

Opportunity Zones

Cathy O'Connor,
President & CEO

the
alliance

for Economic Development
of Oklahoma City

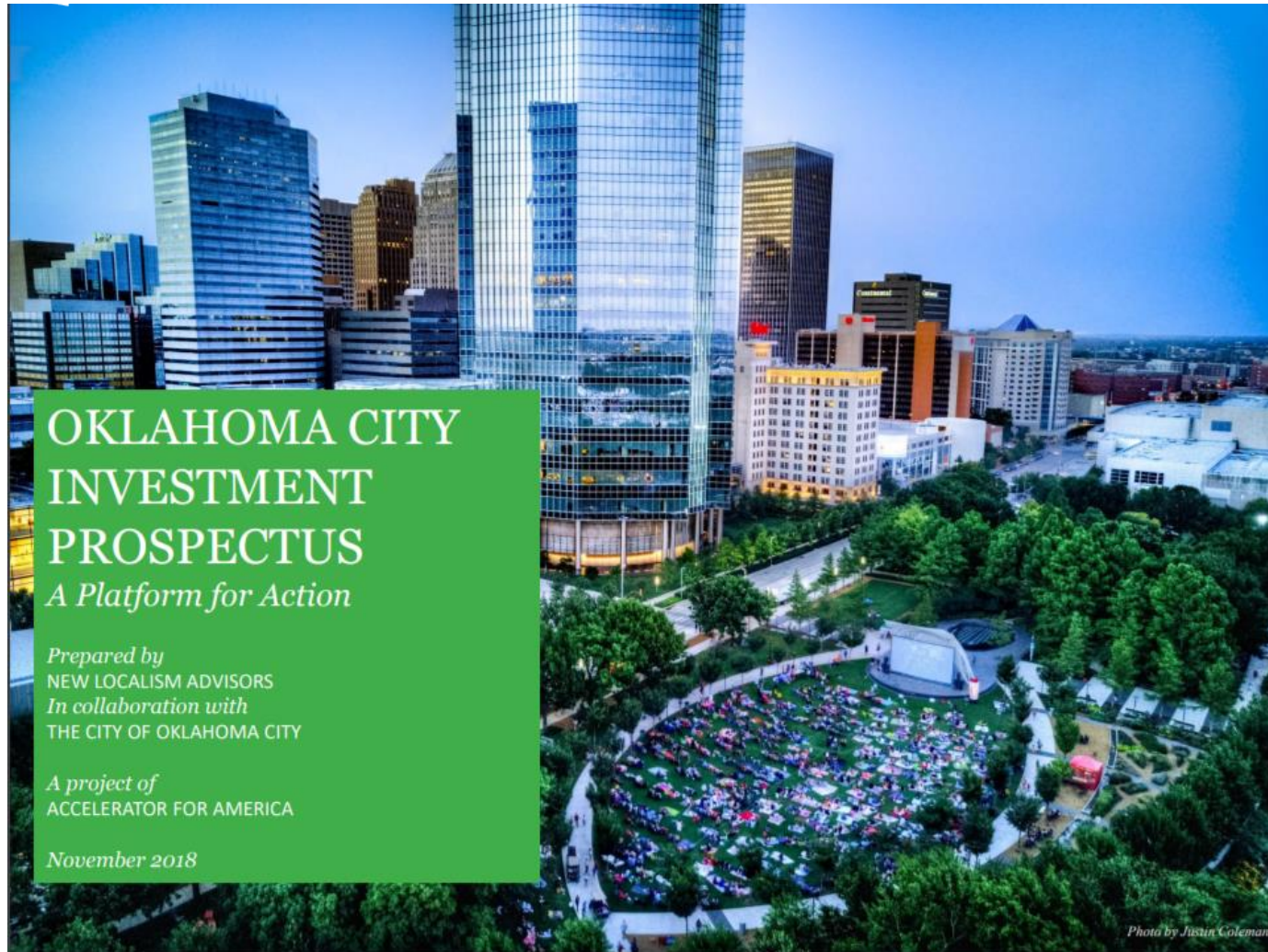
Opportunity Zones

- New incentive to attract investments in communities: the Investment in Opportunity Act.
- Investments would spur job growth and increase community wealth.
- Intended to spur long-term investments in disinvested census tracts in the U.S.
- Allows investors to place unrealized capital gains (a profit from an investment that hasn't yet been sold) into authorized O Funds that invest capital into OZs.

