



The “Opportunity” In Opportunity Zones

Alex flachsbart

A nighttime photograph of a city street, likely in Washington D.C., featuring the U.S. Capitol building in the background. A large green callout bubble with a white border is superimposed over the center of the image, containing white text. The street is illuminated by streetlights, and a few cars are visible in the distance.

Opportunity Zones have the
potential to be the **largest**
economic development program
in U.S. history

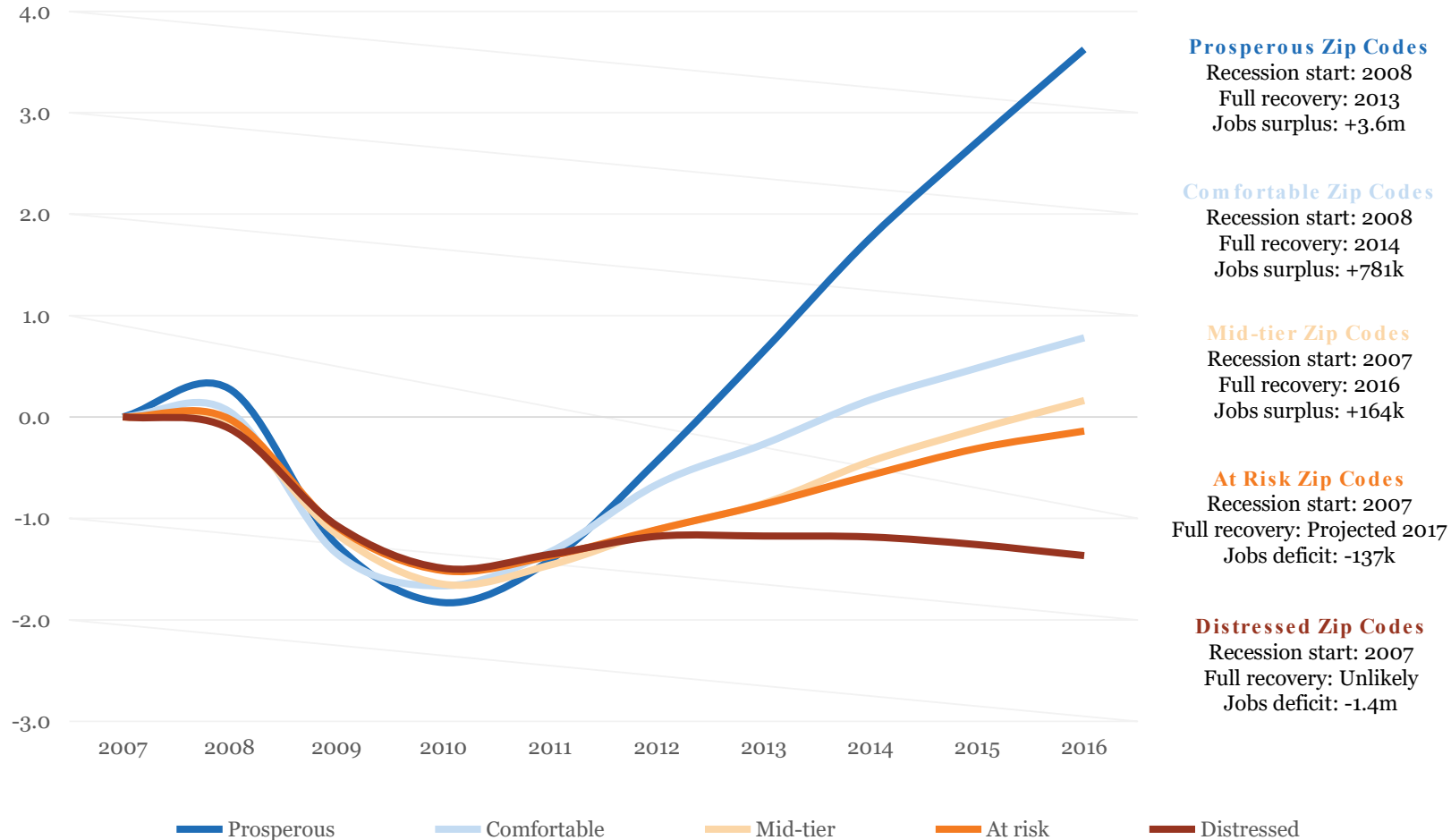
Steve Glickman

Co-Founder, Economic Innovation
Group

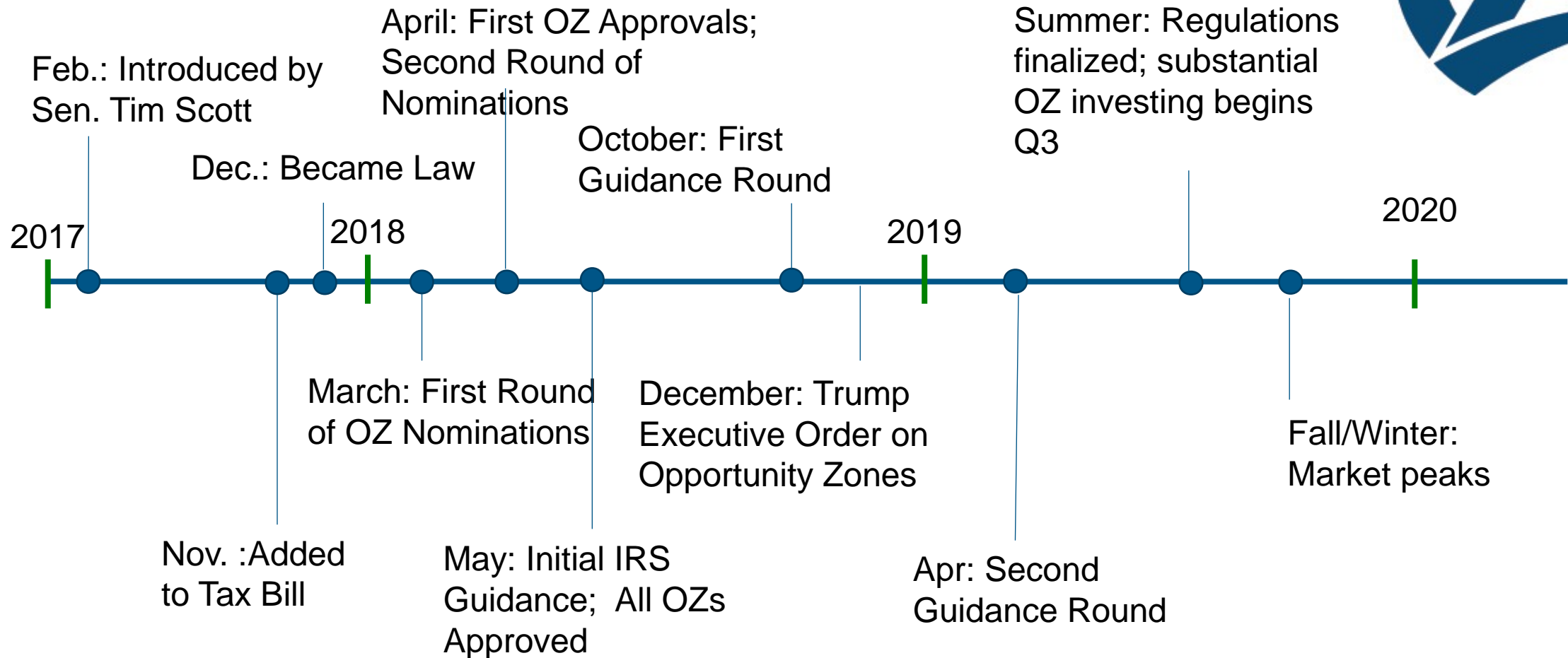
The basic concept of Opportunity Zones was forged in the fractured recovery.



