OZ Webinar Series

Understand the Current Environment and Align Place-Based Assets

Thursday, December 3, 2020

Janine Cuneo: Thank you Chantel and welcome to all. Again, my name's Janine Cuneo. I'm with ICF. Today, I have the pleasure of partnering with the White House Opportunity and Revitalization Council and U.S. Department of Housing and Urban Development to host this three-day webinar series for local economic development leaders and opportunities and stakeholders.

The ultimate goal of this series is to assist each of you in developing your own action plan at the local level to support your short and long-term community objectives for potential investments in opportunity zones.

We're going to have national, state and local experts to provide you [inaudible] examples, tips and resources to help you continue to gain a better understanding of key components of the opportunity zone program.

Additionally, we're going to be talking to you about how to use HUD's opportunity zone toolkits, both Volume 1 and 2, to help you and guide you through the development of an action plan to attract public and private capital.

We're going to be talking about how opportunities in private investments are bolstering economic development in communities, how opportunities in public incentives and funding have been leveraged and are going to be continued to be leveraged for local economic development; and lastly, how to build local community engagement strategies to ensure equitable outcomes that meet both the community and its residents.

And before we jump into the content, one additional note on logistics. You do need to register for each one of these webinars separately. So all of you registered for today's webinar, but if you haven't registered for the next two webinars, one will be held next Tuesday the 8th and then again the following Tuesday the 15th.

Please go to the HUDexchange.info/oz. I'd like to now introduce you to Erich Yost with HUD who's been a key architect in the development of this webinar series; Erich?

Erich Yost: Hi, Janine. Thank you so much. And on behalf of the U.S. Department of Housing and Urban Development and our Office of Field Policy and Management, I would like to welcome all of you to the opportunity zones webinar series, Session 1, that we're focusing on understanding the current opportunity zone environment and how to align your local place-based assets to benefit from your opportunity zone designations.

HUD staff from across the country have been partnering with many of you to help you to build your local opportunity zone ecosystems to bolster growth in opportunity zones by leveraging both private capital in the private capital markets, but also to highlight the alignment of federal, state and local resources that have complemented and/or enhanced qualified opportunity zone investments in your communities.

HUD has and will continue to provide capacity-building and technical assistance resources for your local communities to leverage your opportunity zone designations. In December 2019, HUD published our Opportunity Zone's Toolkit Volume 1 which is a roadmap to planning for economic development within opportunity zones where we presented a roadmap to readiness for local communities and stakeholders from the public and private sector.

In June 2020, HUD released our Opportunity Zones Toolkit Volume 2, which is a guide to local best practices and case studies. This toolkit provides both tips and resources as well as examples of best practices in developing and implementing strategies to leverage your opportunity zones designations.

The toolkit includes callout boxes with resources and community spotlights, representing some of the innovative and impactful efforts throughout the nation in opportunity zones. They further share information about strategies for promoting local economic development within opportunity zones.

Building on the roadmap to readiness presented in the first volume of the opportunity zone toolkit, Volume 2 is organized around five critical steps in the planning for strategic alignment of resources to promote economic development in distressed communities.

This webinar series and our amazing speakers from examples of best practices and case studies throughout the toolkit will be highlighted as we walk through the roadmap to readiness. We will begin with our keynote speakers from the White House, Senator Tim Scott's office and HUD leadership and then the journey will begin.

Today's session will include the first two steps of the roadmap to readiness. We will first discuss the understand steps focused on the current environment, including assets, needs and opportunities and potential partners in your opportunity zones.

We will then move into the align step where we will discuss and focus on alignment of place-based assets and resources to steer market investment toward community economic development.

On our second webinar session next week on Tuesday, December 8th, we will then walk through the next three steps of the roadmap to readiness. This will include a host of influential and innovative speakers from our communities across the country and from leading opportunity zone industry individuals from organizations leading the development of the opportunity zone ecosystems.

The second session will focus on established steps where policy, tools and incentives to promote local objectives for community economic development will be discussed. We will then move into the partner step with the focus on the importance of the alignment organizations to support equitable and inclusive opportunities.

We will then finish up the second webinar session with the measure step on our roadmap with a focus on the importance of how to measure the impact of local initiatives and make adjustments as necessary.

Our third and final webinar session on Tuesday, December 15th will be focused on building off of the roadmap to readiness where our honored speakers will be sharing information first about opportunity zone action planning and ecosystems that have been created.

We will then share information about the opportunity zone marketplace at the local level, hearing about qualified opportunity fund investments that are transforming communities, partnering with local organizations and providing impactful investments for local economic development in both real estate development and in operating businesses.

We thank you for your time taking this journey through our roadmap and look forward to having HUD continue to partner with you and your organizations to build and strengthen your local opportunity zone ecosystems to drive long-term capital to local communities. I would now like to introduce my HUD colleague, Alex Stowe.

Alex Stowe: Thanks, Erich. Good afternoon. I'm Alex Stowe. I serve as adviser to the assistant deputy secretary of HUD and also as the department's policy lead for opportunity zones. I'm excited to be joined for today's first keynote session by two individuals who have been instrumental in ensuring the success with the opportunity zone initiative at the federal level.

Ben Hobbs serves as special assistant to the president for domestic policy and Emily Lavery serves as legislative assistant for Senator Tim Scott. Thank you both very much for joining us today.

So in this first session, we'll be discussing the goals of the opportunity zone legislation, what has been accomplished to date, and what is next from our perspective at the federal level. So looking back at opportunity zones now, three years after they were passed into law, it is important to consider and evaluate the incentive based on the original stated goals. So I'll start with you, Ben. What would you say have been the administration's goals for opportunity zones?

Ben Hobbs: Thank you, Alex. I believe I'm unmuted now. I'm working through this technology here. Thank you everybody. Thank you ICF for hosting this and of course HUD for -- and Erich Yost for your leadership, and Alex, and Janine and everybody for coming together and really to help kick this off, and of course, my friend, dear friend Emily Lavery as well with Senator Scott's office.

So when we first jumped into this, I would really encapsulate three things were a motivating force behind the opportunity zone legislation and the president getting behind this initiative. And that is, first and foremost, revitalizing communities. Second, meeting the challenges of the 21st century. And third, transforming lives.

All three of those come together. We know there are forgotten communities across the United States, both rural, suburban, and urban who haven't seen investment in decades, haven't had job opportunities equal to those of other communities. And more and more, our economic capital and our investment capital is being concentrated in smaller and smaller areas in very specific metropolitan areas across the country.

So this is an effort to push some of that investment into these communities that haven't seen investment in decades, to bring jobs and opportunity to those individuals, help with new startups that will meet the challenges for the whole country for the 21st century and unleash new human resources for -- to meet those challenges of the 21st century, and also transform lives.

And just something to think about as we go through and -- through today and the future of this webinar here is think of those that are chronically unemployed, those that are homeless, those that are maybe -- they might be a gang member. Maybe they can't leave their community because they have to care for a loved one.

These are the people that we're really reaching out to and trying to drive new investment, new opportunity into their communities where they are so they can have the same opportunities for work as our neighbors that are nurses, that are construction workers that work -- that are accountants or lawyers or even working in a new steel mill or a new manufacturing facility that's developed. So transforming lives, revitalizing communities, and meeting the challenges of the 21st century. I think Alex is on mute.

Alex Stowe: Apologies. I'm with Ben, also working through the technology. So going to you Emily -- and thank you, Ben, that was a terrific answer. Obviously, Senator Scott was instrumental in getting the legislation passed. What inspired him to champion the opportunity zone legislation and what did he hope to see achieved through the opportunity zone incentive?

Emily Lavery: Yeah. And first and foremost, thank you so much for having me on. It's good to see familiar faces and I can't begin to tell you how grateful my boss, my team and myself are for all of the efforts across the board, and everybody that's on this panel with me, to really help ensure that opportunity zones are implemented in the most efficient and productive and successful way possible. So thank you again.

In terms of your specific question, Senator Scott's story is a powerful one. I know a lot of folks tuning in right now probably already know it, but for those that don't know, Senator Scott grew up in poverty, did not have a lot of access to opportunity; almost failed out of high school. Had a really rough go at the beginning, like all too many Americans frankly do, especially now more than ever.

And so as we talk about moving forward, again, not just looking at responding and rebounding from the COVID-caused recession, but really in a broader sense, what Senator Scott was hoping to achieve through opportunity zones was to [inaudible] incentives that we would see providing for, again, these low-income areas that have traditionally struggled to compete for private capital against traditionally wealthier communities, and in doing so, create opportunity where it does not currently exist.

You know, at the time we were drafting the initial Investing in Opportunity Act years ago, which it's wild how fast time is flying, but again, we were drafting that originally. That key concept was looking at the $6 trillion in unrealized gains that we knew were sitting on the sidelines, and how could we motivate private investors to go into traditionally riskier areas that they have, again, historically stayed away from? And how can we motivate private capital to reach to the corners of our country that need it most?

Again, we're talking about new education opportunities, new facilities more broadly, but access to affordable housing, access to better jobs, better paying jobs. You know, access to food. There's a litany of projects that are taking place in food deserts which has been fantastic to see. And again, that's a very niche area but I think it's super important to continue to highlight just how flexible and impactful the incentive has been.

I think as we're talking about evaluating this against original goals, I think it's really broken the mold in that sense. You know, Senator Scott always had, from the origin, poverty elimination and alleviation, creating new opportunity, job creation at the forefront. But really, what we've seen in terms of diversity of assets, I think it's really blown past expectations.

