

# New Jersey Investor Symposium on the federal Opportunity Zone program

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# Across the country, developers and investors are finding that not every Opportunity Zone is created equal.

## They are looking to work in places that:

- ✓ Provide a path of least resistance.
- ✓ Effectively align state and local development incentives.
- ✓ Have easily identifiable and underwritten project pipelines.
- ✓ Are interested in TOD and infill development.
- ✓ Favor coordination amongst state and local regulating authorities.
- ✓ Provide opportunities for both project and portfolio development.
- ✓ Seek to encourage equitable development investment (social impact)

# However, there are many concerns surrounding the implementation of the Opportunity Zones program...

... lack of local capacity.

... uncertainty from the U.S. Treasury and the terms of “substantial improvement.”

... lack of a reporting and tracking mechanism.

... December 31, 2026 (Tax Filing)

***NOTE: Treasury is planning to release final guidance by the end of the year***

# The public sector is excited and apprehensive about what the Opportunity Zone program means for American communities.

## → Looking for ways to make the most of the program and attract investment to specific projects and neighborhoods

- ◆ Create own Opportunity Fund?
- ◆ Establish a one-stop coordinating office for interested investors and businesses?
- ◆ Develop a comprehensive investable project pipeline that creates long-term housing and transportation affordability and accelerates job creation?

## → Ensuring that investment results in equitable development outcomes

- ◆ Incentives to encourage the formation of mission-driven Opportunity Funds?
- ◆ Performance-based metrics that improve lives and transform place?
- ◆ Do No Harm policies?

# Top Project Types for Investment



**Affordable housing + Commercial**



**Infrastructure**



**TOD + Master-Planned Development**



**Small businesses**

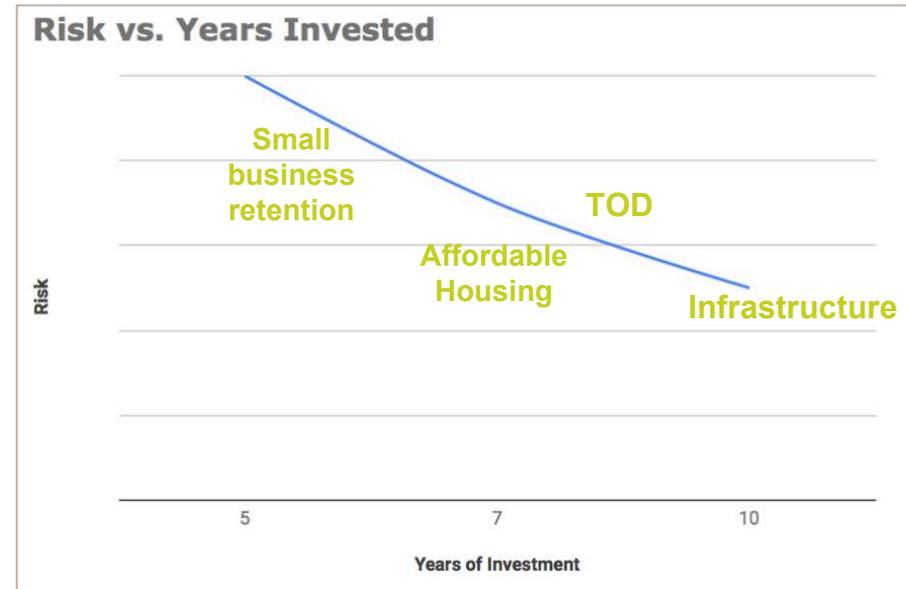
# Top question: What's is the “right” risk profile and exit strategy?

## Fund Question(s):

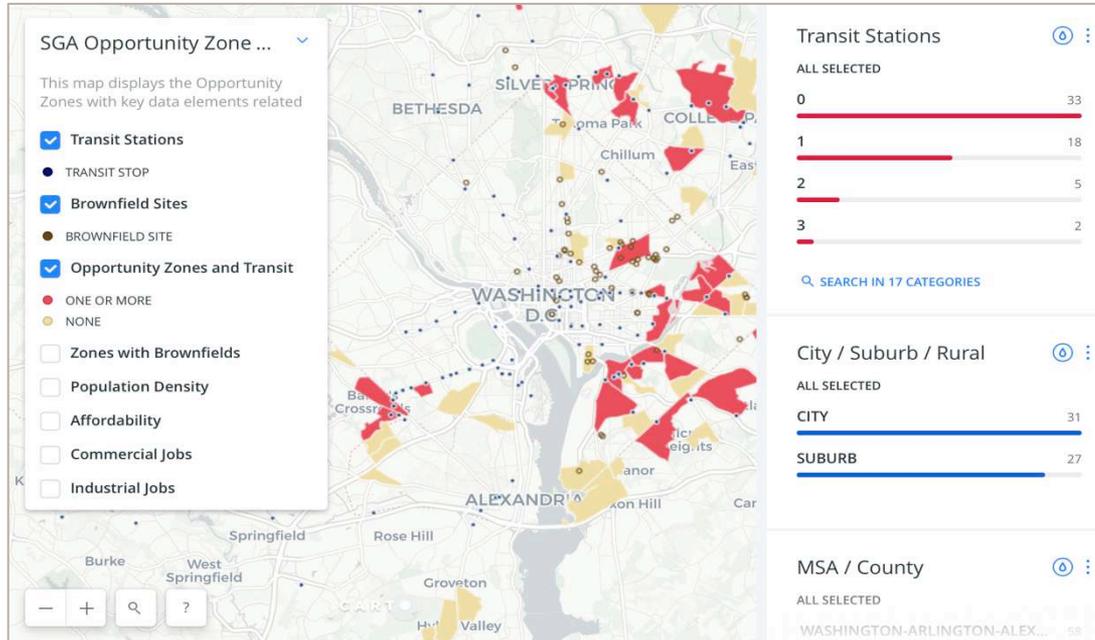
- Who is managing the fund?
- Project or Portfolio-based?
- Expected return on investment?
- Fund timeline (5, 7, or 10 years)?
- Is it mission-driven?

