PUBLICATIONS

ODOD releases rules and program guidelines for Brownfield Remediation Program and Building Demolition and Site Revitalization Program

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The Ohio Department of Development (ODOD) released rules and associated program guideline documents (Brownfield Remediation and Building Demolition and Site Revitalization) to govern the disbursement of $500 million in total grant funds for distressed properties in Ohio. Governor DeWine's signature of H.B. 110 on June 30, 2021, set in motion the creation of two massive funding sources that are now available to community and economic development stakeholders: Brownfield Remediation Program (*see* R.C. 122.6511) and Building Demolition and Site Revitalization Program (*see* R.C. 122.6512). Each of these programs will be administered by the ODOD pursuant to its newly-promulgated rules and the associated program guideline documents. The rules were emergency filed and are effective as of December 7, 2021, and are currently set to expire on April 7, 2022. ODOD is expected to initiate a formal rulemaking process for the rules between now and April 7, 2022, which will include the opportunity for public notice and comment.

Funds available

Eligible Ohio communities will have access to a total of $500 million in state-administered grant funds between the two programs.

- The Brownfield Remediation Program includes $350 million to remediate brownfield conditions statewide with $1 million specifically reserved for each of Ohio's 88 counties.

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- The Building Demolition and Site Revitalization Program includes $150 million to demolish commercial and residential buildings statewide and to revitalize adjacent, non-brownfield properties with $500,000 specifically reserved for each of Ohio's 88 counties.

Significantly, if the minimum funds set aside per county ($1.5 million per county in total) are not obligated by each county **by June 30, 2022**, those funds will become available to all eligible projects statewide. No local match is required for projects awarded through the $1.5 million dedicated county portions.

Eligibility

Regarding the Brownfield Remediation Program:

- Eligible applicants include counties, townships, municipal corporations, port authorities and conservancy districts or park districts. Additionally, county land reutilization corporations, nonprofit organizations or organizations for profit are eligible if they have first entered into an agreement with a unit of local government to work in conjunction on the project for the purposes of the program.
- Properties must meet the definition of a brownfield to be eligible. The ODOD defines "brownfield" as "an abandoned, idled, or under-used industrial, commercial, or institutional property where expansion or redevelopment is complicated by known or potential releases of hazardous substances or petroleum."
- Eligible costs include those aimed at assessing the property via Phase I and Phase II property assessments and/or asbestos surveys up to $300,000, as well as cleanup/remediation costs aimed at containing, removing or disposing of hazardous substances at a brownfield up to $10 million. Notably, administrative costs such as submitting reimbursement requests and reporting information and costs associated with hiring a certified professional and preparation of a no further action letter and covenant not to sue submittal to Ohio EPA may be eligible as well.

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Regarding the Building Demolition and Site Revitalization Program:

- Eligible applicants include one designated "lead entity," which shall be a county land reutilization corporation where established, or alternatively the Board of County Commissioners or another unit of local government.
- Eligible properties are vacant and blighted commercial and residential buildings on sites that are not brownfields. Non-vacant and non-blighted structures are not eligible, unless they are contiguous and/or connected to vacant and blighted structures that are necessary to demolish. "Vacant" means that the property is currently not occupied by any lawful occupant and has not been lawfully occupied for at least 60 days (unless vacated due to fire, casualty or other emergency). "Blight" incorporates the same definitions as "blighted area," "slum" and "blighted parcel" as found in R.C. 1.08.
- Eligible costs include general administrative and operating costs; costs tied to pre-demolition activities such as real estate acquisition, assessments, surveys and contract preparation; demolition costs; and post-demolition site restoration and repair costs.

Application

For the Brownfield Remediation Program, ODOD will administer three dedicated rounds of applications:

- Round one is open from now until January 31, 2022. Priority will be given to projects aimed at utilizing the $1 million dedicated to each county in order to fund eligible projects with no match available.
- Round two will open on March 1, 2022, and conclude on April 30, 2022. Round two will focus on the counties that still have funds from their dedicated side-aside available.
- Round three will open on July 1, 2022, and remain open until September 30, 2022, or until funds have been depleted.

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- At the conclusion of each round, ODOD will review applications and award funds. Awarded funds outside of the dedicated county portion will be reviewed and awarded by ODOD on a first-come, first-served basis. *See* R.C. 122.65(C)(3).

For the Building Demolition and Site Revitalization Program:

- A grant user access form must be submitted to ODOD no later than close of business on **December 20, 2021**, for counties in which a county land reutilization corporation (i.e., county land bank) has been formed. In these instances, the county land bank is the lead entity for grant awards to the county.
- For counties in which a land reutilization corporation (a county land bank) has not been established, a letter of intent *and* grant user access form must be submitted to ODOD no later than close of business on December 20, 2021. In these instances, the county commissioners or another local government in the county will serve as the lead entity for grant awards.
- All applications must be submitted by close of business on February 28, 2022.