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■ City of Greenfield, OH
■ Roadmap to Redevelopment

Prepared for:
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Prepared by:
Council of Development Finance Agencies

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About the Roadmap to Redevelopment

The *Roadmap to Redevelopment* is a product of the [CDFA Brownfields Technical Assistance Program](#), which is funded through a grant from the U.S. Environmental Protection Agency. The program provides technical assistance to brownfields communities on redevelopment finance. For communities that require detailed, hands-on assistance for their redevelopment efforts, CDFAs Brownfields Project Response Teams comprised of CDFAs staff and technical assistance partners are available to conduct site visits and provide recommendations. The goal of these visits is to offer communities specific, actionable advice that can transform brownfields into economically-productive sites in accordance with the goals and plans of the community. CDFAs will coordinate 36 Brownfields Project Response Teams over the life of the program.

The *Roadmap to Redevelopment* was developed through a two-day process that included interviews with numerous stakeholders from the government, business, and non-profit sectors. The plan provides a framework for the redevelopment of Greenfield's downtown area and a large industrial park adjacent to the community.

The *Roadmap to Redevelopment's* recommendations combine the input of development finance experts, CDFAs staff, and the interests of stakeholder groups gathered during the Project Response Team site visit.

Background & History

Greenfield Ohio is a village situated in between Highland and Ross counties with a population of 4,500. In the southeast corner of the state. Founded in 1799, it has been known for its part in the underground railroad and its famous high school which was built by Edward Lee McClain, a horse collar pad entrepreneur, and is known for its extensive art catalogue. The Village has a significant history in the manufacturing of car parts and was home to the first African American owner car company in the U.S. These industries have largely shut down over the course of the last century.

Village of Greenfield council members, the city manager and other community members are committed to attracting new industry, business and by-proxy a new workforce into the area. Their goals are broad, this report is built to address two important pathways forward in their community redevelopment goals. These two pathways include continuing the development of the state-designated South Central Ohio Industrial Park and catalyzing new investment in their downtown.



Downtown Greenfield on Jefferson Street



Downtown Greenfield on Jefferson Street

The South Central Industrial Park is 180 acres and partially developed to accommodate a number of businesses. There is some vacancy in the current structures but little infrastructure for new development. This industrial park represents an incredible asset for the Village community. This report concentrated on the numerous programs available to the Village for development of infrastructure in the industrial park. This report also examines potential programs that can be used to attract businesses to locate to the industrial park.

The second pathway examined by this report is strategies to catalyze the development and revitalization of the Village of Greenfield’s downtown. In 2017, Greenfield engaged Heritage Ohio on their Ohio Main Street Program. Through this program Heritage Ohio engages with communities on strategies to revitalize their historic or traditional commercial areas. Heritage, Ohio produced a report with various strategies on how to best organize and engage in ongoing revitalization efforts. This report has been helpful in further refining financing recommendations to Greenfield with regards to their downtown redevelopment. A sentiment shared with the Heritage Ohio report is that revitalization efforts like the ones the Village of Greenfield would like to implement should be incremental and ongoing. Efforts should be built in understanding and organizing the community’s resources and focused on building capacity to sustain development and redevelopment efforts.

Recommendations: Financing the South Central Ohio Industrial Park

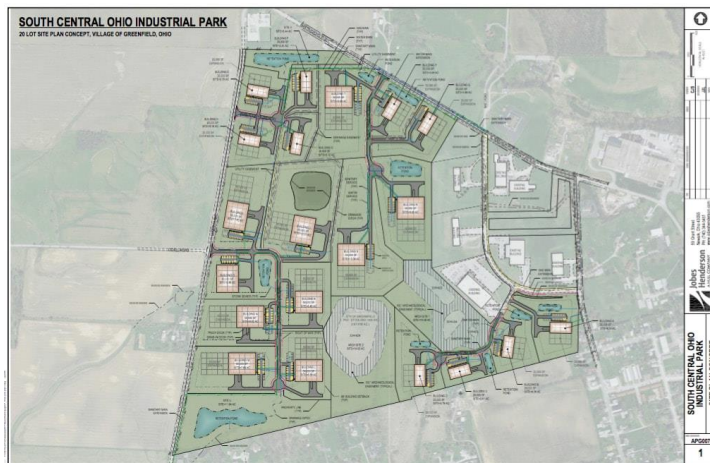


Image courtesy of southcentralohioindustrialpark.org/

Agriculture’s Rural Development (USDA-RD) regional office. The USDA-RD administers a number of grants and low-cost financing programs specifically built to catalyze and support economic development in rural areas. Exploring these many programs may provide the Village with new funding options for the infrastructure needed for the industrial park. The USDA also directs funding for several federal business development programs that can potentially marketed to potential tenants of the industrial park.

