



Opportunity Zones:

Building Capacity in Economically Distressed Rural Areas of Indiana

**Bo Beaulieu
Julie Rigrish
Melinda Grismer**



Center for Regional Development

Outline of Presentation

- About Opportunity Zones (OZs)
- The Indiana ROZI Program & key steps launching this effort
- What's next?
- Your questions/comments





The Opportunity Zones Program

An effort designed to invest capital in underserved areas of the country, places in need of an influx of money to jump-start their economies.



Source: Jeff Andrews, October 2018

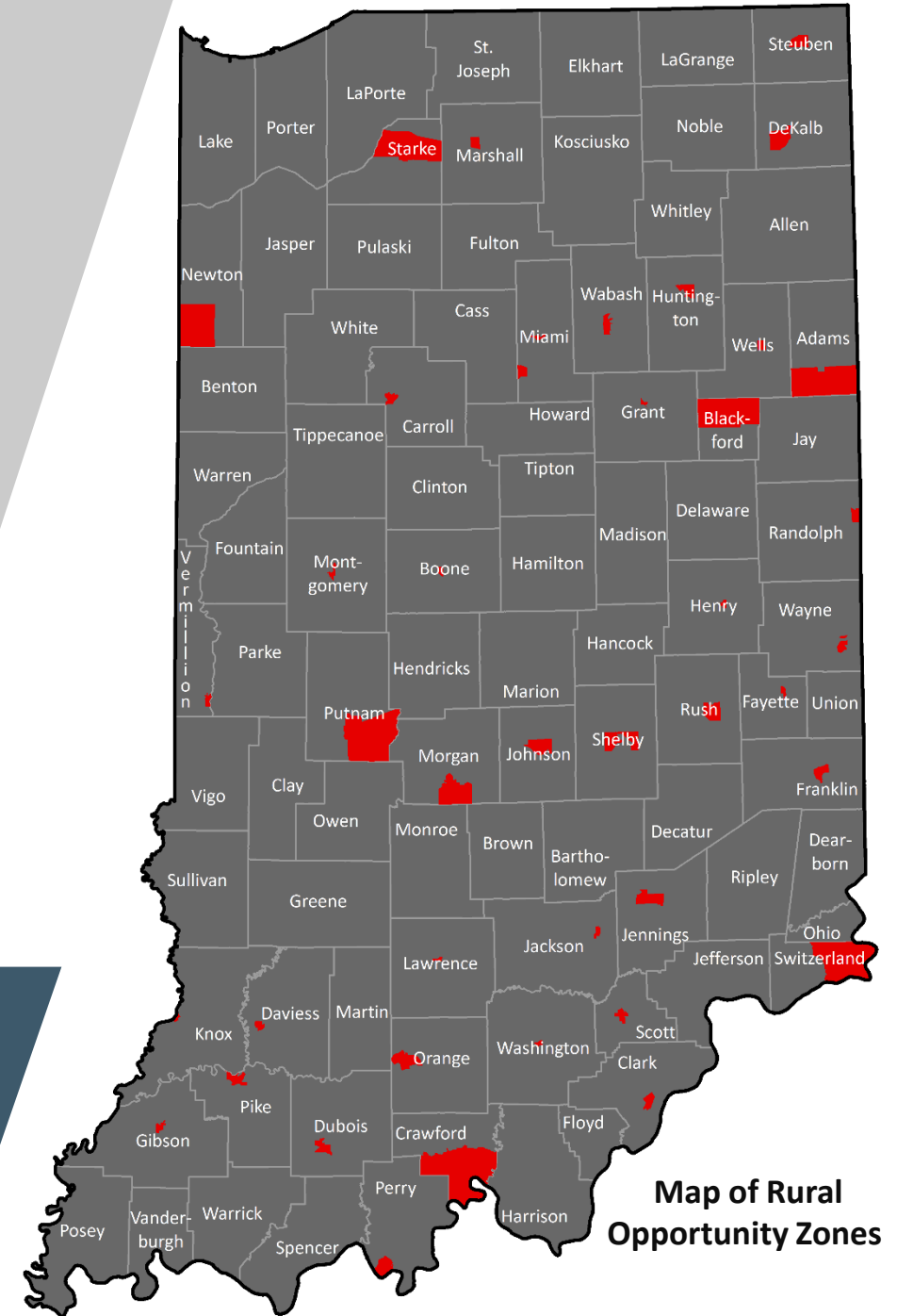
<https://www.curbed.com/2018/10/3/17898370/opportunity-zones-tax-bill-community-development-capital-gains>

Number of Indiana Opportunity Zones

156

Number of Zones Meeting the Rural Definition*

46



Map of Rural Opportunity Zones

Key Funder



Committed to the future of rural communities.

