Office of Redevelopment

preserving...sustaining...transforming

The Office of Redevelopment removes obstacles to sustainable revitalization of Ohio’s cities, towns, and villages with innovative financing, critical resources, and redevelopment expertise.
Office of Redevelopment

- **Innovative financing**
  - loans
  - tax credits

- **Critical resources**
  - gap financing
  - grants

- **Redevelopment expertise**
  - environmental scientists
  - planners
  - public administrators

Office of Redevelopment

- **Environmental/Site Development Resources**
  - Clean Ohio Brownfield Fund
  - USEPA Brownfield Revolving Loan Fund
  - OWDA Brownfield Loan Fund
  - Alternative Stormwater Infrastructure Loan Program
  - Brownfield Action Plan Program
  - Site Ohio Certification Program (New)

- **Fiscal Sustainability Project Tools**
  - Ohio Historic Preservation Tax Credit
  - Ohio New Markets Tax Credit
  - Local Government Innovation Fund (New)
  - Ohio Vacant Facilities Fund (New)
Brownfield Resources

Is it a Brownfield?
Brownfield Resources

Brownfield Action Plan Program

- Create an area-wide plan to mitigate the negative impacts of brownfields
- Fill gap for assistance and funding at the planning stage
- Develop more prepared applicants for future funding
- Be proactive, not reactive to development opportunities
- Form community-supported vision for future redevelopment
- Identify partnerships to increase chances of success

Brownfield Resources

Brownfield Action Plan Program

Pilot Round Progress

- 6 communities
- One completed, working on project proposal for grant funding
- Lessons learned
- Vision for next round
Brownfield Resources

OWDA Brownfield Loan Program

Eligibility

• Activities: Assessment, demolition, and cleanup
• Eligible properties: Any property
• Eligible applicants: Local governments and private entities (including those who caused or contributed)

Terms

• Loans up to $5,000,000 for demolition and cleanup and up to $500,000 for assessment
• Below-market rates (2% or below)
• 10-year term
• Reimbursement style
• Semi-annual repayments after project completion
Brownfield Resources

OWDA Brownfield Loan Program

Process

• Pre-application to ODSA
• Meeting at site
• Submit application to ODSA
• Preliminary terms in 1-2 months; recommendation to OWDA
• OWDA votes at its monthly meeting
• Entire process = ~2-3 months

Brownfield Resources

OWDA Brownfield Loan Program

Key Attributes

• No match requirement
• No public notification requirement
• Open funding cycle
• Can be used as a resource for Potentially Responsible Parties (PRPs)
• Must use Voluntary Action Program (VAP)
• Can pay for demolition, but not acquisition
• Quick turnaround
• Not limited to commercial and industrial property
Brownfield Resources

Brownfield Revolving Loan Fund Program

Eligibility

- **Activities:** Cleanup for asbestos, lead paint, petroleum
- **Eligible properties:** Any property (not single family residential)
- **Eligible applicants:** Local governments, for-profit entities, non-profit entities

Terms

- Loans up to $1,000,000 for asbestos & LBP remediation; $300,000 for petroleum cleanup
- Petroleum loans = 50% forgivable
- Below-market rates (2% or below)
- 10-year term
- Reimbursement style
- Semi-annual repayments after project completion
Brownfield Resources

Brownfield Revolving Loan Fund Program

Process

- Pre-application (Site Eligibility Form)
- Site visit
- Final application including 30-day public comment period
- Approval of terms and loan agreement
- Entire process = ~3-4 months

Brownfield Resources

Brownfield Revolving Loan Fund Program

Key Attributes

- No match requirement
- Federal funding (Davis Bacon Prevailing Wages)
- Open funding cycle
- Voluntary Action Program oversight not necessary for asbestos and LBP
- Cleanup costs only (no assessment or redevelopment costs)
- Not limited to commercial and industrial property
Sustainable Infrastructure

**OWDA Alternative Stormwater Infrastructure Loan**

- Provides up to $5,000,000 to governmental entities for the design and construction of alternative stormwater infrastructure in developed areas.
  
  - *Partnerships for retrofits & redevelopment*
What did it take?

