LOUISVILLE OPPORTUNITY ZONE PROSPECTUS
A Platform for Action

Prepared by NEW LOCALISM ADVISORS in collaboration with THE CITY OF LOUISVILLE
A project of ACCELERATOR FOR AMERICA

October 2018
EXECUTIVE SUMMARY

• Louisville is an inclusive, growing, entrepreneurial city-county of 770,000 people (in a region of 1.3 million).

• Louisville’s diversified economy, built on business services, manufacturing, healthcare, and logistics, has created 80,000 new jobs and 2,700 new businesses since 2011.

• More $13 billion has been invested within the city limits since 2014 alone.

• The city has a strong commitment to education, workforce development, equity, and inclusion.

• Louisville’s Opportunity Zones were intentionally chosen to maximize impact of Opportunity Zone investment, reinforcing multiple growth hubs.

Louisville has 19 Opportunity Zones in 8 distinct groups, each with highlighted catalytic investments and adjacent investment potential.

• The city of Louisville has a one-stop agency for land use and economic development, Louisville Forward.

Mary Ellen Wiederwohl
Chief of Louisville Forward
maryellen.wiederwohl@louisvilleky.gov
OPPORTUNITY ZONE TAX INCENTIVES

The 2017 Tax Cuts and Jobs Act established New Internal Revenue Code Section 1400Z – Opportunity Zones

The Opportunity Zones program offers three tax incentives for investing in low-income communities through a qualified Opportunity Fund:

- **Temporary Deferral**
  A temporary deferral of inclusion in taxable income for capital gains reinvested into an Opportunity Fund. The deferred gain must be recognized on the earlier of the date on which the opportunity zone investment is disposed of or December 31, 2026.

- **Step-Up In Basis**
  A step-up in basis for capital gains reinvested in an Opportunity Fund. The basis is increased by 10% if the investment in the Opportunity Fund is held by the taxpayer for at least 5 years and by an additional 5% if held for at least 7 years, thereby excluding up to 15% of the original gain from taxation.

- **Permanent Exclusion**
  A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in an Opportunity Fund if the investment is held for at least 10 years. This exclusion only applies to gains accrued after an investment in an Opportunity Fund.

Courtesy of Economic Innovation Group
OPPORTUNITY ZONE TAX INCENTIVES

The Tax Cuts and Jobs Act has established New Internal Revenue Code Section 1400Z – Opportunity Zones

Four Parties:
- TAXPAYER
- QUALIFIED ZONE
- OPPORTUNITY FUND
- PROJECTS (PROPERTY & BUSINESSES)

Different Than Other Tax Credits:
- More market-oriented
- Residential, commercial real estate, and business investments
- No benefit cap
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

**PLACE MAKING**
Commentary on the essential must do’s to re-knit spatial and social fabric

**INSTITUTIONAL CAPACITY**
Recommendations on institution-building options to expedite growth and inclusion
GEOGRAPHY OF LOUISVILLE OPPORTUNITY ZONES

<table>
<thead>
<tr>
<th></th>
<th>POPULATION 2010</th>
<th>POPULATION 2016</th>
<th>% CHANGE</th>
<th>SQ. MILES</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSA</td>
<td>1,283,340</td>
<td>1,269,550</td>
<td>(1%)</td>
<td>4,135</td>
</tr>
<tr>
<td>City</td>
<td>741,069</td>
<td>759,724</td>
<td>3%</td>
<td>398</td>
</tr>
<tr>
<td>Zones</td>
<td>61,378</td>
<td>63,681</td>
<td>4%</td>
<td>17</td>
</tr>
</tbody>
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- **Louisville Metropolitan Area**
- **Louisville / Jefferson Metro Government**
- **Louisville Opportunity Zones**
LOUISVILLE MOMENTUM

BY THE NUMBERS
- Merged City/County with population over 770,000
- Thriving downtown with billions of dollars in capital construction since 2014
- From 2010-2013 to 2014-2017 a 66% increase in venture capital deals

