



**HUD.GOV**

**Opportunity Zones Overview and Updates  
San Diego Promise Zone  
Housing Affordability Working Group Meeting  
January 13, 2022**

# **OPPORTUNITY ZONES: AGENDA**

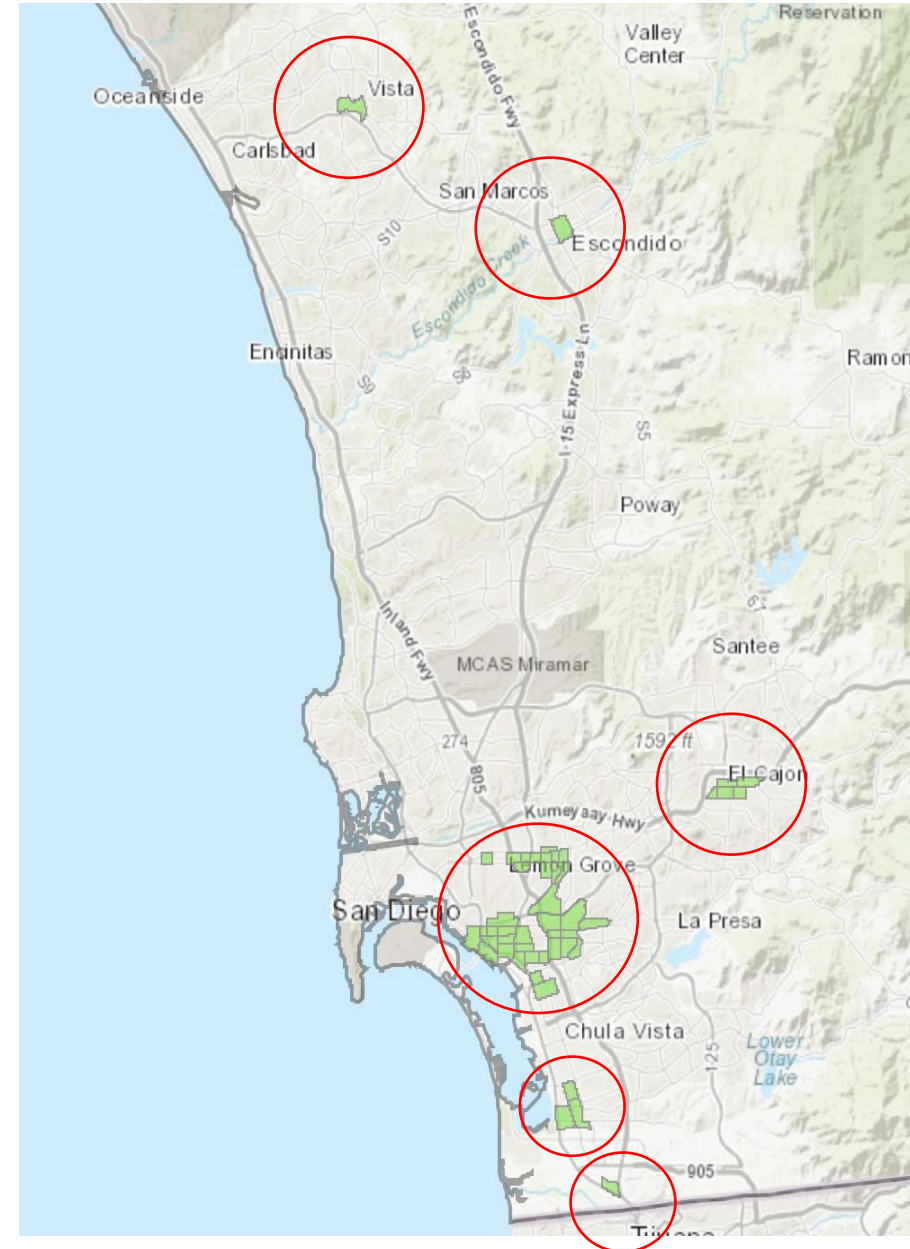
- 1. Opportunity Zones in San Diego**
- 2. Brief Opportunity Zone Overview**
- 3. Federal Government Opportunity Zone Activity**
- 4. Opportunity Zone Industry Updates**
- 5. Opportunity Zone Housing Transactions**
- 6. Qualified Opportunity Funds**
- 7. HUD Opportunity Zone Resources**
- 8. Other Opportunity Zone Federal Resources**
- 9. Q&A**

# OPPORTUNITY ZONES: SAN DIEGO COUNTY

## San Diego County

- 47 Opportunity Zone Census Tracts
- Located in the following 6 Cities
  - Chula Vista - 3
  - El Cajon - 5
  - Escondido - 1
  - National City - 2
  - San Diego - 36
  - Vista – 1

Note that Census Tracts can Cross City boundaries  
(1 OZ Census Tract is in both Chula Vista and San Diego)

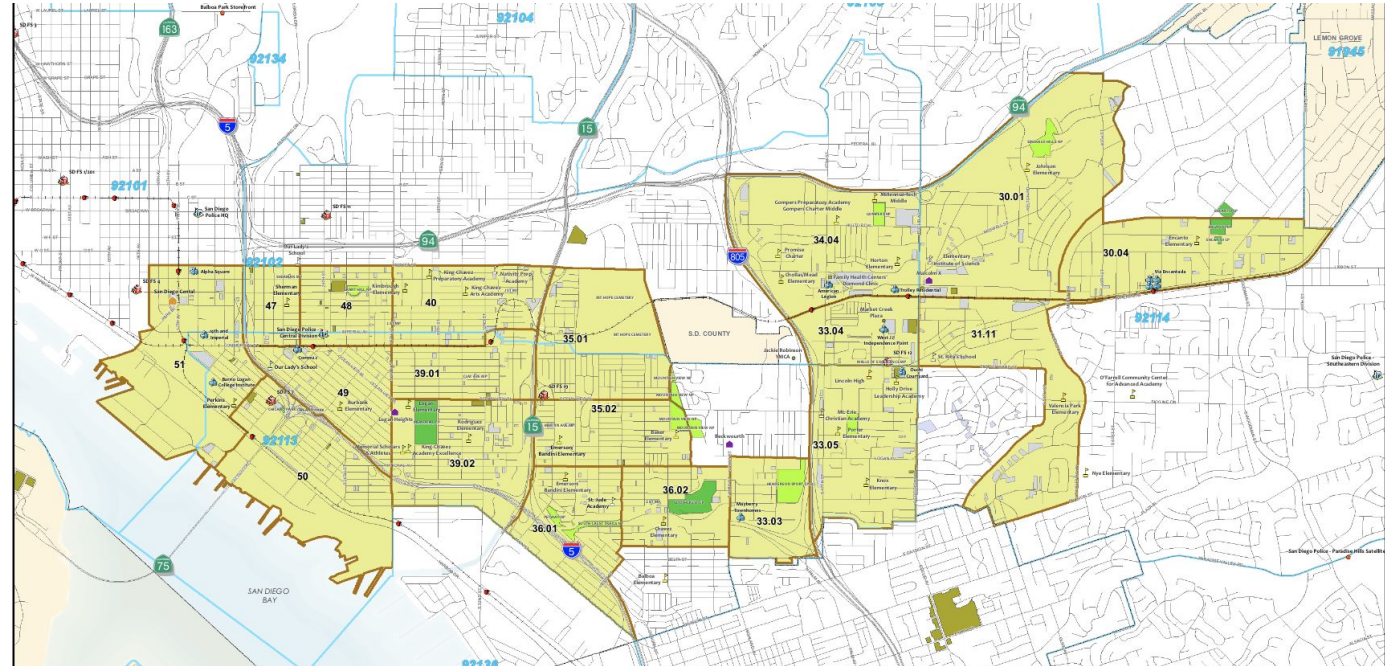




# SAN DIEGO PROMISE ZONE









- San Diego County has 47 Opportunity Zone Census Tracts
- City of San Diego has 36 Opportunity Zone Census Tracts in City Limits
- San Diego Promise Zone has 19 Census Tracts
- **All** 19 San Diego Promise Zone Census Tracts are **OZ Census Tracts**







# OPPORTUNITY ZONES: SAN DIEGO





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The State Integrated Opportunity Zone Map depicts Qualified Opportunity Zones (OZs) within California. This map also features other planning tools, incentives, and examples of State investments in these zones in key priority areas. These key priority area investments in OZ boundaries include sustainable transportation projects, cap-and-trade climate investments, and high-speed rail alignments.

To receive updates on this map and other State Opportunity Zone considerations, [sign up here](#).

State Integrated Opportunity Zones Interactive Map

Enter Address

Layers (👁) and Legends (≡) hide

▶ 👁 California High Speed Rail

▶ 👁 Senate Bill 1 Projects

▶ 👁 California Climate Investment Programs

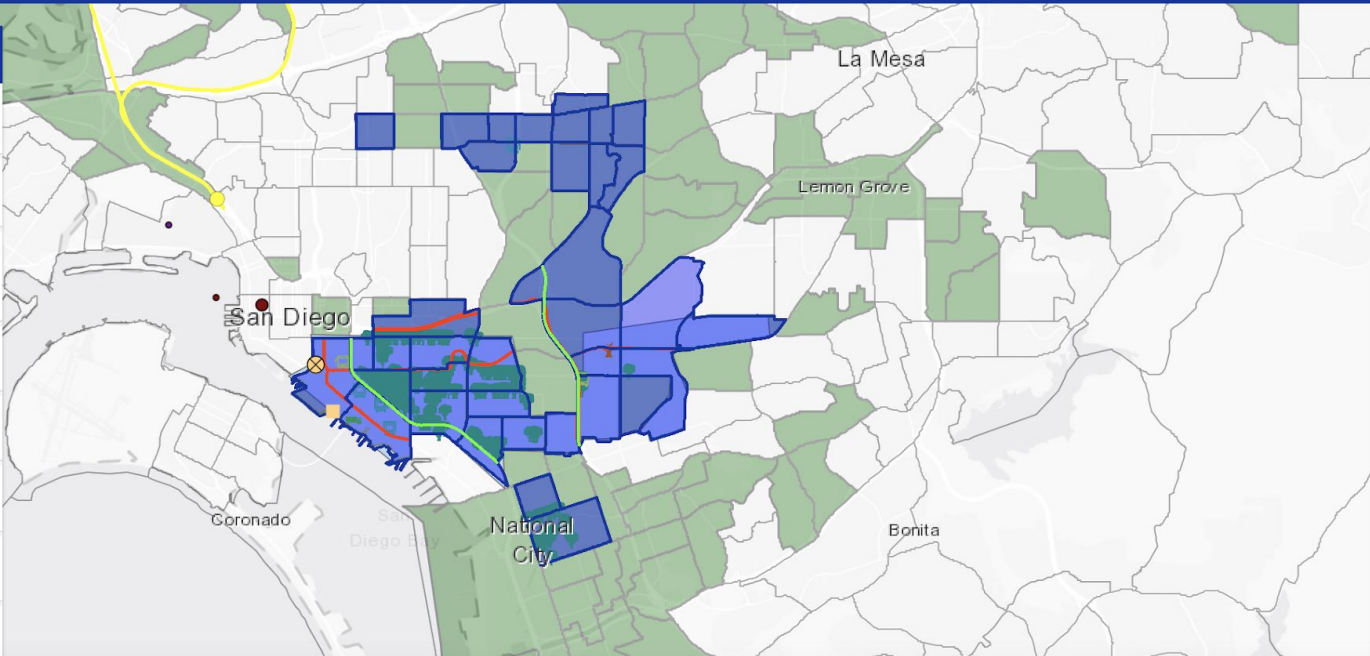
👁 Ports

👁 Public Use Airports

👁 BOE Offices

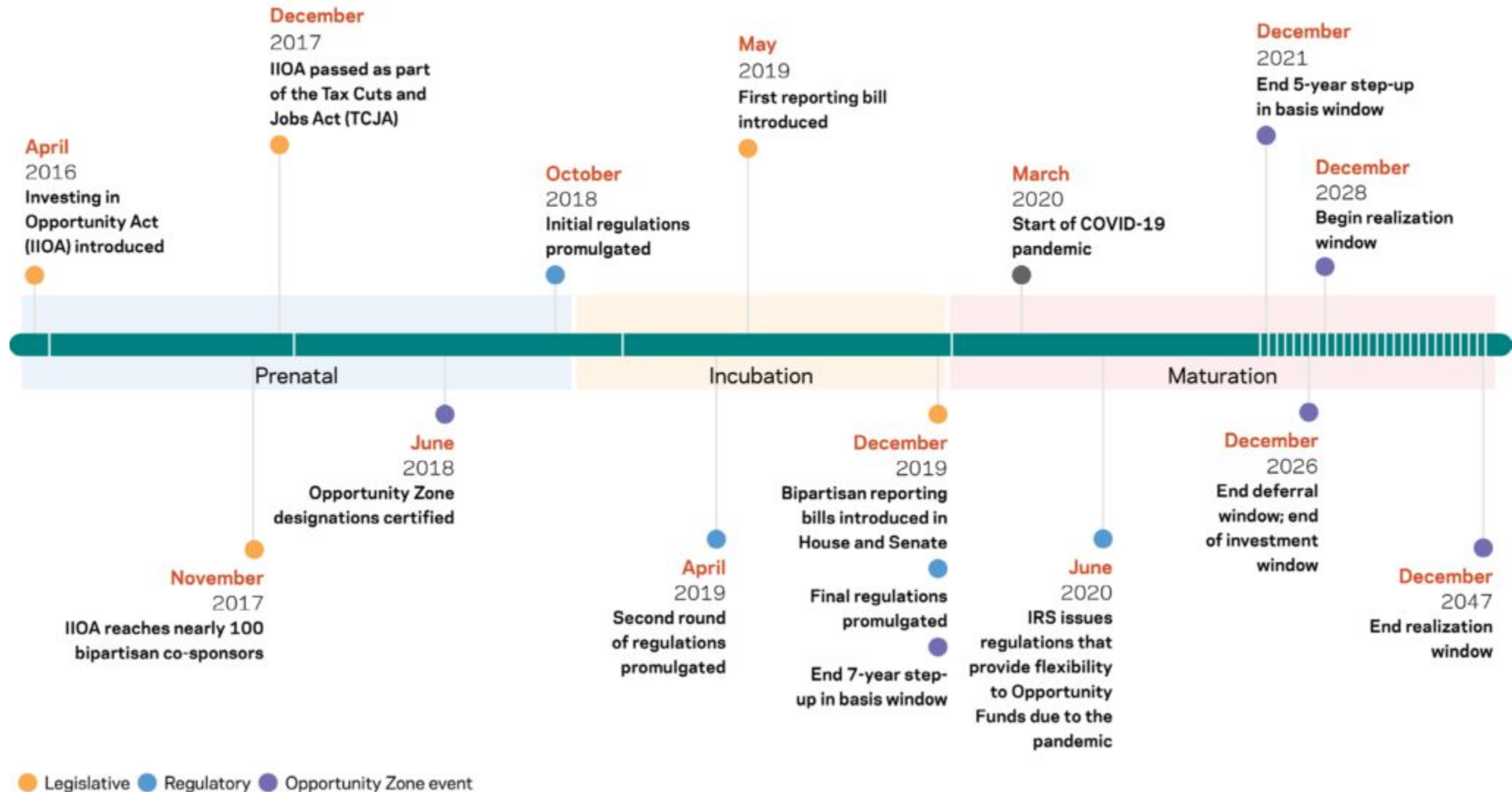
👁 Opportunity Zones

👁 Promise Zone Communities

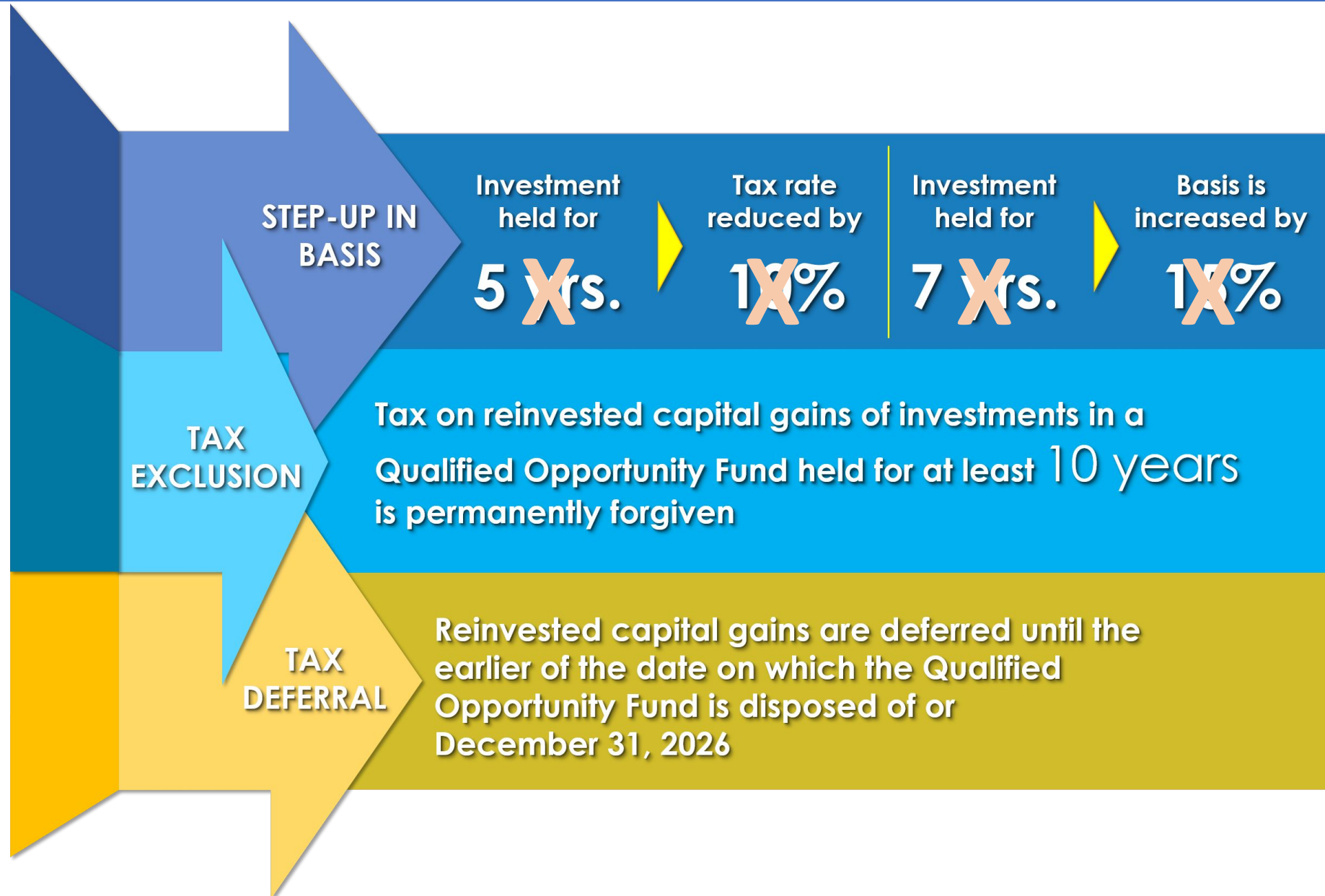


# OPPORTUNITY ZONE TIMELINE

Opportunity Zones legislative, regulatory, and structural timeline



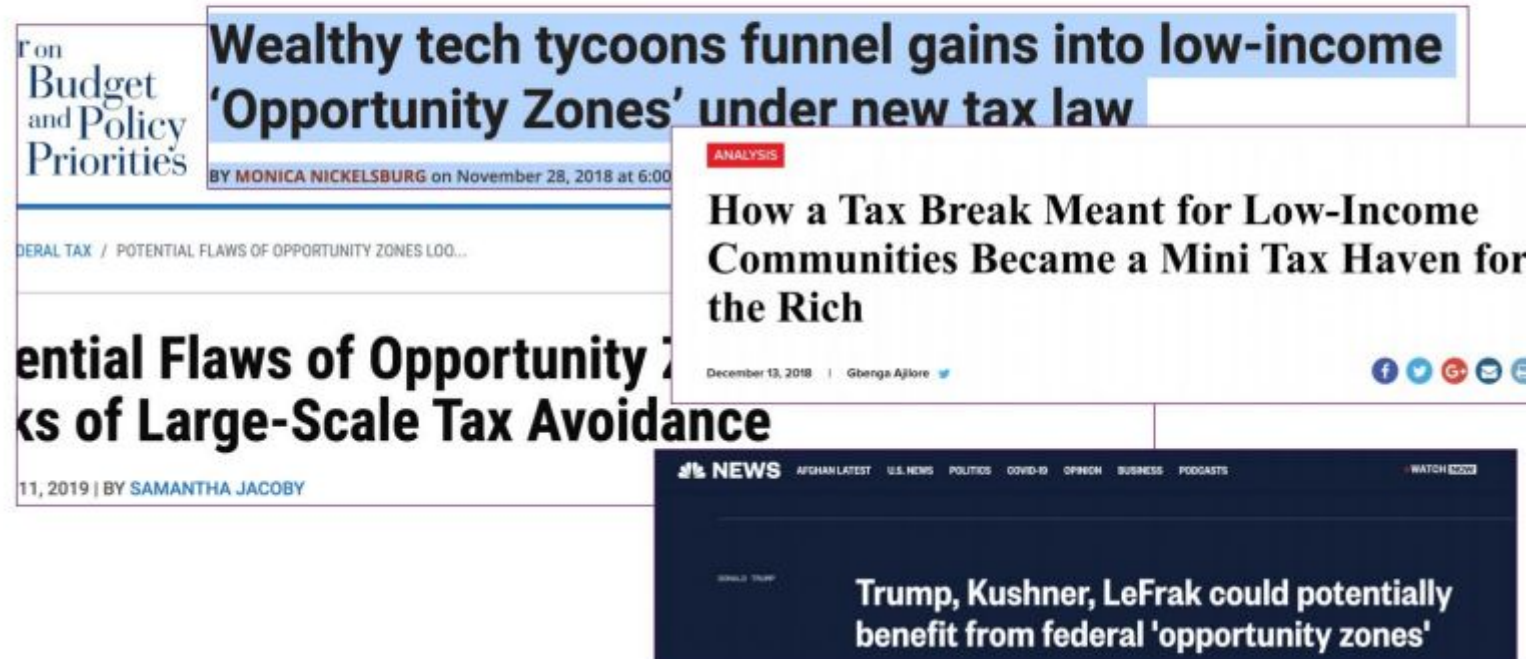
# OPPORTUNITY ZONES: BENEFITS





# OPPORTUNITY ZONES: PRESS

## In the Beginning, the OZ Narrative was Not Great



# OPPORTUNITY ZONES: PRESS

## Recent “Impact First” Coverage of Opportunity Zone Funds

INVESTORS - JANUARY 29, 2021

### RevOZ Capital announces \$1b social impact initiative

Leading Opportunity Zone fund pledges long-term support to emerging communities with guidance from diverse, bipartisan group of public, private, and social sector leaders

NEWS PROVIDED BY  
RevOZ Capital  
Jan 28, 2021, 10:10 ET

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### RevOZ Capital Announces \$1B Social Impact Initiative and Leadership Council

Leading Opportunity Zone fund pledges long-term support to emerging communities with guidance from diverse, bipartisan group of public, private, and social sector leaders

### Catalyst Opportunity Funds Kicks Off 2020 with High-Impact Opportunity Zone Investments

Investments Showcase Catalyst's Commitment to Spurring Growth, Addressing Community Needs

January 29, 2020 11:00 AM Eastern Standard Time

### Arctaris Announces Opportunity Zone Investment to Develop a Vibrant City Center and Culinary Arts District in Erie, PA, One of the Poorest Zip Codes in America

Arctaris and local partners fund a grocery store in a food desert, food hall and residential units that will revitalize the area for women, minorities and refugees

THE WALL STREET JOURNAL.