Alliance Role

- Lead effort to determine appropriate census tracts to include the opportunity zones and prepare city's recommendation to the Governor
- Work with City (Mayor's Office) and Accelerator for America to develop Investment Prospectus for OKC. Attend meeting in Philadelphia to review prospectus
- Working group meetings to develop framework for projects, complete OKC Investment Prospectus and discuss creation of local opportunity & zones
- Apply for Inasmuch Foundation grant to support website development and staff resources
- Connect community needs to investment goals

Investment Prospectus



**OKLAHOMA CITY
INVESTMENT
PROSPECTUS**
A Platform for Action

Prepared by
NEW LOCALISM ADVISORS
In collaboration with
THE CITY OF OKLAHOMA CITY

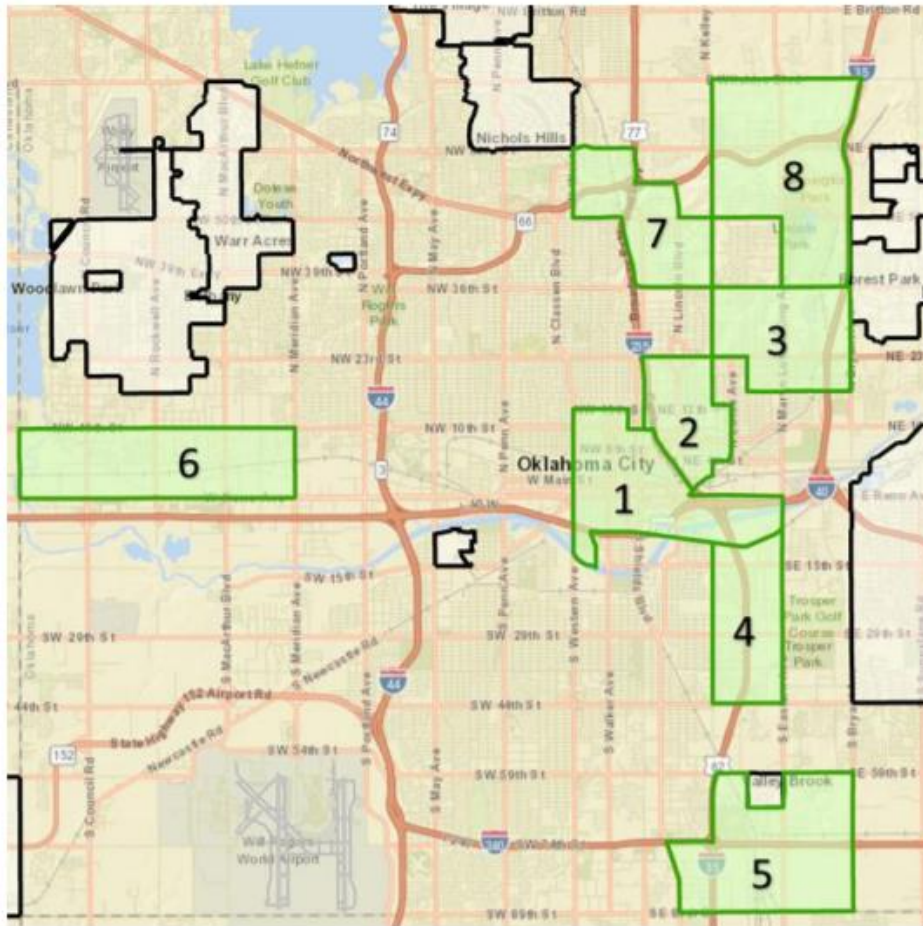
A project of
ACCELERATOR FOR AMERICA

November 2018

Photo by Justin Coleman

Investment Prospectus

OKLAHOMA CITY OPPORTUNITY ZONES



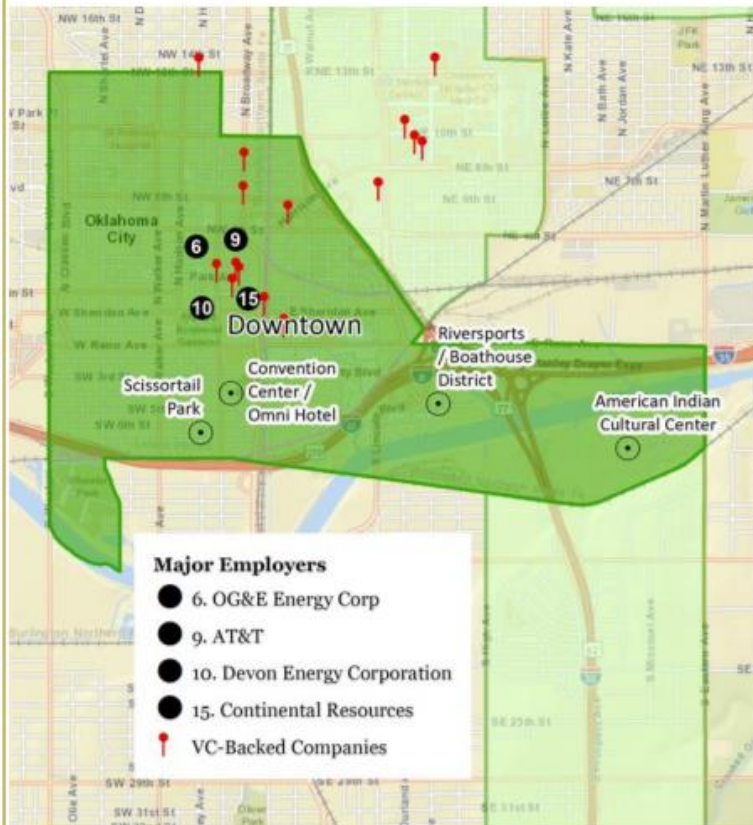
Each of these opportunity zones has a distinct competitive position which will naturally drive investments in certain products.

