

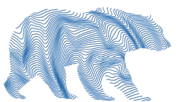
CALIFORNIA
BUSINESS AND ECONOMIC DEVELOPMENT

Opportunity Zones 2.0 Informational Webinar Series

June 2, 2026

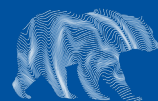
Agenda

- 1. Welcome & Introductions**
- 2. Optimizing OZ 2.0 Census Tracts: Opportunity Zones 2026 Selection Tool**
– Brett Theodos, Urban Institute
- 3. Overview of California's Opportunity Zone 2.0 Selection Framework –**
Brian Coleman, GO-Biz



Optimizing OZ 2.0 Census Tracts: Opportunity Zones 2026 Selection Tool

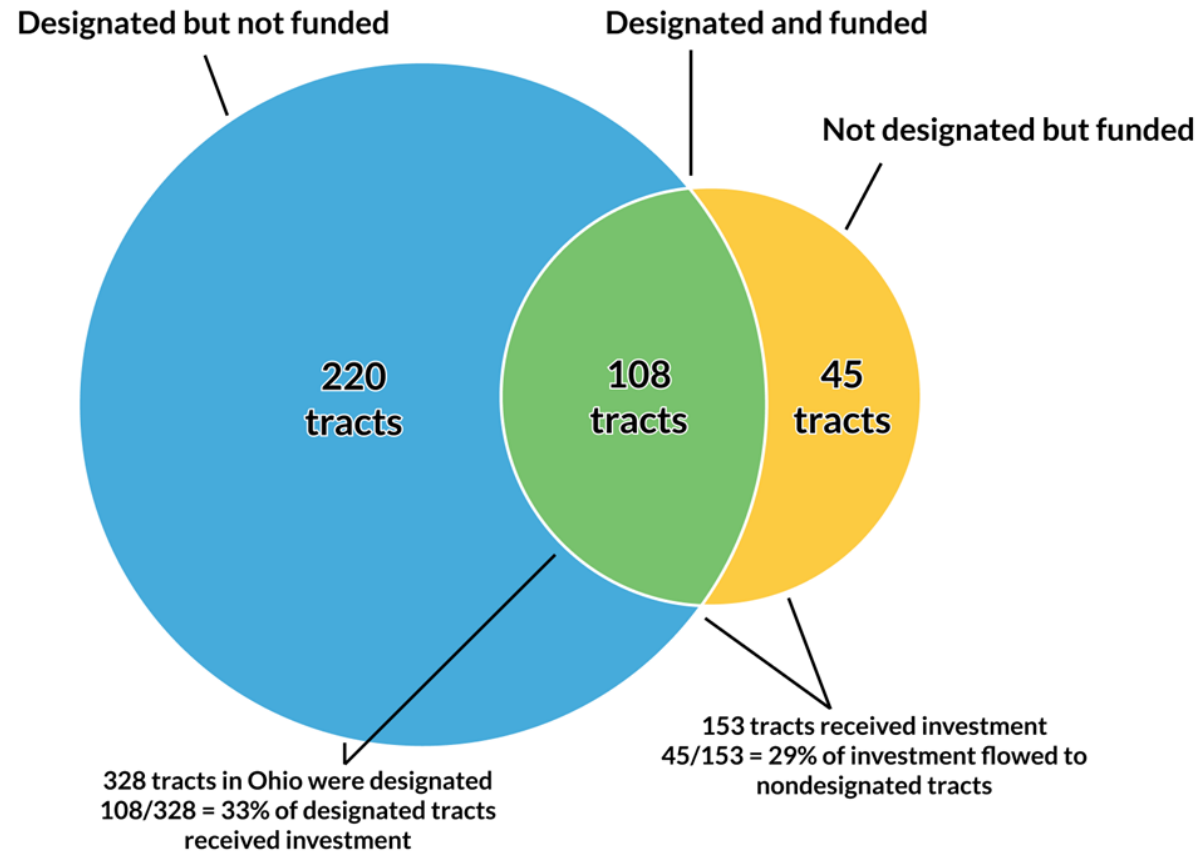