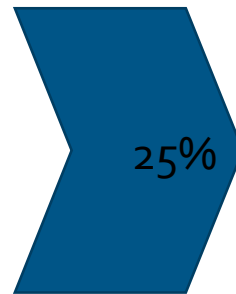
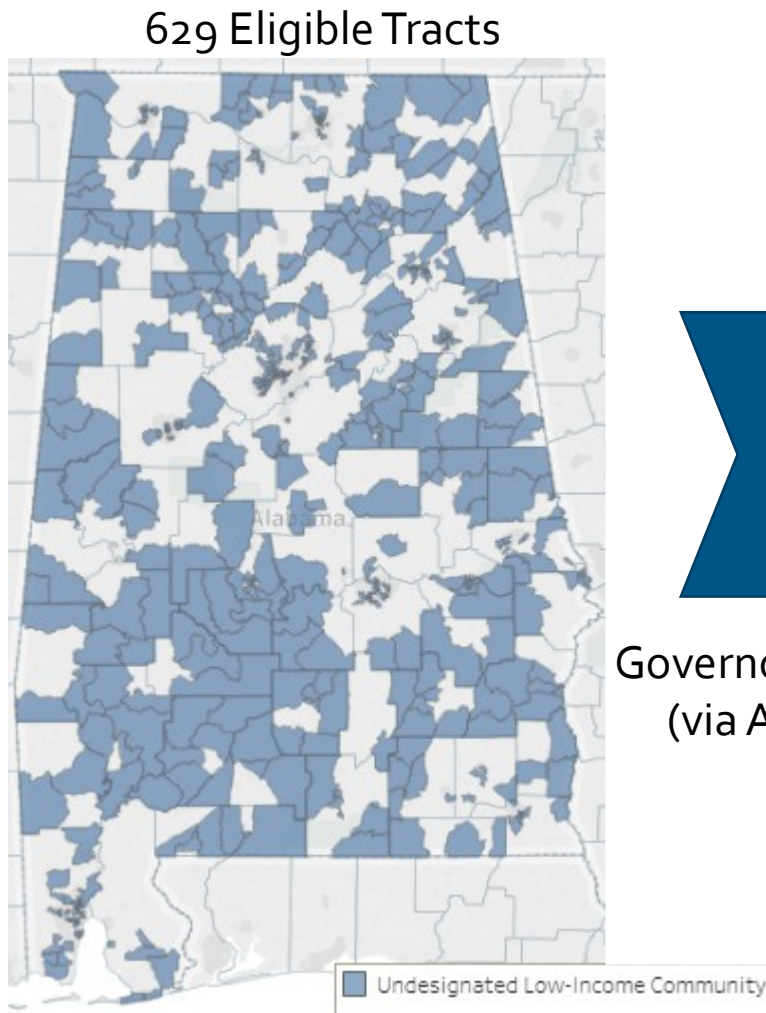
Total change in employment since 2007 across zip code quintiles



