

**Opportunity Zones Best Practices Report to the President
from
The White House Opportunity and Revitalization
Council**

May 2020

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Letter to President Donald J. Trump

Dear Mr. President,

On December 12, 2018, you signed Executive Order 13853, thereby establishing the White House Opportunity and Revitalization Council (Council), to support your Administration’s pledge to encourage public and private investment in urban and economically distressed areas, including Opportunity Zones.

On behalf of the Council, we are pleased to issue this report, which includes case studies and best practices observed by the Council across the country. There are inspiring stories happening in real time, with action being taken by State governments, local governments, Qualified Opportunity Funds, public-private partnerships, and others to spur revitalizing investments in the areas of most need. This report will prove to be especially helpful and encouraging to communities as they continue to admirably fight the invisible enemy known as COVID-19.

Since the Council’s one-year report was issued in December of 2019, we have taken approximately 80 additional action items to promote the mission of Opportunity Zones. Rest assured that the work of the Council member agencies will continue beyond this report, and as we move forward enthusiastically to support the forgotten men and women of America, we thank you for your continued commitment to the powerful mission of Opportunity Zones.

Sincerely,



Benjamin S. Carson, Sr.
Secretary
U.S. Department of Housing
and Urban Development



Brooke Rollins
Director, Domestic Policy
Council
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Scott Turner
Executive Director
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Foreword

The Opportunity Zones initiative is not a government program. It is a once-in-a-generation initiative to lift Americans out of poverty and bring economic and community revitalization to the areas that need it most, particularly during the COVID-19 pandemic.

Created under the 2017 Tax Cuts and Jobs Act (TCJA), Opportunity Zones comprise 8,764 census tracts, nominated by State and Territorial executives and certified by the U.S. Department of the Treasury. The Opportunity Zones tax incentive is designed to spur economic development and job creation in these communities through preferential tax treatment for those investing certain eligible capital gains into Opportunity Zones through Qualified Opportunity Funds.

The White House Opportunity and Revitalization Council (Council), established by President Donald J. Trump through the signing of Executive Order 13853 on December 12, 2018, was formed to carry out the Administration's plan to encourage public and private investment in urban and economically distressed areas, including Opportunity Zones. Chaired by the Secretary of the U.S. Department of Housing and Urban Development (HUD), Benjamin S. Carson, Sr., and led by Executive Director Scott Turner, the Council includes 17 Federal agencies and Federal-State partnerships. In April 2019, the Council released its Implementation Plan, assigning member agencies to specific work streams and tasking each with certain objectives. Last year, the Council presented to President Donald J. Trump its one-year report, which summed up the 180 subregulatory and regulatory action items taken by Council member agencies through December 2019, to encourage public and private investment in urban and economically distressed areas, including Opportunity Zones; and help State, local, and tribal governments to better identify, use, and administer Federal resources in these areas. The one-year report to President Trump also made 43 additional subregulatory, regulatory, and legislative recommendations.

This is the third report issued by the Council as required under Executive Order 13853, and outlines best practices that could be integrated into public and private investments in urban and economically distressed communities, including Opportunity Zones, in order to increase economic growth, encourage new business formation, and revitalize communities.

Qualified Opportunity Fund investments defy easy categorization. Just more than two years since passage of the TCJA, the Council has seen Opportunity Zone investments in housing, grocery stores, energy, retail establishments, agriculture, entertainment, technology, farming, and more. Many of these investments are uniquely tailored to fit the needs and potential of particular communities.

The Council applauds efforts to engage a wide range of stakeholders in the planning and coordination around Qualified Opportunity Fund investments, and to share widely the accumulation of knowledge and experience that has emerged from the early years of the Opportunity Zones incentive. Within the public sector, many communities are working diligently to plan for investments, pair complementary incentives with the Opportunity Zones incentive, and unite in common pursuit of the investments that best match the needs of individual communities. In the private sector, significant efforts are made to include relevant stakeholders, conduct research about neighborhoods seeking investment, and invest in projects that provide tangible benefits to members of the community. Nonprofits and other local community organizations are also intimately involved in the Opportunity Zones space at-large and have developed best practices of their own. The Council particularly encourages engagement with Community Development Financial Institutions (CDFIs) in the Opportunity Zones space. These private financial institutions

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are important to underserved communities in job and wealth creation. A report produced in March 2019 by Charles Tansey and Michael Swack of the Center for Impact Finance at the University of New Hampshire explored the potential for CDFI involvement in the Opportunity Zones initiative, discussing not only strategies for partnerships, but also the challenges facing CDFIs as they navigate a market guided by private sector investors.¹



Secretary Carson, Executive Director Turner, and HUD Region IV Administrator Denise Cleveland-Leggett hold a roundtable with community leaders in Birmingham, Alabama.

Within the Council's work streams, Federal agencies were tasked with measuring and reporting the effects of their completed action items. Those four work streams are Economic Development, led by the Department of Commerce; Entrepreneurship, led by the Small Business Administration; Safe Neighborhoods, led by the Department of Justice; and Education and Workforce Development, led by the Departments of Education and Labor. From April 2019 (when the work streams were established through the Council's Implementation Plan) to April 2020, the relevant agencies have taken 261 regulatory and sub regulatory actions to align Federal policies and programs with the mission of Opportunity Zones. For example, HUD reduced multifamily mortgage insurance application fees for projects in Opportunity Zones, and as of Spring 2020 had received 42 applications (that will create thousands of multifamily housing units) that received these reduced fees. Likewise, the Economic Development Administration (EDA) at the Department of Commerce amended its grant eligibility and scoring criteria to better target Opportunity Zones. As a result, from the passage of the Tax Cuts and Jobs Act to January 2020, EDA invested nearly \$347 million in 239 projects in or near Opportunity Zones across the United States. The Council member agencies will continue to measure the successes of their various activities that affect Opportunity Zones, with the intention of regularly updating the public via the "OpportunityZones.gov" website.

The Council's measurement work stream, the fifth work stream, is working to track the effects of investments in Opportunity Zones and will produce its own report in Summer 2020. Using the best available data, the measurement work stream, led by the Council of Economic Advisers (CEA), will quantify existing and expected investment in Opportunity Zones and its effects on communities. This will include tracking how much capital has been raised by Qualified Opportunity Funds and how much has been invested in businesses in particular Opportunity Zones. The Council will analyze social and economic indicators in Opportunity Zones and other distressed communities to determine which investments have produced the greatest positive changes in the lives of existing

¹ Tansey, Charles, and Michael Swack. "The Potential Role for CDFIs in Opportunity Zones." University of New Hampshire Carsey School of Public Policy, March 2019. <https://scholars.unh.edu/cgi/viewcontent.cgi?article=1362&context=carsey>.

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residents. Additionally, the measurement work stream will compare outcomes in designated Opportunity Zone census tracts and eligible but not designated census tracts to gauge the impact of the Opportunity Zones incentive.

State and local governments also have experience in measuring the outcomes of economic and community development efforts, and many have demonstrated this experience through focusing attention on their Opportunity Zones.

Best practices require transparency, accountability, and integrity. In this regard, one important component of Opportunity Zone best practices involves the voluntary reporting of Qualified Opportunity Fund activity. Opportunity Zone residents, community leaders, elected officials, educational institutions, religious institutions and charities, foundations, and existing local businesses should be deeply involved in community revitalization, and each has important tools to draw upon. One such voluntary reporting framework comes from the U.S. Impact Investing Alliance and the Beeck Center for Social Impact and Innovation at Georgetown University, which in February 2019 introduced a set of principles to guide Opportunity Zone investors and potential investors in proactively sharing best practices and in building the Opportunity Zones market to ensure positive economic and social outcomes for all Opportunity Zone communities. This framework has been voluntarily adopted by various Qualified Opportunity Funds. The Council encourages all Opportunity Zones stakeholders to continually consider additional ways to measure investment.

This report is written with the goal of identifying those best practices in the public, non-profit, and private sector that provide the greatest benefit to the fifty-two million Americans who live in economically distressed areas, including the thirty-five million who reside in Opportunity Zones.

Introduction

This report is organized into five sections.

First, the Council explores the best practices of local governments, which are fundamental to the Opportunity Zones space. The report makes references to Volumes One and Two of the Council's Community Toolkit, which are available on the "OpportunityZones.gov" website (the Federal Government's online platform that offers comprehensive information for all Opportunity Zones stakeholders). This website provides information about communities that have developed Opportunity Zone prospectuses, which are a key ingredient in formulating an Opportunity Zones strategy. It also identifies examples of Opportunity Zone-focused regional collaboration, which is a critical piece of State and local economic development approaches.

This first section of the report also includes information about community roundtables and listening sessions during which community residents' voices are heard. It further identifies several cities that have emerged as national leaders in the Opportunity Zones space. The best practices of local governments include utilization of existing community infrastructure and anchor institutions in accordance with revitalization strategies, and removal of unnecessary barriers to construction. This section additionally provides examples of projects that had been planned for years but had languished until the Opportunity Zone designations came into being. The report looks beyond Qualified Opportunity Fund investments and considers the ways that Opportunity Zone communities have leveraged their designation for other types of investment as well. Also key is the outlining of best practices for tribal communities striving to leverage their status as Opportunity Zones and attract needed investment.

Second, the report identifies numerous examples of State-level actions to benefit Opportunity Zones. The report identifies legislation and executive actions States have taken to aid the Federal Opportunity Zones mission. The report further discusses the efforts of State agencies to become involved in the Opportunity Zones space, including through contests and competitions; and outlines ways that State-specific actions regarding Opportunity Zones have created certainty and stability for investors. The second section also features examples of State websites that offer a "matchmaking service" between investors and entrepreneurs in Opportunity Zones. Each State's Opportunity Zones-related website link can be found on the "OpportunityZones.gov" website.

Third, this report explores how foundations and other nonprofits have made an impact across Opportunity Zones; offering examples of national foundations with billions of dollars in assets that provide support to Opportunity Zone communities and investors who seek to make a positive social and economic impact. It also offers examples of charitable organizations that are focused on issues within the Council's work streams—issues like reentry for those who have served time in prison; housing affordability for those who are cost-burdened; and mentorship for at-risk youth.

The third section also highlights best practices of private financial institutions that have devoted considerable resources towards establishing unique and innovative tools that can help drive investment in Opportunity Zones and benefit communities across economically distressed areas, whether they be rural, urban, suburban, or tribal. For example, MasterCard's Center for Inclusive Growth has developed a toolkit that reveals insights into the current state and potential for inclusive growth in Opportunity Zones across the country. Likewise, Citi has launched a data-driven platform to support Opportunity Zone investments by aggregating key social information about different Opportunity Zones. The report also references the teams that competed in the Census

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Bureau's 2019 Opportunity Project, which asked private sector leaders to help catalyze investments in Opportunity Zones through the development of apps, tools, and other digital products that made use of existing Federal data.

Fourth, this report dives into best practices for Qualified Opportunity Funds—the private sector engine of the Opportunity Zones initiative. This report provides overviews of specific deals across the country. This section considers different geographies, varying industries, and multiple ways that private sector investors have interacted with public sector counterparts, emphasizing examples of Opportunity Zone investments that correlate with the mission of the Council's different work streams. Readers will discover how Qualified Opportunity Fund capital can be paired with other elements of a given capital stack and how those utilizing this new tax incentive can also leverage existing incentives for revitalization.

Fifth, the report analyzes the various ways that Opportunity Zone capital can be paired with other Federal resources. It traces many of the individual agencies that comprise the Council and focuses on the relevant work streams that drive the Council's activities. There are case studies that describe the pairing of Qualified Opportunity Fund capital with Federal grants and outline how Federal resources have been used to host roundtables and workshops focused on the Opportunity Zones initiative. The report dives into some of the data that agencies have collected thus far. For example, this section discusses ways that the Opportunity Zones efforts of the U.S. Department of Agriculture (USDA) have helped bring broadband to underserved areas; how EDA grants have allowed rural tribal communities to welcome more tourists and fishermen; and the potential for better health outcomes experienced by Opportunity Zone residents via U.S. Department of Health and Human Services (HHS) grants. This section also highlights tools developed by Federal agencies for the purpose of benefitting Opportunity Zones through the sharing of information—such as EDA's web-based tool, developed in partnership with Indiana University and its Kelley School of Business, and an interactive map by the U.S. Department of Transportation (DOT) that highlights Federal investment in major infrastructure projects located in and around Opportunity Zones.

This report closes by discussing Federal and private data resources for analysis by researchers and decision making for investors, communities, and policymakers. In its conclusion, the report looks both backward and forward. It assesses the current state of Opportunity Zone revitalization across America, and outlines what must be done to protect and expand the progress that has been made. The report also makes clear that one of the important features of the Opportunity Zones incentive is its decentralized nature. Thus, the Council is not in a position to identify every single best practice, and this report should not be construed as an all-inclusive or exhaustive list of best practices and case studies. Most critical to remember is that the Opportunity Zones incentive will be successful only if the voices of each community and existing residents are heard.

The Council does not endorse any particular project, nor does it feign to have all the answers. The Council, through this report, seeks to offer general guidelines about key elements of the Opportunity Zones initiative that have emerged as best practices in this new and vibrant marketplace. As the Council continues to work to spur revitalization throughout America, all stakeholders are encouraged to visit the "OpportunityZones.gov" website, and to share their ideas widely to ensure that the most people have knowledge of effective revitalization strategies.

Best Practices and Case Studies: Local Governments

Local governments are best positioned to know the unique strengths and needs of their communities. In this regard, the Council encourages local jurisdictions to consider the ways that they can benefit their Opportunity Zones, making use of every available tool. One-size-fits-all strategies will not work in the Opportunity Zones space, but the Council highlights the following examples of local approaches that, depending on the community, may be worth adopting in other parts of the country. Local leaders are encouraged to review Volumes One and Two of the Council's Community Toolkit, available on the "OpportunityZones.gov" website.

Birmingham, AL

Birmingham (Alabama) Mayor Randall Woodfin in April 2019 announced the Birmingham Inclusive Growth (BIG) Partnership, which "is focused on identifying and funding Opportunity Zone projects that offer goods and services needed by [Birmingham's] community."² The partnership includes an Investment Board, comprised of business leaders, which oversees the privately managed Public Benefit Organization. The Community Investment Board, another element of the partnership, is made up of community civic leaders and helps ensure that residents' voices are heard. The partnership seeks both to improve the quality of life for Birmingham residents and to help generate impressive returns for investors. The partnership promotes the city's Opportunity Zones and hosts a website that features current investment opportunities, focusing on those with strong community impact. In addition to representing the city's opportunities to investors, the BIG partnership also trains individual Birmingham residents on the specifics of the Opportunity Zones initiative. Joined by Opportunity Alabama, a nonprofit that helps connect investors with projects in all Alabama Opportunity Zones, the BIG Partnership "will train 500 residents on the fundamentals of Opportunity Zones" by June 2020.³ The careful, deliberate strategy of Birmingham is already paying off: the American Life Building had been sitting vacant for 36 years, but, thanks to the Opportunity Zones incentive and the BIG Partnership, a private investor is turning the building into 140 workforce housing units—five of the units will be reserved for rental at no-cost through The Dannon Project (a local nonprofit that provides workforce development and other services for underemployed and unemployed residents).⁴

Erie, PA

The City of Erie (Pennsylvania) has set a strong example with its Opportunity Zones efforts. Key elements of the city's approach include the Erie Regional Chamber and Growth Partnership, as well as the Erie Downtown Development Corporation (EDDC). The former considers itself "the voice of the business community providing advocacy and access to people, information, and education."⁵ The EDDC was formed by leaders in business, philanthropy, and the community in 2017 and moved quickly to take advantage of the Opportunity Zones legislation. Its mission is to "transform the City

² "Mayor Randall Woodfin Announces Innovative Public-Private Initiative to Help Develop Birmingham's 24 Opportunity Zones." Birmingham City Council, April 12, 2019. <https://birminghamal.gov/2019/04/12/mayor-randall-woodfin-announces-innovative-public-private-initiative-to-help-develop-birminghams-24-opportunity-zones/>.

³ Ibid.

⁴ Tomberlin, Michael. "24 Million American Life Building Renovation Kicks off Birmingham's Opportunity Zones Initiatives." Alabama Newscenter, April 12, 2019. <https://www.alabamaneewscenter.com/2019/04/12/24-million-american-life-building-renovation-kicks-off-birminghams-opportunity-zone-initiatives/>

⁵ "About the Flagship Opportunity Zone." Flagship Opportunity Zone, August 12, 2019. <https://www.flagshipopportunityzone.com/about>.

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of Erie's downtown core and spark revitalization across the region."⁶ Part of these efforts has been the raising of significant gap-financing to support Opportunity Zone deals. Additionally, the region's largest employer has created a \$50 million Qualified Opportunity Fund, with the support of these local entities. Both organizations have partnered with MasterCard's Center for Inclusive Growth and KPMG to track, measure and quantify accurately the economic and societal impact of Opportunity Zone investments. In January 2019, the Erie Regional Chamber and Growth Partnership created the Flagship Opportunity Zone Development Company to develop impactful projects for the City of Erie. In February 2020, they produced the *White House Reinvestment Roadmap*, which, among other things, identifies available Federal grant opportunities and seeks to demonstrate its capacity to pair public and private investment. This document builds upon Erie's investment prospectus, which in October 2018 became the first municipal-level prospectus designed to market a jurisdiction to Opportunity Zone investors.

Charleston, SC

In December 2019, the Charleston (South Carolina) City Council voted to leverage Federal Opportunity Zone incentives to stimulate the development of affordable housing by crafting local rules that automatically qualify Opportunity Zone affordable housing projects for "an unlimited level of residential density, lower parking requirements, and leeway that allows [developers] to spend less time getting approvals with the city," according to the city's Director of Planning, Preservation, and Sustainability.⁷ This exemplifies the pairing of local incentives with Federal incentives, as well as a city taking steps to incentivize Opportunity Zone investment to meet its specific needs.

Lafayette, LA

The City and Parish Councils of Lafayette (Louisiana) in February 2020 jointly approved property tax breaks for two projects benefiting from Federal Opportunity Zone designation and the State's Restoration Tax Abatement program.⁸ The abatement program freezes property taxes at prerenovation levels for at least five years. This action exemplifies how localities can include Opportunity Zones as areas that can benefit from existing local revitalization efforts.

Kannapolis, NC

The City of Kannapolis (North Carolina) has created a downtown revitalization plan that has facilitated new investments, including a minor league baseball stadium and a mixed-use development that is expected to open in 2021.⁹

Atlanta, GA

In March 2019, InvestAtlanta, the economic development arm for the City of Atlanta (Georgia), developed a comprehensive prospectus and has since hosted multiple learning sessions that discuss Opportunity Zones. Events have taken place in November 2018, May 2019, and June 2019,

⁶ "A City Ready for Change." Erie Downtown Development Corporation. Erieddc.org/why.

⁷ Ellison, Heath. "Charleston Initiative Aims to Incentivize Affordable Housing Development in Opportunity Zones." *Charleston City Paper*, January 28, 2020.

<https://www.charlestoncitypaper.com/TheBattery/archives/2020/01/28/charleston-initiative-aims-to-incentivize-affordable-housing-development-in-opportunity-zones>.

⁸ Myers, Ben. "Lafayette Councils Approve Property Tax Breaks for Opportunity Zone Projects." *The Acadiana Advocate*, February 4, 2020. https://www.theadvocate.com/acadiana/news/article_38d5afca-47b2-11ea-a884-e756a34fe56c.html.

⁹ "Kannapolis Downtown Revitalization Project, March 2020 Update." Kannapolis, NC, <https://www.kannapolisnc.gov/revitalization>.

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among other dates.¹⁰ The city's "Opportunity Zones and Special Initiatives" manager has traveled nationwide sharing best practices with his counterparts from other parts of the country. This is building momentum for Atlanta's 26 Opportunity Zones and elevating the city in front of investors and other audiences.

Cleveland, OH

Backed by the City of Cleveland (Ohio), Opportunity CLE has set aside \$50 million worth of loans for Opportunity Zone projects. Representing Cuyahoga County's 64 Opportunity Zones, the organization has an online portal that links entrepreneurs to potential investors and institutional partners. The group grades Opportunity Zone projects on a scorecard based on job creation, affordable housing built, engagement of the local workforce, and impact on underrepresented communities.¹¹ One current development (The Tappan project) will build 95 affordable housing units with a first-floor bakery and is estimated to create more than 100 new jobs.¹²

Philadelphia, PA

The City of Philadelphia (Pennsylvania) maintains an Opportunity Zones Steering Committee that includes the Planning and Development Department, the Commerce Department, and PIDC (Philadelphia's public-private economic development corporation). Philadelphia Delivers, involved in City's economic development efforts, encourages investors "to align with [its] inclusive growth goals" through a focus on the creation of new jobs, the training of local workers, the development of affordable and mixed-use properties, and the expansion of access to important new "goods, services, and facilities lacking in some neighborhoods today."¹³ The website contains tools through which investors can learn about particular neighborhoods' needs.