Alex Stowe: Great. Thank you so much, Emily. So we're seeing terrific things happening in opportunity zones across the country. Every day we're hearing about new very compelling stories. While we don't currently have any sort of reporting legislation that would give us a real in-depth view of everything that's going on in the OZ marketplace across the country, anecdotally and -- we're -- there are tremendous stories, things that are happening, as Ben mentioned, new jobs, and yourself, businesses are starting, affordable housing is being developed.

So again, while we might not have a full picture of everything that's happening in opportunity zones, hoping that we can kind of look -- discuss a little bit what we are seeing. And so starting with you again, would you be able to share with us some of the efforts of the administration and the White House Opportunity Revitalization Council to ensure the successful and positive implementation of the incentive thus far. And what are some of the things that you all are seeing across the country and how do you view the results to date?

Ben Hobbs: Sure. Thanks, Alex. And Emily, you hit the nail on the head there at that -- in that opening question, I've got to say. Yeah. This is a really interesting piece. So the president, back in 2018, December 2018, signed the executive order creating the White House Opportunity Revitalization Council with the real stated goal to help move this incentive and help move the market along, to develop the market to bring these investments to these communities to -- and also to align our public sector resources to opportunity zone development to target, coordinate and streamline across 20 different agencies all of the federal resources towards opportunity zones.

And we're seeing the fruits of that labor. I know Erich and others will be talking at a later session about those alignment pieces, but just to share, over 300 -- I believe it was 338 unique programs across 20 different federal agencies have been targeted, coordinated or streamlined in some way towards opportunity zones.

It goes from SBA loans to charter school grants to Department of Transportation grants to Department of Labor re-entry grants and opportunities. HUD, SHA insurance fee reductions, a variety of HUD's grant programs, and going all the way down to permanent reform that we've done across a number of agencies; Indian programs at the Department of Interior, the list goes on and on.

So that was the first objective. And the second objective, like I said, was what resources can we provide to help move the private sector market along? Those things are such as the community toolkits that you mentioned -- that Erich mentioned at the top of the order here; both versions of that coming out of HUD. That has great content.

We also have a best practices report from the council that's available at opportunityzones.gov. And we've been working and created opportunityzones.gov with a plethora of resources and continually updating it with best practices and examples across the country, frequently asked questions, links and other resources for community leaders or investors and businesses can all go to that one-stop shop and find those resources.

So I think we've done a tremendous job linking public sector support with what truly is a private sector initiative and a private sector driven revitalization that is opportunity zones. Anecdotally, I think the one that I really want to share and I am personally excited about it is my hometown, Alliance, Ohio, population 20,000 people, right there in the Steel Valley, right outside of Youngstown, Ohio, where I grew up, is an opportunity zone.

And it is the classic opportunity zone and exactly what President Trump and Senator Scott had in mind when they were working on this legislation is small town America where the jobs have left, the factories are shuttered. You know, downtown is struggling to hold on.

But the opportunity zone incentive -- I was just back home for Thanksgiving just two weeks ago, and we were driving downtown where the opportunity zone is. And one of the local businessmen of Alliance -- not some investor from Manhattan, not some investor from San Francisco -- a local real estate holder deferred some of his capital gains to refurbish a storefront in downtown Alliance.

You know, brought in new lighting, new electric, new plumbing, a new facade and everything, and now a NAPA Auto Parts has moved in. This is the first new retail and jobs that have been created in downtown Alliance for as long as I can remember from my childhood back there.

So it's working, and that's small-town America. And I know Emily and all of us and we'll have plenty more examples as we go throughout this webinar of new housing developments in Tampa, Florida, new veterans affairs clinics in Minnesota to Second Chance Farms in Wilmington, Delaware, to a whole variety of new development in Erie, Pennsylvania. And the list goes on and on.

But it is working and it's working in places like New York City and it's also working in places like Alliance, Ohio. So we're really excited about it. Please check out the best practices report on opportunityzones.gov. There's at least 100 different of these examples listed there.

Alex Stowe: Awesome. Thanks, Ben. And I'll also add additionally those 338 programs across the federal government that have some sort of opportunity zone benefit are also listed on opportunityzones.gov. And additionally, when applying for federal grants on grants.gov, you can now actually filter by grants that offer some sort of benefit.

So whether it's preference points, priority consideration on the grant application, you can now filter for that on grants.gov. So we're hoping that that will be a big help for grantees located or seeking federal funding to improve opportunity zones.

So yeah. Thank you very much. Emily, to go to you, so obviously COVID-19 has undoubtedly had a significant effect on pretty much every sector of the American economy. I'm hoping to hear from you a little bit about what steps Senator Scott has taken to ensure that opportunity zones will continue to thrive even during this challenging time.

And then additionally, would love to hear from you about any positive results or outcomes that you might be able to share with us in addition to some of the things that Ben has shared from the administration's perspective going on in opportunity zones over the past several years.

Emily Lavery: Yeah, no, absolutely. And Ben I think absolutely hit it out of the park. Second Chances Farm is one of my favorite stories and the personal anecdote I think is so powerful. We were talking about it the other day and it's just -- it's so incredible to see. Because I think, again, this really highlights just how diverse and impactful these projects are, regardless of the scale size that they're happening on, and again, across rural and urban areas alike. So it's just such a powerful story and I'm glad that Ben shared that one.

In terms of COVID and the continuing recession, of course, we're obviously hoping for a V-shape recovery period, just because the cases are ticking back up which is difficult. But we're seeing great progress on the vaccine, of course, in much -- in many thanks to the work of the Trump administration and the work taken by Congress to make sure that that would be possible.

But again, as you rightly pointed, every factor of the American global economy has been impacted by this recession. There's simply no question about that. Opportunity zones of course are a part of that. Now, I'm really fortunate to be able to say that even throughout the pandemic, we've continued to hear about really incredible, sizable, impactful and complicated projects that are still happening.

You know, gosh, just two months ago, I was down in South Carolina for the announcement of a AgriTech campus. It's going to be about 300 million, provide 1,500 long-term jobs, 500 seasonal jobs on top of that. It has partnerships with Clemson University and other technical colleges in the state. It also can provide a co-packing facility to help South Carolina's farmers compete with foreign sources of food.

So there's so much there. And again, that was happening in the midst of this global pandemic. But of course when COVID emerged, Senator Scott took quick action to ensure that folks utilizing opportunity zones would have the guidance, flexibility, and relief that they need in order to allow for the incentive to function as designed without incurring punishment for circumstances that are just frankly beyond their control like construction delays, telework orders, forced closings, etc.

So he led a letter to Treasury and the IRS in May of this year outlining 10 topline requests to provide common sense and immediate relief. I am beyond thrilled and grateful to be able to say that Treasury and IRS turned that around in about five weeks' time which was amazing and really they've just been fantastic partners throughout this process.

But of course they provided quick relief across a number of areas, specifically financial improvement test, testing dates for funds, ensuring that COVID counts as a disaster for the purposes of the work capital state [inaudible] and time for funds to invest which was baked into the final regulations.

But I will try to stay out of the weeds here as much as possible because I'm sure I'm probably boring some folks to death by now. But outside of that, I think that that has been hugely helpful, especially extending 180-day investment periods for people to figure out where they're going to place capital when that's extremely difficult to do right now. And so that relief I think is a huge part of why we're continuing to see great news and great stories.

You know, Second Chances Farm, which Ben mentioned, I believe they received a roughly one -- $1 or $2 million investment this summer, again, in the height of the crisis. You know, we're continuing to see everything from [inaudible] farm investments to vertical farming to agricultural developments to renewable fuels to, again, student housing [inaudible] job training focused on entrepreneur skills as well as the formerly incarcerated.

The list just frankly goes on and again I think what's fantastic also is that this is happening in every corner of the country where there are zones, regardless of whether they're rural or urban. And again, I think it's also important to note to Ben's example about how impactful these smaller investments can really be to rural America and to small towns across this country that, for all intents and purposes, have been truly left behind over the last two decades.

And so stories like that, in my opinion, are equally if not more so important in a different way than our topline projects that are creating 3,500 jobs or hundreds of millions. And don't get me wrong. Those I love to highlight as well. They're huge. They're game changers. But that's not to say that we shouldn't be taking seriously and evaluating seriously what's happening in small town America. Because again, job creation there is just as important as it is in D.C., Atlanta, or LA.

Ben Hobbs: Emily, can -- Alex, if I could jump in and add onto that. One thing that you hit on -- and yeah, we have the big ones and when we talk about COVID, we are going to come out of this current crisis, and let's look back at what happened in the last crisis. You know, places like Uber didn't exist before 2008; was established in the last economic downturn. Pinterest, Square, Airbnb were all brought forth in the last economic crisis. So there's a lot of opportunity there.

Likewise, even before that, General Motors, Burger King, Trader Joes, those household names also came out of an economic downturn and a crisis similar to what we're going through right now. And when Senator Scott and President Trump were getting together -- and I mentioned at the top, meeting the 21st century challenges -- we need -- and Secretary Carson talks about this, is that we need everybody pulling that wagon, not just a select few cities or a select few communities or persons.

And what opportunity zones does is allows for some of the next Uber, the next Google, the next Pinterest, the next Airbnb to hopefully be developed in one of these opportunity zones. And it creates that incentive to push that investment. And there are a lot of tech firms but non-tech firms that are also developing right now in opportunity zones. And hopefully 10 years from now, we'll be able to demonstrate that and to show exactly what was created out of this economic downturn combined with the opportunity zone incentive.

Emily Lavery: Yeah, no, absolutely. Ben, to your point, if you're someone that's standing up a new small business or startup, there's absolutely no reason to not be doing that in an opportunity zone if you could do it.

