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These Opportunity Zone Investors Want to Support Local Businesses.

Through the Tax Cuts and Jobs Act passed in 2017, the federal government has created nearly 9,000 “Opportunity Zones” in the U.S. to stimulate investment in low-income communities. Thanks to the tax incentive attached to this program, around \$20 billion in capital has already been raised in investment funds for development in the designated areas. However, money alone won’t be enough, according to Rachel Reilly, director of impact strategy at the Economic Innovation Group. Reilly sees the potential to unlock significant benefits through the Opportunity Zone program, but she says achieving that means overcoming obstacles.

“Across the nation, what I’m seeing are investors trying to find places to put capital and communities struggling with capacity issues and figuring out how to connect to investors and elevate the types of deals and the types of businesses that are going to be long-term beneficial for those communities,” Reilly says.

Neighborhoods that are Opportunity Zones have been short on investment for years so capital markets lack experience working in these communities. That means, Reilly says, working with local partners is critical to making sound investment decisions.

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by ZOE SULLIVAN

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