

Request Name: Expansion of Federal Opportunity Zone and Economic Development Programming

Description: This appropriation will provide opportunity zones in Utah and provide resources to align national and local capital with specific opportunity zones based on capital desires and local economic development visions. The funding will also allow for reporting back to GOED and to the legislature on specific economic development victories in areas with opportunity zones. This project is currently funded for one year through a GOED grant program, but requires a longer commitment as the federal OZ program runs for ten years.

Agency: Governor's Office

Funding for: \$250,000 One time

Government

Proposed Continuation and Expansion of Opportunity Zone and Economic Development Programming to Underserved Areas of Utah.

Background: Recently, UAC, in partnership with the Sorensen Impact Center, was awarded funding from GOED to hire a nationally recognized expert to perform comprehensive opportunity zone planning for rural economic development directors and other community stakeholders to ensure capital from Opportunity Funds is targeted to these underserved communities throughout the State. The Utah Association of Counties (UAC) is the preeminent membership organization for rural Utah counties, providing county governance support and economic development services across the State. The Sorensen Impact Center is a national leader in impact investing, investment data research, and sourcing capital to enterprises that generate return while improving people's lives

Current Status & Anticipated Outcomes: UAC/Sorensen are currently accomplishing this work through three key phases:

- **Community Engagement, In-Person Training, Education and Capacity Building:** Engage with all OZ-eligible rural Utah counties to provide education on the Opportunity Zone legislation, determine eligible projects, local economic factors, and key stakeholder opinions allowing communities to develop thorough knowledge and strategies for engaging with the investor community.
- **Market Research and Investment Materials:** Prepare in-depth market research and create investment prospectuses for all eligible areas prioritizing projects by readiness and "investability"
- **Marketing and Investor Communication:** These investment materials and project inventories will be listed on a purpose-built web portal that increases their accessibility, credibility, and recognition to the investment community.

Expected Expansion in 2019 and 2020: UAC/Sorensen have also recently hired an Economic Development Specialist to assist all of Utah's 29 counties, but especially rural locations, in the creation of countywide policies that will compliment new national incentives (e.g., Opportunity Zones) and state incentives (e.g., EDTIF, TRZ's). Already, UAC staff has traveled to many of these communities and has had six counties formally hire them to provide economic development services. As Opportunity Zones continue to expand and more investors express interest, UAC anticipates a need to expand its service offering and is requesting funding appropriation to do so. With this funding, UAC anticipates being able to:

- **Deliver Economic Development Services at a Larger Scale:** Currently it is capped at six counties due to capacity and staffing restraints
- **Work to Create New Tools:** UAC previously worked on the creating a statewide revolving loan fund that would be leveraged by EDTIF dollars and believes with additional funding it can take the concept further in-depth and report back to the legislature with what rural communities are looking for.

- **Ensure Potential Opportunity Zone Investments Continue Receiving Support:** Current GOED grant funds one year of engagement, but communities have already identified projects that will not be investment-ready until 2020 or beyond.