



Opportunity Zones and The CEDS

*SWREDA Conference
December 5, 2019*

- **Opportunity Zones** are designated low-income census tracts where tax incentives are available to encourage those with capital gains to invest in low-income and undercapitalized communities.
- **Twelve percent** of US census tracts are Opportunity Zones (8,700+ tracts). Governors (primarily) nominated the zones, which were officially designated by the US Department of the Treasury. No provision in the statute to change which communities are classified as Opportunity Zones, or to add new ones. . .
- Designated Opportunity Zones have **lower incomes, higher poverty rates, and higher unemployment rates** than eligible non-designated tracts (*Urban Institute, 2018*)

Bottom line: Opportunity Zones were created to channel investment into targeted, underserved areas.

The Opportunity Zones initiative is:

- a top priority of the **Administration**
 - ✓ White House Opportunity and Revitalization Council/190 Federal programs
 - ✓ (www.opportunityzones.gov)
- a natural fit for **EDA**
 - ✓ Mission alignment
 - ✓ Investment Priority
 - ✓ Eligibility under Special Need
 - ✓ Linkages to the CEDS

**Good economic development starts
with good economic development
planning. . .**

US Economic Development Administration - 030916

Comprehensive Economic Development Strategy (CEDS) Content Guidelines: *Recommendations for Creating an Impactful CEDS*

Contents

1. Overview	
2. Content	
A. Summary Background: A summary background of the economic development conditions of the region	
B. SWOT Analysis: An in-depth analysis of regional strengths, weaknesses, opportunities and threats	
C. Strategic Direction/Action Plan: Strategic direction and an action plan (flowing from the SWOT analysis), which should be consistent with other relevant state/regional/local plans	11
• Strategic Direction: Vision Statement and Goals/Objectives	11
• Action Plan: Implementation	12
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5. Equivalent/Alternative Plans
6. Opportunity Zones

Why focus on the CEDS?

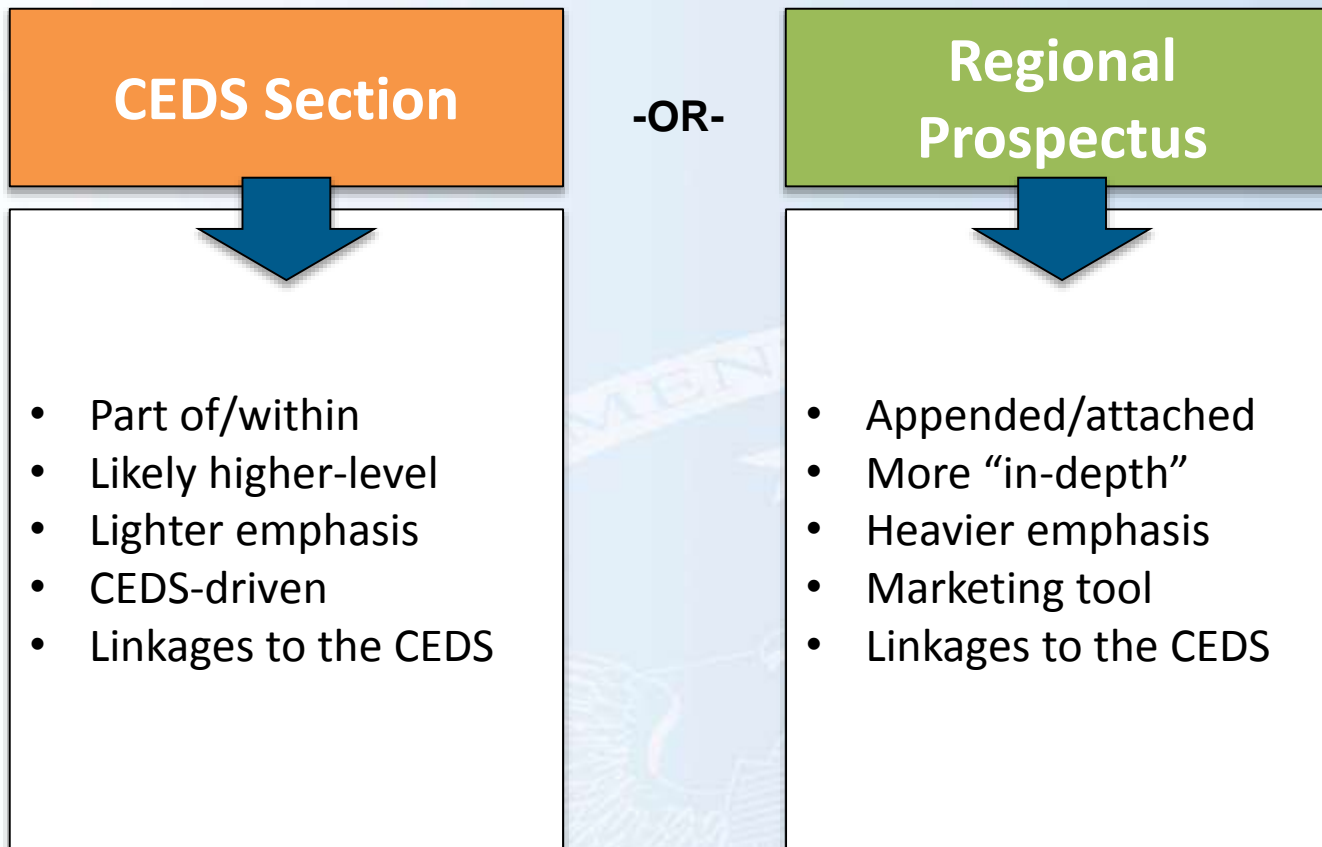
- ✓ Investment Ready
- ✓ Regional Perspective
- ✓ Right Platform