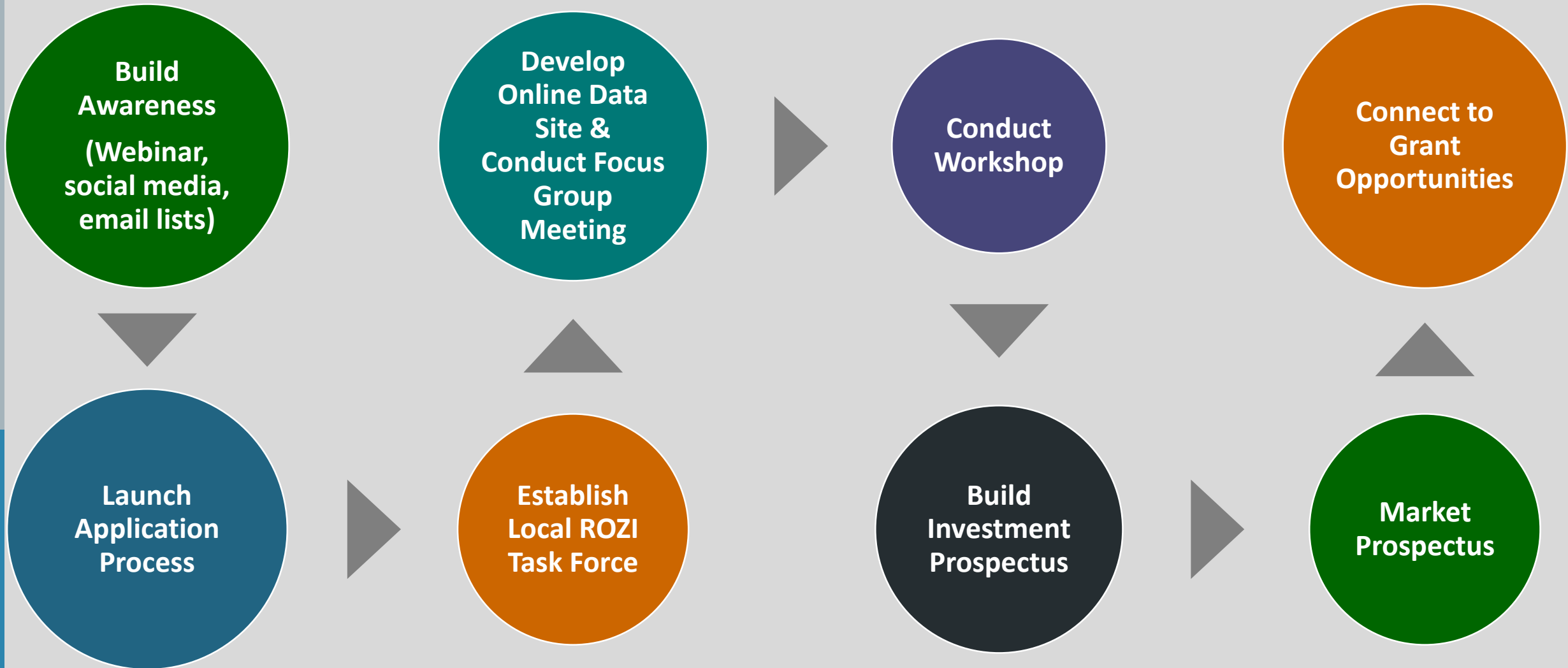
Awarded a Rural Business Development Grant to advance our Opportunity Zone Work in Rural Indiana.

The Indiana Rural Opportunity Zone Initiative (ROZI)

- Launched in Summer 2019
- **PURPOSE:** To focus attention on Opportunity Zones located in rural Indiana.
- Why?
 - Rural areas are often overshadowed by the state's urban areas with respect to private sector investments;
 - Rural areas have lagged behind in terms of rebounding from the Great Recession;
 - The failure to attend to the needs of rural OZs will place them at further risk of being left behind in the years ahead.