BY THE ASSETS
- Diverse set of large employers (shipping, healthcare, manufacturing, education)
- City commitment to education, workforce development, equity, and inclusion
- Fortune 500 HQs (Humana & YUM! Brands)

BY THE OPPORTUNITY ZONES
- Zones were selected reinforcing multiple growth hubs
- Zones include planned and underway catalytic projects
LOUISVILLE OPPORTUNITY ZONE LEAD

- **Louisville Metro Government** is one of the most successful examples of city/county consolidation in the country

- **Lead agency**: Louisville Forward is the city’s one-stop agency for economic development, talent and workforce attraction, and land use and planning design. Louisville Forward provides a unified solution for job growth and quality of place, making it easier to go from start to finish on projects large and small

  Louisville Forward website: louisvilleky.gov/government/louisville-forward

  Opportunity Zone website: louisvilleky.gov/government/louisville-forward/opportunity-zones-louisville

- The city has a strong fiscal base, with solid bond ratings

- Louisville Opportunity Zones were smartly selected

- Louisville Opportunity Zone points of contact:
  
  **Mary Ellen Wiederwohl**
  Chief of Louisville Forward
  maryellen.wiederwohl@louisvilleky.gov

  **Eric Burnette**
  Senior Policy Advisor for Louisville Forward
  eric.burnette@louisvilleky.gov
LOUISVILLE BY THE NUMBERS
LOUISVILLE METRO ECONOMY
Louisville’s economy has performed well over the past decade

JOB GROWTH IS UP

<table>
<thead>
<tr>
<th>Period</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-2010</td>
<td>+2%</td>
</tr>
<tr>
<td>2011-2018</td>
<td>+9%</td>
</tr>
</tbody>
</table>

AVERAGE MONTHLY EARNINGS ARE UP

<table>
<thead>
<tr>
<th>Period</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-2010</td>
<td>-2%</td>
</tr>
<tr>
<td>2011-2018</td>
<td>+8%</td>
</tr>
</tbody>
</table>

PAYROLL JOBS ARE UP

<table>
<thead>
<tr>
<th>Period</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-2010</td>
<td>-4%</td>
</tr>
<tr>
<td>2011-2017</td>
<td>+20%</td>
</tr>
</tbody>
</table>

EMPLOYEES UNDER AGE 29 ARE UP

<table>
<thead>
<tr>
<th>Period</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-2010</td>
<td>-8%</td>
</tr>
<tr>
<td>2011-2015</td>
<td>+8%</td>
</tr>
</tbody>
</table>

UNEMPLOYMENT IS WAY DOWN

<table>
<thead>
<tr>
<th>Month</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2011</td>
<td>10%</td>
</tr>
<tr>
<td>January 2018</td>
<td>3%</td>
</tr>
</tbody>
</table>

*2017 Adjusted
LOUISVILLE BY THE RANKINGS

CITY OF PRIDE

Human Rights Campaign perfect score four years running

2017 & 2018 SMARTASSET

Top 10 City for Lowest Start-up Costs
Top city for women in technology
Top city for new college grads
Top 15 cities where Millennials are moving

FORBES

#1 City for Manufacturing (2017)
“Aging Care Capital” with Largest Cluster of Aging Care Businesses (2018)

2018 LENDING TREE

Highest proportion of Millennial founders among cities with the youngest entrepreneurs

4TH OUT OF 15 PEER CITIES

2016 Labor Force Participation of young workers (25-44 year-olds)
# LOUISVILLE EMPLOYMENT PROFILE

Impressive growth in professional and business services as a share of the economy