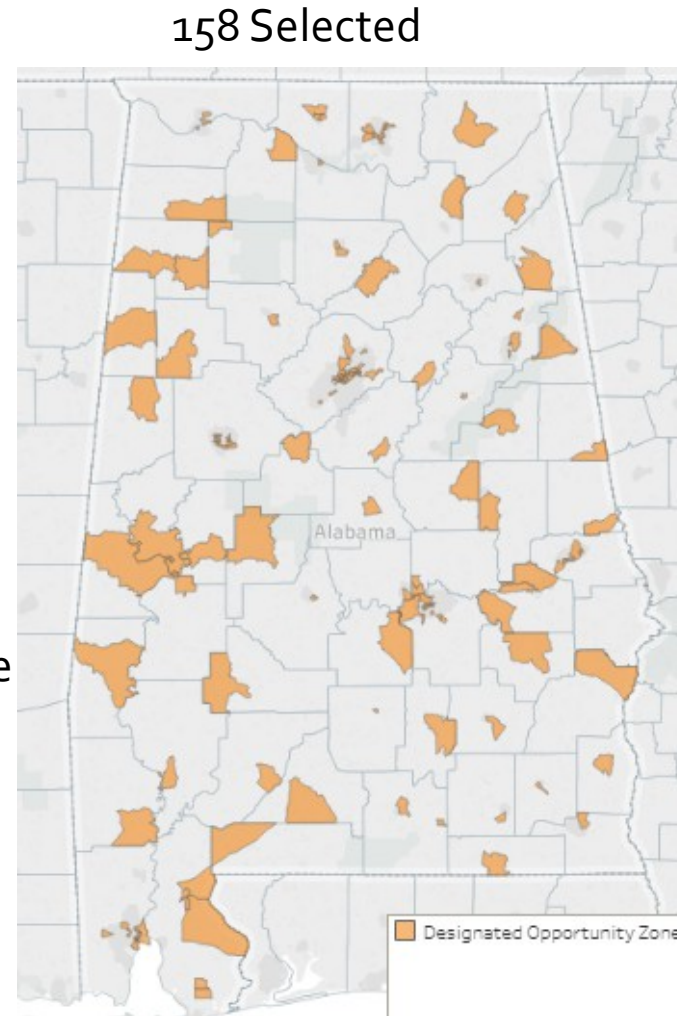
The history of opportunity zones

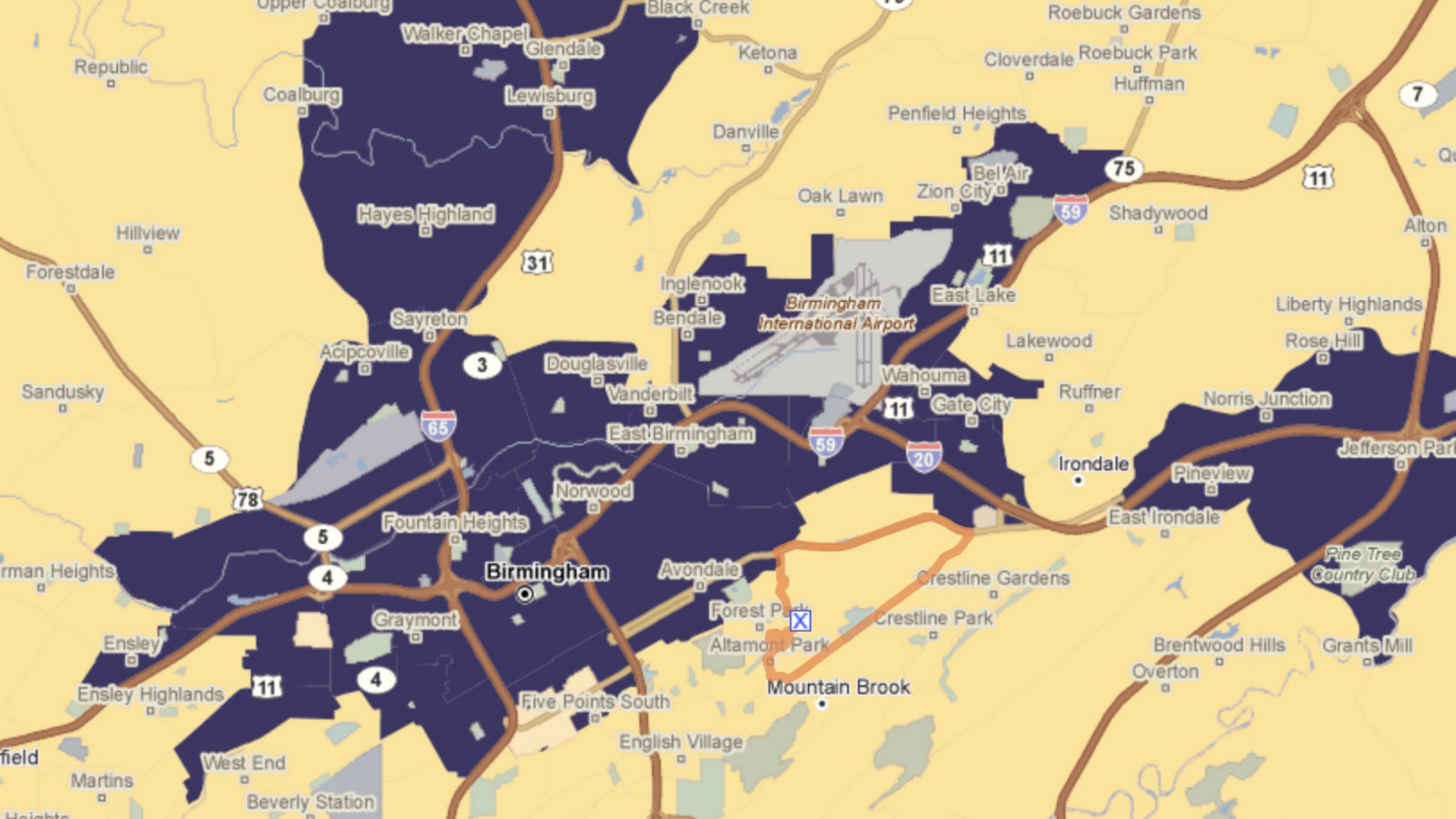


Alabama's opportunity zones