Launching the ROZI: Key Steps in the Process

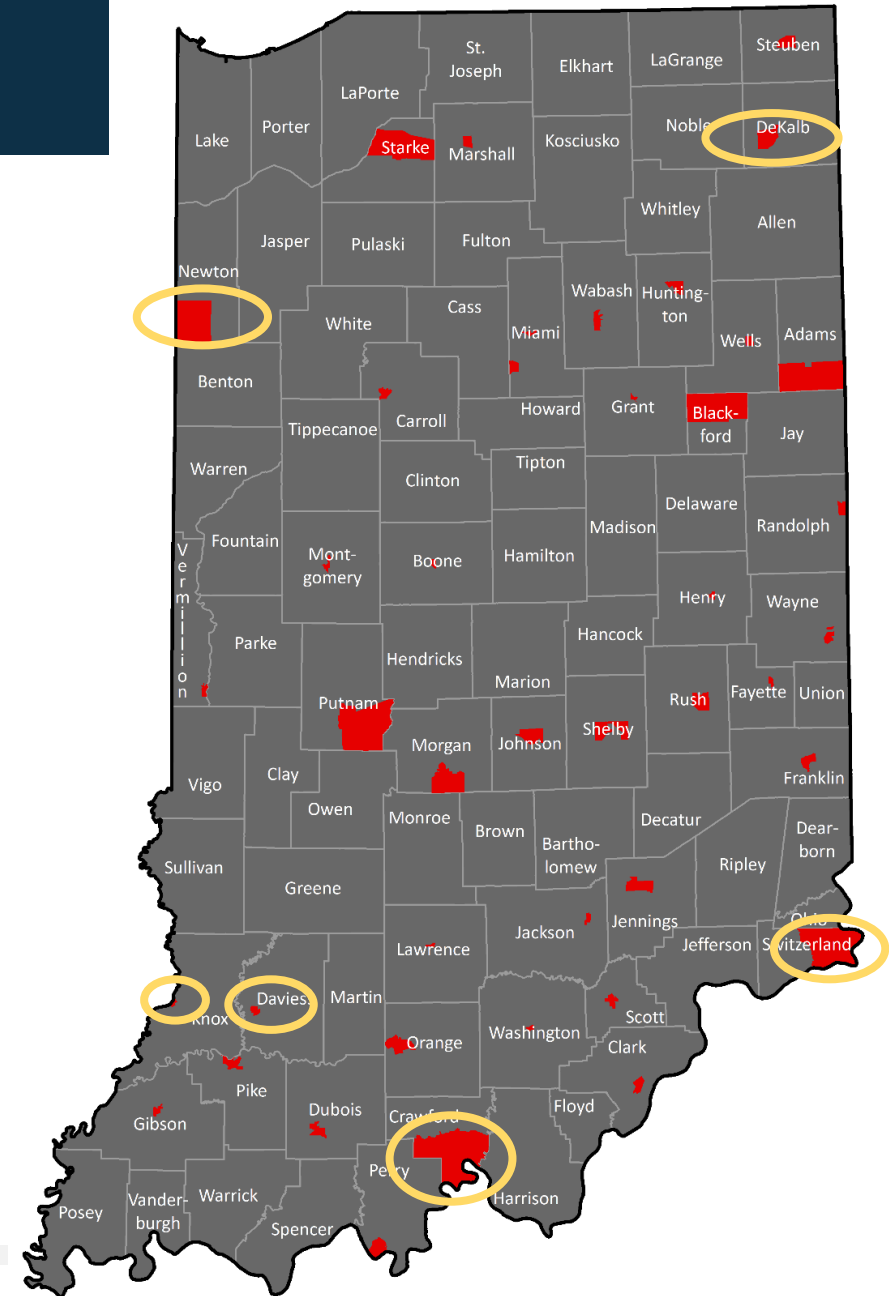
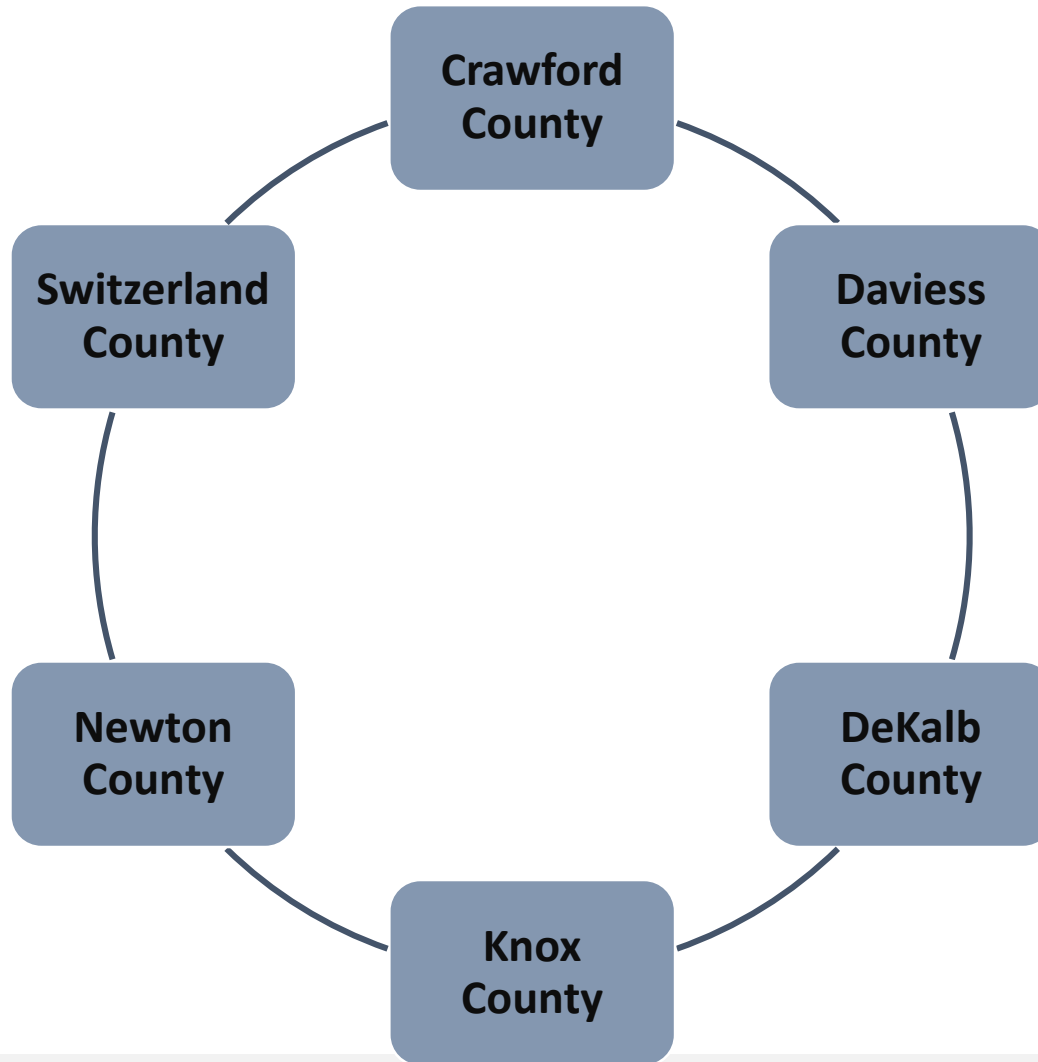