Brett Theodos, Urban Institute



Selecting the Next Round of Opportunity Zones

Findings from Ohio's First Round of Opportunity Zones

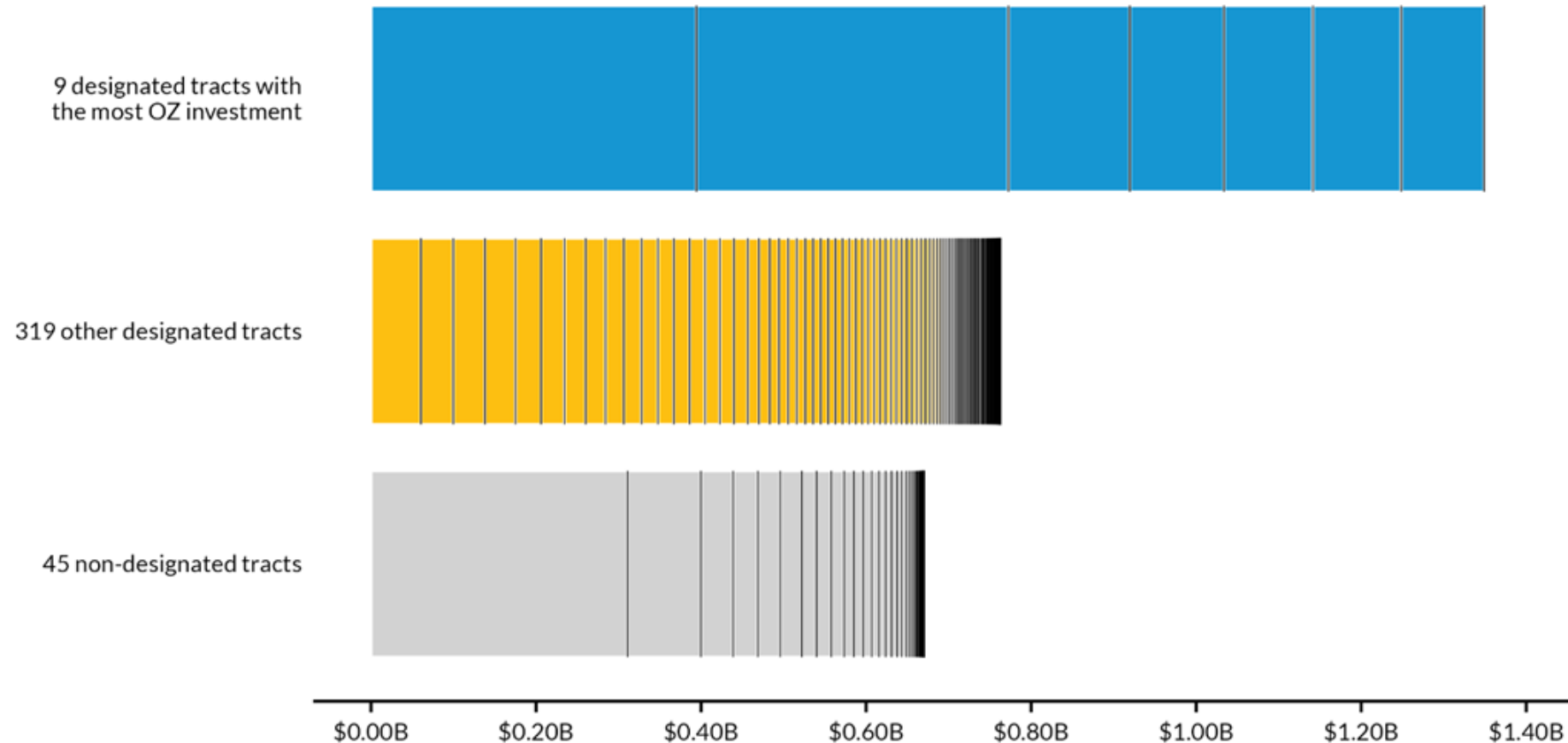
One-third of Ohio's Opportunity Zones received investment between 2020 and 2024



Source: Authors' analysis of Ohio Opportunity Zone data.

Notes: All 2010 tract boundaries and designations were cross-walked to 2020 to account for changes to boundaries made in the 2020 Census.

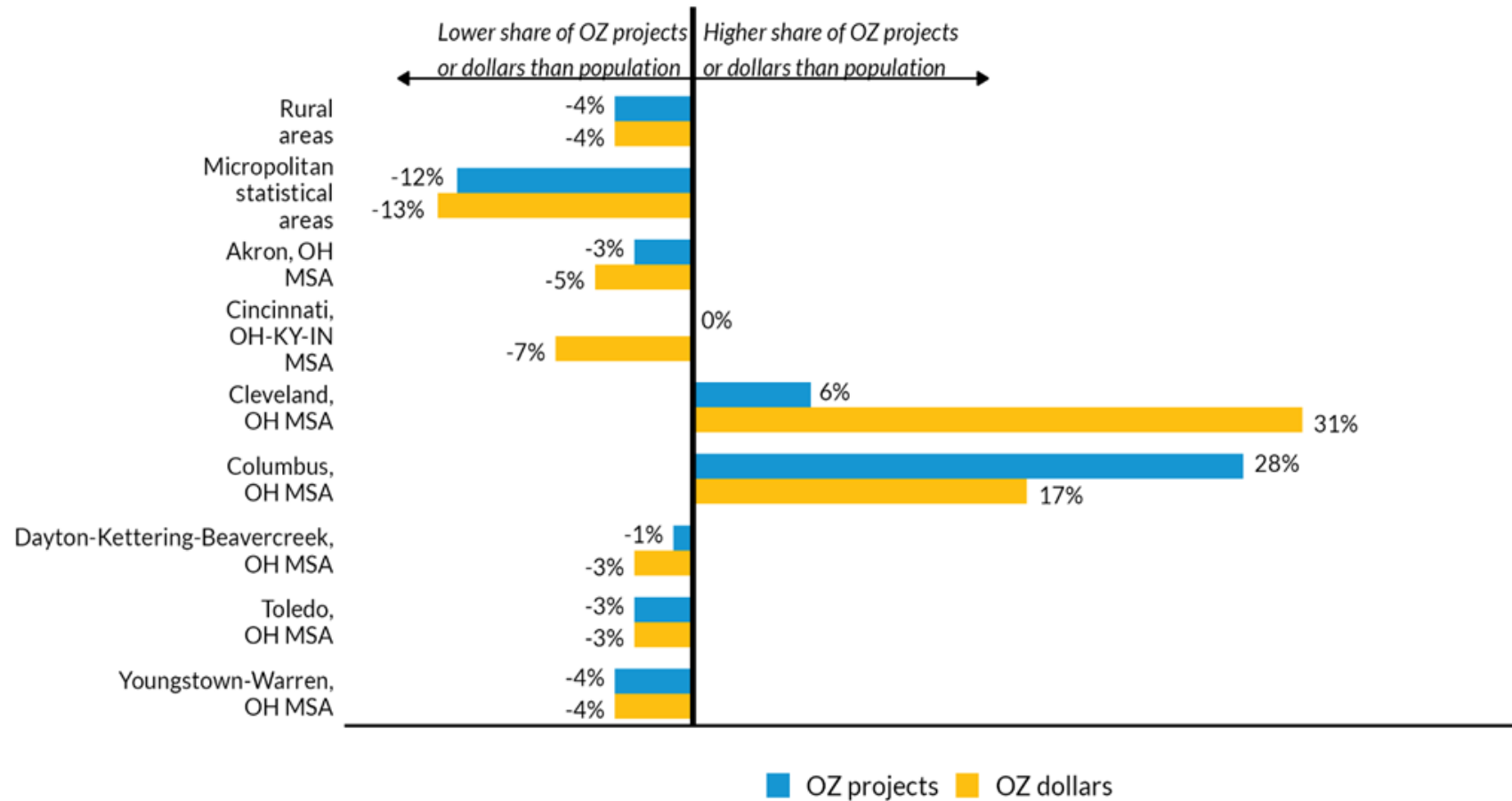
Over half of Ohio's OZ investment is concentrated in nine designated zones



