

# Opportunity Zones

How HBCUs Can Win



# Disclaimer

This presentation is for basic informational purposes only. Viewers should perform their own due diligence before conducting any business or making financial decisions in or related to the Opportunity Zones.

The logo for Clear Compliance Group LLC is centered within a white circle on a blue background. It features the text "CLEARCOMPLIANCE GROUP" in a bold, sans-serif font, with "LLC" in a smaller font size directly below it. The text is flanked by two curved lines that sweep upwards and outwards, resembling a stylized 'C' or a pair of wings.

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# What are Opportunity Zones?



# What are Opportunity Zones?

- As part of the Tax Cuts and Jobs Act implemented on December 22, 2017
- An economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment

# What are Opportunity Zones?

- U.S. Department of Treasury authorized the Opportunity Zones
- Treasury designated the IRS authority in implementing the regulations
- City and County officials provide input to the Governor for consideration

# What are Opportunity Zones?

- Governors submit list of potential zones to the U.S. Treasury
- Treasury Secretary reviews and approves the zones as part of the Opportunity Zones
- 8,764 Opportunity Zones approved

# What are Opportunity Zones?

- Opportunity Zones are active for 10 years
- Opportunity Zones became effective on December 31, 2018
- Opportunity Zone designations will end on December 31, 2028





# Where are the Opportunity Zones?



# Where are the Zones?

- All 50 States
- District of Columbia
- All five territories
  - Guam
  - Northern Marianas Island
  - Puerto Rico
  - U.S. Virgin Islands
  - American Samoa
- More than 2,000 counties and independent cities

# Where are the Zones?

Alabama

Arkansas

Delaware

Florida

Georgia

Kentucky

Louisiana

Maryland

Mississippi

Missouri

North Carolina

Ohio

Oklahoma

Pennsylvania

South Carolina

Tennessee

Texas

Virginia

Virgin Islands

West

# Where are the Zones?

- 3,893 total Opportunity Zones among the 21 states with HBCUs



What is the goal of  
Opportunity Zones?

# Goals

- To improve targeted areas through investment opportunities
- To drive further investments into the targeted areas
- To create economic development and job creation that will improve the lives of low-income residents



What can be done in  
Opportunity Zones?

What can be  
done in the  
Zones?

- Defer eligible gains for federal tax purposes
- Renovate real estate properties
- Land development
- Invest in businesses
- Operate businesses

What cannot be done in  
Opportunity Zones?





# What cannot be done in the Zones?

- Any store of which the principal business is related to alcohol for consumption off premises
- Any store or business related to marijuana
- Private or commercial golf courses
- Country clubs

# What cannot be done in the Zones?

- Massage parlor
- Hot tub facility
- Racetrack or other facilities used for gambling
- Suntan facility



# Potential opportunities for HBCUs in Opportunity Zones?

# Opportunities

- Student employment
- Internships
- Student housing
- Business incubators
- Hotels
- Food services

# Opportunities

- Grocery stores
- Retail centers
- Fitness/health centers
- Financial centers
- Residential Housing
- Green/Environmental tech

# Opportunities

- Technology centers
  - Drone
  - Coding
  - Autonomous vehicles
  - 5G zones
- Infrastructure
  - Smart pedestrian walkways
  - Smart transportation





# Benefits for HBCUs

# Benefits

- Business opportunities for students and HBCU
- Job opportunities for students and community
- Potential revenue streams for HBCUs
- Potential partnership with OZ fund managers and associates
- Redevelopment opportunities for the area and HBCU



# Benefits

- Marketing/PR potential
- Developing a hub for students to stay and help grow area
- Potential draw for other sources of opportunities and revenue
- Provide reporting standards not currently in place for Opportunity Zones



# Tools to research Opportunity Zones

# Tools

- Background
- [U.S. Department of Treasury  
Community Development  
Financial Institutions \(CDFI\)  
Fund](#)

# Tools

- Regulations
  - [26 USC Subtitle A, Chapter 1, Subchapter Z: Opportunity Zones](#)
  - [Internal Revenue Code 1400Z-2 Revised Rules 2018-29](#)
  - [Internal Revenue Bulletin Notice 2018-48](#)

# Tools

- Opportunity Zones Map
  - [Opportunity Zones Map Tool](#)
- Other regulations
  - Check states, territories, county, and city legislation for any special rules

# Tools

- Listing of Opportunity Zones Fund
- [Funding groups](#)
- There is a Fund targeting HBCUs
  - Renaissance HBCU Opportunity Zone Fund

# Tools

- Forms used to verify approved Opportunity Zones Fund
- [Form](#) and [instructions](#) to be certified as a Qualified Opportunity Fund

# Tools

- Possible tracking/reporting guidance recommended for Opportunity Zone Funds
- Opportunity Zone Funds self-report for eligibility purposes
- No established reporting requirements related to measuring impact or progress



# Tools

- [Potential plans to include reporting requirements](#) through Senate Bill S. 1344 – 116<sup>th</sup> Congress
- HBCUs could use as a guideline to measure Opportunity Zone Funds


Where to find additional information on  
Opportunity Zones?



# Additional Information

- Media Publications
  - Online
  - Print
- IRS website
- Department of Treasury website
- Online searches





# Closing message

# Closing message

- Be knowledgeable about Opportunity Zones
- Many HBCUs are located within or near Opportunity Zones
- Potential opportunities for HBCUs, students, and communities

# Closing message

- Potential benefits for HBCUs
- Tools are available to research Opportunity Zones
- Plenty of additional information about Opportunity Zones

Good luck and  
well wishes!



# Contact Us

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