Our First Step . . .

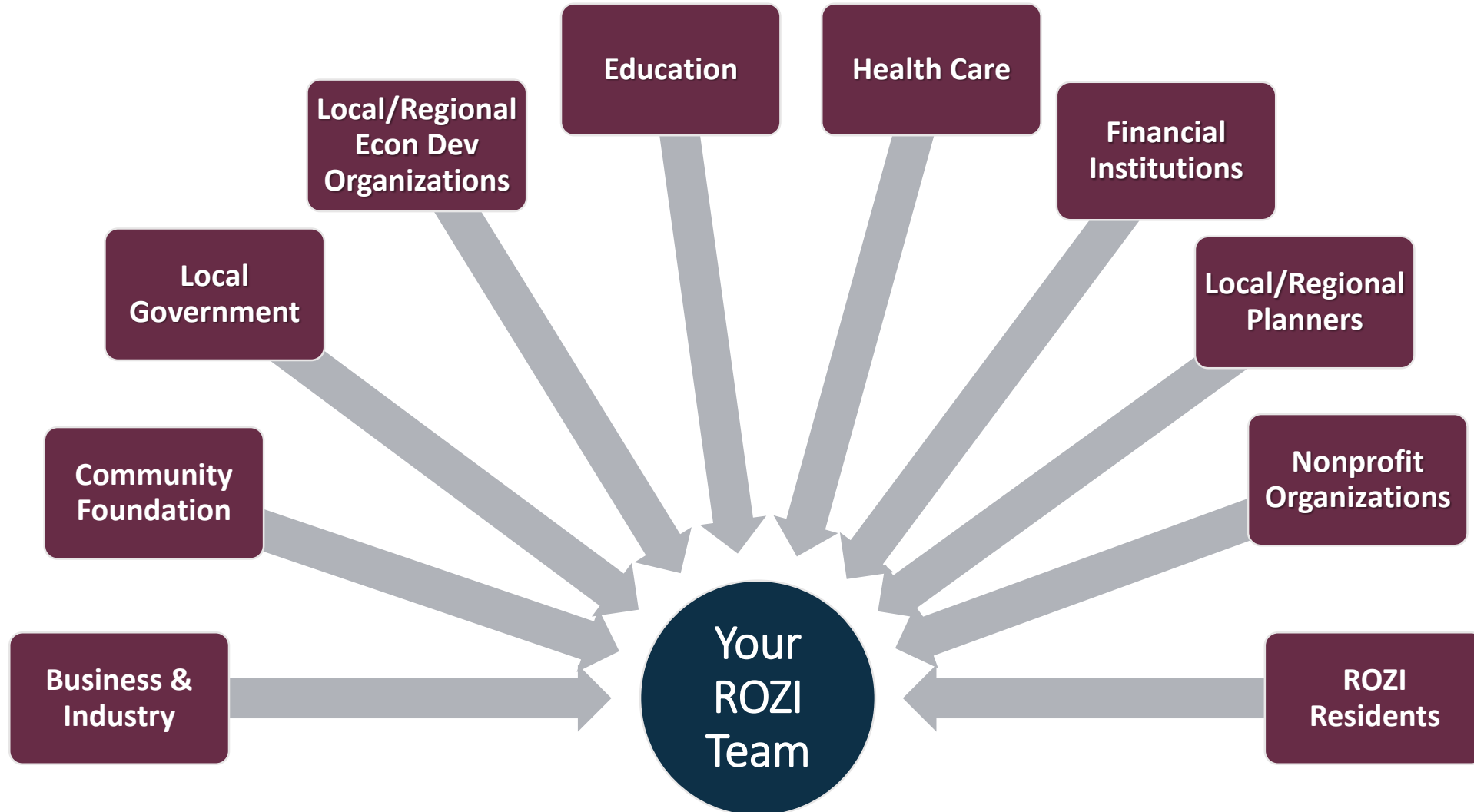
**Launch a Competitive Program
Application Targeted to all Rural OZ
Sites in Partnership with IN OCRA**