- Patience
- Creativity
- Public-Private Partnership
- Historic Tax Credits
- New Markets Tax Credits
Historic Preservation Tax Credits

- Federal and Ohio program
- Tax credits on value of Qualified Rehabilitation Expenditures (QREs)
- Property must be designated as ‘historic’
- Rehabilitation work must meet U.S. Secretary of Interior’s Standards for Rehabilitation
- Tax credits received upon certification of completion

Federal Historic Preservation Tax Credit

- 20% tax credit
- Non-competitive
- Property must be income producing
  - Excludes condos and single-family homes
- No annual program or per-project cap
- Administered by Ohio Historic Preservation Office in Ohio, in coordination with the National Park Service
Ohio Historic Preservation Tax Credit

- 25% tax credit
- Competitive
- Bi-annual application process
- No income-producing requirement, but projects scored based on economic impact, project readiness, local support, and location
- $60 M annual allocation and $5 M project cap
- Administered in partnership with the Ohio Historic Preservation Office

In May 2011, Cleveland State University completed an Economic Impact Study of Rounds 1-4 of the program. Findings included an examination of the impact of $1 million in tax credits.
Pipeline Initiative Pilot

• Technical assistance and small grants to plan and prepare historic properties for rehabilitation
• Grants up to $8,000
• Eligible projects
  – National Register nominations (district or building)
  – Multiple property planning
  – Integrity investigation
• $90,000 pilot allocation

Low-income Community Investment
Ohio New Markets Tax Credit

- Provides a tool to help finance **business investments** in **low-income communities**
- Complements the Federal New Markets program, and must be paired with a federal investment
- $3.5 B federal annual investment
- $25.6 M Ohio annual investment
  - $10 M in tax credits

Ohio New Markets Tax Credit

- Tax credits are allocated to Community Development Entities (CDEs) who connect investors and projects
- Investments must be made in low-income communities (based on poverty/income census)
- Benefit to project can take multiple forms, including **equity investments** and **below-market loans**
- Can be used for wide variety of projects (daycares, groceries, healthcare, industrial expansion, etc.)
Ohio Vacant Facilities Fund

• Provides a financial incentive to encourage employers to locate in vacant buildings and business parks
• Three year, $2 million initiative
• $500 grant for new jobs created
• Funds can be used for acquisition, construction (renovation, additions, etc.), or equipment (machinery, IT, etc.)

Ohio Vacant Facilities Fund

• Facilities must be at least 75% vacant for a year
• Must employ 50 employees or 50% of Ohio-based employees at the facility
• New jobs must be full-time (40 hours), minimum wage or better, and last at least one year
• **YOUNGSTOWN – Erie Terminal**  
  **Total Project Investment: $10.4 Million**

- Transformed former train depot and office building into retail space and 65 housing units
- Targeted for young professionals and YSU students
- Brownfield loan used for abatement activities

• **WARREN – Market Block Building**  
  **Total Project Investment: $2.7 million**

- Long vacant commercial block transformed into foundation offices
- Includes community room and space for start up non-profits
• GEAUGA COUNTY – ASM Headquarters & Geodesic Dome

Total Project Investment: $6.4 Million

- Rehabilitated Mid-century Modern structure for continued office use and restored original design intent
- 70 research jobs retained in Ohio

• CINCINNATI – Metropole Building/21c Museum Hotel

Total Project Investment: $53.5 million

- Hotel reborn as a arts boutique concept
- New Markets investment created 140 new jobs
Site Certification

- Provides certification and marketing of commercial, industrial, and manufacturing sites based on site and community characteristics
- Sites will be certified to ensure that they are shovel-ready and meet state site selection standards
- Local governments or individuals will be able to seek certification
- Applications will be released in Spring 2013
Local Government Innovation Fund

- Provides a financial incentive to help communities study and implement projects to increase efficiency and effectiveness of services
- Goal to improve business environments and promote community attraction through collaboration, shared services, or innovative approaches
- Grants up to $100,000 for feasibility studies
- Loans up to $500,000 for implementation projects
Office of Redevelopment

• Contact us:
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    • Resources under “Community” tab at the top