

FLORIDA OPPORTUNITY ZONES

Incentivizing investments in low-income communities

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Madison Street Strategies

February 8, 2019

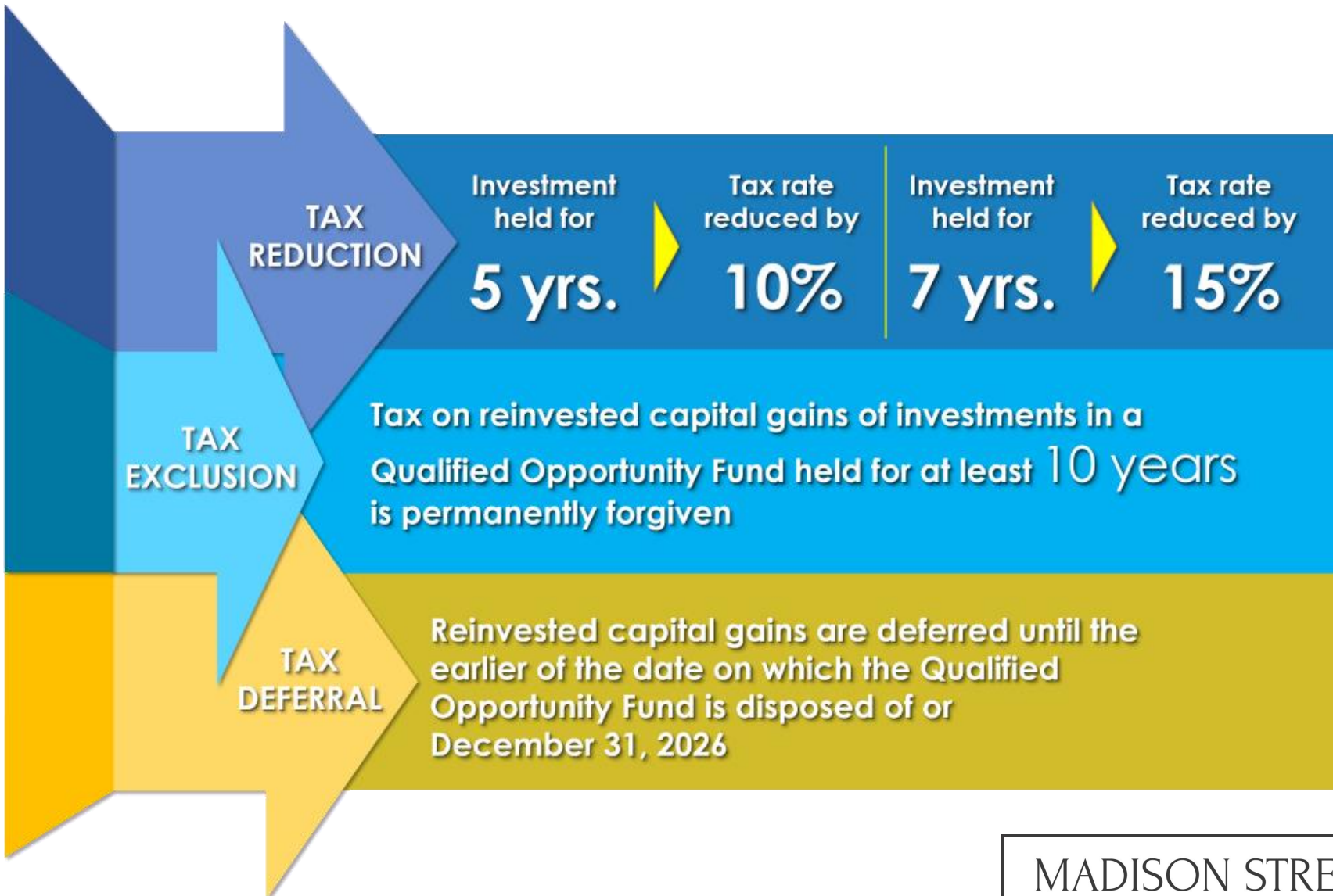
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WHAT ARE OPPORTUNITY ZONES?

- Low-income census tracts in every state were certified as **Opportunity Zones**
- Investing capital gains in **Opportunity Funds** provides tax benefits to investors
- **Opportunity Funds** are a legal entity that can invest in Opportunity Zone property or equity investments in qualified Opportunity Zone businesses
- No requirements on fund size or scope