You know, again, I think just the benefits that this offers and I think really what the key here is is leaning into the reality that this is -- we're talking about unlimited potential in a sense, right, as we're looking at the 10-year benefit. For startups, that's huge and particularly for women and minority-owned startups that traditionally struggle to access capital through traditional avenues.

Opportunity zones have absolutely opened that up in a new and exciting way, so that's something that's important for us I think to always highlight. But again, to your point, Alex, without reporting legislation, we do not know the full impact. And so Senator Scott's continuing to push his Bipartisan Impact Act. We would love to see that get done. The lame duck remains more uncertain I think than ever, which is interesting, because that window is definitely getting more narrow.

So hopefully we'll have some more clarity here soon, but Senator Scott's going to continue to push for that one. Because, again, reporting is important for so many reasons. You know, of course, for compliance, but also it's another tool in the toolbox for these communities to use.

Alex Stowe: Absolutely.

Ben Hobbs: I would just say too, Emily, I'm glad you brought up about the minority and women-owned businesses. Just real quick, one thing that I think we forgot to mention that's so great about opportunity zones, as we go through this, of course, we have the 338 federal programs that are incentivized. But opportunity zones, anybody can do it.

You know, to the example that I brought up of just the guy in Alliance, Ohio who happened to sell one real estate holding was able to turn that over and invest back into Alliance. Alliance didn't have to hire an economic development expert; they didn't have to hire a grant writer. They didn't have to come to Columbus, Ohio or come to Washington D.C. with their hands out and saying, please can I have a grant?

They could execute that deal right then and there in their own community and they didn't have to worry about seeking approval from any sort of government bureaucracy or anything. And that’s the beauty of opportunity zones, that anybody can do that, big or small.

Alex Stowe: Yeah, absolutely. And just going back to -- I mean, as you mentioned earlier, Ben, the best practices report that's on opportunityzones.gov. There are countless examples of those sorts of businesses popping up in underserved parts of the country.

And additionally, I'll also just mention the Council of Economic Advisers report is another very interesting read. For anyone that wants to go find it, also on opportunityzones.gov. Really outlines the breadth and expense to which these investments are happening across the country, which is very impressive.

And also, I'll just say that on the third day of this series as well we'll be hearing from a lot of folks like that that created a fund or operate a business in an opportunity zone and they'll be walking us through the steps of how they went about doing that. So that should be very helpful.

So my last question is regarding the future of opportunity zones. So I think a lot of people probably on this webinar right now are wondering, what does the future of the incentive look like in the coming months and years, both on the regulatory and the statutory side? So Ben, what do you foresee to be the future of opportunity zones? What else do you think there is left for us to do from the federal government's side?

Ben Hobbs: Sure. I really want Emily to dive into this one, but my few pieces on this, we're locked in until 2026, so the incentive's there. The regulations are done. Emily talked about the COVID relaxation. So there's plenty of time to go out and execute deals now and the more deals that can be executed, the more people and the proof in the pudding that we can provide, the easier it is for policy makers to look seriously at extending the opportunity zone incentive on into the future to both the time horizon and the number of zones.

So one thing that I would just stress to everybody that's here and every opportunity I can give is go get a deal done. You know, this is such a new market. I don't care. It doesn't have to be a 300-unit affordable housing development that's a massive deal, multimillion-dollar deal.

Go out and just figure out -- get the $5,000, the $10,000 or the $50,000 deal done on a local small business in any community to build that expertise, build the expertise on the accountant side, build the expertise on the lawyer side, build the expertise and the know-how in the investor side and the businessowners, the entrepreneurs.

And so communities can start to understand what the true impact of opportunity zones can be. So just go execute a deal and build that proof in the pudding and I think the future will be very bright for opportunity zones. But Emily could probably dive into a little bit more detail about what Senator Scott is thinking here in the future.

Emily Lavery: No, yeah, that's great, Ben. I think you absolutely covered most of what I was going to cover. But no, that's fantastic and frankly that makes sense. You know, my office and the White House and for most of us here today, we all work so closely on opportunity zones and really do have constant conversations -- I apologize; getting a little direct dial at the moment.

But no, in terms of I think what we can expect to see in the next few months -- or well, I think, rather, the more immediate question is kind of the next few years and this next month in sort of a nutshell. But it is possible that we could need additional COVID relief guidance, so that's one thing to watch out for and that we're following very closely.

Of course, a lot of that guidance is sort of tempered just to 2020 and so that is something that we're going to continue to follow closely, keep our eye on the marketplace, keep our eye on the needs of these communities, the entrepreneurs and small businesses trying to utilize opportunity zones. And, again, do our best to ensure that they have what they need to continue to use this tool to the best of their ability.

Beyond that, reporting is absolutely the number one priority. Ben hit on that for all the right reasons. You know, if we're talking about an extension, reporting is [inaudible] to that conversation; right? Because we're talking about extending something that we don't have a holistic picture of all of the data, of all of the uptake, of all of the investments, and that's unfortunate, in my opinion, because we have a fantastic bipartisan bill that should be signed into law immediately.

And beyond that, the Investing in Opportunity Act always included reporting requirements, but those were stripped out during TCJA due to senate procedural rules. So again, getting reporting done will not only help communities understand the level of uptake within their own neighborhood. It'll help us understand, again, just a better picture of job creation, what's happening in opportunity zones over time versus low-income communities that were eligible but not designated.

So there's so many facts and pieces to this that are outside of compliance alone which is equally important and the impact obviously takes a very deep dive into that space. So outside of reporting, timing extension, something we talk about a lot. The seven-year benefit has burned out effectively if you did not invest before the 1st of this year.

So a two-year timing extension is really important to revive that main -- it's one of four main benefits offered under the incentive, which is what's great, is that opportunity zones really are a pretty simple structure from the top at least. I won't pretend that it doesn't get thorny the deeper you go, but those top four incentives, the seven-year benefit has burned out.

And so a two-year timing extension would not only address that but it would also allow communities, small businesses, entrepreneurs and community leaders to really have the time that they need to bounce back from this recession, understand the incentive, harness the potential of the zones in their communities, which are not homogenous, and understand how to market them and to make these deals come to fruition, again, to restore opportunity to those communities that need it the most.

And so frankly, I think a two-year time extension should be a common-sense solution. There's no reason these communities shouldn't have all the time they need to, again, harness their potential and use those tools to the best of their ability.

Alex Stowe: Great. Thank you so much Emily. I'll just add also from HUD's side, we will be continuing to do technical assistance over the coming years. We also have a network of regional and field offices across the country, and our staff want to be helpful to you in any way. If you're considering investing or starting a business in an opportunity zone, please use our field staff as a resource across the country. Very knowledgeable individuals and we want to be a help to you.

So with that being said, I think we're just about out of time. I want to thank you, Ben and Emily. Thank you so much for joining us today and taking the time. Really appreciate it.

Emily Lavery: Thanks so much.

Alex Stowe: All right. And I'll turn it back over to Janine. Thanks.

Janine Cuneo: Thanks so much Alex, Ben and Emily. That was just such insightful information at the national level regarding this initiative, both where it's been, where it is and where it's going. So thank you. We're going to now pivot and really deep dive into those five critical steps as organized by HUD's Opportunity Zone Toolkit.

The first one is understanding the current environment. We're -- you may recall Erich really introduced these five steps at the outset of the webinar and we're going to be able to talk with a trio of speakers today who's going to illuminate this specific step about understanding the current environment.

It's really critical to the success of opportunity zones to have a mutual understanding by all the stakeholders of the unique challenges, assets, opportunities that are present in our local communities in the qualified opportunity zones.

We're fighting many communities at the outset of the opportunity zone initiative. They took the opportunity to reassess their housing needs, link up with established partners. Those have been and are proven to be great starting points in understanding your environment. But there are additional elements that need to be equally considered.

For example, your current commercial market conditions. Local leaders should be conducting, want to encourage you to conduct and periodically update commercial real estate assessment.

This will better help you understand your current office, hotel, retail, and [inaudible] uses within the opportunity zones.

Additionally, it's key to identify economic driver and growth sectors related to opportunity zones, providing investors and developers want a clear understanding of the overall economic strategy introductory of your region or county or city. Strongly encourage you there to utilize existing resources to gain a strong sense of that.

For example, the comprehensive economic development strategy, as recognized by EDA, may be available in your community, or the consolidated plan required by HUD for specific funding such as CDBG include economic development analytics. So there are resources out there to get you to understand those economic drivers.

Another element to understand your environment is to identify the available economic development tools that are there. We've seen such a great increase of new economic development tools being created to complement the opportunity zone initiative. Let's not forget about what you already have in your economic development toolbox. It just may need to be repositioned for the OZ program.

And [inaudible] to seek to understand the priority interest of different types of investors as well as how investors evaluate opportunities and risk. There will be several investors speaking over the course of this webinar series to this item. Additionally, you can house investor networking events and consult available COF directories to learn more. We'll be posting resources while we post these slides, etc., on HUD Exchange later this month, and you'll be able to get some of those resources.

I'd like to now though turn it over to our three speakers who are going to be able to provide unique insights. And then hopefully if time permits, we'll be able to take a question or two to discuss a little bit more about how we're understanding the environment. First up we're going to listen to Grant Baskerville, the director for Sorenson Impact Center. Then we'll move to Ira Weinstein, principal for CohnReznick.

And then lastly, we're going to hear from Matt Horton, director for Milken Institute's Center for Regional Economics and California Center. Grant, I'm going to go ahead and turn it over to you.

Grant Baskerville: Hello. Can you hear me okay?

Janine Cuneo: I can. Thanks.

