



# The Benefit of Brownfields:

## Analysis of the Brownfield Remediation Fund's Round 1 Awards & Preliminary Programmatic Recommendations

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 [ii]. In total, Round 1 awarded \$252 million to 190 projects located in 58 of Ohio’s 88 counties.

Awards from Rounds 2 and 3 applications have not been announced as of October 18, 2022.

## The Benefit of Brownfields

Ohio was a national model for brownfields redevelopment previously [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 additional rounds of the Brownfield Remediation Fund are awarded, and as projects move through assessment, cleanup, and redevelopment, the full economic impact of the BRF will be better understood. From past research and analysis, the \$172 million awarded in the BRF has the potential to contribute more than \$500 million into the state's economy through private investment, job creation, and redevelopment and ongoing end-use. The remaining BRF funds will increase this potential impact.

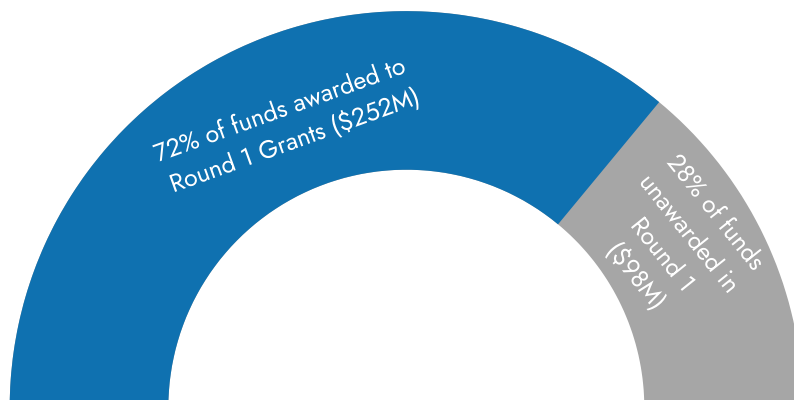
## Analysis of Round 1 of the Brownfield Remediation Fund

*All charts and visualizations were created by Greater Ohio Policy Center, based on data provided by the Ohio Department of Development in August 2022.*

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

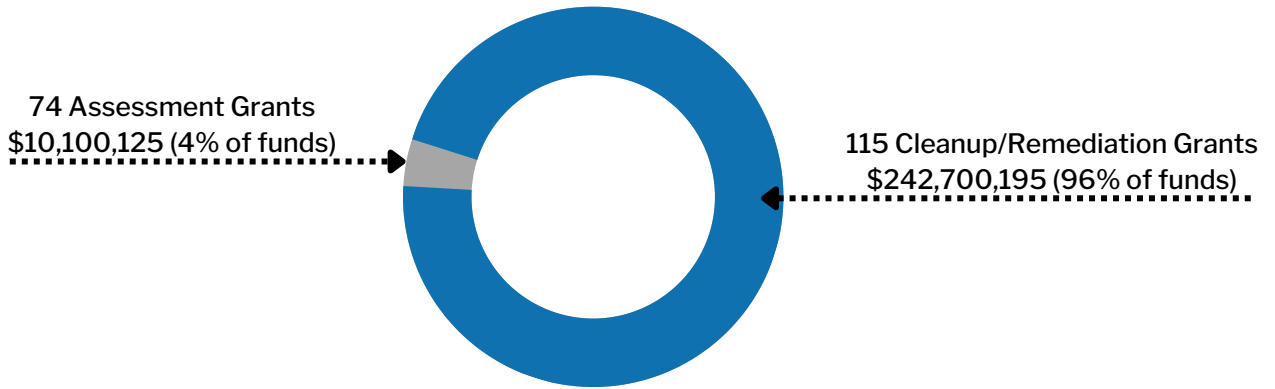
Round 1 of the Brownfield Remediation Fund awarded \$252 million of the \$350 million available for the full program. Round 1 grant dollars account for 72% of the total funds available through the BRF.

*Funds Committed, to date (as of October 1, 2022)*



Of the \$252 million, \$10.1 million were assessment grant dollars (4% of the total allocation to date) and \$242.7 million were cleanup/remediation dollars (96%). Seventy-four (74) projects were awarded assessment dollars, and 115 projects were awarded cleanup/remediation grant dollars [v].