TAX BENEFITS OF OPPORTUNITY ZONES



Credit: City of Long Beach

OPPORTUNITY ZONE CREATION

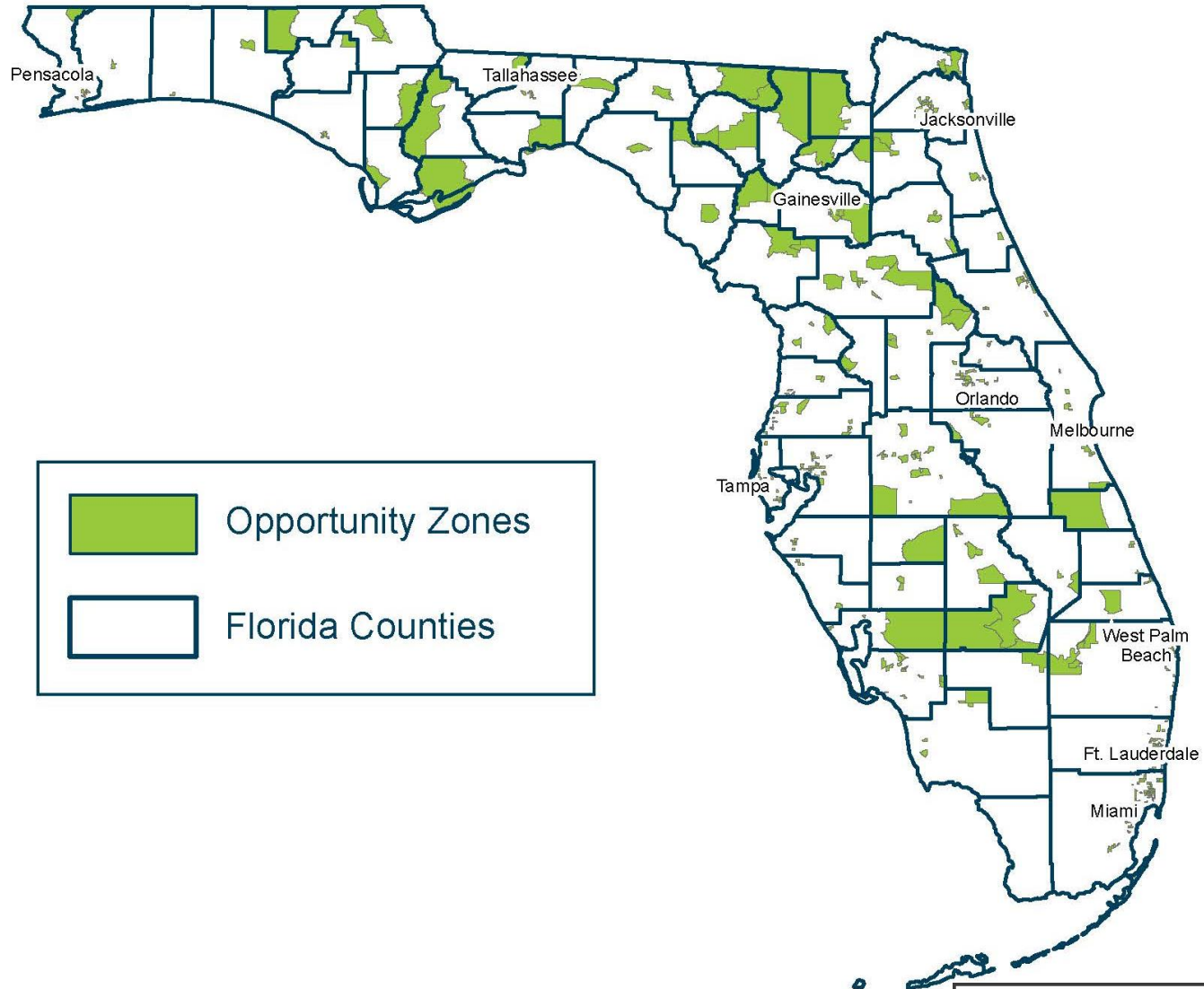
- Tax Cuts and Jobs Act of 2017
- Each Governor nominated 25% of a state's low-income census tracts
- There are 8,700 zones nationwide
- Florida had 1,706 eligible low-income communities allowing us to nominate 427 census tracts as Opportunity Zones

FLORIDA NOMINATION PROCESS

Nominating Florida's Opportunity Zones:

- At least one in every county
- Proportionately allocated
- Economic analysis of poverty, unemployment and population
- Input from local governments, investors, businesses, elected officials, developers, etc.

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Credit: Florida Department of Economic Opportunity

FLORIDA OZ STATISTICS

- 427 Zones
- 1.9 Million residents
- 83,000 Businesses
- 32% poverty
- 65% majority minority
- Low educational attainment
- Median income below state average

NEXT STEPS

- Additional guidance from IRS (next hearing Feb. 14)
- Executive Order creating the Federal Opportunity Zone Task Force
- Community strategy building

COMMUNITY ROLE

- Create local investment prospectus
- Economic overview of each zone
- Identify key assets in each zone
- Identify projects and businesses that are ready for investment
- Develop plan to market to investors

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OPPORTUNITY ZONES • DISASTER RECOVERY • ECONOMIC DEVELOPMENT

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