The Village of Greenfield has authenticated a 180-acre industrial park certified by the State of Ohio. This undeveloped land presents a strong asset for the community and can be used to leverage funding and attract new business to the area.

Part I: Investigate U.S. Department of Agriculture Funding

As a rural community, it is recommended that Village of Greenfield develop a relationship with the U.S. Department of

Part II: Explore use of Tax Increment Finance District

The Village should consider creating a TIF district that encompasses targeted properties in the industrial park. Once established, the TIF district will capture the increased incremental taxes from improvements made to the property as the value increases. The TIF funds can be used to pay for present development costs based on future improvements. TIF is frequently used to address blight when the market would not otherwise support redevelopment. Considering other redevelopment projects that the Village has on the horizon, property values could increase steadily over the next several years.

Part III: Pursue Grant and Loan Opportunities

Throughout the meetings with village officials, and local stakeholders several opportunities were uncovered that can assist with aspects of the South Central Ohio Industrial Park.

i. U.S. Economic Development Administration

The U.S. Economic Development Administration (EDA) has a number of programs that would provide capital in the form of grants and loans to aid in the development of the South Central Ohio Industrial Park. It is recommended that the Village of Greenfield continue to explore these opportunities. One program, in particular is the Public Works Program. The Public Works Program empowers distressed communities to upgrade the physical infrastructure of a particular site in order to attract new business and investment.

ii. Appalachian Regional Commission

The Appalachian Regional Commission (ARC) is a regional economic development agency that represents a partnership between federal, state and local government.¹ Their program areas include many of the same goals identified by the Village of Greenfield. It is recommended that the Village reach out to the Ohio state program manager and discuss the funding opportunities available at the ARC. A link to the ARC website can be found in the resources section of this report.

iii. Ohio Development Services

Ohio Development Service Agency administers a number of programs that could be used by the Village of Greenfield to attract new tenants to the South Central Ohio Industrial Park.

a. Community Development Block Grant Programs

ODSA's Office of Community Development has discretion over the Community Development Block Program which provides federal funding to communities to address a variety of needs. Either Ross or Highland County will need to reach out on behalf of the Village to apply to the Ohio Development Services Agency in order to access this funding. Funds are granted to local government applicants for public infrastructure and economic development projects.

iv. Appalachian Partnership for Economic Growth (APEG)

APEG is a JobsOhio partner which helps to facilitate development financing connections and incentive programs between businesses and the state and local agencies. They operate in 25 rural counties in Ohio including Highland and Ross. They operate as a single point of entry for economic development work in these counties. The Village

¹ "About ARC." Subregions in Appalachia - Appalachian Regional Commission. Accessed January 03, 2019. <https://www.arc.gov/about/index.asp>.

should develop a relationship with APEG to understand how they can be a partner in their plans to develop the Industrial Park.

v. Ohio Water Development Authority

OWDA's mission is to provide financial assistance for environmental infrastructure to local governments in Ohio. They administer loan programs that can support projects that address drinking water, sewage and water pollution control, storm water projects. They also provide low-cost financing options for communities that have economic hardships including the OWDA Community Assistance Loan Program which is designed to help communities maintain affordable water and wastewater rates. The Village should consider looking into these programs as they build out the infrastructure for development of the Industrial Park².

² Robin Technologies, Inc. "Summary List." Summary List - Ohio Water Development Authority, Columbus, Ohio, USA. Accessed January 03, 2019. <https://www.owda.org/summary-list>.

Recommendations: Downtown Redevelopment Financing Strategies

This second set of recommendations is intended for the Village of Greenfield to increase their capacity to support redevelopment activities downtown.