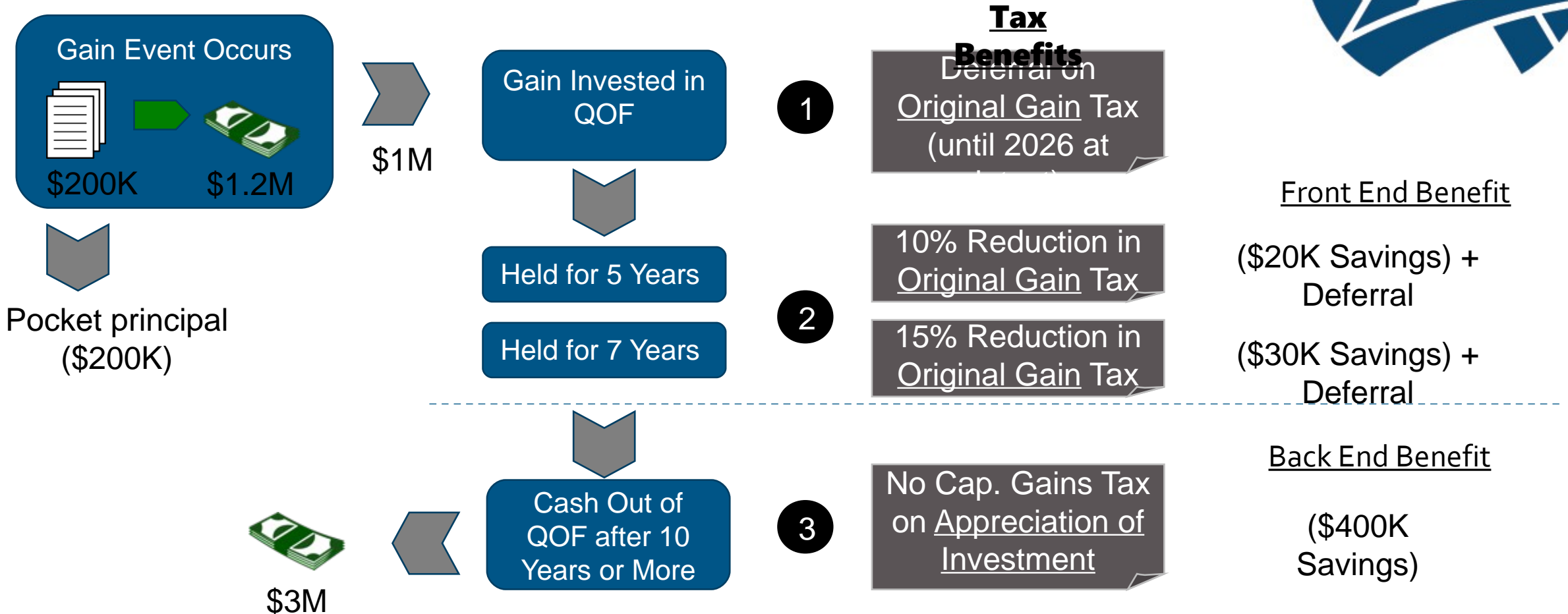


Governor's Office
(via ADECA)





opportunity zone tax benefits



Does my project qualify?