Source: Authors' analysis of Ohio Opportunity Zone data.

Notes: OZ = Opportunity Zone. All 2010 tract boundaries and designations were cross-walked to 2020 to account for changes to boundaries made in the 2020 Census.

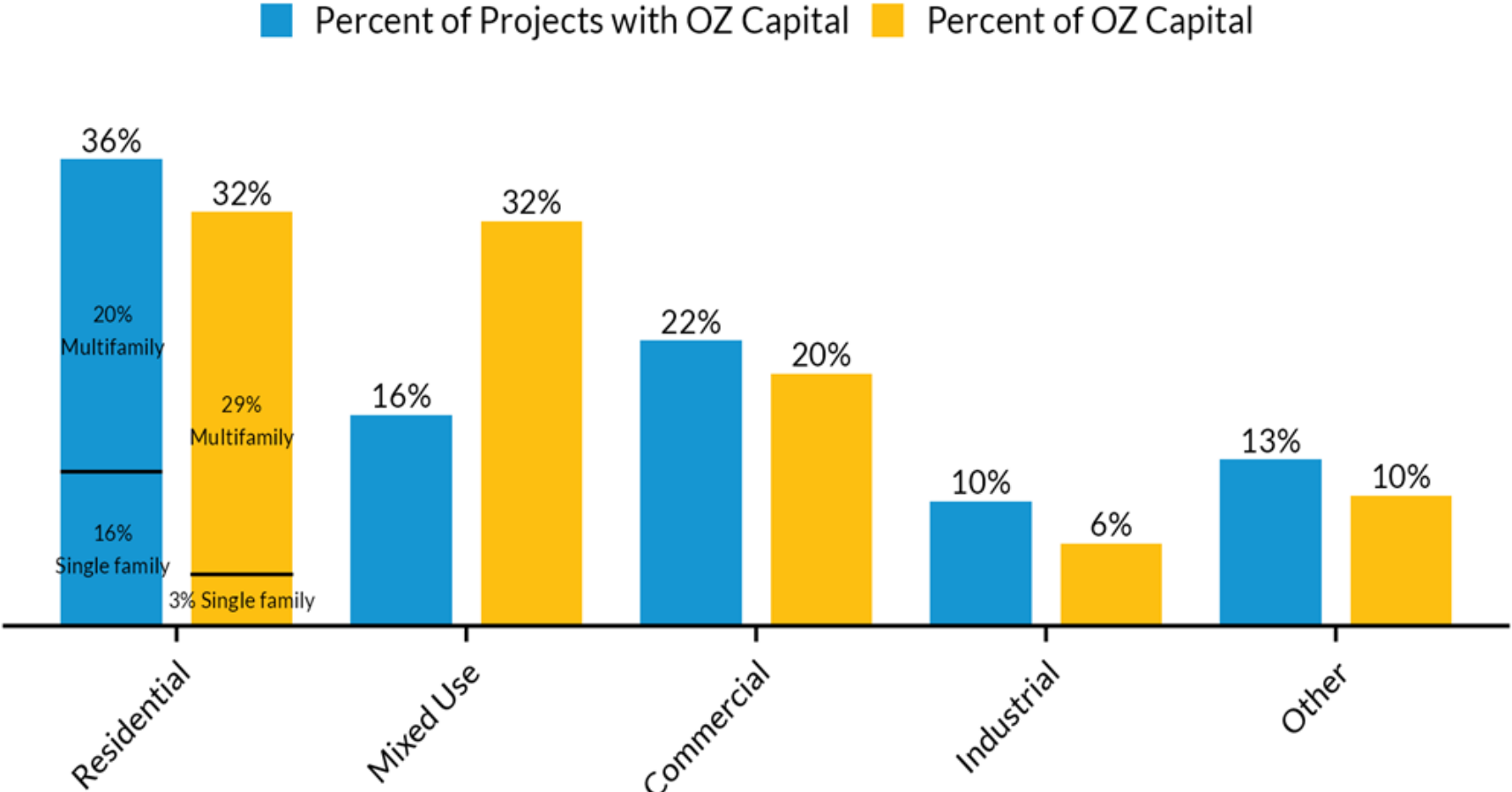
Cleveland and Columbus attracted the most investment, with other geographies underrepresented