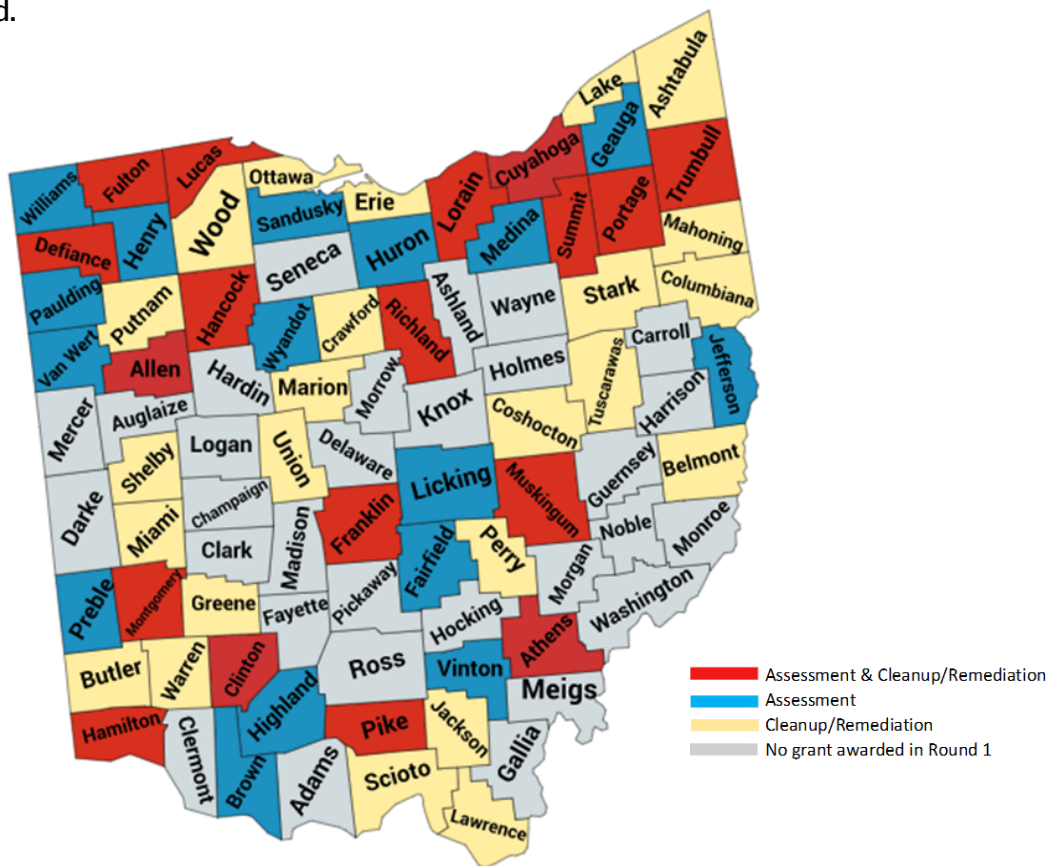
**BRF Round 1 Grant Awards**



**Grant Awards to Ohio's Counties**

Fifty-eight (58) of Ohio's 88 counties received a grant in Round 1.

10.1 million Ohioans, or 86% of the state's population, lives in the 58 counties that received at least one award.



The map above identifies counties that received an assessment grant, a cleanup/remediation grant, and counties that received both.

Nineteen (19) of the 58 counties received both an assessment and cleanup/remediation grant. Twenty-four (24) counties received a cleanup/remediation grant, and 16 counties received only an assessment grant. Counties that received only an assessment or a cleanup/remediation grant may have received more than one grant.