Real Estate

Active Businesses



Commercial



Industrial



Hospitality



Startups



Infrastructure



Housing



R&D / Tech



Hospitals



**Community /
Public Assets**

Need
Tax Law
Compliant
Project

Need
Qualified
Deal
Structure

No Sin
Businesses



Present
Multi-Family
Anchor-Related
Hospitality
Tax Credit Projects
10+ year hold
Good \$\$ Returns

Future
Startup Businesses
New Manufacturers
<10 year hold
(e.g., single family)
Charter schools
Riskier \$\$ Returns

Does my real estate deal qualify?



01. Are You "IN THE ZONE" -> *CHECK THE MAP!* (birminghamoz.org)

02. Are You "DOUBLING DOWN" on Construction?

EX: Bought building for \$50K – must improve it by \$50K

03. Is Your Project "INVESTABLE"? -> Four Rules of Thumb:

- Cash Flows / Returns to Investors
- Development Experience
- Lease-up Strategy

Does my operating business qualify?



01. Is at least 50% of business' assets – from trucks to tables – in any OZ?

02. Is the company new / didn't own many assets before 2018?

If new / didn't own assets – you qualify!

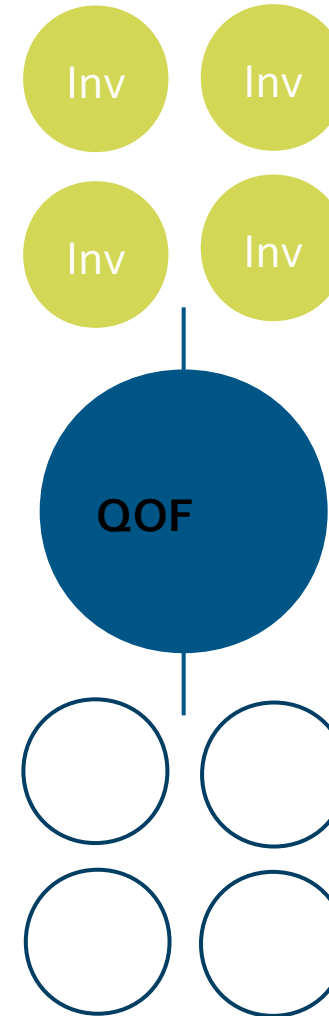
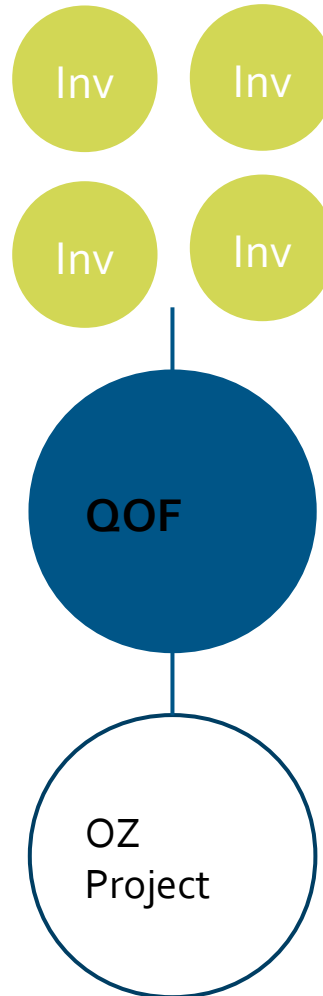
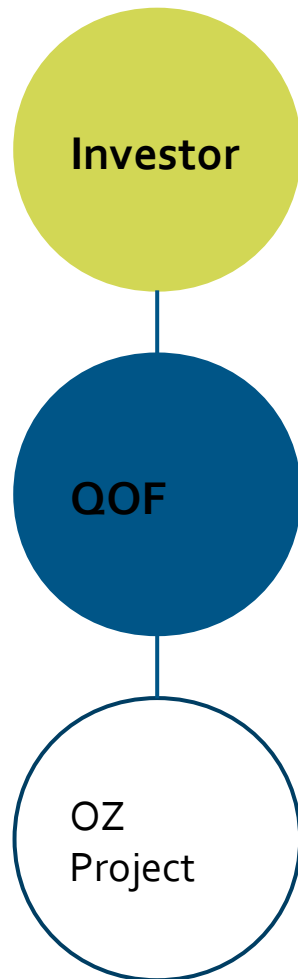
If existing – new business lines may work, but otherwise, see us.