Source: Authors' analysis of Ohio Opportunity Zone data and 2019–23 American Community Survey data.

Notes: OZ = Opportunity Zone; MSA = micropolitan statistical area. All 2010 tract boundaries and designations were cross-walked to 2020 to account for changes to boundaries made in the 2020 Census. For MSAs that extend into neighboring states, only the population residing in Ohio was considered for these calculations.

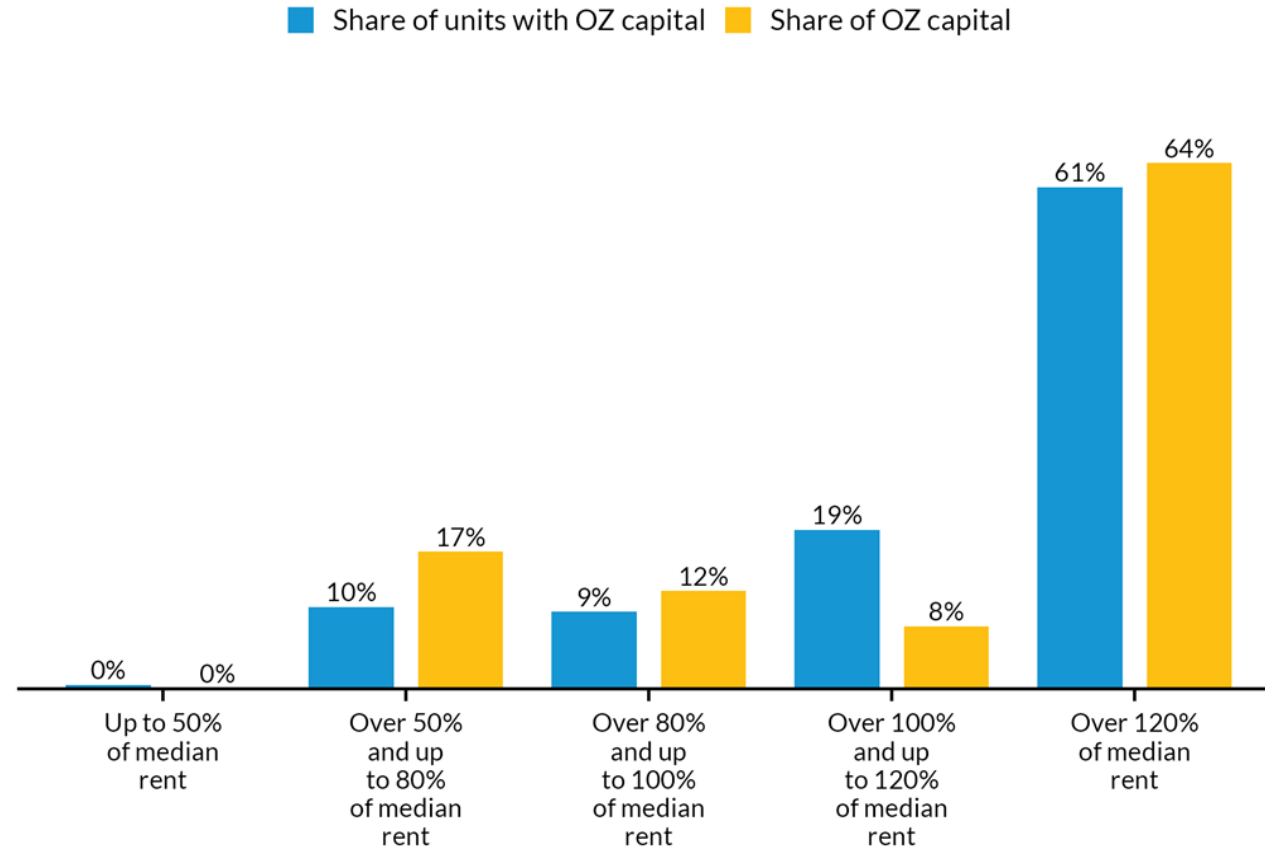
Nearly two thirds of OZ funds supported residential projects



Source: Authors' analysis of Ohio Opportunity Zone data; CoStar data; authors' research of projects by address.

