



OPPORTUNITY ZONES TOOLKIT VOLUME 2:
**A Guide to Local Best Practices
and Case Studies**

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About This Toolkit

In September 2019, the U.S. Department of Housing and Urban Development (HUD) published *Opportunity Zones Toolkit: Volume 1: A Roadmap to Planning for Economic Development within Opportunity Zones*. The first volume of the Toolkit is an introductory guide to assist local jurisdictions with planning for economic development within Opportunity Zones. This document, *Opportunity Zones Toolkit: Volume 2: A Guide to Local Best Practices and Case Studies*, builds on the roadmap established in Volume 1 by providing more detailed information and illustrative examples to guide local leaders as they develop strategic plans for Opportunity Zones — economically distressed communities where new investments may be eligible for preferential tax treatment and where Federal Agencies are directing revitalization efforts.

This Toolkit provides tips, resources, and examples of best practices to assist local leaders in developing and implementing strategies to leverage their Opportunity Zone designations for new investment and long-term economic development in their communities. A critical component of such strategies is effective local planning. By understanding their unique local needs and assets, communities can align resources, establish incentives, and build partnerships in a way that attracts the desired private capital investment.



OPPORTUNITY ZONES TOOLKIT: VOLUME 1

The first volume of the Opportunity Zones Toolkit is available for download.

[OpportunityZones.gov/sites/opportunityzones.hud.gov/files/documents/Opportunity_Zones_Toolkit_Roadmap_FINAL_Edited_092319.pdf](https://www.opportunityzones.gov/sites/opportunityzones.hud.gov/files/documents/Opportunity_Zones_Toolkit_Roadmap_FINAL_Edited_092319.pdf)

Primary Audience

This Toolkit is developed primarily for an audience of local leaders in communities with federally designated Opportunity Zones. This audience may include public officials, community development professionals, nonprofit organizations, civic leaders, and other local economic development stakeholders.

Although the Toolkit was developed primarily to guide local leaders in planning for economic development in Opportunity Zones, anyone interested in Opportunity Zones — including current and potential investors — may find the resources and examples contained in this Toolkit useful.

Tips to Look for in the Toolkit

Within this Toolkit, local leaders will find a variety of recommendations, ideas, and models for implementation. Leaders will find guidance to help them accomplish the following:

- Layer and leverage Federal, State, and local funding programs to attract Opportunity Zone investments.
- Capitalize on programs to improve infrastructure and enhance their community’s capacity to attract and absorb investment.
- Add to the “community capital stack” — that is, the layers of financing or other resources that can be used to support projects in the community — low-cost funds or other improvements that can make an individual project, or a community as a whole, more attractive for future investment.
- Strengthen and complement Opportunity Zone investments in a way that ensures equitable outcomes that meet the needs of both the community and its residents.



Key Policy Areas

Throughout the Toolkit, readers will find callout boxes highlighting community examples, as well as useful resources, reports, and tools, each with a web link. Each of these highlights aligns with one or more of five key policy areas: **Economic Development, Entrepreneurship, Safe Neighborhoods, Education and Workforce Development, and Measurement.**

These policy areas reflect the five work streams of the White House Opportunity and Revitalization Council (the Council), which are outlined in the Council’s Implementation Plan. More information on the Council is provided in the next section of this report, “Opportunity Zones Background: Driving Long-Term Capital to Low-Income Communities.”



Economic Development



Entrepreneurship



Safe Neighborhoods



Education & Workforce Development



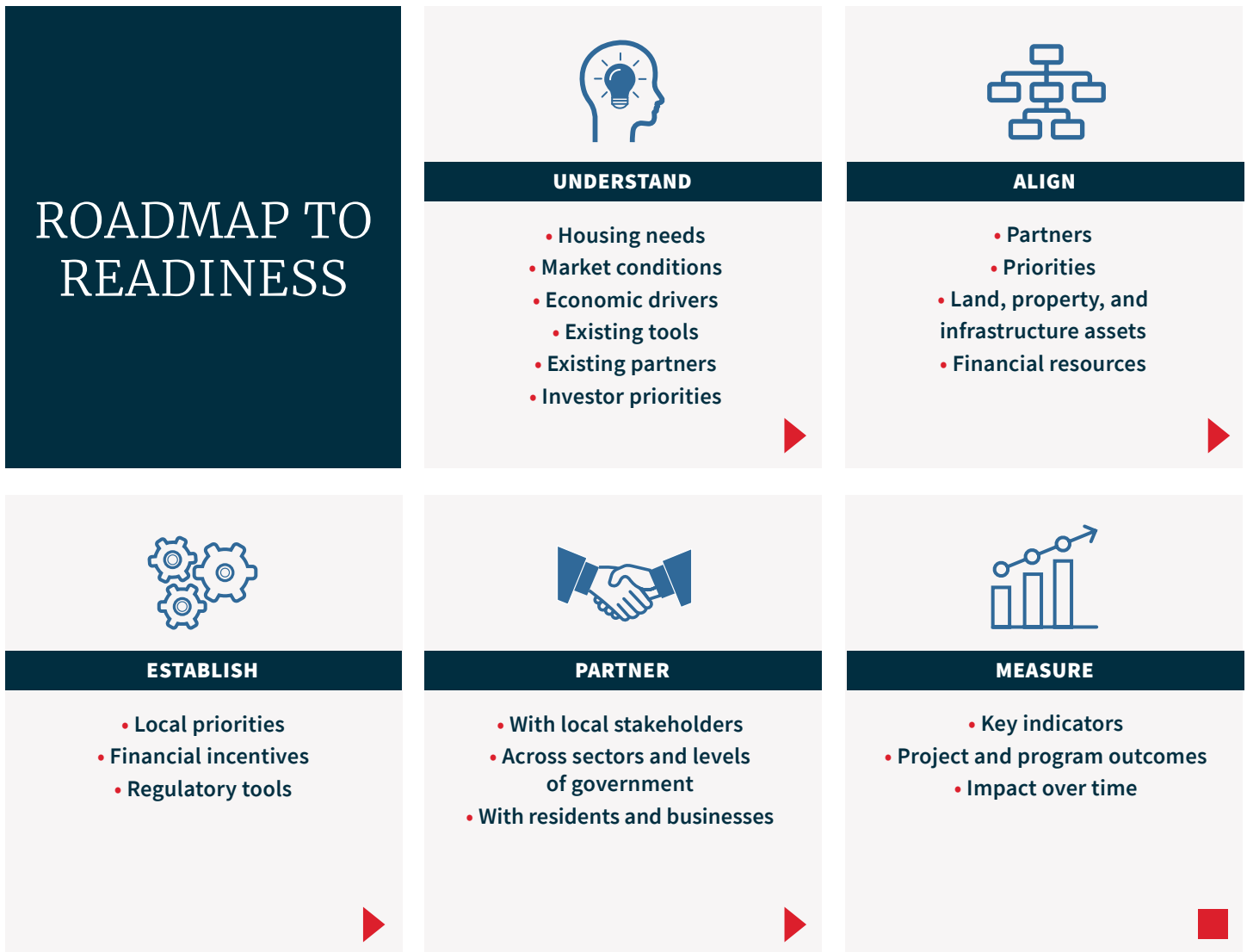
Measurement

Navigating the Toolkit

Building on the roadmap presented in *Opportunity Zones Toolkit: Volume 1*, this document is organized around five critical steps (Exhibit 1) in planning the strategic alignment of resources to promote economic development in distressed communities:

- **Understand** the current environment, including assets, needs, opportunities, and potential partners
- **Align** place-based assets and resources to steer market investment toward community economic development
- **Establish** policy tools and incentives to promote local objectives for community economic development
- **Partner** with aligned organizations to support equitable and inclusive opportunities
- **Measure** impact of local initiatives, and make adjustments as necessary

EXHIBIT 1. THE FIVE STEPS OF PLANNING STRATEGIC ALIGNMENT OF RESOURCES







Opportunity Zones Background: Driving Long-Term Capital to Low-Income Communities

Opportunity Zones, which were created as part of the Tax Cuts and Jobs Act of 2017, are federally designated areas in economically distressed communities where significant new tax incentives are available to qualified investors. These incentives were created to attract long-term private investment and spur economic growth in these areas. For communities across the United States that face such challenges as increasing housing insecurity or lack of economic opportunity, an Opportunity Zone designation provides a powerful new tool that local leaders can use to address these complex issues.



The Designations

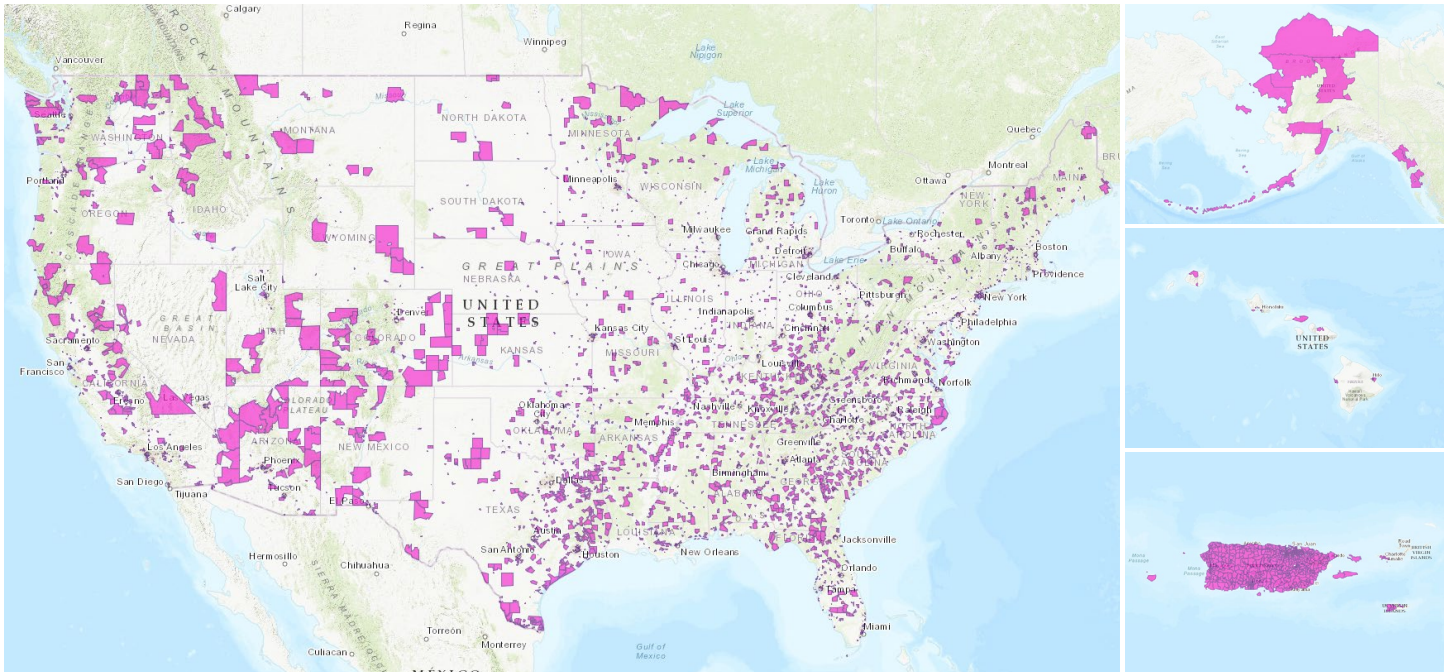
Opportunity Zones were identified at the census tract level. In early 2018, the governor of each State and Territory nominated census tracts to be designated as Opportunity Zones. To be eligible for nomination, census tracts were required to meet the criteria outlined in Section 45D(e) of the Internal Revenue Code that define a low-income community as having —

- A poverty rate of at least 20%; or
- A median family income of no more than 80% of the statewide median family income (for census tracts not located in a metropolitan area) or a median family income of no more than 80% of the greater of the statewide median family income or the metropolitan median family income (for census tracts located in a metropolitan area).

Governors could also nominate a limited number of non-low-income community census tracts to be Opportunity Zones, provided the non-low-income community tract was adjacent to a low-income, Opportunity Zone-nominated tract, and the median family income of the non-low-income tract did not exceed 125% of the median family income of the adjacent Opportunity Zone-nominated tract.

