

Office of Redevelopment

preserving...sustaining...transforming



The State of Ohio is an Equal Opportunity Employer and Provider of ADA Services

Office of Redevelopment

*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



Ohio Development Services Agency

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)



Brownfield Resources

OWDA Brownfield Loan Program

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



Brownfield Resources

Brownfield Revolving Loan Fund Program

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

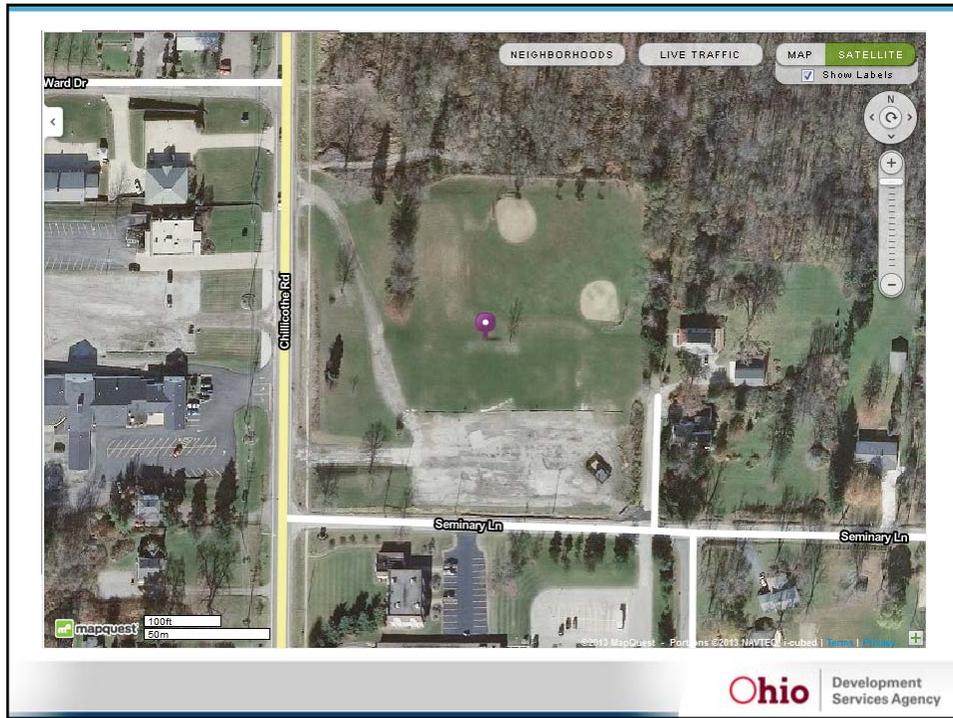


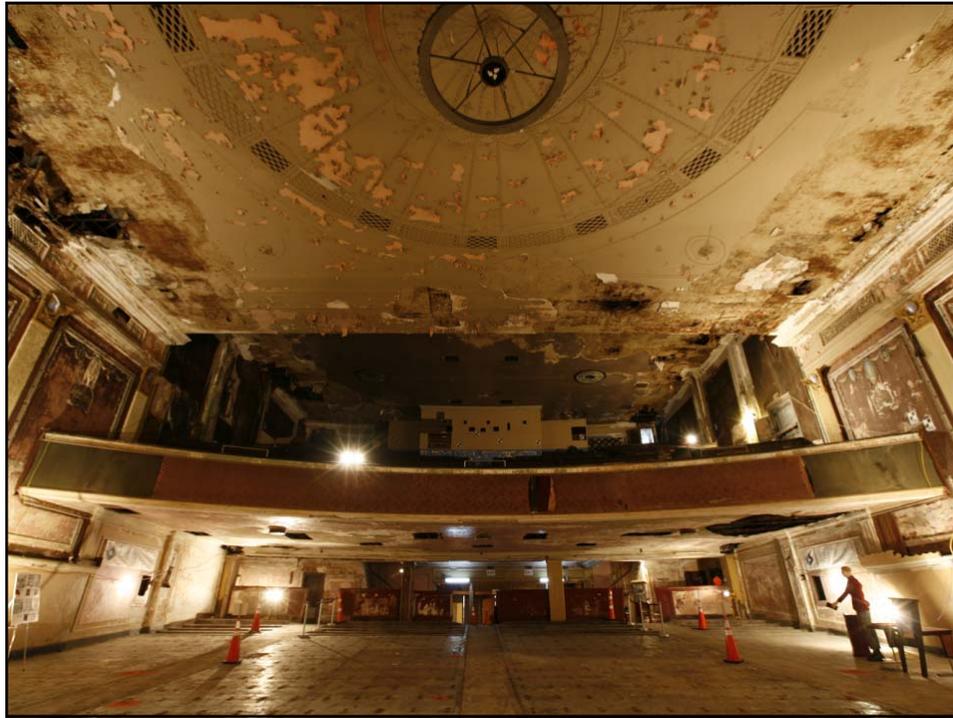


Chester Township Elementary School
Chagrin River Watershed

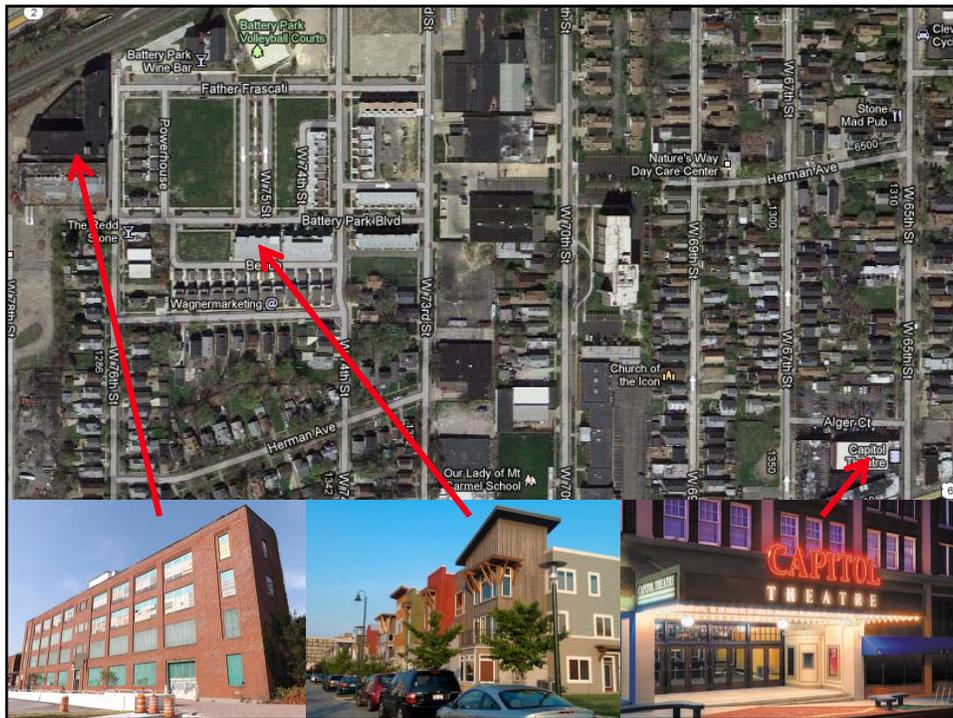


Chester Township Elementary School
Chagrin River Watershed









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