OZ Tracts Selected in Six Counties



Getting Local Buy-In: Building Your Opportunity Zone Team





Providing & Gathering Valuable Data

Online County Snapshots

PCRD and the Purdue Extension Community Development Program worked jointly to produce and online Data Snapshot site for all 92 counties. These were tapped by our six ROZI sites.



<https://pcrd.purdue.edu/snapshots/county>



Newton County . . .

*A Vibrant Place with a Host of Social
& Economic Attributes*

Small Town Population

14,011 residents
in 2018

Generational Mix

Residents from the
Silent Generation &
Baby Boomers to
Millennials & Gen Zs

Educated Community

20% with Associate's,
Bachelors or Graduate
Degrees; 21.5% with
Some College

Active Workforce

Labor force
participation rate of
86% in 2017

Small Business Presence

68% of businesses
employ 2-9 people; 53%
of jobs are with Stage 2
firms (10-99 employees)

Housing Tenure

73% of housing is
owner-occupied

Low Cost of Living

7% lower on the COL
index than the
U.S. as a whole

Real Median Income

\$53,060 in 2018

Engaged Community Foundation

Nearly \$225,000
invested in local
organizations &
agencies in 2018-19

A Census Tract-Based Data Portal for the ROZI Site

Opportunity Zone in Newton County, IN

US Census Tract #18111100700

Purdue Center for Regional Development



- Introduction
- Demography
- Economy
- Local Businesses
- Land Use
- Transportation