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade, Transportation and Warehousing</td>
<td>100,157</td>
<td>104,067</td>
<td>3,910</td>
<td>3.9%</td>
</tr>
<tr>
<td>Health Care, Social Assistance &amp; Educational Services</td>
<td>74,942</td>
<td>89,396</td>
<td>14,454</td>
<td>19.3%</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>50,929</td>
<td>66,910</td>
<td>15,981</td>
<td>31.4%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>44,251</td>
<td>47,145</td>
<td>2,894</td>
<td>6.5%</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>29,352</td>
<td>37,037</td>
<td>7,685</td>
<td>26.2%</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>26,810</td>
<td>32,829</td>
<td>6,019</td>
<td>22.5%</td>
</tr>
<tr>
<td>Construction, Mining &amp; Utilities</td>
<td>21,931</td>
<td>21,639</td>
<td>-292</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Public Administration</td>
<td>11,562</td>
<td>10,884</td>
<td>-678</td>
<td>-5.9%</td>
</tr>
<tr>
<td>Information</td>
<td>10,763</td>
<td>8,572</td>
<td>-2,191</td>
<td>-20.4%</td>
</tr>
</tbody>
</table>
LOUISVILLE’S LARGEST NON-GOVERNMENT EMPLOYERS

National leader in lifelong wellness and aging care, advanced manufacturing, and logistics

<table>
<thead>
<tr>
<th>EMPLOYER</th>
<th>TYPE OF BUSINESS</th>
<th>APPROXIMATE NUMBER OF EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Parcel Services Inc.</td>
<td>Global commerce services</td>
<td>22,354</td>
</tr>
<tr>
<td>Ford Motor Co.</td>
<td>Automotive manufacturer</td>
<td>12,600</td>
</tr>
<tr>
<td>Humana Inc.</td>
<td>Health Insurance</td>
<td>12,500</td>
</tr>
<tr>
<td>Norton Healthcare Inc.</td>
<td>Health care</td>
<td>11,944</td>
</tr>
<tr>
<td>University of Louisville</td>
<td>Higher education</td>
<td>6,901</td>
</tr>
<tr>
<td>Baptist Healthcare Systems Inc.</td>
<td>Health care</td>
<td>6,786</td>
</tr>
<tr>
<td>Amazon.com</td>
<td>Logistics and customer service</td>
<td>6,500</td>
</tr>
<tr>
<td>GE Appliances, a Haier company</td>
<td>Appliance manufacturer</td>
<td>6,000</td>
</tr>
<tr>
<td>KentuckyOne Health</td>
<td>Health care</td>
<td>6,000</td>
</tr>
<tr>
<td>The Kroger Co.</td>
<td>Grocery retailer</td>
<td>3,079</td>
</tr>
</tbody>
</table>
LOUISVILLE BY THE ASSETS
DOWNTOWN RENAISSANCE

With a comprehensive placemaking strategy, Louisville’s downtown has become a hotbed of investment, with housing, hotels, and tourist attractions.

Downtown hotels have nearly doubled since 2010
16.4 million visitors a year

$220 million convention center opened in 2018
State-of-the-art venue with 940,000 square feet of space

Downtown Residential
1,033 new units by 2019 (39% increase in 2 years)

Downtown Retail
Additional 145,000 sq. ft. by 2019 (9% increase in 2 years)
BOURBONISM
A new and rapidly growing year-round tourism draw

The Assets
- Louisville is the official start of the Kentucky Bourbon Trail
- 1.4 million visitors a year
- Nine distilled spirits attractions in a growing Bourbon District

The Opportunity
- Invest in the “Napa Valley of Bourbon,” with distilleries, attractions, and adjacent hospitality
LARGE EMPLOYERS
4 of the 10 largest employers are located in Opportunity Zones

1. United Parcel Services Inc.
2. Ford Motor Co.
3. Humana Inc.
5. University of Louisville
7. Amazon.com
8. GE Appliances, a Haier company
9. KentuckyOne Health
10. The Kroger Co.
GROWING START-UP INVESTMENT

- From 2010-2013 to 2014-2017 a 98% increase in venture capital deals
- $255 million in venture capital investment since 2014
- From 2010-2013 to 2014-2017 a 10% increase in small business association loans
- $172 million in small business association loans since 2014
- Louisville has 11 active venture capital firms
  - Access Ventures
  - Blue Equity
  - BlueSky Network
  - Cardinal Venture Fund
  - Enterprise Angels Fund
  - Lunsford Capital
  - Patoka Capital
  - Radicle Capital
  - Sequel Fund
  - Weller Equity
EDUCATION AND WORKFORCE INVESTMENT