Little Rock, AR

Little Rock (Arkansas) Mayor Frank Scott Jr. named 20 volunteers in August 2019 to serve on the City's Opportunity Zones Task Force.¹⁴ The group will help to identify potential projects, learn from other communities, and share recommendations and best practices. Volunteer-led Opportunity Zones outreach efforts of the general public can play a key role in formulating successful strategies, helping bridge the gap between Opportunity Zone investors, developers, and the general public.

Pine Bluff, AR

Rural communities can benefit greatly from community input regarding the Opportunity Zones incentive. The Pine Bluff (Arkansas) City Council passed an ordinance to form a task force of community leaders to lead its Opportunity Zone strategy. The task force includes key stakeholders

¹⁰ "Atlanta Drives the Conversation Around Equitable Federal Opportunity Zone Investment." InvestAtlanta, June 12, 2019. <https://www.investatlanta.com/impact-insights/atlanta-drives-the-conversation-around-equitable-federal-opportunity-zone-investment>.

¹¹ Suttell, Scott. "Opportunity CLE is in the Vanguard of Opportunity Zone Community Organizations, Forbes Says." Crain's Cleveland Business, December 12, 2019. <https://www.crainscleveland.com/scott-suttell-blog/opportunity-cle-vanguard-opportunity-zone-community-organizations-forbes-says>.

¹² Grzelewski, Jordyn. "Tremont Project The Tappan Would Include Apartments, First-floor Bakery on Scranton Road." Cleveland.com, February 8, 2019. <https://www.cleveland.com/business/2019/02/tremont-project-the-tappan-would-include-apartments-first-floor-bakery-on-scranton-road.html>.

¹³ "The City of Philadelphia Works With Its Partners, Local Businesses, Community Members, and Investors to Drive Inclusive, Equitable Growth in Our Neighborhoods." Philadelphia Delivers. <https://www.philadelphiadelivers.com/opportunity-zones>.

¹⁴ KATV. "Little Rock Mayor Announces Opportunity Zone Task Force Members." KATV, August 9, 2019. <https://katv.com/news/local/little-rock-mayor-announces-opportunity-zone-task-force-members>.

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from the City’s anchor institutions.¹⁵ Upon the creation of the task force, one item discussed was the possibility of crowdfunding that allows small investors to participate fully in the Opportunity Zones incentive, an innovative approach that can lead to improved outcomes for all stakeholders.

The Council also takes note of the importance of local governments and other stakeholders working together on their own to develop best practices; one such example is Accelerator for America, a nonprofit organization that has helped more than 60 communities develop Opportunity Zone investment prospectuses.¹⁶

Other examples include the efforts of the Acadiana Region in Louisiana, which includes 25 Opportunity Zones and has aggressively moved to connect private investors to State, local, and Federal agencies to deploy capital and tax incentives to spur economic growth in the region; and Opportunity Appalachia, headquartered in Christiansburg, Virginia, which is bringing Opportunity Zone investments to coal country. Appalachian Community Capital, a Community Development Financial Institution, is investing \$7.5 million of Qualified Opportunity Fund capital in 15 targeted Opportunity Zone communities across Southern Ohio, West Virginia, and Southwest Virginia, structuring investments in 15 businesses and real estate projects that support strategies for economic restructuring and diversification, which will create an estimated 700 or more jobs—10 percent of which are projected to be for persons in recovery from substance misuse.

Investment priorities include projects focusing on downtown development, manufacturing, IT, healthcare, education, food systems, clean energy, heritage tourism, and recreation. The Council encourages this regional collaboration between State and local jurisdictions.

¹⁵ Parks, Austin. “Local Leader Takes Action on Opportunity Zones.” Smart Growth America, February 7, 2019. <https://smartgrowthamerica.org/local-leader-takes-action-on-opportunity-zones/>.

¹⁶ “What we provide.” Accelerator for America: Economic Development. <https://www.acceleratorforamerica.org/economic-development>.

Best Practices and Case Studies: State Governments

LEGISLATIVE ACTION

The States and Territories have been called the laboratories of American democracy. In the context of a decentralized tax incentive like Opportunity Zones, the possibilities for State governments to enhance the Opportunity Zones initiative are especially significant. States have various tools through which they can effectuate actions that benefit their communities located within Opportunity Zones.

In the time since the executives of States and Territories selected their Opportunity Zones, numerous States and Territories have enacted legislation to magnify the effects of Opportunity Zone investment for residents of underserved communities, and to make investment in their Opportunity Zones even more attractive to Qualified Opportunity Funds. Legislative actions regarding Opportunity Zones can help provide certainty for communities and investors alike and can improve a State's or Territory's competitive position relative to its neighbors.

Maryland

In 2019, the Maryland legislature passed and Governor Larry Hogan signed Senate Bill 581, the More Jobs for Marylanders Act.¹⁷ This legislation, among other things, established the Opportunity Zone Enhancement Program under the State Department of Commerce. It authorizes financial assistance from the Department of Housing and Community Development to certain business and revitalization projects in Opportunity Zones; authorizes certain growth-related projects without the approval of the Board of Public Works; allows a credit against the State income tax for certain qualified workforce housing in Opportunity Zones; and establishes the Qualified Workforce Housing Tax Credit Reserve Fund. The income tax credit for Qualified Opportunity Zone Businesses that qualify is capped at \$5,125,000 for Level 1 Opportunity Zone Enhancement and \$5,500,000 for Level 2 Opportunity Zone Enhancement. These businesses qualify for Level 1 requirements if they provide specified information to the Department of Commerce. They qualify for Level 2 requirements if they meet Level 1 requirements and maintain accountability to residents of Opportunity Zones through their representation on a governing board or advisory board of the business; or negotiate a community benefits agreement. The legislation also includes transparency measures.

Alabama

In 2019, the Alabama Incentives Modernization Act (AIM Act) was signed into law by Governor Kay Ivey.¹⁸ This legislation is designed to foster impact-oriented Opportunity Zone investments by offering aligned State-level capital gains tax breaks, potential State investment dollars, and new impact investment tax credits to de-risk investments. Qualified Opportunity Fund managers apply to the Alabama Department of Economic and Community Affairs (ADECA) to become an "approved Opportunity Fund." To be approved, the Qualified Opportunity Fund must have a steady pipeline of impactful Opportunity Zone projects that hold the support of the community. Upon approval, investors will qualify for the same State capital gains benefits as they receive at the Federal level. After approval, Qualified Opportunity Fund managers may seek investment from one or more of ten

¹⁷ LegiScan. 2019. "Maryland Senate Bill 581." Accessed February 28, 2020, <https://legiscan.com/MD/bill/SB581/2019>.

¹⁸ Opportunity Alabama, "A huge win for Alabama opportunity zones: Governor Ivey signs impact-based oz tax credit program into law," accessed February 28, 2020, <https://opportunityalabama.com/2019/06/07/aimact/>.

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State-controlled funds established by the AIM Act, which are permitted to invest at least 3 percent of their principal in these approved Opportunity Funds. Finally, the Act sets up \$50 million of “impact investment tax credits,” which can be accessed by investors through a project agreement with ADECA. These credits can be claimed only if an investment underperforms expectations—helping to de-risk investments in the areas most in need of revitalization.

Ohio

The State of Ohio also enacted new Opportunity Zone tax incentives. Governor Mike DeWine’s Fiscal Year 2020 operating budget includes a 10 percent nonrefundable income tax credit for those investing in Ohio Opportunity Zones.¹⁹ This credit is equal to 10 percent of capital gains, up to \$1 million, into Qualified Opportunity Funds that operate within Ohio. There is a \$50 million cap on the total allocation of credits for the fiscal biennium. This cap ensures that investors will move quickly to take advantage of the enhanced benefits.

Rhode Island

Rhode Island has taken an innovative approach to promoting its Opportunity Zones. The 2020 State budget conforms its tax laws to the Federal Opportunity Zones incentive and includes a provision allowing investors to take full advantage of the capital gains break, at the State level, after seven years of holding an Opportunity Zone investment.²⁰ The State Department of Commerce estimates that this additional benefit would make Rhode Island approximately 27 percent more competitive on an investment held for seven years. For investors needing to adapt to changing circumstances and looking to exit a deal after seven years but before ten years, this provision ensures that they still receive at least State-level capital gains benefits.

Louisiana

The State of Louisiana has adopted legislation to enhance benefits for Opportunity Zone communities and investors. Act 251 enables eligible Opportunity Zone business properties to participate in the Restoration Tax Abatement (RTA) program, which provides an up-to ten-year abatement of property taxes (ad valorem) on renovations to and improvements of existing commercial structures and owner-occupied residences.²¹ This legislation is but one example of an effective pairing between the Opportunity Zones incentive and another State-level tax incentive.

West Virginia

West Virginia House Bill 113, signed by Governor Jim Justice, establishes a significant new tax incentive for businesses that invest in the State’s Opportunity Zones.²² It allows businesses in West Virginia to subtract from their Federal adjusted gross income an amount equal to the net income that is directly derived from Qualified Opportunity Zone Businesses in the State, effectively eliminating State income tax liability for income derived from those relevant Qualified Opportunity Zone Businesses for up to ten years.

¹⁹ Wesselman, Jennifer. 2019. “Ohio opportunity zone tax credit signed into law.” *Barnes Denning*. Accessed on February 28, 2020, <https://www.barnesdennig.com/2019/07/ohio-opportunity-zone-tax-credit-law/>.

²⁰ Rhode Island Senate Fiscal Office Report. 2019.

<http://www.rilin.state.ri.us/sfiscal/Budget%20Analyses/FY2020%20SFO%20Governors%20Budget%20Articles.pdf>.

²¹ Louisiana Economic Development, “Restoration Tax Abatement,” accessed February 28, 2020, <https://www.opportunitylouisiana.com/business-incentives/restoration-tax-abatement>.

²² Jarrell, Joshua. 2019. “West Virginia opportunity zone incentives.” *The National Law Review*. Accessed on February 28, 2020, <https://www.natlawreview.com/article/west-virginia-opportunity-zone-incentives-available>.

EXECUTIVE ACTION

Legislation is not the only way in which States can market their Opportunity Zones and increase the benefits to communities and investors alike. Many States have taken advantage of the other tools to effect the changes necessary for generating enhanced investing opportunities.

Florida

In November 2019, Governor Ron DeSantis included in his proposed budget a recommendation to the Florida Legislature that \$250,000 be earmarked for the promotion and marketing of Opportunity Zones.²³ The Council recommends that State and Territorial executives and legislators work together to devote funding to the promotion and marketing of their States' respective Opportunity Zones.

Michigan

In Michigan, Governor Gretchen Whitmer signed Executive Directive 2019-8 in January 2019, thereby requiring the State Department of Technology, Management, and Budget (DTMB) to work across the public and private sector to increase purchases from and contracts with geographically disadvantaged businesses, including those located in Michigan Opportunity Zones and those with more than half of their employees residing within Opportunity Zones.²⁴ HUD's Opportunity Zones procurement pilot, in effect from January 1-June 30, 2020, is a corresponding example of a Federal procurement demonstration to boost businesses within Opportunity Zones.

Illinois

Illinois Governor JB Pritzker announced in January 2020 that \$12 million in funds will support the State's Opportunity Zones.²⁵ The Department of Commerce and Economic Opportunity (DCEO) will invite stakeholders to compete for these capital grants that will support Opportunity Zone projects. Application evaluations will include consideration of factors like job creation and a positive impact on needy communities. Technical assistance in the form of workshops and webinars will also be made available.

New Mexico

In New Mexico, the State is providing a \$1 million bonus to projects that meet certain benchmarks.²⁶ The New Mexico Economic Development Department will use the existing Local Economic Development Act (LEDA) grant fund to provide this additional money. The relevant project must be in one of nine key sectors identified by the governor: aerospace; biosciences; cybersecurity; film and television; global trade; intelligent manufacturing; outdoor recreation;

²³ "Ron DeSantis Highlights 'Opportunity Zones' on Space Coast." *Florida Politics*. January 7, 2020.

<https://floridapolitics.com/archives/315110-ron-desantis-highlights-opportunity-zones-on-space-coast>.

²⁴ Press and Guide. 2019. "Whitmer signs executive directive expanding opportunities for small and disadvantaged business. Accessed February 28, 2020, https://www.pressandguide.com/news/whitmer-signs-executive-directive-expanding-opportunities-for-small-and-disadvantaged/article_c830048e-103d-11e9-a6f2-ef61f38c718c.html.

²⁵ My Radio Link. 2020. "Pritzker administration launches new initiative to invest in opportunity zones across the state. Accessed February 28, 2020, <https://www.myradiolink.com/2020/01/27/pritzker-administration-launches-new-initiative-to-invest-in-opportunity-zones-across-the-state/>.

²⁶ Davis, Ron. 2019. "State unveils new opportunity zone incentives." *Albuquerque Business First*. Accessed February 28, 2020, <https://www.bizjournals.com/albuquerque/news/2019/08/28/state-unveils-new-opportunity-zone-incentives.html>.

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sustainable and green energy; and sustainable value-added agriculture. Among other requirements, the annual payroll created by the projects must be at least \$2.5 million, with average annual salaries greater than 2 percent above the county average; \$3.5 million in Santa Fe, Albuquerque, or Rio Rancho.

New Jersey

The New Jersey Economic Development Authority (NJEDA) in July 2019 announced the Opportunity Zone Challenge Program, awarding up to \$500,000 in individual grants of up to \$100,000 each, to county or municipal governments or partnerships.²⁷ Applicants were required to designate strategic partners with whom they would be conducting their Opportunity Zone planning efforts, and grant recipients are required to submit a detailed Opportunity Zones-focused strategic plan, which will be used to guide and measure economic development. In November 2019, NJEDA announced the five winners amongst the 22 applications submitted.²⁸ Providing support to localities is one important way a State can guide its Opportunity Zones towards growth and progress.

Colorado

The Colorado Office of Economic Development and International Trade (OEDIT) in February 2019 created “Opportunity Zone Technical Support Grants” for communities. Each grant is less than \$10,000, though communities can ask for any amount. Colorado has also created a new office and position within the OEDIT for organizing Opportunity Zone strategies and activities statewide. In coordination with the Department of Local Affairs, OEDIT will offer modest grants to rural communities to support economic modeling, prospectus development, and other technical assistance needed to help community-oriented projects come to fruition. Offering sales tax rebates, fast-tracked permitting, infrastructure subsidies, and utility discounts, Colorado is aiming to supercharge Opportunity Zone investments. The State has started education programs to spur projects and built transparent tracking systems to measure impact on historically underserved areas. Communities like Pagosa Springs, Montrose, and Colorado Springs have been early movers offering education, job training, marketing, and tax incentives to drive growth in Opportunity Zone tracts.

Other State Opportunity Zone and revitalization activities include:

Nevada

In its Low-Income Housing Tax Credit (LIHTC) Qualified Allocation Plan, the State of Nevada has included a set-aside for Opportunity Zones. Applicants with projects located in Opportunity Zones are authorized to utilize 130 percent of eligible basis.²⁹

²⁷ “NJEDA Announces Opportunity Zone Challenge Program.” *New Jersey Economic Development Authority*. July 16, 2019. <https://www.njeda.com/opportunityzonechallenge/press-release>.

²⁸ “NJEDA Announces 5 Communities Selected to Receive Opportunity Zone Challenge Grants.” *New Jersey Economic Development Authority*. November 14, 2019. <https://www.njeda.com/Press-Room/News-Articles/Press-Releases/NJEDA-Announces-5-Communities-Selected-to-Receive>.

²⁹ “Low-Income Housing Tax Credit Program Qualified Allocation Plan, 2020 Draft.” *State of Nevada Department of Business & Industry, Housing Division*. January 13, 2020. https://housing.nv.gov/Programs/LIT/QAP/Qualified_Allocation_Plan/.

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Indiana

The Indiana Office of Community and Rural Affairs and the Purdue Center for Regional Development together announced six sites will receive technical assistance and capacity-building support as part of the “Rural Opportunity Zone Initiative.”³⁰

Minnesota

The Minnesota Opportunity Collaborative most recently stoked the local ecosystem through 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.³¹

South Carolina

The South Carolina Department of Commerce has established “The Opportunity Zone Grant Fund” under which South Carolina governmental entities (counties and/or municipalities) may request funding to offset the costs of obtaining an outside vendor to assist in the completion of a competitive Opportunity Zone prospectus.³²

Virginia

Opportunity Virginia strives to encourage and enable positive community impact investments by ensuring fair and equitable access to resources; facilitating productive connections between investors, project sponsors, and communities via an inclusive marketplace; and maintaining a pulse on socioeconomic impact in Opportunity Zones throughout the Commonwealth. Opportunity Virginia is an initiative led by Virginia Community Capital and LOCUS Impact Investing, in partnership with the Virginia Housing and Development Authority, Department of Housing and Community Development, and the Secretary of Commerce and Trade.³³

Washington

The Washington State Department of Commerce has partnered with the National Development Corporation, a national CDFI, to assist rural and tribal communities in establishing sustainable investment pipelines that will deliver social impact in Opportunity Zones throughout the State.³⁴

³⁰ “Sites Selected for the Rural Opportunity Zone Initiative.” *Indiana Office of Community and Rural Affairs*. August 14, 2019. <https://calendar.in.gov/site/ocra/event/sites-selected-for-the-rural-opportunity-zone-initiative/>.

³¹ “Minnesota Opportunity Collaborative Inspires Statewide Investment.” *Cision*. September 17, 2019. https://www.prweb.com/releases/minnesota_opportunity_collaborative_inspires_statewide_investment/prweb16575155.htm.

³² “Grant Funding: Additional Opportunity Zone Funding.” *South Carolina Department of Commerce*. August 7, 2019. <https://www.sccommerce.com/newsletter/grant-funding-additional-opportunity-zone-funding>.

³³ “Governor Northam Announces Launch of Opportunity Virginia.” *Virginia Governor Ralph S. Northam*. October 22, 2019. <https://www.governor.virginia.gov/newsroom/all-releases/2019/october/headline-848573-en.html>.

³⁴ “Building a Pipeline of Community-Driven Projects.” *Choose Washington, Washington State Department of Commerce*. <http://choosewashingtonstate.com/i-need-help-with/opportunity-zones/>.

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Mississippi

The Mississippi Home Corporation will commit 12/5 percent of each year's LIHTC credit authority for 2018, 2019, 2020, and 2021 for applicants participating in the Opportunity Zones Special Allocation Cycle beginning in 2019.³⁵

New Jersey

New Jersey's Economic Development Authority has doubled the Angel Tax Credit available to early-stage technology investors in Opportunity Zones as well as other low-income communities (and women or minority-owned businesses) to 20 percent.³⁶

Each State and Territory, along with the District of Columbia, maintains a website dedicated to Opportunity Zones or economic development at-large. All of these websites are available on the Council's "OpportunityZones.gov" website. Two examples of States that use their websites for "matchmaking" between those seeking investment and those looking to invest are Kentucky and Wyoming. The Kentucky website posts both investment opportunities and features a form through which investors can submit details about their Qualified Opportunity Funds.³⁷ A detailed map by county is available on the Kentucky site. The Wyoming website includes pictures of Opportunity Zone properties; when the pictures are clicked upon, users can view up-to-date details of each property, including those related to transportation, utilities, and zoning.³⁸ The aforementioned examples are only two, but there are additional States (and localities) that seek to connect investors and revitalization projects in Opportunity Zones.

Each Opportunity Zone, and each State, has unique needs. No two strategies will be the same. The Council does recommend, however, that States with income and capital gains taxes consider aligning their tax codes to the Federal Opportunity Zones legislation. Doing so creates certainty and stability for communities and investors, and it also represents a best practice that can be easily replicated across the country. The overwhelming majority of States have some degree of conformity between their tax codes and the Federal tax code, including with respect to Opportunity Zones.³⁹

The Council encourages States to consider how to best engage in the investment matchmaking process and maintain central databases of potential investment opportunities and aspiring Qualified Opportunity Funds.

The Council further encourages States, through complementary Opportunity Zones incentives, to play a key role in identifying, tracking, and measuring Opportunity Zone investments within their jurisdictions.