- | | |
|--|---|
| <p>1. Central Business District:
-Bricktown
-Arts District
-Film Row
-Deep Deuce
-Automobile Alley
-Boathouse District
-American Indian Cultural Center & Museum</p> | <p>2. Innovation District
3. NE 23rd St Corridor
4. I-35 Industrial
5. I-35 & I-240
6. I-40 Industrial
7. I-44 & I-235
8. Adventure District</p> |
|--|---|

Investment Prospectus

CENTRAL BUSINESS DISTRICT OPPORTUNITY ZONES

Growth area with high concentrations of public investment to leverage private development opportunities



Sources: ESRI basemap, Census, & Oklahoma City Planning Department

ZONE TYPOLOGY TYPE*

Tier 1 Job Center

OPPORTUNITY ZONE JOBS

2015: 44,363
2010: 39,519
% change +12%

TOP 3 INDUSTRIES

1. Public Administration (17%)
2. Professional Scientific & Technical Services (11%)
3. Administration & Support, Waste Management and Remediation (11%)

OPPORTUNITY ZONE RESIDENTS

2016: 7,759
2010: 6,202
% change +25%

VACANT LAND

Q42017: 133 acres

VACANT RESIDENTIAL PROPERTIES

Q42017: 104 (3%)

VACANT BUSINESS PROPERTIES

Q42017: 575 (23%)

Investment Prospectus

MEDICAL/INNOVATION DISTRICT

Strong employment base and concentration of public investment with significant infill opportunities



Major Employers

- 5. University of Oklahoma Health Sciences Center
- 7. OU Medical Center
- 📌 VC-Backed Companies

ZONE TYPOLOGY TYPE*

Tier 1 Job Center

OPPORTUNITY ZONE JOBS

2015: 16,987
2010: 19,611
% change -13%

TOP 3 INDUSTRIES

1. Educational Services (45%)
2. Health Care and Social Assistance (31%)
3. Public Administration (6%)

OPPORTUNITY ZONE RESIDENTS

2016: 2,602
2010: 2,581
% change +1%

VACANT LAND

Q42017: 104 acres

VACANT RESIDENTIAL PROPERTIES

Q42017: 19 (3%)

VACANT BUSINESS PROPERTIES

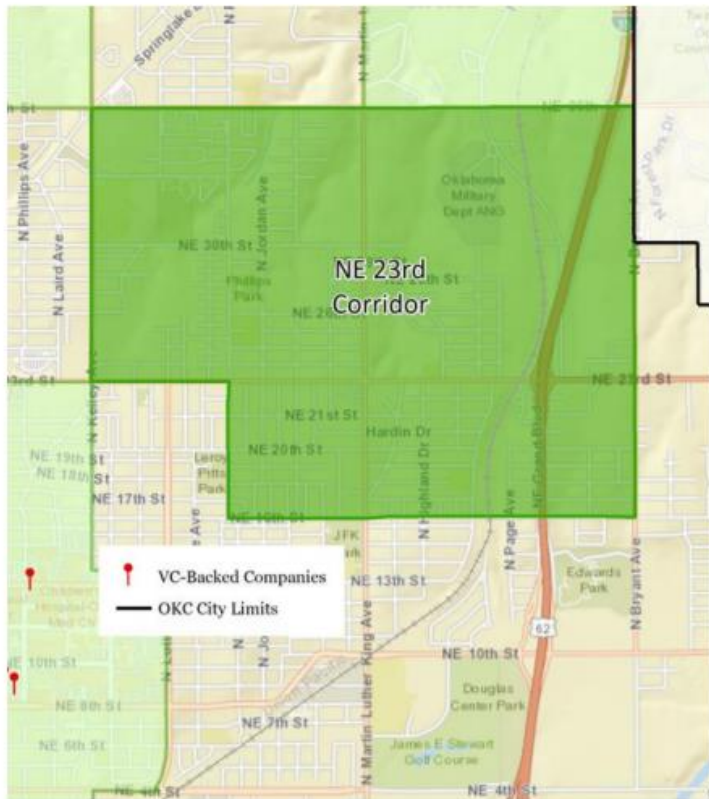
Q42017: 23 (3%)