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### Developer Aims to Raise \$1 Billion for Investing in Minority Communities

Martin Muoto's new Black Impact Fund to focus on opportunity zones and nearby areas

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### Verte OZ Invests in RiseKit to Make an Impact in Opportunity Zones Amidst COVID-19

June 30, 2020

### Arctaris Funds Broadband Fiber in Opportunity Zones to Increase Digital Equity

In partnership with The Colorado Health Foundation and the Finance Authority of Maine, Arctaris will deploy Opportunity Zone capital to deliver affordable broadband access to underserved communities.

February 17, 2021 10:00 AM Eastern Standard Time

# OPPORTUNITY ZONES: BIDEN-HARRIS ADMINISTRATION



## RACIAL EQUITY

The Biden-Harris plan to advance racial equity

## THE BIDEN AGENDA FOR THE LATINO COMMUNITY

### Reforming Opportunity Zones to Ensure They Serve Latino Communities, Small Businesses, and Homeowners

Like many Americans, Biden initially hoped that Opportunity Zones would be structured and administered by the Trump Administration in a way that advanced racial equity, small business creation, and homeownership in low-income urban, rural, and tribal communities. It is now clear that the Trump Administration has failed to deliver on that promise in too many places around America. As the Urban Institute has found, the program as a whole is “not living up to its economic and community development goals.” While there have been positive examples, in too many instances investors favor high-return projects like luxury apartments over affordable housing and local entrepreneurs.

We cannot close the racial wealth gap if we allow billionaires to exploit Opportunity Zones tax breaks to pad their wealth, rather than investing in projects that benefit distressed low-income communities and Americans that are struggling to make ends meet. As President, Biden will task his team to develop a plan for reforming Opportunity Zones, including steps like incentivizing Opportunity Funds to partner with nonprofit or community-oriented organizations and jointly produce a community-benefit plan for each investment. The focus should be on creating jobs for low-income residents and otherwise providing a direct financial impact to households within the Opportunity Zones.



# OPPORTUNITY ZONES: BIDEN-HARRIS ADMINISTRATION



## RACIAL EQUITY

The Biden-Harris plan to advance racial equity

Specifically, the Biden-Harris administration will:

- Reform opportunity zones to fulfill their promise.

THE BIDEN PLAN TO BUILD  
BACK BETTER BY  
ADVANCING RACIAL EQUITY  
ACROSS THE AMERICAN  
ECONOMY

### REFORM OPPORTUNITY ZONES TO ENSURE THEY SERVE BLACK AND BROWN COMMUNITIES, SMALL BUSINESSES, AND HOMEOWNERS

Like many Americans, Biden initially hoped that Opportunity Zones would be structured and administered by the Trump Administration in a way that advanced racial equity, small business creation, and homeownership in low-income urban, rural, and tribal communities. It is now clear that the Trump Administration has failed to deliver on that promise in too many places around America. As the Urban Institute has found, the program as a whole is “not living up to its economic and community development goals.” While there have been positive examples, in too many instances investors favor high-return projects like luxury apartments over affordable housing and local entrepreneurs.

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- Incentivizing Opportunity Funds to partner with non-profit or community-oriented organizations, and jointly produce a community-benefit plan for each investment, with a focus on creating jobs for low-income residents and otherwise providing a direct financial impact to households within the Opportunity Zones.
- Directing that Opportunity Zone benefits be reviewed by the Department of Treasury to ensure these tax benefits are only being allowed where there are clear economic, social, and environmental benefits to a community, and not just high returns – like those from luxury apartments or luxury hotels – to investors.
- Introducing transparency by requiring recipients of the Opportunity Zone tax break to provide detailed reporting and public disclosure on their Opportunity Zone investments and the impact on local residents, including poverty status, housing affordability, and job creation.

# OPPORTUNITY ZONES: BIDEN-HARRIS ADMINISTRATION



## RACIAL EQUITY

The Biden-Harris plan to advance racial equity

Federal Agencies ➡

Congress/Treasury ➡

Congress/Treasury ➡

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# OPPORTUNITY ZONES: COUNCIL OF DEVELOPMENT FINANCE AGENCIES



## Reforming Opportunity Zones: Invest in Our Communities (*Top Priority*)

- Create a fund that allocates flexible capital to states to help them build capacity and support local economic activity in zones that are not automatically generating investor interest.
- Continue to support Opportunity Zone policy at the highest levels of the administration and strengthen the federal delivery system of support to zones. Providing clear and consistent support to zones through a coordinated federal approach across agencies will help communities be able to identify all of the resources that are needed to attract investment.
- Evaluate the extension of investor deadlines to allow a larger and more diverse pool of investors to receive the full value of their OZ investment.
- Evaluate the need for additional investor reporting requirements to help state and local governments better understand where investment is flowing and analyze when transfer of OZ assets could occur in the future.
- Evaluate how 2020 census numbers change the demographic and economic data of zones and whether states should be given the opportunity to select new qualified zones.

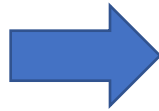


# OPPORTUNITY ZONES: COUNCIL OF DEVELOPMENT FINANCE AGENCIES



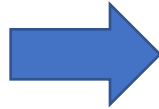
## Reforming Opportunity Zones: Invest in Our Communities (*Top Priority*)

Congress



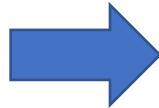
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Federal Agencies



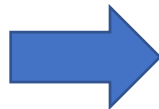
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Congress/Treasury



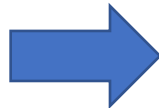
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Congress/Treasury



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Congress/Treasury



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# OPPORTUNITY ZONES: BIDEN-HARRIS ADMINISTRATION



## RACIAL EQUITY

The Biden-Harris plan to advance racial equity

### Reforming Opportunity Zones

Incentivizing Opportunity Funds to partner with non-profit or community-oriented organizations, and jointly produce a community-benefit plan for each investment, with a focus on creating jobs for low-income residents and otherwise providing a direct financial impact to households within the Opportunity Zones.

- Which agency is going to assist with partnering with non-profits?
- Which agency is going to help build capacity for producing a community-benefit plan?
- Which agency is going to work with funds to focus on creating jobs for low-income residents?
- Which agency is going to otherwise ensure investments providing a direct financial impact to households?



### Reforming Opportunity Zones: Invest in Our Communities

Continue to support Opportunity Zone policy at the highest levels of the administration and strengthen the federal delivery system of support to zones. Providing clear and consistent support to zones through a coordinated federal approach across agencies will help communities be able to identify all of the resources that are needed to attract investment.

- When will the highest levels of the administration show support for Opportunity Zone policy?
- What is the model for the administration to strengthen the federal delivery system of support to zones?
- Which “council” or which federal agency will provide the clear and consistent support to zones?
- Which federal agency will coordinate the federal approach across agencies to help communities identify resources to attract investment?

# GAO OPPORTUNITY ZONE REPORT



United States Government Accountability Office  
Report to Congressional Requesters

October 2021

## OPPORTUNITY ZONES

### Census Tract Designations, Investment Activities, and IRS Challenges Ensuring Taxpayer Compliance



GAO-22-104019

## GAO@100 Highlights

Highlights of GAO-22-104019, a report to congressional requesters

### Why GAO Did This Study

Congress created the Opportunity Zones tax incentive to spur investments in distressed communities. Taxpayers who invest in Qualified Opportunity Funds—that then invest in qualified property or businesses—could receive significant tax-related benefits. Funds and their investors generally must invest in Opportunity Zones for a minimum number of years and report information annually to receive tax benefits and avoid penalties. IRS administers and ensures compliance with these rules. GAO was asked to review implementation and use of this tax incentive.

This report describes the process for designating census tracts as Opportunity Zones and compares characteristics of designated and non-designated tracts; describes Qualified Opportunity Funds' experiences with and states' views on the tax incentive; analyzes available IRS data; and evaluates IRS's taxpayer compliance plans, among other objectives.

GAO analyzed census data on tracts designated and not designated as Opportunity Zones, analyzed data from a non-generalizable sample of 18 Qualified Opportunity Funds, and surveyed state officials. GAO also reviewed IRS documentation, including a compliance plan, and met with Treasury and IRS officials.

### What GAO Recommends

GAO is recommending that IRS (1) address risks caused by limited data availability, and (2) research compliance risks of high-wealth investors and large partnership Qualified Opportunity Funds. IRS generally agreed pending available resources.

View GAO-22-104019. For more information, contact Jessica Lucas-Judy at (202) 512-6806 or [LucasJudyJ@gao.gov](mailto:LucasJudyJ@gao.gov).

October 2021

## OPPORTUNITY ZONES

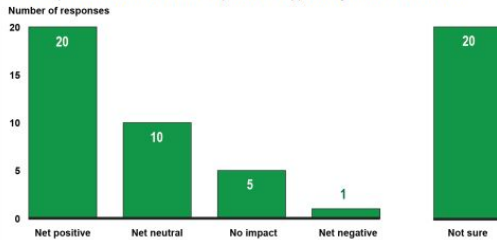
### Census Tract Designations, Investment Activities, and IRS Challenges Ensuring Taxpayer Compliance

### What GAO Found

The 2017 law commonly known as the Tax Cuts and Jobs Act created a tax incentive that gave governors discretion to nominate generally up to 25 percent of their states' low-income census tracts as special investment areas called Opportunity Zones. The U.S. Department of the Treasury then verified eligibility and designated the nominated tracts. GAO found that on average, the selected tracts had higher poverty and a greater share of non-White populations than eligible, but not selected, tracts. These differences were statistically significant.

Most state government officials were aware of at least some Opportunity Zone investments but had differing views of the tax incentive's effect so far.

State Respondents' Views on Overall Impact of the Opportunity Zones Tax Incentive



Source: GAO analysis of state responses to GAO survey on Opportunity Zones incentive. | GAO-22-104019

Note: GAO surveyed government officials from the 50 states, Washington, D.C., and the five U.S. territories—American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands—and received 56 responses.

Based on case studies of Qualified Opportunity Funds—investment vehicles organized for investing in Opportunity Zones—the tax incentive attracted investment in a variety of projects, including multifamily housing, self-storage facilities, and renewable energy businesses. According to survey responses and other sources, most projects are real-estate focused.

Through 2019, more than 6,000 Qualified Opportunity Funds had invested about \$29 billion, based on partial data from the Internal Revenue Service (IRS).

IRS developed plans to ensure Qualified Opportunity Funds and investors are complying with the tax incentive's requirements; however, IRS faces challenges in implementing these plans. Specifically, the plans depend on data that are not readily available for analysis. In addition, funds have attracted investments from high-wealth individuals, and some funds are organized as partnerships with hundreds of investors. IRS considers both of these groups to be high risk for tax noncompliance generally. However, IRS has not researched potential compliance risks these groups pose for this tax incentive. As a result, IRS may be unable to effectively direct compliance efforts.

United States Government Accountability Office

Enclosure

Comments on the GAO Recommendations directed to the IRS  
**OPPORTUNITY ZONE: Census Tract Designations, Investment Activities, and IRS Challenges Ensuring Taxpayer Compliance, (GAO-22-104019)**

### Recommendation 1:

The Commissioner of Internal Revenue should direct the Small Business and Self-Employed Division to assess the risks that data limitations pose to its Opportunity Zones tax incentive compliance plan and take steps to mitigate those risks.

### Comment:

We agree. We are currently able to identify instances of potential noncompliance using available information and are pursuing ongoing compliance efforts to address these concerns. We agree to review previously identified risks considering our current data limitations using our existing authorities. We will identify any potential alternative mitigation actions and revise our compliance plan, as appropriate.

### Recommendation 2:

The Commissioner of Internal Revenue should direct the Small Business and Self-Employed and Large Business and International Divisions to research compliance risks posed by high-wealth individuals and large partnerships that are using the Opportunity Zones tax incentive and take appropriate steps to address the risks identified.

### Comment:

We partially agree. We will conduct research on potential compliance risks posed by high-wealth individuals and large partnerships that are using the Opportunity Zones tax incentive and make recommendations to mitigate any risks identified. With respect to specific next steps, we cannot agree to take mitigating actions because we will need to assess the research and consider available resources and competing priorities of work based on the highest risk for noncompliance.



# OPPORTUNITY ZONES ECONOMIC INNOVATION GROUP



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Blog

## GAO Evaluation of Early Opportunity Zones Activity Finds Promise, Need for Data

Nov 10, 2021

The GAO report includes the following five noteworthy findings:

1. The OZ incentive supported at least \$29 billion in new equity investment throughout the country through 2019.
2. The 2018 designation process clearly succeeded in targeting high-need communities nationwide.
3. States overwhelmingly have a positive or “wait and see” view of the policy, with positive responses outnumbering outright negative by a 20 to 1 margin.
4. Firms surveyed indicate that, for the most part, the OZ incentive is driving investment that would not have otherwise occurred within targeted communities.
5. The IRS needs to step up its efforts to evaluate and address potential compliance challenges.

# WAYS & MEANS COMMITTEE OPPORTUNITY ZONES HEARING

November 16, 2021

The Ways & Means Committee held an open hearing on the topic of the Opportunity Zone program.

"**Nobody wants to cut this program off**," said U.S. Rep. Bill Pascrell, a New Jersey Democrat who chairs the House Ways and Means Oversight Subcommittee. "I don't think it's going to continue to exist the way it is. And I don't think that's a Democratic or Republican conclusion."

December 20, 2021

Ways and Means Committee Letter Asks Treasury to Refine OZs to Better Help Disadvantaged Communities

Nine Democrats on the U.S. House of Representatives' Ways and Means Subcommittee on Oversight sent a letter asking the U.S. Department of the Treasury to consider three ways to **boost the benefits** of the Opportunity Zones (OZ) incentive in helping communities in need:

1. Implementing a rigorous certification process for OZ funds,
2. Allocating a dedicated agency staff to oversee OZs, and
3. Requiring transaction reporting separate from tax forms.

# OPPORTUNITY ZONES: LEGISLATION AND ADMINISTRATION



## W&M Reconciliation Bill – Potential Impacts

1. Increase in the **capital gains tax rate**
  - Would make deferral of future capital gains through a QOF investment **more attractive to potential investors**
2. Proposed changes to **Section 1202** – Qualified Small Business Stock investments
  - Would reduce the benefits of this alternative investment strategy currently available to potential OZ investors and could result in some of these **investors incorporating an OZ-strategy**.
3. Proposal to make **asset sales** to a grantor trust be **taxable** as part of an estate
  - Would **eliminate the benefits of the current-law OZ strategy** of gifting/selling a QOF interest to a grantor trust

## 2021: The Legislative Front

GOING FORWARD



# OPPORTUNITY ZONES: LEGISLATION AND ADMINISTRATION



Reporting and  
Transparency  
Requirements



Early Sunset of High-  
Income OZ Tracts



Allowance of Fund-to-  
Fund Investments



Extension of Deadline  
for OZ Benefits

## 2021: The Legislative Front

LEGISLATIVE RECOMMENDATIONS

# OPPORTUNITY ZONES: LEGISLATION AND ADMINISTRATION

## The Future for Opportunity Zones Policy?

1

Ensuring policy effectiveness and understanding impact  
**REPORTING**

2

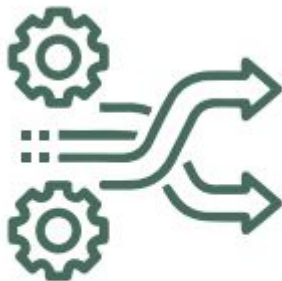
Senate and House  
**LEGISLATION**

3  
Biden administration & Treasury Department  
**REGULATORY**

### POTENTIAL EFFECTS



Certification Process



Other Potential Changes in the Pipeline



Reporting Requirements



New Markets Tax Credit Pairing Fixes



Additional Flexibility for Affordable Housing



Fixes to Encourage Investments into Pre-Existing and New Operating Businesses

### REGULATORY RECOMMENDATIONS

# OPPORTUNITY ZONES INDUSTRY RECOMMENDATIONS

## OPPORTUNITY ZONES PROPOSED IMPROVEMENTS



EIG has been the national leader in building consensus behind recommendations that would strengthen transparency, improve guardrails, and enhance how the Opportunity Zones incentive can be used to deliver economic benefits to low-income communities, including:

- Implement comprehensive reporting requirements with penalties for noncompliance to ensure the policy can be properly evaluated over time (as proposed in the bipartisan IMPACT Act).
- Remove OZ designation from higher-income tracts that do not align with the spirit of the policy, which comprise a very small share of OZ communities nationwide.
- Provide additional regulatory flexibility to enable greater investment in affordable housing.
- Enact a one-time extension of the 2026 deadline for investments and tax deferral by two years to recoup time lost to the rulemaking process and attract greater investment in communities hard-hit by the COVID-19 crisis.
- Allow for investment into feeder funds to make it easier for smaller, community-focused efforts to attract the capital they need.
- Provide additional federal resources to states and communities to support local implementation efforts to attract impactful, community-oriented investment.

### Additional Background

- EIG supports the Senate's bipartisan [IMPACT Act](#) and House's bipartisan [Opportunity Zone Accountability and Transparency Act](#) that would establish stronger reporting and transparency requirements for the policy.
- In March 2021, the EIG-led OZ Coalition submitted [detailed recommendations](#) to the Biden administration on legislative and regulatory enhancements.
- EIG has called on the Treasury and Congress regularly throughout the regulation drafting process to inform OZ regulations:
  - [EIG Comment Letter to U.S. Treasury](#) (May 2021)
  - [EIG OZ Coalition Recommendations to Biden Administration](#) (March 2021)
  - [EIG Press Release Following WH OZ Report](#) (August 2020)
  - [EIG Comment Letter to the Department of Commerce on RFI](#) (October 2019)
  - [EIG OZ Coalition Letter to U.S. Treasury](#) (July 2019)
  - [EIG OZ Coalition Letter to U.S. Treasury on Data Collection and Tracking](#) (May 2019)
  - [EIG OZ Coalition Letter to U.S. Treasury](#) (December 2018)
  - [EIG OZ Coalition Letter to U.S. Treasury](#) (June 2018)

### Additional Resources

- [EIG Spatial Inequality Policy Brief](#) (February 2021)
- [EIG OZ State Of The Marketplace Report](#) (February 2021)

For more information, visit [eig.org/opportunityzones](https://eig.org/opportunityzones)

Updated October 2021

## OPPORTUNITY ZONES COMMUNITIES ECONOMIC FACTSHEET



Opportunity Zone communities on average lag far behind the typical American community across a variety of important measures of socioeconomic well-being. For more, explore the [Opportunity Zones snapshot](#) and [Facts and Figures](#).

### Economic distress:

- According to the latest Census Bureau data, the average OZ poverty rate of 26.4% is nearly twice as high as the national average of 13.4%.
- Average OZ median family income is \$49,900, compared to \$77,300 nationally--about 35% lower.
- Nearly 70% qualify as severely distressed under Community Development Financial Institutions (CDFI) classifications. Such communities are places generally characterized by exceptionally high poverty rates, very low median family incomes, unemployment rates at least 50% higher than the national rate, or other measures of severe economic hardship.
- In the average OZ, 37% of children live in poverty, nearly double the national rate.
- About 40% higher rate of joblessness among adult residents.
- The average median home value in an Opportunity Zone is \$48K lower than the median U.S. home value.
- While the overwhelming majority of communities were well-targeted by governors, a small share of higher-income areas were also included in the designation process. Roughly 2% of OZ communities have a median family income of at least 125% the national median. (EIG has called for these tracts to be replaced by communities that better reflect the intent of the law.)

### Less opportunity:

- 9 in 10 OZs lack high-quality early childcare and schools, safe places for children to live and play, and economic opportunity, according to the Child Opportunity Index.
- 20% of adults in the average OZ lack a high school diploma, compared to 12% nationwide.

### Other characteristics:

- Nearly one-third of the nation's brownfield sites are located in OZs, meaning that residents of these communities bear a disproportionate burden of the nation's environmental hazards.
- The average life expectancy of an OZ resident is nearly 3.5 years shorter than the national average.
- 28% are food deserts.
- 57% of OZ residents identify as a minority, compared to 39% nationally.
- 294 contain Native American lands.
- Nearly a quarter (23%) are in rural areas.

For more information, visit [eig.org/opportunityzones](https://eig.org/opportunityzones)

Updated October 2021

## OPPORTUNITY ZONES INVESTMENTS



The Opportunity Zones incentive is intended to encourage productive, long-term private capital into communities that have been left behind by uneven economic growth and a lack of investment. Opportunity Zones communities (i.e., ones in which qualifying investments are eligible for certain tax benefits) are on average far more economically distressed and significantly more diverse than the typical U.S. community.

While the policy is still early in its lifecycle, what do we know so far about the scale, distribution, and nature of OZ investments and investors thus far?

**The earliest investments were geographically dispersed, but total dollars were relatively concentrated.** The [best and most comprehensive data](#) on early OZ investments comes from a 2021 [study](#) examining electronic tax filings for 2019. Since paper filers account for roughly 25% of all OZ investments, the numbers below are likely a substantial underestimate of actual investment activity and reach. Furthermore, final regulations were not published by the IRS until December of 2019, which kept many would-be market participants on the sidelines until 2020. Nevertheless, the findings suggest that, even prior to full implementation, the policy was already supporting investment of significant scale and geographic reach.

- Nearly 2,800 Opportunity Funds directed \$18.9 billion in investment across ~2,500 investments according to a [study](#) of IRS tax data for 2019.
- At least 1,362 designated census tracts—or 16% of all OZ tracts—received at least some OZ investment, eclipsing other long-established incentive programs in geographic reach. (For comparison, the New Markets Tax Credit program supported investment in approximately 400 census tracts over the same period.)
- Most, if not all, states and commuting zones saw OZ investment activity in the first year.
- OZs closer to downtowns and experiencing faster population growth and with higher educational attainment were more likely to see investment.
- Measured in terms of dollars deployed, investment was concentrated such that 5% of tracts (totalling over 430 tracts) received 87% of total investment.
- OZ tracts that received investment had an average poverty rate of 28% (compared to 15% for all census tracts) and median family income of \$47,500 (compared to \$72,100 for all census tracts). Nationally, those numbers rank in the 84th and 23rd percentiles for poverty and income, respectively.
- Among tracts that received OZ investment, the median investment of \$948 per resident is economically large relative to other federal place-based programs.