³⁵ "Governor Approves Mississippi Home Corporation's Special Opportunity Zone Cycle for Low Income Tax Credit Program." *Mississippi Home Corporation*. February 28, 2019. <https://www.ncsha.org/hfa-news/governor-approves-mississippi-home-corporations-special-opportunity-zone-cycle-for-low-income-tax-credit-program/>.

³⁶ Munoz, Daniel J. "EDA Unveils Expansion of Tax Break for Early Tech Investors." *NJBIZ*. July 10, 2019. <https://njbiz.com/eda-unveils-expansion-tax-break-early-tech-investors/>.

³⁷ "Post a Project." *Kentucky Cabinet for Economic Development*. <https://www.kyoz.org/post-a-project/>.

³⁸ "Use This Tool to Find Properties within Wyoming's 25 Opportunity Zones." *The State of Wyoming's Economic Development Agency*. <https://www.wyomingbusiness.org/opportunityzones>.

³⁹ "State Tax Code Conformity – Personal Income." *Opportunity Zones Resource Center*. <https://www.novoco.com/resource-centers/opportunity-zone-resource-center/guidance/state-tax-code-conformity-personal-income>.

Best Practices and Case Studies: Charitable and Philanthropic Sector

Opportunity Zones present philanthropic organizations with a chance to build new partnerships and execute their core missions. As seasoned connectors, thought leaders, capacity builders, advocates, funders, and conveners, philanthropies possess the influential power to engage diverse stakeholders in meeting mutually beneficial goals and can encourage socially responsible Opportunity Zone projects and investments. By nature, philanthropies explore uncharted territory in pursuit of finding and sharing innovative ways to leverage resources and scale effective models and practices that help solve some of our nation's greatest social ills. Philanthropists can play a crucial role in Opportunity Zones; helping to catalyze investment, economic development, and job creation while remaining rooted in their philanthropic missions and goals of helping to enhance the lives of our country's most vulnerable. The Council strongly encourages large and small charitable organizations alike to participate in the Opportunity Zones initiative.

Since the inception of Opportunity Zones, multiple charitable foundations are paving the road ahead. The following are ways in which philanthropy is helping to seed the success of the Opportunity Zones initiative throughout the country:

- The Abell Foundation granted the Baltimore Development Corporation \$100,000 to create an Opportunity Zones Coordinator position. This coordinator is tasked with promoting development in Opportunity Zones, connecting potential investors with projects, developing a comprehensive plan for the city's Opportunity Zones, and creating an investment prospectus.⁴⁰
- The Cleveland Foundation and The George Gund Foundation have joined forces in supporting Opportunity CLE (previously referenced as an example of a successful local Opportunity Zones effort)—a collaboration between the City of Cleveland Department of Economic Development, Cuyahoga County Department of Development, Cuyahoga Land Bank, Greater Cleveland Partnership, Cleveland Development Advisors, Fund for Our Economic Future, and a host of other municipal, State and regional partners representing Cuyahoga County's 64 Opportunity Zones. Together, these partners are working to ensure that Opportunity Zone investments in Cleveland are socially responsible projects, generating outcomes including affordable housing and jobs within the community.⁴¹
- The Ewing Marion Kauffman Foundation, along with the Kansas City Chamber of Commerce and the Urban Neighborhood Initiative, have formed We Grow KC. This coalition is dedicated to bringing transformational outcomes to Kansas City by connecting economic development resources that build a trusting and diverse ecosystem. We Grow KC holds community forums to ensure resident engagement throughout the investment planning process. Efforts are underway to ensure that Kansas City's anchor institutions (including the University of Missouri—Kansas City) are strategically engaged as engines to drive business

⁴⁰ "Land of Opportunity (zones): Can a New Federal Program Bring Investment to Neglected Baltimore Neighborhoods?" Maryland Philanthropy Network, December 13, 2018. <https://www.marylandphilanthropy.org/news/land-opportunity-zones-can-new-federal-program-bring-investment-neglected-baltimore>.

⁴¹ Miller, Jay. "Cuyahoga County Collaboration to Promote Opportunity Zone Investments." Crain's Cleveland Business, March 21, 2019. <https://www.crainscleveland.com/government/cuyahoga-county-collaboration-promote-opportunity-zone-investments>.

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growth throughout Opportunity Zones.⁴²

- The Kresge Foundation’s philanthropic efforts have played a strategic role in ensuring that low income residents and communities share in the benefits afforded to investors through the Opportunity Zones initiative. At the onset of the Opportunity Zones initiative, Kresge partnered with the Rockefeller Foundation to request letters of inquiry from prospective fund managers regarding investments and investment strategies that create wealth, assets, and opportunity in low-income communities. This partnership with Rockefeller continued through a joint effort with the U.S. Impact Investing Alliance, the Beck Center for Social Impact and Innovation at Georgetown University, and the Federal Reserve Bank of New York in the development of the Opportunity Zone Reporting Framework Tool.⁴³
- This tool was developed to help ensure that there are a set of universal measures for which Opportunity Zones stakeholders can effectively assess and manage social impact and outcomes of Qualified Opportunity Fund investments. Kresge has committed \$22 million in investments to two impact fund managers, thus providing risk mitigation and first-loss protection to the associated Qualified Opportunity Funds. These guarantees are intended to help improve the risk-return profile of these funds, making them more attractive to investors seeking social and financial returns, along with the benefit of principal protection. Kresge has required that these fund managers agree to a level of transparency, accountability, and disclosure, with hopes of demonstrating the social impact of investments in Opportunity Zones. Both fund managers have committed to prioritizing projects that generate affordable housing, living wage jobs, and the prevention of resident displacement.
- The Rockefeller Foundation has emerged as another philanthropic leader in realizing social impact through the Opportunity Zones initiative. In addition to partnering with the Kresge Foundation to request letters of inquiry from prospective fund managers and co-funding the development of the Opportunity Zone Reporting Framework Tool, Rockefeller is developing several Opportunity Zones efforts to complement the Foundation’s existing and longstanding commitment to working on behalf of low-income communities. This strategy includes working with nonprofit organization Smart Grow America (SGA) to establish the National Opportunity Zones Academy-LOCUS. This effort provides SGA’s expertise and technical assistance to six cities: Seattle, WA; Chicago, IL; New Orleans, LA; Miami, FL; Norfolk, VA; and Pittsburgh, PA. SGA’s technical assistance team and LOCUS work directly with each city to create place-based, community-led approaches to developing sustainable growth and development strategies that help transform these areas into economically thriving and socially inclusive neighborhoods. The Rockefeller Foundation, along with nonprofit organization Local Initiatives Support Corporation (LISC), is also supporting the Opportunity Zone Capacity Building Initiative to help communities design plans and attract investments. Rockefeller intends to launch a national data hub that will help drive efforts that benefit low-wage workers. Through this effort, additional cities including Newark, NJ; Atlanta, GA; the District of Columbia; Oakland, CA; St. Louis, MO; and Dallas, TX, have received grants and

⁴² Kniggendorf, Anne. “Creating a Model That Sets the Curve for Opportunity Zone Investment.” Ewing Marion Kauffman Foundation, August 1, 2019. <https://www.kauffman.org/currents/creating-a-model-that-sets-the-curve-for-opportunity-zone-investment/>.

⁴³ “Impact Investing Leaders Introduce Opportunity Zones Reporting Framework.” The U.S. Impact Investing Alliance, February 6, 2019. <http://impinvalliance.org/news-updates/2019/2/6/impact-investing-leaders-introduce-opportunity-zones-reporting-framework>.

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supportive services to establish and fund a Chief Opportunity Zone Officer position, which will be staffed in each city's economic development authority.



Cities can benefit from partnerships with philanthropic organizations.

- The Knight Foundation funded a report titled *How Philanthropies Leverage Opportunity Zones*, identifying seven distinct ways that philanthropies can engage in the Opportunity Zone initiative to help ensure social and economic benefits in underserved areas. The seven recommendations cited in the report include⁴⁴:
 1. Coordinate convenings between governments and other key stakeholders.
 2. Help design and market Opportunity Zone prospectuses, empowering communities to highlight their advantages within the competitive Opportunity Zones market.
 3. Aid in the collection of data relating to various aspects of the Opportunity Zones market.
 4. Support residents of underserved areas, including Opportunity Zones, in enhancing their workforce readiness and preparing them for entrepreneurship.
 5. Enhance the capacity of existing organizations within the community in designing and carrying out revitalizing investment strategies.
 6. Reward innovative ideas through competitions and “challenge grants.”
 7. Help synthesize and share information, sometimes more effectively than governments or the private sector.
- The McKnight Foundation, along with The Saint Paul & Minnesota Foundation and the Duluth Superior Area Community Foundation, is working collaboratively to ensure social inclusion and economic growth throughout Minnesota. Together, these entities sponsored Twin Cities LISC and Duluth LISC offices to host an educational “Think Like an Investor” session with a Qualified Opportunity Fund that is focused on impact investing.⁴⁵ The Duluth Superior Area Community Foundation is funding the development of a project portal that helps investors easily identify investable projects. Both the Duluth Superior Area Community Foundation and the Southwest Initiative Foundation support the MNOppportunity Collaborative, a partnership that “seeks to inspire investment” in Opportunity Zones in the State.⁴⁶

⁴⁴ Katz, Bruce for Knight Foundation. “How Philanthropies Leverage Opportunity Zones.” Knight Foundation, March 2019. https://kf-site-production.s3.amazonaws.com/media_elements/files/000/000/327/original/KF_OPPORTUNITY_ZONES_REPORT-LRS.pdf.

⁴⁵ Hammel, Susan. “Opportunity Zones: A Boon for Investors or Real Opportunity for All?” Minnesota Council on Foundations, May 15, 2019. <https://www.cogentconsulting.net/opportunity-zones-a-boon-for-investors-or-real-opportunity-for-all/>.

⁴⁶ “Statewide Partners Launch Minnesota Opportunity Collaborative.” MNOppportunity Collaborative, August 25, 2019. <https://mnoppco.com/resources/mnoppco-press-release/>.

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- The Urban Institute on January 2020 announced a new tool to assess Opportunity Zone investments' potential social impact.⁴⁷ The tool assesses potential Opportunity Zone projects by asking users about their engagement with the community and having users rank the priorities of the community according to their understanding. In addition to providing these answers, users describe how the project fits each priority (called an "impact area"). They then receive a score between 0 and 100 based on the project's anticipated social impact.

With 8,764 Opportunity Zones across the country and the vast number of diverse stakeholders involved in implementing the initiative, effective public-private partnerships are key to the success of Opportunity Zones. The Opportunity Project (TOP) is a great example of a platform used to forge such partnerships. Launched in 2016, TOP is administered through the Census Open Innovation Labs (COIL) at the U.S. Census Bureau (of the U.S. Department of Commerce). TOP engages government, communities, and the technology industry to create digital tools that address identified challenges. This competitive process helps to empower people with technology, make government data more accessible and user-friendly, and facilitate cross-sector collaboration to build new digital solutions with open data.

In 2019, one of TOP's challenges (called "sprints") was entitled "Catalyzing Investment in Opportunity Zones." Participants were challenged to "create digital tools and resources to connect investors with community leaders, entrepreneurs, and workers of America's Opportunity Zones."⁴⁸ Secretary Carson and Executive Director Turner served as Executive Champions of the sprint, and contestants sought consistent feedback on their products from HUD and White House staff. Sprint participants used available Federal data to help improve their digital tools and products. Several TOP participants in 2019 worked on developing tools that benefit the residents of Opportunity Zones, including the following:

1. **Public Democracy:** Public Democracy partnered with the Mayor's Office in Birmingham, Alabama to execute a community survey in the city to gather data on community needs. This information was paired with Census data to better understand the demographic makeup of needs throughout the area. Public Democracy uses American Community Survey (ACS) data, along with privately owned data, and new data obtained via the survey tool, to help inform policy decision-makers, economic development officials, and investors as Opportunity Zone strategies are developed throughout Birmingham.
2. **City Builder, Citi Ventures:** City Builder uses data from multiple Federal agencies to promote transparency within the Opportunity Zone ecosystem for all stakeholders.
3. **The Center on Rural Innovation (CORI):** CORI, through its customized map, Rural Startup Scout, helps connect Opportunity Zone investors with rural communities that are poised to become leaders in the tech industry.
4. **Inclusive Growth Score, MasterCard Center for Inclusive Growth:** The Inclusive Growth Score combines aggregated, anonymized proprietary MasterCard data and public data to measure equitable growth in given Opportunity Zones.

⁴⁷ Fedorowicz, Martha. "A New Tool Can Help Assess Opportunity Zone Investments' Social Impacts." Urban Institute, January 9, 2020. <https://www.urban.org/urban-wire/new-tool-can-help-assess-opportunity-zone-investments-social-impacts>.

⁴⁸ Census Open Innovation Labs. "The Opportunity Project 2019 Workforce Cohort Problem Statements." U.S. Census Bureau, June 2019. <https://opportunity.census.gov/sprints/>.

Best Practices and Case Studies: Qualified Opportunity Funds

The Qualified Opportunity Funds that have emerged throughout the country are the backbone of the Opportunity Zones initiative. Many of these funds have developed innovative strategies that place underserved American communities at the heart of what they do. Qualified Opportunity Funds have invested in a multitude of sectors; formed public-private partnerships; and made a difference in the lives of Americans living in Opportunity Zones. Examples include Qualified Opportunity Funds that invest in bringing educational opportunity to more Americans, build affordable housing, revitalize brownfields and hazardous material sites, and partner with educational institutions like Historically Black Colleges and Universities (HBCUs). The Council does not endorse any given project, but examples of noteworthy Qualified Opportunity Fund activities include:

Los Angeles, CA

A private organization, raising \$100 million in just twelve weeks, is leading the efforts to build between 1,500 and 2,500 multifamily units to house HUD Section 8 voucher recipients and is constructing a commercial Opportunity Zone business campus in former underutilized industrial buildings.⁴⁹

Chicago, IL

A Qualified Opportunity Fund is focused on renovating, retrofitting, and preserving 3,500 low-income units through energy efficiency mechanisms. This activity will also include the installation of solar panels on the buildings and constructing a solar farm.⁵⁰

Charlotte, NC

A Qualified Opportunity Fund is investing in a 140-unit multifamily development in which half of the units will have rents aimed at those making 80 percent or less of the Area Median Income (AMI). The developer is also working on a project that will develop office space, apartments, and retail.⁵¹

Charlottesville, VA

A Qualified Opportunity Fund is building 800 units of housing, half of which will be affordable housing replacing a mobile home park. The affordable units will first be offered to current residents. Commercial space will also be available to the residents “rent free” to assist with starting their own business.⁵²

⁴⁹ Field, Anne. “Tapping Opportunity Zones, Social Impact Investor SoLa Raises Its Biggest Fund.” *Forbes*, May 31, 2019. <https://www.forbes.com/sites/annefield/2019/05/31/tapping-opportunity-zones-social-impact-investor-sola-raises-its-biggest-fund/>.

⁵⁰ Nitkin, Alex. “Opportunity Fund Eyes \$100M for Solar-Powered Affordable Housing.” *The Real Deal*, June 28, 2019. <https://therealdeal.com/chicago/2019/06/28/opportunity-fund-eyes-100m-for-solar-powered-affordable-housing/>.

⁵¹ Chemtob, Danielle. “Grubb Properties Plans Two Projects in Opportunity Zones.” *The Charlotte Observer*, January 6, 2020. <https://www.pressreader.com/usa/charlotte-observer/20200106/281487868279153>.

⁵² Orton, Kathy and Schmidt, Samantha. “In An Old Mobile-Home Park in Charlottesville, the Residents Get a Say in the Redevelopment.” *The Washington Post*, June 6, 2019. https://www.washingtonpost.com/realestate/in-an-old-mobile-home-park-in-charlottesville-the-residents-get-a-say-in-the-redevelopment/2019/06/05/b3396420-8569-11e9-a491-25df61c78dc4_story.html.

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As many Qualified Opportunity Funds have focused their efforts on affordable housing, others have participated in the revitalization of Brownfields and other hazardous sites, including these two examples:

Chicago, IL

A former hazardous waste site is being redeveloped into a logistics and distribution hub, including a warehouse stretching more than 1.2 million square feet. The hub will take advantage of its closeness to a major airport, making use of existing anchor institutions.⁵³

Baltimore, MD

A longtime Brownfield site is being converted into a 2.2 million-square-foot mixed-use project that will include a grocery store, office space, and retail space. The project also includes New Markets Tax Credits (NMTC).⁵⁴

Seattle, WA

A multifamily property that will feature nearly 300 apartments is under construction in a Seattle Opportunity Zone due in part to Qualified Opportunity Fund capital. The developers are participating in the city's Multifamily Tax Exemption program, which will ensure that 20 percent of units are set aside for workforce housing. In addition to the apartment units, the development will also include more than 8,000 feet of retail space.⁵⁵

St. Louis, MO

One of the first Opportunity Zone projects in the Midwest, the City Foundry project is being developed with more than \$50 million in Qualified Opportunity Fund capital. It will transform a vacant industrial location into a mixed-use development.⁵⁶

There also exist Qualified Opportunity Funds that invest in bringing educational opportunity to more Americans, and those that partner with educational institutions, including HBCUs, in enhancing their mission:

⁵³ Cross, Lauren. "New Program Finds Opportunity in East Chicago." The Times of Northwest Indiana, March 10, 2019. https://www.nwitimes.com/business/local/new-program-finds-opportunity-in-east-chicago/article_884b704f-19c7-5a6e-a05e-b663702c45e6.html.

⁵⁴ "Prudential Financial Chooses Yard 56 for Its First Opportunity Zone Investment to Drive Catalytic Revitalization in Baltimore, Maryland." MCB Real Estate, LLC, January 11, 2019. <https://mcbrealestate.com/prudential-financial-chooses-yard-56-for-its-first-opportunity-zone-investment/>.

⁵⁵ Works, Amy. "NorthMarq Arranges \$45M in Opportunity Zone Equity for Multifamily Project in Seattle." Rebusiness Online, May 7, 2020. <https://rebusinessonline.com/northmarq-arranges-45m-in-opportunity-zone-equity-for-multifamily-project-in-seattle/>.

⁵⁶ "City Foundry STL Secures \$50 Million in Opportunity Zone Funding with the Help of CLA." CLA Connect, June 28, 2019. [https://www.claconnect.com/media/cla-helps-city-foundry-stl-secure-\\$50-million-in-opportunity-zone-funding](https://www.claconnect.com/media/cla-helps-city-foundry-stl-secure-$50-million-in-opportunity-zone-funding).

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Tuscaloosa, AL

A Qualified Opportunity Fund is developing a teaching hotel and mixed-use residential and commercial project. The housing at the development will be for graduate students and the faculty of the HBCU and will additionally provide affordable housing for others in need.⁵⁷

Baltimore, MD

Maryland's largest HBCU will be an anchor tenant in the redevelopment of a vacant shopping plaza.⁵⁸

The Council has taken note of Qualified Opportunity Funds that make investments in infrastructure, including in technology and medicine. These types of investments correlate with the objectives of the Council's work streams. Some examples of such activities include:

Stockton, CA

An open-access fiber network is being created by a company that focuses on bringing broadband to disadvantaged areas. In addition to Stockton and two other cities, the firm is looking to partner with more communities.⁵⁹

Heflin, AL

A former historic high school is being converted into an assisted living and memory care facility. The redevelopment will include a bistro, chapel, and beauty salon for the assisted living residents and a public space in the school's former auditorium.⁶⁰

San Bernardino, CA

A medical office building, which will house the county's Children's Department of Behavioral Health, is being constructed. This Department promotes safe neighborhoods, including by providing treatment for children struggling with mental health issues and substance use.⁶¹

Warren, OH

Qualified Opportunity Fund capital enabled an energy incubator in Northeast Ohio to assist two startups by funding their work in medical software and Internet of Things hardware solutions. One product, an Artificial Intelligence-powered medical diagnostic and patient care tool, was deployed

⁵⁷ Enoch, Ed. "Plan Could Bring Hotel Project to Stillman College." TuscaloosaNews.com, July 18, 2019.

<https://www.tuscaloosaneews.com/news/20190718/plan-could-bring-hotel-project-to-stillman-college>.

⁵⁸ "Morgan State Reaches Agreement with Local Developer to Transform Neighboring Northwood Plaza Shopping Center." Morgan State University, September 5, 2018. <https://news.morgan.edu/morgan-state-reaches-agreement-with-local-developer-to-transform-neighboring-northwood-plaza-shopping-center/>.

⁵⁹ Lipscomb, Sam. "Neighborly: A Way for Investors to Fund Community Broadband." Yahoo, October 23, 2019. <https://finance.yahoo.com/news/neighborly-way-investors-fund-community-214235954.html>.

