An Overview of the Clean Ohio Fund

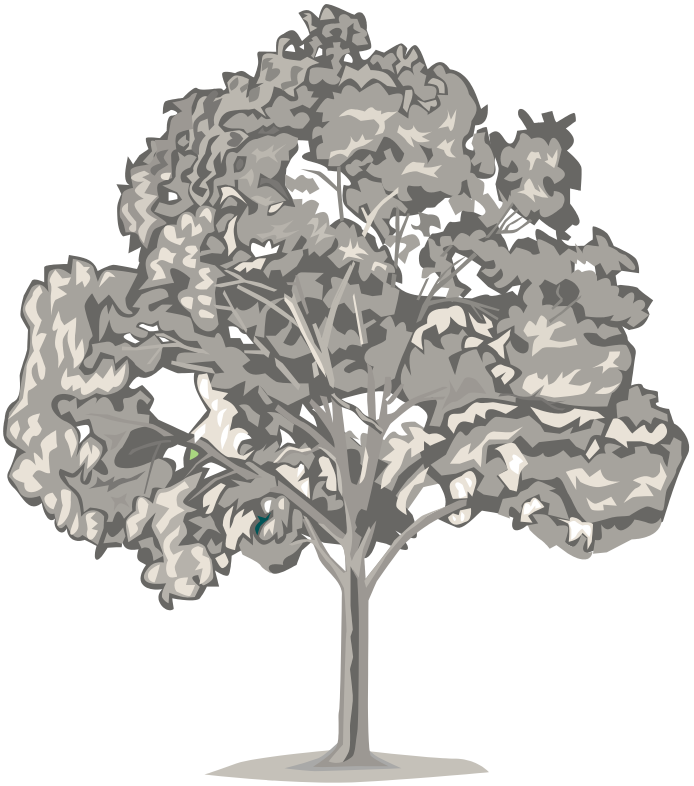
Background

The Clean Ohio Fund was originally proposed by Governor Bob Taft in his 2000 State of the State address. The Governor called for a $400 million bond program to preserve natural areas and farmland, protect streams, create outdoor recreational opportunities, and revitalize urban areas by returning contaminated properties to productive use. The Ohio General Assembly voted by an overwhelming bipartisan majority to place this proposal before the voters as State Issue 1. Former U.S. Senator John Glenn joined Governor Taft to urge Ohio voters to approve Issue 1, the Clean Ohio Fund, and the voters did so in November, 2000. This summer, the General Assembly enacted legislation spelling out the administrative details of the program. Now, state agencies are implementing the legislation to begin disbursement of Clean Ohio funding for conservation and revitalization projects across the State.

Preserving Ohio's Green Spaces

Over the next four years, $150 million in grants will be awarded for eligible conservation projects, including the purchase of open spaces and the cost of making them accessible to the public; and for the protection of stream corridors, the area along a waterway that provides wildlife habitat and reduces erosion. Special emphasis will be given to projects that:

- Protect habitat for rare, threatened or endangered species;
- Preserve high quality wetlands and other scarce natural resources;
- Preserve streamside forests, natural stream channels, functioning floodplains, and other natural features of Ohio's waterways;
- Support comprehensive open space planning;
- Secure easements to protect stream corridors, which may be planted with trees or vegetation to help reduce erosion and fertilizer/pesticide runoff;
- Enhance opportunities for children to learn about Ohio's natural resources;
- Enhance eco-tourism and economic development related to outdoor recreation in economically challenged areas;
- Provide pedestrian or bicycle passageways between natural areas and preserves;
- Reduce or eliminate nonnative, invasive plant and animal species;



• Provide safe areas for fishing, hunting, and trapping in a manner that provides a balanced eco-system.

Who can apply for funds?

Local governments, park and joint recreation districts, conservancy districts, soil and water conservation districts, and non-profit organizations are eligible to receive grants for conservation projects from the Clean Ohio Fund. Applicants must provide a 25 percent local match. Local governments must be given the opportunity to endorse or object to proposals planned within their boundaries if they are not the applicant. When a local government does seek funding for a project, a resolution of support from its legislative body must be submitted.

Who will award funds?