Grant Baskerville: Oh, wonderful. And excuse the giant headset that I've got on, but it gives you pretty good audio and microphone, so absolute pleasure to be with you today. For those of you that are not aware, the Sorenson Impact Center operates at the intersection between impact investing, data science, policy innovation and strategic storytelling. So we're a bit of a broad house.

We're based at the David Eccles School of Business at the University of Utah and we're founded by the leading impact investor or a leading impact investor, Jim Sorenson. Jim has been a consistent advocate of the OZ incentive from the outset and sees it as a key means to help deliver much needed capital into underserved communities.

If you would just indulge me just a little bit, for those of you, I hope you're aware, the center ran the Forbes OZ 20 top opportunities on catalysts last year, which was a national competition to highlight the best communities and OZ funds out there [inaudible] incentive. And if you haven't already, please do take the opportunity to watch the short Impact films and read our articles that were posted on Forbes.

You know, the folks that were profiled, not only as part of the top 20, but also the grand prize winners, which are listed here, were just doing some incredible work locally and really leverage on this incentive to the max.

In terms of how the center itself is understanding the current environment, this is really grounded in the work that we do. And a large part -- I just want to talk to you a little bit about the development of the rural OZ and Recovery Playbook. So by no means trying to teach granny to suck eggs here, but we know that rural communities are disproportionally impacted and susceptible to economic droughts.

So just as an example, in Grand County, the home of a number of major tourist destinations, including Moab, roughly 45 percent of the employment opportunity there, about 6,000 jobs, are based in tourism which has been severely impacted by the pandemic. So our work in relation to COVID, or because of COVID, has shifted over the last seven to eight months.

You know, whereas 2019 was all about OZs, we are now much more focused on equitable economic development and recovery, of which OZs are still a big part, but it's one tool in the box of a broad array of economic leaders. So in turn, this has evolved our thinking and to the development of the [inaudible] which I mentioned which shares many of the characteristics and echoes the key components of HUD's toolkit.

So the playbook was jointly funded initiative by the Economic Development Administration and governor's Office for Economic Development in the state of Utah, and we were working in partnership with the Utah Association of Counties to support this 24-month endeavor which spans five rural associations of government and 21 counties in the state.

And the background and context is kind of Emily and Ben and Alex have already highlighted in some ways. Rural economic development is hard. It's more difficult to structure and deliver than urban. There are fewer sources available [inaudible] to finance and it's more complex and projects tend to be smaller in size and value.

And not only this. Many rural communities are reliant on a single industry, be that agriculture, energy, or tourism. And in the case of the coal and the extractive industries, many of these have been in decline [inaudible] experience and in decline for over the course of decades.

So aligned to this, the other thing that we've observed in our work is that Rural economic development officers and officials tend to fulfill multiple roles. So they're advisers to county commissioners and elected officials, they serve as planners, and they're tasked with structuring incentives to track private capital as well, which is a lot to ask of a small team that often only consists of one to two folks.

So for these reasons and more, as I said, COVID has had a huge impact on communities and in particular rural communities. So we see this playbook as a bit of a timely intervention where we have a window of opportunity to learn from the experience of previous recessions and put underserved people in communities first. And it's our hope that the project piloted with rural communities can act as a bit of a model for others throughout the U.S. to follow.

Just in terms of the nuts and bolts, it's the best practice gate bolted together with a technical assistance package which, as I said, it's a two-year funded project. And we cover, as you can see on the model here, a range of key areas, including monitoring and tracking the Impact projects, understanding and assessing community needs, developing an investment pipeline in [inaudible] in local state and federal incentives, marking communications and investor outreach.

And it's designed so that communities, no matter what their stage of development in this kind of life cycle, they can plug into that process. And a lot of this is borne out of the fact that for many communities, particularly rural communities, sometimes their most investable project is a gas station, and that's because of their proximity to a freeway, when in fact their most pressing or urgent community needs might be receiving affordable or quality workforce housing, childcare facilities, health care infrastructure and access to things like grocery stores.

So the purpose of this resource and the work that we're going to be doing over the next two years is really to engender confidence, knowledge, insights and training with key officials, community officials at a local level, and work towards three key goals, which is supporting and assisting workforce development, seeing increased investment in Impact-oriented projects, new business creation and bolstering existing businesses.

I think the other two points basically are a major focus on supporting the best five local economies. You know, as I mentioned previously, many rural communities basically are dependent on a single industry, and so we're looking at diversification. And then the last point is in the work that we're doing in the state of Utah, and we think that could potentially be a model for the rest of the U.S., is in rural settings, thinking about regional growth and perspective.

So not -- trying not to go in on a single project, but view the assets and the pipeline of communities in a holistic fashion to really try to leverage [inaudible] capital. So sorry for the whirlwind and forgive me if I've gone over time, but these are the types of things that we're thinking about in the context of [inaudible] development and really what's preoccupying our minds.

I think just as a last parting comment, COVID has challenged conventional wisdom about where many investors are choosing to put their capital and they're looking at opportunities in Utah, Colorado and other Midwest states. And you need not look further -- not to name names or anything like that, but I'm a huge fan of the work of four points funding and you can see -- I'd love to talk about that more and I know Stephanie's joining this event and then up to this in the future. But they have been a real game changer for rural communities.

And so I think the means are there. It's just the education and bringing together the key partners which is going to be critical as we seek to [inaudible] from COVID. I won't indulge you anymore. I've just shared a quick graphic which we can cover in maybe some of the discussion. But thank you so much for your time.

Janine Cuneo: Thank you, Grant, and yes. We will be hearing from Four Points Funding on Tuesday so for folks that want to hear a little bit more about a rural, Colorado-based fund, please join us. I'll pass it now off to Ira Weinstein.

Ira Weinstein: Sure. Thanks, Janine. Can you all hear me?

Janine Cuneo: We can hear you.

Ira Weinstein: Okay. Great. So thanks for including me. Thanks to ICF and to HUD for putting this series together. I think the notion of understanding the current environment is more critical than some might think. I feel like even though the program, OZ as legislation, has been around for just about three years, final regs were sort of landed on everybody's desk late December a year ago and we've had a pandemic since then.

So to me, it's rather amazing that we've all seen so much activity in the space. As an accounting and consulting firm, I think we have an interesting vantage point -- and I'll go through some of the observations of that vantage point over the next handful of minutes.

It feels to me like we've had a tremendous uptick in coverage of OZ activity through a lot of different organizations and I think that my comments will reinforce things that Grant just said and things that Emily and Ben said, and a lot of the events I think are reinforcing some common themes, which I think is a good thing.

I think there are always unique aspects to these events and these discussions. But the reinforcing is critical, because I still think there's some misunderstanding of both the technical and the practical application of opportunity zones.

So from our vantage point, we do work supporting investors, fund managers, real estate developers, entrepreneurs and communities, and that's sort of the approach we've taken actually in a book that we published a few weeks ago where we broke the chapters of the book down across those different areas but with the intent to create a bit of a layperson's guide to opportunity zones and emphasize the idea that it's important if you are playing one of those roles.

And granted, many people play more than one role, but if you're playing one of those roles, to be deeply embedded in the nuances of that particular role, but have an appreciation for the importance of taking a holistic approach and understanding every aspect of this and being comfortable with sort of the way in which all of these pieces kind of interact.

And one of the places I certainly want to focus on today is on the community side. We wanted to take the approach of looking at things from the community perspective and I think it aligns very nicely with the toolkit in talking about the whole notion of kind of steps folks want to get comfortable with as a community in preparing yourself for investment, not necessarily being sort of a tactical and reactionary community but being proactive and strategic in creating an opportunity for things to happen within your community that are exactly what you'd like to happen and are consistent with the strengths of the community.

I think Grant sort of alluded to that a few minutes ago and kind of this notion of emphasizing the strengths in a community, the existing infrastructure and being able to build on that. And infrastructure could literally be physical infrastructure as we're seeing in some instances where that's possible, given ownership of assets. Or sometimes infrastructure among asset classes, and I'll get into that in a minute.

I think it's important to sort of think about it from the perspective of four steps, engagement being the first one. And we're starting to see folks get much more focused on engagement and what that means, that notion of being proactive as part of that developing this sort of educational mindset, doing a lot of planning and planning with both local folks and folks external to your particular locale, that notion of identifying tools, Janine and others have alluded to it.

Sometimes it's creating new tools. I think there are a lot of powerful opportunities that we're seeing at the local level for folks to support new opportunities for local incentives that can have additional impact but also sometimes doing things as a legislative or regulatory matter at the local level to reinforce things like the ability to create reporting mechanisms, the ability to reinforce best practices and best efforts around job creation and other connective tissue within a local community and then actually being involved in the facilitation of the transactional activity.

One of the things that I think's interesting, Grant made the comment -- I think it was referenced on the prior panel about the implications of COVID. One of the things that's been interesting to us that -- I know we don't like the way we got here, but maybe a silver lining of COVID-19 is, is strikes us that you see a lot of people that are much more long-term in their thinking because they appreciate the sort of fragility of things.

And in addition to being long-term in their thinking, I think there's a level of social consciousness that's increased I'd say pretty dramatically as people have thought about the world that we're living in and the impact that something like a virus can have on so many people and the economics of a particular locale. I think it's given a different kind of focus.

And I think to some extent to start with, at least on the investor side, we see the social consciousness tend to be a little more generational where, for those with wealth and the ability to invest, they may be more likely at a younger generation to have the inclination. But we see that sort of spreading a little broader outside of that younger generation as well.

I think that that's an important element because I think it speaks to the importance of thinking about things from an impact standpoint, the ability to measure impact, and in measuring impact the ability to think about how things are not just about the current financial state but the current financial state coupled with impact that may create a broader economic opportunity down the road and over the course of a 10-year or longer investment hold, and the extent to which that needs to be baked into people's expectation of return and they get a different feel for it view of what return really is and how to incorporate impact into that process.