Part I: Engage the Community in a Downtown Development Plan

Many stakeholders mentioned the desire for the downtown to be reinvented as a lively district offering a unique opportunity for residents and visitors to eat, shop, and live. Strategic redevelopment of the downtown requires vision, planning, and cooperation between governments, civic groups, and the public. It is recommended that the Village undertake a comprehensive planning process to involve stakeholders and the public in a formal process. The resulting plan will inform public policy priorities in terms of utilities, land use, recreation, and housing. It will also clarify the framework for making critical resource decisions. Through this plan, the Village should also consider 'benchmarking' itself against other similar communities to understand the downtown development potential. This examination could generate additional ideas for the development plan based on similar communities' experiences.

Part II: Consider Creating a Council of Business Owners in Greenfield

Fragmented approaches to economic planning and development can make it difficult to plan holistically for the future. This can have real cost implications on the community and over the long term prevent Greenfield from achieving the desired economic activity level. Developing a council of business owners in the Village of Greenfield can help to better focus its economic strategy. Village officials can also learn more about the existing needs of local businesses and work to meet those needs perhaps with the redevelopment of downtown. There is also potential for local business to be interested in leveraging their capital to support some of the development and redevelopment planned for portions of downtown.

Part III: Develop Partnerships with Local Anchor Institutions

The Village of Greenfield should consider research and understanding the local anchor institutions in their immediate area. Anchor institutions include but are not limited to hospital systems, local universities and technical schools. These institutions are often rooted in local communities and have the potential to be excellent partners in economic and community development strategies. s place-based entities that control vast economic, human, intellectual, and institutional resources, anchor institutions have the potential to bring crucial, and measurable, benefits to local children, families, and communities³.

These relationships can be particularly useful for the planned business incubator that was discussed during the tour of downtown properties. Universities or technical can be excellent partners to business

³ "Anchor Institutions." Democracycollaborative.org. Accessed January 03, 2019.
[https://democracycollaborative.org/democracycollaborative/anchorinstitutions/Anchor Institutions.](https://democracycollaborative.org/democracycollaborative/anchorinstitutions/Anchor%20Institutions)

incubators and have the ability to provide the academic and technical support necessary to help small businesses.

Part IV: Develop Partnerships with Regional or Statewide CDFIs

Community Development Financial Institutions (CDFIs) are non-profit mission-based lenders and are often the first to the table in discussing challenging projects. These organizations are heavily regulated by the U.S Treasury and must be certified to be designated as a CDFI. The Village should research regional or statewide CDFIs in Ohio and begin to develop a relationship with these organizations. One such CDFI is the Appalachian Growth Capital (AGC). The AGC is based in Ohio and is committed to supporting small business and economic growth in Appalachia⁴.

Part V: Create a Downtown Redevelopment District

A Downtown Redevelopment District is an economic development mechanism available to municipalities in Ohio to promote the rehabilitation of historic buildings, and encourage economic development in commercial, mixed-use commercial and residential areas, and fund transportation improvements that will benefit the areas.

The legislative authority of the municipal corporation may also designate an Innovation District within the proposed or existing Downtown Redevelopment District for the purpose of attracting and facilitating growth of qualified businesses and supporting economic development efforts of business incubators and accelerators.

Part VI: Qualifying for Federal and State Tax Credits to Attract Downtown Investment

Although not suitable for every project, the Village of Greenville could qualify for federal funding through various programs. The Village should familiarize themselves with the rules and applications of the programs and use them as tools to market to potential developers who are looking for opportunities downtown.

i. New Markets Tax Credit

Much of downtown Greenfield is located in an NMTC eligible census tract. The New Markets Tax Credits Program is a great way to funnel private capital to distressed communities. The Community Development Financial Institutions Fund (CDFI Fund), which administers the NMTC Program, holds a highly competitive application process through which it awards tax credit authority to Community Development Entities (CDEs) like Finance Fund Capital Corporation. These CDEs serve as financial intermediaries through whom private capital flows from an investor to a project in a low-income community. The investor chosen by the CDE receives a tax credit totaling 39 percent of the cost of the investment that is claimed

⁴ "Ohio's Newest CDFI * Makes Loans to Help Start and Grow Small Businesses in Appalachian Ohio." AGC - Appalachian Growth Capital. Accessed January 03, 2019. <https://appcap.org/>.

over a period of seven years.⁵ NMTCs can be used in combination with Historic Tax Credits and may be fitting for some of the future redevelopment projects downtown.