Note: OZ = Opportunity Zones

The majority of units produced using OZ capital exceed the median rent of housing in their census tract



Source: Authors' analysis of Ohio Opportunity Zone data; CoStar data; authors' research of projects by address; and 2019-23 American Community survey data.

Notes: For developments without number of units by bedroom size, we apportioned equal shares of units to each bedroom size available to rent in Spring/Summer 2025. Where no rent data was available, we used Zillow Zestimates data. We excluded any properties we could not find rent data or Zestimates data for. Unrounded percentages sum to 100.

Data to Inform 2026 Opportunity Zone Selections

OZ Selection Tool

- **Tool description:** Models where future Opportunity Zone investment is most likely, using Ohio's detailed OZ data to predict which eligible tracts are:
 - **More likely** to attract OZ investment
 - **Less likely** to attract OZ investment
 - **Likely to attract investment but have less need** for the incentive because they have high: incomes, housing investment, and/or student populations

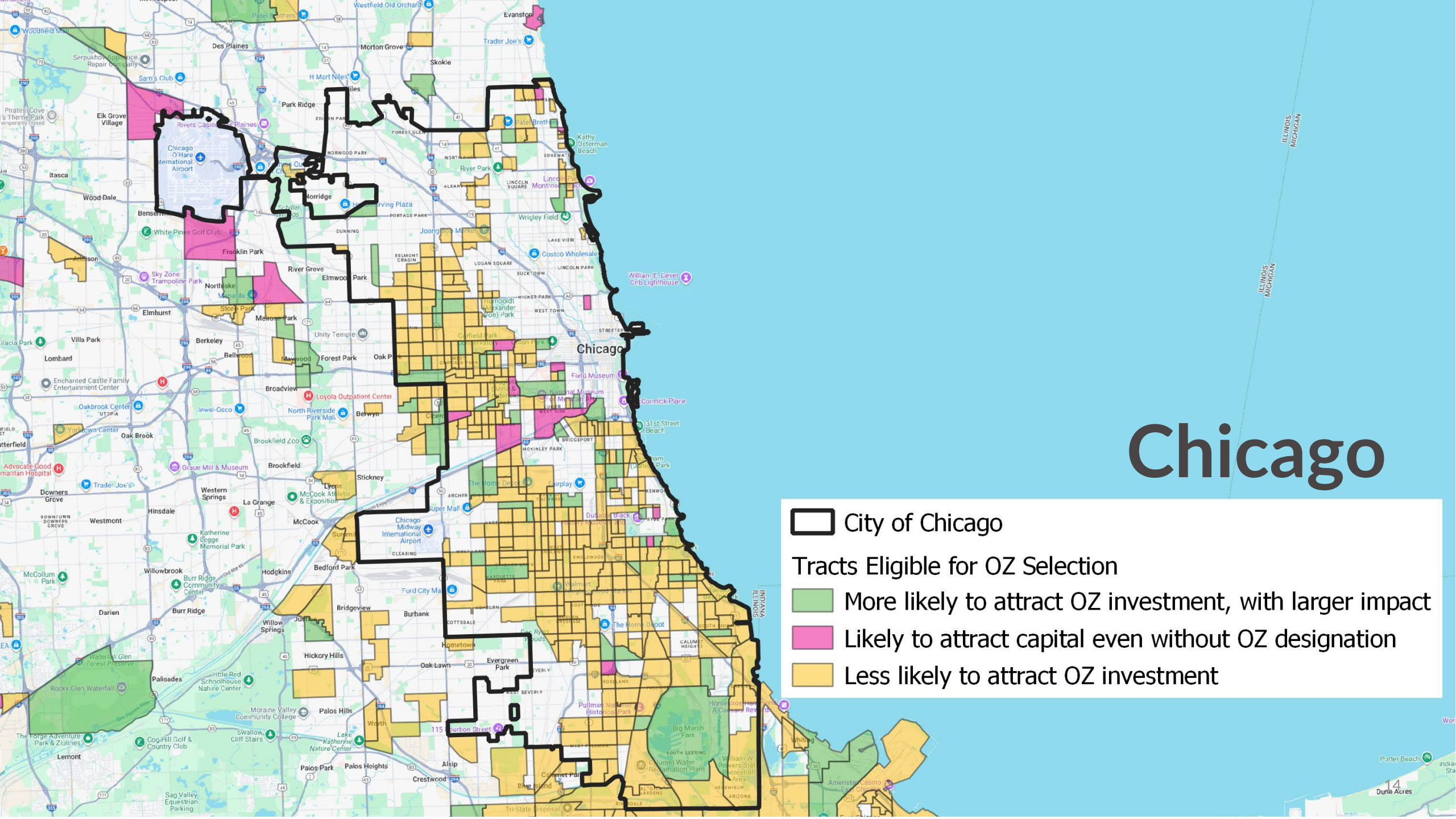
How did we produce these data?