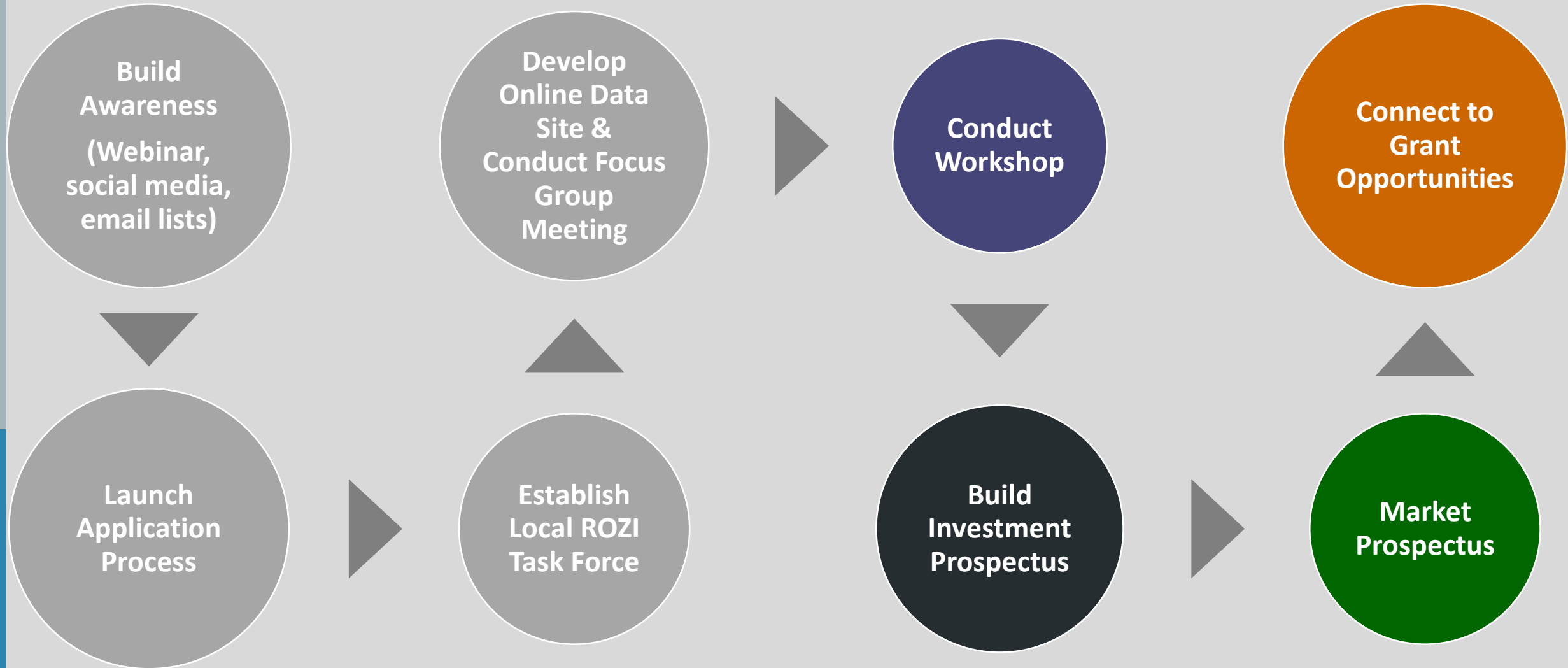
Opportunity Zone in Newton County, IN

US Census Tract #18111100700

Input from Focus Group Participants Regarding Investment Priorities (11 Participants)

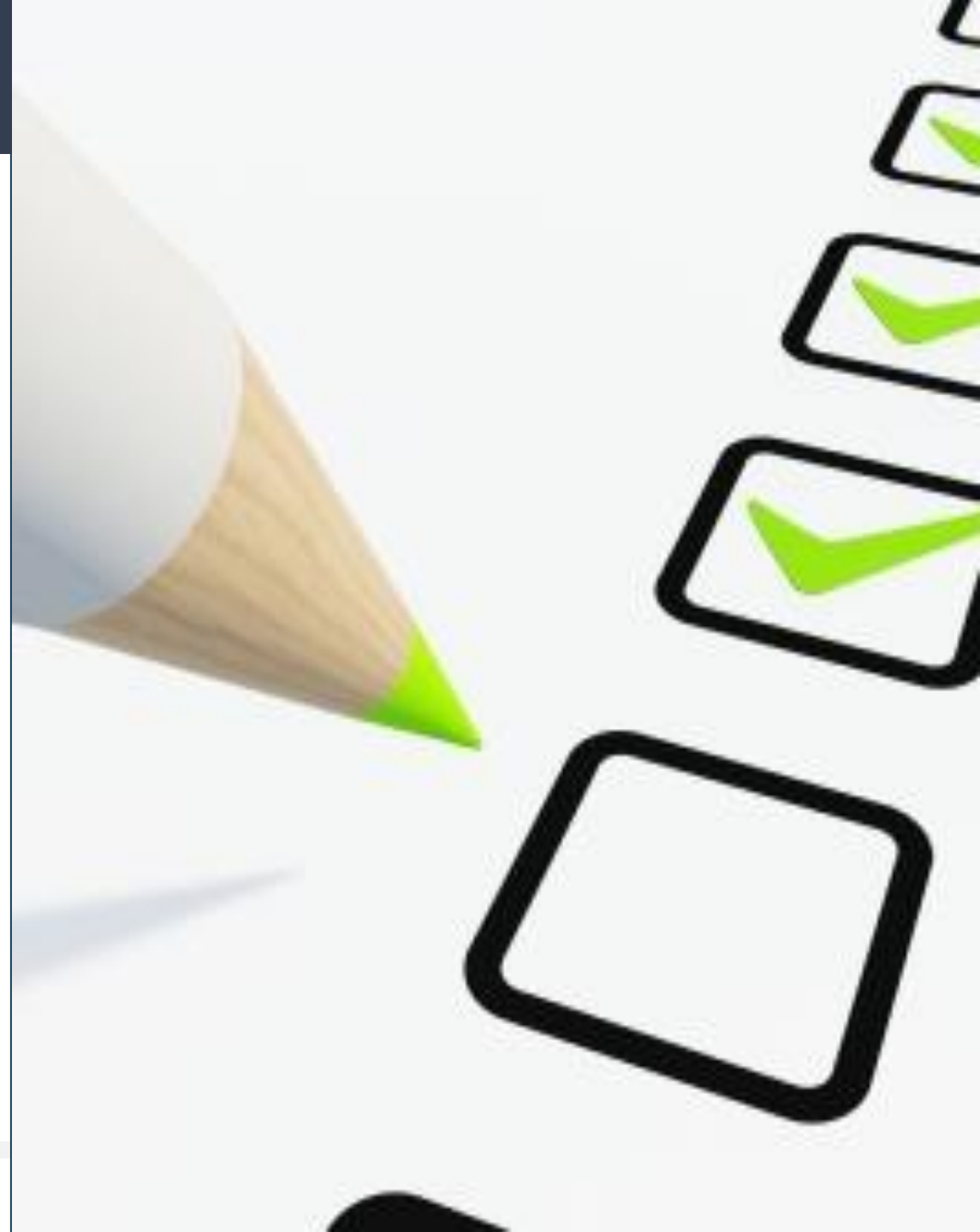
Topic	Description
Commercial	Warehousing and Distribution: Located strategically/centrally, people move out of Chicagoland due to taxes. Need corporations that will bring jobs here.
Business Activities	Technology/Innovation: Bring in a tech industry; give local workers other options besides four-year college degree; can make a good living in the trades.
Housing	<ul style="list-style-type: none"> • Multi-family/mixed-use unit off the highway that is attractive; • Lofts in the downtown (need to be renovated); • Development like Countryside (with houses on outside and condo development in the interior area); • Senior housing should be the priority; • Single-family, new home starts are in demand.
Health Care	Medical facility to service current workforce. Another clinic in town would spread out the demand; our one clinic is extremely busy.
Broadband	Essential for attracting people to come in. Could find workforce for a call center; importance to lay fiber/find out how much dark fiber we have.