**Round 1 Awards to Counties [iii]:**

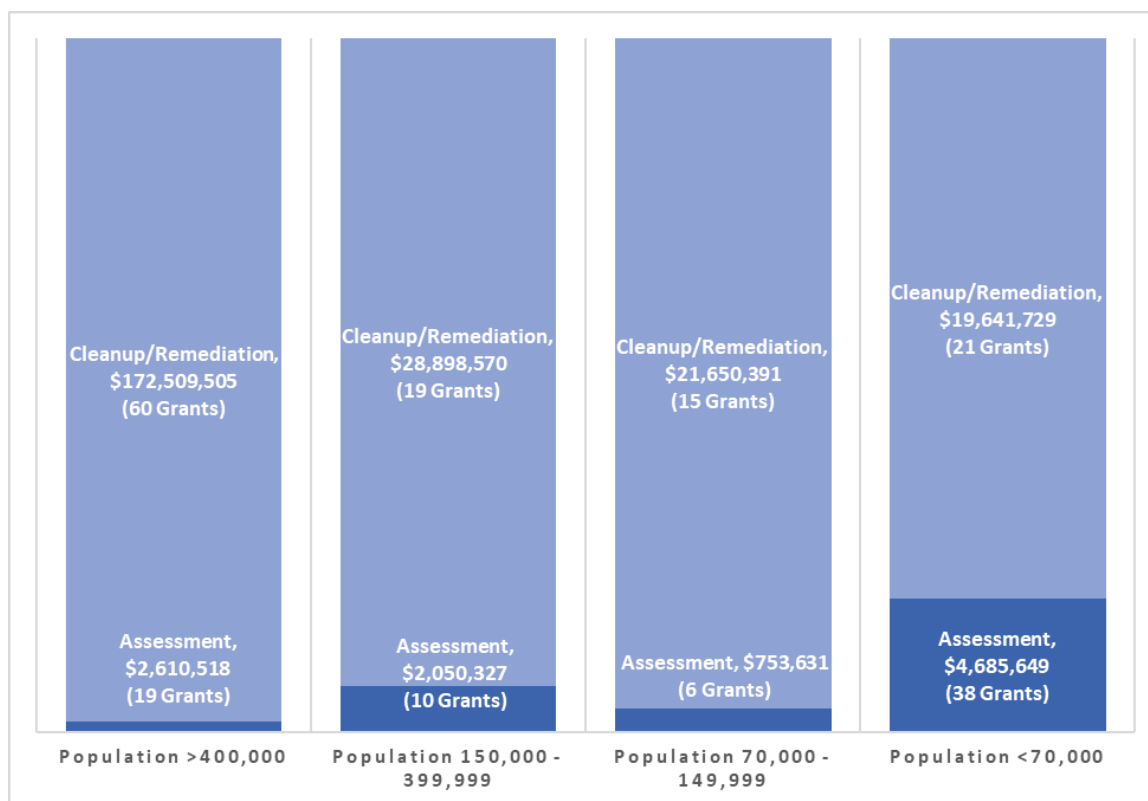
Assessment grants only	16 counties
Clean up only grants	24 counties
Assessment <i>and</i> clean up grants	19 counties

## Grant Distribution by County Population Size

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

**Total BRF Round 1 Funding by County Population**

**Total Round 1 Funding: \$252,800,320**



Ohio's counties with populations greater than 400,000 received the largest share of cleanup/remediation grants in round 1. It is important to note that larger counties and cities often have dedicated staff focused on brownfield redevelopment, and the Brownfield Remediation Fund capped grants at \$10 million, which is greater than typical brownfield grants that have been available to local communities. This allows the BRF to award larger dollar amount grants to catalytic projects in Ohio's urban areas.

Ohio's smaller counties, with populations less than 70,000, received the most assessment grants when compared to each county group, by total grant dollars and individual awards. An assessment provides a pathway for these localities to apply for cleanup/remediation grants.

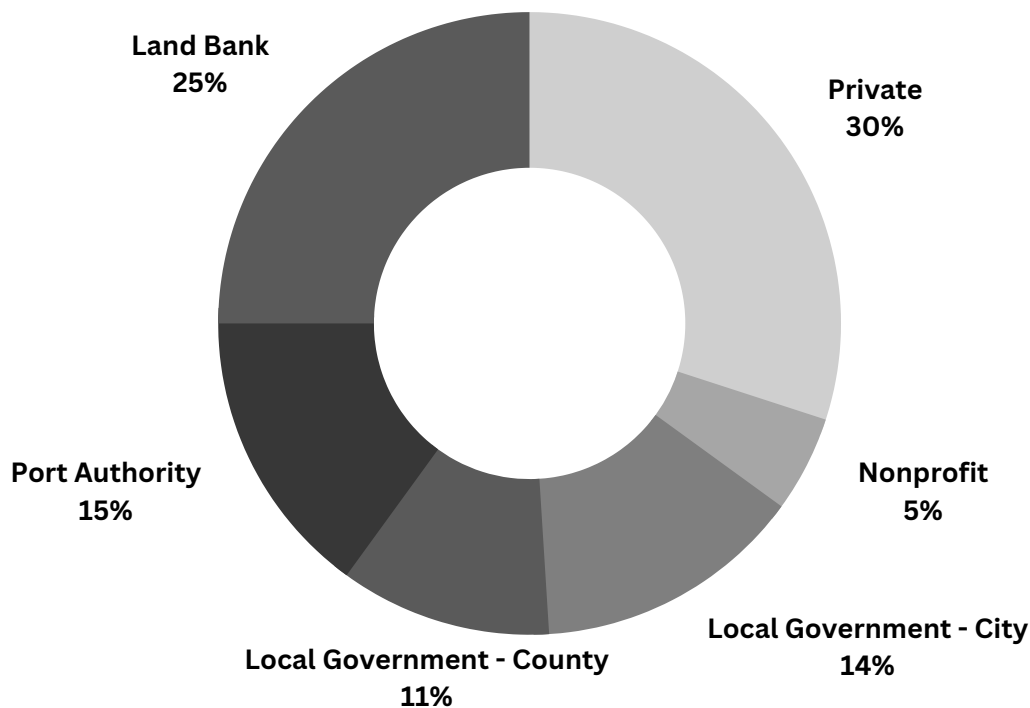
Round 2 of the BRF was dedicated to counties that had not spent the \$1 million set-aside in Round 1. While Round 2 awards have not been awarded, this will likely increase the number of grants and total grant amounts for Ohio's smaller counties.