⁶⁰ Thornton, William. "Historic School to Convert into \$13 Million Assisted Living Facility." AL.com, August 28, 2019. <https://www.al.com/business/2019/08/historic-school-to-convert-into-13-million-assisted-living-facility.html>.

⁶¹ "RevOZ Capital Closes on Opportunity Zone Build-to-Suit Office Project in Southern California." PRNewswire.com, December 9, 2019. <https://www.prnewswire.com/news-releases/revoz-capital-closes-on-opportunity-zone-build-to-suit-office-project-in-southern-california-300971477.html>.

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in response to COVID-19. The other investment scaled implementation of energy optimization Internet of Things devices for smart buildings.⁶²

Qualified Opportunity Funds have also taken steps to redevelop underutilized historic buildings, an important part of revitalization that is encouraged by the Council:

Birmingham, AL

A historic building is being renovated and preserved into a mixed-use facility, which will include housing, retail space, office space, and an event venue.⁶³ Also in Birmingham, a historic theater is being renovated into two unique spaces for a live music venue and a nonprofit foundation that provides scholarships to low-income families for music lessons.⁶⁴

Baltimore, MD

A former train station is being converted into a transit and mixed-use space with retail shops and offices. The project has received support from Governor Larry Hogan.⁶⁵

Springfield, MA

Qualified Opportunity Fund capital is pairing with Federal and State historic tax credits and grants to redevelop a historic theater that will convert the space into a performing arts center with an adjacent hotel.⁶⁶

Qualified Opportunity Funds are filling gaps through the construction of workforce housing. In addition to the previously discussed renovation of the American Life building in Birmingham, Alabama (which will become 140 workforce housing units, five of which will be available to qualifying families at no charge), the following are examples of Qualified Opportunity Fund investments in workforce housing:

⁶² Nelson, George. "Two Brite Startups Get Opportunity Zone Funds." *The Business Journal*, May 12, 2020. <https://businessjournaldaily.com/two-brite-startups-get-opportunity-zone-funds/>.

⁶³ Eyob, Beza. "Opportunity Zones Project to Revitalize Historic Woodlawn Theatre." *Birmingham Business Journal*, November 21, 2019. <https://www.bizjournals.com/birmingham/news/2019/11/21/opportunity-zones-project-to-revitalize-historic.html>.

⁶⁴ van der Bijl, Hanno. "Developer Eyes Mixed-Use Project at Masonic Temple in City Center." *Birmingham Business Journal*, November 20, 2019. <https://www.bizjournals.com/birmingham/news/2019/11/20/developer-eyes-mixed-use-project-at-masonic-temple.html>.

⁶⁵ Simmons, Melody. "Penn Station Redevelopment Gets Opportunity Zone Funding from Local Investor." *Baltimore Business Journal*, February 5, 2020. <https://www.bizjournals.com/baltimore/news/2020/02/05/penn-station-redevelopment-gets-opportunity-zone.html>.

⁶⁶ Holman, Gregory J. "Downtown Springfield to Get New \$50 Million Apartment Complex." *Springfield News-Leader*, September 9, 2019. <https://www.news-leader.com/story/news/local/ozarks/2019/09/09/downtown-springfield-get-new-50-million-apartment-complex-developer-college-town-international/2233285001/>.

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Bozeman, MT

Workforce housing units (approximately 60 in total) are being developed through the redevelopment of underutilized industrial properties, helping to revitalize a blighted neighborhood.⁶⁷

Newark, NJ

To increase the supply of affordably priced housing, a Qualified Opportunity Fund was launched to build moderately priced housing for teachers. Previously, the fund operator had built 204 apartments, 70 percent of which are occupied by teachers, as part of a mixed-use space.⁶⁸



Cleveland, OH

A vacant parcel is being developed into a 95-unit apartment building with a first-floor bakery occupied by a first-time business owner. Of the units, 60 percent will be set aside as workforce housing and will be occupied by families with annual incomes of \$46,000 or less.⁶⁹

Other Qualified Opportunity Funds are being utilized to repurpose buildings for adaptive reuse, including:

Cary, NC

Aging industrial buildings, formerly distilleries, are being redeveloped into a retail and office campus. This adaptive-reuse development is set to feature 13,000 square feet of mixed-use space nearby a local park.⁷⁰

⁶⁷ Borland, Kelsi Maree. "Catalyst Announces First Opportunity Zone Projects." *GlobeST.com*, February 10, 2020. <https://www.globest.com/2020/02/10/catalyst-announces-first-opportunity-zone-projects/>.

⁶⁸ Burd, Joshua. "Developer of Newark's Teachers Village Launches Opportunity Zone Fund." *Real Estate NJ*, March 19, 2019. <https://re-nj.com/developer-of-newarks-teachers-village-launches-opportunity-zone-fund/>.

⁶⁹ Grzelewski, Jordyn. "Tremont Project The Tappan Would Include Apartments, First-Floor Bakery on Scranton Road." *Cleveland Plain Dealer*, February 8, 2019. <https://www.cleveland.com/business/2019/02/tremont-project-the-tappan-would-include-apartments-first-floor-bakery-on-scranton-road.html>.

⁷⁰ Harshberger, Caleb. "Cary Group Plots Mixed-Use Project in Downtown Garner." *Triangle Business Journal*, February 10, 2020. <https://www.bizjournals.com/triangle/news/2020/02/10/cary-group-plots-mixed-use-project-in-downtown.html>.

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Bethlehem, PA

A 125-year-old building on the edge of the Lehigh University campus has become obsolete. A prominent financial corporation has invested Opportunity Zone capital, traditional financing, and historic tax credits to help turn the building into 30 apartments and ground floor retail.⁷¹

Brigham City, UT

A 128-year-old historic building that has been unoccupied for several years is being redeveloped into commercial space to help anchor the city's downtown revitalization. Those involved with the project hope it will become a model of revitalization for similarly sized cities.⁷²

Salt Lake City, UT

Through a Qualified Opportunity Fund, a former train depot will be redeveloped into an eight-story hotel with a restaurant and retail space.⁷³ Also in Salt Lake City, outdated industrial properties are being transformed into creative office and retail space.⁷⁴

Along with the real estate investments that help revitalize communities across the nation, Qualified Opportunity Funds are also helping to expand operating businesses through their investments. Additionally, they are helping fund start-up businesses for local entrepreneurs, which are creating jobs for Opportunity Zone residents. Businesses seeking to expand their operations are benefiting from Qualified Opportunity Fund investments and Opportunity Zone designations. Noteworthy examples include:

Little Rock, AR

A food inspection and management company, taking advantage of the Opportunity Zone designation, opened a new, state-of-the-art 120,000-square-foot facility that will help the company add 35 additional jobs in Central Arkansas. The site inspects over 250 million servings of food per day.⁷⁵

Lincoln, ME

A new 300,000-square-foot factory is opening; it will employ approximately 100 people. The factory will produce wood composites, an alternative construction material. The project takes advantage of Central Maine's abundant natural resources, including forests; and of Federal and

⁷¹ "It Took an Opportunity to Give New Life to an Old Building." PNC Bank. <https://www.pnc.com/en/about-pnc/topics/pnc-pov/community/opportunity-zone.html>.

⁷² "Main Street Meets Opportunity Zones in Brigham City." Forbes, August 22, 2019. <https://www.forbes.com/sites/sorensonimpact/2019/08/22/main-street-meets-opportunity-zones-in-brigham-city/#183274d56242>.

⁷³ "Hatteras Sky Launches Opportunity Zone Fund to Develop SLC Mixed-Use Property." The DI Wire, December 11, 2019. <https://thediwire.com/hatteras-sky-launches-opportunity-zone-fund-to-develop-slc-mixed-use-property/>.

⁷⁴ Borland, Kelsi Maree. "Catalyst Announces First Opportunity Zone Projects." GlobeST.com, February 10, 2020. <https://www.globest.com/2020/02/10/catalyst-announces-first-opportunity-zone-projects/>.

⁷⁵ Brock, Roby. "Safe Foods Opens State-of-the-Art North Little Rock Facility." Talk Business & Politics, October 24, 2019. <https://talkbusiness.net/2019/10/safe-foods-opens-state-of-the-art-north-little-rock-facility/>.

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State agencies' efforts to clean up contaminated sites nearby.⁷⁶ Separately, the town of Lincoln has established a Qualified Opportunity Fund to attract Opportunity Zone investments.

Bucksport, ME

Qualified Opportunity Fund capital played a role in the construction of a new lobster processing plant for one of the nation's largest live and processed lobster wholesalers. In a time of stiff competition from abroad, the Opportunity Zones incentive is helping Maine maintain its strong brand in the international lobster market.⁷⁷

Pawtucket, RI

By raising capital through Qualified Opportunity Funds, a firm will build a new development that will include office, residential, and hotel space, as well as a 7,500-seat soccer stadium and sports complex. Supported by the governor and the mayor, the project will make room for hundreds of thousands of square feet of new development that takes advantage of the city's waterfront. More than 200 units of housing will be created, along with a hotel and retail space.⁷⁸

Baltimore, MD

A robotics company specializing in medical surgery has relocated to the city from Silicon Valley and is receiving a Qualified Opportunity Fund investment. The technology used by the company was developed at Johns Hopkins University; more than 100 engineers are expected to be hired. The project was supported by the city's economic development corporation.⁷⁹

Opelika, AL

A 13-and-a-half-acre business park is being developed, with the first building completed in early 2020. The first building to be completed in the development will be used for start-ups and businesses eligible to receive capital from Qualified Opportunity Funds.⁸⁰

Stockton, CA

A new coworking space, which aims to be the entrepreneurial hub for the city and a base for businesses that could benefit from Qualified Opportunity Fund investment, has been opened. Mayor Michael Tubbs suggests that the selection of Stockton will "further drive the success and strength" of the city.⁸¹

⁷⁶ Eichacker, Charles. "Company Plans \$31M Factory at Lincoln Paper Mill Site, Will Employ 100 People." Bangor Daily News, September 25, 2019. <https://bangordailynews.com/2019/09/25/news/penobscot/construction-material-manufacturer-plans-31m-factory-at-lincoln-paper-mill-site/>.

⁷⁷ Berce, Catherine. "Filling in the Lobster Supply Chain: New Processing Sites Are Keeping Dollars in Maine." MaineBiz, October 28, 2019. <https://www.mainebiz.biz/article/filling-in-the-lobster-supply-chain-new-processing-sites-are-keeping-dollars-in-maine>.

⁷⁸ Jordan, John. "Largest Economic Development Project in Pawtucket History Unveiled." GlobeSt.com, December 3, 2019. <https://www.globest.com/2019/12/03/largest-economic-development-project-in-pawtucket-history-unveiled/>.

⁷⁹ Cohn, Meredith. "This Tech Company is the First to Get a Boost from Moving to a Baltimore Opportunity Zone. Are More Coming?" Baltimore Sun, November 6, 2019. <https://www.baltimoresun.com/business/bs-bz-opportunity-zone-business-20191106-n7fxg3wpuvah5fyuoulf47kes4-story.html>.

⁸⁰ Thornton, William. "Alabama Looking at \$1 billion from Opportunity Zone Investments." AL.com, September 15, 2019. <https://www.al.com/business/2019/09/alabama-looking-at-1-billion-from-opportunity-zone-investments.html>.

⁸¹ "National Coworking Network, Launch Pad, Opens Doors in Stockton." CaravanNews, June 7, 2019. <http://www.caravannews.com/News/national-coworking-network-launch-pad-opens-doors-in-stockton>.

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Wichita, KS

A nonprofit technology hub and event space is being constructed. It will cater to technology start-ups and will include studio rental space, a wood shop, a metal shop, an electronics lab, and more.⁸²

Detroit, MI

With Qualified Opportunity Fund financing, a former cold-storage facility is being redeveloped into a coworking space and food hall for 14 local chefs. The building will have 15,000 square feet of office and retail space.⁸³

Denver, CO

A Qualified Opportunity Fund is investing in and activating a network of angel investors and developers across the region to build a rural start-up ecosystem. Attainable housing in rural areas on the Western Slope is needed just as it is needed in the State's urban areas.⁸⁴

Provo, UT

A Qualified Opportunity Fund is investing in growth capital and access to strategic resources for early-stage technology and science companies that have been identified through its incubation laboratory, which houses more than 25 companies, 200 scientists and engineers, and holds more than 1,100 patents for innovations and applications in the fields of healthcare, consumer goods, construction materials, and sustainability.⁸⁵

Many Qualified Opportunity Funds throughout the country have worked with communities to provide benefits to residents, including benefits that correlate with the work streams of the Council. Some examples include:

St. Paul, MN

A new development will provide direct community benefits to residents by including a grocery store, health clinic, and community meeting spaces. The community has had only one grocery store over the years and can now look forward to the benefits of competition in this space.⁸⁶

Albert Lea, MN

The development of a new U.S. Department of Veterans Affairs outpatient clinic located in an Opportunity Zone and financed by Qualified Opportunity Fund investors is an example of a

⁸² Rengers, Carrie. "Downtown Technology Hub Close to Opening, 'And From That Greater Things Will Grow.'" The Wichita Eagle, November 13, 2019. <https://www.kansas.com/news/business/biz-columns-blogs/carrie-rengers/article236994409.html>.

⁸³ Williams, Candice. "Coworking Space, Food Hall Coming to Milwaukee Junction Neighborhood." The Detroit News, January 22, 2019. <https://www.detroitnews.com/story/news/local/detroit-city/2019/01/22/coworking-space-food-hall-coming-detroit/2647062002/>.

⁸⁴ "Colorado-Based Four Points Funding Recognized as a Leading Opportunity Zone Fund in New Forbes List." PRNewswire, December 16, 2019. <https://www.prnewswire.com/news-releases/colorado-based-four-points-funding-recognized-as-a-leading-opportunity-zone-fund-in-new-forbes-list-300974941.html>.

⁸⁵ "Hall Labs is Making Provo, Utah, the Mother of All Inventions—or Many of Them." BusinessWire, June 20, 2019. <https://www.businesswire.com/news/home/20190620005195/en/Hall-Labs-Making-Provo-Utah-Mother-Inventions%E2%80%94or>.

⁸⁶ Otto, Marjorie. "Development Breaks Ground at Phalen Village." Lillie Suburban Newspaper, April 22, 2019. <http://www.lillienews.com/articles/2019/04/22/development-breaks-ground-phalen-village>.

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successful public-private partnership. This project recognizes the government using its position as a lessee to support the financing of investments into Opportunity Zones. The clinic, wholly leased by the Department of Veterans Affairs, will focus on primary care, pathology/laboratory medicine, physical therapy, mental health, and telehealth. The Albert Lea clinic is a replacement and significant upgrade over the previous location, which was an undersized facility, and will provide service members and veterans with critical access to a high-quality facility in the region well into the future.⁸⁷

Cleveland, OH

A local healthcare system, working with a private developer taking advantage of Opportunity Zone designation, announced an investment into a 250-unit affordable housing development. The first floor of the building will house an Economic Opportunity Center that will offer job training and other services.⁸⁸

Washington, DC

A new business incubator is helping four formerly incarcerated entrepreneurs to prepare their businesses for the Opportunity Zones market. The businesses are in technology, hospitality, transportation, and general services. This project also received funding from the District of Columbia's Department of Small and Local Business Development.⁸⁹



⁸⁷ "18 Squared and CapZone Announce Opportunity Zone Investment." BusinessWire, June 1, 2020. <https://www.businesswire.com/news/home/20200601005491/en/18-Squared-CapZone-Announce-Opportunity-Zone-Investment>.

⁸⁸ Grzelewski, Jordyn. "MetroHealth Announces \$60 Million Investment in Clark-Fulton Neighborhood Apartments." Cleveland Plain Dealer, June 28, 2019. <https://www.cleveland.com/business/2019/06/metrohealth-announces-60-million-investment-in-clark-fulton-neighborhood-apartments.html>.

⁸⁹ Price, Dennis. "Opportunity Zone Justice Accelerates Returning Citizen Entrepreneurs in Washington, D.C." Impact Alpha, July 15, 2019. <https://impactalpha.com/opportunity-zone-justice-accelerates-returning-citizen-entrepreneurs-in-washington-d-c/>.

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Many Qualified Opportunity Funds that operate within a wide range of places and industries are partnering with local nonprofits, community organizations, and civic leaders to ensure their investments are consistently strengthening communities:

New York, NY, and Chicago, IL

Through four Qualified Opportunity Funds, a bank is investing \$100 million across projects in urban and rural Opportunity Zones throughout ten States. The decentralized nature of the Opportunity Zones incentive is beneficial for investors looking to invest in a diversity of projects across numerous regions of the country.⁹⁰

Those with capital gains are ensuring that their Qualified Opportunity Fund investments are helping to enhance community wealth and health in underserved areas:

Baltimore, MD

Impact investors are contributing their capital gains to a Qualified Opportunity Fund to support business growth in Baltimore neighborhoods that have suffered from a lack of investment. The Qualified Opportunity Fund will be overseen by this group of impact investors and will offer loans between \$1 million and \$5 million to existing businesses.⁹¹

Kansas City, MO

A Qualified Opportunity Fund is investing in affordable housing with a focus on homeownership. It is also supporting operating businesses that are committed to creating high-quality jobs and providing employees with opportunities to share in wealth creation.⁹²

Racine, WI

A Qualified Opportunity Fund is offering diversified options across Wisconsin for investors. This fund will include an advisory board including both public and private officials to help identify investment opportunities that carry the support of the public.⁹³

Memphis, TN

A Qualified Opportunity Fund is partnering with a private company, the University of Memphis, and the Downtown Memphis Commission to strengthen and build the local technology sector by investing in a new development, which will consist of 30 digitally connected buildings and 115,000

⁹⁰ "Woodforest National Bank Creates \$20 Million Opportunity Zone Fund to Support Economic Revitalization Across its 17-State Footprint." PRNewswire, November 25, 2019.

<https://apnews.com/PRNewswire/c3307941c3cc350c6cd39870d34bfe64>.

⁹¹ Plautz, Jason. "\$25M Fund Targets Baltimore's Underinvested Neighborhoods." Smart Cities Dive, February 3, 2020. <https://www.smartcitiesdive.com/news/25m-fund-underinvested-neighborhoods-baltimore/571527/>.

⁹² Dornbrook, James. "AltCap Launches Affiliate to Run an Opportunity Zones Fund." Bizjournals, June 27, 2019. <https://www.bizjournals.com/kansascity/news/2019/06/27/altcap-affiliate-opportunity-zones-fund.html>.

⁹³ Ryan, Sean. "Statewide Opportunity Zone Fund Launched With \$15 Million Goal." Bizjournals, December 12, 2019. <https://www.bizjournals.com/milwaukee/news/2019/12/12/statewide-opportunity-zone-fund-launched-with-15.html>.

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square feet of office space. This initiative will provide technology, including laptops and internet connectivity, to 1,000 families in the community.⁹⁴

Fredericksburg, VA

A local nonprofit food cooperative created a Qualified Opportunity Fund, which will help raise capital to build a new grocery store. The co-op has nearly 1,250 members. This project also includes loans from banks.⁹⁵

Qualified Opportunity Funds have been set up to encourage investors to participate in local enterprises, including:

Madera, CA

A company that grows and sells nuts received Qualified Opportunity Fund capital, with the goal of attracting additional investors, which would positively impact the variety of industries and companies related to farming.⁹⁶

Philadelphia, PA

A Qualified Opportunity Fund is constructing a mixed-use development located in a historical area, which will include 40 new workforce homes, a restaurant, and more.⁹⁷

Opportunity Zone investors are making exciting investments in rural parts of the country, many of which have historically struggled because of a lack of investment. Some examples of revitalizing investments in important industries in underserved rural areas are included below:

A Qualified Opportunity Fund is focusing on the revitalization of small manufacturing companies located in the Northeast and Mid-Atlantic.⁹⁸

South Shore, KY

A Qualified Opportunity Fund recently acquired a 385-acre site that is being developed into an industrial park along the Ohio River.⁹⁹

⁹⁴ Steiner, Jacob. "Start Co. Creating \$50 Million Plan to Address Memphis' Lack of Technology." Bizjournals, November 21, 2019. <https://www.bizjournals.com/memphis/news/2019/11/21/start-co-creating-50-million-plan-to-address.html>.

⁹⁵ Jett, Cathy. "Fredericksburg Food Co-op to Create 'Opportunity Zone Fund.'" The Free Lance-Star, November 10, 2019. https://www.fredericksburg.com/news/local/fredericksburg-food-co-op-to-create-opportunity-zone-fund/article_0d3dbcf5-9c69-5633-9581-7b211c4ba67c.html.