03. Do 50% of your employees / contractors work in any OZ?

If yes – you qualify?

If no – you may still qualify, but see us to confirm





Investment Structures + Terms



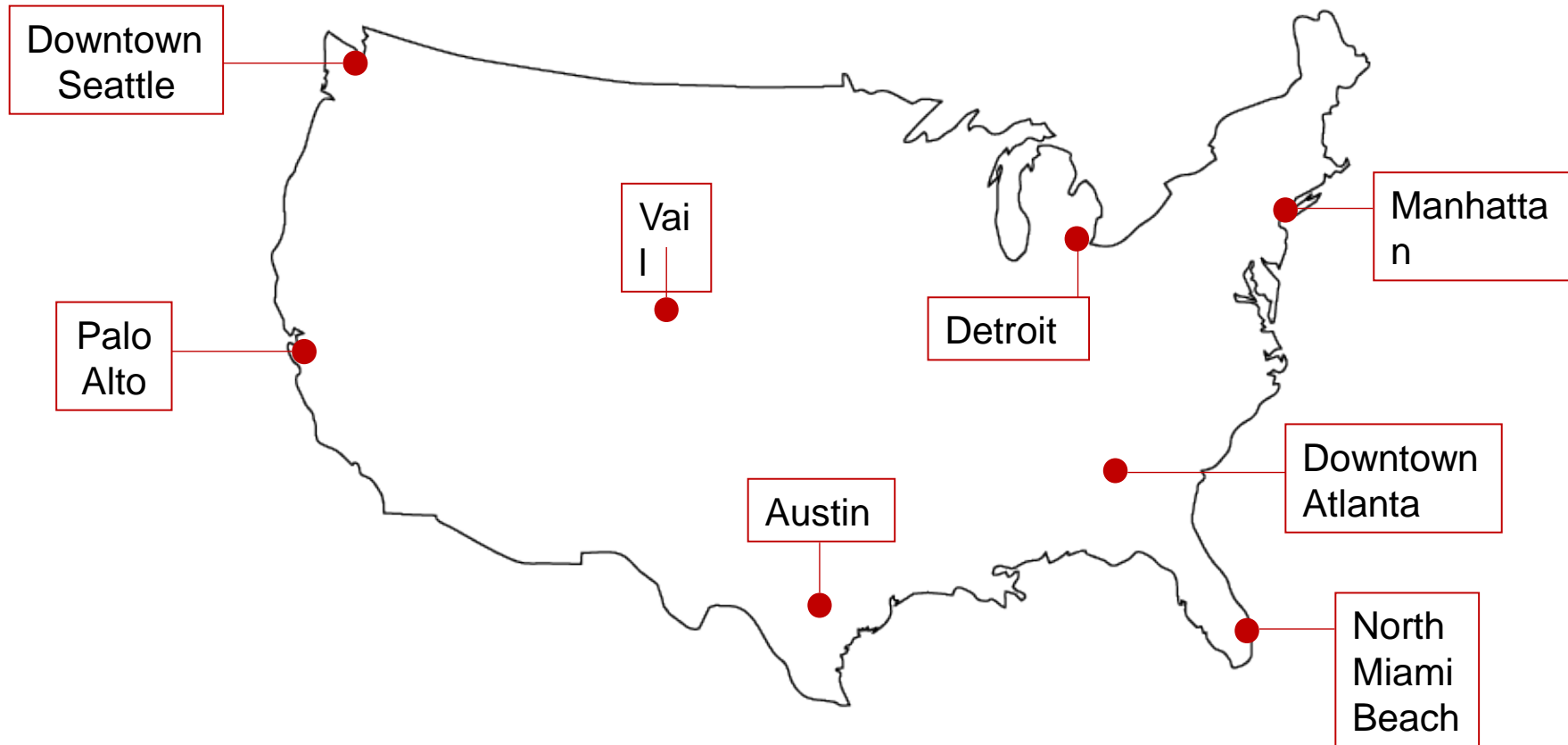
BUT: Major issue around “rolling projects” (called the “Interim Gains Issue”)