Launching the ROZI: Key Steps in the Process



The Agenda

- 1. Welcome to the Workshop & Introduction of Participants/Guests**
- 2. Setting the Stage for the Workshop**
 - Review of the Investment Prospectus Guidelines*
 - Type of Projects Funded by QOFs*
 - Newton County Focus Group Results & Data Products*
 - Deciding on Projects to Pursue*
- 3. Subcommittee Work**
- 4. Reporting Out by Subcommittees then Fine-Tuning of Each Subcommittee's Work**
- 5. Investment Prospectus Assignments**
- 6. Brainstorming of Marketing Strategies**
- 7. Next Steps**



Investment Prospectus: Key Sections

■ Introduction

- *Brief History of the Community*
- *Purpose of the Prospectus*
- *Introduction from Key Official*

■ About our Community

- *A Statistical Snapshot*
- *Key Assets*
- *Introduction to the Opportunity Zone Site*

■ Our Targeted Opportunity Zone Priorities and Projects

- *Priority 1*
 - List of Project (s) Developed from the Completed Worksheet
- *Priority 2*
 - List of Project(s) Developed from the Completed Worksheet

■ Community Buy-In: The Resident Engagement Process

- *ROZI Team Members*
- *Local Input Activities*

■ Why Investing in our Opportunity Zone Makes Sense

- *History of collaboration*
- *Brief listing of success stories*

■ Benefits to Investors

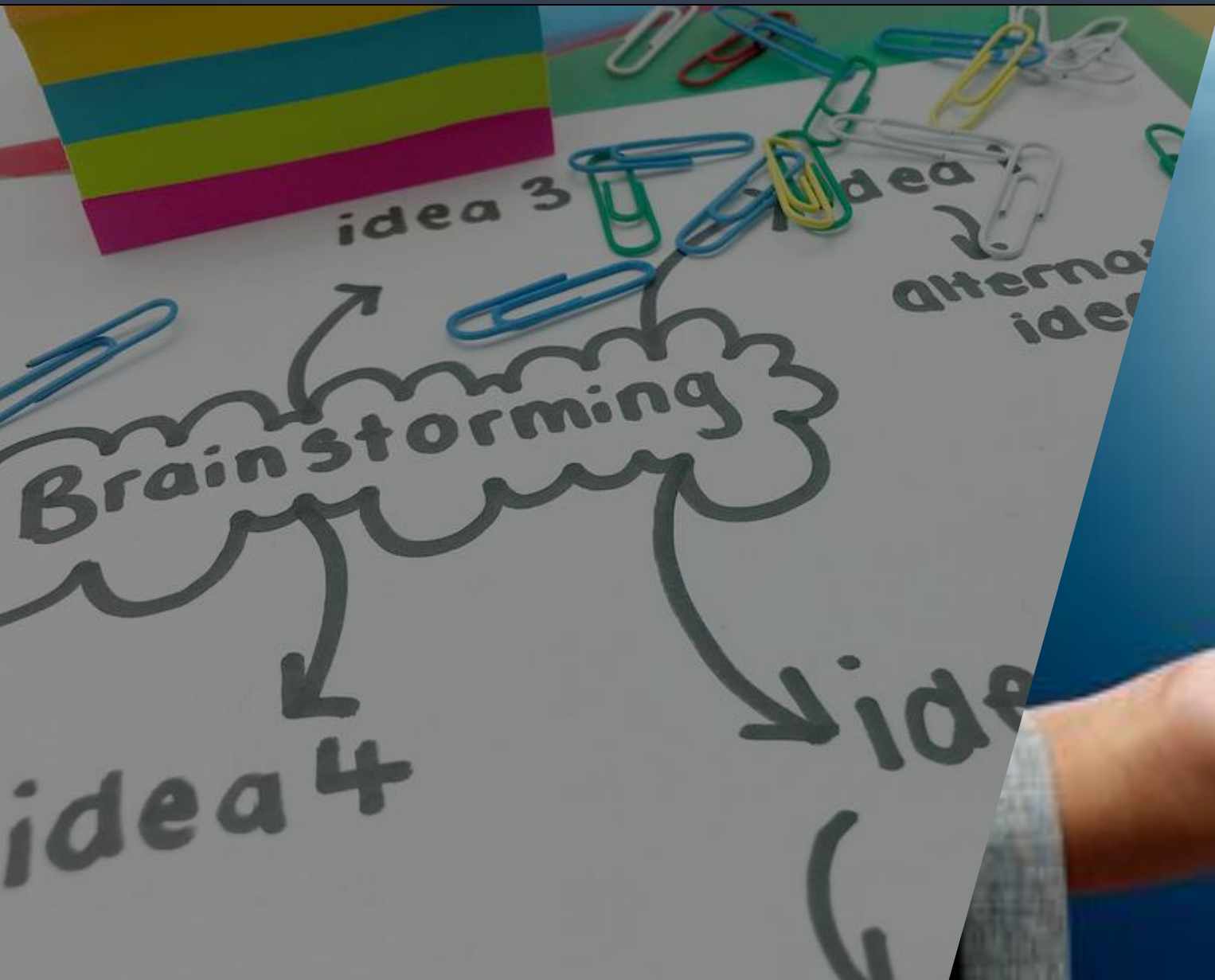
- *Federal Tax Advantages*
- *State Investment Programs*
- *Local Investment Activities*