By June 2018, the U.S. Department of the Treasury had approved 8,762 Opportunity Zones across all 50 States, five Territories, and Washington, D.C. (see Exhibit 2). Two additional tracts were later designated in Puerto Rico, bringing the final, total count to 8,764.

EXHIBIT 2. MAP OF OPPORTUNITY ZONES IN THE UNITED STATES



The Tax Benefit

Tax-advantaged private investments in Opportunity Zones are made through a new investment vehicle called Qualified Opportunity Funds (QOFs). Taxpayers establish QOFs by completing Internal Revenue Service (IRS) Form 8996 and filing it with their Federal tax return. U.S. taxpayers are eligible to receive certain tax benefits on realized capital gains that are reinvested in Opportunity Zones through QOFs. Tax benefits increase with the length of time that the investment is held.

The benefits of investing in Opportunity Zones can be grouped into three major categories:

1. **Temporary Deferral of Capital Gains Taxes** — Investors will not be taxed on the capital gains invested in a QOF until they exit the fund or December 31, 2026, whichever comes first.
2. **Step Up in Basis** — Investments held for a minimum of five years will be taxed at the reduced rates of 90% for investments held for at least five years (10% basis increase) and 85% for investments held for at least seven years (15% basis increase).
3. **Tax-Free Gains After Year Ten** — If an investor holds a reinvestment for ten years, capital gains achieved by the QOF investment during that ten-year period will not be taxed. *This is a permanent exclusion from taxable income.*

Because the Opportunity Zones tax incentive is designed to encourage long-term investment, investors must meet key timelines. The first key investment deadline was December 31, 2019. Investments made in a QOF before this date are eligible to receive the 15% basis step-up benefit if the investment is held for seven years. The next key deadline is December 31, 2021. Investments made in a QOF by this date can be held for the five-year period required to realize the 10% basis step-up benefit.

These benefits create a powerful incentive for taxpayers to direct capital to distressed communities through investments in QOFs. For a brief summary of the technical aspects of the Opportunity Zones initiative and how the tax benefits reinforce each other, see the KPMG resource listed below.

RESOURCE

KPMG OPPORTUNITY ZONES GUIDE

KPMG has published a short and instructive guide to the structure and requirements of the Opportunity Zones initiative.

MORE INFORMATION:



Opportunity Zones: Unlock New Opportunities:
assets.kpmg/content/dam/kpmg/be/pdf/2020/02/877925_QOZ_June_Whitepaper_v8web.pdf





The White House Opportunity and Revitalization Council

To coordinate the delivery of resources in support of the Opportunity Zones initiative, the White House Opportunity and Revitalization Council was established in December 2018 through Executive Order 13853. The core mission and function of the Council, chaired by U.S. Department of Housing and Urban Development Secretary Benjamin S. Carson, Sr., M.D., is to lead joint efforts across the Federal Executive Branch to engage State, local, Territorial, and tribal governments to attract private capital and increase the effectiveness of public funds in revitalizing Opportunity Zones and other economically distressed communities. This strategic leveraging of public investment with private capital can stimulate economic opportunity, encourage entrepreneurship, expand educational opportunities, develop and rehabilitate quality housing stock, promote workforce development, and foster safety and prevent crime in economically distressed communities.

The Council's goals include targeting, streamlining, and coordinating Federal resources to be used in Opportunity Zones and other economically distressed communities. The Council continuously updates the list of Federal grants and programs that coordinate with the Opportunity Zones initiative and specifies in each case how Opportunity Zones benefit — for example, by preference or bonus points in competitions

or other types of priority consideration. Another key goal of the Council is to identify and disseminate best practices for using the Opportunity Zones tax incentive and other existing programs to stimulate economic growth and revitalization.

The Council's activities, and its member agencies, are organized into five work streams (see Exhibit 3). This structure establishes a framework for implementing the Council's goals and delineates a plan to coordinate across agencies and engage with community leaders, entrepreneurs, and investors. Local stakeholders can think about each work stream (except for the "Measurement" work stream, which serves to evaluate outcomes of the Opportunity Zones initiative) as a pool of Federal funding and support they can use to advance their community's economic development priorities. The work stream policy areas also are reflected in the Council's Implementation Plan and its December 2019 report to the President that outlines the Council's completed action items through December 2019 and legislative, regulatory, and subregulatory recommendations. The resource below provides a link to the official Federal Opportunity Zones website, which also hosts all reports of the Council.

RESOURCE

OPPORTUNITY ZONES WEBSITE

HUD's official website includes reports of the White House Opportunity and Revitalization Council and is the authoritative source for information on the Opportunity Zones initiative.

MORE INFORMATION:



[OpportunityZones.gov](https://www.opportunityzones.gov)

This HUD website includes information for investors, local leaders and entrepreneurs. HUD also hosts the Council's Implementation Plan and one-year report to the President.

MORE INFORMATION:



[OpportunityZones.gov/thecouncil](https://www.opportunityzones.gov/thecouncil)



EXHIBIT 3. THE WHITE HOUSE OPPORTUNITY AND REVITALIZATION COUNCIL WORK STREAMS

WORK STREAMS	LEAD AGENCY	SUPPORTING AGENCIES	ACTION ITEMS
Economic Development	Department of Commerce	Small Business Administration; Department of Housing and Urban Development; Department of Agriculture; Department of the Treasury; Department of Transportation; Department of Health and Human Services; Council on Environmental Quality; Environmental Protection Agency	Leverage Federal grants and loans in a more integrated way to develop dilapidated properties and provide basic infrastructure and financial tools to attract private investment.
Entrepreneurship	Small Business Administration	Department of Commerce; Department of Energy; Department of Agriculture; Department of the Interior; Department of Veterans Affairs	Leverage government lending and grants to stimulate access to private capital, and promote programs that assist entrepreneurs.
Safe Neighborhoods	Department of Justice	Department of Health and Human Services; Environmental Protection Agency; Department of the Interior	Combat drug addiction and the opioid crisis, reduce crime/enhance public safety, and address environmental contamination obstacles to development.
Education and Workforce Development	Departments of Education and Labor (co-leads)	Department of Health and Human Services; Department of Agriculture; Department of Commerce; Department of Energy; Department of Veterans Affairs	Improve the efficacy of K-12 and community college career and technical education and workforce development programs to better prepare workers in distressed communities for jobs.
Measurement	Council of Economic Advisers	Department of the Treasury; Department of Housing and Urban Development; Department of Commerce	Develop robust reporting and analytics to measure the impact of Opportunity Zones.



The Potential for Transformative Impact

Opportunity Zones represent an extremely powerful tool for local economic development. The primary objective of the Opportunity Zones initiative is to promote holistic, inclusive economic development that brings communities out of distress and lays a stable foundation for continued long-term growth. This mission is achieved by attracting private investment, aligning Federal resources, and fostering a local economic ecosystem that supports growth and ongoing investment.

- Attracting private investment.** As described above, the tax benefits of investing in Opportunity Zones create a powerful incentive to direct long-term private capital to these communities. It is anticipated that Opportunity Zones will attract more than \$100 billion in private capital investments. Such an incentive to reinvest capital gains on this scale in specifically designated low-income communities has not existed before. Eligible Opportunity Zone investments include business operating expenses, infrastructure projects, and real estate development.

RESOURCE

ECONOMIC INNOVATION GROUP OPPORTUNITY ZONES WEBSITE

The Economic Innovation Group website hosts a wealth of information on the Opportunity Zones incentive and local Opportunity Zone investments and initiatives.

MORE INFORMATION:



eig.org/opportunityzones

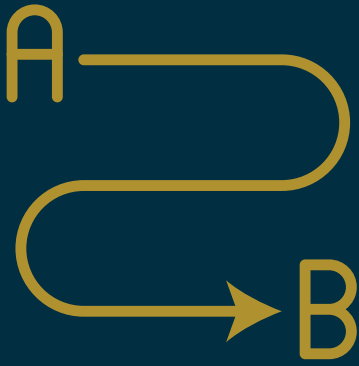


- **Aligning Federal resources.** In addition to the tax benefits that may drive private investment to Opportunity Zones, the Federal government is realigning many of its grants and programs to ensure Federal investment in these communities complements Qualified Opportunity Fund investments. Program modifications, such as application scoring bonuses and priority funding consideration for activities in Opportunity Zones, help to increase these communities' access to Federal funding and programs.
- **Fostering an economic ecosystem that supports growth and ongoing investment.** In addition to the direct economic benefits resulting from new QOF investment and Federal support, Opportunity Zone designations also strengthen the economic and entrepreneurial ecosystems in these communities. Improvements to physical infrastructure, investments in the local workforce, and empowerment of partner organizations are just a few examples of the enhancements that communities have

been able to achieve through their Opportunity Zone designation. These enhancements make communities more attractive for future investment and more capable of sustaining long-term growth. The Economic Innovation Group, referenced in the callout box on the previous page, provides a wealth of information on Opportunity Zones activity across the country, including an interactive map that shows investments and economic development initiatives aimed at Opportunity Zone communities.

Local leadership is critically important for unlocking the transformative potential of Opportunity Zones. Deep knowledge of key community challenges and assets puts local leaders in the best position to use Opportunity Zones to achieve their community's highest priorities for economic growth.





Strategies for Promoting Local Economic Development Within Opportunity Zones

The Opportunity Zones incentive was created to attract long-term capital that will spur economic development and job creation in designated low-income census tracts. Multiple stakeholders have a responsibility to ensure that newly incentivized investments achieve inclusive and equitable outcomes for the selected community, in addition to benefits for investors.

Introduction

Public officials, nonprofits, and community development organizations in cities and neighborhoods seeking to attract new investments must partner with QOF managers, and these managers' decision-making will heavily involve financial considerations. This dynamic may present a challenge to local leaders who have an in-depth understanding of their own community and its needs, but who may not be familiar with the process of promoting those needs to the private sector. Likewise, private investors looking for ways to invest in QOFs may not be familiar with the incentives and support that local leaders can mobilize to make community-based investing less costly, less risky, or more profitable.

A QOF's managers and investors must ensure they meet the key timing requirements in the regulations, and they may press local leaders for fast decisions on the actions or supports that a project requires, such as permitting, land use decisions, or financial support. Consequently, it is important that community leaders always be guided by a long-term view of how Opportunity Zone investments will fit with the community's overall vision for economic and community development to benefit local residents.

In addition to attracting private capital through QOFs, communities across the nation have found that being designated as an Opportunity Zone can catalyze additional public and private investments. In fact, the initiative has spurred people to reconsider how economic development intersects with wealth-building in a community. The excitement and focus created by this designation offers local leaders the opportunity to identify and, in some cases, develop innovative approaches to local economic development. Federal, State, and local government agencies have realigned many existing programs and created new incentives to reinforce the Opportunity Zone designation, creating the opportunity to strategically focus attention and resources on distressed communities in a way that will yield benefits well into the future.

The following sections detail a multi-step approach that local leaders should take to maximize the community and economic development impacts of their Opportunity Zone designation: **understand, align, establish, partner, and measure**. Examples in callout boxes throughout the Toolkit highlight the types of investments being made by public agencies at all levels.





Understand the Current Environment

-  **Assess housing needs.**

-  **Evaluate commercial market conditions.**

-  **Identify key economic drivers and growth sectors.**

-  **Conduct workforce analyses.**

-  **Identify available tools for economic development.**

-  **Scan for existing partnerships.**

-  **Understand investor priorities and interests.**

Most Opportunity Zone communities face systemic challenges, including poverty, unemployment, public safety, and overall economic decline. These are the barriers to business formation and investment that the Opportunity Zones incentive is designed to overcome. Success will require mutual understanding by all stakeholders of the unique challenges, assets, and opportunities present in their community.

Without the Opportunity Zones incentive, some investors might shy away from these communities. With the incentive, investors will scrutinize every opportunity carefully and pose a series of hard-edged business questions: Is this community a place where reinvested capital can be preserved safely during the required holding period? Is it a place with the opportunity to achieve additional capital gains that can be sheltered from future taxation? A clear understanding of a community's needs

and assets will allow local leaders to highlight promising investment opportunities and ensure that the investments made align with the community's highest priorities.