## Round 1 Applicants/Grantees

The Ohio Department of Development (ODOD) specifies 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 include county land reutilization corporations (land banks), nonprofit organizations, or organizations for profit. Land Banks, nonprofit, and for-profit organizations must 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 190 projects awarded grant dollars in Round 1 of the BRF.

### *BRF Round 1 Recipients*



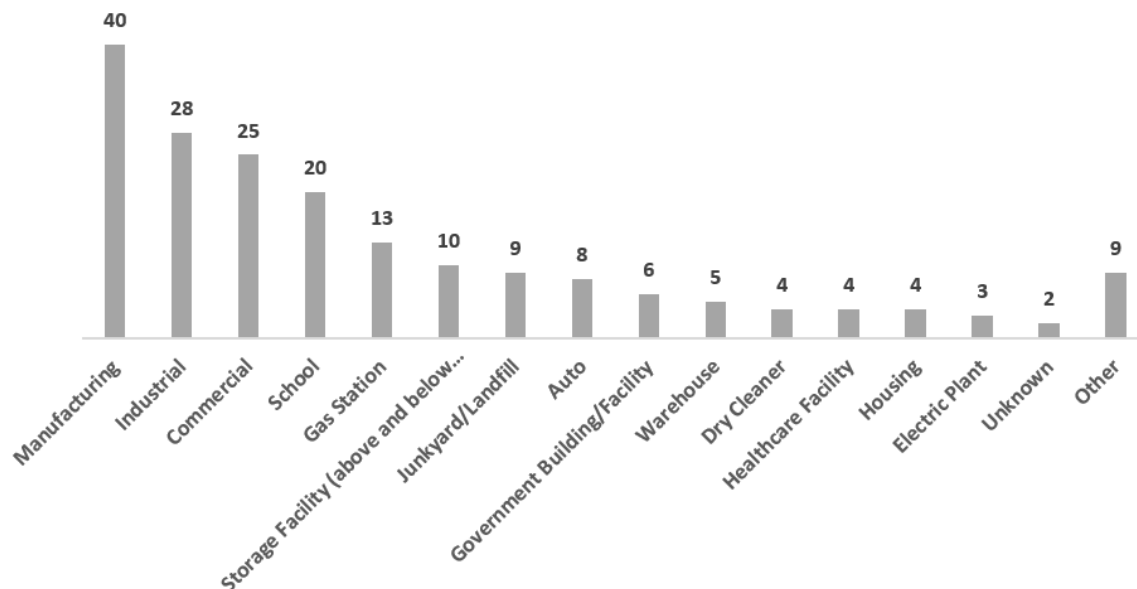
It is important to note that a unit of local government is also a signatory, and in some cases, co-applicant for the grants awarded to the private sector, land banks, and nonprofit organizations.

In total, 60% of primary applicants/grantees awarded funds in Round 1 consisted of land banks, nonprofits, and the private sector. The remaining 40% was comprised of local governments (including city and county) and Port Authorities.

## 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. Identification of past (and in some cases, current) use on the site allowed for open-ended responses. GOPC compiled the site types, categorized into the below chart.