Sources: ESRI basemap, Census, & Oklahoma City Planning Department

Investment Prospectus

NE 23rd STREET CORRIDOR

Emerging corridor with significant disinvestment, high minority populations and high demand for services



ZONE TYPOLOGY TYPE*
Mixed Jobs/Residential

OPPORTUNITY ZONE JOBS
2015: 3,086
2010: 3,341
% change -10%

TOP 3 INDUSTRIES
1. Public Administration (6%)
2. Health Care and Social Assistance (8%)
3. Transportation and Warehousing (6%)

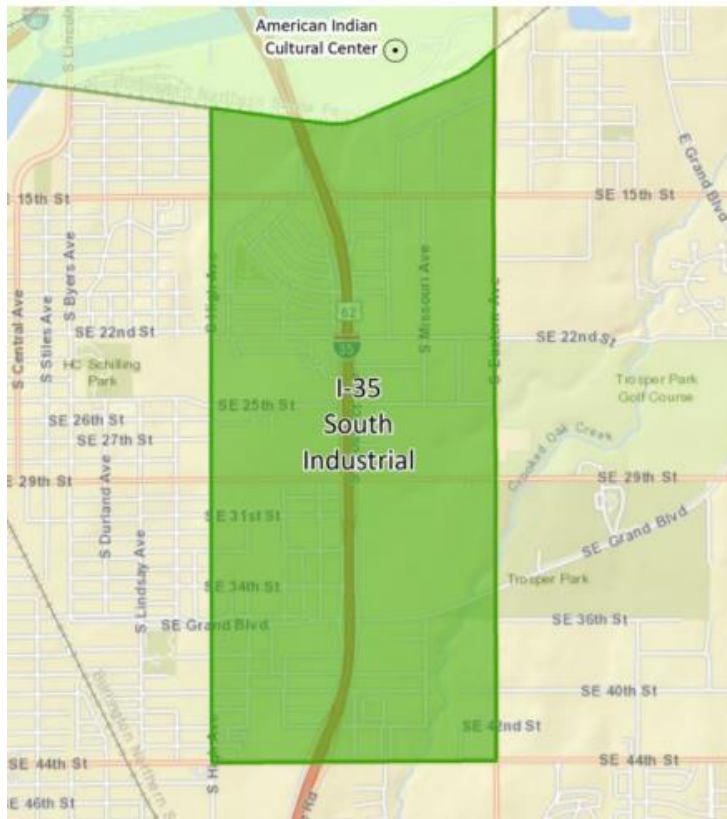
OPPORTUNITY ZONE RESIDENTS
2016: 5,710
2010: 6,362
% change -10%

VACANT LAND
Q42017: 359 acres
VACANT RESIDENTIAL PROPERTIES
Q42017: 279 (16%)
VACANT BUSINESS PROPERTIES
Q42017: 22 (28%)

Investment Prospectus

INDUSTRIAL I-35 CORRIDOR

Heavy industrial area focused on transportation and distribution with interstate access



ZONE TYPOLOGY TYPE*

Industrial Zone

OPPORTUNITY ZONE JOBS

2015: 6,560

2010: 6,434

% change 2%

TOP 3 INDUSTRIES

1. Manufacturing (33%)
2. Utilities (15%)
3. Wholesale Trade (13%)

OPPORTUNITY ZONE RESIDENTS

2016: 3,271

2010: 3,109

% change +5%

VACANT LAND

Q42017: 242 acres

VACANT RESIDENTIAL PROPERTIES

Q42017: 19 (3%)