The following elements are vital for communities to consider and understand when developing effective, comprehensive plans for revitalization and ongoing economic growth in their Opportunity Zones.



ASSESS HOUSING NEEDS

Increasing the stock of quality affordable housing is a common community priority. A variety of housing options at different price points promotes stronger and more inclusive communities. Housing is a critical component of a community’s economic ecosystem, and quality affordable housing should be a consideration in any local economic development strategy. Local officials should periodically assess the local housing stock and housing needs in their communities. Undertaking a current housing needs assessment will allow local leaders to develop or update a comprehensive housing plan to better align future public and private investment with local needs. Informed by a comprehensive housing plan, leaders

should be prepared to work with investors on a list of target areas for housing development within their jurisdiction’s Opportunity Zones. In addition, local leaders should work with the residents to both assess housing needs and plan for new housing development. Engaging with residents, especially those who are either in need of housing or vulnerable to displacement, is critical to understanding the most urgent needs of the community and to ensuring that new public and private investments are deployed effectively to address these needs. See the community spotlight below for a case study of how an Opportunity Zone community is using its designation to meet housing needs.

COMMUNITY SPOTLIGHT



PHILADELPHIA, PENNSYLVANIA

Mosaic Development Partners is leveraging the Opportunity Zones tax incentive with New Markets Tax Credits to redevelop a former manufacturing facility in Wayne Junction, Philadelphia, into an innovative and transformative mixed-use development. The development will provide residential space and community amenities, including a co-working space, to serve as an incubator for startups and a training space for established businesses.

MORE INFORMATION:



smallchange.co/projects/Golaski-Labs





EVALUATE COMMERCIAL MARKET CONDITIONS

In addition to understanding housing needs, local leaders should understand the current conditions of the local commercial real estate market. Local leaders should conduct a commercial real estate assessment to better understand current office, retail, hotel, and industrial uses within Opportunity Zones. This assessment should include analyzing overall trends in supply and demand, including how quickly empty space is likely to be “absorbed” or taken off the market by being rented; how significant unplanned vacancies are expected to be over time; and, of course, current and projected rents or prices. This assessment should involve conversations with local real estate brokers

and developers to learn about development barriers and opportunities. Communities should compile a list of active or planned projects in and around their Opportunity Zones. Understanding the commercial real estate market will allow communities to target investments to specific market sectors or geographic areas of greatest need or opportunity. See the community spotlight below for a case study of how some rural communities in Utah are using State support to assess market conditions.

COMMUNITY SPOTLIGHT



UTAH

The Utah Governor’s Office of Economic Development made a \$200,000 grant to the statewide Utah Association of Counties to help rural communities with Opportunity Zones hire a consultant to develop marketing content and strategies to leverage the Opportunity Zone designation and connect with investors.

MORE INFORMATION:



business.utah.gov/news/utah-opportunity-zones-benefit-from-new-consultant/





IDENTIFY KEY ECONOMIC DRIVERS AND GROWTH SECTORS

Developers who want to serve commercial markets and investors who finance new business enterprises both need to understand the overall economic strategy and trajectory of the region, county, or city. Some regions may already have a Comprehensive Economic Development Strategy (CEDS) recognized by the U.S. Economic Development Administration (EDA), or an equivalent document developed by a regional business partnership. For EDA's official guide to CEDS content and preparation, see the resource below.

Additionally, local economic development organizations already may maintain plans that include a comprehensive description of business-support systems, such as entrepreneurship

programs, incubators, and accelerators. Finally, any community that receives Community Development Block Grants (CDBG) from HUD already maintains a Consolidated Plan that discusses housing needs, economic development goals, neighborhood improvement and social service needs, and a roster of specific projects slated for CDBG support. Leaders should have a deep understanding of economic drivers, ensure that their planning efforts are up to date and share them with other stakeholders. Planning and engagement around economic drivers and available support systems will enable local leaders and community partners to target opportunities for business investment within Opportunity Zones.

RESOURCE

U.S. ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS) CONTENT GUIDELINES

EDA recently revised its CEDS Content Guidelines and included a new section focused on Opportunity Zones. This new content encourages Economic Development Districts, tribes and other regional entities to incorporate Opportunity Zones into their asset-based, regional approach to planning for economic development. The goal of this activity is to promote the Opportunity Zones within each region as investment-ready locations.

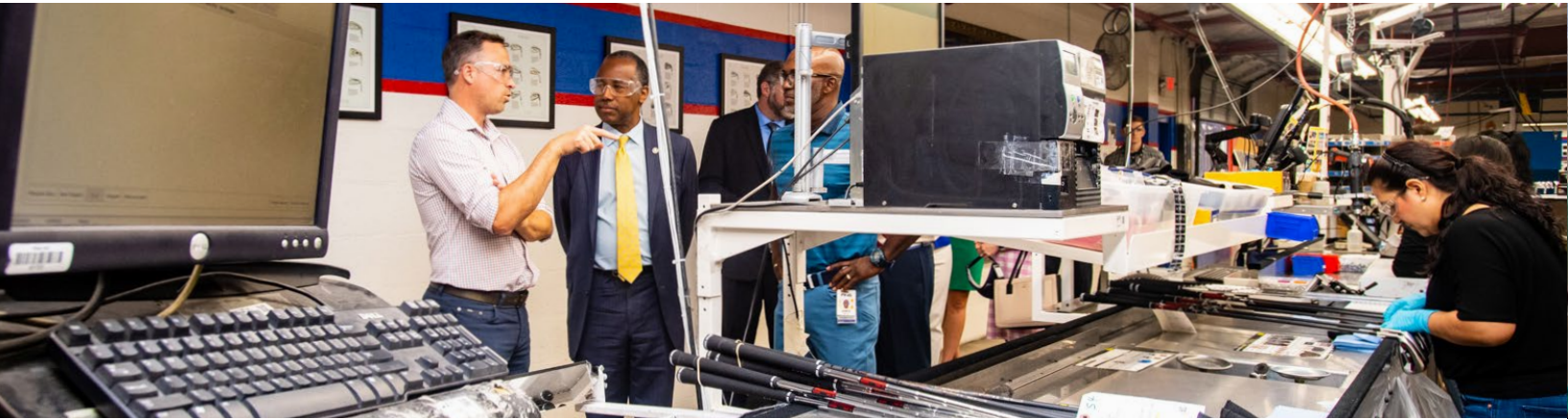
MORE INFORMATION:



Find additional information on the CEDS process can be found at the EDA's website:

eda.gov/ceds



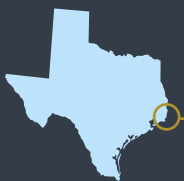


CONDUCT WORKFORCE ANALYSIS

The status and prospects of the local workforce are two of the most important determinants of success in the Opportunity Zone process, for both communities and investors. Companies being recruited as tenants by commercial developers need to know that a skilled workforce is available nearby. Likewise, community residents need to know that training opportunities will allow them to qualify for newly created well-paying jobs. As in the case of housing, a comprehensive workforce plan that refers to incentives for workforce education and training is needed and should be made available to residents. Subsidies and incentives for workforce training generally are coordinated

through State-level and regional Workforce Investment Boards. These public-private boards usually are well known to local economic development entities, which work closely to apply such incentives to the needs of new or expanding businesses in exchange for jobs and economic benefits for the community. Many counties and municipalities with designated Opportunity Zones already work closely with their associated Workforce Investment Boards to monitor current and anticipated matches between workforce supply and employer needs. See the community spotlight below for an example of an Opportunity Zone project focused on local workforce requirements.

COMMUNITY SPOTLIGHT



PORT ARTHUR, TEXAS

Located in an Opportunity Zone, Lamar State College Port Arthur (LSCPA) is a community partner well positioned to support local economic development. LSCPA received a \$4.8 million grant from EDA to renovate a 23,000-square-foot underutilized building on campus into a state-of-the-art craft training facility. The Federal funds were matched by an additional \$1.2 million in local funding. The grant will serve as a job catalyst to support economic recovery in an area impacted by Hurricane Harvey.

MORE INFORMATION:



panews.com/2019/10/02/lscpa-receives-grant-to-renovate-armory/

eda.gov/news/press-releases/2019/09/30/tx.htm





IDENTIFY AVAILABLE TOOLS FOR ECONOMIC DEVELOPMENT

Investors in new business enterprises need to know not only where growth is coming from but also how the community supports it. Local leaders should be prepared to explain to QOF managers and investors the full range of economic development tools available to support economic and business development in Opportunity Zones. This inventory should include local, regional, and statewide incentive policies and financing tools, as well as Federal and even

philanthropic programs. These may include financial incentives, such as tax credits and abatements, or local programs to support workforce development or business incubation. Community leaders should be able to convey to all investors how existing or newly created economic development tools will complement or enhance QOF investments. See the resource below for insight into how investors think about Opportunity Zone projects.

RESOURCE

ACCELERATOR FOR AMERICA / NOWAK METRO FINANCE LAB INVESTOR SUMMIT

These two organizations hosted an investor summit that yielded insight on how the new types of investors motivated by Opportunity Zone tax benefits will perceive investment projects in any given Opportunity Zone, and what various community partners can do to promote inclusive development by mitigating perceived risks and filling gaps.

MORE INFORMATION:



acceleratorforamerica.org/s/Voices-from-the-Field.pdf





SCAN FOR EXISTING PARTNERSHIPS

Communication and collaboration among local jurisdictions, community development corporations (nonprofit community-based organizations focused on local revitalization), other nonprofits, philanthropic foundations, and educational institutions are critical to fostering a strong economic ecosystem in Opportunity Zone communities. An active and engaged network of local stakeholders not only makes communities more attractive for investment, but also fosters alignment of these investments with shared community priorities. Local leaders should make available to investors a comprehensive scan of the local economic ecosystem that includes a description of all relevant actors and information

about how investors should engage with them (e.g., one-on-one or collectively). The goal of local leaders should be to develop the best possible understanding of existing organizations' capacity to provide economic development and social services in and around Opportunity Zones. An understanding of the ecosystem of community partners will allow local leaders and investors to target public and private resources strategically to achieve the greatest community and economic development impact. In addition, this understanding will help QOFs and other investors engage with established local partnerships to ensure that their investment is aligned with and benefiting local residents and organizations.



UNDERSTAND INVESTOR PRIORITIES AND INTERESTS

Local leaders should seek to understand the priorities and interests of different types of investors, as well as how investors evaluate opportunities and risks. Hosting investor networking events and consulting available QOF directories are among the ways that communities can learn more about investor priorities and interests.

Many traditional investors seek to reduce risk by raising non-dilutive capital — that is, a capital source that does not require equity in exchange. Examples of non-dilutive capital include grants and low-cost loans. In addition to understanding the risk and opportunity considerations of traditional investors, local leaders should understand the landscape of “impact investors” with a potential interest in their community. Impact investments are those made by private actors (either not-for-profit or for-profit) with the intent of generating a measurable social or environmental impact, in addition to financial returns. Many QOFs already have been formed by impact investors, and the Opportunity Zones initiative may encourage the creation of new pools of impact-investing capital. Local leaders should understand the types of projects being sought by impact investors and the potential for aligning the goals of these investors with the goals of their community. See the adjacent resource for a concise review of how impact investors perceive the financial returns required from an Opportunity Zone project.

Leaders also need to be prepared to engage with both real estate investors and equity market investors. It is important to recognize that these groups may have different views about what makes the most sense as an investment. Understanding the interests of different types of investors will allow local leaders to ensure that the investments being made are in line with their community’s highest priorities for community and economic development.

RESOURCE

COGENT CONSULTING GUIDE



Cogent Consulting has published a guide to how various impact investors see their role in the community capital stack, and the financial returns they expect along with impact. The guide includes the perspectives of both private, profit-motivated investors (and their investment advisors) and philanthropic and other nonprofit investors (and their advisors).

MORE INFORMATION:



lisc.org/media/filer_public/f6/a2/f6a290f6-b283-4f14-8b1e-0827322973da/opportunity_zones_an_impact_investing_perspective_by_cogent_final.pdf



Leaders seeking to better understand the current investor landscape should review online directories of QOFs to identify those that have announced an interest in investing in a given local market or in a specific type of investment. See the adjacent resource for one such QOF directory. Many more of these directories can be found online. Many of these online QOF directories are privately developed and maintained. The Council does not endorse any single online QOF directory and cannot ensure the accuracy of these lists.