The other thing we're seeing that's interesting and I think should be thought about more significantly is the democratization of investment, the ability to bring more people into that investment category. I think people were very focused on this idea that it has to be uber-wealthy. And that's great if it exists but I think it's important to consider more of a democratization and the ability also to have some side-by-side investment where people are coming in and being able to invest in their backyard.

The kinds of backyards we've seen, we've seen it in a lot of secondary tertiary cities and I think that's been powerful for many. We've seen a lot of cities where there's local investment and people stepping up more than they did and other instances where I think opportunities zones to shine the light on communities where people from outside are looking differently at certain places as a long-term opportunity.

I live in Baltimore, Maryland. You'll hear later in the series from Ben Siegel. The economic development agency here was smart enough to hire somebody. That somebody happened to be Ben who is incredibly valuable as a resource, as an asset. But the notion of having somebody that plays a role where they can really be an OZ coordinator, a czar, if you will, in a good way, to really help facilitate things I think is critically important.

The other thing that's important, anchor institutions. We're seeing a lot of activity happening with the support of universities, health systems, large employers both for and nonprofit. And I think this goes to collaboration as well. That's sort of the collaboration within a particular locale. We're also starting to see collaboration outside of locales or across geography where people are starting to think about best practices and a lot of forums like this where you can better understand what's happening in other communities.

It's not a competitive environment because the potential capital gain to be invested is so significant that there's plenty to go around. It's not like some other programs where there may be a more constrained amount of subsidy and therefore people are a little bit close to the vest on things.

I would say quickly the other subsidies, we are seeing quite a bit of greater sophistication on structuring to incorporate other federal programs, tax credits in particular. So we're seeing the low-income housing tax credit to some extent utilized with OZs, the new market tax credit, the investment tax credits, both for renewable energy and for historic rehabilitation. And then I quickly say that, from an asset class standpoint, we are seeing a predominance of real estate and particularly housing, but we're starting to see a lot more renewable energy.

We're seeing some hospitality notwithstanding the challenges the industry's faced with the pandemic and we're starting to see education, technology, manufacturing and health care step up, and we're seeing it both in these sort of standalone circumstances and across some really interesting incubator strategies which I think are very valuable in just about every community and especially if they kind of focus back on the cluster that speaks to the strength of the economic development potential in those communities.

Janine Cuneo: Thank you.

Ira Weinstein: [Inaudible] back to you.

Janine Cuneo: Thanks so much, Ira. That was great, great information. I'm going to pass it onto you, Matt.

Matt Horton: A lot there and I don't mean to rehash about what has already been said, but the understanding opportunity zones from an economic development perspective, I think the institute was pretty early on in getting to that prospect, if you will. And what that means for local and state governments in terms of aggregating [inaudible] projects and combining different practices really for us honed in on what a governance strategy is.

And if you -- if we're looking at the current landscape in understanding some of those challenges and barriers for the local and state governments, even before COVID wrecked the local and state budgetary assumptions and models, the capacity of local and state government officials to, just from a pure staffing levels, was one of last elements to -- or even still struggling to recover from the last economic downturn.

So understanding some of those barriers that are still with us and growing, in terms of what that means of capacity building and just sheer talent deficiencies at local and state levels is good for us moving forward. But a lot of what has been said today I need to cover. I'm not sure if I have control of the slides, but we can go to the next one.

Obviously the opportunity that exists has been well-established and this is just some of the work that Milken has thrown at this process for the past two years or so, just understanding where the opportunity lies and some of the challenges with alignment. Next slide.

And the understanding element here from the economic development imperative, we really drilled in on a few core elements. One that I'd highlight here is that although the -- we spent a lot of time talking about the challenges of opportunity zone and deal flow and the project pipeline. But one of the core disconnects I think that we can call out is the programmatic elements don't necessarily align with the process of governance and state and local levels and that the opportunity zone tax incentive is available for investors but it doesn't really map out from a project level or a governance programming aspect.

There's nothing there for local and state governments to adhere to or apply for like on the granting process which is governance speak. So the economic development disconnects there are aligned up pretty early. Next slide.

And excuse my bad clipart here but understanding that from a local and state town level, staffing, like what are investors looking for? There's still a divide there that we need to implement on the government side. So the capacity, the certainty. How do we create a notion of certainty in the project pipeline? I think that's really well-established in the toolkit that you guys have been developing and throughout some of the comments of this webinar series.

But further, how do you engineer a rate of return that's on the governance side for local and state leaders that's built in on the community benefits is a challenge because of some of those inherent disconnects. Next slide.

I thought from the rural side, grant did a really good job of talking about a disconnect on the aggregator in terms of small projects, rural and what key industries we may be able to engineer support for from a business formation standpoint. But if we get to that highlighting further on that governance element, I think -- next slide -- this acceleration curve, which was developed in part by my friend and colleague Dan Carol at our Center for Financial Markets, really gets into some of the core elements that local and state leaders will have to solve for in order to really make good on the economic development promise from a phased approach.

So whether that's the readiness and the assessment of market impacts and asset and opportunities, whether it's the predevelopment incentives and align some first loss capital with some deal jockeying and speaking to some of that capacity issue that we noted early on in this presentation, and getting up into scale, like, how do we aggregate project deal flow? How do we insulate that deal flow with the notion of certainty? Next slide.

And this is where I'm competing with Grant for best flowchart of the day. But in terms of that public sector role on the capital stack in blue is what we're really calling attention to here. So how do we contain all of the community benefits at the end result of infrastructure or economic development. How do we solve for some of those barriers of time and create a deal flow or a project pipeline that investors know is certain and they'll get returned.

But at the end of the day, the community will benefit from improvements of jobs and housing and other kind of resilient infrastructure improvements they were hoping to see and are already planning for because -- next slide and last slide. I promise.

This kind of short kit approach, shortcut approach may be better, said in order to solve for some of those governance issues no matter where you're at in the economic development process, we think with this curve here, whether you can -- whether you have a project pipeline, whether your regional planning process, the municipal planning organizations or the council of governments, who are already planning for projects or infrastructure improvements, whether we can wrap some deal flow certainty around those or align financial incentives and toolkits to that, this alignment step here or the technical assistance we think ideally this will generate the pipeline of projects that's either guaranteed to be [inaudible] ready or has some certainty attached to it. But there's an expected level of profit and return that allows both core investors and neighborhoods to benefit.

In this sense, the role of leaders for the Milken Institute primarily rests in developing this framework, this governance framework that understands the community and economic development imperatives and commoditizes a local pipeline.

Janine Cuneo: That's great, Matt. Thank you so much. Let me grab a question for you. Grant, maybe I'll go to you first if that's all right, coming back to you. Can you provide any insights on how impact investors see their role in the community capital stacked? And does that role change when you're investing in rural or small cities?

Grant Baskerville: Thank you so much and thanks Matt and Ira. I was totally engrossed there in listening to both of your comments. I think, broadly speaking, I think the impact investors are kind of [inaudible] impact reporting and community projects. Linked to this, I would say that I think the impact-oriented investors can help leverage indifferent sources of capital to the stack.

So when you're thinking about philanthropic dollars, when you're thinking about even the utilization of historic or low-income housing tax credits, there's an abundance of examples out there where impact-oriented investors, some of whom both Emily and Ben have already referenced, have done a great job in kind of aligning that.

One that comes to mind is Large-Scale Development by City Foundry in St. Louis which is a mixture of housing [inaudible] offices, grocery store and entertainment complex. And I think it's an over 100-year-old building. And what they were able to do was fold in $40 million of historic housing -- historic tax credits and also secure a loan from a local anchor institution in the form of St. Louis University.

So in short, I -- alongside other debt and kind of [inaudible] options, I think there are a range of impact investors out there or funds offering out there that are [inaudible] above our market rate returns with that kind of impact mindset and impact measurement mindset front of mind.

Janine Cuneo: Thanks. Ira, how about you? What do you see as any insight you could provide on how impact investors see their role in the community capital stack? Specifically kind of relating to that small city, rural focus.

Ira Weinstein: Yeah. I mean, I -- first of all, I think the OZ, especially with more activity than people might have expected in rural communities, I think it's going to create a more effective framework. I mean, I think maybe this isn't exactly -- you asked about sort of the perspective of the investors.

I think from the marketplace or what the investors can learn from one another is how to sort of synthesize what impact really means. Because I think right now there's such a -- sort of a [inaudible] view of that and lots of people are doing really interesting things but they're doing it in very different ways.

And maybe to some extent, OZs I think will at least give people, again, if they're collaborating across their deals, the ability to sort of think similarly about how to measure impact and how to give impact greater sort of sustainability and then therefore grow the space. And in turn, I think that will create a larger sort of [inaudible] of capital, to Grant's point, that then can be an additional element of the capital stack and sort of buy down the cost, if you will, in a very different way.

I think at some point though it's got to be realized that this can't be all about sort of gravy for an investor exclusively. There has to be a way of sharing that incremental value with the opportunity and all the stakeholders within it.

Janine Cuneo: Any additional insights, Matt?

Matt Horton: I'm not sure. I think -- I mean, that's -- I was just going to say ditto. I think those types of impact focused outcomes can also be built in again on the governance side. It -- I don't think you can leave that all up to the investor. The -- I think the onus of leaning in or putting the shoulder to the wheel on what that pipeline is going to be engineered around or what are the outcomes, I think the communities and local governments, state governments have a role to play in that as well, if they're trying to realize some of those other community benefits or social returns.