■ Contact Person(s)

■ Additional Information

- *Other pertinent data*
- *In-depth information on projects, strategies and key partners*

MARKETING STRATEGIES



Key Websites

The screenshot shows the Economic Innovation Group (EIG) Opportunity Zones Activity Map website. The header includes the EIG logo and navigation links for ABOUT, NEWS, EVENTS, RESEARCH, and OPPORTUNITY ZONES. Below this is a secondary navigation bar with OZ Opportunity Zones, ABOUT OZS, ACTIVITY MAP, COALITION, FACTS & FIGURES, FAQs, and RESOURCES. The main content area is titled "EIG Opportunity Zones Activity Map" and features a navigation menu with links for Introduction, All Activities Map, Investments Map, Funds Map, Initiatives Map, How to Use the Map, Deal Profiles, and More Info. The main text reads: "Your gateway to the most innovative local developments". Below this, it states: "This portal features four maps that highlight the core components of the emerging marketplace:" followed by a list of four maps: 1.) Map of All Activities, 2.) Map of Investments, 3.) Map of Funds, and 4.) Map of Initiatives.

<https://eig.org/opportunityzones>

The screenshot shows the Opportunity Investment Consortium of Indiana website. The header features the consortium's logo and the text "OPPORTUNITY INVESTMENT CONSORTIUM INDIANA". To the right, the tagline reads: "Encouraging investment in Indiana communities". Below the header is a navigation bar with links for ABOUT, POST AN OPPORTUNITY, INVESTORS, PROFESSIONAL SERVICES, TRAINING AND RESOURCE PARTNERS, and BLOG. The main content area contains two paragraphs of text. The first paragraph states: "Opportunity Zones were designated throughout the country in 2018 in response to bi-partisan legislation at the federal level. The goal of the Opportunity Zone initiative is to encourage long-term private capital investment in low-income urban and rural communities. The program offers long-term federal tax deferral on capital gains for investments in designated Opportunity Zones, with additional tax exclusion from new capital gains achieved from those investments." The second paragraph states: "The goal of the Opportunity Investment Consortium of Indiana is to help more intentionally encourage the transformation of Opportunity Zone neighborhoods into vibrant places for residents and businesses. The consortium is comprised of a public/private collection of investors and community partners poised to support and invest in Opportunity Zones through the facilitation of this online pairing tool."

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

What's
Next?



Virtual Workshops
with ROZI Sites

Connect priority
projects to grant
opportunities

Submit new USDA
RD RBDG proposal
to expand to 6
additional sites



CHANGE
AHEAD

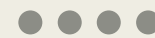
NOW . . . Your turn !!





Bo Beaulieu, Julie Rigrish and
Melinda Grismer
Purdue Center for Regional Development
765.494.7273

Matt Crouch & Abby Chapman
Office of Community and Rural Affairs
317.750.7670



Contact Information

How many Opportunity Zones exist in the U.S.?

- A. About 2,500
- B. Nearly 4,200
- C. Approximately 8,700
- D. Close to 9,500
- E. Have no idea!





**Opportunity Zones
selected by State**

**Governors had to have a
poverty rate of over 20%?**

TRUE or FALSE?