Communities that are struggling to identify an existing QOF whose funding priorities align with their own should consider engaging regional investors to create their own QOFs targeted at locally identified projects or needs. These QOFs may be single- or multi-investor funds, and they may invest in a single project or multiple projects in several locations. These purpose-built QOFs may not necessarily appear in any directory, but they still are eligible to meet all the necessary requirements to self-certify with the IRS.

Several communities have hosted networking events or financing charrettes (a meeting designed to reach a shared vision and create solutions) to engage investors and achieve better understanding of priorities and interests. See the adjacent Community Spotlight for an example of one such initiative.

After establishing a shared understanding of the current environment, local leaders can begin to take actions that **align** the interests of various stakeholder groups.

RESOURCE

ONLINE DIRECTORY OF QUALIFIED OPPORTUNITY FUNDS



This resource is available from the National Council of State Housing Agencies.

MORE INFORMATION:



ncsha.org/resource/opportunity-zone-fund-directory/

COMMUNITY SPOTLIGHT

NORFOLK, VIRGINIA



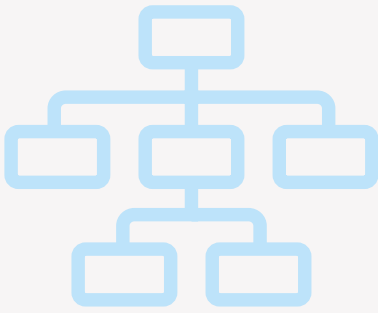
In February 2019, the City of Norfolk, Virginia, hosted a finance charrette to engage public and private stakeholders in identifying innovative financing strategies and investment opportunities to redevelop the City's St. Paul area. The session included a tour of the St. Paul area, a review of Opportunity Zones, and a discussion on the vision for the area's redevelopment.

MORE INFORMATION:



norfolk.gov/CivicAlerts.aspx?AID=4263&ARC=8515





Align Place-Based Assets and Resources



Deploy underutilized land and property.



Direct capital investment in local infrastructure.



Leverage financial resources.

- Federal resources
- State funding and incentives for economic and job development
- Community workforce development resources
- Philanthropic and nonprofit resources
- Private investors

After developing a shared understanding of community needs and investment opportunities among potential investors and local stakeholders, the next step for community leaders is to use this understanding to align local assets and resources to

achieve common interests. This section includes best practices from both traditional strategies for economic development and emerging techniques for community wealth building.





DEPLOY UNDERUTILIZED LAND AND PROPERTY

Inexpensive or underutilized land and property can be critical tools for catalyzing development in Opportunity Zones. In places where local actors can donate public or private vacant or underutilized land or sell it at a discount, the economics of a given project may change dramatically. With no-cost or low-cost land or property, investments that otherwise would not be financially feasible can become possible. This is a key leverage point for local leaders to be able to support development that meets the needs of their community.

Many Opportunity Zones already include retail centers, business corridors, and residential or industrial zones that may contain underutilized properties that can be adapted and reused. Local leaders should create an inventory of such properties, identify who owns them and work with the owners to put these assets to use toward community development goals. If the properties can

be made available at reduced cost or with less regulatory delay, investors who have been shown their potential for redevelopment can leverage newly aligned Federal and State programs to move projects forward.

This kind of alignment depends on the cooperation of many types of landowners, including Federal, State, and local governmental entities; nonprofits; anchor institutions; community development organizations; and current private owners.

Brownfields (former industrial sites) are especially common forms of underutilized property. See the two community spotlights below for examples of how the Opportunity Zones initiative has stimulated the redeployment of Brownfields, using available supports from Federal agencies.

COMMUNITY SPOTLIGHT

CLEARFIELD COUNTY, PENNSYLVANIA



The Clearfield County Economic Development Corporation (CCEDC) received a \$2 million grant from the Economic Development Administration to help construct a new mixed-use facility on a former urban Brownfield site. Located in an Opportunity Zone, the River Landing project will host CCEDC's new headquarters and provide office space for small business startups. The project is expected to create 50 jobs and generate \$10 million in private investments.

MORE INFORMATION:



theprogressnews.com/news/local/m-federal-grant-received-for-river-s-landing-project/article_64b7ada1-d508-5c2b-a148-c4c052c4959f.html

COMMUNITY SPOTLIGHT

WAUKEGAN, ILLINOIS



A grant from the U.S. Environmental Protection Agency will allow the City of Waukegan to clean up a vacant, contaminated industrial site located in an Opportunity Zone. This clean-up project will allow city officials to advance plans for residential development at the eleven-acre site. Alignment of this clean-up effort with the Opportunity Zone benefit is expected to attract needed private investment to support the redevelopment of this area.

MORE INFORMATION:



chicagotribune.com/suburbs/lake-county-news-sun/news/ct-lns-fansteel-brownfields-cleanup-st-0607-story.html



DIRECT CAPITAL INVESTMENTS IN LOCAL INFRASTRUCTURE

In economically distressed communities, inadequate infrastructure is a result of historic disinvestment and can stand in the way of attracting renewed investment. To support Opportunity Zone projects, local leaders should align their capital improvement plans with the infrastructure improvements that are needed most by the industry sectors expected to drive demand for space in the region. See the three adjacent resources for sources of information on infrastructure elements and recommendations on how to leverage them.

RESOURCE

U.S. DEPARTMENT OF TRANSPORTATION OPPORTUNITY ZONES INTERACTIVE MAP



This interactive map provides information about the location and characteristics of significant transportation-related facilities located in or near Opportunity Zones:

MORE INFORMATION:



transportation.gov/opportunity-zones/opportunity-zones-interactive-map

RESOURCE

STATSAMERICA OPPORTUNITY ZONES TOOL



This online tool allows localities to see their designated Opportunity Zones in the context of the Economic Development Administration's past investments in public works infrastructure:

MORE INFORMATION:



statsamerica.org/opportunity

RESOURCE

BUILDING BETTER: CONNECTING OPPORTUNITY ZONES TO URBAN INFRASTRUCTURE



This report outlines nine steps that local leaders can take to use Opportunity Zones to improve their infrastructure assets:

MORE INFORMATION:



drexel.edu/nowak-lab/publications/reports/building-better/



In some cases, Federal support may be available for infrastructure improvements. In other instances, QOF investors may commit voluntarily to community-benefit agreements that provide for privately financed infrastructure improvements. In other cases, it may be necessary to employ such funding mechanisms as a Tax Increment Financing

district, which allows improvements to be paid for out of increased future tax revenues from what will then be a higher-value use of the property. For examples of infrastructure renewal that leveraged support from Federal agencies, see the two community spotlights below.

COMMUNITY SPOTLIGHT



WEST ORANGE, TEXAS



A \$5 million grant from the Economic Development Administration will support the design and construction of a new wastewater treatment plant in West Orange. The project, located in an Opportunity Zone, is being matched by \$1.25 million in local funds and is expected to generate 520 jobs and \$5.8 billion in private investment. This infrastructure investment will support economic growth as well as community resilience.

MORE INFORMATION:



orangeleader.com/2019/10/05/west-orange-to-receive-5-million-from-eda-to-support-wastewater-treatment-plant

COMMUNITY SPOTLIGHT



MARIPOSA COUNTY, CALIFORNIA



Mariposa County received a \$6.29 million disaster recovery grant from the EDA. This EDA investment funds critical infrastructure renovations to support downtown business growth in downtown Mariposa, an Opportunity Zone. When completed, the project will encourage commercial development that will create additional jobs.

MORE INFORMATION:



eda.gov/news/press-releases/2019/09/30/ca.htm





LEVERAGE FINANCIAL RESOURCES

For many communities with Opportunity Zone designations, several potential sources of financial support exist to facilitate QOF projects, as well as parallel efforts in community revitalization and wealth building. In many cases, one source of financial support can reinforce another. Local leaders should be on the lookout for funding that can both

support a QOF project and improve the environment for follow-on investments. The following are some categories of financial resources that are being leveraged, separately or in combination, starting with Federal supports that flow through State and local economic ecosystems.

Federal Resources

More than 270 Federal grants and programs have aligned with the Opportunity Zones initiative. In many instances, proposals or grant applications affecting areas that have been designated as Opportunity Zones will be given funding preference by Federal agencies. See the adjacent resource for a complete list of Federal grants and programs that offer Opportunity Zone benefits.

Local leaders should seize this advantage to improve the likelihood of securing Federal funding to support local development and complement QOF investments in their Opportunity Zones. Grants are available from numerous agencies and departments across the Federal government. Such grants may be used to decrease project costs, make urgently needed investments in infrastructure, or ensure that Opportunity Zone investments result in continuing community revitalization. Localities that may not have a specific grant development office yet should work with their State government experts for technical assistance.

Because many Federal and State programs have been aligned to offer additional benefits for Opportunity Zones, it may become easier to obtain planning grants that will enable communities to plan for and obtain investments that will be made only later in the revitalization cycle. See the community spotlight at the top of the next page for an example of how small communities are leveraging Federal resources.

RESOURCE

COMPLETED ACTION ITEMS OF THE WHITE HOUSE OPPORTUNITY AND REVITALIZATION COUNCIL



The Council's list of completed actions is updated on a monthly basis. The latest version of this list, as well as the Council's full Implementation Plan, can be found online.

MORE INFORMATION:



[OpportunityZones.gov/thecouncil](https://www.opportunityzones.gov/thecouncil)

**COMMUNITY SPOTLIGHT****WEST VIRGINIA**

The Appalachian Regional Commission awarded a \$1.04 million grant to Appalachian Community Capital, a regional Community Development Financial Institution, for the Opportunity Appalachia project. Opportunity Appalachia will provide technical assistance resources averaging \$50,000 each to up to five West Virginia-based communities, projects, and developers located in Opportunity Zones.

**MORE INFORMATION:**

herald-dispatch.com/business/applications-open-for-opportunity-appalachia-grants/article_21c227b9-8459-57bb-a5d6-56ed91be78aa.html

State Funding and Incentives for Economic and Job Development

State governments offer many incentives for developers and businesses, including income tax credits based on job creation or research and development (R&D), property tax abatements to reward new investment, and even cash incentive grants for business expansion or relocation. In many instances, these incentives have become part of the tool set

used by QOF managers to attract new, high-quality employers to an Opportunity Zone. See the two community spotlights below and the two community spotlights on the next page for examples of how States are providing critical assistance to projects in Opportunity Zones.

COMMUNITY SPOTLIGHT**NEW MEXICO**

The State of New Mexico will offer a \$1 million bonus to investments in Opportunity Zones, provided they meet certain impact requirements, in an effort to reinvigorate aging rural neighborhoods and vital infrastructure.

MORE INFORMATION:

[cdfa.net/cdfa/cdfaweb.nsf/0/00A3B2F847A90C4D882584770068D4DC/\\$file/Press_Release_OZ_Jobs_Bonus.pdf](https://cdfa.net/cdfa/cdfaweb.nsf/0/00A3B2F847A90C4D882584770068D4DC/$file/Press_Release_OZ_Jobs_Bonus.pdf)

COMMUNITY SPOTLIGHT**OHIO**

Qualified Opportunity Fund (QOF) investors in Ohio can leverage a newly enacted State Opportunity Zone Tax Credit. This program offers a 10% credit against State income tax on amounts invested in Ohio-based Opportunity Zones by one or more Ohio-based QOFs in which the taxpayer has invested.

MORE INFORMATION:

development.ohio.gov/bs/bs_censustracts.htm



Good sources of information on State incentives include local and regional economic development associations, trade magazines that cover the business of selecting industrial sites, and national-level policy monitors at the National Governors Association and the National Conference of State Legislatures. Examples of existing State incentives that can be leveraged to encourage the growth and development of businesses that choose to locate or expand in Opportunity Zones include the following:

- Tax credits for job creation are offered by most States, although some target especially “quality” jobs in defined categories and/or in certain “tiers” of counties that are suffering economic distress.
- Discretionary cash incentive grants for business expansion are available from “deal-closing” funds, such as the Texas Enterprise Fund, the Arkansas Quick Action Closing Fund, and several others.
- More than 30 States currently offer tax credits modeled roughly on the Federal Research and Experimentation Tax Credit (Internal Revenue Code Section 41), which rewards increased investment in R&D over time by new and existing businesses.
- Many States also offer tax credits to “angel investors” who back what typically are called “qualified” emerging technology businesses. The term “angel investor” refers to

wealthy individuals investing their own money, rather than managing institutional money through a formal venture capital fund.

