



## Gov. Bevin: Kentucky Opportunity Zone Initiative Holds Promise of Economic Growth for Local Communities

Federally designated zones offer incentives for long-term economic development investments

**FRANKFORT, Ky. (April 9, 2018)** – Gov. Bevin announced today the U.S. Department of the Treasury certified 144 Opportunity Zones in 84 Kentucky counties under a program in the Tax Cuts and Jobs Act of 2017 that aims to encourage long-term investments in low-income urban and rural communities nationwide.

The designation offers significant federal tax breaks and deferrals to entities and individuals investing in Opportunity Funds, which support development projects within one or more zones. The Kentucky Cabinet for Economic Development will oversee the state's program through the Kentucky Opportunity Zone Initiative and today launched KYOZ.org to provide information on this widespread and promising opening for economic development.

“The Opportunity Zones approved today by the U.S. Department of the Treasury provide one more reason for companies and businesses to consider locating in Kentucky,” said Gov. Bevin. “Kentucky will maximize this golden chance to attract economic development projects to communities most in need across the commonwealth, and the Kentucky Opportunity Zone Initiative will strengthen and rebuild both rural and urban areas. Whether along the Mississippi River in West Kentucky, throughout West Louisville’s neighborhoods, or in the heart of Appalachia, these zones will spur investment, growth and community development.”

The cabinet issued a statewide call to cities and counties on Feb. 12 to submit U.S. Census tracts they proposed for Opportunity Zone designation. Using those proposals and independent economic data, the Governor’s office on March 21 nominated 144 tracts – the maximum allowed – for certification by the U.S.

Treasury. Today, Kentucky was among the first 18 states to have its zones certified by the U.S. Treasury and the Internal Revenue Service. Ultimately, every Kentucky county that submitted a proposal received at least one Opportunity Zone.

The Kentucky Opportunity Zone Initiative presents a unique opportunity for regions that have not experienced the same economic development success as others to surge forward. It aims to encourage and attract significant institutional, corporate and individual investment in Kentucky's Opportunity Zones, and the cabinet will work with local partners to ensure the commonwealth takes full advantage of the federal policy.

KYOZ.org contains maps, current corporate investment projects, data, opportunity funds info and more. The site, which will be updated regularly with news, details, research tools and other useful amenities, will demonstrate the advantages of Kentucky's Opportunity Zones to potential investors.

U.S. Sen. Majority Leader Mitch McConnell said the program will aid in transforming the quality of life and economies in communities statewide.

"Today's Opportunity Zones announcement is another reason why tax reform is good for Kentucky families and our state's economy," Sen. McConnell said. "Opportunity Zones will breathe new life into struggling communities left behind by Obama-era policies. From coal country to farming communities and everywhere in between, overregulation was holding our economy and our workers short of their full potential. We are getting the government's foot off the brake and letting the economy flourish. These zones will make Kentucky's communities attractive places to do business, open new facilities and create good-paying jobs. I know there is a lot of excitement throughout our state."

U.S. Sen. Rand Paul said he expects the approaches employed in the program will bring positive outcomes.

"As a leading voice and long-time advocate for lowering the tax rate in low-income communities to spur economic development, I am pleased that Kentucky will be benefiting from the newly created Opportunity Zones," Sen. Paul said. "I look forward to the positive results of this initiative to incentivize more business investments to locate in these areas and provide more jobs and opportunities."

U.S. Rep. Brett Guthrie, who represents the state's second congressional district, welcomed the certifications.

"I applaud the administration's continued recognition of the importance of Opportunity Zones and look forward to seeing the ongoing economic benefits being delivered to Second District residents and businesses," Rep. Guthrie said.

Cabinet Executive Officer Vivek Sarin said Kentucky will compete at the highest levels to win investment and development projects for its zones.

“We see unparalleled prospects that can develop from this initiative, so we’re working to ensure Kentucky’s Opportunity Zones stand out as the most competitive and attractive in the nation,” Sarin said. “Bookmark this site because it will become a continually updated hub for zone-specific projects, fund information and related development tools.”

Cabinet Secretary Terry Gill said the agency will partner with communities to help them fully realize their zones’ full potential.

“Through the Kentucky Opportunity Zone Initiative, we want to bring all our cabinet’s resources and knowledge to the table and partner with communities to take full advantage of these designations,” Sec. Gill said. “Success in this initiative will improve the long-term economic wellbeing of individuals and communities within these zones across the commonwealth.”

Ky. Senate President Robert Stivers, of Manchester, heralded the initiative as potentially transformative for communities.

“With the designation of these new Opportunity Zones, communities most in need across our commonwealth will have a means to attract investments that create jobs, build infrastructure and increase both tax local revenue and overall economic prosperity,” Pres. Stivers said. “The Kentucky Opportunity Zone Initiative holds the promise of creating a significant and widespread positive impact for Kentuckians. I look forward to the development of these Opportunity Zones and the long-term prosperity they will bring to our state.”

Ky. House Speaker Pro Tempore David Osborne, of Prospect, said the federal certifications and Kentucky’s initiative will help bring projects that make meaningful improvements across the state.

“Through these federal designations, the Kentucky Opportunity Zone Initiative can attract capital investments for a broad range of development projects,” Speaker Osborne said. “What this means is lower-income and distressed communities in Opportunity Zones across Kentucky stand to see new jobs created and their economies significantly improved through a variety of potential commercial, industrial, housing, infrastructure and other investment projects.”

Interactive maps, a full list of Kentucky Opportunity Zones, quotes from lawmakers and more resources are available at [www.KYOZ.org](http://www.KYOZ.org).

*Information on Kentucky’s economic development efforts and programs is available at [www.ThinkKentucky.com](http://www.ThinkKentucky.com). Fans of the Cabinet for Economic Development can also join the discussion on Facebook*

at [www.Facebook.com/ThinkKentucky](http://www.Facebook.com/ThinkKentucky) or follow on Twitter at [www.Twitter.com/ThinkKentucky](http://www.Twitter.com/ThinkKentucky). Watch the Cabinet's "This is My Kentucky" video on [YouTube](#).

*The Kentucky Cabinet for Economic Development is the primary state agency responsible for encouraging new jobs and investment in the state. New capital investment announced in Kentucky in 2017 totaled a state record \$9.2 billion, spurring more than 17,200 projected new jobs. Information on available industrial properties, workforce development assistance, incentive programs, community profiles, small business development and other economic development resources is available at [www.ThinkKentucky.com](http://www.ThinkKentucky.com).*