The Village should build a relationship with a CDE such as Finance Fund Capital Corporation to better understand the types of projects that would be most competitive for NMTC. A list of CDEs that work in Ohio can be found on the CDFI website.

ii. Ohio New Markets Tax Credits

Much like the Federal New Market Tax Credits, the Ohio NMTCs are based on designated census tracts. As previously mentioned, much of the Village's downtown is in a designated tract. The Ohio NMTC works in partnership with the Federal NMTC. The Ohio NMTC provides incentives to investors to fund businesses in low-income and moderate-income communities in Ohio. The tax credit authority is allocated to Community Development Entities (CDEs) similar to the Federal program. The Village should build a relationship with a CDE, like the Finance Fund, to explore the process of utilizing these tax credits in development deals.

iii. Historic Tax Credits

A 20 percent income tax credit on eligible costs is available for the rehabilitation of historic, income-producing buildings that are determined by the Secretary of the Interior, through the National Park Service, to be "certified historic structures."⁶ The Village of Greenfield should pursue strategically identifying and nominating buildings in downtown Greenfield to the National Historical Register. Once these buildings are approved, development of these properties will be eligible for this investment tool.

iv. Ohio Historic Tax Credits

The State of Ohio also offers a Historic Tax Credit program which requires similar nominations and approvals from the National Historical Register. This program is administered by Ohio Development Services Agency and provides a 25% tax credit of qualified rehabilitation expenditures incurred on rehabilitation projects. This program is highly competitive and should be explored thoroughly with communication

v. Low-Income Housing Tax Credits

The Low-Income Housing Tax Credit (LIHTC) program finances the construction, rehabilitation, and preservation of affordable housing by providing a tax incentive to encourage developers to create more affordable units. The program was established in 1986 and is now one of the largest financing sources of affordable housing in the United States. LIHTCs are allocated to each state using a per capital formula. In Ohio, the Governor has selected the Ohio Housing Finance Agency as the allocating agency.

⁵ New Markets Tax Credits: Unlocking Investment Potential. (n.d.). Retrieved from <https://www.cdfa.net/cdfa/cdfaweb.nsf/ordredirect.html?open=open&id=occ-nmtc-insights-0813.html>

⁶ Tax Credit Finance Resource Center. (n.d.). Retrieved from: <https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/taxcredits.html>

LIHTCs are normally classified as either a 4 or 9 percent tax credit, meaning for each 10 years, the tax credit equals roughly 4 and 9 percent of a project's qualified basis (cost of construction). The 9 percent tax credit is highly competitive Ohio, while the 4 percent LIHTC are more likely to be awarded for a project in the Village of Greenfield, assuming all of the qualifications are met.

Part VII: Pursuing Other Federal and State Programs to Attract Downtown Investment

vi. Ohio Development Services Agency (ODSA)

Ohio Development Services Agency (ODSA) administers a number of different programs that can be used by the Village to attract new downtown businesses including the Ohio Brownfield Fund and the Ohio Venture Capital Authority. The Village should explore the options on ODSA's website and develop a list of programs that can be used to attract potential businesses based on the Village's ultimate goals for downtown.

vii. Federal Opportunity Zone Program

The Tax Cuts and Jobs Act (HR 1) that was signed into law late in 2017 creates a new tax incentive to attract capital to low-income census tract areas, allowing investors to defer tax on capital gains if the proceeds are invested in a qualified Opportunity Fund which is used to support new or existing business activities within the zone. The capital gains invested in a Qualified Opportunity Fund are eligible for partial tax forgiveness if the investment is held in a Qualified Opportunity Fund for at least 5 years, and if an investment is held for 10 years, any tax on the appreciation of that investment is forgiven. Many investors are willing to provide capital to projects but lack the wherewithal to locate and follow through on opportunities in needy communities. The new Opportunity Funds will democratize economic development by allowing a broad array of investors throughout the county to pool resources and mitigate risk, increasing the scale of investments going into underserved areas. The northern part of the Village of Greenfield was added to Ohio's list of Opportunity Zones in 2018. The Village should develop a strategy for the use of these funds which emphasizes redevelopment of the downtown area site, and market this incentive to potential investors.

viii. United States Department of Agriculture (USDA) Rural Development Programs

USDA has several financing programs available to communities with populations under 50,000 that are not contiguous with urban areas of populations greater than 50,000. By this definition, Village of Greenfield may qualify for The Business & Industry Loan Guarantees Program, the Intermediary Relending Program, Rural Business Development Grants, and the Rural Microentrepreneur Assistance Program. The first three programs could help with the basic project financing needs, and the latter could help very small operations that might wish to open in the downtown area of the Village. The Village should reach out to the regional USDA office to discuss their qualifications for these programs.