For more information, visit [eig.org/opportunityzones](https://eig.org/opportunityzones)

Updated October 2021



## OPPORTUNITY ZONES ECOSYSTEM

### Private QOF Investments

Private Qualified Opportunity Fund  
Investments

### Private Investments

Philanthropic, private industry and  
non-profits investing in Opportunity Zones



### Public Investments

Public investments from the Federal,  
state and local government in  
Opportunity Zones

**8,764 OZ CENSUS  
TRACTS**

# OPPORTUNITY ZONES: FUNDS

Snapshot of QOF Investment as of Sept. 30, 2021

Funds Raised by QOFs Reporting Equity Amount ... **\$20.28 billion**

QOFs that Report the Amount of Equity Raised ..... **909**

All QOFs Tracked ..... **1,243**

Source: Novogradac



## Residential, Commercial Top Investment Types

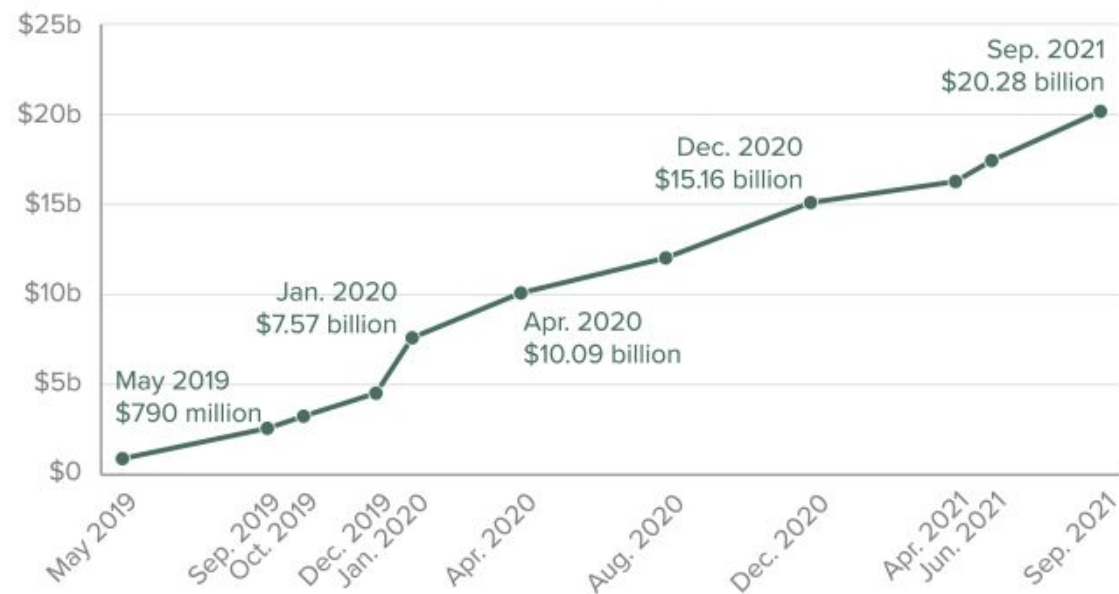


Source: Novogradac

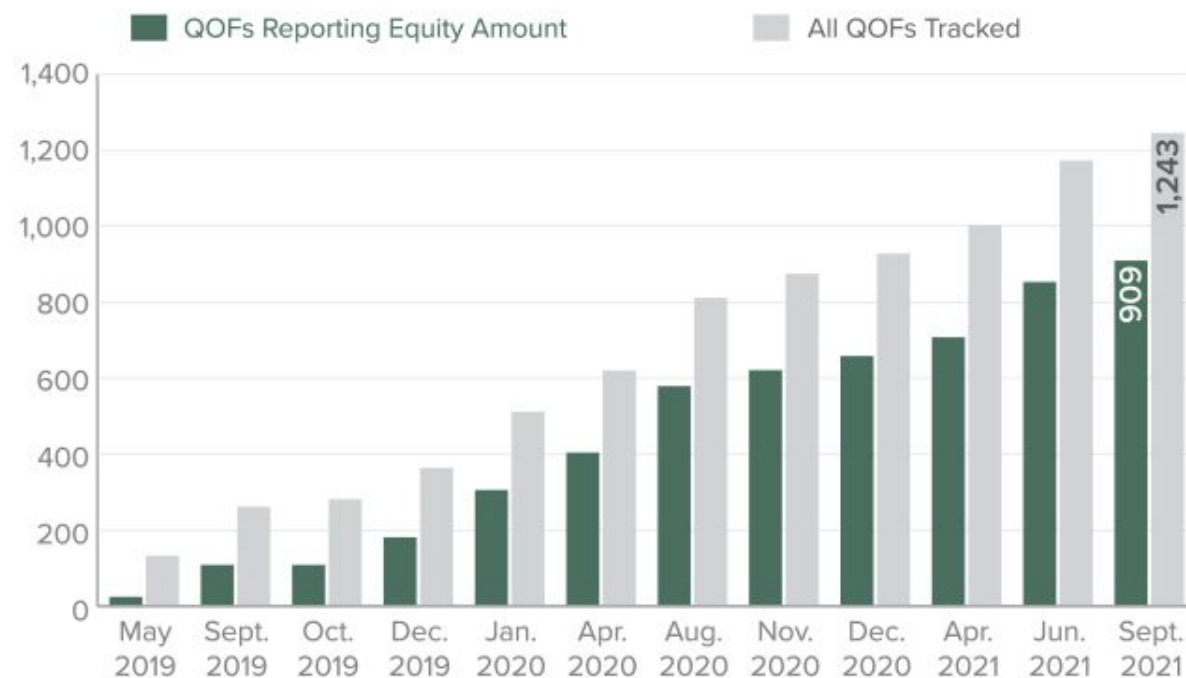


# OPPORTUNITY ZONES: FUNDS

## Reported Equity Raised



## All QOFs Tracked and QOFs That Report Equity Raised

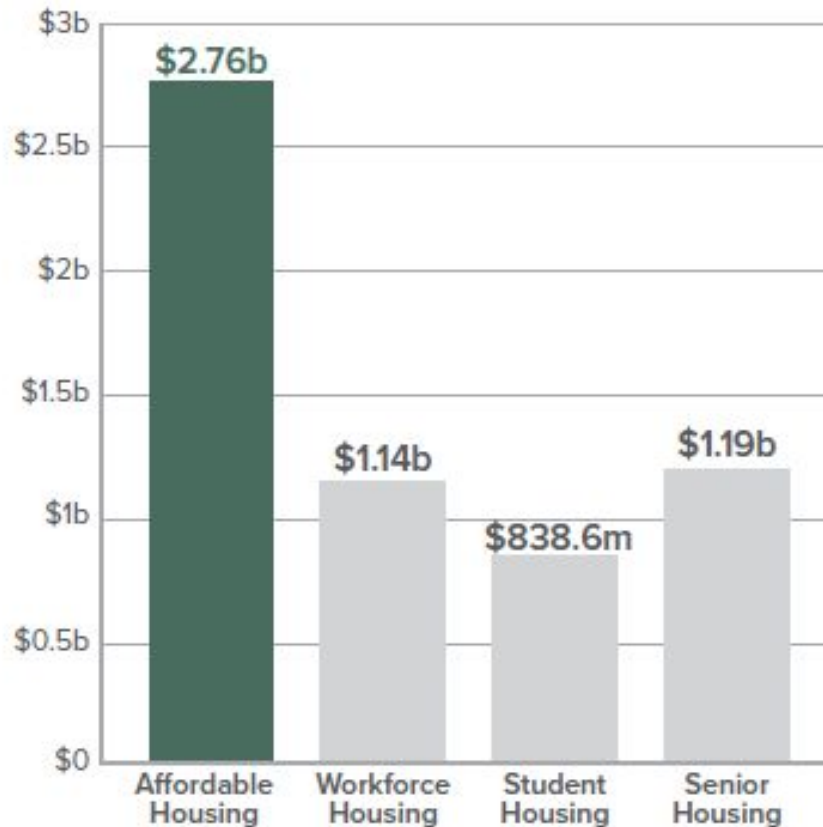


Novogradac data as of September 30, 2021



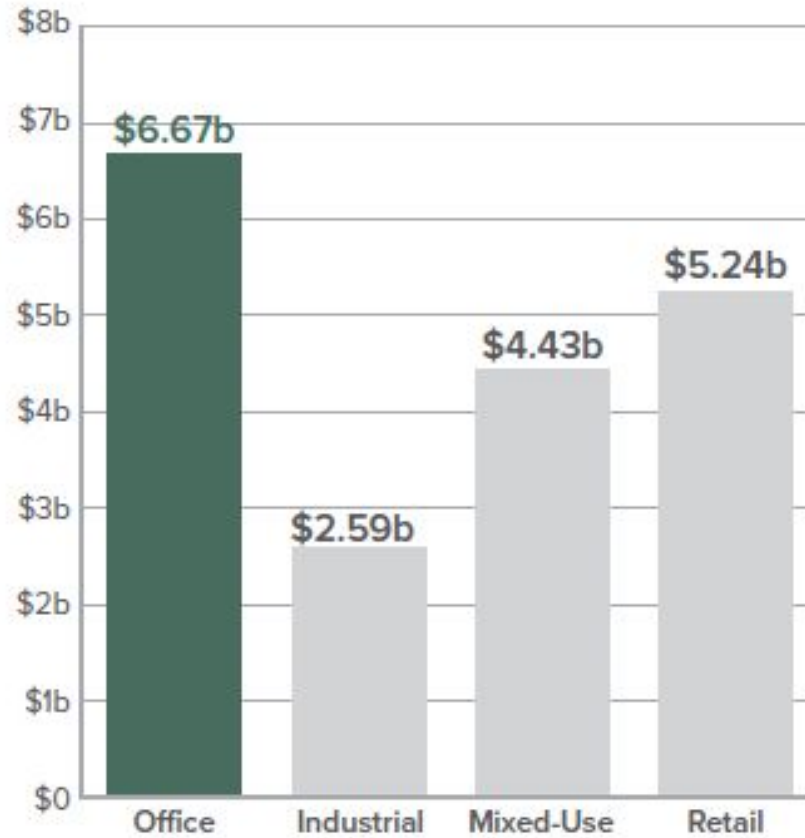
# OPPORTUNITY ZONES: FUNDS

Affordable Housing Largest Tracked Residential Category



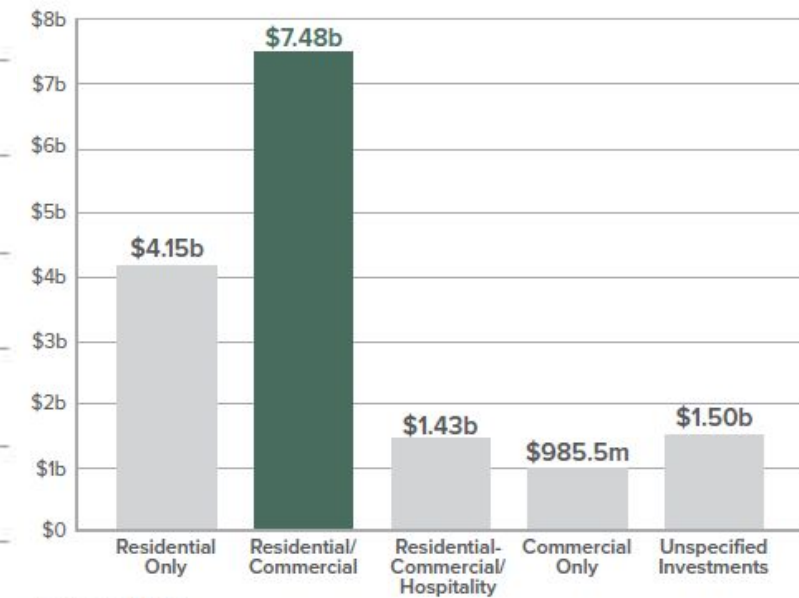
Source: Novogradac

Office, Retail Leading Areas of Commercial Investment



Source: Novogradac

Residential/Commercial Top Combination for QOF Investment

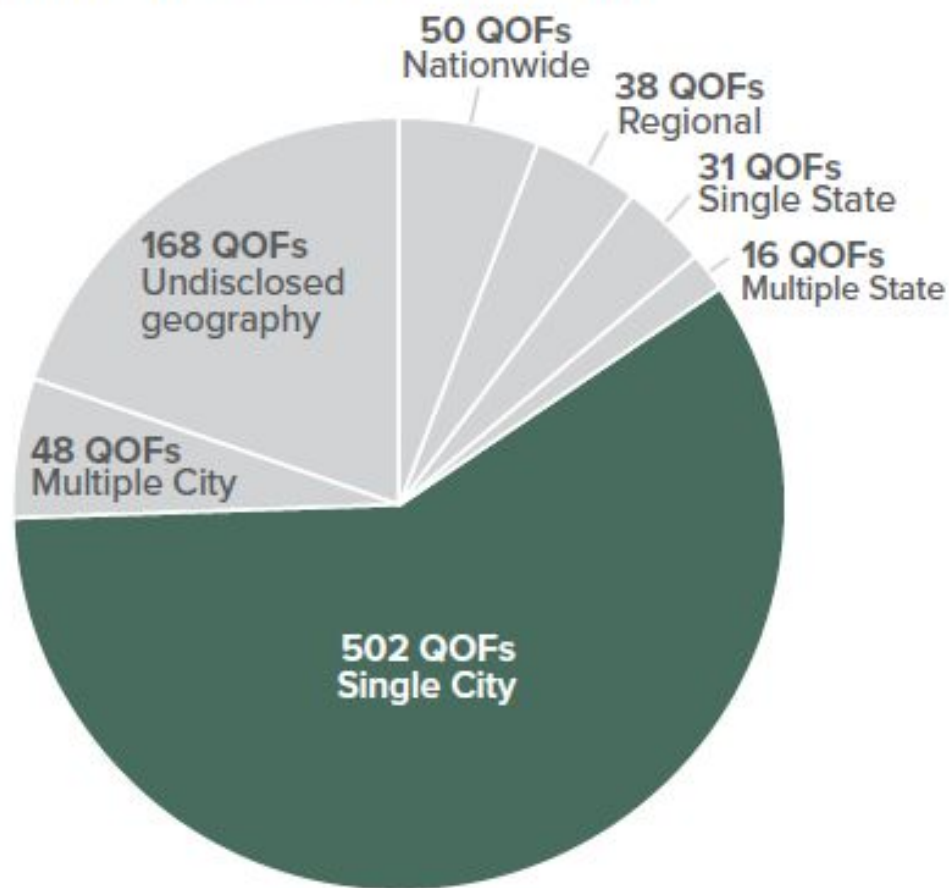


Source: Novogradac

Novogradac data as June 30, 2021

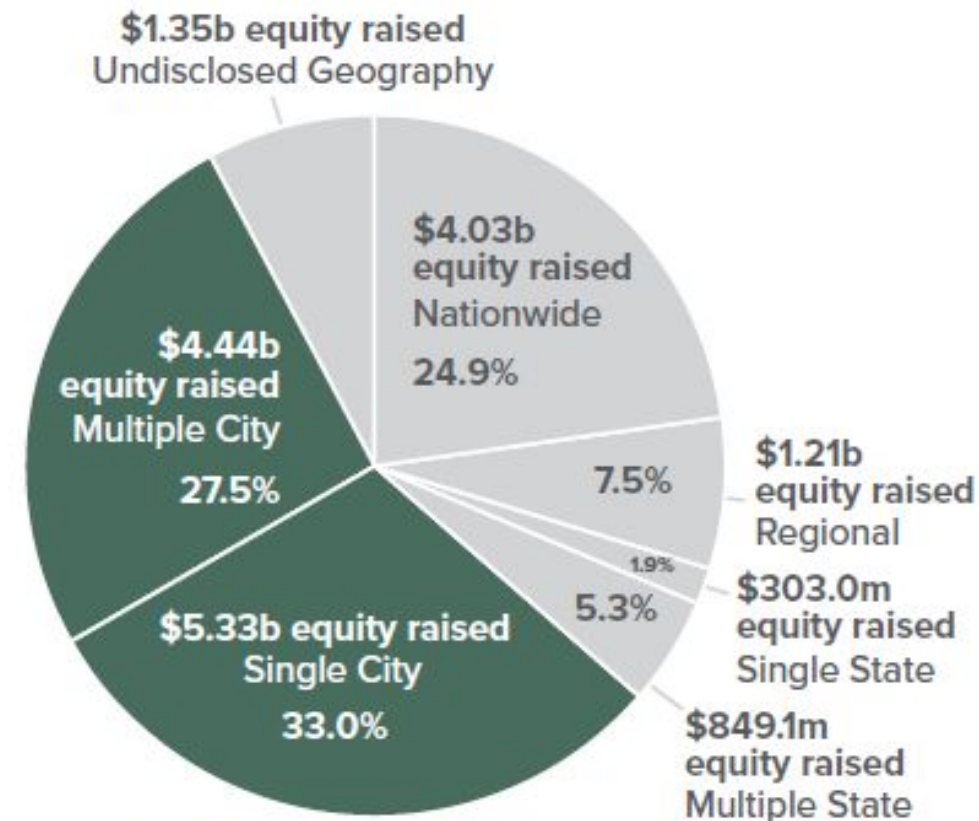
# OPPORTUNITY ZONES: FUNDS

Most QOFs Focus on Single City



Source: Novogradac

Multiple City, Nationwide Investment Near Top of Equity Raised List



Source: Novogradac

Novogradac data as of June 30, 2021

# OPPORTUNITY ZONES: FUNDS

## Seven States Have at Least \$500 Million in QOF Investment

State	Total Equity Raised
1. California	\$1,845,120,000
2. New York	\$925,590,000
3. Texas	\$793,910,000
4. Arizona	\$725,240,000
5. Colorado	\$607,930,000
6. Ohio	\$605,630,000
7. Washington	\$536,240,000
8. Florida	\$436,000,000
9. Tennessee	\$403,340,000
10. Maryland	\$362,710,000
11. North Carolina	\$339,520,000
12. Georgia	\$322,270,000
13. Washington, D.C.	\$318,920,000
14. Oregon	\$315,770,000
15. Utah	\$299,630,000
16. New Jersey	\$269,440,000
17. Illinois	\$239,280,000
18. Pennsylvania	\$230,410,000
19. South Carolina	\$230,350,000
20. Massachusetts	\$218,190,000

## Nation's Biggest Cities Also Have Most Investment

City	Total Equity Raised
1. New York	\$820,360,000
2. Los Angeles	\$661,110,000
3. Austin, Texas	\$353,540,000
4. Nashville	\$315,380,000
5. Washington	\$306,660,000
6. Sacramento	\$287,590,000
7. Atlanta	\$259,050,000
8. Cleveland	\$252,070,000
9. Salt Lake City	\$245,040,000
10. Denver	\$229,960,000
11. Seattle	\$213,060,000
12. Houston	\$207,280,000
13. Portland	\$204,540,000
14. San Jose, California	\$195,320,000
15. Somerville, Massachusetts	\$194,510,000
16. Phoenix	\$194,090,000
17. Scottsdale, Arizona	\$171,160,000
18. Charlotte, North Carolina	\$170,340,000
19. Oakland, California	\$164,280,000
20. Columbus, Ohio	\$162,100,000

21. Chicago	\$143,590,000
22. St. Louis, Missouri	\$140,510,000
23. Philadelphia	\$114,080,000
24. Baltimore, Maryland	\$104,830,000
25. Charleston, South Carolina	\$104,370,000
26. Mesa, Arizona	\$104,360,000
27. Silver Spring, Maryland	\$99,900,000
28. Cincinnati	\$97,550,000
29. Colorado Springs, Colorado	\$96,520,000
30. Las Vegas	\$94,330,000
31. Detroit	\$93,240,000
32. Aurora, Colo.	\$88,640,000
33. Hackensack, New Jersey	\$83,820,000
34. Berkeley, California	\$80,890,000
35. Alexandria, Virginia	\$78,980,000
36. Tacoma, Washington	\$75,960,000
37. Huntsville, Alabama	\$75,600,000
38. Tempe, Arizona	\$74,090,000
39. Reno, Nevada	\$67,990,000
40. Vancouver, Washington	\$63,540,000