⁹⁶ Venegas, Amanda. "Law Aims to Encourage Investors to Put Money into Small Businesses." ABC 30, July 30, 2019. <https://abc30.com/5430515/>.

⁹⁷ Brey, Jared. "Crowdfunding and Opportunity Zones Joining Forces in Philadelphia Project." NextCity.org, November 5, 2018. <https://nextcity.org/daily/entry/crowdfunding-and-opportunity-zones-joining-forces-in-philadelphia-project>.

⁹⁸ Jordan, John. "DelCam to Launch OZ Fund Focused on Manufacturing Sector." GlobeSt, July 23, 2019. <https://www.globest.com/2019/07/23/delcam-to-launch-oz-fund-focused-on-manufacturing-sector/>.

⁹⁹ Brown, Dennis K. "South Shore Property to be Regional Industrial Park." Lewis County Herald, March 25, 2019. <http://www.lewiscountyherald.com/south-shore-property-to-be-regional-industrial-park>.

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Fernley, NV

More than 4,000 acres of industrial land are being developed into a distribution, manufacturing, and commercial center located between two major highways.¹⁰⁰

Fort Worth, TX

A Qualified Opportunity Fund is supporting sustainable agriculture practices in rural areas, both to strengthen the food system and create jobs in areas most in need.¹⁰¹

Opportunities abound for renewable energy projects in the Opportunity Zones space, such as:

Indianapolis, IN

A Qualified Opportunity Fund was created to invest in and develop clean energy projects focused on real estate, energy, and water applications, while improving energy resiliency. This fund is receiving venture capital backing.¹⁰²

Capitol Heights, MD

A Qualified Opportunity Fund has invested in a solar business that is now producing electricity. It will produce enough energy to power 333 homes.¹⁰³

Other Qualified Opportunity Funds focus on the importance of reentry, including:

Wilmington, DE

A Qualified Opportunity Fund is currently developing a vertical farm in Wilmington, with plans to employ State and Federal inmates after release with the goal of reducing the high rates of recidivism. In January 2020, the first ten former inmates began work.¹⁰⁴

¹⁰⁰ Ranson, Steve. "Fernley Victory Logistics District to Develop 4,300 Acres of Industrial Land." Nevada Appeal, July 18, 2019. <https://www.nevadaappeal.com/news/lahontan-valley/fernley-victory-logistics-district-to-develop-4300-acres-of-industrial-land-2/>.

¹⁰¹ Murray, Lance. "Harvest Returns Starts Opportunity Zones Fund to Nurture Ag Investments." Dallas Innovates, July 10, 2019. <https://dallasinnovates.com/harvest-returns-starts-opportunity-zones-fund-to-nurture-ag-investments/>.

¹⁰² "Greenwave Launches \$250m Opportunity Zone Energy Fund." Real Assets Adviser, September 3, 2019. <https://irei.com/news/greenwave-launches-250m-opportunity-zone-energy-fund/>.

¹⁰³ "Greenbacker Opportunity Zone Fund Announces Commercial Operation Date of First Solar Project – 3.1 MW Maryland Solar Facility." Globe Newswire, January 22, 2020. <https://www.benzinga.com/pressreleases/20/01/g15163071/greenbacker-opportunity-zone-fund-announces-commercial-operation-date-of-first-solar-project-3-1-m>.

¹⁰⁴ O'Connell, Chris. "Wilmington Farm Gives Former Inmates Second Chance at Life." Fox 29 Philadelphia, February 24, 2020. <https://www.fox29.com/news/wilmington-farm-gives-former-inmates-second-chance-at-life>.

Best Practices and Case Studies: Leveraging Federal Resources for Opportunity Zones

This section provides a few best practices of successful partnerships with Federal agencies (members of the Council) that have emerged from Opportunity Zone communities across the country. These examples are the result of the strong emphasis and focus Council member agencies have placed on the Opportunity Zones initiative. Included here are local case studies from more than 25 States. Thanks to the work of the Council and the incredible efforts displayed by local stakeholders, there is a wide range of activity coming back to our nation's most economically distressed communities, including: services for tribal reservations; means for fighting the opioid epidemic; resources for law enforcement; educational opportunities for adults; the revitalization of former industrial areas being converted into new small businesses; and many others. More information on Opportunity Zones is available on the "OpportunityZones.gov" website.



Louisville's investment prospectus has helped the city attract investors and establish goals for future development.

APPALACHIAN REGIONAL COMMISSION (ARC)

The ARC supports investments in distressed Appalachian communities across 13 States. Some examples of ARC support for Opportunity Zones are below:

An investment of \$3.3 million to continue supporting economic diversification in the Region's coal-impacted communities. The funding was provided by POWER (Partnerships for Opportunity and Workforce and Economic Revitalization).

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Corning, NY

\$1,552,554 to a nonprofit, local development corporation in New York to expand existing high-speed dark fiber optic ring to ensure that entrepreneurs in rural areas will be able to effectively start businesses.¹⁰⁵

Somerset, PA

\$1 million to Somerset County to assist with construction of the new detox unit of a nonprofit community asset that treats individuals struggling with substance use disorder. It is expected to provide for an additional 472 patients annually, and 33 jobs for substance use recovery professionals.¹⁰⁶

Birmingham, AL

\$733,150 to a nonprofit in Birmingham to build local capacity to prepare effectively for Opportunity Zone investment, create a dedicated pipeline to access national and local Opportunity Zone investments, and develop unique impact investment data collection and analysis processes around Opportunity Zone projects.¹⁰⁷

U.S. DEPARTMENT OF AGRICULTURE (USDA)

As a member of the Council, the Department of Agriculture plays a key role in Opportunity Zone projects related to food, farming, broadband, and more, especially in rural areas. Examples of USDA actions that are benefitting Opportunity Zones include:

Clarksburg, WV

A rural electric company received a \$18.7 million grant, which the company matched with \$6.2 million to build out fiber-to-the-premises in northern West Virginia just south of Morgantown. This project will bring high-speed broadband infrastructure that will create or improve rural e-Connectivity for more than 6,300 rural households and an estimated 383 farms in the service area, which includes Opportunity Zones.¹⁰⁸

Virginia

A rural telephone company in Southern Virginia received a \$48 million loan from the USDA ReConnect project. The money was matched by \$17.5 million for a total project cost of \$65.5 million. It will fund more than 2,100 miles of fiber-to-the-premises, and service 1,500 farms, 3,218 businesses, and 67,000 households, for a total of 165,000 people. The project covers a significant portion of southern Virginia and will provide broadband infrastructure to underserved areas, including Opportunity Zones.¹⁰⁹

¹⁰⁵ "ARC Announces \$3.3 Million to Continue Economic Growth in Region's Coal-Impacted Communities." Appalachian Regional Commission. Accessed March 4, 2020. https://www.arc.gov/news/article.asp?ARTICLE_ID=690.

¹⁰⁶ Ibid.

¹⁰⁷ Ibid.

¹⁰⁸ "USDA Invests \$18.7 Million in Broadband for Rural West Virginia Communities." USDA. Accessed March 4, 2020. <https://www.usda.gov/media/press-releases/2020/01/20/usda-invests-187-million-broadband-rural-west-virginia-communities>.

¹⁰⁹ Ibid.



Rendering of the future Russell Center for Innovation and Entrepreneurship in Atlanta, Georgia.

U.S. DEPARTMENT OF COMMERCE
Economic Development Administration (EDA)

As the only Federal agency focused exclusively on economic development, the Economic Development Administration has filled an important role on the Council, routinely investing efficiently and with an impact-oriented approach in America’s Opportunity Zones. The Department of Commerce leads the Council’s Economic Development work stream. Some examples of its work are below:

Atlanta, GA

In 2019, EDA awarded the Russell Center for Innovation and Entrepreneurship (RCIE) a \$1.2 million grant to expand, building on an earlier EDA grant that helped convert a former 43,000-square-foot corporate headquarters into a space for 100 emerging entrepreneurial companies. Located in an Opportunity Zone and adjacent to three of Atlanta’s HBCUs, RCIE describes itself as “part incubator, part accelerator, part innovation lab and even part museum” that offers “access to place and space, resources, networks, mentorship, technical assistance and education,” for African American entrepreneurs.¹¹⁰

Grand Portage Tribe Reservation, MN

Located in Minnesota’s remote northeast, the Grand Portage Indian Tribe Reservation primarily relies on fishing and tourism from the United States and Thunder Bay, Canada. Recent changes in ferry routes to nearby Isle Royale National Park have increased the Hat Point Marina and Ferry Terminal’s importance to the Tribe’s ongoing economic development. In 2019, EDA awarded the Grand Portage Reservation Tribal Council a \$3.27 million grant to help modernize the marina and terminal’s infrastructure. The Council, which matched the EDA grant with \$2 million, will also use the funds to construct a new building with a culturally appropriate educational area. When the project is completed, the Tribe will have the ability to meet the increased demand for ferry voyages

¹¹⁰ “Success Story: The Russell Center for Innovation and Entrepreneurship Brings Diverse Economic Growth to Atlanta Opportunity Zone.” U.S. Economic Development Administration, February 1, 2020. <https://www.eda.gov/news/blogs/2020/02/01/success.htm>.

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to and from Isle Royale National Park. The enhanced marina and ferry infrastructure will also help the Tribe encourage new private investment in the Opportunity Zone.¹¹¹



*Photos of the current Hat Point Marina and Ferry Terminal in Grand Portage, Minnesota.
Photo by: Grand Portage Band of Lake Superior Chippewa*



*Rendering of the future Hat Point Marina and Ferry Terminal in Grand Portage, Minnesota.
Photo by: AMI Consulting Engineers, P.A.*

Albuquerque, NM

Once the economic hub of the region, Albuquerque's rail yards have struggled because of economic changes and are now dilapidated and a magnet for crime. In 2007, the City of Albuquerque purchased the property, which is listed on the National and State Historic Register. In 2014, the city completed a master plan to reconstruct the site with a vision for the "Rail Yards to become a vibrant mixed-use center of employment, housing, cultural, and educational uses that celebrates the historical and cultural legacy of the site and is connected to the community through on site activity, public access and transportation options." In December 2019, EDA awarded a \$1.2 million grant to the city to provide critical infrastructure improvements, including water and sewer, to help the Rail Yards once again become the economic engine of the region. This EDA investment, which the city

¹¹¹ "U.S. Department of Commerce Invests to Provide Critical Infrastructure to Serve Tribal Businesses in Grand Portage, Minnesota Opportunity Zone." U.S. Economic Development Administration, September 26, 2019. <https://www.eda.gov/news/press-releases/2019/09/26/grand-portage-mn.htm>.

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matched with \$1.2 million, will help leverage additional private and public investment in the Opportunity Zone. The location will be used by the film industry and will house Central New Mexico Community College's Film Production School of Excellence. The investment is also expected to create more than 300 jobs and attract \$9 million in private investment.¹¹²



Assistant Secretary John Fleming announces that the U.S. Economic Development Administration is awarding a \$1.2 million grant to the City of Albuquerque, New Mexico, to provide infrastructure improvements to redevelop the city's historic Rail Yards. The site will house the Central New Mexico Community College's Film Production School of Excellence, is located near two Opportunity Zones, and will help drive private investment into the region. Photo by: EDA staff



One of the several large facilities at the Rail Yards—described during the announcement as an “Industrial Cathedral,” this site was used for servicing trains since the late 1800’s. Most of the buildings

¹¹² “U.S. Department of Commerce to Invest \$1.2 Million to Aid Redevelopment of Historic Rail Yards in Albuquerque, New Mexico.” U.S. Economic Development Administration, December 4, 2019. <https://www.eda.gov/news/press-releases/2019/12/04/Albuquerque-nm.htm>.

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were built between 1914 and 1924. The peak of the ABQ Rail yards was in the 1920's and it played a critical role during World War II. The use of the rail yards declined steadily in the later decades, finally shutting down in 1986. Photo by: EDA staff

U.S. DEPARTMENT OF EDUCATION

America's economically distressed areas, including Opportunity Zones, often experience a lack of quality educational options and have lower levels of educational attainment. According to a 2018 Urban Institute analysis, only 17.6 percent of individuals aged 25 or older in Opportunity Zones had attained a bachelor's degree or higher, compared to 21.1 percent in eligible non-designated census tracts and 29 percent in all census tracts.¹¹³ The Department of Education, which co-leads the Council's Education and Workforce Development work stream, has demonstrated a concerted effort to align its policies and programs with the mission of Opportunity Zones and will continue to lead in this manner. Some examples are below:

Perth Amboy, NJ

In Fiscal Year 2019, the Department of Education included a competitive preference priority in the Charter Schools Program Developer grants competition to encourage applicants to propose to open new charter schools or to replicate and expand existing high-quality charter schools in Opportunity Zones. Through this competition, the Department awarded a four-year grant totaling \$1.2 million to Middlesex County STEM (Science, Technology, Engineering, Math) Charter School (MCSCS), a new charter school located in Perth Amboy, New Jersey. The school's mission is to provide a rigorous STEM curriculum and to stimulate students' interest in pursuing STEM careers. In the school's first year of operation in 2018, approximately two-thirds of MCSCS' students came from economically disadvantaged households and 94 percent were Hispanic or African American.¹¹⁴

Grand Prairie, TX

In the Fiscal Year 2019 School Climate Transformation competition, the Department included an absolute priority for school districts overlapping with Opportunity Zones. Successful applicants under this priority proposed to develop, enhance, or expand systems of support for, and technical assistance to, schools implementing a multi-tiered system of support for improving school climate. The Department awarded a five-year grant totaling \$3.7 million to Grand Prairie Independent School District in Texas. This District, which serves more than 29,000 students, was funded to implement a multi-tiered system of support framework designed to create a school climate where all students are equipped to succeed socially and academically. The project also includes a focus on opioid misuse prevention and mitigation strategies and is designed to improve a number of school and student outcomes such as: increasing the number of schools reporting

¹¹³ Brett Theodos, Brady Meixell, and Carl Hedman, "Did States Maximize Their Opportunity Zones Selections?" (Urban Institute), 2018, available at: https://www.urban.org/sites/default/files/publication/98445/did_states_maximize_their_opportunity_zone_selections_7.pdf.

¹¹⁴ "Applications for New Awards; Expanding Opportunity Through Quality Charter Schools Program (CSP)-Grants to Charter School Developers for the Opening of New Charter Schools and for the Replication and Expansion of High-Quality Charter Schools." Federal Register, July 3, 2019. <https://www.federalregister.gov/documents/2019/07/03/2019-14267/applications-for-new-awards-expanding-opportunity-through-quality-charter-schools-program-csp-grants>.

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improved school climate, decreasing the number of suspensions and expulsion, decreasing the number students reporting feeling unsafe or depressed, and increasing parent engagement.¹¹⁵

U.S. DEPARTMENT OF ENERGY

As a member of both the Economic Development and the Entrepreneurship work streams, the Department of Energy works to enhance the participation of underserved communities in energy-related roles. Some examples of actions it has taken are below:

Shreveport, LA

Southern University Shreveport (SUSLA) is receiving \$475,000 in funding to increase the enrollment, educational attainment, and completion of studies focused on energy and STEM. This project will increase the enrollment, educational attainment, and completion of studies focused on energy and STEM to meet energy-related workforce demands. SUSLA is a unit of the Southern University A&M System, which serves rural and urban areas of northwest Louisiana bordered to the west by Texas and the north by Arkansas. The project will target residents in 17 Opportunity Zones across seven parishes in the Shreveport area and 22 Opportunity Zones around Baton Rouge.

Elizabeth City, NC

Elizabeth City State University (ECSU) is receiving \$398,527 to enhance STEM education and training, and to expand energy-related curriculums at the school. The comprehensive programs will increase the number of minority and underrepresented students in energy-related sectors. ECSU is an HBCU located in an Opportunity Zone and assists historically underserved students from the northeastern North Carolina region.

Atlanta, GA

The Herman J. Russell Center for Innovation and Entrepreneurship is receiving \$475,000 in funding for the creation of a STEM/Workforce Development paid internship program and an accredited academic program for minority undergraduate and graduate students. Located in one of Atlanta's Opportunity Zones, RCIE will house more than 50,000 square feet of affordable coworking, convening, meeting and makerspace, in addition to a robust offering of educational, mentoring, networking, and capital resources—all dedicated to inspiring ideas, creating jobs, scaling companies, and increasing wealth in the community. RCIE partners with the Atlanta University Center and several HBCUs, including Morehouse College, Spelman College, Clark Atlanta University, and Morehouse School of Medicine. This investment complements the other Federal investments in RCIE.

Detroit, MI

A construction company is receiving \$475,000 in funding for a Workforce Development Training Program. This program will equip Detroit citizens with the necessary skills to participate in the rising demand for construction and skilled trade related jobs. These middle-class jobs will offer opportunities for upward economic mobility and financial stability in low-income areas of Detroit. Once an individual has the correct training and certifications, a career in the skilled trades provides a median income of \$54,000 per year and vertical growth within the field. This minority-owned

¹¹⁵ "Applications for New Awards; School Climate Transformation Grant Program-Local Educational Agency Grants." Federal Register, June 10, 2019. <https://www.federalregister.gov/documents/2019/06/10/2019-12101/applications-for-new-awards-school-climate-transformation-grant-program-local-educational-agency>.

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company is located in an Opportunity Zone and prepares local residents for life and family-sustaining jobs.

ENVIRONMENTAL PROTECTION AGENCY (EPA)

Opportunity Zones and other economically distressed areas may have experienced heightened environmental degradation and contamination throughout the years. The Environmental Protection Agency works to alleviate these problems and improve the environment and health of all Americans, and has given particular attention to those living in such distressed areas. Indeed, a healthy population and clean environment could help attract investments and spur economic growth in Opportunity Zones.

Brownfields

EPA's Brownfields Program provides grants and technical assistance to clean up contaminated properties, that can support Opportunity Zones, and the Targeted Brownfields Assessment (TBA) program helps State, local, and tribal governments minimize the uncertainties of contamination associated with these sites. In May 2020, EPA announced the selection of 155 grants for communities totaling over \$65 million through the agency's Assessment, Revolving Loan Fund, and Cleanup Grant Programs. Of the communities selected, 118 can potentially assess or clean up brownfield sites with Opportunity Zones.

Water Infrastructure Improvements for the Nation Act

In February 2020, the EPA announced the availability of over \$17 million under the Water Infrastructure Improvements for the Nation (WIIN) Act for projects that implement or improve corrosion control or conduct lead service line replacements in disadvantaged communities and an additional \$22.8 million for projects that remove sources of lead in drinking water in schools or child care facilities. The Agency is prioritizing projects for drinking water systems that service disadvantaged communities, including those that are part of Opportunity Zones.¹¹⁶

Urban Waters

In 2019, the EPA's Urban Waters (UW) program created a set of maps that highlight Opportunity Zone locations within UW Partnership locations and shared with UW partners for their awareness. There are 20 UW Partnerships and hundreds of community improvement projects across the country. Examples of these projects include stream and river restoration, community-led cleanups, environmental education events, implementation of green infrastructure for flood control, and water quality monitoring. The UW program is an EPA-led Federal Government-wide effort that helps revitalize American waterways and the communities that surround them.

Case studies of EPA's efforts in Opportunity Zones as a Council member agency include:

¹¹⁶ "EPA Announces Availability of \$40 Million to Further Reduce Lead in Drinking Water." Environmental Protection Agency, February 19, 2020. <https://www.epa.gov/newsreleases/epa-announces-availability-40-million-further-reduce-lead-drinking-water>.

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Butte, MT

Opportunity Zone designation will attract financing for the Praxis Center for Innovative Learning, a proposed regional hospital training center slated for construction in 2020. The TBA provided financial reassurance for a \$36 million private investment, which is expected to include Qualified Opportunity Fund investment, private equity capital and New Markets Tax Credits. There is a block of former historic auto repair sites adjacent to the future Praxis Center site referred to as “Auto Row.” EPA and the State of Montana are helping the city capitalize on the future Praxis redevelopment by providing reuse planning, and to attract additional Opportunity Zone investment.¹¹⁷

Wenatchee, WA

In 2018, EPA provided planning assistance through the Healthy Places for Healthy People (HP2) program to help the community’s Opportunity Zone develop a plan to increase economic opportunities for residents, particularly among the neighborhood’s Hispanic population. EPA’s HP2 program engages with community leaders and healthcare partners to create walkable, healthy, economically vibrant downtowns and neighborhoods that can improve health, protect the environment, and support economic growth. As a result of the HP2 action plan, Wenatchee is revitalizing a community park, supporting entrepreneurship and small business development, improving walkability, strengthening the south Wenatchee neighborhood’s connections to downtown, and highlighting place-based cultural expression to support economic revitalization. EPA is currently providing follow-up assistance to help the community connect with private capital, including Qualified Opportunity Funds, to support implementation of the community’s priorities.