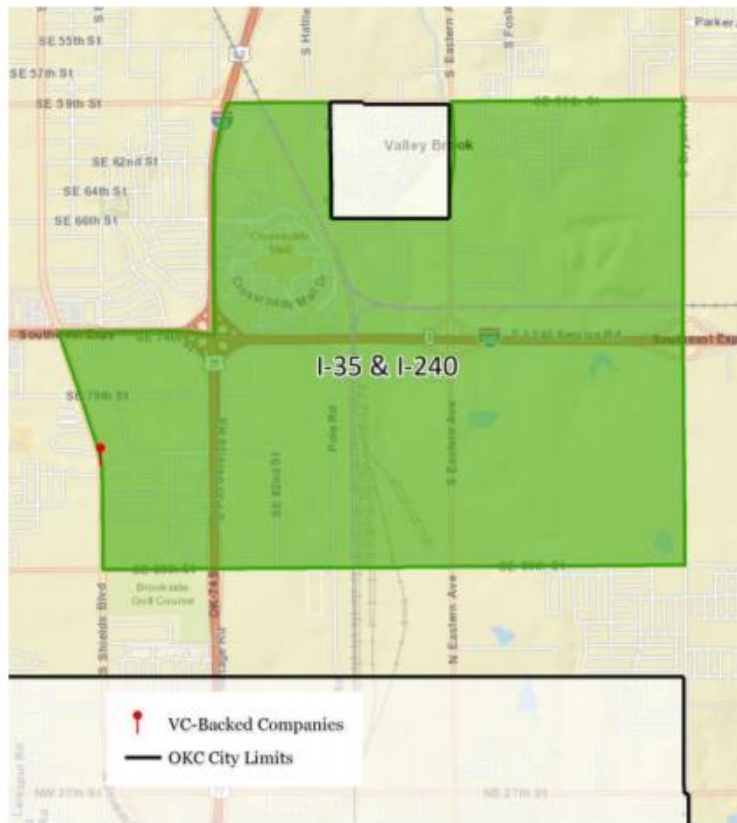
VACANT BUSINESS PROPERTIES

Q42017: 23 (3%)

Investment Prospectus

I-35 & I-240

Industrial area with significant disinvestment and high traffic flows. Adjacent to the fastest-growing and highest-income zip codes on south side of OKC.



ZONE TYPOLOGY TYPE*

Industrial Zone

OPPORTUNITY ZONE JOBS

2015: 3,886
2010: 4,473
% change -13%

TOP 3 INDUSTRIES

1. Wholesale Trade (34%)
2. Retail Trade (14%)
3. Manufacturing (9%)

OPPORTUNITY ZONE RESIDENTS

2016: 1,581
2010: 950
% change +66%

VACANT LAND

Q42017: 1311 acres

VACANT RESIDENTIAL PROPERTIES

Q42017: 19 (3%)

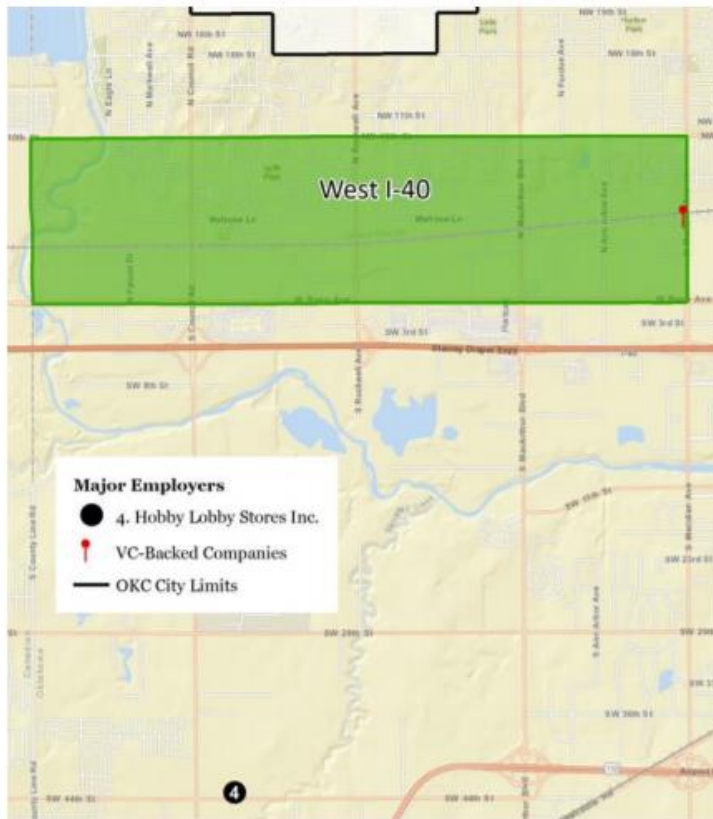
VACANT BUSINESS PROPERTIES

Q42017: 23 (3%)

Investment Prospectus

I-40 CORRIDOR

Combination of industrial corridor with residential areas showing significant disinvestment. Served by rail.