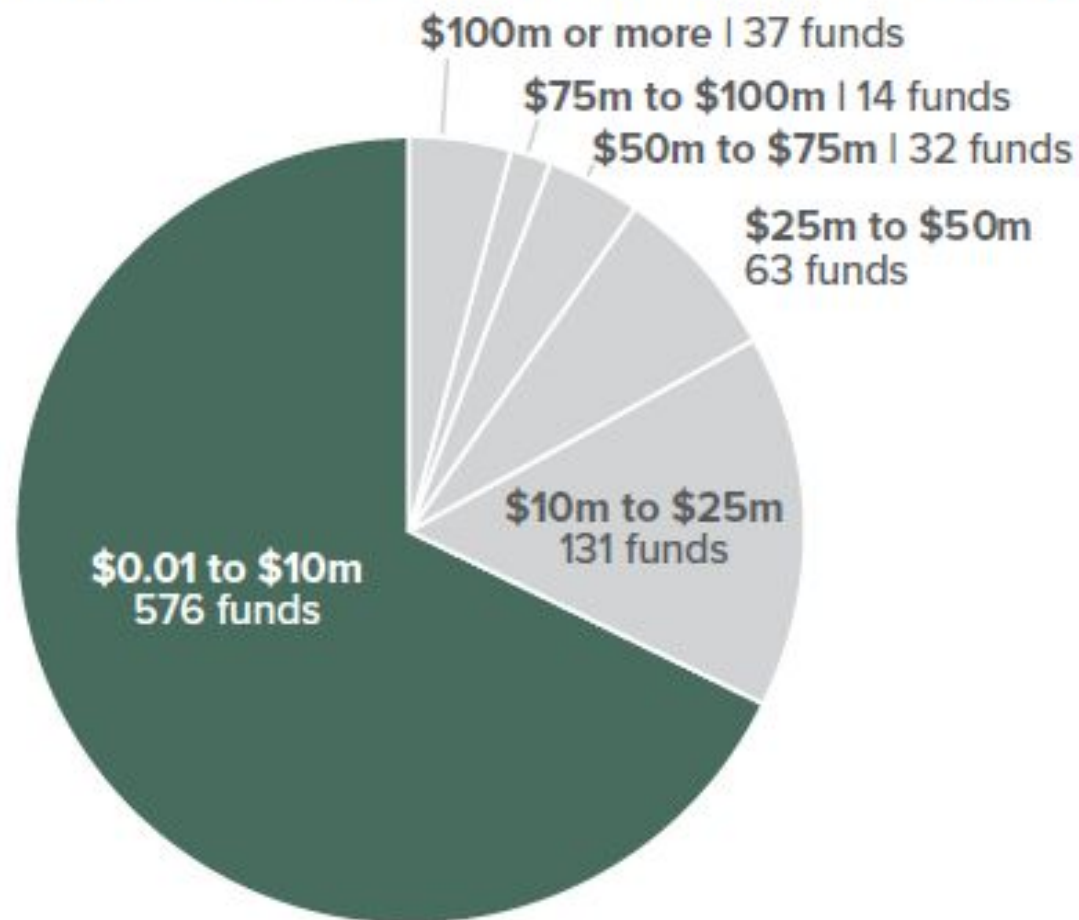
Source: Novogradac

Novogradac data as of June 30, 2021



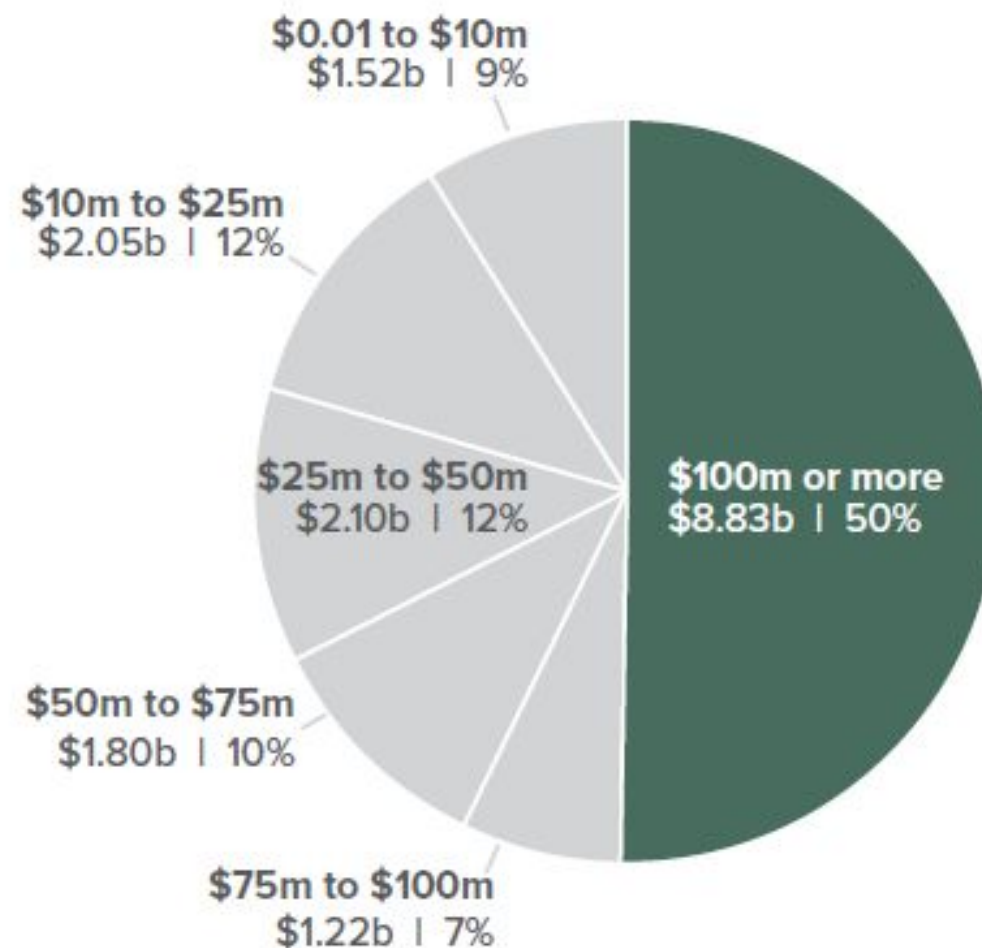
# OPPORTUNITY ZONES: FUNDS

## Most QOFs Have Raised Less than \$10 Million



Source: Novogradac

## Biggest QOFs Have Raised Half of Equity



Source: Novogradac

Novogradac data as of June 30, 2021

## Directory of Qualified Opportunity Zone Funds (QOFs)

Welcome to our curated list of Qualified Opportunity Funds.

### All QOFs

Below are all QOFs currently tracked by OpportunityDb. To filter this universe of QOFs or to submit your fund to our database, use the links below.

**Total Funds:** 303

**Total Investment Capacity:** \$62 billion

**Last Updated:** Jan 6, 2022 (7 days ago)

[+ Add Your Fund](#)

[▼ Filter](#)

<https://opportunitydb.com/funds/>



**OpportunityDb**  
The Opportunity Zones Database

# OPPORTUNITY ZONES: FUNDS

## Opportunity Zone Fund Directory

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The Opportunity Zone Fund Directory is a compilation of publicly-announced funds formed to attract investment in Opportunity Zones (OZs). NCSHA is tracking only multi-project OZ funds. To learn more about a fund included in this directory, click on the name.

Please review the [terms of the use](#) before using the directory. To request to add your fund to the directory, please complete [this form](#).

### Directory Stats as of December 21, 2021:

**242 Total Funds ■ \$48.7 Billion Total Anticipated Investment ■ 60% of Funds Target Investment in Affordable Housing and Community Development**

<https://www.ncsha.org/resource/opportunity-zone-fund-directory/>





# COMMUNITY DEVELOPMENT / COMMUNITYWEALTH BUILDING

COMMUNITY DEVELOPMENT (OLD SYSTEM)	COMMUNITY WEALTH BUILDING (NEW SYSTEM)
Chases one-size-fits-all programs and dollars from Washington and Wall Street	Uncovers the community's own competitive assets and grows them
Lacks focus on neighborhood economies, failing to counteract the hollowing-out of commercial corridors	Enhances local business demand and prevents the parasitic economy
Builds low-income housing in disadvantaged communities, creating affordable rental units	Strengthens neighborhood nodes into mixed-income areas, creating enough wealth for people to own their homes and companies
Promotes home-ownership as primary policy incentive	Expands networks for entrepreneurs to combat systemic racism and disinvestment
Follows a two-pocket capital apparatus largely financed by a mix of debt and subsidy	Creates access to one-pocket capital with a blended capital stack
Lacks ability to swiftly identify and dispose of public and non-profit owned land	Integrates civic assets into a framework that will create wealth for its citizens
Undercapitalizes compartmentalized, small-scale public and civic organizations and nonprofits	Supports holistic, next-generation public, private, and civic institutions, that are largely local

“Towards A New System of Community Wealth” / Nowak Metro Finance Lab, BluePrintLocal, Accelerator for America

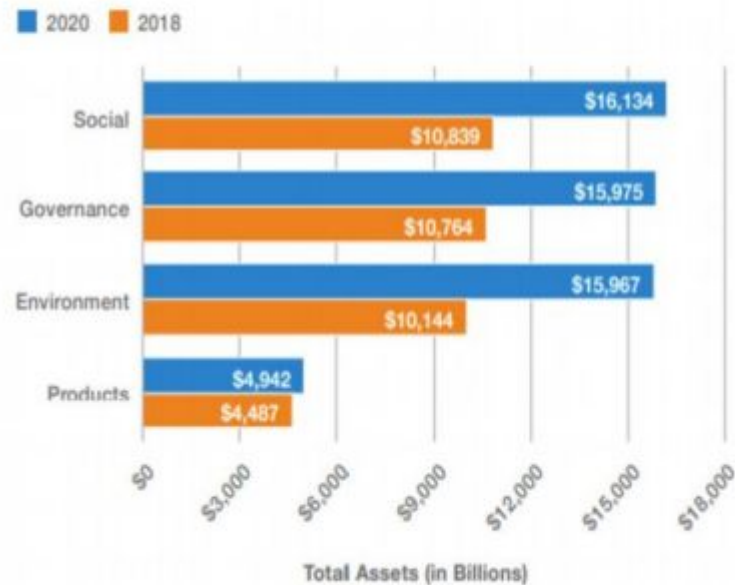
# OPPORTUNITY ZONES: DATA

## Impact Investing Growth in the US

Sustainable Investing in the United States  
1995-2020



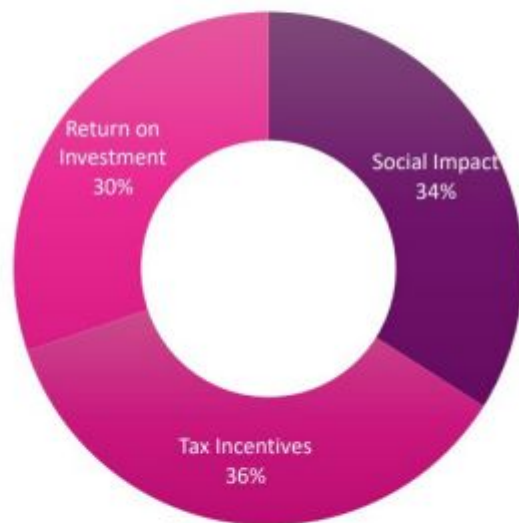
ESG Categories Incorporated by  
Money Managers 2018-2020



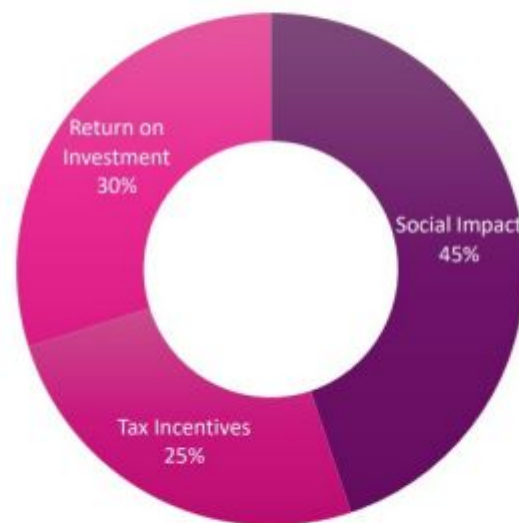
# OPPORTUNITY ZONES: DATA

## Primary Drivers for Opportunity Zone Stakeholders

2019 Average



2021 Average





# OPPORTUNITY ZONES TRANSACTIONS

- **Flagstaff, Arizona:** AspireFund, a QOF, raised more than \$1 million to fund the purchase and development of nine affordable, attractive, energy-efficient homes, all priced to sell below \$290,000 or rent for under \$1,600 known as Kachina Village Affordable Housing.
- **Mesa, Arizona:** Real estate investment and development firm GTIS Partners has broken ground on a single-family, build-to-rent community in Mesa (Single-Family Community in Cadence at Gateway) located within a 400-acre master-planned development. Believed to be the first qualified Opportunity Zone investment in a single-family rental community, the project is focusing on sustainability through energy-efficient construction elements and will include 197 rental homes that offer residents walkable access to commercial services and amenities.
- **Phoenix, Arizona:** Phoenix-based developers Merit Partners are set to redevelop a former cement plant that has been vacant for decades into an industrial “employment center” (Merit Partners Industrial Employment Center) with the potential to create 1,000 new jobs. The \$111 million-dollar project will use OZ capital to construct seven industrial building totaling 896,400 square feet located across the 83-acre property.
- **Phoenix, Arizona:** The Greater Cleveland Partnership launched a \$50M real-estate investment fund to spur private investment in Opportunity Zones in Cuyahoga County. The fund was launched by Cleveland Development Advisors and they invested in the Medical Behavioral Hospital of Phoenix.

## OPPORTUNITY ZONES TRANSACTIONS (CONT.)

- **Fresno, California:** The landmark 7-story Hotel Fresno building, vacant since 1983, will be converted into apartments offered at mixed income levels for 79 families, with retail and community event space located on the ground floor. The \$26M renovation will help revitalize downtown Fresno while preserving a historic 1912 hotel.
- **Madera, California:** Central Valley-based Heart Ridge Farms has created an Opportunity Fund to allow for investment in its growing nut farming and processing business.
- **San Jose, California:** Delmas @ Downtown West will be the first senior community built in downtown San Jose in 35 years. The \$45 million senior housing facility will include 52 assisted living and 32 memory care units as part of a master planned development centered around the city's central transit hub, Diridon Station. The project will use funds from Urban Catalyst's Senior Living Fund, a \$250M Opportunity Fund focused on the Bay Area.
- **Vallejo, California:** The Nimitz Group is positioned to acquire a total of 827 acres of land on Mare Island from the City of Vallejo. The Group's vision includes thousands of new housing units, more than 1,000 businesses, restoration of historic buildings, and bike and pedestrian pathways.

## OPPORTUNITY ZONES TRANSACTIONS (CONT.)

- **Anchorage, Alaska:** Local Anchorage developer JL Properties will undertake the \$16M construction of a four-story Aloft hotel, which aims to bolster Alaska's tourism economy.
- **Redmond, Oregon:** RevOZ Capital and Alpha Wave Investors, LLC have partnered to invest in the historic development of an eco-friendly, 49-room hotel with 13,000 sq. ft. of street front retail and a restaurant.
- **Twin Falls, Idaho:** 2nd Ave Market will be the first food hall in the state of Idaho, and the first Opportunity Zone investment to open for business in the state. The developers said the site's OZ designation was a determining factor in their decision to repurpose the property, which will bring the Twin Falls community together around an open space with a variety of vendors, including local brewers, bakers, and pit masters.
- **Twin Falls, Idaho:** The Twin Falls Urban Renewal Agency purchased the vacant and underutilized Idaho Youth Ranch building, located within an Opportunity Zone. It will be replaced by a new six-story building that will bring 42 apartments and increased density to downtown Twin Falls, with the second floor of the property being office space and the ground floor being retail.
- **Twin Falls, Idaho:** An old clinic and hospital on Shoshone Street is planned to become a charter school. The project will also include two apartment complexes, built next door where there are currently parking lots. In addition to the charter school, the refurbished old clinic building will likely house a daycare as well.



## OPPORTUNITY ZONES TRANSACTIONS (CONT.)

- **Bellingham, Washington:** Supported by Verte OZ, NAVF Logistics will establish a network of free trade zones and facilities in rural Washington state operated by federally recognized Native American Tribes, creating trading opportunities for tribal nations and local businesses alike.
- **Lynwood, Washington:** A new OZ project within the Lynwood “City Center” District will include 359 multifamily units and feature approximately 10,000 square feet of ground-level retail. The transited-oriented development will participate in Lynnwood's Multifamily Tax Exemption program, which requires 20% of the units to be dedicated as workforce housing.
- **Pasco, Washington:** Eaty Gourmet LLC plans to develop a \$52M culinary and entertainment center that will include a food and wine hall, a boutique hotel, culinary education center, and waterfront courtyard plaza, all in an Opportunity Zone.
- **Seattle, Washington:** Nitze-Stagen and Spectrum Development Solutions are redeveloping the Canton Lofts building into a multifamily workforce residential project affordable to those making 80% AMI, which will also contain 2,400 sq ft. of retail space.
- **Tukwila, Washington:** Sortis will invest \$59M through its Opportunity Zone fund into a mixed-income 400-unit senior housing facility that will be the third-largest senior living development in Washington upon completion, encompassing 403 apartment units exclusively for seniors, six live/work units, approximately 32,000 sq. ft. of commercial/retail space, a community center, a central outdoor plaza and a new King County public library campus.

## OPPORTUNITY ZONES TRANSACTIONS (CONT.)

- **Davenport, Iowa:** This mixed-use in-fill development, Urbane 210, will bring desirable workforce housing options to this mid-sized city's recovering downtown.
- **Des Moines, Iowa:** Drake University announced plans to sell land adjacent to its Des Moines campus, portions of which are designated Opportunity Zones. The proposed development, valued at more than \$63M has plans to develop apartments, townhomes, commercial space, and a parking garage.
- **Dubuque, Iowa:** Port of Dubuque is a mixed-use development project that adheres to smart growth principles. Its historic brick facade integrates history into this key component of the city's long-term master plan to drive greater utilization of the port district and revitalize downtown through residential density. The project will include a mix of housing options.
- **Mason City, Iowa:** A local developer aims to contribute to Mason City's River City Renaissance Project by converting a city-owned riverfront parking lot into workforce housing. The parking lot, currently serving as Southbridge Mall's overflow lot, will be redeveloped into a living complex composed of 115 apartments and 20 townhomes, amplifying the city's renaissance initiatives.
- **Sioux City, Iowa:** Urbane 1220 is a mixed-use in-fill development will transform a vacant lot on the periphery of downtown into 56 residential rental units housing and roughly 6,600 SF of commercial space.

## OPPORTUNITY ZONES TRANSACTIONS (CONT.)

- **Helfin, Alabama:** Carillon Oaks is a \$12M project by Lathan & Coleman, LLC that plans to repurpose a historic high school into an assisted living and memory care community. Along with Opportunity Zone funding, various state, local, and historic preservation investments helped make the deal possible.
- **Selma, Alabama:** The Woodforest CEI-Boulos Opportunity Fund made a \$2 million equity investment in the redevelopment of the historic, long-shuttered St. James Hotel in Selma, Alabama. The St. James Hotel, the only hotel in downtown Selma, will support the city's growing civil rights tourism industry and create 45 permanent jobs with training, health insurance and other benefits, 42 which will be accessible to people with low incomes.
- **Tuscaloosa, Alabama:** As the first project of the HBCU Opportunity Fund, a 100-room hotel that will employ 20 to 25 full time employees is planned near Stillman's College campus. Stillman has additional plans to develop a hospitality management program for students working at the hotel.
- **Jacksonville, Florida:** Atlanta-based Columbia Ventures will transform Jacksonville's Union Terminal Warehouse into 200 affordable apartment units. Built in 1914, the redevelopment of the building has the potential to be catalytic for East Jacksonville. The project is using a mix of funding sources, including money from LISC and OZ equity.
- **Miami, Florida:** Three Round Towers in Miami, FL, is the site of a new \$106 million, 383-unit new affordable housing construction and renovation project. The investment utilizes OZ capital, the Low Income Housing Tax Credit, and HUD's HOME program and is the largest affordable housing project to employ OZ capital as of August 2020.



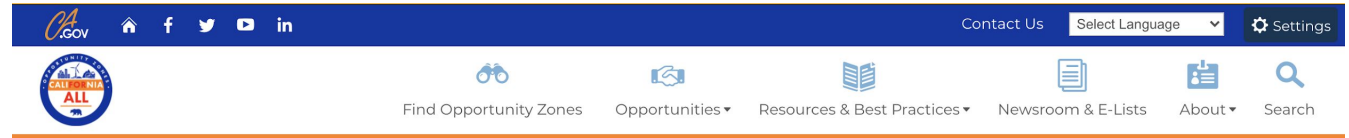
## OPPORTUNITY ZONES TRANSACTIONS (CONT.)

- **Anderson, South Carolina:** Anderson County will see the construction of 100 new "worker homes"--smaller than the average house but larger than so-called tiny homes--on a 77-acre plot. The innovative project is piloting new building models to alleviate a shortage of affordable housing options for entry-level workers. Units will not rent for more than 30 percent of target workers' incomes, the benchmark for affordability.
- **Early Branch, South Carolina:** Considered to be one of the largest known investments into an OZ, the new Agriculture Technology Campus in Hampton County, SC, is a \$314 million dollar project that will employ over 1,500 people in the cultivation, packing, and shipping of produce using cutting-edge Controlled Environment Agriculture. The campus will be a joint development of finance group GEM Opportunity Fund and a trio of food and packaging firms and is expected to be in operation in 2022.
- **Greer, South Carolina:** This adaptive re-use project will see the old Greer Mill building converted into apartments into 120 apartments. The project will benefit from a combination of Opportunity Zone funds, state and federal historic tax credits, state textile credits, and potentially the new market tax credit program.
- **Savannah, South Carolina:** Approximately 215 residential units will be developed on a site formerly owned by the City of Savannah, which includes a historic structure that housed the Catholic Diocese of Savannah.

## OPPORTUNITY ZONES TRANSACTIONS (CONT.)

- **Seneca, South Carolina:** The M Peters group has announced a \$60 million capital investment on the Newry Mill site in Seneca, SC. The development will feature the construction of 197 multi-family units, a locally-sourced grocery store, and an event venue as well as the restoration of the historic former mill building and general store. The project will also focus on rehabilitating the surrounding wildlife habitat and establishing a public greenspace.
- **Kodak, Tennessee:** Walker & Dunlop will finance Vita Management Group with \$21M in Opportunity Zones investment funds to build 192 market-rate apartments, along with the help of a HUD 221(d)(4) loan.
- **Lewisburg, Tennessee:** The substantial rehabilitation of Lewisburg Summit Apartments, which cater to the elderly and disabled, is being financed by Opportunity Zone capital alongside LIHTC and Tennessee Housing Authority funds.

# OPPORTUNITY ZONES: SAN DIEGO



## Terrace Lofts

**Location:** Downtown Vista 'Arts and Culture' District (San Diego County)

**Project Type:** Real Estate – Mixed Use

**Fund/Developer:** Tideline Partners

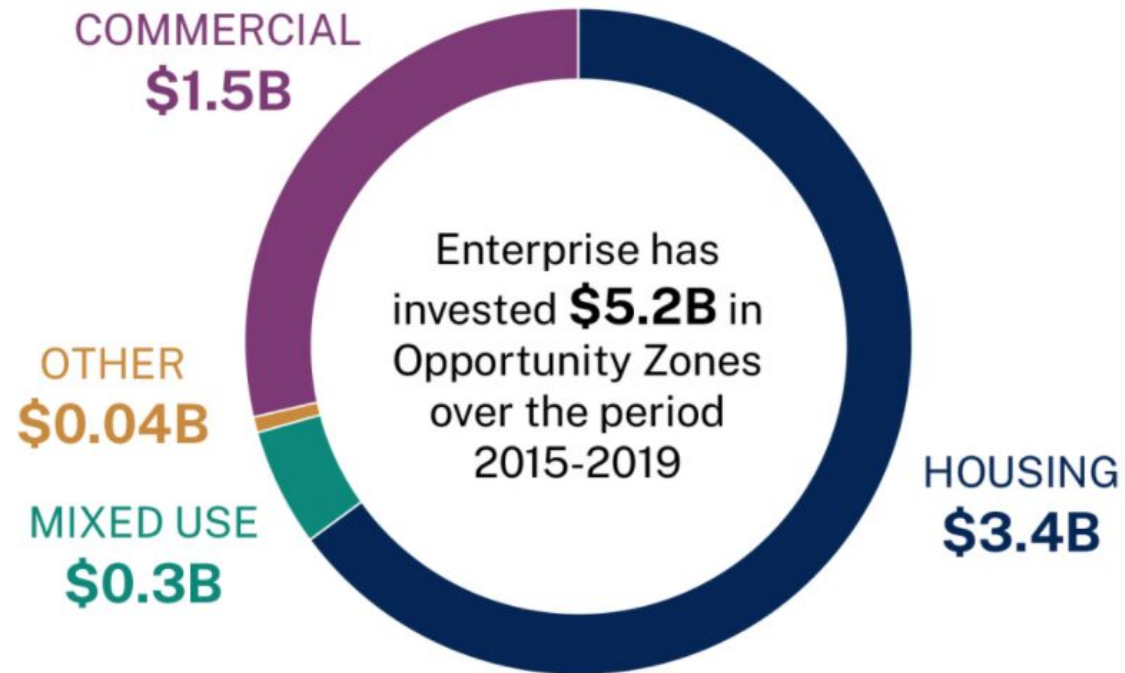
**Description:** Terrace Lofts will be a 42-unit, five-story apartment building designed for a discerning renter looking for a home in a walkable and well amenitized neighborhood. Unlike most developments that profile for a specific demographic, Tideline Partners believes Terrace Lofts will attract residents similar in their spirit of creativity, curiosity, and appreciation of the arts. Many local artists are displaying their work at the project and are available for purchase. Funds will be donated to the local art foundation.