- Likelihood of OZ investment






Indicator	Weight	Years
Aggregate Capital Flows	2x	2019-23
% Change in Multifamily Capital Flows	1x	2012-16 to 2019-23
% Change in Total Jobs	1x	2012-16 to 2019-23
% Change in Median Household Income	1x	2012-16 to 2019-23
% Change in Median Rent	1x	2012-16 to 2019-23
% Change in Population	1x	2012-16 to 2019-23

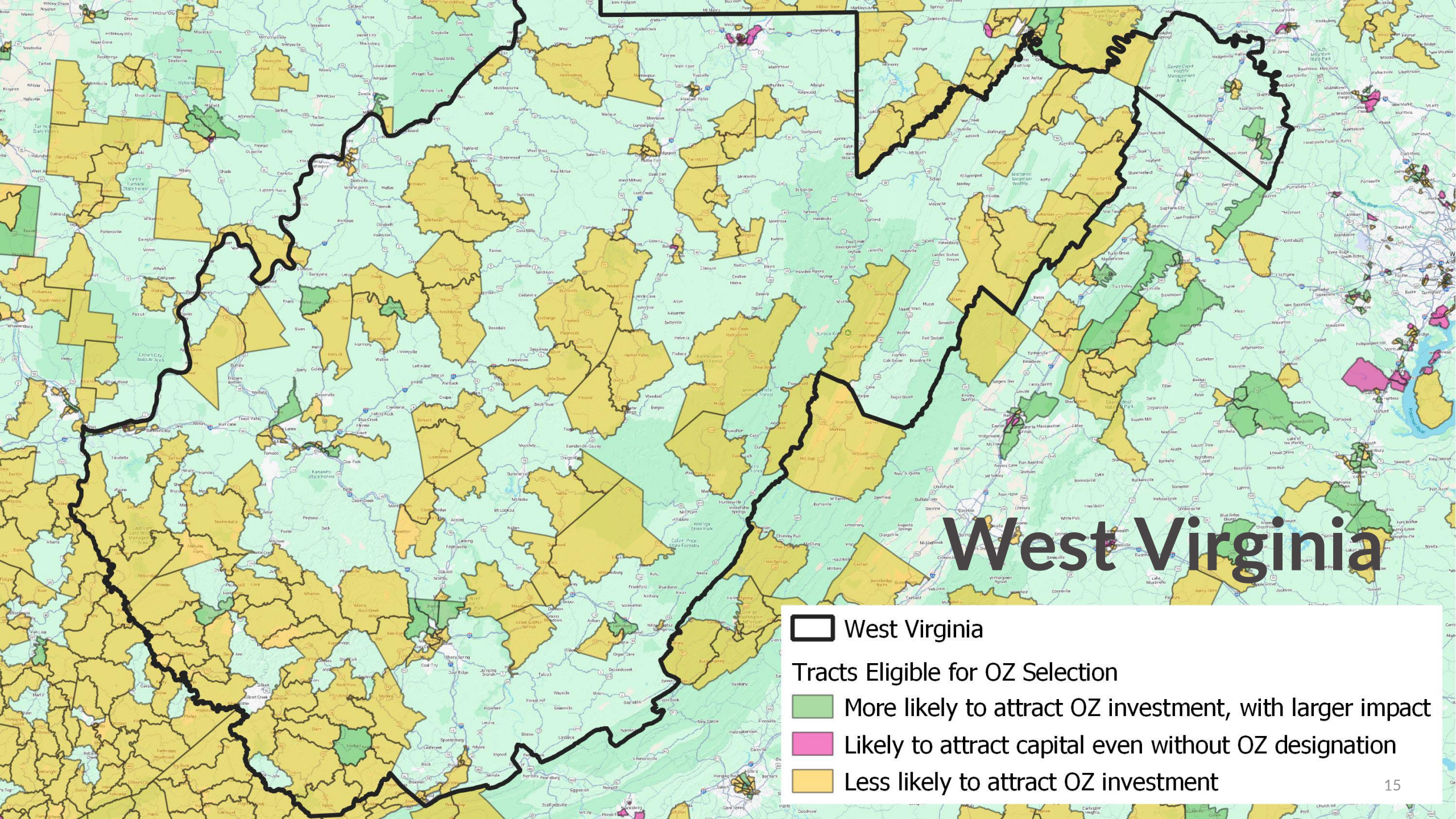
- Attracting capital even w/o OZ investment

Above the 90th Percentile of All Tracts Nationally:	Year
Aggregate Capital Flows	2019-23
Median Household Income	2019-24
Median Rent	2019-25
Median Home Value	2019-26
More than 15% of Population:	
Ages 18-24	2019-26