Glenwood Springs, CO

The City of Glenwood Springs used a \$200,000 EPA Brownfields grant to fund the Confluence Redevelopment Plan. The Plan covers an area of downtown that runs along the Colorado River. The Plan was completed in February 2018. The City then created an Economic Development Brochure and hosted forums with local investors, bankers, and developers throughout 2019 to implement the plan and explain the benefits of investing in the community’s Opportunity Zones. In July 2019, the City and EPA hosted a workshop for local residents that resulted in a conceptual site plan for Confluence Park, which connects two key Opportunity Zones. The City is now in the process of hiring a master developer to implement these plans, which were developed with EPA grant money and technical assistance.



¹¹⁷ Smith, Mike, and McCumber, David. “Breakthrough’: SARTA Grant Approval Paves Way for Praxis Center Land Purchase.” *Montana Standard*, September 18, 2019. https://mtstandard.com/news/local/breakthrough-sarta-grant-approval-paves-way-for-praxis-center-land/article_d23f53a4-9b73-5ac8-ada6-45d1d35d4545.html.

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Miami-Dade County, FL

In 2019, EPA's Water Infrastructure Finance and Innovation Act (WIFIA) program closed a \$99 million loan to the Miami Dade Water and Sewer Department for a project to help two wastewater plants comply with Florida's Ocean Outfall Legislation. The North and South District Wastewater Treatment Plants are located in Opportunity Zones with poverty rates of 27 percent and 30 percent respectively.

Cleveland, OH

In April 2019, EPA re-designated Cleveland, Ohio as "in attainment" with the national ambient air quality standards for particulate matter. This re-designation will help the city attract new business and expand existing businesses as projects in attainment areas are not subject to the more burdensome, complex permitting restrictions as nonattainment areas, which can reduce administrative and regulatory costs as well as permitting delays. In 2019, EPA re-designated additional areas across the country that include Opportunity Zones from nonattainment to attainment for air pollutants. Those communities include Washington, DC; Williamson County, Illinois; Terre Haute, Indiana; Missoula, Montana; Columbus, Ohio; and Lake County, Ohio.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) Health Resources and Services Administration (HRSA)

Opportunity Zones face significant needs related to healthcare, as the average life expectancy in Opportunity Zones is three years shorter than the national average. Because of poor health outcomes resulting from a lack of public and private investment, the Department of Health and Human Services has invested substantial resources into America's Opportunity Zones to help close these gaps.

Community Health Centers

Beginning in Fiscal Year 2019, the Health Resources & Services Administration (HRSA) included Opportunity Zones as a component of the objective review criteria for its Notices of Funding Opportunity that support new or existing service areas. The HRSA Health Center Program provides affordable, accessible, quality, and cost-effective primary healthcare services by coordinating and integrating a wide range of medical, dental, mental health, substance use disorder (SUD), and patient support services. Health centers play an important role in combatting the nation's opioid and drug epidemic and offer a wide range of integrated primary care, mental health, and substance use disorder services including but not limited to Screening, Brief Intervention, and Referral to Treatment (SBIRT), counseling and psychiatry, Medication-Assisted Treatment (MAT), and recovery support. In 2018, more than 90 percent of health centers offered mental health services and 67 percent offered SUD services. In September 2019, HRSA awarded \$50 million in New Access Points (NAP) funding to establish new service delivery sites for the provision of comprehensive primary healthcare services. Of the 124 active, newly awarded Fiscal Year 2019 NAP service delivery sites, 97 percent (120) are located within an Opportunity Zone. Nationwide, 3,568 (28 percent) of HRSA's approximately 13,000 health center service delivery sites are located within an Opportunity Zone.

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Administration for Children and Families (ACF)

Head Start

In 2019, the Office of Head Start added to its Early Head Start (EHS) Expansion – Early Head Start-Child Care (EHS-CC) Partnership Funding Opportunity Announcement language that encouraged applications from organizations located in Opportunity Zones. As a result, almost half of the 78 awards made proposed to deliver services in Opportunity Zones, which resulted in approximately \$75 million of investment in these communities. The impact of these dollars amounted to nearly 4,000 of our country’s most vulnerable children and their families gaining access to Early Head Start. Looking forward to later this year, the Office of Head Start will leverage the EHS Expansion and EHS-CC Partnership funding (\$100 million) to highlight Opportunity Zones, and it expects similar results.

An example of a Head Start and State Pre-K partnership is immediately below:

Charlotte, NC

Bethlehem Center of Charlotte, Inc., offers services in Opportunity Zones, such as a Head Start/Early Head Start center. The Stephanie Jennings Education Center serves a total of 103 children and their families. In partnership with North Carolina’s State Pre-K initiative, this center provides full-day programming, giving parents the opportunity to work and seek educational opportunities. Programs such as Women, Infants, and Children (WIC), job placement, and other family support programming is provided through this site’s family engagement work. Specifically, the effort is supporting the transition of children and their parents from Head Start to the public schools. When families’ transition experiences are positive, children will have better school experiences.¹¹⁸

Community Economic Development

Part of ACF, Community Economic Development (CED) is a Federal grant program funding Community Development Corporations that address the economic needs of low-income individuals and families through the creation of sustainable business development and employment opportunities. CED has undertaken significant activities in Opportunity Zones, some of which are listed here:

Wayne and Huntington, WV

Coalfield Development Corporation received \$800,000 in CED funds in Fiscal Year 2019 to expand its custom t-shirt manufacturing business in Huntington, West Virginia. CED funds will be used to purchase equipment and provide working capital and costs associated with business expansion. This project will serve communities in an Opportunity Zone and rural area with high rates of poverty, unemployment, and substance use, in addition to creating 40 new, full-time jobs for individuals in counties suffering from persistent poverty.¹¹⁹

London, KY

The Kentucky Highlands Community Development Corporation (KHCDC) received \$800,000 in Community Economic Development (CED) funds in Fiscal Year 2019 to provide a loan to Outdoor Venture Corporation (OVC) in Whitley County and McCreary County, Kentucky. The loan will be used as working capital needed to begin a ten-year subcontract with Fibrotex USA, which has a 10-year contract with the U.S. Department of Defense to produce next generation camouflage netting to

¹¹⁸ “Home.” Bethlehem Center, February 27, 2020. <http://bethlehemcenter.org/>.

¹¹⁹ “Courage, Creativity, Community.” Coalfield Development, February 13, 2020. <https://coalfield-development.org/>.

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protect U.S. troops. In addition, KHDC will work with a partner to provide financial literacy workshops and volunteer income tax assistance to employees. This project will serve communities in a rural Opportunity Zone and create 40 new full-time jobs, 75 percent of which will be filled by low-income individuals.¹²⁰ KHDC was also awarded \$400,000 in Fiscal Year 2019 to start a Community Economic Development Social Enterprise incubator. The incubator will expand upon KHDC's existing incubator, Kentucky Highlands Innovation Center for Social Enterprises. The Kentucky Highlands Innovation Center for Social Enterprises project will recruit new and existing social enterprises and deliver business development services and technical assistance to grow viable enterprises that address local needs, and to provide social support and business loans to viable social enterprises that can create and sustain new full-time jobs for low-income individuals and help the target population overcome barriers to achieve self-sufficiency. The first social enterprise KHDC will assist is American Health Management, Inc., the second largest provider of adult daycare services in Kentucky. Additionally, KHDC will allow low-income seniors to live at home with a higher quality of life, allow family members to pursue employment efforts, create job opportunities for individuals with low income, and provide services to reduce barriers to employment. The project will serve 22 rural counties, including 28 Opportunity Zones.

Bronx, NY

The Business Outreach Center (BOC) Network received \$800,000 in CED funds in Fiscal Year 2019 to partner with BOC Capital Corporation (a Community Development Financial Institution) and to provide a loan to a commercial laundry business that is committed to creating second-chance employment for people who are returning to work after facing significant challenges such as incarceration or homelessness. This project will create 42 new, full-time jobs with competitive wages and promotion potential, 75 percent of which will be filled by low-income individuals.¹²¹

Oakland, CA

Main Street Launch (MSL) received \$800,000 in CED funds in Fiscal Year 2019 to capitalize the Oakland Job Fund, which will provide low-interest loans to create and expand restaurants within seven Opportunity Zones in Oakland, California. In addition to the loans, CED funds will be used to provide individualized technical assistance to the restaurants and to cover the costs of program administration. The organization will work with local partners to offer culturally and linguistically appropriate financial literacy training to participating businesses. The project will create 86 new, full-time jobs, 75 percent of which will be filled by low-income individuals.¹²²

Missoula, MT

Montana Community Development Corporation (MCDC) DBA MoFi received \$800,000 in CED funds in Fiscal Year 2019 to provide a loan to a new fish restaurant in Bozeman, Montana. The loan will be used to finance the build out of a 10,500-square-foot space. In addition, CED funds will be used for project management activities, including partnering with local workforce development entities devoted to recruiting low-income individuals to fill newly created jobs and for providing financial literacy and credit building services to Good Fish Company employees. The project will create 32 new, full-time jobs, 75 percent of which will be filled by low-income individuals.¹²³

¹²⁰ "Opportunity Zones – Kentucky Highlands Investment Corporation." <http://www.khic.org/opportunity-zone/>.

¹²¹ Business Outreach Center Network (BOCNET) - New York City and Newark NJ. <http://www.bocnet.org/boc/home.asp>.

¹²² "Main Street Launch." Main Street Launch.org. <https://www.mainstreetlaunch.org/>.

¹²³ "Small Business Loans, down Payment Help & New Market Tax Credits." MoFi. <https://www.mofi.org/>.

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Brunswick, ME

Casual Enterprises Inc. (CEI) received \$800,000 in Fiscal Year 2019 Community Economic Development (CED) funds to support the Growing Good Jobs in Rural Maine Initiative. The Growing Good Jobs in Rural Maine Initiative meets a need for quality jobs that can help people with low incomes receiving public assistance or earning a low wage rise out of poverty and achieve financial self-sufficiency. CEI will use CED funds to purchase equipment to expand two businesses supporting Maine's marine economy. CEI will also use CED funds to finance working capital, including purchasing appliances and furniture, providing educational material, and for salaries for a new childcare business that will enable more parents to enter and stay in the workforce. This project will create 40 new, full-time jobs, 75 percent of which will be filled by low-income individuals.¹²⁴

Honolulu, HI

Pacific Gateway Center (PGC) was awarded \$400,000 in Fiscal Year 2019 to start a Community Economic Development Social Enterprise incubator for the PGC Social Enterprise Program (PGC-SEP), which will expand its efforts to support the start-up and expansion of social enterprise businesses throughout communities in Honolulu. The organization will use CED Social Enterprise funds to create a low-interest micro-loan fund and provide infrastructure improvements for a new service center as well as potential business clients incubated through PGC's three existing incubators: a farm incubator, culinary business incubator, and retail restaurant business incubator. PGC-SEP will use its existing network to recruit new clients to participate in its incubation services. The funds will also help social enterprises thrive by providing guidance on capacity, coaching, capital, connections, and contracts to ensure the client's business plan is on track. This project will serve communities from Kalihi to Chinatown, 80 percent of which are located in Opportunity Zones.¹²⁵

Columbus, OH

The Economic and Community Development Institute (ECDI) was awarded \$400,000 in Fiscal Year 2019 to start a Community Economic Development Social Enterprise incubator to support the Social Enterprise Hub, an incubator that will support the growth of social enterprise businesses in Columbus and Cleveland, Ohio. The Social Enterprise Hub will provide loans to participating social enterprises, provide incubator services, technical assistance, and access to support staff who will provide direct services to the social enterprises. This will allow new social enterprises to become profitable and create jobs for the low-income, target populations. It will incubate for-profit and nonprofit enterprises that are committed to reinvesting profits back into the community to solve an issue or help a specific segment of the population, or implementing supportive employment practices that center on inclusivity and upward mobility of populations facing significant barriers to employment and self-sufficiency.¹²⁶

¹²⁴ Anderson, J. Craig Anderson, Staff Writer. "CEI Awarded \$800,000 in Federal Funds to Boost Jobs in Rural Maine." Press Herald, September 26, 2019. <https://www.pressherald.com/2019/09/25/cei-awarded-800000-in-federal-funds-to-boost-jobs-in-rural-maine/>.

¹²⁵ "Pacific Gateway Center." <https://www.pacificgatewaycenter.org/>.

¹²⁶ "Economic Community Development Institute: Investing in People, Businesses & Communities in Ohio." ECDI. <https://www.ecdi.org/>.



Future evaluations of Opportunity Zones could examine neighborhood impact, including changes in home values and rents, using administrative datasets.

Administration for Native Americans (ANA)

The Administration for Native Americans, an Office of the Administration for Children and Families, supports Native American communities by providing financial assistance and capacity building, gathering and sharing data, and advocating for improved policies within HHS and across the Federal Government. ANA serves all Native Americans, including Federally recognized tribes, American Indian and Alaska Native organizations, Native Hawaiian organizations, and Native populations throughout the Pacific Basin (including American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands).

In December 2019, ANA hosted a nationwide webinar to familiarize Indian tribes, tribal organizations, and Native American communities with Opportunity Zones and how to leverage the designations for their communities. Outcomes included how the Opportunity Zone communities can be better equipped to work with legal and tax professionals to harness the tax benefits of creating or expanding Native businesses in such areas. ANA is also investing heavily in Opportunity Zones. In 2019, one in every three ANA projects were in Opportunity Zones. These projects invested in infrastructure and activities meant to boost entrepreneurship, including the improvement of internet and telecommunications connectivity or support for small businesses. Some examples are listed below:

Okemah, OK

The Thlopthlocco Tribal Town aims to enhance its IT infrastructure to provide high-speed service to improve the efficiency of tribal government administrative functions. This 3-year project has begun to assist tribal members and the community with access to public computers for job searches, social services requests, education, and Native language resources. Fiber optic networks were installed in five tribal government buildings in addition to a communication tower that allows tribal police to expand their radio communications coverage and reach additional areas. The project has also resulted in an external partnership with the Bureau of Indian Affairs that will allow for the installation of a radio antenna to be used in firefighting efforts. The upgrades provided by the grant funds have increased internet speeds within the community from ten to 100 times faster.

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New Mexico

Seeking to help budding entrepreneurs hone their business acumen so that they are attractive to future investors, ANA grant recipient New Mexico Community Capital created the Native Entrepreneur in Residence (NEIR) Program for Native entrepreneurs. The project provides physical space, direct investment capital, entrepreneurial training and development, and access to one-on-one business expertise and financial networks. Over the five-year project, 47 Native entrepreneurs from multiple States were served by the project.¹²⁷

Community Services Block Grant

The Office of Community Services, an Office of the Administration for Children and Families, provides funds through the Community Services Block Grant (CSBG) to alleviate poverty. Some examples of how this grant has benefitted residents of Opportunity Zones include:

New Orleans, LA

Total Community Action, the Community Action Agency for New Orleans, is leveraging CSBG funds to partner with the Greater New Orleans Community Foundation and other partners in downtown New Orleans. The agency is focused on rehabilitating the old Charity Hospital, which has been vacant since it was damaged during Hurricane Katrina in 2005. The local coalition is using the Opportunity Zone designation as a way to attract new private capital to the area and is also using the New Markets Tax Credit as an added incentive. A strong community outreach component has been part of the effort from the start in order to understand the needs of the local residents when rebuilding the community.^{128 129}

Detroit, MI

Wayne Metro Community Action Agency has assembled a broad community collaborative of private foundations, nonprofits and community residents to target investments in historically underserved Detroit neighborhoods. Neighborhood-based organizations can apply for up to \$50,000 in funding for projects that promote resident leadership development, citizen engagement and empowerment, and locally based movements to promote vibrant neighborhoods in historically underinvested parts of Detroit. CSBG funds have contributed \$100,000 to the fund and support Wayne Metro Community Action Agency's staffing and support of the initiative. The breadth of the collaborative, and the resources it provides, connects residents to Opportunity Zone incentives and investment opportunities.¹³⁰

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

As the lead agency on the White House Opportunity and Revitalization Council, the Department of Housing and Urban Development has effectuated numerous action items to support Opportunity

¹²⁷ "Taking Advantage of Opportunity Zones." ACF. <https://www.acf.hhs.gov/ana/events/taking-advantage-of-opportunity-zones>.

¹²⁸ Adelson, Jeff. "LSU Approves Charity Hospital Redevelopment in Downtown New Orleans; Here's What's Next." NOLA.com, October 25, 2019. https://www.nola.com/news/business/article_27209016-f739-11e9-8307-8be3a23e5644.html.

¹²⁹ "Opportunity Zones and New Orleans; A Chance for Affordable Housing Growth". Apr. 2019. p.87: <https://scholarship.sha.cornell.edu/cgi/viewcontent.cgi?article=1273&context=crer>

¹³⁰ "Detroit Neighborhood Residents 1st Fund Collaborative." W.K. Kellogg Foundation. <https://www.wkkf.org/grants/grant/2018/12/detroit-neighborhood-residents-1st-fund-collaborative-p0131238>.

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Zones. HUD has added preference points to competitive grants for projects in Opportunity Zones; reduced mortgage insurance application fees for multifamily properties and healthcare facilities in Opportunity Zones; and is administering a procurement pilot that will last through June 30, 2020, among other action items completed. Below are some examples of the impact of HUD's actions in the Opportunity Zones space:

Los Angeles, CA

HUD awarded a \$35 million 2019 Choice Neighborhoods Implementation Grant to the Housing Authority of the City of Los Angeles and the City of Los Angeles, for the purpose of revitalizing the Jordan Downs public housing site, which currently has more than 600 units of barracks-style public housing that is isolated from the rest of the community. The recipients of this grant will create 1,434 new mixed-income housing units on a revitalized site, with a park, community center, and more. The new housing development will be enhanced by the nearby Freedom Plaza, which will be the Watts neighborhood's first new commercial development in 50 years. Jordan Downs is located in an Opportunity Zone.¹³¹

Philadelphia, PA

HUD also awarded \$30 million in a Choice Neighborhoods Implementation Grant to the Philadelphia Housing Authority and City of Philadelphia. These funds will be used to create 646 new, mixed-income rental and homeownership units; develop a new fresh food grocery store and retail complex; rehabilitate owner-occupied housing and infill vacant lots; and connect residents to employment, health, and educational opportunities. These activities will take place in the Sharswood/Blumberg neighborhood, which is located in an Opportunity Zone and has suffered disinvestment for decades.¹³²

Lakeland, FL

A real estate finance firm in March 2020 secured more than \$50 million in financing for a 305-unit multifamily development that includes workforce housing, structuring debt through HUD's Federal Housing Administration (FHA) 221(d)(4) program, which insures mortgage loans to facilitate the new construction or substantial rehabilitation of multifamily rental or cooperative housing for moderate-income families, elderly, and the handicapped. FHA's Office of Multifamily Housing has reduced mortgage insurance application fees and designated its most senior underwriters for Opportunity Zone projects.¹³³

Holyoke, MA

A public housing property recently completed a Rental Assistance Demonstration conversion from public housing assistance to Section 8 rental assistance through a revitalization transaction made possible because of the Opportunity Zones incentive. Originally built in 1939, Lyman Terrace is one of the oldest public housing projects in the country. The Holyoke Housing Authority and its developer partner financed the first of the two phases of this revitalization using Rental Assistance

¹³¹ "HACLA Awarded \$35M Choice Neighborhoods Implementation (CNI) Grant from HUD." Housing Authority of the City of Los Angeles, April 23, 2020.

<http://hacla.org/Portals/0/Attachments/Press%20Releases/2020/CNI%20Grant.pdf?ver=2020-04-23-163526-760>.

¹³² "HUD Awards PHA & the City of Philadelphia a \$30 Million Grant to Revitalize Sharswood Neighborhood." Pennsylvania Association of Housing & Redevelopment Agencies, April 24, 2020. <https://pahra.org/latest-news/hud-awards-pha-the-city-of-philadelphia-a-30-million-grant-to-revitalize-sharswood-neighborhood/>.

¹³³ "Florida Opportunity Zone Development Receives \$50 Million Construction Loan via Walker & Dunlop." Florida Now, March 5, 2020. <https://floridanownews.com/2020/03/05/florida-opportunity-zone-development-receives-50-million-construction-loan-via-walker-dunlop/>.