**Source:** [northcountydailystar.com](http://northcountydailystar.com) | [northcountydailystar.com](http://northcountydailystar.com)

**Opportunities:**



# OPPORTUNITY ZONES: ENTERPRISE



## Focus Areas

- **Homes People Can Afford:** Create and preserve good homes with affordable rents while preventing the displacement of current residents.
- **Upward Mobility and Resilience:** Spark local hiring through mixed-use projects, including "live and work" community facilities, and make homes and communities green, sustainable and close to public transit.
- **Racial Equity:** Partner with Black, Indigenous, and people of color (BIPOC) and other housing providers who have been historically marginalized.



# OPPORTUNITY ZONES TERM SHEETS



## OPPORTUNITY ZONES

### TO SUPPORT THE DEVELOPMENT OF AFFORDABLE & WORKFORCE HOUSING PROPERTIES IN QUALIFIED OPPORTUNITY ZONES NATIONALLY

<b>Eligible Sponsors</b>	For-profit or not-for-profit housing developers or subsidiaries thereof (the "Sponsor") with substantial prior experience and a demonstrated track record of successfully owning and operating multifamily properties. Sponsors must be financially strong, with a minimum of \$1 million in liquidity and \$5 million in net worth.
<b>Eligible Projects</b>	<ul style="list-style-type: none"> <li>■ New construction or major rehabilitation of workforce housing, multifamily or select mixed-use projects located in Qualified Opportunity Zones.</li> <li>■ Projects will have at least 51% of their units occupied by and affordable to households with incomes less than 80% of the area median income, to be verified by annual tenant income certifications by Sponsor.</li> <li>■ Priority geographies for projects closing by June 30, 2022 include: Denver, Seattle, Tacoma and other locations in Western U.S.</li> </ul>
<b>Social Impact</b>	<ul style="list-style-type: none"> <li>■ Increase supply of affordable and workforce housing properties for long-term stewardship and affordability.</li> <li>■ Green eligible projects through low cost/high impact strategies.</li> <li>■ Promote equitable community development, including local / BIPOC engagement and/or benefit</li> </ul>
<b>Investment Size</b>	<ul style="list-style-type: none"> <li>■ Minimum equity investment of \$4 million and maximum equity investment of \$15 million per project.</li> <li>■ Expected average equity investment of \$8 million to \$9 million per project.</li> <li>■ Enterprise Opportunity Zones investment may be used in conjunction with Enterprise loan products.</li> </ul>
<b>Ownership Structure</b>	<ul style="list-style-type: none"> <li>■ Minimum 10% Sponsor co-investment.</li> <li>■ Ownership entity will be subject to an Operating Agreement, which will delineate roles and responsibilities of the Administrative Member (generally an affiliate of the Sponsor) and the Class B Members (Sponsor Member and Enterprise Member).</li> </ul>
<b>Allowable Debt</b>	Projects will be financed by construction loans not to exceed 80% LTC with average of 65% LTC. Enterprise will not guarantee these loans. Permanent debt will be financed primarily by programs such as FHA, Fannie Mae and Freddie Mac. Leverage shall be limited to a maximum of 80% LTV and minimum 1.25 debt service coverage (on amortizing debt service). These loans will be secured by the property and will be on terms and in amounts acceptable to Enterprise.
<b>Investment Term</b>	Minimum 10-year hold, subject to agreed-upon extensions.

<b>Distributions</b>	<ul style="list-style-type: none"> <li>■ Typically, distributions will first be made pro rata according to ownership interests until a Preferred Return has been achieved.</li> <li>■ Preferred Returns and waterfall provisions will be negotiated on a case-by-case basis, based on the risk/return profile of the investment, geographic location, strength of the real estate and submarket. Pari passu and preferred equity waterfall structures will be considered.</li> <li>■ Cash distributed during operations will be required on the most frequent basis permitted by the lender and subject to Opportunity Zone compliance, typically quarterly.</li> <li>■ Sponsor's and Enterprise's original capital contribution will be returned upon sale or refinancing, and any surplus will be distributed between the Sponsor and Enterprise according to the negotiated waterfall provisions.</li> </ul>
<b>Due Diligence</b>	<p>The following due diligence is required for Enterprise to preliminarily assess an investment in a particular project:</p> <ul style="list-style-type: none"> <li>■ Summary of Investment Strategy and Offering Memorandum, if available</li> <li>■ Development &amp; Operating Budgets</li> <li>■ 10-year Cash Flow Projection with Residual Analysis</li> <li>■ Projected IRR and return analysis</li> </ul>
<b>Reporting</b>	Enterprise will require monthly occupancy and unaudited financial statements, annual audited financial statements, annual tax returns, and triennial property appraisals. Additionally, an annual compliance certificate, prepared and supported by accountants as necessary, affirming compliance with the Opportunity Zone regulations and requirements to the satisfaction of Enterprise, as defined in Operating Agreement.

#### Contact Us:

**Julia Shin**  
Vice President  
212.284.7141  
jshin@enterprisecommunity.com

**Lauren Byrne**  
Director  
212.284.7111  
lbyrne@enterprisecommunity.com

# OPPORTUNITY ZONES: NATIONAL EQUITY FUND

## National Equity Fund™

WHO WE ARE **WH**

### NEF OPPORTUNITY ZONE FUNDS

NEF is leveraging the Opportunity Zones initiative with a keen focus on creating investment funds that fuel workforce rental housing for families earning 80-110 percent of the area median income (AMI) while striving to support the CRA needs of conventional investors. We are building on expertise gained from more than 2,700 LIHTC project investments to help investors create Opportunity Funds and then managing those funds over time. These new funds align with our long-time LIHTC investments, which support housing for people earning 40-60 percent of AMI, helping us meet a range of investor priorities while also addressing the heart of the nation's affordable housing crisis.

Through NEF Opportunity Funds, investors can have an impact that goes well beyond the bricks and mortar of development. For every 100 affordable rental homes built, communities gain:

- \$11.7 million in local income
- 161 local jobs in the project's first year alone
- \$2.2 million in local tax income
- Stronger local businesses, educational outcomes and health outlook

NEF is working with for-profit and non-profit developers to evaluate and help structure potential deals, while at the same time seeking out Opportunity Zone investors that may have an interest in these types of projects.

NEF Opportunity Fund I, for example, was capitalized with \$25 million from Fifth Third Bank, a long-time NEF partner. The fund is expected to fuel five housing developments for middle-income residents, with set-asides for people earning 80 percent or less of AMI.

# OPPORTUNITY ZONES: LISC



## Community Partners

Guidance for community stakeholders to help ensure that residents truly benefit from Opportunity Zone investments.



## Investors

We help impact investors who want to do well—by doing good—in the Opportunity Zones.



## Developers

We understand what developers need to make use of the new tax incentive and benefit communities.

LISC OPPORTUNITY ZONES

<https://www.lisc.org/opportunity-zones/>



## Resources

Continuously updated links to news, reports and other guidance for navigating the Opportunity Zones.



## Opportunity Zones 101

Still have questions about Opportunity Zones basics? We've got answers.



## Subscribe

Get regular updates on what's happening in the Opportunity Zones, and how we can support your work.



# OPPORTUNITY ZONE FUND

The image shows a website header for the Black Impact Fund. It features a dark, stylized illustration of a city street with tall buildings. Overlaid on this is a black rectangular box containing the text 'BLACK IMPACT FUND' in large, white, bold, sans-serif capital letters. The word 'BLACK' is on the top line, 'IMPACT' is on the middle line, and 'FUND' is on the bottom line. In the top right corner of the header, there are two links: 'Home' and 'Submit an Inquiry', both in a small, yellow, sans-serif font.

## BLACK IMPACT FUND

[Home](#) [Submit an Inquiry](#)

Black Impact Fund is a family of real estate funds with a double bottom line strategy focused on investing in Black and brown communities in major urban markets.

Its founders have a proven track record leveraging data-driven social impact strategies to deliver superior financial returns.

Black Impact Fund's unique structure aligns an Opportunity Zone fund, a non-Opportunity Zone fund, and the nonprofit Black Impact Community Fund designed to ensure community members participate in the gains created.



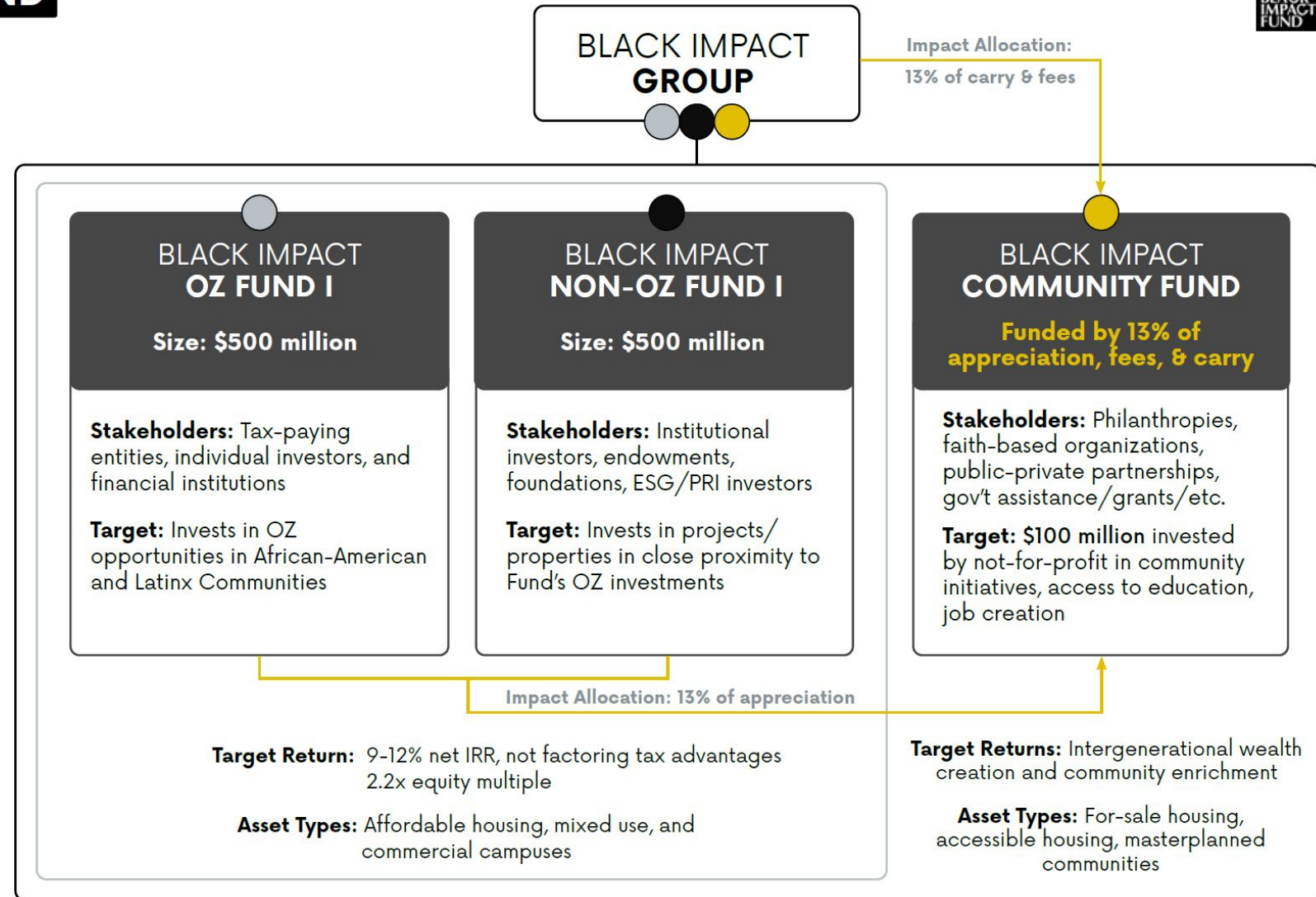
# OPPORTUNITY ZONE FUND

## THE BLACK **IMPACT** FUND

BLACK  
IMPACT  
FUND

**Thirteen percent (13%)** of all real estate asset appreciation and fees earned will go toward funding an affiliated, not-for-profit — The Black Impact Community Fund.

We believe this unique structure will become the new-and-improved way of delivering **social impact returns**.



# OPPORTUNITY ZONE FUND

## PHASED NATIONWIDE ROLLOUT

BLACK  
IMPACT  
FUND

The Funds will invest in major urban areas with significant **Black & brown populations** and strong growth prospects.

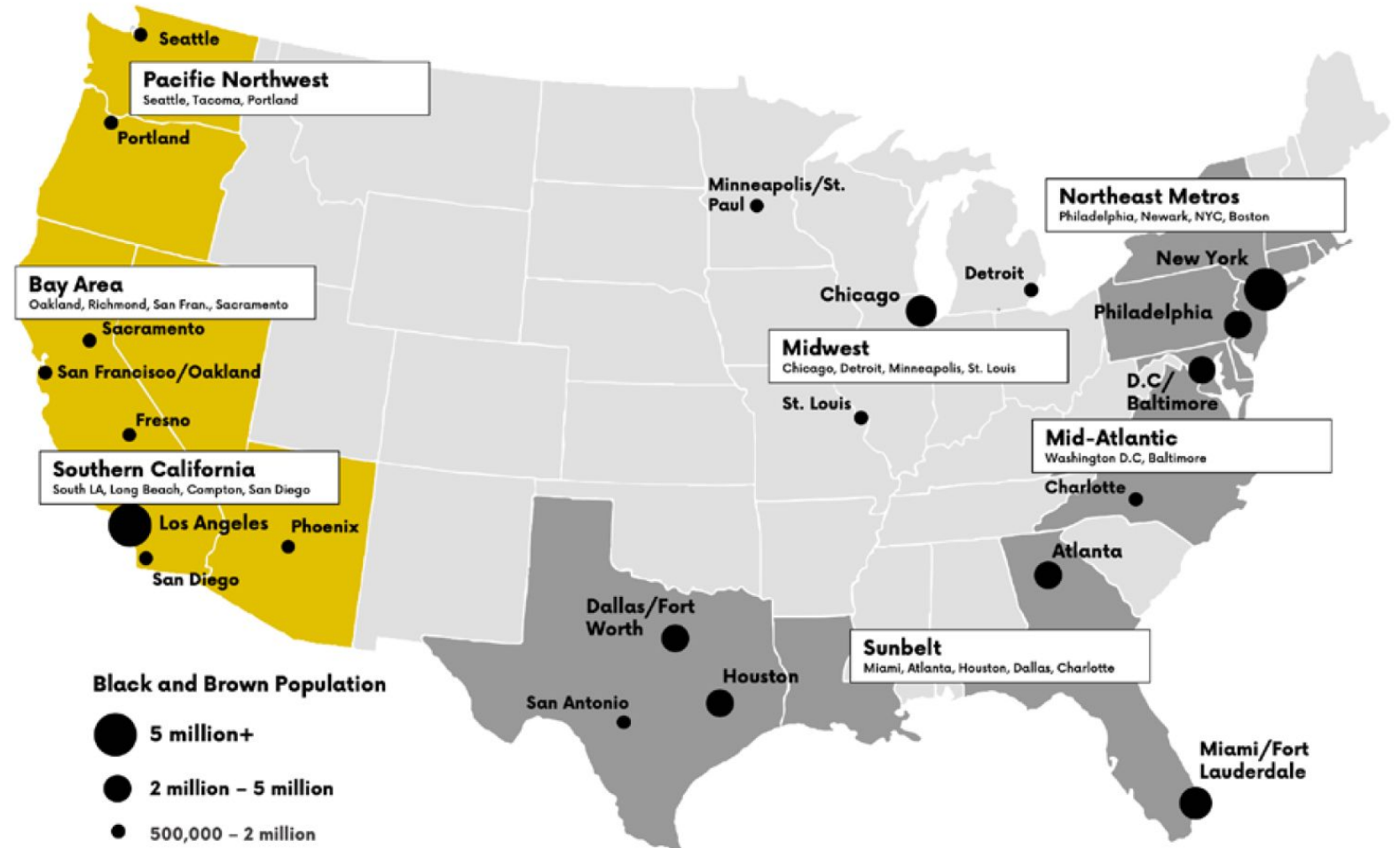
### Key Criteria

- Severe shortage of affordable housing
- Undervalued real estate relative to rents
- Regulatory constraints and zoning changes
- Expansion of public transportation

Phase 1

Phase 2

Phase 3: Opportunistic

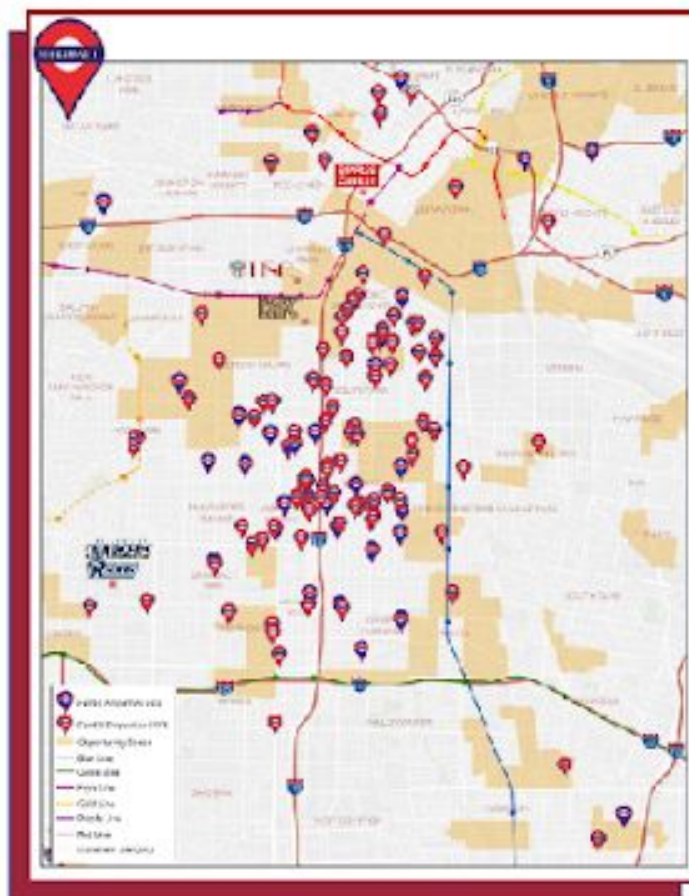




# SoLA Impact

## AFFORDABLE HOUSING

Map of Properties



**1305**  
Units Acquired

**424**  
Units  
Renovated

**70%**  
Affordable Units  
(non-legacy and total)

**800+**  
Units Groundup  
(new stock)  
in the next 18-24  
months

## HOUSING HOMELESS POPULATIONS

**30%**

of SoLa tenants were unsheltered homeless before coming to SoLa

To date, SoLa has housed

**1200+**  
tenants

**90%**

of formerly homeless households remain housed



“

We moved to Los Angeles from Philadelphia to pursue a better life for our family. Things didn't pan out as we expected and we found ourselves homeless for over a year, having to sleep in our car or anywhere else we could. We have no family support here but we were lucky. LA Family Housing introduced us to SoLa where we were finally able to sign a lease for our apartment. We're so happy to have found SoLa. After moving into our apartment, I found a job and I'm very grateful. Our life has taken a turn for the better.”

**Shameka**  
SoLa Tenant

## HOUSING HOMELESS Veterans

Veterans

**3874**

homeless persons in  
Los Angeles are veterans

“

When I first walked into this apartment, I thought I wasn't in the right place. I am blessed to have this. SoLa units are more than just apartments, they're homes.”

**Michael**  
Homeless Veteran



“

I'm a veteran with a Master's degree in business. Most people can't believe I ended up homeless. I struggled for 3 long years to find employment without success and ultimately ended up without the funds to provide for myself. I stayed with friends and family until a program that helps vets in need connected me to SoLa. Having a home and stability has really changed my life. I'm employed now and haven't looked back.”

**Amy**  
SoLa Tenant



We work with  
several veteran  
serving agencies  
such as:

Veterans Affairs  
Supportive Housing  
(VASH)

Housing and Urban  
Development (HUD)

Volunteers of America

Department of Mental  
Health

Homeless Veterans  
Assistance Center

# SoLA Impact

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**Shameka**

*SoLa Tenant*

## DATA DRIVEN IMPACT

*Severity of Homelessness of our SoLa Tenants*



**35% Chronic**  
unsheltered homeless  
≥ 1 year



**41% Unsheltered**  
crisis bed, car, or streets  
< 1 year



**24% Sheltered**  
couch surfing or bridge  
housing

**Not all homelessness  
is the same.**

**Understanding the  
demographics of  
our tenants is vital  
to finding  
effective solutions  
that work for  
individuals and  
families in varying  
degrees of need.**

At the onboarding of each tenant, our Social Impact team conducts an assessment to help connect tenants with needed support services **preventing** our formerly homeless tenants from ending up back on the street.

SoLa Impact offers a long-term, sustainable solution.



# SoLA Impact

## HOUSING HOMELESS

### *Chronically Homeless*

SoLa partners with 40+ nonprofits, government agencies and local organizations including GettLove, Brilliant Corners and PATH to match tenants with the support they need, meeting them where they are and helping them reach their next step.



“

I haven't had my own place since 1981. I spent most of my adult life on Skid Row. I got caught up on using drugs and couldn't think about anything else but just surviving and using more to forget about my situation. It wasn't until my only daughter said to me that unless I clean up and get off the street, I will never be able to see my new grandchild. That was a wakeup call for me. So, with the help of The Exodus Recovery program, I was able to get into a SoLa apartment. I don't think anyone can imagine how it feels to have your own place after being on the streets for 34 years. I have been able to stay clean and with my own place, I was able to meet my grandchild for the first time. I don't think anybody ever expected that to happen.”

**Kevin**  
**SoLa Tenant**

*Exodus Recovery Program graduate*

## HOUSING HOMELESS

### *Veterans*

# 3874

homeless persons in  
Los Angeles are veterans.