Janine Cuneo: Great. Thank you all three of you for this excellent conversation. I think we're slowly getting to understand our current environment or I think as we should say, as our current environment continues to change on us so much, we'll continue to assess and reassess it. So thank you each. I'm going to go ahead and pass it over to my colleague Erich who will be moderating and presenting on the next panel.

Erich Yost: [Inaudible] to Ira, Matt and Grant. Much appreciate your discussion on that step of our roadmap. After developing your shared understanding of these community needs and investment opportunities among your potential opportunity investors and local stakeholders, the next step for community leaders is important to understand, how to align your local assets and resources to achieve a common aligned interest.

This includes learning from both traditional economic development strategies, but also from some emerging and innovative techniques that we're learning about for community wealth building. The alignment of place-based assets and resources is so critical to building both and strengthening your opportunity zone ecosystems and for local economic development.

Most opportunity zones really include underutilized land and property and so innovative solutions for the utilization of this land are being explored and leveraged in opportunity zone ecosystems and investments being made throughout our country.

In economically distressed communities, does an adequate infrastructure also exist that's a result of historic disinvestment. And that can really stand in the way of attracting renewed private and public investment. So to support opportunity zone private and public projects, local leaders should align the capital improvement plans with the improvements that are needed most by the industry sectors and that are expected to drive the demand for space in your opportunity zones.

For many of these communities with opportunity zone designations, there's several potential sources of financial support that exist to facilitate qualified opportunity zone fund projects as well as some parallel efforts and community revitalization and wealth building to bridge the racial wealth gap.

Opportunity zones and community leaders in the public and private sector are leveraging existing and newly aligned federal, state and local resources for economic and job development and community workforce development. Philanthropic and nonprofit community partners are vital to the alignment of place-based assets and resources to ensure the impact of qualified opportunity zone investments benefit the most vulnerable in our communities and provide the social impact that is mutually beneficial for long-term success for local and incumbent residents and business and those moving to these communities.

Our honored speakers in this session will be sharing information about philanthropic and state resources that have been leveraged for building opportunity zone ecosystems aligned to local priorities and local residents' needs.

Before I turn it over to our speakers, I'd like to share some information about our federal resources that we have aligned to opportunity zones, building off the information shared by our keynote speakers.

So as previously stated, the federal government and my federal agency partners strive to offer tools, resources, capacity building and technical assistance so that local communities can partner with your local community needs and priorities for opportunity zones. To date, as shared, over 338 federal grants and programs from 20 federal agencies have been aligned with the opportunity zone initiative.

In many instances, federal grant applications, as we shared, include these preference points or priority consideration for this alignment of your federal grant applications to actions and opportunity zones or with opportunity zone investors interested in investing in your communities.

Each month, on HUD's opportunityzones.gov website, we publish this detailed list with all the federal grants and programs aligned to opportunity zones. But it also includes new editions to the report for newly released federal grants and programs or for federal grants and programs that were previously offered and are now accepting applications.

So local leaders have really seized on this advantage to improve the likelihood of securing federal funding to support your local development and complement qualified opportunity fund investment in your opportunity zones. These federal grants are available to decrease project costs, make urgently needed investment and infrastructure, support community economic development, strengthen education systems, provide public safety improvements and promote economic and workforce development.

To date, 289 federal grants from federal agencies have offered opportunity zone benefits in their applications and since our federal agencies began offering benefits to opportunity zones on grants and programs that have been awarded, and each year we continue to see new grants and programs offer these benefits.

In addition to the federal grants, 13 federal agencies have aligned 49 federal programs to opportunity zones. These include programs such as the USDA Farmer's to Families Food Box program, the Economic Development Administration's Catalyzing Investment in Opportunity Zones Challenge, HUD's incentives for FHA mortgage insurance for multifamily properties in opportunity zones, and for our rental assistance demonstration program, ETA's Local Foods and Local Places technical assistance program. Also, the FDA's 504 and 7a loan program and their Community Advantage loan pilot program.

The FDA also has provided guidance for governors to possibly designate opportunity zone census tracks that are not HUD zones with the HUD zone designation. And at our federal partner at the general services administration, prioritization for federal government buildings and leases is now in the guidance for opportunity zones.

So in both HUD's Opportunity Zone Toolkit Volume 2, and in the White House Opportunity and Revitalization Council's best practices report, we provide a variety of examples from the various federal agencies that have awarded federal grants to communities that have leveraged their opportunity zone benefits in their grant applications.

I'd like to share now with you some of these examples of communities that have leveraged federal grants that have offered opportunity zone benefits. The Appalachian Regional Commission's power grant has provided much needed federal investment in Corning, New York, Somerset, Pennsylvania, and Birmingham, Alabama. These grants have helped to expand high fiber optics, provide construction of a new detox unit of a nonprofit community asset that treats individuals struggling with substance use disorders or building local capacity for opportunity zone investment.

Our federal partners at the U.S. Department of Energy have made grants to increase the enrollment, education attainment and completion of studies focused on energy and STEM education and training in opportunity zones. The U.S. Department of Education recently awarded their teacher and school leader incentive program and teacher quality partnership program grants, and all the grant awards will take place in qualified opportunity zones.

At the U.S. Department of Health and Human Services, grants have been awarded to provide low-interest loans to create and expand restaurants within seven opportunity zones in Oakland, California, and to expand a custom shirt manufacturing business in Huntington, West Virginia. At my agency at HUD, we've awarded our choice neighborhood implementation grants to housing authorities in Los Angeles and Philadelphia for projects in opportunity zones.

The Department of Justice has awarded a grant to improve reentry for adults with cooccurring substance abuse and mental illness to help residents reenter the community which will in turn help to reduce recidivism and promote public safety in opportunity zones. And then at the Department of Labor, they have also awarded funding for reentry programs for 600 individuals between the ages of 18 and 24 in Tampa, Florida.

And the FDA's Growth Accelerator Fund competition provided awards to accelerators and incubators to supported company formation and training. Their 2019 and 2020 competition awarded 15 accelerators that support local entrepreneurs living in or whose business are located and operate in opportunity zones.

And lastly, our federal partners at the U.S. Department of Transportation have awarded much-needed infrastructure improvement grants for ports located in opportunity zones in Miami and in Los Angeles. So my federal partner agency leaders and staff commit to supporting your work in opportunity zones and helping you to align your federal resources.

We look forward to continuing to offer benefits to opportunity zones and future federal grants and programs. I'd now like to turn it over to Greg Johnson from the Rockefeller Foundation to share information about how his organization has supported the opportunity zone ecosystem, followed by Director Lydia Mihalik from the Ohio Development Services Agency to share information about how state resources have been leveraged for opportunity zones in Ohio. Thank you. Now I turn it over to Greg.

Greg Johnson: Good afternoon everyone and thank you Eric and Janine and the team for extending the invitation, Mia for your leadership and for your hospitality. I'm really happy to be here with you all virtually today. By way of introduction, at the Rockefeller Foundation, we are busy fighting for vulnerable families who have been locked out of prosperity here at home and around the world. In the United States, our work is focused on benefitting America's low-waged workers.

Between the cost of housing and food and transportation and childcare and health care and taxes and other expenses, things like a cell phone, their wages are just not enough to make ends meet. I don't have to rehearse this with you, but when it's tough to get by, it's even tougher to get ahead. Income and equality in our country is as bad now as it was before the Great Depression. Tens of millions of our fellow Americans are working hard. They're playing by the rules but the American dream feels more out of reach now than ever before.

And for many of the most marginalized communities, it was never very accessible to begin with. In the face of these realities, we all have a path to choose. The foundation had a path to choose. We could choose to be cynical and angry. We could choose to let -- with each other, which we sometimes see in our politics, or we could choose the more difficult, the more worthwhile path of coming together, of offering everyone a chance to participate in growth and investment and opportunity, and seek to help the most challenged communities in particular have a ladder to opportunity.

When we look at the opportunity zone tax incentive and the opportunity that it affords to investors to put their resources to work in local communities, we believe than that it would unlock billions of dollars for investment in the almost 8,800 designated opportunity zone communities across the country.

Those areas, as you know, often have a poverty rate that's two or three times the national average and an unemployment rate that's three or four times the national average. The majority populations of these communities are often people of color. Champions of the tax incentive assert that it will spur investment in low wealth and financially distressed communities, yet from the outset the design of the incentive has been flawed.

For starters, few guidelines govern the nature of permitted investments and there is no accountability if the investments do not create community jobs or if they don't contribute to the base of affordable housing stock, or if they don't create other benefits for current residents. This lack of accountability to community is especially problematic because capital gains taxes are disproportionately paid by high-wealth, white households since these taxpayers are more likely to own assets that generate the taxable gains.

The connection of these investors to the people and the places that are designated as opportunity zones is generally tendential at best. Indeed, many early and high-profile projects featured luxury apartment buildings or hotels where the opportunity zone subsidy served to accelerate projects that would have otherwise been developed.

In addition, neither the authorizing legislation nor the final rules promulgated by the U.S. Treasury included requirements for reporting and tracking opportunity zone investments. The absence of statutory or regulatory transparency prevents the public from knowing the impact of the foregone tax revenue or the efficacy of the incentives and makes it virtually impossible to assess whether and how the incentive plays a role in and on communities.

And so we saw it as our task at the Rockefeller Foundation to try to make the law work for working families as it was intended, to bring together civil society organizations as best we could. To work with mayors, to work with investors, and to try to have more positive projects than fewer examples of wealthy developers benefitting from projects that would have been done anyway. Because we believe that there are thousands of similarly-situated projects that can create hundreds of thousands of jobs around the country to benefit local communities if we get this right.