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

Ohio Development Services Agency

Ohio Historic Preservation Tax Credit

Impact of \$1 Million in Tax Credits



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.

Ohio Development Services Agency

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



Ohio
Historic Preservation
Tax Credit

Ohio Development
Services Agency



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**

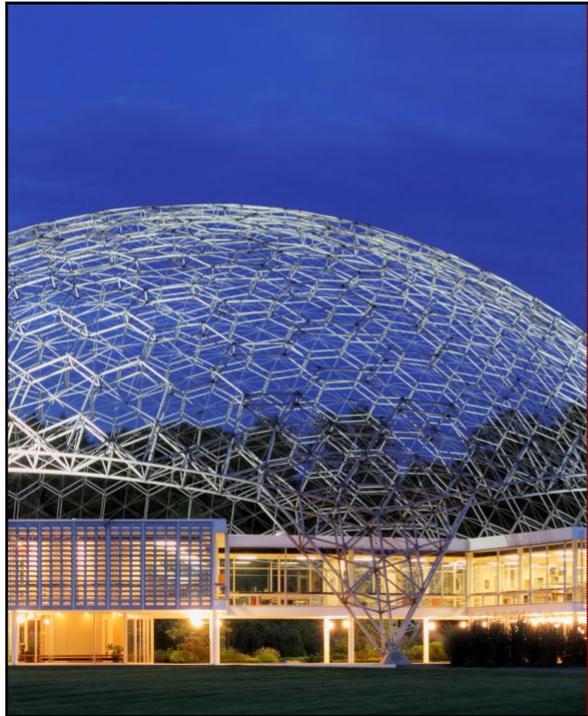
**Total Project
Investment:
\$10.4 Million**

- 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 Ohio

- 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:**
 - Information in your packet
 - Phone: (614) 995-2292
 - Email: reddevelopment@development.ohio.gov
 - Website: www.development.ohio.gov
 - Resources under “Community” tab at the top