ZONE TYPOLOGY TYPE*

Industrial Zone

OPPORTUNITY ZONE JOBS

2015: 5,859
2010: 5,866
% change 0%

TOP 3 INDUSTRIES

1. Manufacturing (22%)
2. Wholesale Trade (17%)
3. Administration & Support, Waste Management and Remediation (12%)

OPPORTUNITY ZONE RESIDENTS

2016: 7,316
2010: 6,844
% change +7%

VACANT LAND

Q42017: 577 acres

VACANT RESIDENTIAL PROPERTIES

Q42017: 19 (3%)

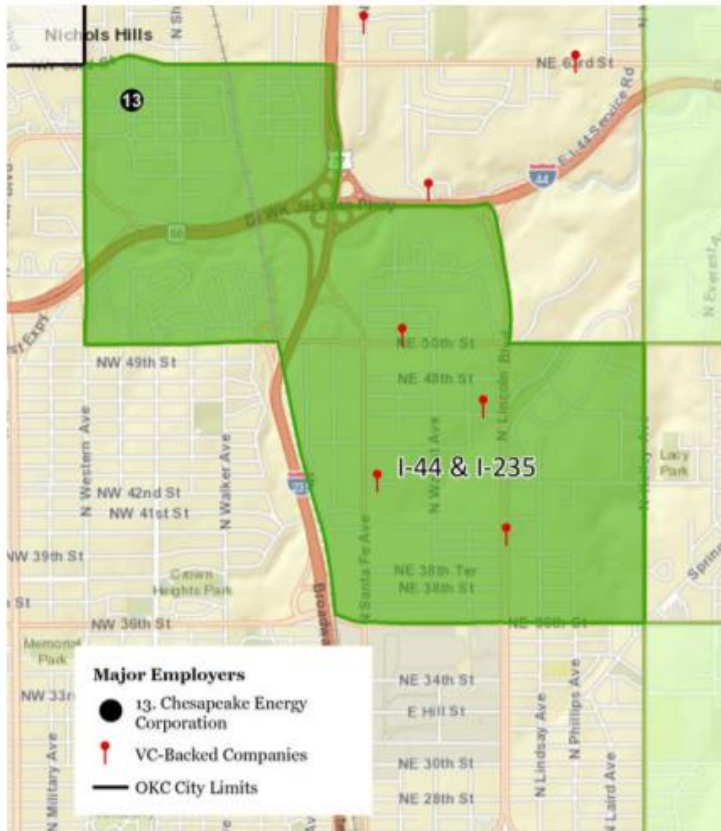
VACANT BUSINESS PROPERTIES

Q42017: 23 (3%)

Investment Prospectus

I-44 & I-235

Primary job center near significant retail trade area



ZONE TYPOLOGY TYPE*

Tier 2 Job Center

OPPORTUNITY ZONE JOBS

2015: 18,001
2010: 16,667
% change 8%

TOP 3 INDUSTRIES

1. Mining, Quarrying, and Oil and Gas Extraction (18%)
2. Public Administration (12%)
3. Construction (12%)

OPPORTUNITY ZONE RESIDENTS

2016: 2,283
2010: 1,661
% change +37%

VACANT LAND

Q42017: 265 acres

VACANT RESIDENTIAL PROPERTIES

Q42017: 19 (3%)

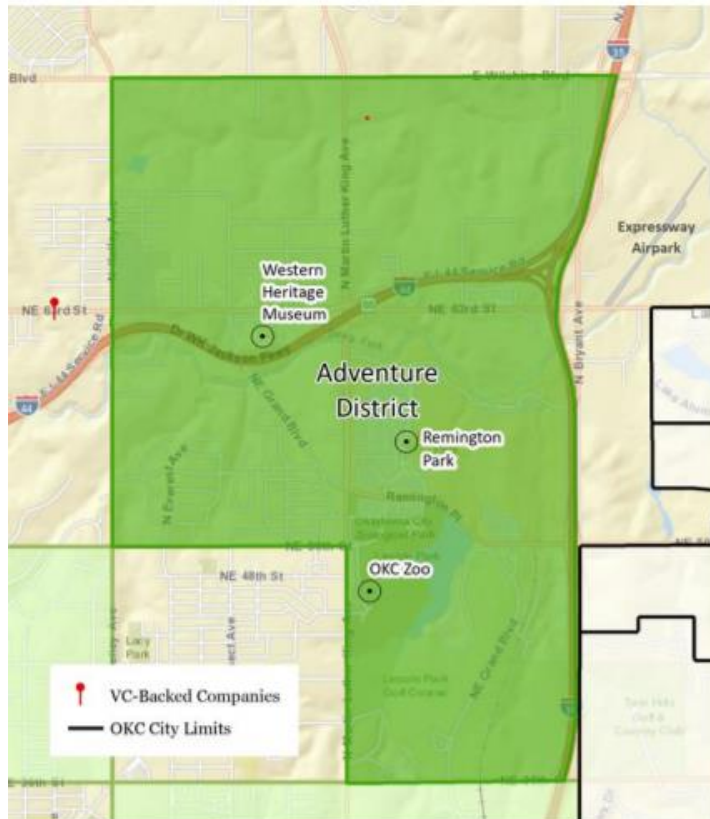
VACANT BUSINESS PROPERTIES

Q42017: 23 (3%)