Like the Federal government, many States and localities have modified existing programs, such as those listed above, or created new incentives or grants designed to work in concert with the Opportunity Zones incentive. Some also have adjusted their tax codes to match Federal treatment of capital gains invested in QOFs. These incentives serve to make investments in Opportunity Zones even more attractive, multiplying the impact of the initiative.

Community Workforce Development Resources

Many local governments have experience leveraging public and philanthropic resources to support community and workforce development. These valuable resources can help support comprehensive redevelopment in Opportunity Zones, because many offer funding streams that fill financing gaps, reduce risk in a way that allows a challenging project to move forward, or complement a QOF investment and empower a community to leverage it further. Examples of local community development resources and incentives include the following:

COMMUNITY SPOTLIGHT



MISSISSIPPI



The Mississippi Home Corporation was authorized under law in 2019 to commit 12.5% of each year’s Low-Income Housing Tax Credit authority for applicants participating in a special allocation cycle dedicated to projects in Opportunity Zones.

MORE INFORMATION:



ncsha.org/hfa-news/governor-approves-mississippi-home-corporations-special-opportunity-zone-cycle-for-low-income-tax-credit-program

COMMUNITY SPOTLIGHT



LOUISIANA



Louisiana has added Opportunity Zones to the list of geographic entities within which it will abate for ten years property taxes (ad valorem) on renovations and improvements to existing commercial structures and owner-occupied residences.

MORE INFORMATION:



opportunitylouisiana.com/business-incentives/restoration-tax-abatement



- Local tax credits and exemptions
- State or local grants for workforce development and training
- Support from a local Affordable Housing Trust to fill gaps on residential projects
- Foundation funding for capacity building in community development corporations
- Loan guarantees, loss reserves, or other forms of credit enhancement, ranging from Small Business Administration (SBA)-guaranteed loans to loan collateral that may be pledged by local philanthropies
- Pro bono legal or business advice as brokered by the SBA's Small Business Development Centers, (which provide small businesses with management and technical assistance) or other advisory entities

For examples of local programs that are contributing to the viability of Opportunity Zone projects, see the three adjacent community spotlights.

COMMUNITY SPOTLIGHT



LOS ANGELES COUNTY, CALIFORNIA



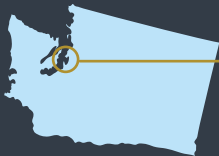
Los Angeles County's Metro Affordable Transit Connected to Housing (MATCH) program provides acquisition and predevelopment financing to help developers preserve and expand affordable rental housing located near public transit. The public-private lending partnership, which has an estimated loan capitalization fund of \$75 million, primarily targets existing unsubsidized affordable housing and seeks to increase density where possible.

MORE INFORMATION:



matchfundla.com

COMMUNITY SPOTLIGHT



SEATTLE, WASHINGTON



Seattle's Multifamily Property Tax Exemption program provides a tax exemption for new multifamily buildings in exchange for setting aside 20–25% of the units as income- and rent-restricted. The tax exemption supports more mixed-income communities by offering a twelve-year tax exemption in exchange for housing affordability in urban centers.

MORE INFORMATION:



seattle.gov/housing/housing-developers/multifamily-tax-exemption

COMMUNITY SPOTLIGHT



PRINCE GEORGE'S COUNTY, MARYLAND



Prince George's County's revitalization tax credit encourages redevelopment and investment in metropolitan Washington, D.C., communities. The credits are available in all census tracts inside the Washington, D.C., Beltway where the median household income does not exceed the county's median. Eligible improvements to real property located within these districts are granted relief from taxes on any incremental value added because of revitalization efforts.

MORE INFORMATION:



pgcedc.com/revitalization-tax-credit

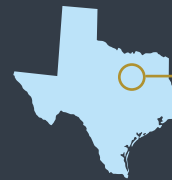


Philanthropic and Nonprofit Resources

Philanthropic foundations are natural supporters of positive outcomes in Opportunity Zone communities. Foundations can support Opportunity Zones through grantmaking to support specific projects, as well as through how they invest their endowment assets. Many foundations across the country already have been active investors in QOFs alongside private investors. In addition, foundations have been supportive of Opportunity Zones in other ways, such as by helping create investment prospectuses and build economic development ecosystems.

At the national level, both the Kresge Foundation and the Rockefeller Foundation have made grants to selected cities to hire managers committed to responsible stewardship in Opportunity Zones, and they have committed endowment funds as guarantees for loss that encourage selected QOFs to take higher risks. For an overview of how various foundations are supporting Opportunity Zones, see the adjacent resource. For an example of how the Rockefeller Foundation is supporting Opportunity Zones, see the adjacent community spotlight.

COMMUNITY SPOTLIGHT



DALLAS, TEXAS



The Rockefeller Foundation will provide the City of Dallas with \$920,000 in grants and support services, including \$400,000 to fund a chief Opportunity Zone officer position in the city's economic development authority.

MORE INFORMATION:



rockefellerfoundation.org/about-us/news-media/rockefeller-foundation-awards-washington-dc-oakland-dallas-st-louis-grants-fuel-plans-equitable-investment-opportunity-zones/

RESOURCE

THE KNIGHT FOUNDATION — HOW PHILANTHROPIES LEVERAGE OPPORTUNITY ZONES



This report identifies seven roles for foundations to play in leveraging Opportunity Zones.

MORE INFORMATION:



knightfoundation.org/reports/how-philanthropies-leverage-opportunity-zones/



Even relatively small communities should be able to engage the philanthropic community. Regional private foundations (sometimes called “family foundations”) have grant-making capacity and may offer program-related investments in low-rate loans or loan guarantees, either as formal partners in a QOF or by making parallel investments on their own. Foundations of all sizes generally are seen as thought leaders in impact investing, and many investors in the private sector look to them for models of socially responsible investing. Working with foundations can ensure that the benefits of QOF and follow-on investments yield the desired benefits for residents of the designated Opportunity Zones.

Regional community foundations, which are supported by broad-based donations rather than by an individual family, can be another valuable resource that local leaders can work with for financial support. Engaging community foundations and their donors may identify individuals who are willing to form their own QOFs for direct investment locally or regionally. See the adjacent resource for ideas on how community foundations can support Opportunity Zones.

Communities are sometimes able to involve operating nonprofits in engaging their own funders. See the adjacent community spotlight for an example.

RESOURCE

COMMUNITY FOUNDATION PUBLIC AWARENESS INITIATIVE — COMMUNITY FOUNDATIONS AND OPPORTUNITY ZONES



This memo outlines several options for community foundations to take advantage of the Opportunity Zones incentive in support of their missions.

MORE INFORMATION:



[static1.squarespace.com/
static/5aa447f88ab7221937fc7ee2/t/5c1b9b52c2241b96d
9b67781/1545313107611/OZ+Paper+for+CFs+12.17.18.pdf](https://static1.squarespace.com/static/5aa447f88ab7221937fc7ee2/t/5c1b9b52c2241b96d9b67781/1545313107611/OZ+Paper+for+CFs+12.17.18.pdf)

COMMUNITY SPOTLIGHT



STOCKTON, CALIFORNIA



A new partnership between the Launch Pad Foundation and the philanthropic funding platform, Grapevine, will provide Stockton-based entrepreneurs operating in Opportunity Zones access to resources needed to start and scale businesses in underserved communities by opening new avenues for philanthropic and charitable giving.

MORE INFORMATION:



lp.co/launch-pad-foundation-partnership-to-draw-philanthropy-into-the-opportunity-zone-ecosystem/



Private Investors

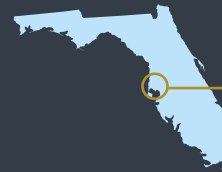
Local leaders should try to align private investor interests with available assets and the resources described above to advance the community's highest priority projects and promote broader economic growth. By aligning these resources, community leaders can improve the financial feasibility of key projects, making the prospect of investing in the community more attractive. Aligning resources with investor interests also can reduce investors' perceptions of potential risk.

Local leaders should clearly articulate the benefits that local resources can offer to investors and highlight the strongest investment opportunities. For example, local leaders should consider introducing QOF managers to potential investments connected with existing entrepreneurship programs, such as regionally supported business incubators and accelerators, which reduce the risk of early-stage ventures and demonstrate their profit potential. See the adjacent community spotlight for an example of how this can be accomplished. Similarly, local workforce development programs that support the economic mobility of residents can assure investors of a ready source of human capital to advance their goals. Investments in physical infrastructure and public safety also can be mutually beneficial for the community and potential investors.

Promoting this alignment between investor interests and existing assets and resources serves to increase the likelihood of private investment, and also to ensure that the investments being made are those most likely to advance the community's highest priorities.

The alignment of existing assets and resources within Opportunity Zones will position communities for the next step: **establishing** new tools and incentives to achieve desired outcomes.

COMMUNITY SPOTLIGHT



TAMPA, FLORIDA

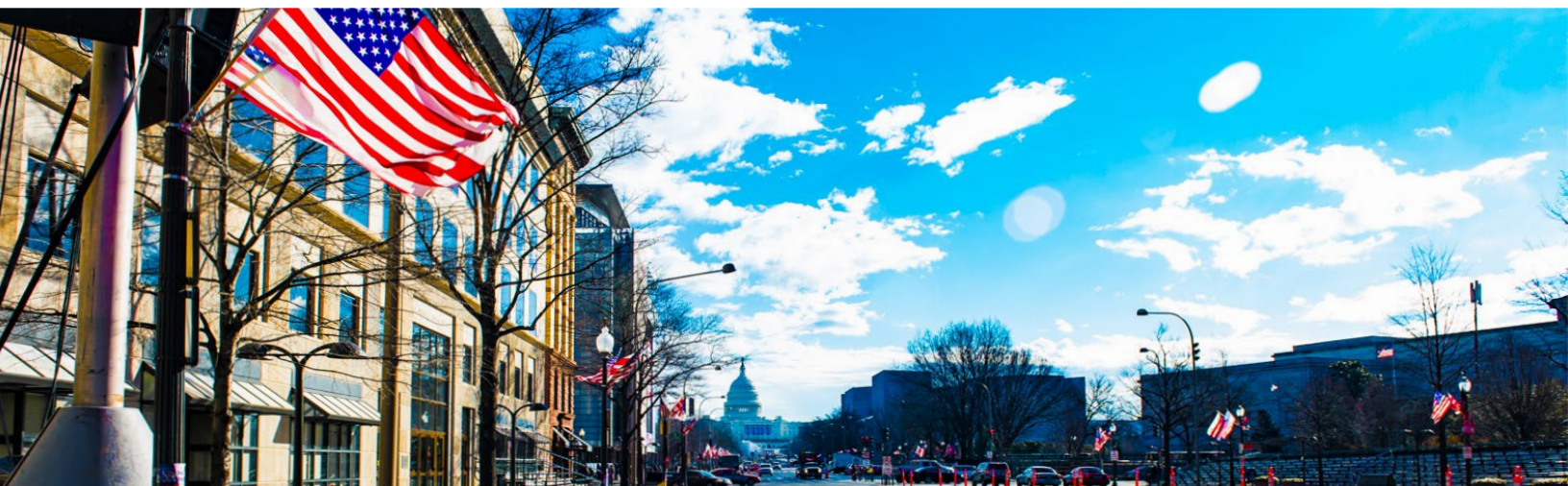


CoLabs, a Tampa-based technology company, is one of the first businesses in the Tampa Bay area to raise capital through the Opportunity Zones initiative. The company has raised \$6.2 million as an Opportunity Zone business and now employs 22 people.