Nationally recognized Cradle to Career system that integrates pre-K, K-12, post-secondary, and workforce readiness

Cradle to Career: Louisville

**Citywide Accountability for Cradle-to-Career System**
(Semiannual Convening by the Mayor to provide connectivity across system)

**Early Care and Education/ Kindergarten Readiness**
GOAL: 77% of Kindergarten students will enter ready for school by 2020
- Increase the number of children involved in quality early care settings and education programs and experiences
- Increase the quality of early care and education programs
- Increase parents’ and caregivers’ knowledge of and involvement in helping their children become ready for kindergarten
- Increase the number of children, families and schools participating in transitioning activities

**K-12 Success**
GOAL: All students graduate prepared
- Increase student proficiency in every subject
- Increase percent of students graduating to 90% by 2020
- Increase extended learning opportunities (i.e. OST programming)
- Increase percent of graduates that are college or career ready to 70% by 2020
- Increase percent of graduates going to college to 85% by 2020

**High School to Postsecondary Transition and Completion**
GOAL: 40% of working age adults holds bachelor’s degree or higher and 10% holds associates degree by 2020
- Create college-going and completion culture
- Increase college readiness
- Use business leverage, particularly to increase adult enrollment and completion
- Increase access and affordability
- Increase persistence and completion

**21st Century Workforce and Talent**
GOAL: Improve median annual wages to top half of peer cities by 2020
- Increase pipeline of skilled employees to regional employers
- Increase training, apprenticeships, and education programs that lead to high growth jobs at or above living wage
- Create a culture that supports career pathways from high school to postsecondary education to the workplace
- Improve capacity to connect qualified job seekers to the best jobs

**Curtailing and experiences that provide real world relevance**
- **Adults have the capabilities to ensure children are prepared**
LOUISVILLE BY THE OPPORTUNITY ZONES
OPPORTUNITY ZONE OVERVIEW

Opportunity Zones are concentrated in the core of the city

19 O-ZONE TRACTS
325 LOUISVILLE/JEFFERSON COUNTY TRACTS
6% OF ALL TRACTS

63,681 O-ZONE POPULATION
759,724 LOUISVILLE / JEFFERSON COUNTY POPULATION
8% OF THE POPULATION
OPPORTUNITY ZONE GROUPS

Louisville has eight different Opportunity Zone groups, each with distinct personalities and competitive advantages.
OPPORTUNITY ZONE
SOCIO-ECONOMIC OVERVIEW

Opportunity Zones include areas with high socio-economic need

<table>
<thead>
<tr>
<th></th>
<th>BLACK</th>
<th>HISPANIC</th>
<th>FOREIGN BORN</th>
<th>POVERTY</th>
<th>MEDIAN HOUSEHOLD INCOME</th>
<th>% ED BA+</th>
<th>% SOME COLLEGE</th>
<th>% NO HS DEGREE</th>
<th>% UNDER 18</th>
<th>% OVER 65</th>
<th>UNEMPLOYMENT (MARCH 2018)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro</td>
<td>14%</td>
<td>4%</td>
<td>5%</td>
<td>14%</td>
<td>$52,437</td>
<td>28%</td>
<td>31%</td>
<td>11%</td>
<td>23%</td>
<td>14%</td>
<td>3.4%</td>
</tr>
<tr>
<td>City</td>
<td>21%</td>
<td>5%</td>
<td>7%</td>
<td>17%</td>
<td>$50,099</td>
<td>32%</td>
<td>30%</td>
<td>11%</td>
<td>23%</td>
<td>15%</td>
<td>3.6%</td>
</tr>
<tr>
<td>O-Zones</td>
<td>54%</td>
<td>2%</td>
<td>7%</td>
<td>43%</td>
<td>$21,713</td>
<td>15%</td>
<td>32%</td>
<td>21%</td>
<td>22%</td>
<td>15%</td>
<td>N/A</td>
</tr>
<tr>
<td>State (KY)</td>
<td>8%</td>
<td>3%</td>
<td>4%</td>
<td>19%</td>
<td>$44,811</td>
<td>23%</td>
<td>29%</td>
<td>15%</td>
<td>23%</td>
<td>15%</td>
<td>3.9%</td>
</tr>
<tr>
<td>US</td>
<td>13%</td>
<td>17%</td>
<td>13%</td>
<td>15%</td>
<td>$55,322</td>
<td>30%</td>
<td>29%</td>
<td>15%</td>
<td>23%</td>
<td>15%</td>
<td>4.1%</td>
</tr>
</tbody>
</table>
WEST LOUISVILLE