Part VIII: Establish a Revolving Loan Fund for Downtown Redevelopment

The Village should investigate opportunities to capitalize a revolving loan fund (RLF) targeted to development projects in the downtown region of Greenfield including façade improvement for downtown buildings. As a self-replenishing pool of money, a RLF can provide gap funding to multiple projects over time, utilizing interest and principal payments on old loans to issue new ones. There are several methods to establish a RLF.

Most revolving loan funds have at least one local public source for capitalization combined with other sources. If capitalization is exclusively local, the RLF may have greater flexibility in lending, as state and federal involvement tend to include restrictions that may not fit local business needs. A RLF capitalized with private capital and philanthropy could also be designed to creatively fulfill a variety of needs while serving multiple jurisdictions. Philanthropies that should be considered include the Foundation for Appalachian Ohio which invests in community economic development projects.

State and local governments often use one or a combination of the following to capitalize a RLF: tax set-asides, general obligation bonds, and direct appropriations from the state legislature, annual dues from participating counties or municipalities, and funds directed from the state lottery.

The federal government is another common source of capitalization. Communities may apply for funding from the United States Department of Agriculture (via the Rural Economic and Community Development Administration), Housing and Urban Development (via Community Development Block Grants), the Department of Commerce (via the Economic Development Administration), and the Environmental Protection Agency (via Brownfields Grants).⁷ Each of these funders will restrict the use of the RLF to fit within the eligible activities of the respective programs.

⁷ Capitalizing a Revolving Loan Fund. (n.d.). Retrieved from <https://www.cdfa.net/cdfa/cdfaweb.nsf/ordredirect.html?open&id=rlffactsheet.html>

Additional Resources

CDFA Brownfields Financing Toolkit |

[http://www.cdfa.net/cdfa/cdfaweb.nsf/ord/201502_BF_Toolkit/\\$file/CDFA%20Brownfields%20Financing%20Toolkit%2002.02.15.pdf](http://www.cdfa.net/cdfa/cdfaweb.nsf/ord/201502_BF_Toolkit/$file/CDFA%20Brownfields%20Financing%20Toolkit%2002.02.15.pdf)

CDFA Online Resource Database |

<http://www.cdfa.net/cdfa/cdfaweb.nsf/ordsearch.html>

CDFA Federal Financing Clearinghouse |

<https://www.cdfa.net/cdfa/cdfaweb.nsf/ffcsearch.html>

Types of Brownfields Grant Funding (Environmental Protection Agency) |

<http://www.epa.gov/brownfields/types-brownfields-grant-funding#tab-1>

Tax Credit Reference Guide |

<https://www.cdfa.net/cdfa/cdfaweb.nsf/ordredirect.html?open&id=taxcreditfinrefguide.html>

USDA Rural Development Summary of Programs |

https://www.rd.usda.gov/files/RD_ProgramMatrix.pdf

Finance Fund Capital Corporation |

<http://www.financefund.org/funding-programs/finance-fund-capital-corporation/fcap-loans/>

Appalachian Partnership for Economic Growth

<https://apeg.com/>

Appalachian Growth Capital

<https://appcap.org/>

CDFI Fund NMTC Searchable Awards Database |

<https://www.cdfifund.gov/awards/state-awards/Pages/state-result.aspx?state=OH&Name=Ohio>

Ohio Development Service Agency |

<https://development.ohio.gov/default.htm>

Ohio Water Development Authority |

<https://www.owda.org/>

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About the Authors

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The CDFA project team consisted of the following individuals:

Emily Moser, Program Manager
Cayla Matsumoto, Program Coordinator

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Mark Barbash, Independent Consultant
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Toby Rittner, President & CEO
Council of Development Finance Agencies
100 E Broad Street, Suite 1200
Columbus, OH 43215

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