## Ask yourself:

- Do you trust the Opportunity Fund manager and its product type?



**LOCUS Opportunity Zone Navigator:** An interactive mapping tool for individuals and organizations interested in **real estate, policy, and business, economic, and community development** activities in America's newly designated **Opportunity Zones**



**Search America's 8,761 new Opportunity Zones for...**

- ... Transit stations
- ... Brownfield sites
- ... Population density
- ... Poverty rate
- ... H + T
- ... Job type
- ... And more

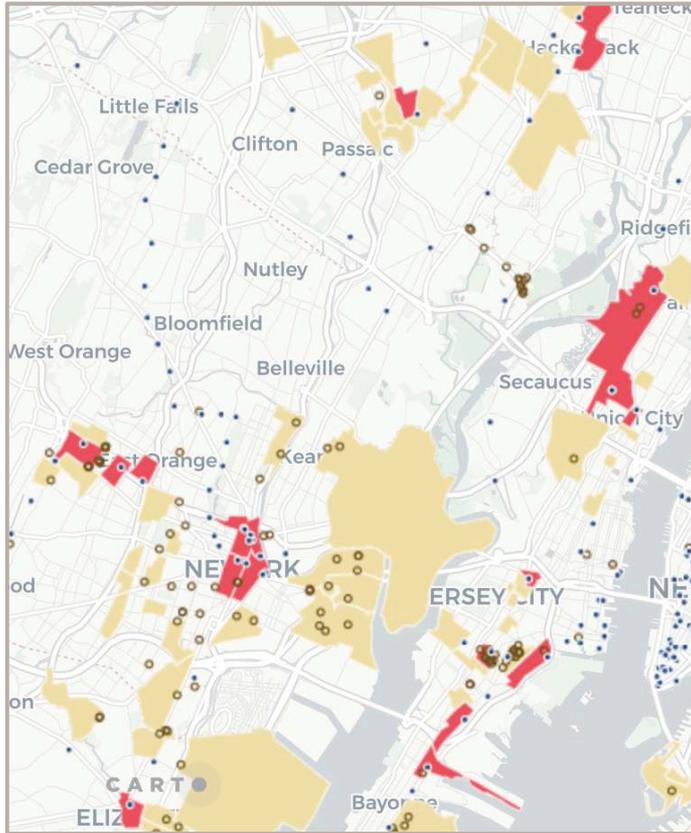
**Understand...**

... The economic, environmental, demographic, housing, and infrastructure characteristics of each Opportunity Zone

... The type of development needed to **revitalize distressed communities and stimulate economic growth** there

[locusdevelopers.org/opportunity-zones](https://locusdevelopers.org/opportunity-zones)

# What does the Navigator tell us about New Jersey's Opportunity Zones?



... New Jersey has **169 Opportunity Zones**.

... They are **medium-density** (4,073 persons per square mile) and **23% city** and **64% suburban**.

... **39** contain one or more transit stations and are located within and around Jersey City, Newark, Plainfield, New Brunswick, Trenton, and the Philadelphia suburbs.

... Projects in these transit-oriented tracts may be eligible for federal TOD financing, such as **RRIF** and **TIFIA**.

# What can New Jersey's investors do now?

- 1. Go for low-hanging fruit, with positive social impact**
- 2. Invest in communities with place-based development incentives**
- 3. Understand your project risks, but also rewards**
- 4. Have a clear exit strategy**
- 5. Self-reporting is your friend (White Hat vs. Black Hat)**

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# Thank you!

Interested in learning more? Contact LOCUS at [locus@locusdevelopers.org](mailto:locus@locusdevelopers.org) for timely policy updates, Opportunity Zone investment advising, & more.



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