How should Opportunity Zones be included in the CEDS?

1. A collection of **suggestions and recommendations**, not a list of additional requirements
2. An opportunity to put a **“best foot forward”** to attract investors and effectively market the region
3. If, how and to what extent Opportunity Zones are incorporated **may vary based on the needs and focus of each region**

Content/Structure Recommendations:



CEDS Section

Key Elements:

1. Inventory/map the Opportunity Zones in the region
2. Identify key partners/collaborations
3. Recognize linkages with the data, goals/objectives, and priority projects within the CEDS

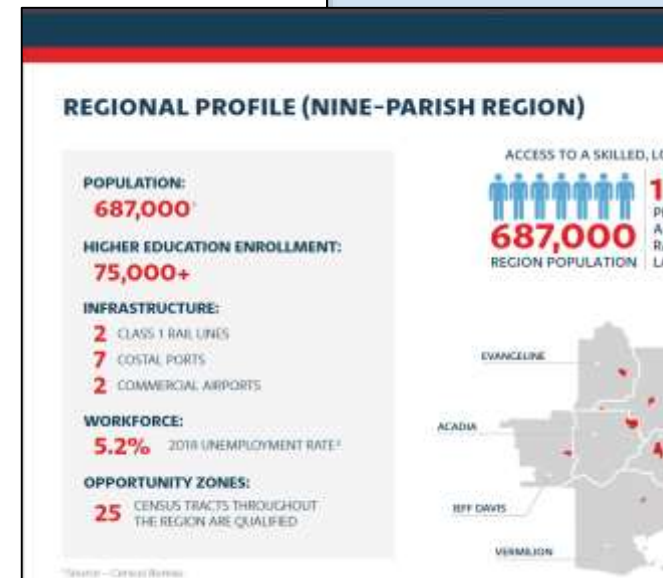
Recommended Resource: Statsamerica.org has established an Opportunity Zones mapping tool (<http://www.statsamerica.org/opportunity/>) that will allow users to see Opportunity Zones in relation to boundaries and information specific to each EDD, which can be helpful when developing Opportunity Zone-related content for the CEDS.



Regional Prospectus

Key Elements:

1. Purpose of the prospectus/introduction to Opportunity Zones
2. Key partners/collaborations
3. About the region/region by the numbers
4. Market strengths
5. Institutional capacity
6. Opportunity Zones in the region and typology
7. Individual community profiles



Recommended Resource(s): Check out the Acadiana Planning Commission's (APC) Opportunity Zone regional prospectus, templates for local opportunity zone prospectuses, and a regional Opportunity Zone website at <https://investacadiana.org/>.