Rich architectural heritage; Diverse neighborhoods close to downtown; High levels of community engagement

ZONE TYPOLOGY TYPE*
Mixed Jobs/Residential

OPPORTUNITY ZONE JOBS
2015: 5,535
2010: 4,930
+12% change

TOP 3 INDUSTRIES
1. Construction (13%)
2. Wholesale Trade (12%)
3. Health Care and Social Assistance (12%)

OPPORTUNITY ZONE RESIDENTS
2016: 16,158
2010: 15,580
+4% change

VACANT RESIDENTIAL PROPERTIES
Q42017: 1,437 (19%)

VACANT BUSINESS PROPERTIES
Q42017: 111 (16%)
CATALYTIC INVESTMENTS AT STRATEGIC POINTS TO CREATE A WEST LOUISVILLE RENAISSANCE AND FOSTER INVESTMENT WITHOUT DISPLACEMENT

$225m Vision Russell initiative to build resident wealth & opportunities, including a $29.5m redevelopment of Beecher Terrace.

$1 billion in investment in west Louisville since 2014

“Track on Ali,” a multi-use athletic facility
Portland “urban acupuncture” led by private investment
18th Street Commercial Corridor
$225m Vision Russell initiative to build resident wealth & opportunities, including a $29.5m redevelopment of Beecher Terrace
Waterfront Park Phase IV

Central Business District
WEST LOUISVILLE CATALYTIC INVESTMENT: HERITAGE WEST

The Assets
• HeritageWest is collection of opportunities anchored by the “Track on Ali,” a multi-use athletic facility currently under development on the edge of the historic Russell neighborhood.

• This complex will become a nucleus of regional and national athletic competitions.

• The City also owns the Madison Street Warehouses on an adjacent 6-acre former industrial property at 30th Street and Muhammad Ali Blvd.

The Opportunities
• Partner with OneWest, the Louisville Urban League, and others in the $30 million multi-use athletic facility and catalyze burgeoning development in the Russell neighborhood.

• Redevelop the Madison Street Warehouses into a small business incubator, along with complementary hotel, retail, restaurant, and multi-family residential uses, estimated in excess of $15 million.
WEST LOUISVILLE CATALYTIC INVESTMENT: WATERFRONT PARK PHASE IV

The Assets
- $45 million expansion of Louisville’s award-winning Waterfront Park into the Portland neighborhood, currently underway.
- Will be a destination for tens of thousands of people from all over the city, with playgrounds, concerts, and public events, less than a 10-minute walk from downtown.

The Opportunities
- Surrounding area consists of a large, historic warehouse, industrial building stock, and surface parking lots—all ripe for redevelopment.
- Redevelopment of historic buildings could include office, retail, restaurant, and multifamily residential units.
- Waterfront Park Phase I-III catalyzed $1.3 billion in investment in the surrounding area and built a program of more than 150 special events per year with an annual park attendance of more than 2 million visitors.
CENTRAL BUSINESS DISTRICT

Plurality of jobs in Jefferson County; Fortune 500 HQ; Newly renovated convention center; Centrally located; Great amenities