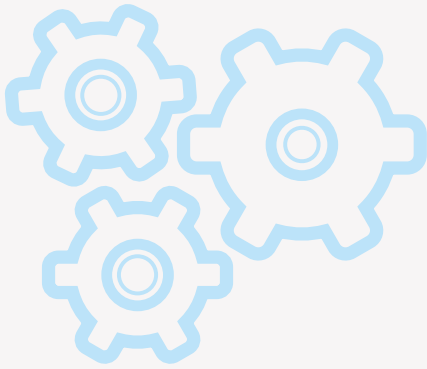
MORE INFORMATION:








prnewswire.com/news-releases/tampa-tech-company-among-first-to-utilize-opportunity-zones-300945001.html







Establish Policy Tools and Incentives

-  Identify desired community outcomes.
-  Establish targeted investments and financial incentives.
-  Identify an authoritative point of contact for local programs.
-  Offer zoning and other regulatory changes.
-  Develop tools and information resources.

It is more effective for tools to be under a community's direct control than to rely on leveraging external programs that may have been designed for some other more general purpose.

In fact, local leaders have the option to establish their own targeted policy tools. See the two resources below for an overview of the steps involved.

RESOURCE

ACCELERATOR FOR AMERICA / NOWAK METRO FINANCE LAB OPPORTUNITY ZONES TRANSFORMATION GUIDE



The Nowak Metro Finance Lab at Drexel University, in collaboration with Accelerator for America, has published specific guidance for cities seeking to establish policies that leverage the most impact from designated Opportunity Zones. The guide includes seven broad principles and ten action steps.

MORE INFORMATION:



drexel.edu/nowak-lab/publications/reports/opportunity-zones

RESOURCE

URBAN INSTITUTE COMMUNITY IMPACT ASSESSMENT TOOL



This online tool is designed to help stakeholders assess the potential social impact of Opportunity Zone projects using evidence-based indicators. Local leaders can use this resource to target support to projects that would yield the highest community benefits.

MORE INFORMATION:



urban.org/oztool



IDENTIFY DESIRED COMMUNITY OUTCOMES

The process of developing local policy instruments must begin with identifying the desired community outcomes. Examples of possible outcomes include growth in specifically targeted industries or sectors; promotion of entrepreneurship among community residents; equity and inclusion in local hiring; blight reduction; Brownfield activation; low-income housing development; and prevention of displacement. These outcomes are not mutually

exclusive, but the priorities of a given community will shape the development of the most effective local policy interventions. Some of the needs identified in the “Understand” action step will serve to pinpoint the highest-priority outcomes for QOF investments. In other cases, communities should work backward from assessment tools, as in the resource below.

RESOURCE

THE GOVERNANCE PROJECT

The Governance Project has published a helpful overview of the steps local leaders can take to move from vision and needs to reality by mobilizing all community resources, focusing on priority projects, and developing financing models that allow the progression of targeted projects into specific investment deals.

MORE INFORMATION:



governanceproject.org/wp-content/uploads/2019/07/TGP_Toolkit.pdf





ESTABLISH TARGETED INVESTMENTS AND FINANCIAL INCENTIVES

States and local governments should leverage existing tools and programs or create new ones to facilitate or better leverage QOF investments. Provided that the desired outcomes for an Opportunity Zone have been identified and agreed upon, the designation offers the opportunity to layer additional, highly targeted incentives at the local level, leveraging the more

general support available from other levels of government and from the private sector, while preserving local government as the government closest to the community. For an example of how Federal support is being used to create a financing tool under local control, see the community spotlight below.

COMMUNITY SPOTLIGHT



YOUNGSTOWN, OHIO



The Mahoning Valley Economic Development Corporation, with a \$1.6 million grant from the Economic Development Administration, will establish a new Revolving Loan Fund (RLF) to support economically disadvantaged entrepreneurs, including minority and women business owners in Opportunity Zones. The RLF will support woman- and minority-owned businesses, as well as other disadvantaged and traditionally underserved populations; promote economic diversification; create jobs; and strengthen the regional economy.

MORE INFORMATION:



businessjournaldaily.com/mvedc-awarded-2m-to-start-revolving-loan-fund/

RESOURCE

CREATION, IMPLEMENTATION, AND EVALUATION OF TAX INCREMENT FINANCING



Additional information on tax increment financing can be found on the Government Finance Officers Association website:

MORE INFORMATION:



gfoa.org/creation-implementation-and-evaluation-tax-increment-financing



Some targeted programs may be modeled after examples from the State level of government; others may come from the traditional municipal toolset, as authorized by State law. Local governments should explore any of the following:

- Use of local financial incentives, such as tax credits and abatements, which can be structured to be contingent on specific community outcomes, such as new job creation or local hiring
- Creation of tax increment financing districts (see resource on previous page and adjacent community spotlight), which can allow improvements within the district to be financed by increased future tax revenues resulting from economic growth
- Reduction of fees for municipal services, which can reduce overall project costs, to promote projects that meet specific local priorities
- Support for local nonprofit job-training programs, which can improve attractiveness for investors as well as opportunities for residents (see adjacent community spotlight)
- Support for local business incubation, which can promote a strong economic ecosystem while also creating opportunities for local entrepreneurs
- Elimination of harmful regulatory barriers that stifle entrepreneurship and innovation

COMMUNITY SPOTLIGHT



OKLAHOMA CITY, OKLAHOMA



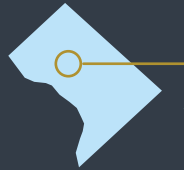
Oklahoma City has established a plan to attract investment to its downtown Opportunity Zone by leveraging local tax incentives. The city's downtown Opportunity Zone overlaps with its tax increment financing district. Furthermore, \$50 million in local funds has been set aside for the purpose of job creation. This funding will allow the city to negotiate additional tax incentives for businesses in return for creating a specified number of new jobs.

MORE INFORMATION:



governing.com/topics/finance/gov-opportunity-zones-extra-incentives.html

COMMUNITY SPOTLIGHT



WASHINGTON, D.C.



Through the Opportunity Zone Justice Accelerator Program, the consulting firm 20 Degrees is helping to stock Washington, D.C.'s Opportunity Zone investment pipeline with operating businesses specifically founded and led by entrepreneurs who previously were incarcerated.

MORE INFORMATION:



wamu.org/story/19/10/01/district-focuses-on-breaking-the-cycle-of-incarceration-with-entrepreneurship



IDENTIFY AN AUTHORITATIVE POINT OF CONTACT FOR LOCAL PROGRAMS

Although generic incentives and services already may exist as part of a locality's economic development apparatus, in the fast-moving and highly competitive environment opened up by the Opportunity Zones initiative, QOF managers and their investors will appreciate knowing that local leaders have fine-tuned these offerings to meet the needs of investors in Opportunity Zones. Potential investors want to know who has quick and accurate answers to their questions about what kinds of leveraging support are available and who is

responsible for delivering those supports. Many cities have created Chief Opportunity Zone Officers as the primary points of contact for the local community, QOFs, and other developers and stakeholders. Whatever title is used, local leaders should designate a specific and authoritative point of contact for such information. In some instances, these positions are funded through foundation support. For an example of a community that created a single point of contact for Opportunity Zones, see the adjacent community spotlight.

COMMUNITY SPOTLIGHT



BALTIMORE, MARYLAND

The Baltimore Development Corporation has created a position to oversee investment in Opportunity Zones.

MORE INFORMATION:



bizjournals.com/baltimore/news/2018/10/15/bdc-names-opportunity-zones-coordinator.html





OFFER ZONING AND OTHER REGULATORY CHANGES

In addition to financial incentives, other functions under local control can affect which projects become easier and more attractive for investors to support and for developers to execute, either as part of a QOF-financed project or as a follow-on investment in community renewal. Examples of regulatory policy changes that localities should explore include the following:

- **Up-zoning**, which allows more bulk or density than was previously permitted in an area without obtaining special approval, thereby making certain projects more financially attractive than they would be otherwise
- Targeted **zoning changes**, which enable uses that might not otherwise be permitted in a neighborhood without going through the process of requesting a zoning variance
- **Expedited permitting and reviews**, which reduce the time and, ultimately, the overall cost of property redevelopment

See the resource and community spotlight below for examples of the role of zoning and regulatory changes in accelerating change in Opportunity Zones. Local control over zoning can allow communities, including those with Opportunity Zones, to attract the most-needed projects.

RESOURCE

URBAN INSTITUTE OPPORTUNITY ZONING



This feature explores how three cities are aligning the Opportunity Zones incentive with land use plans to revitalize neighborhoods.

MORE INFORMATION:



urban.org/features/opportunity-zoning

COMMUNITY SPOTLIGHT



WILMINGTON, DELAWARE

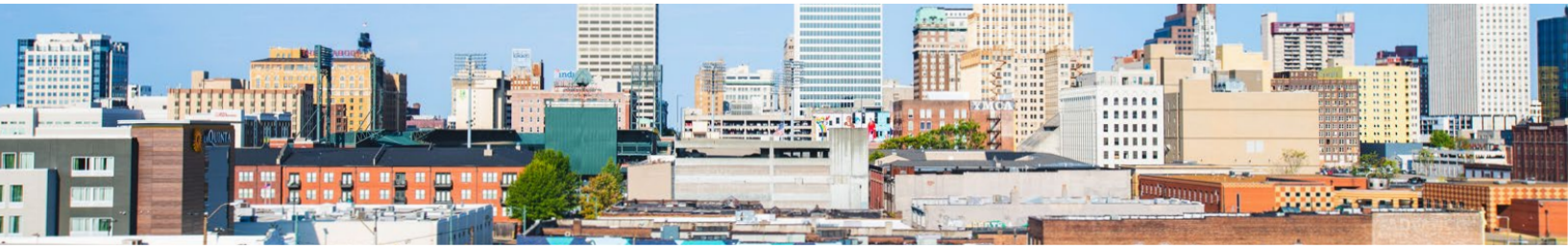


In Wilmington, a change to the city's zoning code made it possible for Second Chances Farm to open an indoor agricultural facility in an Opportunity Zone. As part of its business model, Second Chances Farm provides jobs to ex-offenders seeking to re-enter the workforce. The first cohort of farm employees included 17 men and women.

MORE INFORMATION:



townsquaredelaware.com/2019/11/18/second-chances-farm-dedicates-facility-with-release-of-10000-ladybugs



DEVELOP TOOLS AND INFORMATION RESOURCES

Local leaders should develop information resources that provide investors with information on high-priority, development-ready projects. Many localities already have created investment prospectuses. See the resource below for a comprehensive description of the contents of the typical prospectus.

Other cities have created or participated in online platforms to share information on promising development opportunities in or around Opportunity Zones. For an example of a national platform, see the adjacent resource. For an example of a local platform, see the adjacent community spotlight. Some localities also engage in direct matchmaking between QOFs and owners of property with high potential for adaptive reuse.

Establishing local tools and incentives in alignment with State, Federal, and private resources prepares local leaders for the critical implementation stage: **partnering** for local impact.

RESOURCE

ACCELERATOR FOR AMERICA / NOWAK METRO FINANCE LAB OPPORTUNITY ZONE INVESTMENT PROSPECTUS



These two organizations have collaborated on a comprehensive survey of the first wave of Opportunity Zone Investment Prospectuses. This report describes their findings and recommends ways to leverage the prospectus-writing process.

MORE INFORMATION:



acceleratorforamerica.org/s/Early-Observations-and-Next-Steps.pdf

RESOURCE

THE OPPORTUNITY EXCHANGE



The Opportunity Exchange is a nationwide platform used by several local jurisdictions and economic development groups to match impact-minded Opportunity Zone investors with socially beneficial investment opportunities.

MORE INFORMATION:



theopportunityexchange.com

COMMUNITY SPOTLIGHT



WASHINGTON, D.C.



Washington, D.C.'s Opportunity Zone marketplace is an online platform where project sponsors, fund managers, investors, community members, and professional service providers can connect. The Marketplace allows investors to use an interactive map to easily find investment opportunities in the city's Opportunity Zones.

MORE INFORMATION:



ozmarketplace.dc.gov





Partner with Aligned Organizations



Partner with stakeholders to build the community capital stack.

- Community-based organizations
- Nonprofits and philanthropic organizations
- Anchor institutions
- Industry



Engage residents and local business owners.