Ohio currently has a network of 19 Public Works Integrating Committees that are responsible for awarding funds for local infrastructure projects, such as road and bridge construction and repair, sewer projects, and public facilities. Each integrating committee will appoint an 11 member Natural Resources Assistance Council to assist in the selection of Clean Ohio Fund conservation projects. The members of the council will be chosen from among organizations with expertise in conservation, natural resource protection, parks and recreation, and environmental protection. These Councils will be responsible for receiving applications and deciding how to allocate grants from the Clean Ohio Fund, based on uniform statewide criteria. Their decisions will be forwarded to the state Public Works Commission for authorization. Each Natural Resources Assistance Council will receive an annual allocation from the Clean Ohio Fund based on a formula contained in state law.

The Natural Resources Assistance Councils are expected to be named by approximately November 1, 2001. As soon as bylaws, guidelines, and application criteria are in place, they can begin accepting applications for funding.

Protecting Ohio's Valuable Farmland

The Clean Ohio Fund includes $25 million to be spent over the next four years to help keep valuable farmland available for agricultural production. This will be accomplished through the purchase of "agricultural easements," also known as "purchase of development rights" or PDR's.

In some cases, the value of a farmer's property for development is higher than its value for farm uses. When that occurs, farmers who choose to continue farming the land do so at a personal financial cost. By granting an "agricultural easement," the farmer can be compensated for the difference in price between agricultural value and development value.

The farmer agrees to place a deed restriction on his or her land, committing to keep it available for agricultural use in perpetuity. In return, the holder of the easement pays the farmer the difference between the land's value as a farm and its value to a developer, with a maximum payment per acre to be established by the director of agriculture. The farmer still owns the property. Only the development rights have been sold. The holder of the easement agrees to monitor the property annually to insure that it is not converted from agricultural uses. Agricultural easements "run with the land," meaning that future property owners must abide by their terms.

In choosing farms to protect through agricultural easements, special emphasis will be given to those with these characteristics:

• Valuable soil types, including locally unique or important soils, microclimates, or similar features;

• Farms where agricultural "best management practices" are in use;

• Local comprehensive land use plans that identify areas for agricultural protection;

• Land that is close to other agricultural lands, especially those that are protected from development pressures;

• Land that faces development pressures, but is not directly in the path of urban development.

Who can apply for funds?

Local governments and charitable organizations are eligible to apply for grants to purchase agricultural easements. Grants will be issued for up to 75 percent of the value of the easement. The applicant must provide matching funds for at least 25 percent of the remaining value, or the farmer can donate that portion of the value of the easement. The state grant cannot exceed $1 million per agricultural easement.

Who will award funds?

The director of the Ohio Department of Agriculture will select which applications to fund. The director will be advised by a 12 member Farmland Preservation Advisory Board, consisting of eight representatives of local governments, conservation agencies, farmland preservation groups, developers, land use planners, environmental protection interests, as well as one farmer from each of the four quadrants of the state. Members of the Advisory Council are expected to be appointed by approximately November 1, 2001. The Ohio Department of Agriculture must adopt rules governing the administration of the program. When the rules are in place, applications will be accepted.

Blazing a Trail for Outdoor Recreation

Access to outdoor recreational opportunities is an important component of quality of life for Ohio residents. Increasingly, that means trails that allow bikers, joggers, hikers, horseback riders, and others a safe place to enjoy the outdoors. Trails can connect recreational venues, and can provide a pathway between urban areas and green spaces. The Clean Ohio Fund includes $25 million to be spent over the next four years to purchase trailways and develop recreational trails.

Special emphasis will be given to projects that:

• Are consistent with the statewide trail plan;

• Complete regional trail systems and links to the statewide trail plan;

• Link population centers with outdoor recreation area and facilities;

• Involve the purchase of rail lines linked to the statewide trail plan;

• Preserve natural corridors;

• Provide links in urban areas to support commuter access and provide economic benefit.

Who can apply for funds?

Local governments, park and joint recreation districts, conservancy districts, soil and water conservation districts, and non-profit organizations are eligible to receive grants for conservation projects from the Clean Ohio Fund. Applicants must provide a 25 percent local match, which can include contributions of land, labor, or materials.

Who will award funds?

The director of the Ohio Department of Natural Resources will decide which projects will receive grants from the Clean Ohio Fund. The director will be advised by a nine member Clean Ohio Trail Advisory Board. The board will be comprised of representatives of local governments, statewide nonprofit organizations dedicated to the creation of recreational trails, developers, land use planners, and environmen-

tal protection interests. Members of the Clean Ohio Trail Advisory Board are expected to be appointed by approximately October 1, 2001. As soon as bylaws, guidelines, and application criteria are in place, applications will be accepted.