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Demonstration, low-income housing tax credits, and other traditional affordable housing financing sources. The establishment of Opportunity Zones helped solve a significant funding gap in plans for phase two. The Holyoke Housing Authority and its private sector partners worked together to structure a transaction that maintained an acceptable return.¹³⁴

Louisville, KY

A mortgage lender that provides financing for affordable and market rate housing obtained an FHA-insured 221(d)(4) mortgage with reduced application fees. This Opportunity Zone project includes 503 units of affordable housing, and Section 221(d)(4) allows for substantial rehabilitation of these units.¹³⁵

Lewisburg, TN

A real estate firm secured debt through an FHA-insured 221(d)(4) deal to support a 130-unit affordable housing complex in an Opportunity Zone. It will devote \$8.5 million to substantial rehabilitation, improving energy efficiency and accessibility.¹³⁶

Grand Junction, CO

A hospital has taken advantage of reduced HUD mortgage insurance application fees under the FHA's 223(f)/242 program. With FHA insurance, the hospital is able to reduce its interest expenses significantly, allowing it to construct an additional operating room and enhance existing hospital space.¹³⁷

In December 2019, HUD awarded more than \$79 million to nearly 700 public housing authorities across the nation through HUD's Family Self-Sufficiency Program (FSS). These grants help public housing residents gain marketable skills, improve their education, and increase their income. More than 90 percent of FSS awards in Fiscal Year 2019 were to public housing authorities with units in Opportunity Zones.¹³⁸

In February 2020, HUD awarded \$36 million through its Resident Opportunities and Self-Sufficiency—Service Coordinators program (ROSS-SC). More than \$10 million of this funding went to grantees located in Opportunity Zones. These funds allow for the hiring or retaining of service coordinators who help connect residents of public housing with employment training, financial literacy services, educational opportunities, and health and wellness programs, opportunities that closely track with the mission of the Council.¹³⁹

¹³⁴ "RAD Photo Essays & Case Studies." HUD. <https://www.hud.gov/RAD/news/case-studies>.

¹³⁵ "City View Park." AGM. http://www.agmfinancial.com/properties_financed/.

¹³⁶ "Walker & Dunlop Accelerates \$12 Million Financing for Opportunity Zone Property." Walker & Dunlop, September 27, 2019. <https://www.walkeranddunlop.com/news-and-events/2019-09-27-walker-dunlop-accelerates-12-million-financing-for-opportunity-zone-property/>.

¹³⁷ "Community Hospital of Grand Junction." Office of Healthcare Programs, Federal Housing Administration, February 22, 2020. <https://www.hud.gov/sites/dfiles/Housing/images/GJCHProfile.pdf>.

¹³⁸ "HUD Awards Nearly \$80 Million to Help Families Reach Self-Sufficiency." Department of Housing and Urban Development, December 31, 2019. https://www.hud.gov/press/press_releases_media_advisories/HUD_No_19_180.

¹³⁹ "HUD Awards \$36 Million to Promote Employment and Self-Sufficiency for Public Housing Residents." Department of Housing and Urban Development, February 27, 2020. https://www.hud.gov/press/press_releases_media_advisories/HUD_No_20_035.

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HUD has also taken action to benefit Opportunity Zones in tribal areas, awarding nearly \$200 million in grants to 52 tribes and tribal entities, eleven of which are located in Opportunity Zones. HUD's tribal partners are adding to this revitalization by leveraging an estimated \$90 million in additional resources. This funding is made through HUD's Indian Housing Block Grant (IHBG) program and will help construct 1,200 new housing units for low-income families.¹⁴⁰

HUD's efforts to promote self-sufficiency are multifaceted. For example, in December 2019, HUD announced \$10 million in grants to four nonprofit housing organizations for the creation of 538 affordable homes for low-income families and individuals. The grants were made possible through HUD's Self-Help Homeownership Opportunity Program (SHOP), and each of the organizations awarded funds received Opportunity Zone preference points during the grant competition.¹⁴¹

Another important component of HUD's efforts on Opportunity Zones is its role in the field of housing counseling. Through HUD's Housing Counseling Grant Program, Americans are able to make more informed housing choices, helping them to keep their current homes and avoid foreclosure. In October 2019, HUD awarded approximately \$43 million in these grants. Nearly half of State and local counseling agencies receiving these grants will help individuals in Opportunity Zones.¹⁴²

Part of HUD's mission is to keep all Americans safe from health hazards in their homes. In this regard, HUD works to protect children and families from lead-based paint and home health hazards. In September 2019, HUD awarded through its Lead Based Paint Hazard Reduction Program and Healthy Homes Production Grant Program a record \$319 million to protect Americans from home health hazards, more than \$134 million of which went to State and local government agencies located in Opportunity Zones.¹⁴³

Lastly, another example of a HUD grant benefitting residents of Opportunity Zones is the \$1 million in funding under HUD's HOPE VI Main Street Program awarded in September 2019. The cities of Batesville, Arkansas and Thomas, Oklahoma were each awarded \$500,000; the former is located within an Opportunity Zone. The HOPE VI Main Street Program revitalizes older downtown business districts by providing grants for the construction of affordable housing.¹⁴⁴

¹⁴⁰ "HUD Awards Nearly \$200 Million for Affordable Housing in Native American Communities." Department of Housing and Urban Development, December 11, 2019.

https://www.hud.gov/press/press_releases_media_advisories/HUD_No_19_174.

¹⁴¹ "HUD Awards \$10 Million for the Development of 538 Affordable Homes." Department of Housing and Urban Development, December 4, 2019.

https://www.hud.gov/press/press_releases_media_advisories/HUD_No_19_172.

¹⁴² "HUD Awards Nearly \$43 million in Housing Counseling Grants." Department of Housing and Urban Development, October 2, 2019. https://www.hud.gov/press/press_releases_media_advisories/HUD_No_19_148.

¹⁴³ "HUD Awards Record \$319 Million to Protect Families from Lead and Other Home Health Hazards." Department of Housing and Urban Development, September 30, 2019.

https://www.hud.gov/press/press_releases_media_advisories/HUD_No_19_145.

¹⁴⁴ "HUD Awards \$1 Million to Improve the Main Streets in Two Communities." Department of Housing and Urban Development, September 20, 2019.

https://www.hud.gov/press/press_releases_media_advisories/HUD_No_19_142.

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U.S. DEPARTMENT OF JUSTICE (DOJ)

The Department of Justice heads the Council's Safe Neighborhoods work stream, helping fill a vital role in the battle to reduce the crime and recidivism that have been widespread in America's forgotten places.

Adams County, OH

This jurisdiction received \$600,000 under the Bureau of Justice Assistance (BJA) Comprehensive Opioid Abuse Site-Based Program. The Adams County Health Department will embed a community care coordinator within the Sheriff's Office, Probation Department, and County Court to provide a real-time interface between community recovery resources and the criminal justice system; expand capacity of the Quick Response Team; expand drug treatment opportunities to incarcerated individuals including medication-assisted treatment; establish peer recovery support for individuals returning to the community before release; establish a Handle with Care program; and establish an Overdose Fatality Review Committee.¹⁴⁵

Opioid and other substance misuse fuels most of the criminal activity in Adams County as evidenced by the high percentage of drug-related crimes that consumes the Common Pleas Court docket and fills the county jail. This crime directly impacts the Opportunity Zone in Adams County. Adams County's limited resources allow for only two sheriff's deputies to patrol its 584 square miles, the tenth-largest county in Ohio. Response to drug-related activity throughout the county reduces the availability of law enforcement resources. This direct and indirect impact of the opioid crisis on public safety within this Opportunity Zone will be lessened by the Taking Action Together Initiative, which the funding provided under the BJA Comprehensive Opioid Abuse Site-Based Program will support.

Erie, PA

The City of Erie was awarded \$958,434 under the BJA Innovations in Community-Based Crime Reduction Program (CBCR), which provides funding to enhance the capacity of local and tribal communities to effectively reduce violent crime in distressed neighborhoods through coordinated cross-sector approaches that are linked with broader neighborhood revitalization efforts. The Erie Eastside Neighborhood Crime Reduction Project will bring together a group of local stakeholders to expand a network of neighborhood partnerships with assistance from several key neighborhood groups; expand its chronic violent offender strategies; coordinate a multimember fugitive task force to focus on outstanding arrest warrants; implement a group violence reduction strategy; and implement, via the Erie Bureau of Police, the deployment of a mobile precinct-targeted foot and saturation patrol, and foot and bicycle patrols in the area.¹⁴⁶

The East Erie CBCR neighborhood is viewed by many as the region's least desirable, most dangerous place to live, work, or run a business. This perception continues to impact East Erie residents when employers, visitors, and people looking for a place to live in the city deliberately avoid the neighborhood. Disinvestment has led to a sense of disenfranchisement for current East

¹⁴⁵ "Justice Department Awards More Than \$333 Million to Fight Opioid Crisis." United States Department of Justice, December 13, 2019. <https://www.justice.gov/usao-sdoh/pr/justice-department-awards-more-333-million-fight-opioid-crisis>.

¹⁴⁶ "FY 19 CBCR Program," Bureau of Justice Assistance, September 21, 2019. <https://bjaojp.gov/funding/awards/2019-bj-bx-0008>.

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Erie residents and the remaining businesses in the area. The East Erie CBCR neighborhood focuses on residential investments and opportunities. This CBCR effort is designed to increase resident involvement and community-based crime reduction efforts made possible through cross-sector collaboration and implementation of data-informed strategies. As a result of building the strategies through resident input and neighborhood stakeholders, the CBCR initiative will impact public safety and the capacity of people living in East Erie to be actively engaged and supported in the neighborhood. This is yet another example of Erie's active Opportunity Zones strategy.

Weber County, UT

The county received \$999,999 under the BJA Improving Reentry for Adults with Co-Occurring Substance Abuse and Mental Illness Program, which provides funding to improve the provision of services to offenders with co-occurring substance use disorder and mental illness when they leave incarceration to reenter the community, which in turn will help to reduce recidivism and promote public safety. Weber County will use funds for the expansion and evaluation of the Weber Addictions and Reentry Program (WARP). The purpose of WARP is to provide effective, cognitive-behavioral reentry services to offenders in Weber County. The program will serve 150 participants and provide services to incarcerated clients in five Opportunity Zones throughout the county. WARP will allow for an increase in overall clients served in Weber County. In addition to accommodating an increase in admissions and clients served, WARP will fill previous gaps of reentry services available to clients, which, it is anticipated, will reduce recidivism rates for Weber County moderate-high to high-risk offenders.¹⁴⁷

Vanderburgh County, IN

The county was awarded \$683,000 under the Office of Juvenile Justice and Delinquency Prevention (OJJDP) Second Chance Act Addressing the Needs of Incarcerated Parents and Their Minor Children. Vanderburgh County has five Opportunity Zones and has identified the following priorities: higher-wage employment; workforce development; housing; improved transit; physical and mental health and wellness; and crime prevention. This project seeks to intervene against the basic causes of negative economic impact on a community, including incarceration of a parent and the physical, emotional, and economic impact on the child and his or her caretaker. By providing services and resources to the families who live in these economically challenged areas and have an incarcerated parent or one who is transitioning back into the community, the partners in this project seek to reduce the existing negative household factors that discourage economic development. Services provided include parenting skills classes, skills training, education, substance use and mental health treatment, after-school programs for children, parent-child visits both while incarcerated and after release, and case management as support.¹⁴⁸

Cook County, IL

The county received \$353,770 under the OJJDP Enhancements for Juvenile Defense Program, which supports States and localities in developing and implementing tools and strategies to ensure that youth involved with the juvenile justice system have fair and equal access to high-quality legal representation and to resources that address the collateral consequences of justice system involvement. There are 181 Opportunity Zones in Cook County. Although the Cook County Public

¹⁴⁷ Scholl, Jacob. "Weber Sheriff's Office Awarded \$1 million Grant for Expanded Mental Health, Recidivism Reduction Program." *Standard-Examiner*, October 21, 2019. https://www.standard.net/news/government/weber-sheriffs-office-awarded-1-million-grant-for-expanded-mental-health-recidivism-reduction-program/article_ffb03e40-9abc-5e8b-addb-9380c4342a8c.html.

¹⁴⁸ "Vanderburgh Parenting Reentry Program." Office of Juvenile Justice and Delinquency Prevention, September 27, 2019. <https://ojjdp.ojp.gov/funding/awards/2019-ig-bx-0001>.

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Defender (CCPD) does not currently keep data on what percentage of juvenile clients reside in Opportunity Zones, statistics show that most of their juvenile clients come from Chicago’s South and West Sides and the south suburbs. Through OJJDP funding, CCPD would begin keeping data on how many juvenile clients served reside in Opportunity Zones at the time of arrest. Court-involved youth who received educational advocacy are less likely to be rearrested, violate probation, or be convicted of new crimes. Providing civil legal services to our clients, most of whom hail from economically distressed areas, including Opportunity Zones, will reduce the likelihood of future criminal behavior and enhance public safety.¹⁴⁹

Broward County, FL

The Broward County Public Schools received \$775,000 under the OJJDP The Comprehensive School-Based Approach to Youth Violence and Victimization Program, which provides funding to support a comprehensive effort to address youth violence and victimization through implementing evidence-based prevention, intervention, and accountability efforts in a school-based setting. Broward County Public Schools and community stakeholders will enhance efforts to prevent and reduce youth violence and victimization districtwide for more than 271,500 students in grades K-12 at 214 schools through the provision of Multi-Tiered System of Supports. Of these school sites, 24 are located within 30 Opportunity Zones. Strategies to be deployed in these schools include data-informed curriculum intervention, increased training by teachers and administrators in certified violence prevention programs, expanded community networks of mental health services available on school sites, and growth of prosocial clubs for youth to maintain positive activities out of school. The central aim of these programs is to reduce incidents of violence on school sites, yet the self-management and proactive skills garnered for school interactions will invariably roll into community settings, both physical and digital. Broward Comprehensive Universal Reduction of Violence (B-CURV) will enhance public safety in Opportunity Zones through increasing expertise in violence prevention measures and making this knowledge available to youth, families, teachers, staff, administrators, and community stakeholders.¹⁵⁰

U.S. DEPARTMENT OF LABOR (DOL)

Opportunity Zones are closely intertwined with the Department of Labor’s mission of “advanc[ing] opportunities for profitable employment.” Opportunity Zones provide synergy to many of the Department’s grant programs that target historically disadvantaged and underserved populations. The goals of the Department’s workforce development grants and programs—upskilling, retraining, and outreach through community partnerships—align closely with the jobs and economic revitalization Opportunity Zones bring to underserved communities. The Department of Labor co-leads the Council’s Education and Workforce Development work stream.

To that end, applicants who serve all or part of an Opportunity Zone receive preferential consideration in the application process for select DOL grants. For eight DOL grant competitions in different subagencies across the Department, applicants who serve all or part of an Opportunity Zone receive priority points in their application. Since 2018, the Department has awarded more

¹⁴⁹ “Cook County Education Advocacy Program: Enhancing Holistic Representation in Public Defense.” Office of Juvenile Justice and Delinquency Prevention, September 20, 2019. <https://ojjdp.ojp.gov/funding/awards/2019-ze-bx-0002>.

¹⁵⁰ “Broward Comprehensive Universal Reduction of Violence.” Office of Juvenile Justice and Delinquency Prevention, September 28, 2019. <https://ojjdp.ojp.gov/funding/awards/2019-cv-fx-k006>.

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than \$282.3 million to more than 155 grantees whose area of service includes at least one census tract that is an Opportunity Zone.

The Department has included Opportunity Zone preference points in grants that facilitate the expansion of the apprenticeship model and its promotion as an alternative pathway to success. For example, the Department included Opportunity Zone preference language in the Funding Opportunity Announcement for the H-1B Apprenticeship: Closing the Skills Gap Grant Program. Of the 28 awards made under this grant, 22 of the grantees who received a combined total of \$73.4 million serve all or part of an Opportunity Zone.

The Department has also incorporated this preference into DOL grants that provide assistance to justice-involved individuals. DOL's Reentry Employment Opportunities (REO) grants offer at-risk youth and adults involved in the justice system support and services such as skills training, work experience, and mentoring to ensure that successful participants enter employment and/or education, become productive, responsible, and law-abiding members of society, maintain long-term employment, and sustain a stable residence. For the 2019 Reentry Project grant, of the 45 awards made, 42 grantees' area of service included part of an Opportunity Zone. These 42 grantees, serving a combination of rural and urban high-crime, high-poverty communities, received a combined total of \$81.3 million. Two ETA reentry grants that closed in April 2020 contained Opportunity Zone preference: Pathway Home (REO Adult) and Young Adult Reentry Partnerships (YARP).

Examples of DOL grantees serving Opportunity Zones include:

Tampa, FL

A nonprofit organization was awarded \$4.5 million in Reentry Project grant funding in 2019 to serve 600 individuals between the ages of 18 and 24 over a 2-year period in four counties. Its service area includes Opportunity Zones. The grant began in July 2019 and offers nationally accredited construction and culinary vocational certification, as well as GED preparation and job placement services to individuals involved in the juvenile justice system and/or adult justice system or high school dropouts.¹⁵¹

14 States

An association was awarded \$5.9 million as part of the H-1B Apprenticeship: Closing the Skills Gap Grant Program to train more than 7,239 Registered Apprentices in 14 States. The program includes apprenticeship development in cybersecurity/information technology and artificial intelligence within the healthcare sector in collaboration with twelve employers and eight Institutions of Higher Education. Existing apprenticeships, including licensed practical nurses, registered nurses, rehabilitation technicians, and pharmacy technicians, will be expanded. New apprenticeships will also be developed in leadership, which includes occupations in administration and supervision. Cybersecurity specialists will also comprise new apprenticeship opportunities. The program has a national geographic scope, providing services to participants in Opportunity Zones across the country.¹⁵²

¹⁵¹ "AMIKids Inc. Awarded \$4.5 Million U.S. DOL Grant." AMIKids, August 13, 2019. [http://amikids.org/news-and-events/latest-headlines/2019/08/13/amikids-inc.-awarded-\\$4.5-million-u.s.-dol-grant](http://amikids.org/news-and-events/latest-headlines/2019/08/13/amikids-inc.-awarded-$4.5-million-u.s.-dol-grant).

¹⁵² Bowers, Lois. "\$6 Million Labor Department Grant to Argentum Will Fund Apprenticeship Program for Senior Living." McKnight's Senior Living, February 21, 2020. <https://www.mcknightsseniorliving.com/home/news/6-million-labor-department-grant-to-argentum-will-fund-apprenticeship-program-for-senior-living/>.

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U.S. SMALL BUSINESS ADMINISTRATION (SBA)

As the lead agency on the Entrepreneurship work stream, the Small Business Administration has guaranteed billions of dollars in loans to communities located within Opportunity Zones. These businesses have been able to utilize relaxed job requirements from SBA's 504 Program and participate in the Agency's Community Advantage Loan Program, which has since included Opportunity Zones in its definition of distressed communities. Some examples of those who have benefitted from SBA's action items are below:

Bridgeport, WV

SBA's West Virginia Small Business Development Center (SBDC) coordinated with the Appalachian Regional Commission (ARC) at the ARC's launch of Opportunity Appalachia to provide information on how Opportunity Zones can benefit small business owners, to assist rural communities in attracting Opportunity Zone investments. The West Virginia SBDC participated on the steering committee of this event and provided entrepreneurs and small business owners with guidance on Opportunity Zones.

Washington, DC

An IT consulting firm located in the nation's capital has announced that it will be moving its business from K Street to an Opportunity Zone. The firm, a graduate of SBA's 8(a) Business Development Program and currently HUBZone-certified by SBA, is active in the Federal contracting arena.¹⁵³

SBA's Growth Accelerator Fund Competition (GAFC) is an SBA prize competition that provided \$50,000 awards to accelerators and incubators that support company formation and training on the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. The 2019-2020 Competition awarded 15 accelerators that support entrepreneurs living in or whose businesses are located and operate in an Opportunity Zone. By focusing the accelerators' efforts in Opportunity Zones, SBA is working to increase the portion of the \$3.7 billion in annual SBIR/STTR funding that goes to Opportunity Zone-located, STEM-focused, small businesses to drive economic growth and revitalize those communities.

Furthermore, expanding the base of small business exporters and improving the process to explore new trade opportunities is a key component of SBA's small business strategy. SBA's State Trade Expansion Program (STEP) is an initiative to make matching-fund grants to States to assist "eligible small business concerns" succeed in export-related activities.