Facilitate broader engagement through information-sharing tools and platforms.

Local partnerships are critical for advancing economic development in Opportunity Zones. Local leaders play an important role in creating and strengthening partnerships among public, private, and philanthropic sector stakeholders. Local leaders should also ensure that residents and local

businesses are engaged in Opportunity Zone plans and programs. This engagement will increase the likelihood that Opportunity Zone activities are aligned with the community's highest priorities.





PARTNER WITH STAKEHOLDERS TO BUILD THE COMMUNITY CAPITAL STACK

Building a robust “community capital stack” is key to effectively harnessing the catalytic potential of an Opportunity Zone designation and specific QOF-financed projects. In a narrow sense, the phrase refers to the multiple layers of financing that can be brought to bear on a project within an Opportunity Zone, with some partners providing investment capital and others offering subsidies or other supports that are motivated by public interest. More broadly, the phrase refers to the range of stakeholders who bring nonfinancial capital — such as knowledge, advice, and support — to community development. Building an effective

community capital stack requires the creation and maintenance of strong partnerships across sectors. See the resource below for more information on the role that partner organizations can play in supporting Opportunity Zone projects.

Exhibit 4 illustrates the types of local organizations that can be critical partners in advancing economic development in Opportunity Zones.

RESOURCE

ACCELERATOR FOR AMERICA / NOWAK METRO FINANCE LAB INCLUSIVE OPPORTUNITY ZONES

The Nowak Metro Finance Lab at Drexel University, in collaboration with Accelerator for America, has published its observations about the role that local governments, philanthropies, and Community Development Financial Institutions can play in Opportunity Zone project financing.

MORE INFORMATION:



drexel.edu/nowak-lab/publications/reports/voices-from-the-field





EXHIBIT 4. POTENTIAL COMMUNITY STAKEHOLDERS

COMMUNITY STAKEHOLDERS Stakeholders representing the following groups and organizations can be key partners in advancing economic development in Opportunity Zones.				
RESIDENTS	SMALL BUSINESSES	REAL ESTATE DEVELOPERS	COMMUNITY ORGANIZATIONS	HIGHER EDUCATION
HOSPITALS & HEALTH SYSTEMS	ECONOMIC DEVELOPMENT DISTRICTS	WORKFORCE INVESTMENT BOARDS	CORPORATIONS	INVESTORS

Community-Based Organizations

Community-based organizations (CBOs) in neighborhoods generally focus on providing services to residents, building housing, and advocating for jobs development. These CBOs may or may not have strong relationships with economic development directors at any level of government. Local leaders should work hard to build strong relationships between CBOs and government economic development offices, because partnerships built on mutual trust will empower communities to choose and support activities that best advance equitable and inclusive growth within an Opportunity Zone.

Good communication will unlock government financial resources that can be leveraged, as well as skilled advice from government managers with experience in economic development, workforce training, K-12 education, housing and community development, and public infrastructure investment. Participation by the full range of experts helps align all available resources with the needs of employers and residents within an Opportunity Zone. See the community spotlight below for an example of how statewide economic development efforts are being targeted by community-driven projects.

COMMUNITY SPOTLIGHT



MINNESOTA

The Minnesota Opportunity Collaborative is a partnership that seeks to inspire investment in designated Opportunity Zones. The Collaborative recently launched the Minnesota Opportunity Zone Challenge, a statewide competition for community-focused development projects. The finalists receive cash awards for pre-development support and a free listing in an investment portal to raise funding.



MORE INFORMATION:



communityexchange-mn.com/mn-opportunity-zone-challenge



Nonprofits and Philanthropic Organizations

In areas where robust partnership among sectors does not yet exist, nonprofits and philanthropies can play an important convening role, consolidating and sharing best practices and working together to develop strategies that best fit their designated Opportunity Zones. Regional or statewide nonprofits can bring to bear lessons learned in Opportunity Zones outside of the immediate region, elsewhere in the region, or across the State. Leveraging the convening power of nonprofits could be particularly useful for smaller counties, towns, and rural areas that may not have the internal capacity or expertise to maximize the Opportunity Zones incentive. See the adjacent resource for ideas on how nonprofit lenders can facilitate partnerships.

Anchor Institutions

Anchor institutions — such as colleges, universities, and medical centers — located in or near an Opportunity Zone can undertake many of the following activities:

- Targeting their purchasing operations to support locally based small and medium-sized businesses;
- Offering career ladders to residents who want to retrain and add to their skills;
- Supporting the housing needs and choices of employees at all levels who choose to live in or near an Opportunity Zone;
- Engaging in research on Opportunity Zones, with the side benefit of providing data collection and analytical capability to the local community; and
- Transferring scientific and technical knowledge via formation of startups that can drive vibrant occupancy in a designated Opportunity Zone.
- Finally, educational institutions that teach entrepreneurship to their students can make this same instruction available to community residents who want to build or expand a business within an Opportunity Zone.

See the adjacent community spotlight for an example of an anchor institution that has played a catalytic role in its community's Opportunity Zone.

RESOURCE

IMPACT FINANCE ROLE OF COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS IN OPPORTUNITY ZONES



Scholars at the University of New Hampshire have suggested ways that nonprofit lenders (also known as Community Development Financial Institutions) can play an important role in organizing and facilitating all elements of the capital stack by performing due diligence, filling capital gaps, and using their expertise at syndication.

MORE INFORMATION:



scholars.unh.edu/cgi/viewcontent.cgi?article=1362&context=carsey

COMMUNITY SPOTLIGHT



CLEVELAND, OHIO



In its capacity as an anchor institution, Cleveland's MetroHealth Hospital system is cosponsoring a master plan for the Clark-Fulton neighborhood, in partnership with city government, a local community development corporation, and the Cleveland Foundation. Within this context, the hospital system announced a \$60 million investment in an affordable housing project within the Opportunity Zone that coincides with Clark-Fulton. The project also will include a training center for residents.

MORE INFORMATION:



cleveland.com/business/2019/06/metrohealth-announces-60-million-investment-in-clark-fulton-neighborhood-apartments.html



Industry

Local leaders are making special efforts to engage industry in the community capital stack. Business leaders should be drawn proactively into dialogue about community development. The focus should extend well beyond such financial institutions as banks to include operating businesses in Opportunity Zones, as well as the larger businesses that comprise a citywide or regional chamber of commerce or business partnership. The Opportunity Zones initiative seeks to influence future investments in underserved areas, not just by the specific tenants targeted by a property developer, but by the regional business community as a whole. The more regional industry leaders know about positive developments in an Opportunity Zone, the more likely they are to consider future investments in it. See the adjacent community spotlight for an example of a regional approach to engaging and empowering local industry.

COMMUNITY SPOTLIGHT



OMAHA, NEBRASKA



Prosper Omaha 2.0 is a six-county partnership focused on providing prosperity for all residents through business growth and people- and place-based strategies. Key components for the business growth strategy are building the capacity, innovation and competitiveness of core industries, attracting and building knowledge-based businesses and mentoring a dynamic ecosystem of innovation and startups.

MORE INFORMATION:



omahachamber.org/prosper-omaha/





ENGAGE RESIDENTS AND LOCAL BUSINESS OWNERS

During the course of the Opportunity Zones initiative, community-wide partnerships will be important to the success of neighborhood revitalization efforts that build on Opportunity Zone designations and benefits. Understanding complex systems and making investments constructively requires many different perspectives and players in addition to residents and local business owners.

Working in coalitions can align the vested interests of individual organizations by uniting action and broadening legitimacy through effective community engagement. Local leaders should build formal partnerships that create synergy and enable community support for rapid change and development. See the community spotlights below for a diverse range of examples.

COMMUNITY SPOTLIGHT



BROOKVILLE, INDIANA

A case study of Brookville published by Opportunity Investment Consortium Indiana outlines how this small town (population 3,000) arranged a partnership among a local investor, a local real estate developer, and the State housing finance agency to adapt a historic hotel property into a mixed-income, mixed-use structure.

MORE INFORMATION:



opportunityinvestmentconsortium.com/post/community-leaders-use-opportunity-zones-to-bring-new-life-to-small-town-indiana



COMMUNITY SPOTLIGHT



LITTLE ROCK, ARKANSAS

Little Rock has identified 20 volunteers to serve on the city's Opportunity Zones Task Force. The group will help identify potential projects, understand how other cities have been able to attract Opportunity Zone investments to their communities, and present recommendations to the city and its Opportunity Zone communities.

MORE INFORMATION:



katv.com/news/local/little-rock-mayor-announces-opportunity-zone-task-force-members



COMMUNITY SPOTLIGHT



BIRMINGHAM, ALABAMA

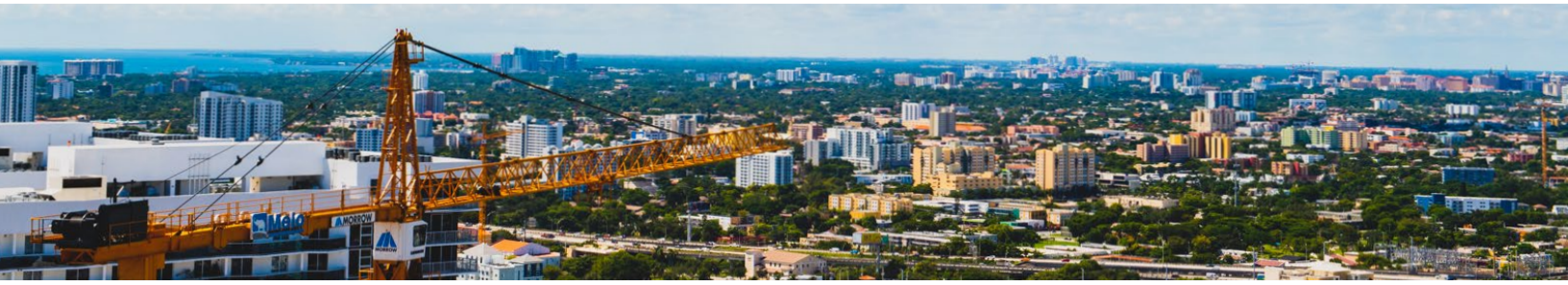
The Birmingham Inclusive Growth (BIG) Partnership is a public-private partnership that aims to elevate the quality of life for the residents of Birmingham's Opportunity Zones. The BIG Partnership incorporates the voice of Birmingham's neighborhoods through a Community Investment Board, which capitalizes on the expertise of national investors and leverages the city's resources to drive inclusive growth.

MORE INFORMATION:



birminghamoz.org





FACILITATE BROADER ENGAGEMENT THROUGH INFORMATION-SHARING TOOLS AND PLATFORMS

Community partnerships that draw on all elements of the capital stack can ensure that the best and most sustainable projects can be financed and brought to successful completion. To make this process work, communication is key. It is important that community partners and investment stakeholders convene regularly to discuss priority projects. Effective engagement requires articulation of a shared vision and demonstrated respect for the time and contributions of all participants. Local leaders in many communities have been taking this approach to proactively share information and build trust. See the two community spotlights below for examples of ongoing engagement and information sharing.

To ensure that local programs and collaborative efforts have the desired outcomes, local leaders should think proactively about how they will **measure** the impact of Opportunity Zone investments and related programs, as discussed in the following step.

COMMUNITY SPOTLIGHT



INDIANA



Funded through the Fifth Third Bank Foundation, managed by the Local Initiative Support Corporation, and with assistance from numerous State agencies, private organizations, and civic entities, Indiana's Opportunity Investment Consortium has created a statewide platform to help connect investors, communities, and projects/companies. The consortium also meets regularly at roundtables to discuss ongoing projects.

MORE INFORMATION:



opportunityinvestmentconsortium.com

COMMUNITY SPOTLIGHT



MOAB, UTAH



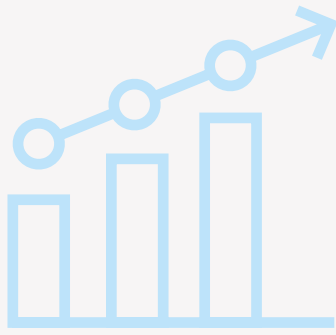
Local leaders in Moab recognized that the development occurring in the city was not addressing some of the most critical needs. The area is seeing increased development in the hotel/motel sector, but local officials emphasized the need for additional housing and childcare to support the growing population. In December 2019, the city hosted a networking event to connect interested investors with diverse and development-ready projects. By engaging investors, developers, and other local partners, the city aims to build the partnerships that will promote targeted development that meets the community's needs.

