Thank you for joining today’s Opportunity Zones webinar. Before we get started, please review these few housekeeping tips to ensure everyone has the best experience possible.

- Please place your phone/computer microphone on mute.
- This webinar is being recorded. The live recording will be posted to the Advocacy page of the NDC website once it becomes available.
- Using the chat box:
  - Please send subject matter questions to the National Development Council.
  - For webinar technical issues please send a message to the WebEx Producer.
**Panelists**

**Ira Weinstein**- CohnReznick *Managing Principal*

**Kenan Fikri**- EIG *Director of Research*

**Kevin E. Rogers**- PNC Bank *SVP, CD Lending & Investing Manager Community Development Banking*

**James D. Howard**- DV Financial Services *Principal*

**Matt Wexler**- NDC *Director*
Ira Weinstein
Managing Principal - Baltimore
Current State of the Opportunity Zone Marketplace

What a difference a year makes!

- Where we have been and where we are going?
- How do Opportunity Zones fit into the community development ecosystem?
- Purposefully regulation lite – and the need for further guidance.
- How the guidance unfolded?
- Reporting requirements.
- Did we get what we expected?
Current State of the Opportunity Zone Marketplace, continued

What did this “phase” of proposed regulations cover?

- Form and character
- Timing issues
- 90% test
- Use of leverage
- Disposition of a QOF interest
- Substantial Improvement (revenue ruling)
- Substantially All
- Working capital safe harbor
- Gross Income
- Special allocations
Current State of the Opportunity Zone Marketplace, continued

What is still forthcoming?

- Interim gains
- Debt financed distributions
- Active conduct / trade or business
- Substantially All
- Gross income
- Other issues
- Timing
Current State of the Opportunity Zone Marketplace, continued

Observations from the marketplace.

- Market participants
- State conformance
- Combinations with other programs / sources of money
- The public – private partnership / collaboration
- Community concerns
- Asset classes
- Pricing
Let’s reflect again on how this is different.

✅ It is **flexible** and designed to unlock scarce **equity capital** for the full range of communities and needs.

✅ It is **scalable**: There is no appropriated cap on how much capital can move.

✅ It is **simple** and avoids the micromanagement of business models that limited the uptake of past programs.

✅ It is **market-based** and there are no applications to complete for individual projects. Investors can move at the speed of business.

✅ There are no up-front subsidies or tax credits; instead it operates by boosting **expected returns** long in the future.

✅ The fund model allows for **broad participation**.

✅ It can provide an **anchor** for local economic development strategies.
As you’re thinking about your strategy, remember to tend to all sides of the market.

Investors  

<table>
<thead>
<tr>
<th>Individuals &amp; Corporations</th>
<th>Capital Gains</th>
</tr>
</thead>
</table>

Funds  

<table>
<thead>
<tr>
<th>Opportunity Funds</th>
</tr>
</thead>
</table>

Investments  

<table>
<thead>
<tr>
<th>Stock of a qualified opportunity zone corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest in a qualified opportunity zone partnership</td>
</tr>
<tr>
<td>Tangible property used in qualified opportunity zones</td>
</tr>
</tbody>
</table>
Market-based means everything will take care of itself, right? **Wrong.**

There are many entry points for local economic development leaders:

- Rallying investors to **commit capital**
- Nurturing **fund formation**
- Activating the business, philanthropic, and other communities
- Raising awareness among **entrepreneurs and growth companies**
- Raising awareness among **developers and real estate holders**
- Not just building a pipeline, but **charting a vision**
- Forging the **connective tissue** between capital and community
- Delivering the **workforce**
- Protecting **long-time residents and managing growth**
- Anchoring **Opportunity Zones** in something bigger
Kevin E. Rogers
SVP, CD Lending & Investing Manager
Community Development Banking
For informational purposes only. As in all legislation, this the Opportunity Zone/Fund is subject to change. This is neither an offer to sell or buy securities. No tax, legal or accounting advice is hereby rendered. You should consult with your own tax, legal and accounting professionals before investing. Securities offered through DV Financial Services, LLC, member FINRA, SIPC and the MSRB.
DV Financial Services

- Broker dealer based in Phoenix, Arizona
**DVFS Role in Opportunity Zones & Funds**

- Early advocate of the Investing in Opportunity Act
- Member of national working group researching incentive implementation & industry standards
- Extensive relationships with public and private community development professionals
- Frequent speaker/sponsor of Opportunity Zones & Funds conferences and events
- Raising Opportunity Funds on behalf of blue-chip sponsors
Matt Wexler
East Team Director
Municipalities

Now that we have Opportunity Zones, what next?

Should we be creating an OZ Fund? Tempting but...

- Most municipalities don’t manage equity funds
- Legal and technical details
- Limited resources – human and capital
- Why choose?
Build from the Demand Side

Staying with Strengths

- Identify infrastructure to be updated
- Plan for the long term
- Public spaces as part of place making
- Promote social goals to balance market forces
- Convene the stakeholders and build partnerships
The Pitch

How should we promote our projects and businesses?

• More than data – make it a narrative
• Clear entry point
• Showcase the collaboration
• Leverage existing investments
Examples of Prospectus

Erie, PA and Louisville, KY

- Communicate competitive advantages
- Trigger local partnerships
- Identify sound projects that are ready for public, private and civic capital.