

OPPORTUNITY ZONE STRATEGIC PLANNING



WHY PLAN?

- Coordinates and facilitates municipality's efforts to **attract businesses, development, and investment**
- Allows for municipality to **align investment activity with local priorities**
 - Developing housing and employment opportunities for residents
- Helps **connect local community, small and MWBE businesses** with flows of outside capital
- Helps **target appropriate development** in the appropriate areas
- **Leverages stakeholder partnerships** to get the most local benefit out of the program

SETTING PRIORITIES

■ **Prioritizing OZ neighborhoods**

- Increased code enforcement and law enforcement presence in targeted areas

■ **Development and redevelopment priorities for Opportunity Zones**

- Vacant sites, abandoned buildings targeted for redevelopment

SETTING PRIORITIES

■ Identifying key priority projects

- “Shovel ready” but without a developer or sufficient capital to get off the ground
 - Projects that are ready for investment
 - Opportunity Zone investments generally must occur before the end of 2019
- Projects where there’s willingness to support with local tax incentives if necessary
- Projects that work well with Opportunity Zones (taxable capital gains involved)
- Work with county, local agencies, anchor institutions, and community development partners to identify these projects

■ Examining Areas in Need of Redevelopment – removing old and obsolete ones

- Focusing on priority areas
- Creating new ones

BUILDING ON NEIGHBORHOOD STRENGTHS

■ Strategic focus on investments by neighborhood character

- Small businesses and mixed-use developments in commercial corridors, downtowns
- Affordable housing in residential neighborhoods
- Transportation, warehousing, and logistics in industrial area - areas close to highways, railyards airports, and other transportation links
- Neighborhoods with existing state and local development incentives



■ Avoiding projects with negative neighborhood impacts in residential areas

- Waste management facilities
- Landfills
- Chemical manufacturing and processing



DEVELOPMENT IMPACTS

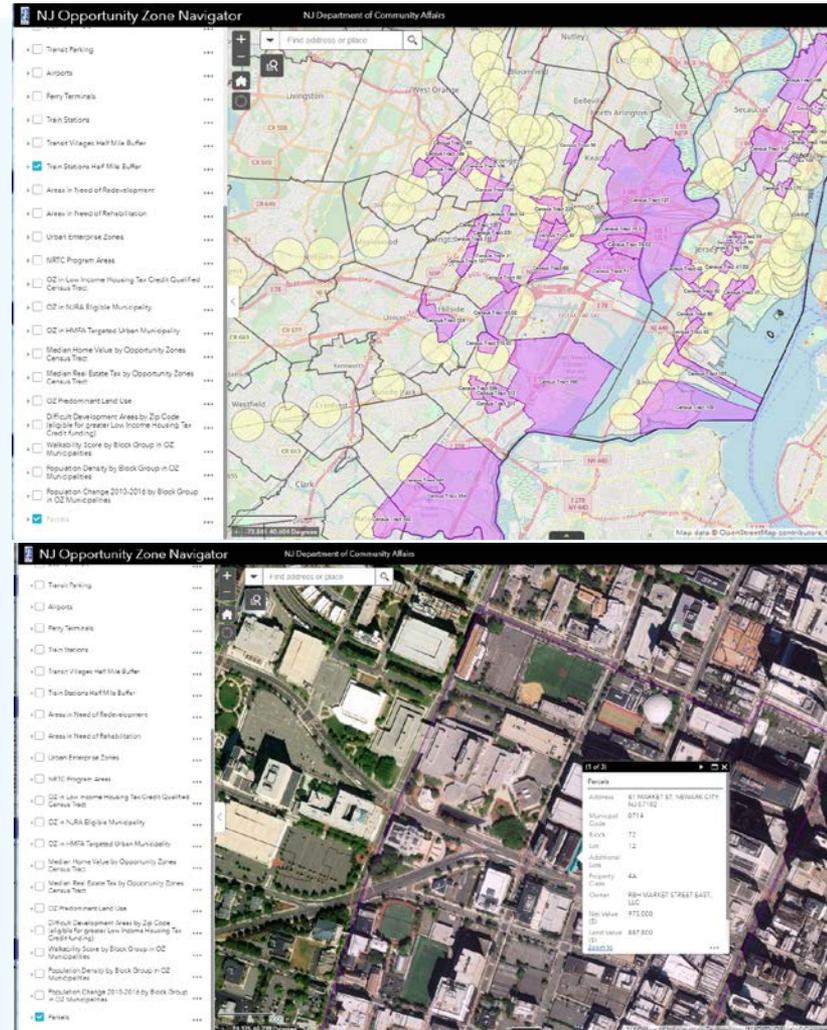
- **Develop strategies to deal with development impacts**
 - **Infrastructure improvements** from new development (i.e. roads, highways, streetscapes)
 - Funding through impact fees and charges
 - **Impact on schools** (new students from residential development)
 - School improvements and expansion
 - **Impact fees**
 - Developers contribute to the additional cost of municipal services and infrastructure from development
 - **Preservation and expansion of affordable housing**
 - Inclusionary zoning – mitigate effects of gentrification
 - Contributions to an Affordable Housing Trust Fund
 - **Parking**
 - **Transit access**
 - Working with NJ Transit to improve and expand access