“

When I first walked into this apartment, I thought I wasn't in the right place. I am blessed to have this. SoLa units are more than just apartments, they're homes.”

**Michael**  
*Homeless Veteran*

“

I'm a veteran with a Master's degree in business. Most people can't believe I ended up homeless. I struggled for 3 long years to find employment without success and ultimately ended up without the funds to provide for myself. I stayed with friends and family until a program that helps vets in need connected me to SoLa. Having a home and stability has really changed my life. I'm employed now and haven't looked back.”

**Amy**  
*SoLa Tenant*

**We work with  
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such as:**

Veterans Affairs  
Supportive Housing  
(VASH)

Housing and Urban  
Development (HUD)

Volunteers of America

Department of Mental  
Health

Homeless Veterans  
Assistance Center

# SoLA Impact

## HOUSING HOMELESS Domestic Violence Survivors

There is a well established link between homelessness and domestic violence.

**33%**

of SoLa tenants are survivors of domestic violence

Over

**80%**

are single mothers.



Genesis feared for her life and the safety of her 3 young children before she escaped a domestic violence situation. She packed her bags, put the kids in her car and drove 700 miles to LA.

She went from shelter to shelter with her kids and was continually refused by landlords. SoLa told her yes. She was approved for a new apartment and has been successfully housed for over a year. After being housed, Genesis was able to attain employment and is actively engaged in the community.

“

It's not just having a place where we can live. It means for us to be safe and for me to feel like I can accomplish something.”

**Genesis**  
*Formerly Homeless Single Mother  
and SoLa Tenant*

## HOUSING HOMELESS Transitional Aged Youth

**24%**

increase in youth homelessness this year--they now make up the largest percent of the homeless population

On any given night,

**3926**

youth can be found sleeping on the street

Many homeless youth are former foster care youth, exiting juvenile systems or are escaping violence in their homes. Close to 2,500 Transitional Aged Youth (TAY, age 18-21) exit the foster care system yearly in LA county, while only 315 beds are available in interim housing for youth. We are doing our part to help house youth by actively reaching out to all TAY survivors in South LA to help provide desperately needed housing for youth. SoLa is partnering with multiple prominent transitional and independent living programs: Wellwest LA, First Place for Youth (the largest TAY provider in Southern California), Turning Point, New Earth, & Place Called Home and YouthSource CRCD.

Source: "Southern foster system gets one until age 21, but struggles to get it," Nick Agronik, "O'Jays," 4/25/17, 17/10/17

Alondra is a 22 year old former foster youth who found permanent housing at SoLa after graduating from a transitional housing program. After expressing interest in finding better employment, SoLa Impact provided her with career development assistance, including resume building. She was connected with a job opportunity which led to her getting a position as a Youth Advocate at LA Child Guidance Clinic.



“

Thank you so much for opening this opportunity for me. I highly appreciate the work that you do!”

**Alondra**  
*Former foster youth and SoLa tenant*

# SoLA Impact

## The Beehive is the Nation's First Campus for Opportunity Zone Businesses.



Reimagined  
Warehouses



OZ Businesses

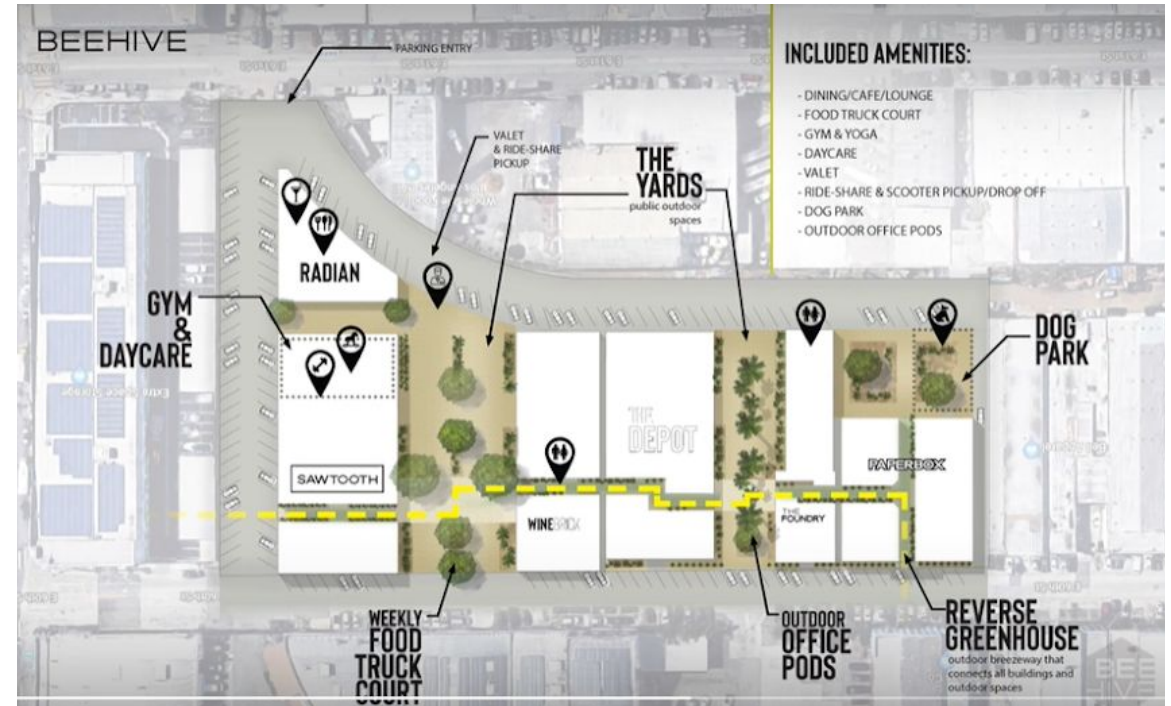


Community  
Partners



Creative Work  
Spaces

The Beehive is SoLa's OZ business campus, comprised of 92,000 square feet of commercial space located only ten minutes south of downtown Los Angeles. Comprised of six unique and architecturally beautiful red-brick warehouses, this project will transform the local neighborhood and economy in the true spirit of the OZ legislation as the "nation's first OZ business campus."



<https://www.solabeehive.com/>



# OPPORTUNITY ZONES TRANSACTIONS: EQUITY



- Mosaic is a minority-led real estate developer committed to sustainable development that creates positive change, and engages women and minority owned businesses during construction, leasing and operations.
- Sharswood Ridge is a 200,000 square foot mixed-use development located in a severely distressed USDA-designated Food Desert adjacent to the Philadelphia Housing Authority headquarters. **Twenty of the 98 mixed-income apartments will be reserved for extremely low-income residents through Project-Based Vouchers issued by the Housing Authority.** Mosaic has secured and is targeting commercial tenants that meet the needs of OZ residents, including a grocery store, urgent care provider, bank branch, and restaurant.
- Mosaic worked with crowdfunding platform Small Change to establish a side-car fund for local residents interested in making small dollar equity investments in the projects. While these investments are not eligible for the OZ benefit, it offers an opportunity for residents to earn a return as the asset appreciate



# OPPORTUNITY ZONES TRANSACTIONS: SOCIAL DETERMINANTS OF HEALTH



[HOME](#) [ABOUT](#) [EVIDENCE](#) [PORTFOLIO](#)



Nightingale Partners is a Qualified Opportunity Zone Fund and advisory firm connecting capital to payers and providers of care to the medically underserved.

The Fund was formed to improve the quality of care and reduce unnecessary health care expenditures for our most vulnerable patients through advanced technology, locally-curated social services providers, and innovative financing to address **Social Determinants of Health (SDOH)**. They provide the human, financial, and technical connections to help people achieve their highest level of health and independence by making it easier to seek and use social support. Nightingale is accelerating the health care industry's ability to deploy SDOH benefits through a curated network of specialized vendors, and by leveraging the innovative financing mechanisms of Opportunity Zones, to catalyze a new marketplace of social service providers.

- Address Social Determinants of Health
- Invest in the Underserved
- Build a Marketplace
- Advance Technology

Invested in Edenbridge Health, an eldercare company with mission of allowing frail seniors in underserved communities to lead, connected, meaningful lives in-home and community-based settings.

Invested in Sonavi Labs, an AI Software and auscultation medical devices platform that is affordable, user-friendly, and accessible for all levels of education and socio-economic status.

# OPPORTUNITY ZONES TRANSACTIONS: FREE SOLAR FOR NON-PROFITS



Mission How It Works Impact Programs Investors More for Investors Press

## OUR MISSION:

# Solar.

We install solar at no cost on businesses and non-profits in *qualified opportunity zones*.

We are a deployment vehicle for investors with the mind to create change.

Norfolk Solar, LLC started from the Norfolk Solar Qualified Opportunity Zone Fund — which successfully launched in January 2019. Through a private family investment, nearly \$750,000 was invested in solar projects within opportunity zones, throughout Hampton Roads. The success of the project led the founder Ruth McElroy Amundsen, and fund manager Alden Cleanthes, to create Norfolk Solar, LLC. With this we are continuing to bring investors to the solar markets in Virginia. Through our pre-qualification process, we have identified over \$100 million in possible solar projects just in Hampton Roads! Some of our dream projects would be Norfolk State University, Old Dominion University, Virginia Beach Convention Center and many local businesses, community centers, and churches.

Norfolk Solar gives businesses and non-profits within *qualified Opportunity Zones* the ability to receive free solar installation. **They believe that low-income communities and communities of color bear a disproportionately larger utility bill than wealthier families. And this study shows how communities of color disproportionately miss out on the benefits of rooftop solar.** To help solve this, they created and deployed the Norfolk Solar Qualified Opportunity Zone Fund; and are continuing this work through Norfolk Solar, LLC.

**They help investors locate, identify, vet and deploy solar on businesses and non-profits within qualified Opportunity Zones across the state of Virginia. Any business or non-profit within the designated Qualified Opportunity Zones (see map) is eligible to apply for free solar with them**

- Over 1100 solar panels installed
- Over 390 kW of solar installed in QOZs
- Over 500 MWh annual new solar energy production
- Over 350 metric tons of CO2 emission avoided annually



## Opportunity Zones Targeted for Renewable Energy Projects

Thursday, April 29th 2021, 12:08 PM EDT

By Alex Brown, Assistant Managing Editor

[best\\_practices\\_report\\_final.pdf](#)

South Bend-based Hoosier Solar Holdings LLC has announced plans to develop multiple solar and battery storage projects across many of Indiana's Qualified Opportunity Zones.

Hoosier Solar says the projects are currently in active development and many of them are expected to be operational by 2023.

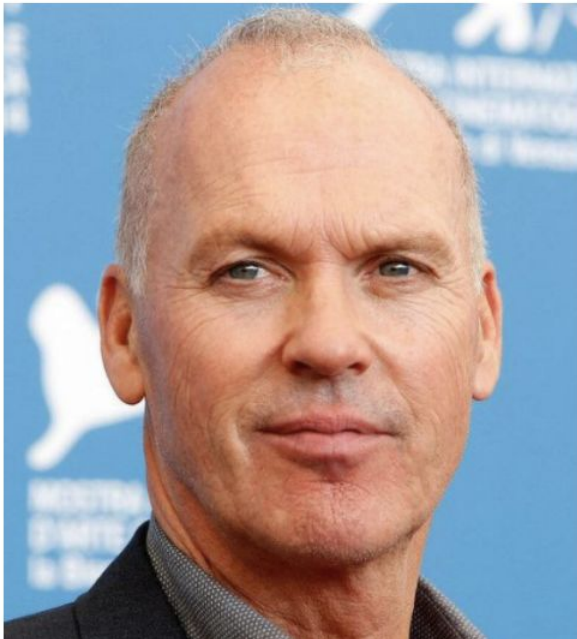
The company says it plans to use an Indiana-based workforce, as well as finished equipment and raw materials from Indiana-based suppliers for the projects.





## Batman Actor Bringing Green Construction Plant, 300 Green Jobs to Pittsburgh

TUE APRIL 27, 2021 - NORTHEAST EDITION  
PRNEWswire



Hollywood actor Michael Keaton, best known for his portrayal of Batman in two blockbuster films, has entered a partnership with Nexii Building Solutions Inc. (Nexii) to develop the company's new green construction manufacturing plant in Pittsburgh.

The Canadian-based green construction technology company's second U.S. facility also will be the first built entirely from Nexiite, Nexii's proprietary and sustainable concrete alternative. The composite creates sustainable buildings that are cost-efficient, use less energy and are resilient in the face of climate change. Nexii's products are precision manufactured off-site and rapidly assembled on-site, reducing build times and construction costs.

Trinity Sustainable Solutions is working with Pittsburgh Regional Alliance (PRA), a 10-county economic development organization, to find sites located within federally designated Opportunity Zones and other under-invested communities where this initiative could have an impact.



# OPPORTUNITY ZONES



“The primary focus of our developments are in Opportunity Zones,” says Majesty.

“The goal is to be profitable, energy-efficient, and solve a global crisis; we have a new and exciting way to advance the real estate industry like no other company.”

***EGH and its products are actively aligned with the United Nations Sustainable Development Goal 11: Sustainable Cities and Communities.***



**THE GLOBAL GOALS**  
For Sustainable Development

**Black Millennial Couple Builds Sustainable, Eco-Friendly Home Division in Atlanta**



31.6k

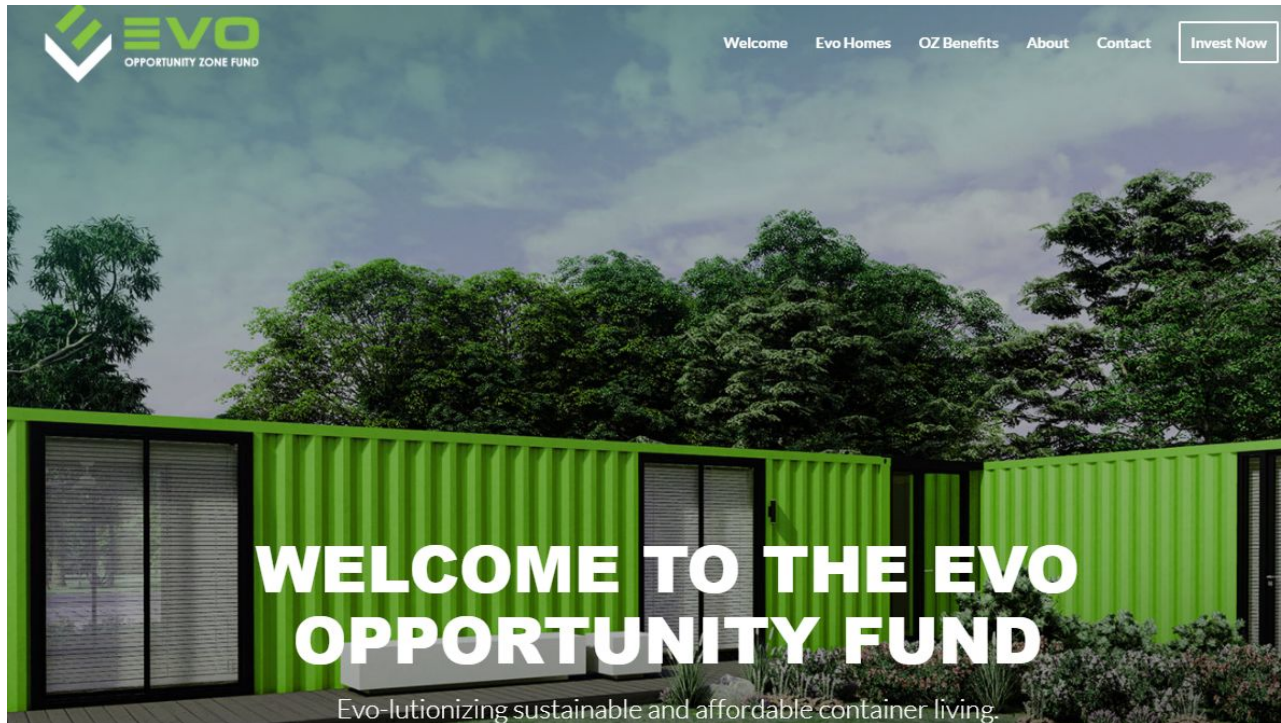


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# OPPORTUNITY ZONES TRANSACTIONS: BIDEN ADMINISTRATION PRIORITIES



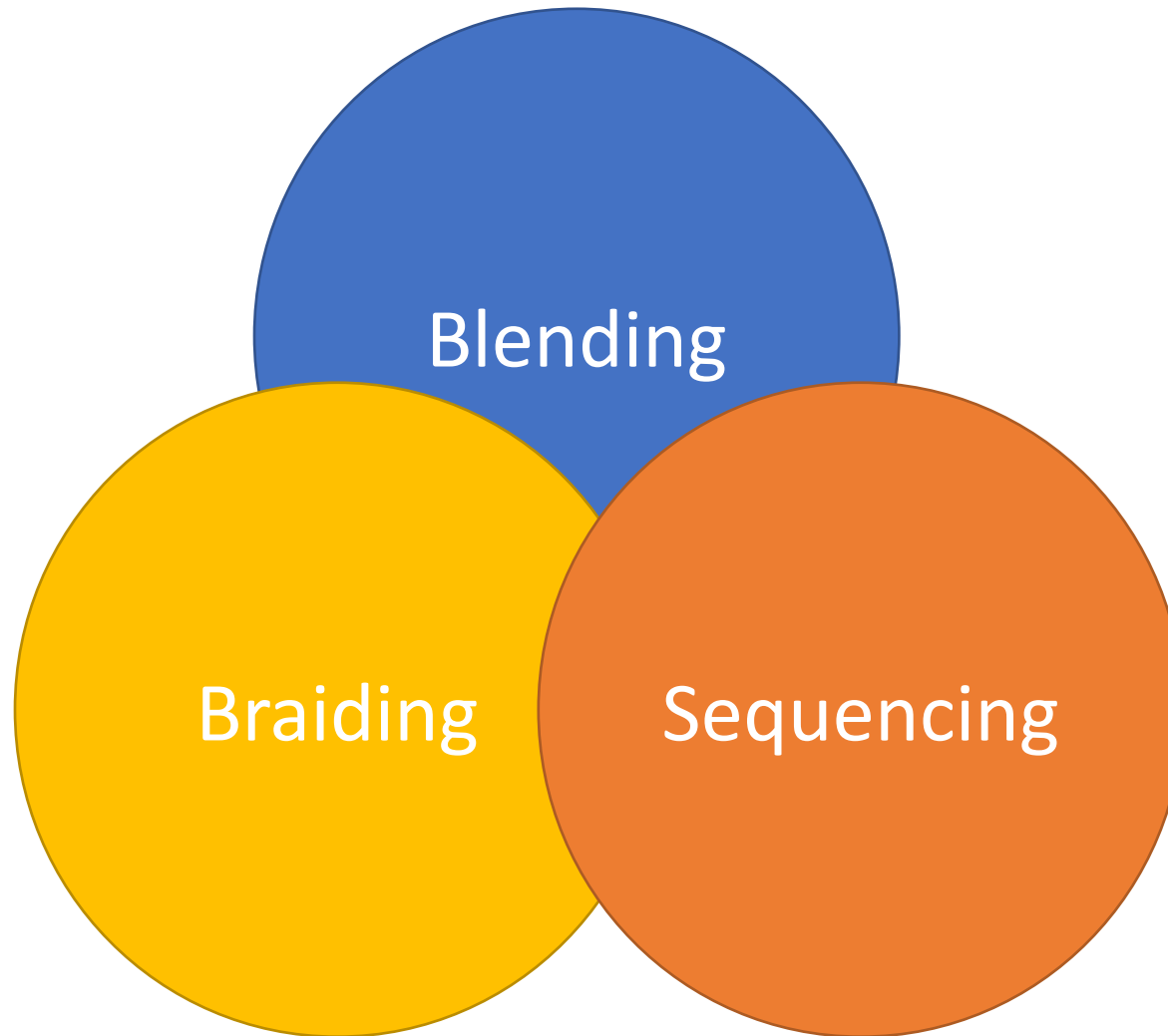
The fund's mission is to create and develop state-of-the-art affordable and sustainable container housing. For millions located in economically distressed communities and designated opportunity zones across the country in order to help build back our nation's communities that need it most. While utilizing the radical tax breaks and incentives for investors provided by Qualified Opportunity Zone Funds.

**Evo Homes are significantly durable with sustainable efficiency.** The frame for our structures is certified steel containers. With a lifespan of 25+ years and very minimal maintenance.



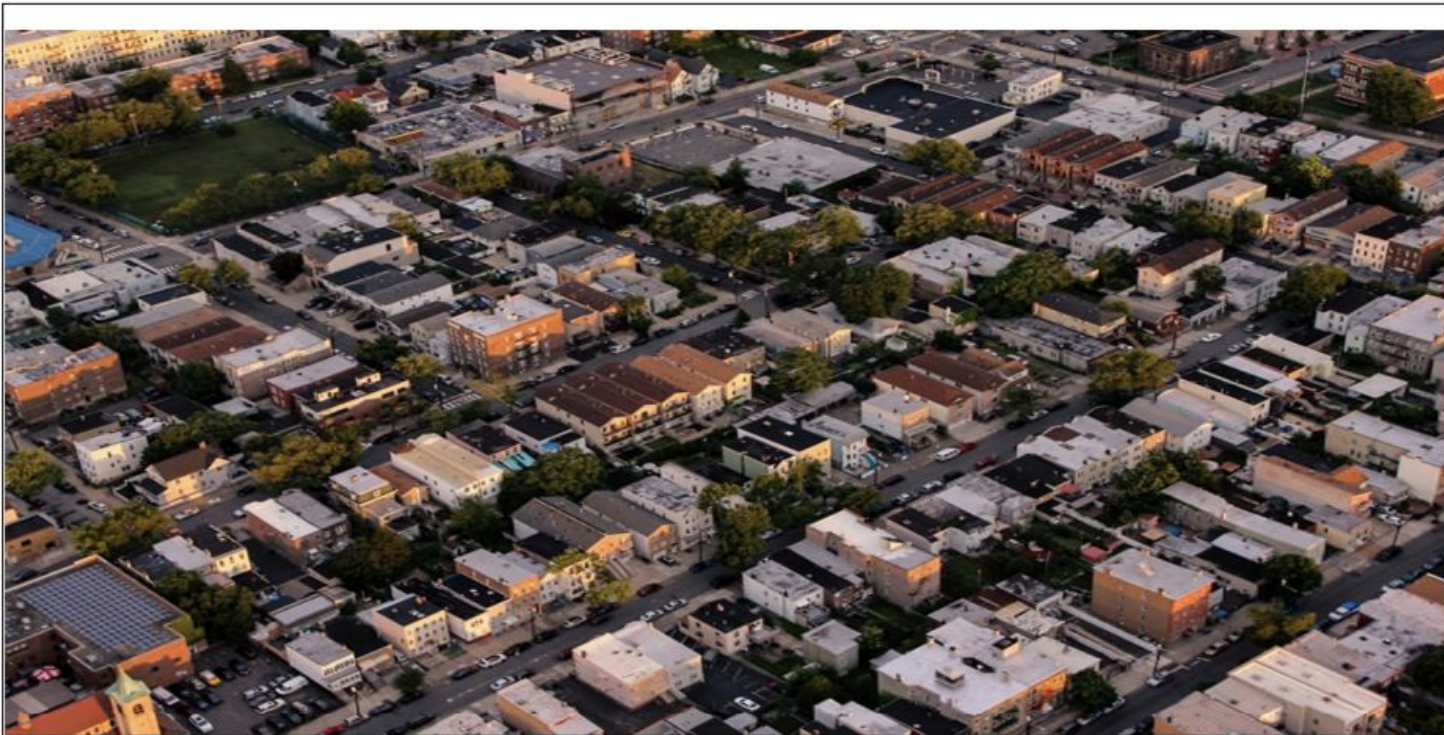
Evo-lutionizing sustainable and affordable container living. The Fund seeks to develop energy efficient workforce housing in Qualified Opportunity Zones by repurposing storage containers as the market size is expected to reach \$73 Billion by 2025.

