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Opportunity Zones: The Map Comes Into Focus

Key takeaways:

- **The first phase of Opportunity Zones implementation is now complete:** The U.S. Treasury Secretary has now certified the census tracts nominated by the governor of every U.S. state and territory and the mayor of Washington, D.C. For the next ten years, private investors will be eligible for certain tax benefits in return for investing in these low-income communities.
- **Governors tailored their selections to the needs and potential of their communities.** They relied heavily on public and local government engagement, rigorous analytics, peer-learning, and interagency collaboration to determine their zones.
- **Governors prioritized higher-need places.** Zones have an average poverty rate of nearly 31 percent, well above the 20 percent eligibility threshold, and an average median family income of only 59 percent of its area median, compared to the 80 percent eligibility threshold.
- **Selected tracts have high need as well as proven growth potential.** The country's Opportunity Zones already contain 24 million jobs and 1.6 million places of business. Many can harness some positive momentum as well: Three-quarters of zones are located in zip codes that experienced at least some level of post-recession employment growth from 2011 to 2015.
- **Less than 4 percent of zones have recently experienced high levels of socioeconomic change, a proxy for gentrification and displacement risk.** The average Opportunity Zone's housing stock has a median age of 50 years, more than ten years older than the U.S. median—a sign that many of these neighborhoods urgently need reinvestment.

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