Other Key Opportunity Zone Elements: **INCENTIVES**

The screenshot displays the 'Maryland's Designated Opportunity Zones' map from DHCD's Opportunity Zones Website. The map shows various green-shaded opportunity zones across Baltimore and its surrounding areas. A search result pop-up is visible on the map, indicating a search for '3800 11TH ST, BALTIMORE, MD'. To the right of the map, an 'Incentive Lookup' sidebar is open, listing various eligible state programs within the designated zones.

Maryland's Designated Opportunity Zones DHCD's Opportunity Zones Website

Incentive Lookup

Search by Address or Location on map to view a list of Eligible State Programs within OZ's

▼ 541 W 11th St, Balti X 🔍 ⌚

Search result

3800 11TH ST, BALTIMORE, MD

[Show more results](#)

[Zoom to](#)

- Neighborhood BusinessWorks
- Maryland Economic Development Assistance...
- Maryland Industrial Development Financing ...
- More Jobs for Marylanders
- More Opportunities for Marylanders
- EARN Maryland
- Maryland Research and Development Tax Cre...
- Rental Housing Works
- Job Creation Tax Credit
- Cybersecurity Investment Incentive Tax Credit
- Biotechnology Investment Incentive Tax Credi...
- Maryland Mortgage Program
- Maryland Venture Fund
- Low Income Housing Tax Credit Program

Other Key Opportunity Zone Elements: **CONSORTIUMS**

OPPORTUNITY CLE

OZ DISTRICTS

AVAILABLE PROPERTIES

NEWS

ABOUT

CONTACT US

Initiative For Opportunity Zone Investment in Cleveland and Cuyahoga County

OPPORTUNITY CLE

I WANT TO INVEST

I HAVE A PROJECT

Other Key Opportunity Zone Elements: **MARKETING/ONLINE PRESENCE**

FLAGSHIP
OPPORTUNITY
ZONE

[Home](#) [About ▼](#) [Our Districts ▼](#) [Institutional Capacity ▼](#) [Erie Homecoming 2019](#) [Project Portfolio ▼](#) [Contact](#)

WHY INVEST IN ERIE?

1,000,000+

SQUARE FEET OF COMMERCIAL
& RESIDENTIAL PROPERTY
READY FOR REDEVELOPMENT

23,000+

UNIVERSITY
STUDENTS

\$750 MILLION

NEARLY
IN PRIVATE, PUBLIC AND
PHILANTHROPIC
INVESTMENT

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

Other Key Opportunity Zone Elements: **MEASURES/OUTCOMES**

The screenshot displays the LISC Opportunity Zones website. The header includes the LISC National logo, navigation links for Resources, OZ 101, and a search icon, and a main menu with links for WHY LISC, COMMUNITY PARTNERS, INVESTORS, DEVELOPERS, and PLAYBOOKS. The background image shows a group of young girls in green shirts playing violins in front of a large brick building. Overlaid on the left side of the image are three white icons: a large left-pointing arrow, a pie chart, and a bar chart. On the right side, a white box highlights the 'PLAYBOOK' section, specifically 'STEP 6 | Develop Impact Metrics & Encourage Transparency'. Below the step title, it states 'Rigorous evaluation and accessible reports to inclusive and equitable success in the Zones'. A paragraph of text follows, discussing the importance of impact metrics and transparency for Opportunity Zones.

<http://www.lisc.org/opportunity-zones/community-partners-playbook/>

PLAYBOOK

- Introduction
- Step One
- Step Two
- Step Two, Appendix
- Step Three
- Step Four
- Step Five
- Step Six

STEP 6 | Develop Impact Metrics & Encourage Transparency

Rigorous evaluation and accessible reports to inclusive and equitable success in the Zones

One of the chief concerns about Opportunity Zones, especially for government officials, is that some investments will prioritize profit over the desires of communities. Currently, Opportunity Funds are not required to show they are providing tangible benefits to communities. As Fran Seeger of the Investing Alliance [told Barron's](#), "this policy will only meet its objective of positive economic and social outcomes for these communities if we

- 1) “If you have them, highlight them”
- 2) New section of the CEDS Content Guidelines will be published in December 2019 (www.eda.gov/ceds)
- 3) EDA will work with NADO on a rollout strategy for the new Guidelines section (webinars, etc.)

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