

The Greater Ohio Policy Center (GOPC) is a statewide nonprofit organization with a mission to improve Ohio's communities through smart growth strategies and research. Our vision is a revitalized Ohio. GOPC is highly respected for its data-driven, nonpartisan policy analysis, research expertise, and policy development, and regularly provides expert analyses to public, private, and nonprofit leaders at the local, state, and national level.

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