ZONE TYPOLOGY TYPE*
Tier 1 Job Center

OPPORTUNITY ZONE JOBS
2015: 54,471
2010: 48,350
+13% change

TOP 3 INDUSTRIES
1. Finance & Insurance (30%)
2. Public Administration (16%)
3. Professional, Scientific & Technical Services (14%)

OPPORTUNITY ZONE RESIDENTS
2016: 4,263
2010: 3,642
+17% change

VACANT RESIDENTIAL PROPERTIES
Q42017: 233 (9%)

VACANT BUSINESS PROPERTIES
Q42017: 416 (17%)

*See appendix for typology methodology
CENTRAL BUSINESS DISTRICT CATALYTIC INVESTMENT: LOUISVILLE GARDENS

The Assets
- City-owned, historic 6,000-seat performance venue—a needed middle-size space in a city where most indoor venues are under 3,000 seats or over 20,000.
- Primed for restoration as an arts and entertainment venue, convention facility, and mixed-use space, at an estimated cost of $65 million.
- Located in the heart of downtown, a few blocks from Fourth Street Live!, and award-winning hotels, including 10 new downtown hotels since 2009.

The Opportunity
- City seeking development partner to create a new mixed-use facility.
- City offering other incentives and land.
**MEDICAL CENTER/SOCcer STADIUM**

Vibrant neighborhood attractive to young professionals; Concentration of hospitals and lifelong wellness headquarters

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**ZONE TYPOLOGY TYPE**

Tier 2 Job Center

**OPPORTUNITY ZONE JOBS**

2015: 15,725
2010: 18,731
-16% change

**TOP 3 INDUSTRIES**

1. Health Care and Social Assistance (67%)
2. Manufacturing (13%)
3. Wholesale Trade (5%)

**OPPORTUNITY ZONE RESIDENTS**

2016: 4,867
2010: 4,676
+4% change

**VACANT RESIDENTIAL PROPERTIES**

Q4 2017: 105 (4%)

**VACANT BUSINESS PROPERTIES**

Q4 2017: 106 (13%)

*See appendix for typology methodology*
MEDICAL CENTER/SOCCER STADIUM
CATALYTIC INVESTMENT: SOCCER STADIUM

The Assets
- $200 million district, including a 12,000-person capacity soccer stadium construction underway on 37 acres of land in Butchertown neighborhood.
- Development district includes offices, retail, housing, and at least one hotel.
- Existing neighborhood combines a unique proximity to downtown, historic architecture, and a thriving entrepreneurial scene.
- Located within 1 mile of downtown, Waterfront Park, and Interstates 64 and 71.

The Opportunity
- Invest in stadium-adjacent retail, office, hospitality, and housing in a rapidly growing neighborhood.
MEDICAL CENTER/SOCCER STADIUM CATALYTIC INVESTMENT: INNOVATION DISTRICT

**The Assets**

- Louisville is a national center for aging care innovation, with a growing innovation district to serve the $1.3 trillion US aging care industry, in which Louisville has a distinct HQ advantage.
- Backed by Louisville Healthcare CEO Council, representing Louisville’s largest aging care innovation employers.
- 40,000-square feet East Main Street entrepreneur center with co-working and incubator space focused on healthcare start-ups.
- XLerateHealth, a global healthcare accelerator with annual cohorts and ongoing mentorship and capital facilitation.
- Thrive Center, a non-profit technology innovation and educational hub designed to enhance quality of life for people age 50+.

**The Opportunity**

- Invest in start-ups and business expansion in an industry poised to grow with the aging of the Baby Boomer population.
- Collaborate on game-changing ideas and innovation as the US grapples with healthcare costs and lifestyle challenges for the silver tsunami of its aging population.
NEIGHBORHOOD RENAISSANCE / ARTISANAL MANUFACTURING

Potential hotbed for small business and residential development; Great architectural heritage; Close proximity to downtown; Diverse neighborhood

ZONE TYPOLOGY TYPE*
Mixed Jobs/Residential

OPPORTUNITY ZONE JOBS
2015: 2,440
2010: 2,964
-18% change

TOP 3 INDUSTRIES
1. Construction (20%)
2. Health Care and Social Assistance (18%)
3. Wholesale Trade (14%)