INVESTOR PROFILES



	Rationale for Investment	Location of Investor	Size of Investment	Source of Investment
 Location	Make a Difference	Primarily Local to OZ	Typically Smaller	Varies
 Impact	Make a Difference	Primarily National	Varies by Investor	Varies
 Opportunity	Make a Profit	Local or National	Varies by Project	Capital Gains
 Tax Benefit	Profit / Tax Benefits	Primarily National	\$5 million or more	Capital Gains

THE NATIONAL COMPETITION



How do we build an ecosystem to
maximize
Opportunity Zone investment in Alabama?



85% of Alabama OZ Communities



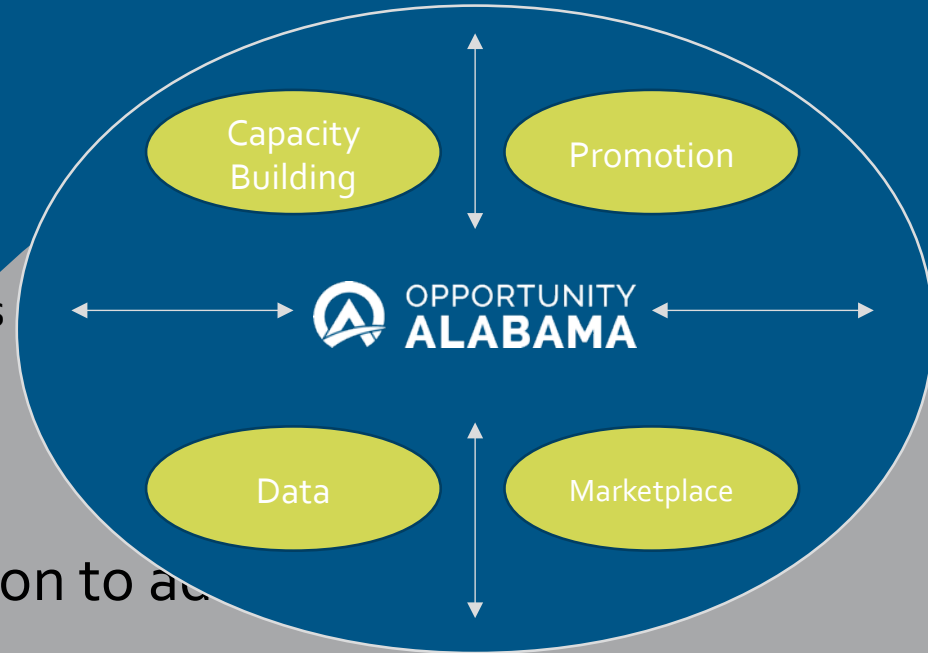
Actively Working With
\$300m
In existing equity need



Projects



Click icon to activate



Investors

Actively Working With
20+
National Capital Partners

Banks
Utilities
CDFIs
Foundations



Institutional
Partners

Universities
Accountants
Attorneys
Financial Advisors

American Life Building



EXEMPLAR: THE BIG PARTNERSHIP

- Structure
 - Community Investment Board – surface community-oriented projects
 - BIG Investment Board – find the capital to close deals
- Vision for Partnership
 - City Inspired
 - Community Focused
 - Privately Led

Visit www.birminghamoz.org for more information (and to download your own copy of the Prospectus!)

Accolades to Date

National Press



National Orgs Listing Us as "Exemplars"



Sample of Others Who Have Asked for Help Building Strategy



Questions?

www.opportunityalabama.com

Alex Flachsbart

334.425.4166

alex@opportunityalabama.com