MORE INFORMATION:



upr.org/post/elected-officials-moab-seeking-development-solutions-help-balance-local-economy





Measure the Impact

- ✓ Identify key indicators and metrics.
- ✓ Collect information on impact over time.
- ✓ Adjust programs and initiatives as necessary.



Depending on the nature of the partnerships struck between Opportunity Zone residents and other components of the community capital stack, it may be important to track different measures of success. Guided by the specific outcomes agreed to at the local level, leaders should plan to measure not just the number and value of QOF-financed investments, but also their direct impacts on employment opportunities and housing stock,

along with the indirect results of community improvements that are stimulated by newly mobilized government resources or by new private investments. Ongoing monitoring allows stakeholders to identify obstacles or opportunities and suggests when changes to the program could produce greater community benefit. See the resource below for a widely agreed-upon set of impact measurement principles.

RESOURCE

BEECK CENTER — PRIORITIZING AND ACHIEVING IMPACT IN OPPORTUNITY ZONES

In collaboration with the Federal Reserve Bank of New York and the U.S. Impact Investing Alliance, the Beek Center for Social Impact and Innovation at Georgetown University has released a framework for thinking about impact in Opportunity Zones.

MORE INFORMATION:



ozframework.org/s/Opportunity-Zones-Reporting-Framework-June-2019.pdf





IDENTIFY KEY INDICATORS AND METRICS

When identifying the most useful metrics to track based on locally agreed-upon goals, leaders should be guided by several broad principles.

Ensure objectivity. To ensure objectivity in measuring and assessing impact, local leaders should explore opportunities to partner with external entities that are not involved in managing the initiative and do not stand to benefit. Colleges, universities, think tanks, and other research organizations may prove reliable, objective, and credible partners for this purpose. Involving an objective partner at the earliest stage will help ensure that reasonable metrics are tracked.

Isolate program impact. The measurement methodology used should go beyond the traditional measurement of change in the value of baseline socioeconomic indicators. A valid measurement must distinguish the impact of the projects from changes in socioeconomic variables that would have occurred in the community even if it had not received benefits from the Opportunity Zones initiative. The net impact of the initiative on the target community may be measured by employing one of the following techniques:

1. comparing the outcomes of the initiative to the outcomes that likely would have occurred had the initiative not been implemented, or
2. comparing the outcomes of the initiative with those of a community that does not have designated Opportunity Zones.





Evaluate the impact outside of the census tract. The designated Opportunity Zone census tracts may be low-income communities or eligible non-low-income community contiguous tracts. Because of the potential economic and social impacts of the project on the neighboring jurisdictions, community planners should consider combining the target census tract with the neighboring contiguous tracts as a combined geography for future outcome evaluation.

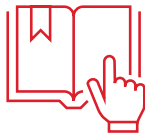
Exhibit 5 shows examples of metrics that can be tracked and assessed for evidence that the Opportunity Zones initiative has had an impact. Of course, the final selection of metrics depends on the community's desired outcomes.

EXHIBIT 5. SAMPLE METRICS FOR MONITORING PROJECT IMPACT



COMMUNITY METRICS

- Median household income
- Ratio of owner-occupied to all occupied housing units
 - Median value of owner-occupied housing units
 - Population growth
 - Poverty rate
- Property vacancy rate



EDUCATIONAL OPPORTUNITY METRICS

- Percent of population 25 years and older with —
- A high school diploma
 - Some college or an associate's degree
 - A bachelor's degree or higher



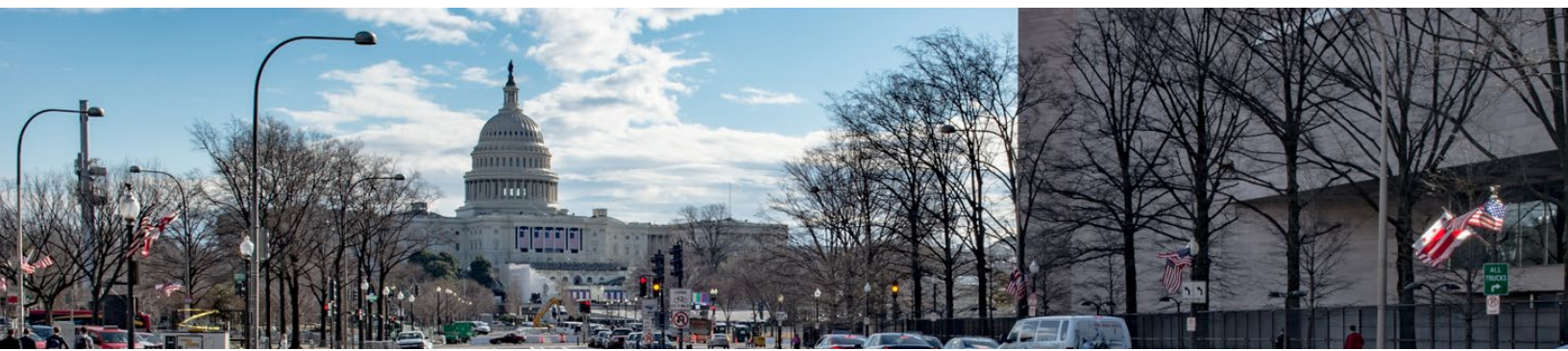
ECONOMIC OPPORTUNITY METRICS

- Job growth
- Unemployment rate
- Median commute time to work



PROGRAM/PROJECT METRICS

- Amount of Opportunity Zone equity invested
 - Total program/project costs
- Number of people and households served by the program/project



COLLECT INFORMATION ON IMPACT OVER TIME

To be useful, an evaluation regime must collect data on a project's impact over time. Local leaders should be aware that Federal agencies are working hard to make data that are useful in this process available.

IRS Form 8996 — Census data provides rich information on a broad range of outcomes of interest. Yet this information has its greatest value if matched to data on QOF investments. IRS Form 8996, used by QOFs to report their activities, promises increasingly useful information over time. In December 2019, the IRS released a revised Form 8996 that now requires QOFs to report on the location, amount, type, and date of their investments. At the time this was being written, the U.S. Department of the Treasury was considering making aggregated data from Form 8996 available to the public in a manner similar to the Statistics of Income Data, which would enable better analysis of impacts from Opportunity Zone activity. For information on Form 8996, and examples of aggregated IRS statistics, see the two resources below.

HUD Opportunity Zone Grant Certification Form — HUD has announced its intention to begin collecting data necessary to assign preference points to applications for grant and technical assistance that address Opportunity Zones. It is likely that some of the data collected will be made public.

One of the five work streams of the White House Opportunity and Revitalization Council is the Measurement work stream, which is led by the Council of Economic Advisers. Federal agencies engaged in this work stream are continually evaluating their own metrics that assess the effectiveness of their actions taken to benefit Opportunity Zones. Localities should stay informed about the work and publications of the Council, which will guide them in evaluating the impacts of the Opportunity Zones initiative on their communities.

RESOURCE

IRS FORM 8996 QUALIFIED OPPORTUNITY FUND CERTIFICATION



Additional information on IRS Form 8996 can be found on the IRS website.

MORE INFORMATION:



irs.gov/forms-pubs/about-form-8996

RESOURCE

STATISTICS OF INCOME DATA



Additional information on the Statistics of Income program can be found on the IRS website.

MORE INFORMATION:



irs.gov/statistics/soi-tax-stats-statistics-of-income



Other public and private information tools — Currently, the authoritative source for data at the level of individual designated Opportunity Zones continues to be the American Communities Survey of the Census Bureau. See the resource below for more information on the American Communities Survey.

Another useful tool is Enterprise Community Partners' Opportunity360 Platform. See the resource below.

Finally, the private sector also is actively engaged in developing tools and resources to support the analysis of Opportunity Zone impacts. For examples, see the two resources on the next page.

RESOURCE

AMERICAN COMMUNITY SURVEY



The U.S. Census Bureau's American Community Survey is considered the definitive source of data on social, economic, housing, and demographic indicators at the census tract level (at which Opportunity Zones are defined). These indicators allow local leaders to measure changes in their communities over time.

MORE INFORMATION:



[census.gov/programs-surveys/acs](https://www.census.gov/programs-surveys/acs)

RESOURCE

ENTERPRISE COMMUNITY PARTNERS OPPORTUNITY360 PLATFORM



OPPORTUNITY360 is an online platform developed by Enterprise Community Partners that offers comprehensive cross-sector data and measurement tools aimed at addressing community challenges. The platform includes an Opportunity Zone Explorer function that allows users to visualize Opportunity Zones geographically and layer the designation with other community economic and demographic data.

MORE INFORMATION:



[enterprisecommunity.org/opportunity360/about](https://www.enterprisecommunity.org/opportunity360/about)

**RESOURCE****CITY BUILDER OPPORTUNITY ZONES DATA**

This web-based platform produced by Citi Ventures aggregates information about Opportunity Zones to increase transparency and access to information. The tool helps investors, fund managers, developers, municipalities, and community members work together on community development projects.

MORE INFORMATION:

citivelocity.com/citybuilder/eppublic/cb

RESOURCE**MASTERCARD OPPORTUNITY ZONES INCLUSIVE GROWTH SCORE™**

This online tool blends open-source public data with a proprietary layer of aggregated and anonymized Mastercard data to develop an Inclusive Growth Score. The Score represents the degree to which the environment, economy, and community in a given Opportunity Zone benefit from equitable growth. When complemented by local knowledge, the Score helps identify opportunities for revitalization and measure the outcomes of investments.

MORE INFORMATION:

inclusivegrowthscore.com/



ADJUST PROGRAMS AND INITIATIVES AS NECESSARY

Remaining up to date through available resources that describe the impacts being seen in an Opportunity Zone will allow local leaders to optimize their efforts to ensure the achievement of measurable community outcomes, not just during the period

when tax benefits are available to QOF participants, but long beyond that as the effects of the community's change efforts continue to be experienced.



Key Takeaways and Additional Resources

The Opportunity Zones initiative offers low-income communities not only the chance to attract private capital through a tax benefit, but also a framework through which to mobilize new resources in support of a broader strategy for community revitalization and renewal that goes well beyond individual QOF-financed projects.

Local leaders can increase the likelihood that Opportunity Zones in their communities are leveraged in the interest of local priorities by taking these broad steps:

- Understand the current environment, including assets, needs, opportunities, and potential partners.
- Align place-based assets and local strategy with both public and private interests that support agreed-on community goals.
- Establish policy tools and incentives that promote local objectives for community and economic development.
- Partner with aligned organizations in the community capital stack to support equitable and inclusive opportunities for all residents and businesses.
- Measure the impact of the overall initiative and its indirect effects objectively, staying current and making adjustments as necessary.

The White House Opportunity and Revitalization Council will continue to refine various Federal funding programs to reinforce QOF investments with surrounding incentives for public and private investment in community-based economic development. To stay current on these changes and improvements, community leaders should consult [OpportunityZones.gov](https://www.opportunityzones.gov), as well as resources such as those listed in the adjacent callout boxes.

RESOURCE

OPPORTUNITY ZONE MAGAZINE



OpportunityZone.com, a conference producer, offers a free subscription to Opportunity Zone magazine.

MORE INFORMATION:



opportunityzone.com/magazine/

RESOURCE

KPMG OPPORTUNITY ZONES TECHNICAL RESOURCES



The accounting and professional services firm KPMG publishes technical resources on the Opportunity Zones initiative. Examples include the following:

MORE INFORMATION:



Opportunity Zones: Unlock New Opportunities

home.kpmg/content/dam/kpmg/us/pdf/2019/09/opportunity-zones.pdf



Qualified Opportunity Zones: An Economic Developer's Playbook (prepared for the Louisiana Economic Development Corporation)

opportunitylouisiana.com/docs/default-source/default-document-library/led---qoz---ed-playbook---final-1.pdf?sfvrsn=d9ba505_0





In partnership with the White House
Opportunity and Revitalization Council

May 2020