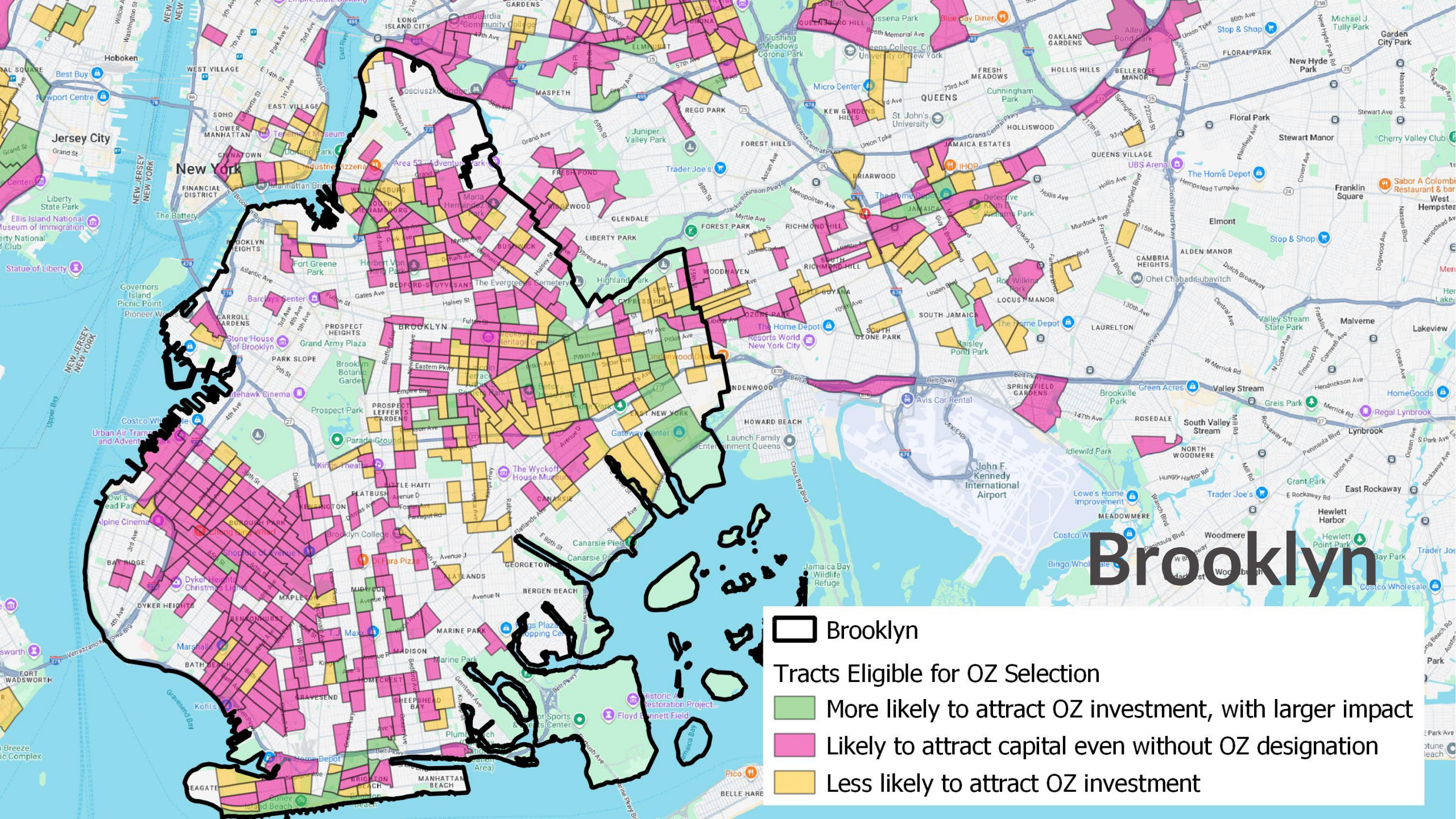
Chicago

-  City of Chicago
-  Tracts Eligible for OZ Selection
-  More likely to attract OZ investment, with larger impact
-  Likely to attract capital even without OZ designation
-  Less likely to attract OZ investment







West Virginia

-  West Virginia
- Tracts Eligible for OZ Selection**
-  More likely to attract OZ investment, with larger impact
-  Likely to attract capital even without OZ designation
-  Less likely to attract OZ investment



Brooklyn

-  Brooklyn
- Tracts Eligible for OZ Selection
 -  More likely to attract OZ investment, with larger impact
 -  Likely to attract capital even without OZ designation
 -  Less likely to attract OZ investment

Which Tracts Would an Opportunity Zone Designation Most Benefit?

California

Zoom in for more detail.