Investment Prospectus

ADVENTURE DISTRICT

Area attracts significant visitors and is also proximate to I-35 corridor and existing retail centers



ZONE TYPOLOGY TYPE*

Tourism Focus

OPPORTUNITY ZONE JOBS

2015: 3,183
2010: 2,777
% change +15%

TOP 3 INDUSTRIES

1. Arts, Entertainment, and Recreation (37%)
2. Administration & Support, Waste Management and Remediation (23%)
3. Information (8%)

OPPORTUNITY ZONE RESIDENTS

2016: 1,855
2010: 2,080
% change -11%

VACANT LAND

Q42017: 835 acres

VACANT RESIDENTIAL PROPERTIES

Q42017: 19 (3%)

VACANT BUSINESS PROPERTIES

Q42017: 23 (3%)

Investment Prospectus

THE URBAN INVESTMENT PROSPECTUS: CONTENT

GROWTH

Set economic context
for city and
metropolis,
identifying key
drivers/assets

CAPITAL DEMAND

Identify investable
projects and
propositions within
each Opportunity
Zone

INCLUSION

Focus on human
capital, job
connections, and
wealth creation

PLACEMAKING

Investment that
generates property
value appreciation

INSTITUTIONAL CAPACITY

Recommendations on
institution building
options to expediate
growth and inclusion

Investment Prospectus

OKLAHOMA CITY MOMENTUM



BY THE NUMBERS

- 7% Job Growth since 2011
- 10.5% Population Growth since 2010
- 118,000 New Workers since 2000



BY THE ASSETS

- Transformative Capital Investments
- Dynamic Central Business District
- Innovation District
- Diverse Workforce
- Entrepreneurial Ecosystem



BY THE OPPORTUNITY ZONES

- Central Business District
- Innovation District
- NE 23rd St Corridor
- I-35 Industrial
- I-35 & I-240
- I-40 Industrial
- I-44 & I-235
- Adventure District

Investment Prospectus

INCENTIVES

Strong State and Local Performance-Based Incentive Programs



These incentives in Oklahoma City can be layered together to enhance the appeal of districts targeted for redevelopment

- **Oklahoma City's Strategic Investment Program (SIP)**
Discretionary deal-closing fund that provides qualifying companies with a cash award based on newly created jobs.
- **Oklahoma Quality Jobs Program - 10 Year Cash Incentive**
Qualifying companies can directly receive up to 10% of total payroll in the form of quarterly cash payments for up to ten years.
- **Tax Increment Financing**
Oklahoma City has 13 TIF districts designed to promote private development in targeted areas. Four of these districts overlap or are contained within the opportunity zone.
- **Tax Credits**
New Markets Tax Credits, Investment Tax Credits, Low Income Housing Tax Credits and Historic Preservation Tax Credits are available based on the project.
- **Business Expansion Incentive Program**
For projects that are revenue positive to the state, this program allows annual cash payments ranging of up to \$5 million over a 3-5 year period.

Temporary Website



Primarily includes the data from the Investment Prospectus with no search functions for projects or for investors.

New Website Being Developed



[About](#)

[Zones](#)

[Projects](#)

[Funds](#)

[Contact](#)

[Login](#)



OKLAHOMA CITY

Imagine the Possibilities

[View featured projects](#)

Will include portals for listing or searching for projects or investors/funds and an interactive map.

Marketing of Projects



- **Project type:** Mid-rise residential comprised of 240 units. A mix of market rate and work force housing.
- **Project Size:** \$57,000,000 - 266,786 GSF
- **Location:** Adjacent to the 600 room Omni Hotel, the new \$288M Convention Center, 300 room Fairfield Inn, and the Chesapeake Energy Arena home of Oklahoma's NBA Team the Oklahoma City Thunder, and block east of the new \$132M Scissortail Park and is within walking distance from an Oklahoma City Streetcar stop.
- **Investment Range:** \$15 million
- **Project Status:** Begin Construction – Q1 2020, Begin Leasing – Q3 - 2021
- **Developer:** Rose Rock Development Partners

Boulevard Place



Neighborhood Establishment



- **Project type:** 104 key Arrive Hotel and surrounding mixed-use multi-family and commercial development – Opportunities in other cities also available.
- **Project Size:** \$22 million
- **Location:** Underserved area of OKC within walking distance of CBD.
- **Investment Range:** Up to \$9 million
- **Project Status:** Begin Construction – 2019
- **Developer:** Neighborhood Establishment, A Real Estate Development Company