OPPORTUNITY ZONE RESIDENTS
2016: 5,103
2010: 5,577
-9% change

VACANT RESIDENTIAL PROPERTIES
Q42017: 410 (16%)

VACANT BUSINESS PROPERTIES
Q42017: 52 (13%)

*See appendix for typology methodology
NEIGHBORHOOD RENAISSANCE AND ARTISANAL MANUFACTURING CATALYTIC INVESTMENT: SMALL BUSINESS OPPORTUNITIES

The Assets
- Rapidly growing small business hub near downtown and thriving NuLu and Highlands neighborhoods.
- Existing capital sources, coworking, and retail spaces.
- Historic residential and commercial architecture and the Olmsted-firm-designed Shelby Park.
- $100 million HOPE VI redevelopment, including energy-efficient mixed income housing and revitalized streetscape on Hancock Street.

The Opportunity
- Invest in start-ups and business expansion in one of the city’s most creative and innovative small business hubs.
- Redevelop existing building stock into office, retail, and housing uses.
NEIGHBORHOOD RENAISSANCE / ARTISANAL MANUFACTURING CATALYTIC INVESTMENT: LOGAN STREET MARKET

**The Assets**
- Currently developing 25,000 square foot public market in a former tobacco warehouse in the Shelby Park neighborhood.
- Space for dozens of local vendors to share resources, sell goods, and incubate food ideas.
- Rotating art installations, murals, live music, and community events.
- Microbrewery Wild Hops and roastery of Safai Coffee.

**The Opportunity**
- Invest in Louisville’s first public market and small businesses adjacent to or growing out of the Logan Street Market ecosystem.
PARK HILL INDUSTRIAL CORRIDOR/ CALIFORNIA NEIGHBORHOOD

Historic Industry Rich Corridor

ZONE TYPOLOGY TYPE*
Tier 2 Job Center & Mixed Jobs/Residential

OPPORTUNITY ZONE JOBS
2015: 8,264
2010: 8,812
-6% change

TOP 3 INDUSTRIES
1. Manufacturing (40%)
2. Health Care and Social (13%)
3. Transportation & Warehousing (10%)

OPPORTUNITY ZONE RESIDENTS
2016: 10,008
2010: 7,945
+26% change

VACANT RESIDENTIAL PROPERTIES
Q42017: 489 (12%)
VACANT BUSINESS PROPERTIES
Q42017: 69 (6%)

*See appendix for typology methodology
PARK HILL INDUSTRIAL CORRIDOR/
CALIFORNIA NEIGHBORHOOD CATALYSTIC INVESTMENT:
RHODIA INDUSTRIAL PARK

The Assets
- City-owned 16.8 acre former Rhodia site is rail-served and zoned industrial.
- Located 1/2 mile from University of Louisville’s Belknap Campus, 2 miles from downtown, and 7 miles from UPS WorldPort.
- Immediately adjacent to large LG&E substation.
- Embedded in a 1,400-acre industrial corridor.

The Opportunity
- Build an industrial park and research campus, with offices, manufacturing, and university-linked research capacities.
UNIVERSITY OF LOUISVILLE BY THE NUMBERS

Thriving research university with expanding commercialization capabilities

ZONE TYPOLOGY TYPE*
Tier 1 Job Center & Tier 2 Job Center

OPPORTUNITY ZONE JOBS
2015: 14,064
2010: 15,196
-7% change

TOP 3 INDUSTRIES
1. Educational Services (56%)
2. Accommodation & Food Services (13%)
3. Manufacturing (6%)

OPPORTUNITY ZONE RESIDENTS
2015: 9,354
2010: 8,547
+9% change

VACANT RESIDENTIAL PROPERTIES
Q42017: 316 (7%)

VACANT BUSINESS PROPERTIES
Q42017: 58 (5%)

*See appendix for typology methodology
UNIVERSITY OF LOUISVILLE CATALYTIC INVESTMENT: SCIENCE & ENGINEERING PARK

The Assets

• Center of planned 40-acre science and engineering park just south of the University of Louisville’s Belknap Campus and close to I-65, I-264 interchange.

