The HFA Role in Opportunity Zones

Secretary Kenneth C. Holt

Maryland Department of Housing and Community Development
## Maryland Opportunity Zones

<table>
<thead>
<tr>
<th>County</th>
<th># of Designated Opportunity Zones</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegany</td>
<td>4</td>
</tr>
<tr>
<td>Anne Arundel</td>
<td>4</td>
</tr>
<tr>
<td>Baltimore County</td>
<td>10</td>
</tr>
<tr>
<td>Baltimore City</td>
<td>42</td>
</tr>
<tr>
<td>Calvert</td>
<td>3</td>
</tr>
<tr>
<td>Caroline</td>
<td>2</td>
</tr>
<tr>
<td>Carroll</td>
<td>1</td>
</tr>
<tr>
<td>Cecil</td>
<td>3</td>
</tr>
<tr>
<td>Charles</td>
<td>3</td>
</tr>
<tr>
<td>Dorchester</td>
<td>2</td>
</tr>
<tr>
<td>Frederick</td>
<td>5</td>
</tr>
<tr>
<td>Garrett</td>
<td>3</td>
</tr>
<tr>
<td>Harford</td>
<td>4</td>
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<tr>
<td>Howard</td>
<td>1</td>
</tr>
<tr>
<td>Kent</td>
<td>1</td>
</tr>
<tr>
<td>Montgomery</td>
<td>14</td>
</tr>
<tr>
<td>Prince George’s</td>
<td>25</td>
</tr>
<tr>
<td>Queen Anne’s</td>
<td>1</td>
</tr>
<tr>
<td>Somerset</td>
<td>3</td>
</tr>
<tr>
<td>St. Mary’s</td>
<td>1</td>
</tr>
<tr>
<td>Talbot</td>
<td>2</td>
</tr>
<tr>
<td>Washington</td>
<td>5</td>
</tr>
<tr>
<td>Wicomico</td>
<td>7</td>
</tr>
<tr>
<td>Worcester</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>149</td>
</tr>
</tbody>
</table>

### Map

The map visualizes the distribution of Opportunity Zones across Maryland counties, with counties highlighted in green for areas designated as Opportunity Zones.
Maryland Opportunity Zone Highlights

• Support NCSHA advocacy and educational initiatives
• Align Maryland policies, regulations, legislation and taxation
• Update QAP to provide multifamily housing incentives
• Provide loans and grants to leverage Opportunity Zone Incentives
• Work with local jurisdictions on One Stop permitting
• Coordinate with federal, state, local government, developers and investors
• Establish information exchange to attract private sector capital
State Tax Code Conformity – Corporate Income

- In Maryland, both personal and corporate income taxes use federally calculated AGI as the starting point for filing Maryland Tax Forms 502 and 500.

- Maryland automatically conforms to the current IRC as it is amended.

Source – Novogradac website
Federal Tax Incentives

What advantages can be realized by coordinating federal tax incentives?
State HFAs can bring resources to the table

- LIHTC: Housing, 15 years, 2-Step pricing for OZ/NOZ LIHTCs, QAP points
- OZ: Business/Property, 10 years, Conform to Federal Tax Code, Policy/Program focus, OZ info exchange
- NMTC: Economic, 7 years, Minimal advantage, Co-located with OZs.
- HTC: Historic, 5 years, In line with OZ benefits, OZ info exchange, mapping of HTC properties/areas
Maryland Opportunity Zone Information Exchange
Maryland Opportunity Zone Information Exchange

• A virtual meet up for investors, fund managers, property developers, new or expanding businesses, and local stakeholders
• A bulletin board tracking OZ news and investment activity
• A project / business locator
• A search tool for financial incentives based on address and/or area
Let’s take a look at the information exchange
Clene Nanomedicine, Inc.
OZ Business - Office

Clene Nanomedicine (Clene), is raising a $30M Series C pre-final round with $20M already closed in C-1 and $7M committed to close the remainder of the C round in Q4 2018. Clene has created a nanocrystal drug suspension platform for treating neurology, infectious diseases, and oncology indications. Clene’s lead asset is for treating demyelination like Multiple Sclerosis. Clene has completed a Phase II trial and is starting a Phase II to prove remyelinating effect for multiple sclerosis lesions.

Address:
500 PRINCIPAL PKWY W, NORTH EAST, MD 21901

County:
Cecil

Contact Information:
Mark Mortenson
mark@clene.com

http://www.clene.com

clene logo.png
Clene Nanomedicine, Inc.

**Industry:** Office

**Funds Sought:** $10,000,000.00

**Funds Raised:** $4,000,000.00

**Business Stage:** Early

**Listing Type:** OZ Business

**Description:**
Clene Nanomedicine (Clene), is raising a $30M Series C round with $20M already closed in C-1 and $10M committed to close the remainder of the C round by Q4 2018. Clene has created a nanocrystalline drug suspension platform for treating neurology, infectious diseases, and oncology indications. Clene’s lead asset is a treating demyelination like Multiple Sclerosis. Clene has completed a Phase 1 trial and is starting a Phase 2 to prove remyelination effect for multiple sclerosis lesions.

**Address:**
500 PRINCIPIO PKWY W, NORTH EAST, MD 21901

**County:**
Cecil

**Contact Information:**
Mark Motenson
mark@clene.com
http://www.clene.com

Click the symbol on map to get more specific information on this product.
Now let’s add a project, business, or fund.....
OZ Listing Form

Opportunity Zone Listing - Map Entry Form

Select the type of Opportunity Zone (OZ) listing you would like to create*

- OZ Business
- OZ Project
- OZ Fund

Submit

Powered by Survey123 for ArcGIS
Data entry of “Wallbrook Mill”

Select the type of Opportunity Zone (OZ) listing you would like to create

- OZ Business
- OZ Project
- OZ Fund

Listing Name*
Name of Business, Project, or Fund to be added to the Opportunity Zone Listings map.
Wallbrook Mill Redevelopment

Listing Industry*
Mix Use

Contact Name*
Brian Lopez

Contact Email*
blopes@ospreypc.com

Listing Website*
http://ospreypc.com/about/

Listing City*
Baltimore

Listing Zip Code*
21216

Listing County*
Baltimore City

Project Size ($)*
26000000

Project Debt Opportunity ($)*
1500000

Project Equity Investment Opportunity ($)*
5000000

Submission Date*
10/9/18

Listing Photograph*
Please upload a photo to be displayed within the map.

Submit
New project - Wallbrook Mill

Name: Wallbrook Mill Redevelopment
Industry: Mix Use
Project Size: $26,000,000.00
Debt Opportunity: $15,000,000.00
Equity Investment Opportunity: $5,000,000.00

Address:
2636 W NORTH AVE, BALTIMORE, MD 21216
County: Baltimore City
Contact Information:
Brian Lopez
blopez@ospreypc.com
http://ospreypc.com/about/
Contact Maryland DHCD

Kenneth C. Holt, Secretary
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Frank Dickson, Director of Strategic Business Initiatives
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