- **Project Type:** Approximately 180 residential units including market rate and 30% workforce/affordable housing. 400 feet of commercial mixed use space.
- **Location:** NW 4th Street and Shartel Avenue between the CBD and the Mid-town Community. Poised to add market rate housing to highly gentrified areas as well as bring affordability enabling mixed income. Access to public transit, St. Anthony's Hospital and Medical Center, Film Row and CBD.
- **Project Size:** \$29 million
- **Investment Range:** \$5 million
- **Project Status:** Begin Construction – 4Q 2019 to 1Q 2020
Begin Leasing – Pre Leasing would begin 3 to 6 months prior to completion
- **Developer:** 700 West 4th

700 West 4th



Page Woodson Phase III



- **Project type:** 114 residential units including 30% work force housing with some commercial mixed-use. Phases I and II have been completed and leased to 90% or greater.
- **Location:** John F. Kennedy neighborhood of Oklahoma City adjacent to the University of Oklahoma's medical campus, the city's burgeoning Innovation District and a number of other privately funded new developments.
- **Project Size:** \$16.5 million
- **Investment Range:** \$3 million
- **Project Status:** Begin Construction – Immediately (Architectural plans are complete – Contractor engaged)
Begin Leasing – Pre Leasing 3 to 6 months prior to completion which is expected in 3Q 2020
- **Developer:** P-W III Development, LLC

- **Project type:** A cruvinet-based wine bar that offers customers an extensive variety of 70 wines by the glass with less waste and higher profit margins all in a cozy and relaxing environment.
- **Location:** In Oklahoma City's thriving Midtown District with easy access to the streetcar, CBD and other downtown residential and commercial developments.
- **Project Size:** \$550,000
- **Investment Range:** Up to \$220,000
- **Project Status:** Begin Construction – 2Q 2019
- **Developer:** The Study, LLC

The Study



For additional information

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www.theallianceokc.org/opportunityzones



This presentation is neither an offer to sell nor a solicitation of any offer to by any securities, investment product or investment advisory services, including assets in any of the above described projects. Any offering is strictly subject to the specific requirements of the developer.

Marketing of Funds

The screenshot displays the OKC Opportunity Zones website. At the top, the logo for OKC Opportunity Zones is visible, featuring a stylized green and blue icon. The navigation menu includes links for About, Zones, Projects, Funds, Contact, and Login. A green button labeled "OKC Investment Prospectus" with a download icon is positioned on the right side of the navigation bar.

Below the navigation bar, the page is divided into two main sections. On the left, under the heading "Funds", there are three green buttons: "ABC fund", "Fun Fund", and "OKFoundation". On the right, the "Search Funds" section is prominent, with a large heading and a sub-heading "Search for funds investing in Oklahoma City Opportunity Zones. By using this site you consent to our [terms & conditions](#)."

The "Filter List" section includes a checkbox for "Seeking Investors" which is currently unchecked. Below this are two dropdown menus: "Any Project Type" and "Any Zoning Type". The "Filtered List Result Count" is shown as "3", and a green "Reset Filter" button is located to the right.

The first search result is for "ABC fund". It includes the following details:
Start Date: July 10, 2019, 12:00:00 AM
End Date: July 10, 2019, 12:00:00 AM
A "More Info..." button is located to the right of the date information. Below the dates, a scrollable text area provides a brief description: "ABC fund on 123 street With investment funds, individual investors do not make decisions about how a fund's assets should be invested. They simply choose a fund based on its goals, risk, fees and other factors. A fund manager oversees the fund and decides which securities it should hold, in what quantities and when the securities..."

NEXT STEPS

- Secure resources to develop housing and community organizing strategy for Northeast 23rd Corridor
- Specify actual and projected deal flow for market rate retail and residential units for CBD neighborhoods and Medical/Innovation District
- Work with GE, i2E, Thunder Launch Pad and others to create the demand based investment strategy for early stage and growth fund business planning
- Market business plans to local and national investors
- Engage University of Oklahoma's new leadership on ways to further integrate their capacity within OKC (e.g. engineering school)
- Convene an Opportunity Zone group of key leaders to oversee the development and marketing of zone products
- Community involvement in outreach events

Economic Development Opportunities for Community Members

Community Action's Economic Development Division is committed to providing services leading to community economic enhancement and individual self-sufficiency.



PROGRAMS:

- Small Business Loan Program
- Section 108 Revolving Loan Program
- Technical Assistance
- Small Business Training
- Oklahoma City Empowerment Zone
- Green Home Loan Program
- Individual Development Accounts-Matched Savings Program

Opportunity Zones Information

- OKCportunityzones.com (Not Live Yet)
- Mike Mize
 - Mike.mize@theallianceokc.org
- The Alliance OKC
 - 405-604-6780
 - www.theallianceokc.org/opportunityzones