# OPPORTUNITY ZONES





# OPPORTUNITY ZONES TOOLKIT VOLUME 1 AND 2



## OPPORTUNITY ZONES TOOLKIT | VOLUME 1

### A ROADMAP TO PLANNING FOR ECONOMIC DEVELOPMENT WITHIN OPPORTUNITY ZONES

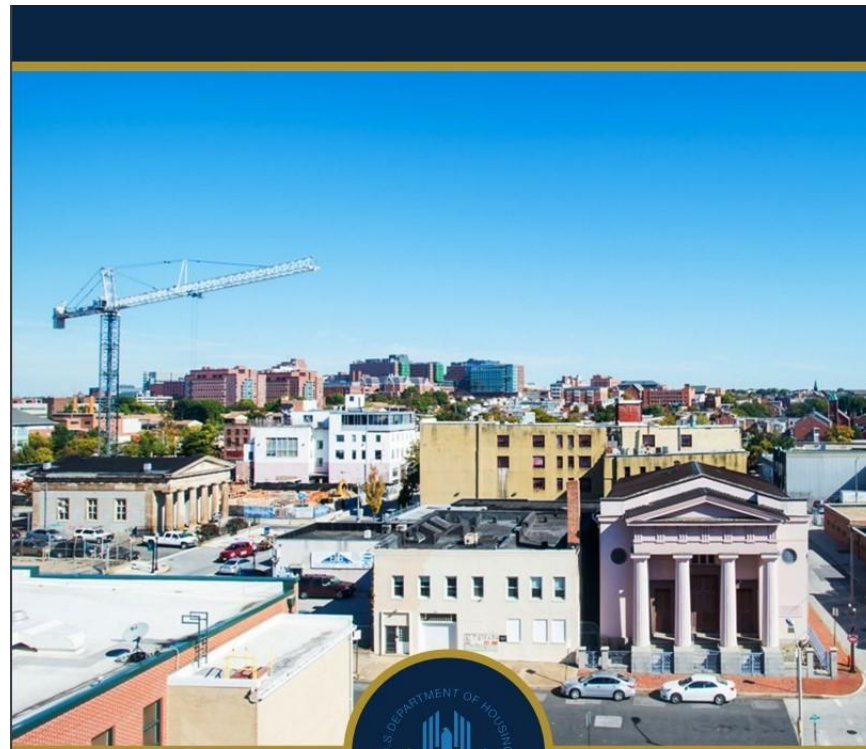
An Opportunity Zone is a powerful new tool intended to stimulate investment in distressed communities. Harnessing this tool to support short- and long-term community objectives requires careful and thoughtful planning. This document provides a roadmap to help communities plan for potential investments in Opportunity Zones by understanding local needs, aligning community assets, establishing regulatory tools and financing incentives to support investments and forming partnerships toward equitable and inclusive community development. This roadmap serves as an introductory guide for local jurisdictions to plan for economic development within Opportunity Zones. It summarizes core components of a comprehensive, forthcoming Opportunity Zone toolkit as well as resources on [OpportunityZones.gov](https://www.opportunityzones.gov) that explore these components in greater detail.

Photo Credit: Unsplash



On behalf of the White House Opportunity and Revitalization Council.

September 2019



### OPPORTUNITY ZONES TOOLKIT VOLUME 2:

## A Guide to Local Best Practices and Case Studies

In partnership with the White House Opportunity and Revitalization Council | May 2020



# OPPORTUNITY ZONE ROADMAP TO READINESS

## ROADMAP TO READINESS



### UNDERSTAND

- Housing needs
- Market conditions
- Economic drivers
  - Existing tools
- Existing partners
- Investor priorities



### ALIGN

- Partners
- Priorities
- Land, property, and infrastructure assets
- Financial resources



### OPPORTUNITY ZONE ACTION PLAN & ECOSYSTEM

- Define Local Typologies
- Build an Investor Base
- Engage Residents and Communities
- Educate Investment-Eligible Businesses



### ESTABLISH

- Local priorities
- Financial incentives
- Regulatory tools



### PARTNER

- With local stakeholders
- Across sectors and levels of government
- With residents and businesses



### MEASURE

- Key indicators
- Project and program outcomes
- Impact over time



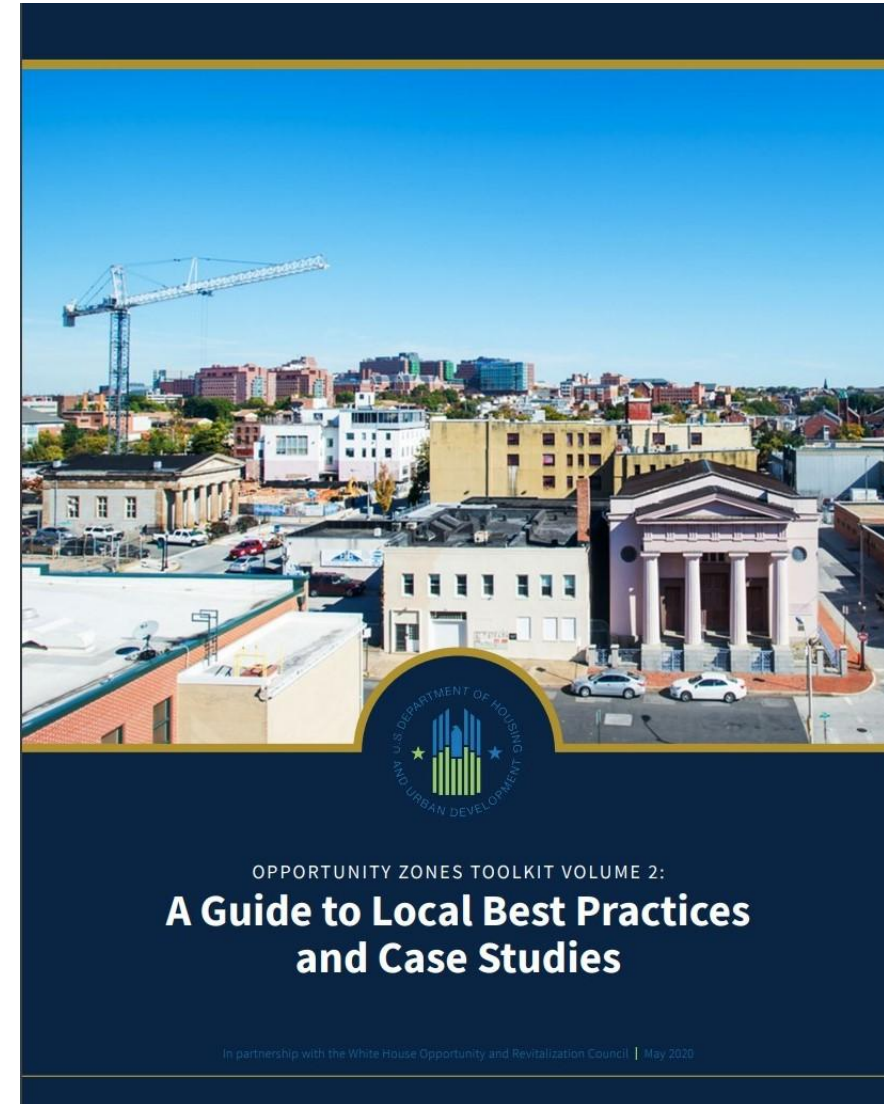
### OZ MARKETPLACE: INNOVATIONS AT THE LOCAL LEVEL

- Activate Stakeholders
- Shape the Market
- Centralize Information

# OZTOOLKIT VOLUME 2: A GUIDE TO LOCAL BEST PRACTICES AND CASE STUDIES

## TABLE OF CONTENTS

- **ABOUT THE TOOLKIT**
  - Primary Audience
  - Tips to Look for in the Toolkit
  - Key Policy Areas
  - Navigating the Toolkit
- **OPPORTUNITY ZONES BACKGROUND**
  - The Designations
  - The Tax Benefit
  - The White House Opportunity and Revitalization Council
  - The Potential for Transformative Impact
- **STRATEGIES FOR PROMOTING LOCAL ECONOMIC DEVELOPMENT WITHIN OPPORTUNITY ZONES**
  - Introduction
  - **Understand** the Current Environment
  - **Align** Place-Based Assets and Resources
  - **Establish** Policy Tools and Incentives
  - **Partner** with Aligned Organizations
  - **Measure** the Impact
- **KEY TAKEAWAYS AND ADDITIONAL RESOURCES**





# USING HOME & HOUSING TRUST FUNDS WITHIN OPPORTUNITY ZONES

## Using HOME and HTF Funds within Opportunity Zones



### About this Guidebook

This Guidebook has been produced by HUD's Office of Affordable Housing Programs (OAHP). OAHP administers HUD's HOME Investment Partnerships Program (HOME) and the Housing Trust Fund (HTF). Each program is a formula block grant program:

- HOME is an affordable housing production program to expand the supply of affordable housing for low-income and very low-income (VLI) households. Funds are appropriated and distributed annually by formula to state and local governments, including consortia, that meet minimum allocation thresholds and criteria. These grantees are known as Participating Jurisdictions (PJs). See [24 CFR part 92](#).
- HTF is an affordable housing production program to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low-income and VLI households. HTF is a formula grant program for states. See [24 CFR part 93](#).

OAHP has produced this Guidebook to provide HOME PJs and HTF grantees with background information about the Opportunity Zones (OZ) program, and tools to facilitate the development of HOME- or HTF-assisted housing in the OZs.

#### About this Guidebook

Who Is This Guidebook For?

Purpose and Goals

Chapter Overview

#### The Essentials of OZ, HOME, and HTF Programs

Opportunity Zones 101 Basics

The HOME Program 101 Basics

The HTF Program 101 Basics

Comparison of HOME and HTF

#### Overview to Using HOME and HTF Funds within OZs

What Types of Projects and Activities Can Grantees Seek Out in the OZ?

How Can a Grantee Find Potential OZ Investors Who Might Be Motivated to Invest in HOME or HTF Projects?

#### Opportunities for Using HOME and HTF in OZs

What Steps Can Grantees Take to Identify OZ Investment Opportunities?

How Can Grantees Create Incentives for Potential Partners to Construct/Rehabilitate Affordable Housing in the OZs?

#### Challenges to Using HOME and HTF in OZs

What Challenges Might Arise When Using OZ Investor Equity in a HOME or HTF Project?

Coordinating Multiple Funding Sources

Involvement and Approvals Needed by Grantees

HOME/HTF Affordability Period Differs from OZ Investment Period

Project Reviews and Timing Considerations

Identifying the Right Investor

#### Ox Fibre (Frederick, Maryland): A HOME-OZ Success Story

#### Resources

<https://www.hudexchange.info/resources/using-home-htf-funds-within-opportunity-zones/about-this-guidebook/>

# OZ TOOLKIT VOLUME 2: GUIDE TO LOCAL BEST PRACTICES AND CASE STUDIES

## ROADMAP TO READINESS



### UNDERSTAND

- Housing needs
- Market conditions
- Economic drivers
- Existing tools
- Existing partners
- Investor priorities



### ALIGN

- Partners
- Priorities
- Land, property, and infrastructure assets
- Financial resources



### ESTABLISH

- Local priorities
- Financial incentives
- Regulatory tools



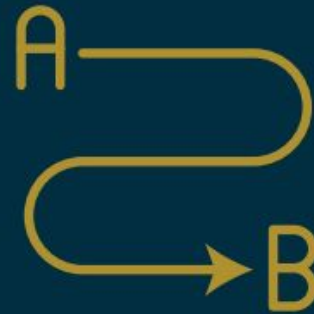
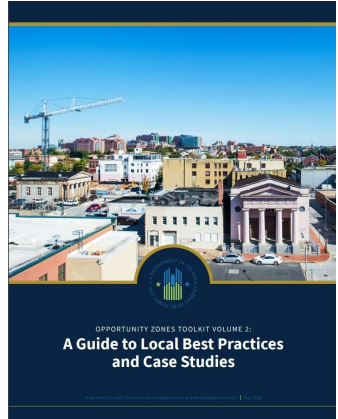
### PARTNER

- With local stakeholders
- Across sectors and levels of government
- With residents and businesses



### MEASURE

- Key indicators
- Project and program outcomes
- Impact over time



## Strategies for Promoting Local Economic Development Within Opportunity Zones

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



# HUD DEPARTMENTAL OPPORTUNITY ZONE WEBINARS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT



## Underwriting FHA Insured Deals in Opportunity Zones

Ballard Spahr LLP  
PNC  
Dougherty Mortgage LLC  
HUD Office of Multifamily Production

July 11, 2019



## Opportunity Zones 101 for Public Housing Authorities

February 4, 2020



HUD'S OFFICE OF NATIVE AMERICAN PROGRAMS

## Opportunity Zones Webinar Series

Opportunity Zones 101 for Tribes  
February 13, 2020

Conference call dial-in 888-251-2949; Access Code: 5556669#



## Section 108 Loan Guarantee Program Webinar Series: Leveraging Section 108 with OZ and HTC Financing



### Date:

September 14, 2021 | 2:30 PM - 4:00 PM EDT

### Location:

Online

This webinar will help participants understand how to use Section 108 with Opportunity Zone (OZ) and Historic Tax Credit (HTC) financing.

This webinar is part of a webinar series which gives participants the opportunity to learn from experts about how to leverage the Section 108 Loan Guarantee Program with tax credits and OZ financing. View other webinars in the [Section 108 Loan Guarantee Program Webinar Series](#).

### Training Objectives

Participants will learn how to:

- Use Section 108 resources in conjunction with OZ and HTC financing
- Understand where the opportunities and challenges are when using these financing sources together

### Who Should Attend?

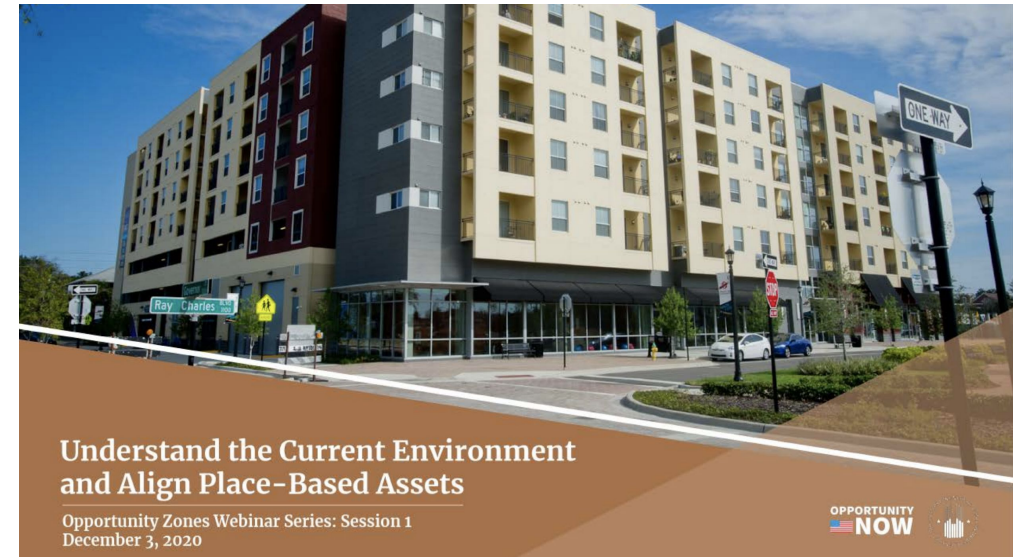
This webinar is for grantee staff, developers, and other community stakeholders who already have a basic understanding of Section 108, tax credits, and OZs who want to get more details on implementing projects that make use of these financing sources.

# HUD DEPARTMENTAL OPPORTUNITY ZONE WEBINARS

## HUD Opportunity Zone Webinar Series:

HUD hosted a three-day webinar series focused on HUD's Opportunity Zone Toolkits referenced above. Here are the links to the recordings, materials, and resources from these events.

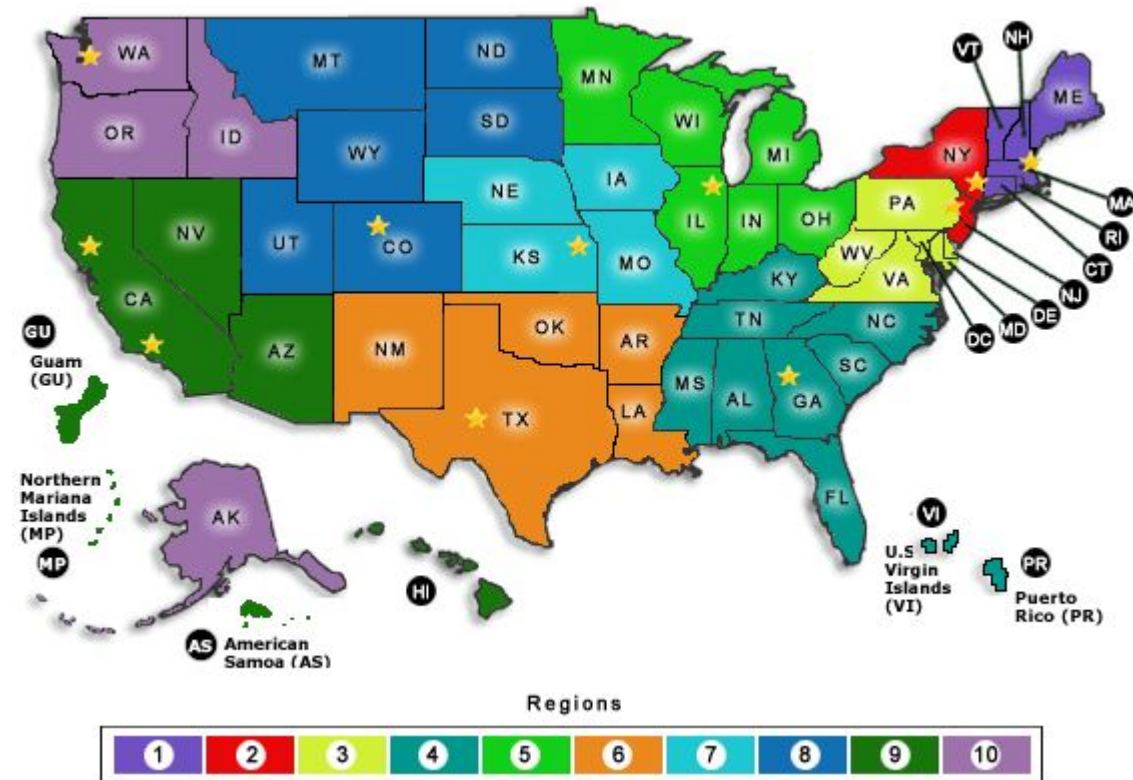
- [Understand the Current Environment and Align Place-Based Assets](#)
- [Establish Policy Tools and Incentives, Develop Partnerships, and Measure Impact](#)
- [Develop Your OZ Action Plan to Build or Strengthen Your Local OZ Ecosystem](#)



# HUD FPM OPPORTUNITY ZONES UPCOMING EVENTS

## HUD OPPORTUNITY ZONES ROUNDTABLES


- West Coast Event
  - [Resources and Slide Decks, including contact information of panelists](#)
  - Recordings and Transcripts: [Day 1](#) and [Day 2](#)
- Midwest Event
  - [Resources and Slide Decks, including contact information of panelists](#)
  - Recordings and Transcripts: [Day 1](#) and [Day 2](#)
- Southeast Event
  - [Resources and Slide Decks, including contact information of panelists](#)
  - Recordings and Transcripts: [Day 1](#) and [Day 2](#)



Led by HUD's Office of Community Planning and Development (CPD) with Enterprise Community Partners for grantees along with HUD's Office of Field Policy and Management (FPM)



# HUD FPM OPPORTUNITY ZONES UPCOMING EVENTS



HUD'S OFFICE OF NATIVE AMERICAN PROGRAMS

## Opportunity Zones Webinar Series

### Launch to Action

*Take Your Project to the Next Level*

**January 20, 2022**  
**1:00 pm Eastern Daylight Time**

In our first two Opportunity Zones events, Tribes and Native communities strengthened their knowledge of the history and benefits of Opportunity Zones. The events, designed as webinars, laid a foundation for action in providing exemplary financing options along with direction on finding Qualified Opportunity Funds. Instead of a webinar, the third and final event will be an interactive program that will catapult communities into action. The event will begin with a recap of the previous two events and highlight an upcoming resource, the "Developer's Toolkit," before transitioning to a panel discussion with Opportunity Zone collaboratives, investors, practitioners, and funders.

Through a moderated discussion, guest panelists will provide insights on developing and funding projects in and out of Opportunity Zones. The moderator will guide panelists through a discussion of best practices, overcoming barriers, and potential prospects for economic development on tribal land. After the panel discussion, participants will have an opportunity for engagement through a discussion of projects and barriers. Panelists will provide constructive criticism and guidance to participants that will help launch participants into action and on to the next stage of their development project.

If you would be interested in presenting your project during this event, we want to hear from you! Please contact: [meetings@firstpic.org](mailto:meetings@firstpic.org)

The recording and materials from Webinars 1 and 2 are available here: [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/ih/bp](https://www.hud.gov/program_offices/public_indian_housing/ih/bp)

**To register for the virtual event:**

Registration for this event is **FREE**, but you must register to attend. Registration is available online at <https://bit.ly/OpportunityZonesWebinar3>

### Ready to Take Action?

If your Tribe is currently planning a project in a designated Opportunity Zone that is in the pre-development phase and you would like to highlight your project with our panel of investors, please contact us. We are looking for Tribal panelists willing to share ideas and questions during the live webinar. Projects will be discussed and panelists will receive feedback and insight from the panel of investors.