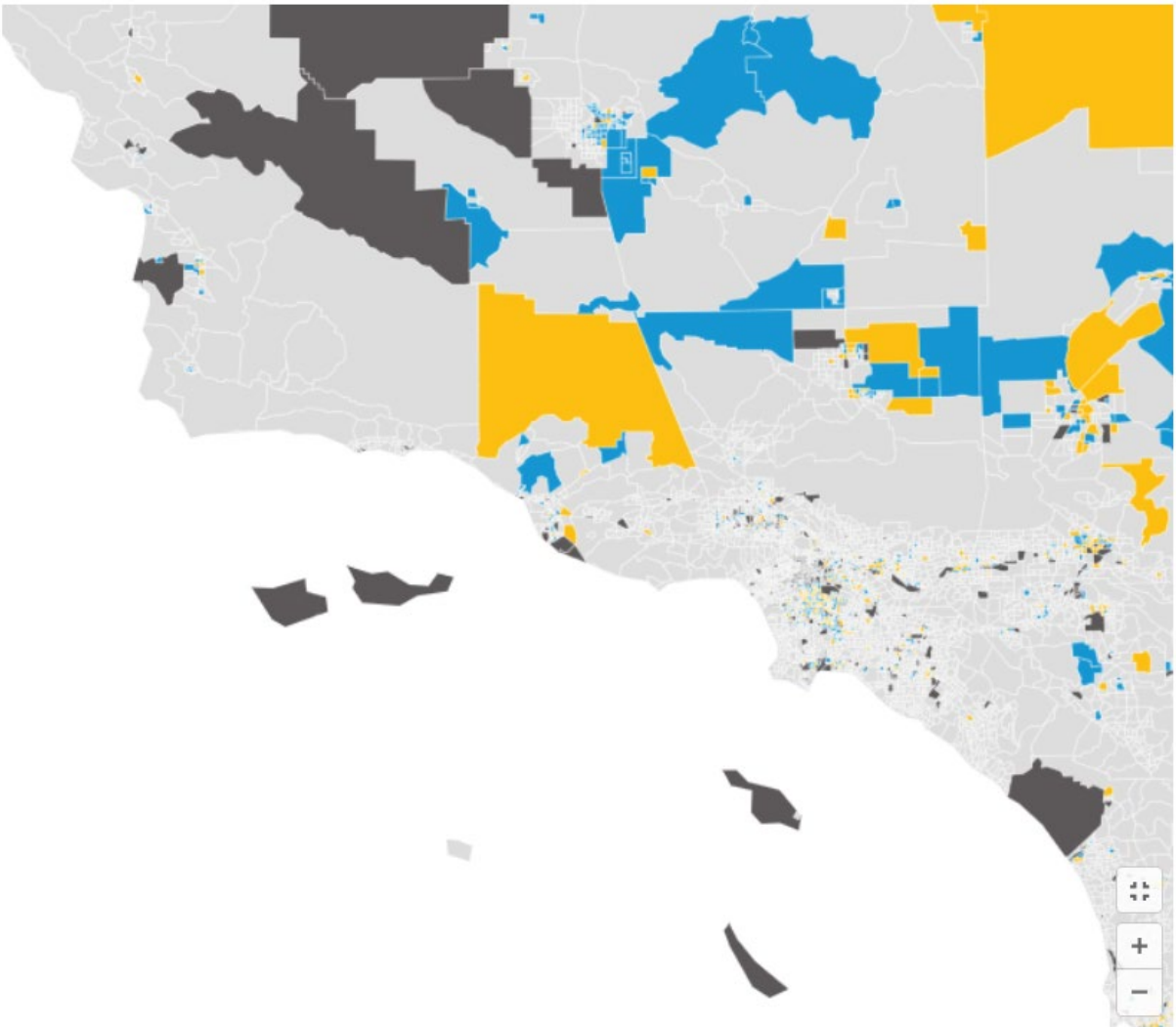
- More likely to attract OZ investment, with larger impact
- Less likely to attract OZ investment
- Likely to attract capital even without OZ designation

California



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- More likely to attract OZ investment, with larger impact
- Less likely to attract OZ investment
- Likely to attract capital even without OZ designation



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Takeaways and implications for the next round of zone selection

- **Plan for real estate–driven investment:** Given that OZ activity has centered on market-rate housing and commercial development, governors should prioritize tracts where such projects would serve local needs.
- **Target “Goldilocks” areas:** Choose tracts that are near market-ready, strong enough to attract private capital but still needing an incentive to unlock development.
- **Guard against displacement:** Avoid designating neighborhoods already experiencing rapid rent and income growth.
- **Importance of local knowledge and planned investment/infrastructure**

Resources

- OZ 2026 selection tool: Opportunity Zones 2026 Selection Tool:
<https://www.urban.org/projects/informing-2026-opportunity-zone-selections-state-and-local-decisionmakers/opportunity>
- Tract-level data to inform 2026 selection: <https://datacatalog.urban.org/dataset/data-inform-2026-opportunity-zone-selections>
- OZ landing page with publications, data, testimony, and events:
<https://www.urban.org/projects/opportunity-zones>

Opportunity Zones 2.0 Selection Framework for California

Brian Coleman, GO-Biz Project Financing Manager



OZ 2.0 Program Timeline

- **May to June 2026** – Overview & information webinar series
- **Mid-June to Late July 2026** – Online application window for local jurisdictions to submit census tract nominations
- **August to September 2026** – GO-Biz and CA Department of Finance will evaluate census tracts for OZ 2.0 nomination by the Governor’s Office
- **September 2026** – Governor’s Office will formally submit nominated census tracts to the U.S. Department of Treasury
- **January 2027** – The U.S. Department of the Treasury will certify nominations, and the new OZ 2.0 map will take effect

Timeline subject to change



Evaluating Census Tracts for Nomination

California will prioritize tracts that align with statewide and regional economic development objectives, including:

- **Advancing California Jobs First** regional plans and the Statewide Economic Blueprint
- **Attracting private investment** in affordable housing aligned with stated Regional Housing Needs Assessment (RHNA) goals
- **Inclusion of “shovel-ready” sites** as defined by the GO-Biz Business Ready Sites tool
- **Public investment** (demonstrated or planned) within the census tract

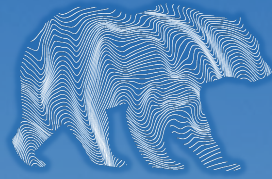


GO-Biz Opportunity Zones 2.0 Webpage



<https://business.ca.gov/resources/infrastructure-development/opportunity-zones-in-california>





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Thank you!

business.ca.gov