So against this backdrop, the Rockefeller Foundation's U.S. Equity and Economic Opportunity program sought to influence stakeholders and maximize the ability of communities to engage and benefit from the opportunity zones designation. In spite of significant structural shortcomings, opportunity zones are a part of the federal tax code and risks to communities from an unmanaged course are significant.

The work of EEO related to opportunity zones has yielded three important and critical outcomes, which is why these investments matter and why other philanthropic partners might consider similar investments. Number one, our investments align stakeholders around principles to promote authentic community engagement, transparency and accountability along with a detailed impact measurement framework.

The Rockefeller Foundation made a grant to the U.S. Impact Investing Alliance that enabled the organization to partner with the Beeck Center at Georgetown University and the New York

Federal Reserve Bank to launch the opportunity zones reporting framework in February 2019. The framework promotes a set of core principles and best practices that encourage transparency, accountability and authentic community engagement in each of the opportunity zone investment processes.

The opportunity zones reporting framework is a voluntary guideline designed to define what best practices for investors and fund managers and cities looking to invest in or facilitate in opportunity zones. The framework was the result of extensive dialogue and engagement with our stakeholders.

The second big picture or big result of our investments in community were that communities where we worked increased their capacity to engage and shake the trajectory of the incentive in materially important ways. The Rockefeller Foundation funded a chief opportunity zone officer. Daphne joined us earlier today. Dr. Klementich joined us from Invest Atlanta where one of our chief opportunity zones officers is located, along with two community engagement liaisons to support and facilitate community engagement and involvement in the proposed opportunity zone projects at businesses in five cities. Those cities were Atlanta, Newark, Oakland, St. Louis, and Washington, D.C.

Each COZO was embedded in a city economic development agency or at the mayor's office. The primary role of the COZO was to advance projects of importance to the community, to connect promising projects to resources, and to serve as the point of entry for residents and other individuals interested in opportunity zones.

Each COZO tailored the role to fit the needs and dynamics of their place. And parallel to our investments in the COZOs and community support teams, the foundation funded Smart Growth America, SGA, to launch the National Opportunity Zones Academy, an initiative in six other cities designed to help communities across the country use the opportunity zones to grow into more equitable, economically prosperous and environmentally sustainable places. Each city developed a customized local plan and the cohort engaged in information sharing, networking and problem solving.

The last thing that I'll mention is that the Rockefeller Foundation investments and efforts helped to mobilize a pipeline of more than $4.5 billion. That included six projects with high value to local communities in three places that received predevelopment dollars to advance. Absent this support, these vital community projects would not have proceeded and philanthropy can definitely chip in to some of the predevelopment costs for projects that are actually poised to produce community impact.

And so we will continue to partner with great cities and great mayors and great community partners and our goal to make sure that the provision of the 2017 tax law, which provides tax incentives to investors, to invest in lower income designated communities, will in fact help lift up the people who live and who work and who go to school and who depend on those communities and not just the investors who often live elsewhere.

As you know, and many of you will attest, the opportunity zones train has already left the station, meaning this tax policy is and will continue to transform American cities for better or for worse. Of course, there are no guarantees. The tax incentive doesn’t have the regulatory safeguards that often come with state, local or federal funds.

If we don't step up together, it's easy to see how opportunity zones can actually make things worse. Investment dollars may go where they're not really needed, community members may get ignored or displaced, or development projects may not make a difference in the lives of vulnerable workers and families.

We know in some cases this is already happening. Some investors are only focused on this tax -- on what this tax incentive can do for them and not what it's supposed to do for distressed communities, but that only reinforces why we're fighting for a different outcome, for a fair economy and for fair tax policies that shrink inequality rather than grow it. We're fighting to make sure opportunity zones lift all boats and not just the yachts. Thank you.

Erich Yost: Thank you so much, Greg. And thank you for sharing the importance of partnering with your philanthropic partners, both in your communities and nationally, to ensure the benefits flow to the community residents and the importance of doing that, and how aligned that the local priorities can be with the philanthropic community.

I definitely want to turn it over now to Director Mihalik to talk about some state incentives in Ohio that are also used to align and leverage the resources to make sure the benefits flow to the most needy in the community.

Lydia Mihalik: Well, thank you very much for having me. Thank you to all of you for really taking an interest in what we're doing here in the state of Ohio. You know, early on, both Governor Mike DeWine and Lieutenant Governor John Husted knew right away that the opportunity zone program at the federal level was really an opportunity for the state to try and be supportive of development in these low-income census tracks, the high-poverty census tracks that had yet to really see recovery, like some of our other parts of the state.

And so it's really a pleasure to be able to talk with you guys today about what we've done in the state of Ohio to kind of partner up and pair with the opportunity zones program and the incentive at the federal level. Let me give you a little quick overview of what we do. So I'm the director of the Development Services Agency for the state of Ohio. Before being a named director, I actually spent a little time in local government and seven years as the mayor of Findlay, Ohio, which is up in northwest Ohio along I-75.

And so it's really a pleasure to be able to talk about something that we were very successful in doing, and that was community an economic development, and be able to talk about it on this stage at the state level. At Development, we invest more than a billion dollars annually in communities, businesses and individuals in order to create a better life for all Ohioans.

On the community side, our efforts really help support the development of vibrant downtowns, vibrant neighborhoods. We help through planning and capacity building, doing brownfield redevelopment infrastructure improvements, utilizing some of those grants, Erich, that you were talking about earlier this afternoon.

On the businesses side, we really help support businesses through workforce initiatives. We are very helpful to our small business development centers across the state. We help our minority business development or minority business assistance centers across the state as well. We help with the development of innovative technologies through the Ohio Third Frontier program and then we have tax credits and we also help to encourage export growth on the business side.

And then in the individual space, we're really working to help streamline the process for all benefits across the state, really offering support to help strengthen Ohioans to provide financial assistance to people. In terms of the opportunity zone program, it really gave states the chance to examine again these census tracks and nominate these low-income areas with potential for long-term investments to be targeted for a tax incentive program.

And we went to the localities to do this because we knew that they knew those areas better than maybe someone in Columbus did. And so Ohio established 320 opportunity zones in 73 of its 88 counties, so we've got one in almost every county in the state. We've got multiple opportunity zones in several counties across the state as well. And again, the zones were selected based on submissions by local government officials and both nonprofits and economic development organizations.

In Ohio, opportunity zones are available in our really big cities, in our small communities, but also our Appalachian counties as well. And so Governor DeWine, after he was elected, proposed and the legislature passed, the Ohio opportunity zone tax credit program. And this program is a -- it's a 10 percent state tax credit that actually mirrors the federal program for opportunity zones and it makes a total of $50 million in tax credits available over the 2020 and 2021 biennium.

So here's how this program works. So a taxpayer invests cash in the Ohio qualified opportunity fund, or in a Ohio qualified opportunity fund, which in turn must invest that money into a qualified opportunity zone property within the state of Ohio. Now, the taxpayer can be an individual, it can be a trust in a state or a pass through entity that elects the file of return on behalf of its investors to receive a tax credit from the program.

And then once that money's invested, then the taxpayer's eligible for a nonrefundable tax credit equal to 10 percent of the amount of its funds invested by that Ohio qualified opportunity fund in the qualified opportunity zone property. The taxpayer can invest in multiple funds across the state and may receive tax credits totaling up to $1 million during any state biennium.

This is a key component of this. Unlike the federal program, a taxpayer is not required to invest capital gains in an Ohio qualified opportunity fund, in order to obtain the state tax credit. And so accordingly, taxpayers can actually apply for the Ohio tax credit without taking advantage of its federal tax incentives.

It's applied to the individual's income tax in the state. The tax credit can be claimed for the taxpayer's qualifying taxable year or the next consecutive taxable year. Again, to be eligible, you have to pay personal income tax in Ohio, you have to make an investment in an Ohio qualified opportunity fund, and -- or an Ohio qualified opportunity fund invest all or a part of the taxpayer's fund contribution in a qualified opportunity zone property in the state of Ohio.

The application process is really simple. You can learn more at development.ohio.gov. I'm proud to say that we've had some really good success with the rollout of this particular program. And we're looking at continuing the program moving forward, always looking at different ways that we can do better. I think we are very happy with the progress to date.

The 2020 round of the opportunity zone tax credit program, we received more than 407 applications and of those, 331 were awarded, totaling more than $26 and a half million in credits, which really represents almost -- over $260 million of investment in Ohio opportunity zones. Now, I will tell you this. We know that there is more than just this particular investment -- or this particular dollars of investment in the state in qualified opportunity zones, but these are the ones that actually had a tax obligation in the state of Ohio and so they took advantage of the tax credit.

Let me give you an idea of kind of what those projects were that received the tax credits. Most of those projects, as I'm sure you can imagine, are taking place in our three Cs, which we say are Cleveland, Columbus and Cincinnati. But the beauty of the opportunity zone tax credit program is that we're also seeing activity in our mid-size cities like Dayton, Toledo, and Akron as well as in our smaller communities, like the city of Marysville and the city of Heath.

There's a market square project in Cleveland, Ohio that's being developed by Harbor Bay real estate advisors. It's $175 million project. It's a 10-story building. They're using mass timber and so it's the first mass timber building that's been developed in the state of Ohio and we're excited about it. It's 297 residential apartments and 40,000 square feet of retail and events.

There's some new senior housing that's being developed in Grove City, Ohio. It's a $28 million project. It's a 150-bed senior living facility. We have the rehabilitation of affordable senior housing up in northwest Ohio in Toledo. There's the development of a supply chain business, so an operating busines in Marysville, Ohio. And then we've got a national company that's bringing a new business segment to a development project in Bedford Heights, Ohio. It's a $43 million project, it's 145,000 square feet of retail -- or sorry -- industrial and warehouse space.