## Past/Current Site Types of BRF Round 1 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.

### *Brownfields as a Catalyst for Community Revitalization*

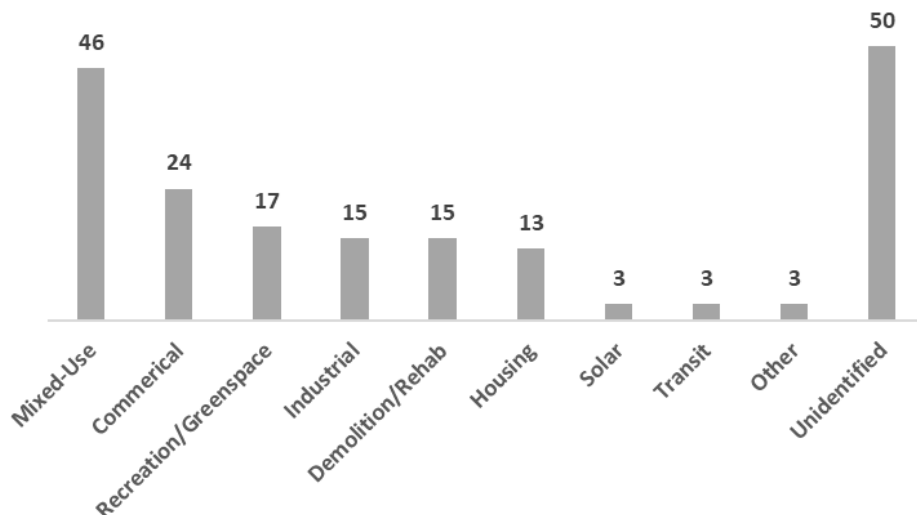
The redevelopment of brownfields serves as a catalyst for revitalization in Ohio's urban cores and rural communities. GOPC's research shows that all revitalization for Ohio's communities is varying, and community-responsive. This is true for brownfields revitalization.

As noted earlier, the Brownfield Remediation Fund capped cleanup/remediation grants at \$10 million, which promotes the remediation of larger, more contaminated brownfields sites. In Sandusky, a \$6 million grant was awarded for the cleanup/remediation of the 129 acre former GM ball bearing site. Following remediation, this site will be marketable for future development. In Cincinnati, a \$2.4 million cleanup/remediation grant will remediate the former Crosley Building and utilize the space for a 200-unit affordable housing project, with commercial space, studio space, and a rooftop garden.

Catalytic revitalization can also be found in communities with grants at smaller amounts. In Zanesville, a \$120,000 cleanup/remediation grant will remediate and redevelop a former school into affordably-priced one, two, and three-bedroom apartments at 30%, 50%, and 80% of the Area Median Family Income (AMI). In Mentor, a \$119,745 cleanup/remediation grant will remediate a former commercial building in the city's communitywide effort known as "Uptown Mentor Development" to establish a pedestrian-friendly, mixed-use area.

Brownfield redevelopment provides Ohio's communities with an avenue to redevelop contaminated, blighted sites into catalysts for redevelopment. For additional examples of redevelopment through the Brownfield Remediation Fund, visit [OhioBrownfields.com](http://OhioBrownfields.com).

## Potential End-Uses Identified for BRF Round 1 Awarded 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:

- All signs suggest that demand outstripped available funding through the Brownfield Remediation Fund. GOPC makes this conclusion after observing the window for applications to Round 3 close just three days after its opening; meaning the agency would not accept more applications if it knew that funds had likely run out.
- 74 projects were awarded assessment grants in Round 1, and will be primed to apply for cleanup/remediation grants, should grant funding become available. Nearly half of the assessment dollars were awarded to projects in counties with less than 70,000 residents.
- 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 190 projects in Round 1 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, and those that will be funded through Rounds 2 and 3, 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

As outcomes from Rounds 1-3 of the Brownfield Remediation Fund become available, GOPC will track the impact of the \$350 million allocated in 2021. Early signs suggest the funding was extremely popular, but unlikely to fully address current needs. As stated in this White Paper, brownfield remediation serves as a catalyst for revitalization in Ohio's communities. Remediation and redevelopment is community-responsive, and will have lasting impacts in Ohio's communities. Investing in brownfields is a guaranteed way to generate increased property, income, and sales taxes. Continuing to invest in brownfields, should be a top priority for state policymakers in 2023 during the FY 2023-24 budget.



## 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.

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>



### 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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