Currently, SBA has the ability to prioritize projects that target assistance to eligible small business concerns that, for example, are owned and controlled by socially and economically disadvantaged individuals, women, and by veterans and/or service-connected disabled veterans or are located in rural areas. For SBA's Fiscal Year 2020 STEP grant \$19 million competition, SBA added small businesses in Opportunity Zones to be included in the list of priority small business concerns. Once these grants are awarded, STEP will report quarterly on the number of businesses supported in Opportunity Zones.

¹⁵³ Gregory, Matt. "'I'm from here, I feel your pain:' Can Opportunity Zones Responsibly Redevelop DC's Poorest Neighborhoods?" WUSA9, February 1, 2020. <https://www.wusa9.com/article/news/local/dc/opportunity-zones-dc/65-c0fd3966-e3f5-4d15-a02f-5680ec99c49f>.

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In 2019, the SBA also launched the Makerspace Training Collaboration and Hiring (MaTCH) Pilot Program. Twelve makerspaces were awarded a total of \$1 million dollars to directly support vocational education, develop apprenticeships, and cultivate access to entrepreneurship. One winner, which provides veterans and transitioning service members with industry-leading manufacturing education, experience, and job placement, recently graduated 39 students, having each student complete 660 hours of machining or 660 hours of welding education, which led to 96 percent of the graduates finding employment within three months of graduation. In the MaTCH application review, SBA considers additional factors, such as whether the Makerspace and/or jobs filled are located in Opportunity Zones.

U.S. DEPARTMENT OF TRANSPORTATION (DOT)

The Department of Transportation highlights below two areas where its efforts have been concentrated through the incorporation of Opportunity Zones into all eligible grant programs and the designing of an interactive map that shows all the Opportunity Zones nationwide as well as major DOT equities—interstate and national highways and exits, transit centers and stops, rail lines and stations, and airports. DOT has issued more than 35 Notices of Funding Opportunity that contain Opportunity Zones language, awarding more than \$670 million to projects located in Opportunity Zones in Fiscal Year 2019 alone.

The Better Utilizing Investments to Leverage Development (BUILD) discretionary grant program is one of DOT's key tools in the Opportunity Zones space, awarding more than \$330 million to projects in or near Opportunity Zones in Fiscal Year 2019. A full list is below:

Project Name	State	Award Amount
Blake Bottom Road Widening Project	AL	\$ 9,268,804
Phoenix Sky Harbor Northside Rail Expansion Project	AZ	\$ 24,000,000
GROW LIFE: Growing Regional Opportunity With Leveraged-Infrastructure Fleet Expansion	CA	\$ 8,683,480
I-70/Picadilly Interchange	CO	\$ 25,000,000
Colorado Military Access, Mobility & Safety Improvement Project	CO	\$ 18,350,000
Southern Illinois Multi-Modal Station (SIMMS)	IL	\$ 13,986,000
Paducah Riverfront Infrastructure Improvement Project	KY	\$ 10,400,000
Heartland Parkway	KY	\$ 9,800,000
Plank-Nicholson Bus Rapid Transit	LA	\$ 15,000,000
Monroe Street Corridor Project	LA	\$ 17,191,530
MS 182/MLK Corridor Revitalization Project	MS	\$ 12,655,840
Grant Avenue Connect Parkway	MO	\$ 20,960,822
East Locust Creek Reservoir (ELCR) Improvements	MO	\$ 13,459,009

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Vermont-New Hampshire Route 119 Bridge Project	NH, VT	\$ 12,000,000
US 285 Safety and Resilience Project	NM	\$ 12,500,000
Transportation Accessibility, Safety and Connectivity (TASC) Project	NC	\$ 15,000,000
I-95 Resiliency and Innovative Technology Improvements	NC	\$ 22,500,000
Southern Oregon Corridor Resiliency and Congestion	OR	\$ 15,500,000
Washington Bridge Rehabilitation and Redevelopment	RI	\$ 25,000,000
Memphis Innovation Corridor	TN	\$ 12,000,000
Multimodal Corridor Expansion and Improvement Project	TX	\$ 18,000,000

As an example, the US 285 Safety and Resilience Project mentioned above will provide turning and acceleration/deceleration lanes, shoulders, bridge structures, and stronger pavement on US 285.

The Port Infrastructure Development Grant program awarded \$280 million in grants in Fiscal Year 2019, \$114 million of which were awarded to projects located in and around Opportunity Zones.

Project Name	State	Award Amount
PortMiami Cargo Yard Resiliency Improvements and Fumigation and Cold Chain Processing Center Project	FL	\$ 43,928,393
Duluth Port Logistics Hub 2020 Revitalization and Expansion	MN	\$ 10,500,000
Port of Gulfport Access Project	MS	\$ 15,760,000
Port of Cleveland's Dock 24 and 26 Master Modernization and Rehabilitation Project	OH	\$ 11,000,000
Port of Toledo Intermodal Project	OH	\$ 16,000,000
Avery Point Public Oil Docks Redevelopment	TX	\$ 17,600,000

As an example, the PortMiami Cargo Yard project funding will be used to supplement PortMiami infrastructure improvements to upgrade drainage and resiliency methods, along with the reorganization of cargo containers. The project, located in an Opportunity Zone, will also construct a state-of-the-art fumigation and cold chain processing facility.

The Airport Improvement Program (AIP) in Fiscal Year 2020 has already awarded \$67 million to airports in Opportunity Zones. Below are those awards.

Airport	Description	State	Award Amount
City of Little Rock-Little Rock Municipal Airport Commission	Reconstruct Taxiway	AR	\$5,989,321
County of Marion	Acquire Land for Development, Acquire Land For Approaches	AR	\$171,500

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Phoenix-Mesa Gateway Airport Authority	Construct Contract Tower	AZ	\$13,742,664
State of Arizona	Reconstruct Access Road, Rehabilitate Terminal Building, Improve Airport Drainage, Reconstruct Access Road	AZ	\$4,336,835
City of Holyoke	Update Airport Master Plan or Study	CO	\$150,000
City of Lamar	Update Airport Master Plan or Study	CO	\$300,000
County of Fremont	Rehabilitate Taxiway, Reconstruct Runway	CO	\$267,932
County of Montrose	Expand Terminal Building	CO	\$709,695
City of Denison	Construct Runway	IA	\$600,000
City of Sioux City	Reconstruct Taxiway	IA	\$900,000
City of Buhl	Rehabilitate Taxiway, Construct Taxiway	ID	\$600,000
City of Orofino	Construct/Extend/Improve Safety Area, Remove Obstructions [Non-Hazard]	ID	\$319,500
City of Concordia	Reconstruct Taxiway Lighting, Seal Taxiway Pavement Surface/Pavement Joints	KS	\$567,000
Rooks County Airport Commission	Acquire Snow Removal Equipment	KS	\$349,200
City of Natchitoches	Reconstruct Runway, Reconstruct Taxiway	LA	\$165,000
City of Rayville	Rehabilitate Runway	LA	\$135,000
Jefferson Davis Airport Commission District Number 1	Seal Runway Pavement Surface/Pavement Joints, Seal Taxiway Pavement Surface/Pavement Joints	LA	\$356,700
Parish of De Soto	Rehabilitate Apron	LA	\$58,500
Tipton Airport Authority	Expand Apron	MD	\$300,000
City of Portland	Construct Taxiway	ME	\$4,194,330
City of Portland	Rehabilitate Taxiway, Construct Taxiway	ME	\$1,480,000
Bemidji Regional Airport Authority Commission	Acquire Aircraft Rescue & Fire Fighting Safety Equipment, Expand Apron	MN	\$466,450
County of Carlton	Acquire Snow Removal Equipment	MN	\$150,000
County of Cook	Obstruction Marking/Lighting/Removal [Non-Hazard]	MN	\$67,500
City of Springfield	Rehabilitate Runway, Rehabilitate Taxiway, Reconstruct Taxiway	MO	\$7,204,969

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City of St. Louis	Acquire Aircraft Rescue & Fire Fighting Vehicle	MO	\$225,000
County of Panola	Reconstruct Airport Beacon, Reconstruct or Replace Airport Lighting Vault	MS	\$316,755
Golden Triangle Regional Airport Authority	Rehabilitate Apron, Install Apron Edge Lights and/or Flood Lighting, Reconstruct Runway Lighting	MS	\$1,000,000
Holly Springs-Marshall County Airport Board	Improve Airport Drainage/Erosion Control	MS	\$384,128
Ellendale Airport	Construct Taxiway	ND	\$454,488
Rolla Municipal Airport Authority	Construct/Modify/Improve/Rehabilitate Hangar	ND	\$661,500
Burwell Airport Authority	Install Runway Vertical/Visual Guidance System	NE	\$229,500
Cozad Airport Authority	Rehabilitate Apron	NE	\$479,566
Lexington Airport Authority	Seal Apron Pavement Surface/Pavement Joints, Seal Runway Pavement Surface/Pavement Joints, Seal Taxiway Pavement Surface/Pavement Joints	NE	\$600,000
County of Clark	Update Airport Master Plan or Study	NV	\$806,250
Town of Wawarsing	Conduct or Update Miscellaneous Study	NY	\$54,989
City of Middletown	Install Runway Vertical/Visual Guidance System	OH	\$112,500
City of Clinton	Reconstruct Apron	OK	\$49,000
City of Guthrie	Rehabilitate Apron	OK	\$415,212
City of Stillwater	Acquire Aircraft Rescue & Fire Fighting Vehicle	OK	\$500,000
Tulsa Airports Improvement Trust	Rehabilitate Runway	OK	\$9,183,988
City of Redmond	Construct Snow Removal Equipment Building	OR	\$3,018,922
Port of Portland	Reconfigure Apron	OR	\$3,093,872
City of Winner	Expand Apron	SD	\$585,000
City of Duchesne	Update Airport Master Plan or Study	UT	\$300,000
City of Cody	Construct Access Road, Construct or Improve Parking Lot	WY	\$1,441,029
City of Evanston	Reconstruct Apron	WY	\$317,429

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In January 2020, the Department unveiled an interactive map showing Federal investment in major infrastructure projects located in and around Opportunity Zones.¹⁵⁴ The detailed information about vital infrastructure resources located in and near Opportunity Zones is intended to encourage further economic investment.

The Department's interactive map illustrates data sets for:

- Major Federal Highway Projects
- Interstate Exits
- National Highway System Bridges
- Intercity Bus Stations
- Commuter/Light Rail Stations
- Amtrak (Stations, Industrial Properties)
- Intermodal Rail Facilities
- Intermodal Marine Facilities
- Major Ports
- Airports
- National Highway System
- Rail Sidings

¹⁵⁴ "U.S. Department of Transportation Unveils Interactive Map to Encourage Investment in Underserved Rural and Urban Communities." U.S. Department of Transportation, January 6, 2020. <https://www.transportation.gov/briefing-room/us-department-transportation-unveils-interactive-map-encourage-investment-underserved>.

Best Practices and Case Studies: Data¹⁵⁵

The Council encourages the collection and tracking of data by all participants in the Opportunity Zones sphere.

At the Federal level, using the best available data, the Council of Economic Advisers' Summer 2020 report will quantify existing investment in Qualified Opportunity Funds and Opportunity Zones and discuss its effects on communities.

Many examples of public, private, and nonprofit entities that help provide valuable information regarding Opportunity Zones data can be found in this report; indeed, each Council member agency is tasked with evaluating its actions benefitting Opportunity Zones for effectiveness. To measure the success of the initiative, robust tracking and evaluation of data from all sectors is needed.

One example of a private sector Opportunity Zone participant in this arena is The Opportunity Exchange, which collects data and makes it available for investors, communities, and project sponsors to view hundreds of different Opportunity Zone projects. The Opportunity Exchange works with impact-oriented partners across the country, including Opportunity CLE, Opportunity Alabama, and InvestAtlanta.¹⁵⁶

The previous examples of MasterCard's Center for Inclusive Growth and Citi Ventures also offer a blueprint for the successful use of various data as it pertains to the Opportunity Zones initiative.

As for any place-based incentive, evaluations of Opportunity Zones should ensure comparisons are made between a comparison set of census tracts. Not every eligible tract became an Opportunity Zone. Researchers will have to determine which tracts are substantially similar to the tracts that were designated as Opportunity Zones, so that they can use a treatment group and control group in their studies.

Stakeholders should identify data that can be used to track neighborhood change, including jobs, businesses, land prices, house values, rents, and changes in vacancy and poverty rates. With the richness of data available in the American Community Survey (ACS) at the tract level, researchers may be able to look at all of these variables, and many more.

Researchers may wish to consult government program administrative data. The administrative data points that HUD (the lead agency on the Council) makes available capture the annual mobility of Section 8-assisted housing tenants; because these data are constantly updated as tenants move, they can be an early indicator of neighborhood change. In addition, data from the U.S. Postal Service are updated every quarter and can capture changes in long-term vacant addresses, increases in total residential and business addresses (a sign of building permit activity), and changes in active addresses (a sign of residential and business leasing activity).¹⁵⁷

¹⁵⁵ For a deeper discussion of data-related best practices, readers are encouraged to consult the Spring/Summer 2019 issue of HUD's Evidence Matters, "Evaluating Place-Based Incentives," from which this section was adapted. It can be accessed at <https://www.huduser.gov/portal/sites/default/files/pdf/EM-Newsletter-SpringSummer2019.pdf>.

¹⁵⁶ "How OZ Communities, Sponsors, and Investors Can Connect with The Opportunity Exchange." OpportunityDB, November 13, 2019. <https://opportunitydb.com/2019/11/the-opportunity-exchange-062/>.

¹⁵⁷ "HUD Aggregated USPS Administrative Data on Address Vacancies." Office of Policy Development and Research, HUD. <https://www.huduser.gov/portal/datasets/usps.html>.

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Other administrative datasets that HUD and other researchers have used to measure neighborhood change include Home Mortgage Disclosure Act data, which can show changes in mortgage activity, characteristics of those applying for and receiving mortgages as well as the amount borrowed; county records data, which can show property sales transactions, changes in property values, and foreclosure activity at the census tract level; and data on employment from unemployment insurance records.

New sources of data should also be explored, such as “scraping” the internet to gather information on advertised rents, and collecting credit card company data that could show changes in retail purchasing patterns or even the creation of retailers at the neighborhood level.

One important source of data will be Qualified Opportunity Funds—in particular, the activities in which they are investing and the location of those investments. IRS Form 8996 requires Qualified Opportunity Funds to submit tract-level data for all of their holdings, including investment amounts and specific industries. IRS’s researchers will be able to use this granular data to determine the effects of investment in each tract. This information will help researchers understand the impacts of specific types of investments. For example, if research indicates that the number of residential units in an Opportunity Zone has increased, it would be helpful to know whether Qualified Opportunity Funds were investing in residential property developments in neighborhoods that reflect this impact. Even investment in other sectors within a tract could have general growth effects that boost positive outcomes in Opportunity Zones, by either increasing income in general, or inducing investment that does not take advantage of the Opportunity Zones incentive.

Conclusion

Since the establishment of Opportunity Zones, revitalization projects have delivered economic and social benefits to the fifty-two million Americans living in economically distressed communities, including the thirty-five million people across the nation's Opportunity Zones. Public and private investment continues to flow into Opportunity Zones, creating new promises for the forgotten men and women of America. Such investment is more critical now than ever before, as we continue to combat the COVID-19 pandemic.

The decentralized nature of the Opportunity Zones tax incentive appeals to investors, entrepreneurs, and community leaders. No longer do community leaders need permission or resources from Washington to revitalize their communities. With Opportunity Zones, investors, entrepreneurs, and community leaders have the tools and resources they need at their fingertips to design and implement their own tailored revitalization and development plans.

The Council dedicated itself to implementing the Opportunity Zones initiative; providing support and guidance to investors, entrepreneurs, and communities; and ensuring that the Americans who live in Opportunity Zones are the primary beneficiaries of revitalization efforts. The Council does not and cannot endorse any particular project, choose favorites, or pick winners and losers. This report highlights best practices of various stakeholders within the Opportunity Zones ecosystem. The Council anticipates that this report will help guide State, local, and tribal governments to better understand strategies that increase economic growth, encourage business formation, enhance health outcomes, and revitalize communities. Ultimately, the overall success of the initiative depends upon strategic alignment of the resources best suited to meet the needs of each community.

The Council is proud of its efforts since its establishment in December 2018, and member agencies will continue to take actions to benefit America's 8,764 Opportunity Zones. This includes an intense and renewed focus, per the direction of President Trump, on supporting underserved communities impacted by COVID-19. The Council wishes to thank all of those in the public sector, private sector, and nonprofit spheres who have already made a deeply significant impact on Opportunity Zones throughout the country.

Appendix: Acronyms

ACF	Administration for Children and Families
ACS	American Community Survey
ADECA	Alabama Department of Economic and Community Affairs
AIM Act	Alabama Incentives Modernization Act
AIP	Airport Improvement Program
AMI	Area Median Income
ANA	Administration for Native Americans
ARC	Appalachian Regional Commission
ASTDR	Agency for Toxic Substances and Disease Registry
B-CURV	Broward Comprehensive Universal Reduction of Violence
BDC	Baltimore Development Corporation
BIA	Bureau of Indian Affairs
BIG	Birmingham Inclusive Growth Partnership
BJA	Bureau of Justice Assistance
BOC Network	Business Outreach Center Network
BUILD	Better Utilizing Investments to Leverage Development Discretionary Grant Program
CBCR	Community-Based Crime Reduction Program
CCPD	Cook County Public Defender
CDBG	Community Development Block Grant
CDFI	Community Development Financial Institution
CEA	Council of Economic Advisers
CED	Community Economic Development
CEI	Coastal Enterprises Inc.
CLE	Continuing Legal Education
COIL	Census Open Innovation Labs
CORI	Center on Rural Innovation
CSBG	Community Services Block Grants
DCEO	Department of Commerce and Economic Opportunity
DOL	Department of Labor
DOT	Department of Transportation
DTMB	Department of Technology, Management and Budget
ECDI	Economic and Community Development Institute
ECSU	Elizabeth City State University
ED	Department of Education
EDA	Economic Development Administration
EHLR	Environmental Health and Land Reuse
EHS	Early Head Start
EHS-CC	Early Head Start-Child Care
EPA	Environmental Protection Agency
FOA	Funding Opportunity Announcement
FHA	Federal Housing Administration
FSS	Family Self-Sufficiency Program
GAFC	Growth Accelerator Fund Competition
HBCU	Historically Black Colleges and Universities
HHS	Health and Human Services
HP2	Healthy Places for Healthy People

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HRSA	Health Resources and Services Administration
HUD	Department of Housing and Urban Development
IHBG	Indian Housing Block Grant
IRS	Internal Revenue Service
ISD	Independent School District
KHCDC	Kentucky Highlands Community Development Corporation
LEDA	Local Economic Development Act
LIHTC	Low Income Housing Tax Credit
LISC	Local Initiatives Support Corporation
MAT	Medication-Assisted Treatment
MaTCH	Makerspace Training Collaboration and Hiring Pilot Program
MCDC	Montana Community Development Corporation
MCSCS	Middlesex County STEM Charter School
NAP	New Access Points
NEIR	Native Entrepreneur in Residence Program
NMTC	New Markets Tax Credit
NJEDA	New Jersey Economic Development Authority
OEDIT	Office of Economic Development and International Trade
OJJDP	Office of Juvenile Justice and Delinquency Prevention
OVC	Outdoor Venture Corporation
PGC	Pacific Gateway Center
PGC-SEP	Pacific Gateway Center – Social Enterprise Program
PIDC	Philadelphia Industrial Development Corporation
POWER	Partnerships for Opportunity and Workforce and Economic Revitalization
RCIE	Russell Center for Innovation and Entrepreneurship
REO	Reentry Employment Opportunities
ROSS-SC	Resident Opportunities and Self-Sufficiency—Service Coordinators program
RTA	Restoration Tax Abatement
SBA	Small Business Administration
SBDC	Small Business Development Center
SBIR	Small Business Innovation Research
SBIRT	Screening, Brief Intervention and Referral to Treatment
SGA	Smart Grow America
SHOP	Self-Help Homeownership Opportunity Program
STEM	Science, Technology, Engineering and Math
STEP	State Trade Expansion Program
STTR	Small Business Technology Transfer
SUD	Substance Use Disorder
SUSLA	Southern University Shreveport Louisiana
TCJA	2017 Tax Cuts and Jobs Act
TOP	The Opportunity Project
USDA	U.S. Department of Agriculture
WCL	Wash Cycle Laundry
WARP	Weber Addictions and Reentry Program
WIC	Women, Infants, and Children
YARP	Young Adult Reentry Partnerships