**Email your interest to:**  
[meetings@firstpic.org](mailto:meetings@firstpic.org)



We invite you to attend HUD's Office of Native American Programs Opportunity Zones Webinar Series on

**January 20, 2022**  
**10 am PST / 1 pm EST**

The webinar discussed:

- Background of Opportunity Zones in Tribal communities
- Tribal developments in Opportunity Zones
- Beneficiaries of developments in Opportunity Zones
- Funding mechanisms that complement a Qualified Opportunity Fund
- Parameters and key steps to maximizing funding resources

Opportunity Zones 101 (February 20, 2020)

[Power Point](#) and [Recorded Webinar](#)

Opportunity Zones 102 (May 19, 2021)

[Power Point](#) and [Recording](#) along with an [Info Sheet](#)

# OZ FEDERAL GRANT ALIGNMENT: HUD

## HUD GRANTS WITH OPPORTUNITY ZONE PREFERENCE

Authority to Accept Unsolicited Proposals for Research Partnerships Notice  
Choice Neighborhoods Implementation Grant Program  
Choice Neighborhoods Planning Grants  
Community Development Block Grant Mitigation Grantees  
Community Development Block Grant Program for Indian Tribes and Alaska Native Villages  
Comprehensive Housing Counseling Grant Program  
Comprehensive Housing Counseling Grant Program / Supplemental  
Education and Outreach Initiative (EOI) – Tester Training  
Fair Housing Initiatives Program – Education and Outreach  
Fair Housing Initiatives Program – Education and Outreach Initiative (COVID-19)  
Fair Housing Initiatives Program – Fair Housing Organization Initiative  
Fair Housing Initiatives Program – Private Enforcement Initiative  
Healthy Homes and Weatherization Cooperative Demonstration  
Healthy Homes Production Grant Program for Tribal Housing  
HOPE VI Main Street Grant Program  
Housing-Related Hazards Capital Fund Program  
Indian Housing Block Grant (IHBG) Program-Competitive Grants  
Jobs Plus Initiative  
Lead-Based Paint Capital Fund Program (LBPCF)  
Lead Hazard Reduction Grant Program  
Older Adults Home Modification Grant Program  
Project Rental Assistance Program of Section 811 Supportive Housing for Persons with Disabilities  
Resident Opportunity & Self-Sufficiency Program  
Rural Capacity Building for Community Development and Affordable Housing Grants (RCB)  
Section 202 Supportive Housing for the Elderly Program  
Section 4 Capacity Building for Community Development and Affordable Housing Grants  
Section 811 Supportive Housing for Persons with Disabilities (Capital Advance)  
Self-Help Homeownership Opportunity Program  
Veterans Housing Rehabilitation and Modification Pilot Program

**HUD has 29 Different  
Unique Grants that have  
offered Opportunity  
Zone Benefits**

# OZ FEDERAL PROGRAM ALIGNMENT: HUD

## HUD PROGRAMS WITH OPPORTUNITY ZONE PREFERENCE

- CARES Act for Community Development Block Grant Program Coronavirus Response Grants Notice
- CDBG-CV Program: Economic Development Quick Guide
- Distressed Cities Technical Assistance
- Guidance on Using Community Planning and Development Program (CPD) Funds in Opportunity Zones
- Guidance on Submitting Consolidated Plans and Annual Action Plans
- Incentives for FHA Mortgage Insurance for Properties Located in Opportunity Zones (Multifamily)
- Incentives for FHA Mortgage Insurance for Properties Located in Opportunity Zones (Residential Care / Nursing Homes)
- Manufactured Home Construction and Safety Standards
- Multifamily Accelerated Processing (MAP) Guide
- Multifamily Assisted & Section 8 Database
- Neighborhood Stabilization Program
- Office of Housing "New Pilot"
- OpportunityZones.gov Website
- Opportunity Zone Grant Certification Form
- Opportunity Zone Toolkit Volume 1
- Opportunity Zone Toolkit Volume 2
- Procurement Pilot
- Recovery Housing Program
- Rental Assistance Demonstration – Final Implementation, Revision 4
- Request for Information - Opportunity Zones
- Section 203(k) Limited Program
- Section 220 (Mortgage Insurance for Rental Housing)

### Others

- FAQ Document on Rental Assistance Demonstration (RAD) Rent Increases in Opportunity Zones



# HUD CPD AND OPPORTUNITY ZONES

1. Guidance on Submitting Consolidated Plans and Annual Action Plans for Fiscal Year (FY) 2021: Expires 8/16/21
2. Guidance Using HUD's Community Planning and Development Program (CPD) Funds in Opportunity Zones: Expires 6/23/21
3. Neighborhood Revitalization Strategy Areas (NRSAs) in the Community Development Block Grant (CDBG) Entitlement Program: Remains in effect until amended, suspended, or rescinded.
4. NRSA and Opportunity Zone Guidance / HUD Notice: CPD Docket No. FR-6170-N-01 / Posted on 9/12/19
5. Neighborhood Revitalization Strategy Area Webinar and Checklist for HUD Grantees on December 15, 2020 / Slides / Transcript: Includes overview of NRSA and Opportunity Zones Guidance
6. Leveraging Section 108 with OZ Financing HUD Webinar: Date and Time TBD



# HUD CPD AND OPPORTUNITY ZONES

		Community and Planning and Development (CPD) Program Funds				
	Impact / Community Benefit	CDBG	Section 108	HOME	HTF	HOPWA
PLACE-BASED STRATEGIES	<i>Affordable Rental Housing</i>	✓ Rehab Only	✓ Rehab Only	✓	✓	
	<i>Access to Home ownership</i>			✓	✓	
	<i>Vulnerable Populations / Services / Training</i>	✓			✓	✓
	<i>Job Creation / Business Creation</i>	✓	✓			
	<i>Environmental / Sustainability</i>	✓	✓			
	<i>Economic Development / Capital Access</i>	✓	✓			
	<i>Creative Economy / Community Vibrancy</i>	✓	✓			
	<i>Advancement of Racial Equity</i>	✓	✓	✓	✓	✓
	<i>Inclusive development</i>	✓	✓	✓	✓	✓

# HUD CPD AND OPPORTUNITY ZONES

		Community and Planning and Development (CPD) Program Funds				
	PROJECT USES	CDBG	Section 108	HOME	HTF	HOPWA
CAPACITY BUILDING	<i>Technical Assistance</i>	✓	✓			
	<i>Community Engagement / Coordination</i>	✓	✓			
PRE-DEVELOPMENT / PROJECT READINESS	<i>Feasibility / Due Diligence*</i>	✓	✓			
	<i>Soft Costs / Structuring*</i>	✓	✓			
	<i>*Eligibility determined on case-by-case basis. Reach out to HUD directly to confirm.</i>					
ACQUISITION	<i>Land / Property Purchase</i>	✓	✓	✓	✓	✓
	<i>Acquisition-Related Soft Costs</i>	✓	✓	✓	✓	✓
DEVELOPMENT COSTS	<i>Construction / Rehab Costs</i>	✓	✓	✓	✓	✓
	<i>R&amp;D / Upstart</i>	✓	✓			
	<i>Reserves / Working Capital</i>	✓	✓			
OPERATIONS	<i>Operating Costs</i>				✓	✓
	<i>Services / Programming Expenses</i>	✓	✓			✓
	<i>Rental Assistance / Guaranteed Income</i>			✓		✓



# HUD OPPORTUNITY ZONE RESEARCH

## A Typology of Opportunity Zones Based on Potential Housing Investments and Community Outcomes

Janet Li

Richard Duckworth

Erich Yost

U.S. Department of Housing and Urban Development

*The views expressed in this article are those of the authors and do not represent the official positions or policies of the Office of Policy Development and Research, the U.S. Department of Housing and Urban Development, or the U.S. government.*

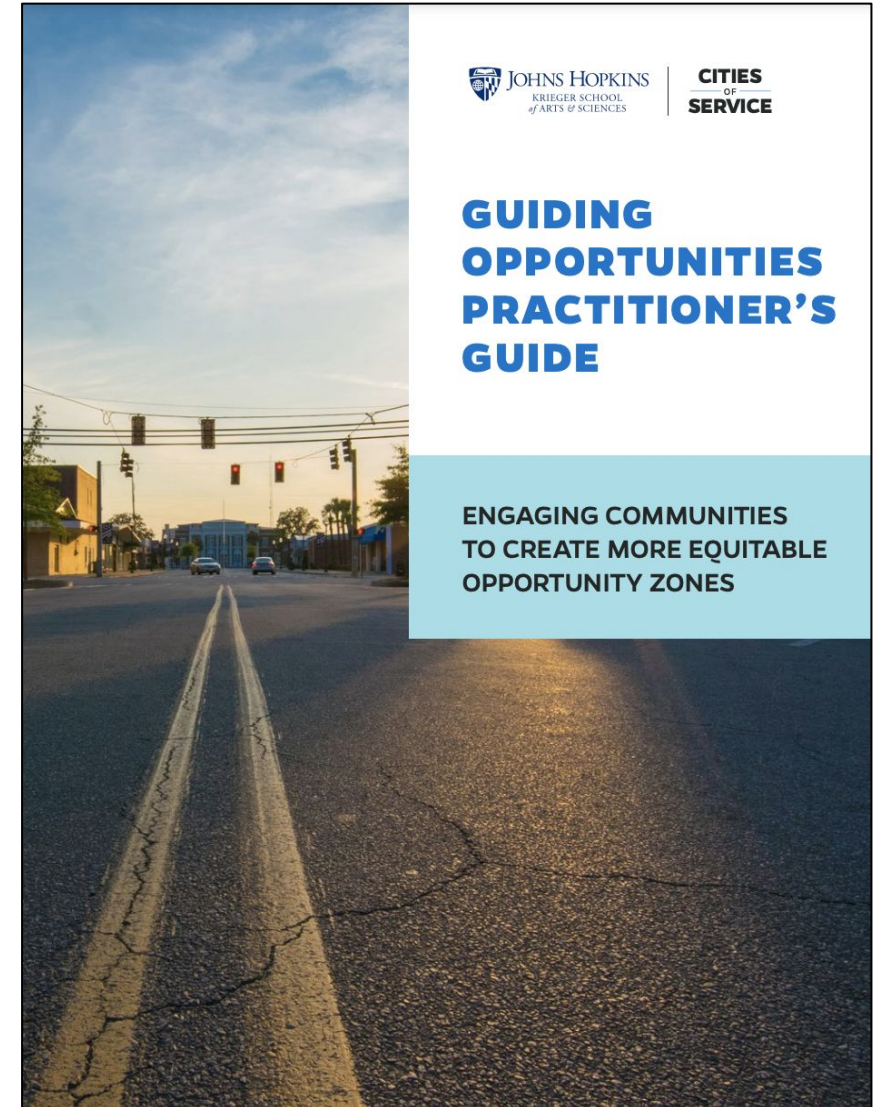
# OPPORTUNITY ZONE RESOURCES TO ATTRACT CAPITAL: PUBLIC RESOURCES



## PROGRAMS

# Guiding Opportunities

Guiding Opportunities is a Cities of Service program that helps city leaders engage residents to achieve positive economic and social outcomes with community-informed Opportunity Zone investments.



# OPPORTUNITY ZONE RESOURCES TO ATTRACT CAPITAL: PUBLIC RESOURCES



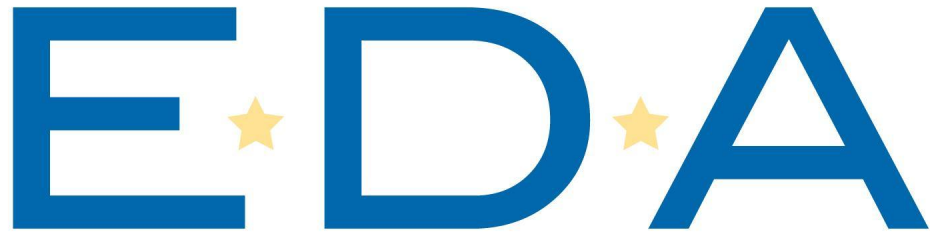
Contact My AmeriCorps | [Login](#)  
FONT SIZE: Default | Large

## Environmental Justice Community Organizer -Lafayette, LA

Applications will be evaluated on a rolling basis. Please feel free to reach out directly to the program contact listed. This project will focus on the 21 designated Opportunity Zones within the region that is served by the Acadiana Planning Commission (APC). The Acadiana Planning Commission partners with the U.S. Economic Development Administration to provide region-wide strategic economic development planning. The VISTA will have the opportunity to focus on up to two individual communities to build economic development capacity and increase public participation in the economic redevelopment of distressed communities that have been designated as Opportunity Zones. The VISTA will work with their communities to identify economic development needs and resources to meet those needs in an effort to attract higher-paying jobs and other opportunities. The overall goal is to build capacity in rural and urban, economically distressed communities, to alleviate poverty, to reduce unemployment, and to provide a better quality of life. This project is sponsored by the Austin Regional Office (AURO) of the Economic Development Administration (EDA), and will be directly supervised by the Acadiana Planning Commission in Lafayette, LA. The overall EDA Mission is "to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy."



# OPPORTUNITY ZONE RESOURCES TO ATTRACT CAPITAL: PUBLIC RESOURCES



U.S. ECONOMIC DEVELOPMENT ADMINISTRATION



SORENSEN  
**IMPACT**

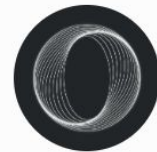


**David Eccles  
School of Business**  
THE UNIVERSITY OF UTAH

**Forbes**

Nov 2, 2020, 07:32pm EST | 918 views

## Developing A New Rural Playbook For Investment And Opportunity Zone Insights



**Sorenson Impact** Contributor

**Sorenson Impact** Contributor Group ©

**Leadership Strategy**

*We write & make films about social impact in policy, data & investment*



*By Megan Brewster*

# OPPORTUNITY ZONE RESOURCES TO ATTRACT CAPITAL: PUBLIC RESOURCES

## Rural Opportunity Zone and Recovery Playbook

A RESOURCE FOR ECONOMIC DEVELOPERS  
AND COMMUNITY CHAMPIONS



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# OPPORTUNITY ZONE RESOURCES TO ATTRACT CAPITAL: PUBLIC RESOURCES



Committed to the future of rural communities.



Indiana Office of Community & Rural Affairs

**PURDUE**  
UNIVERSITY



CENTER FOR  
REGIONAL  
DEVELOPMENT

PCRD.PURDUE.EDU

Committed to the future of rural communities.

## Rural Business Enterprise Grant (RBEG) Program

### PURPOSE

- To support the development of small and emerging private business enterprises in rural areas (less than 50,000 population).

### APPLICANT ELIGIBILITY

- Public bodies
- Private nonprofit corporations serving rural areas
- Federally recognized Indian/Alaska Tribal Groups

**This is not a grant for individuals or businesses. Pass-through grants are not permitted.**

### USE OF GRANT FUNDS

- Technical assistance for private business enterprises.
- Feasibility studies, technical consultation, and analysis.
- Financial assistance to third parties through a loan (revolving loan fund) for start-up operating cost and working capital.
- Training, when necessary, in connection with technical assistance.
- Equipment to be leased by small and emerging small business.

**Grants will be made only when there is a reasonable prospect that they will result in development of small and emerging private business enterprises.**

**A small and emerging private business enterprise is defined as follows:**

- Private business which will employ 50 or fewer new employees; and
- Has less than \$1 million in projected gross revenues.

### MAXIMUM AND MINIMUM GRANT AMOUNTS

- Maximum and minimum grant amounts are not established.

### APPLICATION PROCESS

- Application may be submitted to any USDA – Rural Development Area Office or State Office.
- Applications are selected on a statewide competitive basis. Applications not selected in the statewide competition may compete for funds at the National level.
- Contact any USDA – Rural Development Area Office or State Office for established application deadlines and application assistance.

### SELECTION FACTORS

- Population
- Economic Conditions – unemployment and median household income
- Applicant experience
- Evidence of small business development
- Commitment of nonfederal funding sources
- Evidence of need for a revolving loan fund
- Evidence of jobs to be created/saved
- Project is part of a community or economic development plan covering the project area
- Grant size
- State Director discretionary points

### FOR MORE INFORMATION

Contact our specialist at the USDA-Rural Development State Office in Palmer, AK.

Chad Stovall, Business and Energy Specialist  
(907) 761-7718

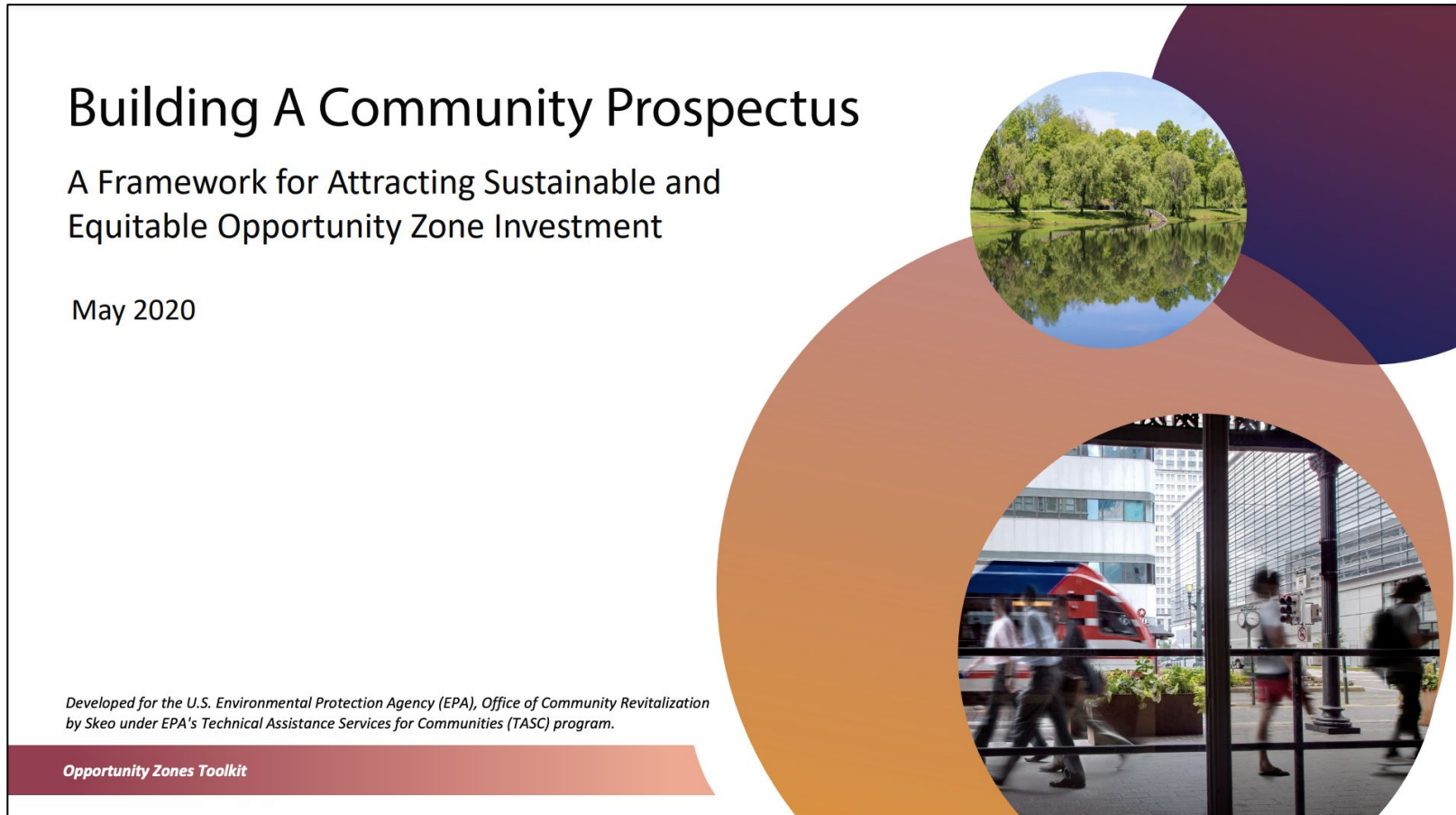
Email: [chad.stovall@ak.usda.gov](mailto:chad.stovall@ak.usda.gov)

Renee Johnson, Director, Business Programs  
(907) 761-7712

Email: [renee.johnson@ak.usda.gov](mailto:renee.johnson@ak.usda.gov)



# OPPORTUNITY ZONES: EPA COMMUNITY PROSPECTUS



The purpose of a Community Prospectus is to share a compelling story about your community's potential that attracts sustainable and equitable investment from all sectors to create thriving communities for all.

# OPPORTUNITY ZONES: EPA RESOURCES

## Five Strategies for Engaging Opportunity Zone Investors



Communities often have a vision for the kinds of investment and development that will be most beneficial to achieving their goals for an equitable, thriving future. For those with designated Opportunity Zones, communities often wonder, “How can we engage Opportunity Zone investors to support our vision for community revitalization?” Data about Opportunity Zones are clear that most of these census tracts suffer from a lack of ongoing public and private investment. As a result, Opportunity Zones may lack key infrastructure or other assets that investors seek to ensure a productive return on their investment. This quick guide outlines five key strategies for engaging Opportunity Zones investors including resources and tips that can help communities attract investment to their revitalization efforts.

### Types of Investors in Opportunity Zones

Opportunity Zone investors are very diverse and can be an individual taxpayer or an entity that has recently experienced a capital gain. These investors are in communities of all shapes and sizes and are seeking investment opportunities in both projects and businesses located in Opportunity Zones. Examples of investors include institutional and corporate investors from banks and insurance companies, high net worth individuals, community foundations, or philanthropic impact investors.

As investors experience capital gains, they can move their gains into an Opportunity Fund to realize the tax benefits of the Opportunity Zones incentive. There are three primary incentives available: (1) defer federal capital gains taxes owed today for a period of years; (2) be eligible to receive a reduction in those capital gains taxes; and (3) be exempted from paying future capital gains taxes if certain investment criteria are met. Sometimes an Opportunity Fund is established by an individual investor. More often an Opportunity Fund is maintained by a fund manager that combines

investments from many qualified sources and directs them into Opportunity Zone projects in communities across the United States. In fact, Opportunity Funds can invest in projects or businesses in any of the 8,700+ Opportunity Zones and are not required to invest in the community where a particular investor or fund is located.

To better understand the marketplace for Opportunity Zone investments, Novogradac maintains a [national database of Opportunity Funds](#) that voluntarily report their investment activities. Through September 2020, these Opportunity Funds reported raising over \$12 billion of investment capital to be directed into Opportunity Zone projects and businesses. Novogradac’s analysis shows a diversity of investments, including funds that direct capital to projects in a single city or state, and many with a regional or national focus.

## Leveraging Development Finance Tools to Attract Opportunity Zone Investment



U.S. EPA Office of Community Revitalization

July 2020

# PRESENTER

Erich Yost

Senior Community Planning and Development Specialist

**U.S. Department of Housing and Urban Development**

Office of Community Planning and Development

Office of the DAS for Economic Development

Phone: 213.534.2644

Email: [erich.m.yost@hud.gov](mailto:erich.m.yost@hud.gov)