• Park infrastructure is complete.

• Current plans include development of additional research facilities for the J.B. Speed School of Engineering, offices for applied science researchers, and offices for private companies wishing to partner with the engineering school.

The Opportunity

• Leverage academic and research functions of the University of Louisville to create a center for high-skill jobs in research and applied sciences, coordinated directly with the University and the Office of Technology Transfer.

• Get in on the ground floor in commercializing cutting edge research in additive manufacturing, robotics, and information technology.

• Investing in adjacent uses such as student housing and retail.
NORTHERN EDUCATION DISTRICT

Multi-university district walking distance to downtown

ZONE TYPOLOGY TYPE*
Tier 2 Job Center & Mixed Job/Residential

OPPORTUNITY ZONE JOBS
2015: 3,423
2010: 3,399
+1% change

TOP 3 INDUSTRIES
1. Health Care and Social Assistance (24%)
2. Educational Services (16%)
3. Professional, Scientific & Technical Services (12%)

OPPORTUNITY ZONE RESIDENTS
2016: 4,941
2010: 4,848
+2% change

VACANT RESIDENTIAL PROPERTIES
Q42017: 253 (7%)

VACANT BUSINESS PROPERTIES
Q42017: 61 (11%)

*See appendix for typology methodology
The Assets
- Expanding university district, distinct from the University of Louisville.
- Spalding University—focusing largely on in-demand healthcare and business fields.
- $24 million Jefferson Technical & Community College Advanced Manufacturing and Information Technology Building.
- Simmons College—Louisville’s rapidly growing HBCU.

The Opportunity
- Invest in adjacent student housing, retail, and office uses.
- Invest in business start-ups aligned with research and entrepreneurship of each university.
HISTORIC PARKLAND AND PARK DUVALLE

Vibrant and historic neighborhood ripe for retail and commercial investment

ZONE TYPOLOGY TYPE*
Residential

OPPORTUNITY ZONE JOBS
2015: 197
2010: 336
-41% change

TOP 3 INDUSTRIES
1. Manufacturing (61%)
2. Retail Trade (24%)
3. Health Care and Social Assistance (8%)

OPPORTUNITY ZONE RESIDENTS
2016: 3,024
2010: 3,072
0% change

VACANT RESIDENTIAL PROPERTIES
Q42017: 279 (17%)

*See appendix for typology methodology
**The Assets**
- Multi-use area owned by Louisville Metro Housing Authority, adjacent to Park DuValle, HOME VI redevelopment area.
- Parkland Family Scholar House, which provides housing to single mothers pursuing higher education.

**The Opportunity**
- Invest in retail, restaurants office, and residential uses in an underserved market.
- Help reinvigorate a historic center of African-American ownership.
Don’t let these opportunities pass you by.

LOUISVILLE FORWARD WEBSITE:
louisvilleky.gov/government/louisville-forward

OPPORTUNITY ZONE WEBSITE:
louisvilleky.gov/government/louisville-forward/opportunity-zones-louisville

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Appendix
Typology Methodology

**Methodology**

- Utilized Longitudinal Employer-Household Dynamics (LEHD) data aggregated to the census tract level.
- Calculated the ratio of jobs in the census tract to residents in the census tract.
- Calculated the % of jobs in each tract that are construction, manufacturing, transportation and warehouse. Tracts >25% are flagged as industrial.
- Utilized national dataset of hospitals and colleges/universities. Flagged tracts with hospitals with 300+ beds and/or universities/colleges with 5,000+ students as anchor tracts.

**Typologies**

- Tier 1 Job Centers: Tracts with jobs to residents ratio >10
- Tier 2 Job Centers: Tracts with Jobs to residents ratio 2-10
- Mixed Jobs/Residential: Tracts with jobs to residents ratio .5 - 2
- Residential: Tracts with jobs to residents ratio <.5