PROMOTING YOUR COMMUNITY

- Develop a **marketing strategy** to sell your Opportunity Zones to businesses, investors, and developers
 - **Investment prospectuses** that highlight community assets and economic strengths
- Promote projects with **excellent potential for attracting investment**
 - Emphasize potential return on investment for investors, how Opportunity Zone projects could yield a better return than others
- Link marketing efforts to **community development goals and strategies**

PROMOTING YOUR COMMUNITY

- Use the DCA community asset map to help **promote your community**
 - Identify and highlight **community assets**
 - Schools, colleges, hospitals, parks, transit access, walkability, etc.
 - Identify special **state development incentive areas** that are attractive to investors
 - Urban Enterprise Zones
 - Neighborhood Revitalization Tax Credit
 - Gather information on **vacant parcels, property values, and ownership** to pitch specific properties to investors
 - Highlight **local redevelopment areas**



PLANNING AND COORDINATING

■ **Interdepartmental planning and coordination**

- Interdepartmental meetings to discuss and coordinate OZ priorities and strategy. Include all local departments and agencies that are involved in authorizing business and development activity
 - For example, community development, economic development, planning and zoning, codes and construction departments

■ **Designating Opportunity Zone coordinators**

- Liaison to engage with businesses and developers
- Engage with local community members, community organizations and non-profits
- Provide local resources for Opportunity Zone development
- Answer questions about development opportunities and the approval process

BUILDING PARTNERSHIPS

■ **Build partnerships with local institutions**

- Anchor institutions (i.e. colleges, universities, hospitals)
- Community and non-profit organizations (i.e. neighborhood associations, community development corporations, community development financial institutions, local foundations)

■ **Build partnerships with neighboring municipalities**

- Develop regional investment prospectuses that communicate the region's economic strengths and advantages
 - Joint marketing efforts
- Advance large OZ projects that cross municipal boundaries
- Information and best practices sharing
- Coordinate engagement of investor and businesses communities

REGIONAL COOPERATION

- **Cooperating with other local governments**
 - For example, county government, surrounding municipalities
 - Develop regional investment prospectuses that communicate the region's economic strengths and advantages
 - Advance large OZ projects that cross municipal boundaries
 - Information and best practices sharing
 - Coordinate engagement of investor and business communities

CREATING A PLAN

- **Develop a local opportunity zones plan**
 - Roadmap for achieving positive outcomes in your Opportunity Zones
 - Documents all planned activities with timelines
 - Identifies local priorities for development in zones
 - Outlines a detailed local strategy for attracting investment and community engagement
 - Establishes framework for evaluation and review

STATE ASSISTANCE

- The State of New Jersey stands ready to support your efforts to promote equitable and inclusive development within your Opportunity Zones
- Feel free to reach out to the State if you need assistance:

njopportunityzones@dca.nj.gov