Revitalizing Blighted Neighborhoods by Cleaning Up Brownfields

The legacy of America's and Ohio's strong manufacturing history is the "brownfield," a former industrial site which is now vacant or underutilized. Redevelopment of brownfields is often inhibited because potential developers are scared away by the possibility that the site may be polluted. The Clean Ohio Fund recognizes the economic development potential of these properties, especially in areas where the loss of manufacturing employment has caused economic hardship. Over the next four years, the Clean Ohio Fund will invest at least $175 million to evaluate these sites, meet appropriate cleanup standards, and return them to productive use. This investment will produce both an economic and an environmental benefit. Those who caused the pollution will not receive dollars from the Clean Ohio Fund. In fact, they can still be pursued in court to reimburse the cost of the cleanup.

Special emphasis will be given to projects that will be used for a combination of industrial, commercial, or residential uses after they are cleaned up. This mixed-use may include the incorporation of a park or natural area. Factors to be considered during evaluation of applications will include:

- The potential economic benefit of the project;
- The potential environmental improvement that will result from the project;
- The potential benefit to low-income and minority communities that will result from the project:
- The amount and nature of investment the applicant is providing to the project;
- The funding priorities identified by local Public Works Integrating Committees.

Who is eligible to apply for funds?

Local governments, port authorities, conservancy districts, non-profit organizations, and for-profit entities may apply for funding from the brownfields portion of the Clean Ohio Fund. A conservancy district, non-profit or for-profit applicant must apply in cooperation with a local government or port authority.

Applicants from throughout Ohio can apply for funds to acquire and clean up a brownfield, demolish existing buildings, upgrade infrastructure, and redevelop the property.

In addition, 20 percent annually of the allocation for brownfield revitalization may be available as grants to economically disadvantaged areas to perform "site assessments," an evaluation of a property to confirm the extent to which it is contaminated. These funds can also be used to support time-critical redevelopment projects in economically disadvantaged areas, and to address contamination that threatens public health (see below).

Who will award funds?

The Clean Ohio Council has been created to choose projects to receive grants and low-interest loans from the Clean Ohio Fund. The Council will be chaired by the director of the Ohio Department of Development. The director of Ohio EPA will also be a voting member, along with two State Senators and two State Representatives. In addition, the Governor will appoint seven members from throughout the state, representing local governments, business and development interests, and environmental advocacy organizations. The director of the Public Works Commission will serve as a nonvoting member. Members of the Clean Ohio Council are expected to be named by approximately December 1, 2001. Once bylaws, guide-

lines and criteria are established, the application process can begin.

Applications will not be submitted directly to the Clean Ohio Council. Instead, applications will go first to the Public Works Integrating Committee for the geographic area where the project is located. Each of the 19 Integrating Committees can choose up to six projects each year to forward to the Clean Ohio Council for consideration.

Grants for assessments, time-critical redevelopment projects, and public health projects will be awarded by the director of the Ohio Department of Development, and will not go through the Public Works Commission process.

Protecting Public Health

In some cases, however, there is little prospect for a specific property to be redeveloped for economic use. These properties would not ordinarily qualify for funding from the Clean Ohio Fund, since no economic benefit would be produced by cleaning them up. An exception will be made in cases where contamination threatens public health. Up to $25 million over four years will be available in economically disadvantaged areas to address sites that pose a public health threat because of contamination by petroleum or hazardous substances. This funding is part of the Clean Ohio Assistance Account set at 20 percent of the dollars available annually. Site assessments and time-critical projects in economically distressed areas will also be funded from this account.

In selecting sites for remediation of public health threats, consideration will be given to:

- The environmental improvement that will result from the cleanup;
- The qualifications of the cleanup contractor;
- The applicant's ability to gain access to the property to perform the cleanup.

Who is eligible to apply for funds?

Local governments and local political subdivisions can receive Clean Ohio Fund support to address threats to public health. Nonprofit and for-profit organizations can apply for funds in cooperation with a local government or local political subdivision.

Who will award funds?

The director of the Ohio Department of Development will develop an application and award funds for public health cleanup, in consultation with the director of Ohio EPA.