The next round of the program, which everyone is very anxious to apply for, is going to have $23 million that are available in tax credit allocation and we're looking forward to that opening up here at the beginning of the year. Beginning of next year, excuse me, of January 8th of 2021. I would encourage you, if you're looking at ways to really drive and help encourage investment in these opportunity zones, outside of what we get from the great federal program that's been developed, go to development.ohio.gov and see more.

There are a lot of nuances and things that I didn't fully go into much detail with because I figured if you're really, really interested in all of that, you could certainly go and check it out for yourself. Plus, I want to have some time for questions as well. But we have a website. It's opportunityzones.ohio.gov. It's a one-stop shop that really allows communities or different projects to provide information to potential investors.

A lot of states did this, but it also helps provide information on the tax credit program that we have here in the state of Ohio. Look. I think it's a great program. I'm really looking forward to seeing the results. It's very early on. I know that.

We've got some good wins that we're celebrating right now, but really looking forward to the future because I know that this program was ultimately designed to really help lift these neighborhoods and communities up and out so that they could be successful. And we're seeing some great evidence of that in the state of Ohio. So with that, I'll turn it back over to you Erich.

Erich Yost: Thank you so much. And I think these are two excellent examples of how both the philanthropic community and states are leveraging their resources to ensure that the communities that need the investment the most can receive those benefits.

And so for Gregory, the Rockefeller Foundation has really supported the securing of human capital resources and capacity building for local economic development authorities to ensure these benefits flow to the highest need communities and residents and to ensure that the original intent of the legislation occurs for communities.

How would you recommend that other local economic development authorities work with national, regional or local foundations for this alignment of activities and resources for building or strengthening their opportunity zone ecosystems and ensuring, as you mentioned, that the benefits flow to the residents and are reported appropriately?

Greg Johnson: Sure. So two birds with one stone. We co-fund with the Menino Survey of Mayors, conducted by Boston University, with the city each year. When we surveyed mayors across the country of all political spectrums and parties, what we heard from the majority of them, no matter where they fell on the political spectrum, is that one of the things they knew they needed was capacity at the local level to be able to use the tool toward any ends; right?

And so while we could not fund a chief opportunity zone officer in every place across the country, because we just don't have enough money; right? We chose initially six and ultimately five of the places where the foundation had legacy relationships to embed the local capacity, as in someone who daily wakes up and thinks about how to use this tool, how to include community and structuring and sourcing deals, and how to get us from where we are and where we need and want to be on these issues.

So if I might suggest anything to philanthropic partners or to communities about what partnership should look like, partnership should look like resourcing communities with the technical assistance and support that they need to hold -- to use opportunity zones to achieve the ends that are necessary for their benefit at the local level.

And so as much capacity as philanthropic partners can support local communities gathering, that's a good thing. I think that philanthropic partners also have to think about using their program related and mission-driven investment dollars to provide some of the predevelopment capital on the ground again to really jumpstart the capital stack for some of the deals that are better poised to produce the types of social impacts that we would be seeking.

Erich Yost: Thank you so much. I think when seen across the country, the philanthropic community has partnered a lot with cities and their creation with their investment perspectives which engage local community to find the most [inaudible] investments that are involving the community to ensure that community benefits flow to the local incumbent residents. And I think that's really important.

And so Director Mihalik, when you're thinking about reviewing your applications and how the Ohio tax credit program is such this unique state program that offers these additional benefits for those investing in Ohio's opportunity zones, and how the state selected to align this resource to the federal tax incentive designated places, based on your experience with the program to date and your feedback from local stakeholders, what recommendations do you have to other states or local governments that are considering developing a similar program to ensure that the benefits are aligned to the local stakeholders?

Lydia Mihalik: Happy to offer some suggestions and a concept to consider. I can tell you that I think, to exactly what Greg's saying, I think these things are -- these opportunity zones are going to be most successful, the development in them when you really have the private sector, the public sector and the nonprofit sector very much aligned and working together to achieve ultimately what the community wants to see.

You know, our program does not require, like I said, the use of capital gains like the federal program does. And so this really helps widen the available applicant pool to potentially anyone investing in property in a particular opportunity zone, not just investors that have already had property and are reinvesting in other properties.

And what it does is allows a new investor, someone just getting into the process, to really apply for and then claim the credit. And it helps investors that are buying their first building or those that have a building but haven't yet been able to invest in those improvements, like maybe the guy in Alliance, Ohio that was mentioned earlier.

But our program structure really encourages new investors which helps increase the possibility of who and what is ultimately being assisted. I've got to tell you you've got to make that program as simple as possible. Ours includes three main items. You've got -- it has to be located in an opportunity zone, it has to have investment from an investor to the funds, and then from the investment from the fund to the property.

And it's really easy for applicants to follow and to verify. Make your application process super simple. Our application is direct and has a specific set of attachments that we use to help for verification. And then lastly, be ready to provide technical assistance, whether through information on a website or one-on-one conversations. There's going to be applicants that have never applied for a state program before so there's going to be a significant amount of customer service in order to kind of help them through the entire process from beginning to end.

Erich Yost: Thank you so much. And I think leveraging off of what we heard from our keynote speakers, the importance of the opportunity zone federal tax incentive for both the reporting requirements, transparency and then ensuring the community is benefiting from these is so important. And I think it's really important to see how the philanthropic community and state and local governments are stepping up to fill that void of what was not in the -- able to be in the Tax Cut and Jobs Act.

And as we see those examples of what you've been able to do moving forward with chief opportunity zone officers, with similar state tax incentives with unique characteristics, do you have any final thoughts to those that are working in local government or in state governments of how they can continue to ensure that local residents and the community needs are aligned? If you have any final thoughts to share with the group.

Greg Johnson: Sure. Just very briefly, I'll say that from the outset of the passage of the Tax Cut and Jobs Act, the Rockefeller Foundation recognized that strengthening the capacity of people and places to engage with investors on a level playing field would be imperative.

And as the leading philanthropic foundation committed to equity and economic opportunity for working people in places across the country, we began a series of grants to create partnerships that were designed to help empower communities to attract and implement investments intended to provide real economic mobility to the greatest numbers of underserved people.

I think that if we stick to the original intent of the law and really resource the deals that are primed to produce the greatest social impact, that this will be helpful in getting us from where we are to where we need and want to be. Thank you.

Lydia Mihalik: Yeah. And Erich, I'll just mention that the large metropolitan areas, they have the capacity, I would say, to really be able to take advantage of this. And sometimes our smaller, more rural communities can be -- they can be a little intimidated by something like this. I mean, we're talking about capital gains taxes and how that gets deferred and for how long.

And I can -- even myself, trying to still figure out how the rules are supposed to be applied. But just open up and ask. The states are a great resource. Regional economic development groups are a great resource. There are a ton across the country. There are a lot of nonprofit organizations that are doing great work in this space.

I know a lot of my former colleagues, mayors that are currently utilizing nonprofit groups in places across the country. So reach out and ask for help. Sometimes it can be just as simple as, how do you market something within an opportunity zone? And what -- and then look at how you can really -- you can do things in a comprehensive way. So it's more than just housing, it's more than just an operating business, a place to get food, healthy food at a convenience store.

It's even thinking about things when you're bringing jobs to a particular area, having daycare and service providers there that can really help with the people who are working within the opportunity zone. So take a complete look at it but definitely don't be afraid to reach out and ask for help.

Erich Yost: Thank you so much. And I think what we've realized is with the opportunity zone ecosystems is it's opened up new dialogues between partners to ensure that the communities have a voice in this discussion. And we want to continue to do that and that's why we really encourage everyone to partner with philanthropic organizations, nonprofits with your local federal government officials, and ensuring that the local, state, federal resources and our private resources with foundations are aligned for these private investments that are occurring in communities.

So we continue to ensure that we want people to align your resources together, and as you hear in the next stages and steps of our toolkit, you'll hear more and more examples from the federal, state and local level and private sector of aligning for the community needs. And then on our final session, you're going to hear a lot more examples of how these investments have benefitted communities, that we want to ensure that we highlight as we move forward.

So I'll turn it back over to Janine, but I really wanted to thank Director Mihalik and thank you Greg Johnson from the Rockefeller Foundation for your insightful and informative words on how to align with local communities to ensure that these investments flow to those most at need. Thank you very much.

Janine Cuneo: All the speakers who have joined us today, I hope this has sparked ideas, connecting you to potentially new organizations working in the OZ space and actually spurred you to join us on the next two sessions. We'll have leaders from the Urban Institute, Counsel of Economic Advisers and Smart Growth America.

We'll have local leaders from Baltimore and St. Louis and Indiana. We'll have individuals from the investment community that are not just working in large cities but also small and rural areas. So please register for the next two webinars coming up Tuesday, December 8th at HUDexchange.info/oz and then December 15th again at HUDexchange.info/oz.

Just because you registered for today's, it does not automatically register you for the next two. You have to register for each webinar separately. So please go ahead and do that. The materials, including slides and the audio/visual from this session and a list of resources will be posted after we wrap up with all the sessions. We'll send all the participants a link to that.

Additionally, for any of the questions we weren't able to get to today -- I know we were able to grab a few, but not as many as we'd like to. We'll do our best to incorporate either those questions in future webinars and/or try to connect with questioners one on one in the coming weeks.

Again, thank you to all the speakers who have joined us today as well as all of you attendees who have joined. We'll be signing off today but we'll be looking forward to seeing you next Tuesday at 1:00 p.m. to discuss the next three steps in the toolkit. Thank you everyone. Have a great afternoon.

(END)