

# Green Paper



## HB 135 (As Introduced) Industrial Recovery Sites

Sponsored by Representative Dorothy Pelanda and Representative Jack Cera

### Summary

- \* Authorizes a nonrefundable tax credit against the income tax, commercial activity tax, financial institutions tax, severance tax, and domestic and foreign insurance taxes for the rehabilitation of a vacant industrial site that has been designated an industrial recovery site.
- \* Authorizes the Director of Development Services to designate manufacturing facilities that meet certain qualifications, as industrial recovery sites upon application from a county or municipal corporation.
- \* Requires that the application include a detailed plan for the development and use of the industrial site.
- \* Authorizes an owner or developer that makes qualified investments in a vacant facility designated as an industrial recovery site to apply to the Director for a tax credit certificate.

### OEC's Perspective

**SUPPORT**

Salvage. Recovery. Revitalization. That's the bottom line of this thoughtful legislation, which offers a potent tool to help spur private investment in blighted, decaying properties. The environmental benefit of redeveloping former industrial and fallow commercial sites is obvious. It results in the clean up and remediation of contamination and the reuse of old brownfields rather than the sprawling clearing of new greenfields. The resulting economic payout is equally obvious, with new jobs and investment and a bolstered local tax base. These eventual rewards, though, involve risk. Banks often are skittish about lending early on, as clean-up costs for contaminated sites can be difficult to estimate. That's why attracting early investors to brownfield redevelopment is so important. And that's where HB 135 lends its help. It targets that risk with tax incentives to encourage early investment--a sort of early reward to the visionary entrepreneur. The resulting payback is a cleaner, greener Ohio.

### Recommendation

The OEC supports this legislation.

#### Bill Ratings



This legislation will help resolve a serious problem that threatens Ohio's environment and demonstrates significant leadership for Ohio's future.



This legislation will cause substantial harm to Ohio's environment and demonstrates serious disregard for Ohio's future.



This legislation will benefit Ohio's environment or shows foresight in setting future environmental policy.



This legislation will harm Ohio's environment or sets the state on the wrong path for future environmental policy.



This legislation will somewhat - or on balance - benefit Ohio's environment.



This legislation will somewhat - or on balance - harm Ohio's environment.