

Bond Case Briefs

Municipal Finance Law Since 1971

What to Think About Next With Opportunity Zones? Community Input For One Thing.

“If you simply try to impose something on a community, you do so at your own peril,” says one mayor. This and other themes emerged this week at a summit focused on the program.

STANFORD, Calif. — Mayor Sly James, of Kansas City, Missouri, says the Opportunity Zones in his city are getting ample attention from investors and developers, but emphasizes that it’s going to take more than that to make the program a success.

“There’s a high level of interest,” he told Route Fifty here Monday during a summit of about 400 state and local leaders, investors and others gathered to discuss the economic development program. “There’s people that want to make the investments.”

But some, James says, are eying ventures that may not mesh with the city’s overall vision for developing the zones—census tracts that are eligible for investment under the program.

“We’re saying, ‘No, no, no, no, no.’ We’re not going to have these little scattershot one-off projects,” he said. “We want transformative things. So everybody cool your jets. Let’s focus this.”

Monday’s summit shed more light on how governments, the investor community, and nonprofit organizations are approaching Opportunity Zones, a program designed to stimulate investment in low-income areas by offering taxpayers a federal tax break on their capital gains.

Attendees stressed that community engagement will be crucial in any places where investment does take place. There was also discussion about the need for working across agencies and levels of government as the public sector interacts with potential investors in the zones.

And there was talk about the key role philanthropic organizations and foundations may have to play as the program continues to unfold.

“This is one of those moments when we have to go on offense,” said Mary Ellen Wiederwohl, CEO of Louisville Forward, an economic development agency in Louisville, Kentucky.

Wiederwohl says there’s a need for cooperation among agencies involved in economic development, land use and permitting, with the aim of providing “concierge service” when inquiries comes in from prospective Opportunity Zone investors and developers.

“You don’t have to go: ‘Well, call the planning department and get back to me on what they say,’” she said. “You’re going to lose that deal.”

Ben Seigel is Baltimore’s point person for Opportunity Zones. In his remarks he bemoaned that he was appearing at the event days after The New York Times Magazine published an article headlined: “The Tragedy of Baltimore,” billed as a look at “the crackup” of the city.

But he said in his work he's trying to serve as sort of a "Match.com" for investors and projects in the city that might be a good fit for them.

He noted that Baltimore has launched a "neighborhood impact investment fund" backed by lease revenues from city-owned parking facilities and that the fund will operate alongside the so-called "opportunity funds" that will make investments in zones.

Route Fifty

By Bill Lucia,
Senior Reporter

MARCH 19, 2019

Copyright © 2024 Bond Case Briefs | bondcasebriefs.com