



03.09.18

LED Opens Public Comment Period On Opportunity Zones

New federal program will encourage private investment in lower-income communities

BATON ROUGE, La. — Today, Louisiana Economic Development opened the public comment period for the designation of federal Opportunity Zones in Louisiana. Part of the Tax Cuts and Jobs Act of 2017, the Opportunity Zones program will establish lower-income communities across the nation as tax-advantaged areas for new long-term private investment.

LED is supporting Gov. John Bel Edwards, who ultimately will nominate Opportunity Zones in Louisiana to the U.S. Department of the Treasury. With public input, Gov. Edwards will nominate up to 25 percent of Louisiana's low-income census tracts for inclusion in the Opportunity Zones program.

Beginning today, the public may visit OpportunityLouisiana.com/Opportunity-Zones to identify census tracts they would like to nominate using the online form provided. A link to the interactive map of all qualifying low-income census tracts is available on this site. Anyone who already has submitted nominations to LED does not need to repeat the process online.

The public comment period will run from March 9 through March 16, with the State of Louisiana submitting census tract nominations to the Treasury Department by April 20. Opportunity Zones seek to bolster federal, state and local partnerships in bringing more income and prosperity to the nation's lower-income communities. The primary goal of the program is putting private capital to work for lasting economic development in distressed communities.

With that goal in mind, Congress has advised governors to consider lower-income areas where existing state, local and private economic development initiatives are underway to attract new investment and to foster startup activity. These zones can include previously designated Empowerment Zones, Renewal Communities or New Markets Tax Credits project areas.

Other prime targets for Opportunity Zones are census tracts that have experienced recent significant job layoffs, due to business closures or relocations. States are encouraged to establish Opportunity Zones on the edge of university campuses so that spin-offs of university research and technology transfer may be mobilized. Other Opportunity Zones may be designated to ensure the success of transit-oriented development projects in low-income urban neighborhoods, or to redevelop brownfield sites in rural, urban or suburban areas.

The federal government will attract private investment to the designated Opportunity Zones by providing federal tax incentives on capital gains invested in those zones. For more federal information on the Opportunity Zone program, visit CDFIfund.gov/Opportunity-Zones.