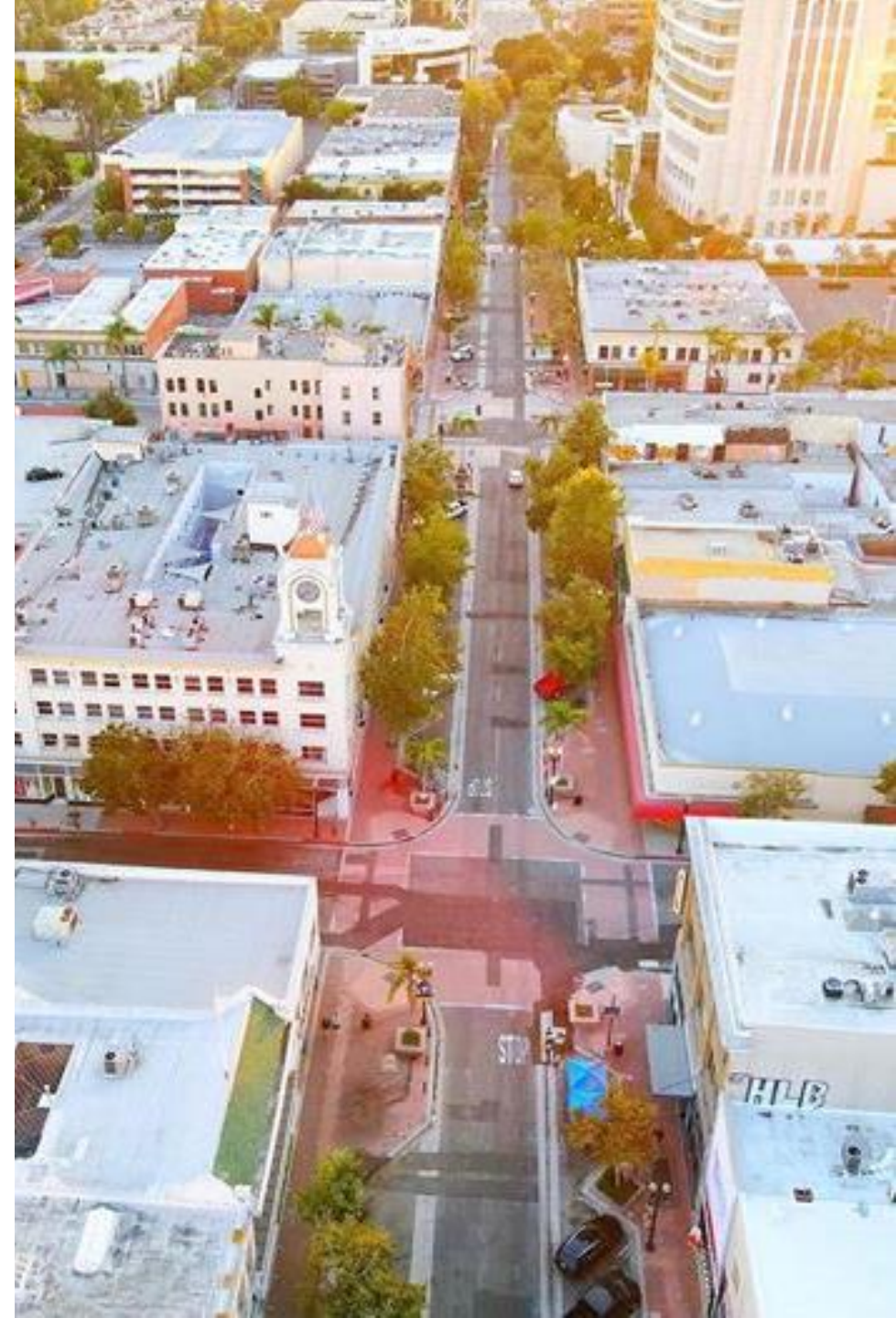


CITY OF SANTA ANA

Opportunity Zone Prospectus

February 2021





Mayor
Vicente Sarmiento



Ward 1
Thai Viet Phan



Mayor Pro Tem
David Penaloza



Ward 3
Jessie Lopez



Ward 4
Phil Bacerra



Ward 5
Johnathan Ryan Hernandez



Ward 6
Nelida Mendoza

City of Santa Ana City Council

Our purpose is to provide quality service to enhance the safety, livability and prosperity of our community.

The City of Santa Ana is a beautiful, diverse group of people who share a deep passion for creating a better future for the community and its businesses by growing job and housing opportunities and installing public amenities and public infrastructure.

The Federal Opportunity Zone Program provides the City an ability to enhance its economic vitality and effectively promote and guide the direction of future private sector investment toward key underserved development opportunities/areas throughout the City.

The City has put together a qualified OZ team. Information on how to contact them as well as summaries of current OZ opportunities are included. We are committed to working with the private sector and our local, regional, and State partners to help support/complement and enhance the OZ investment program and strengthen the local and regional economy.

Sincerely,

Vicente Sarmiento,
Mayor, City of Santa Ana



A NEW CHAPTER BUILT ON SANTA ANA'S ASSETS

Santa Ana is excited to utilize the **Opportunity Zone** program to catalyze positive community developments that leverage and build upon the City's foundation that offer the best opportunities for sustainable economic growth and development:

- Existing civic, cultural, and other public amenities;
- Transportation such as the OC Street Car & Santa Ana Regional Transportation Center (SARTC);
- Upcoming revitalization projects:(e.g. ~\$300M MainPlace Mall revitalization) and other development activity throughout the City



Civic Center



OC Streetcar



MainPlace Mall Revitalization



Artist Village



Downtown



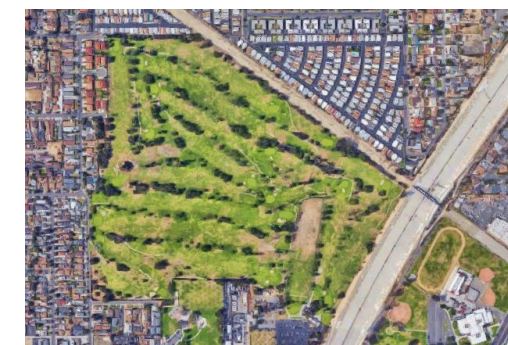
New Developments



SARTC

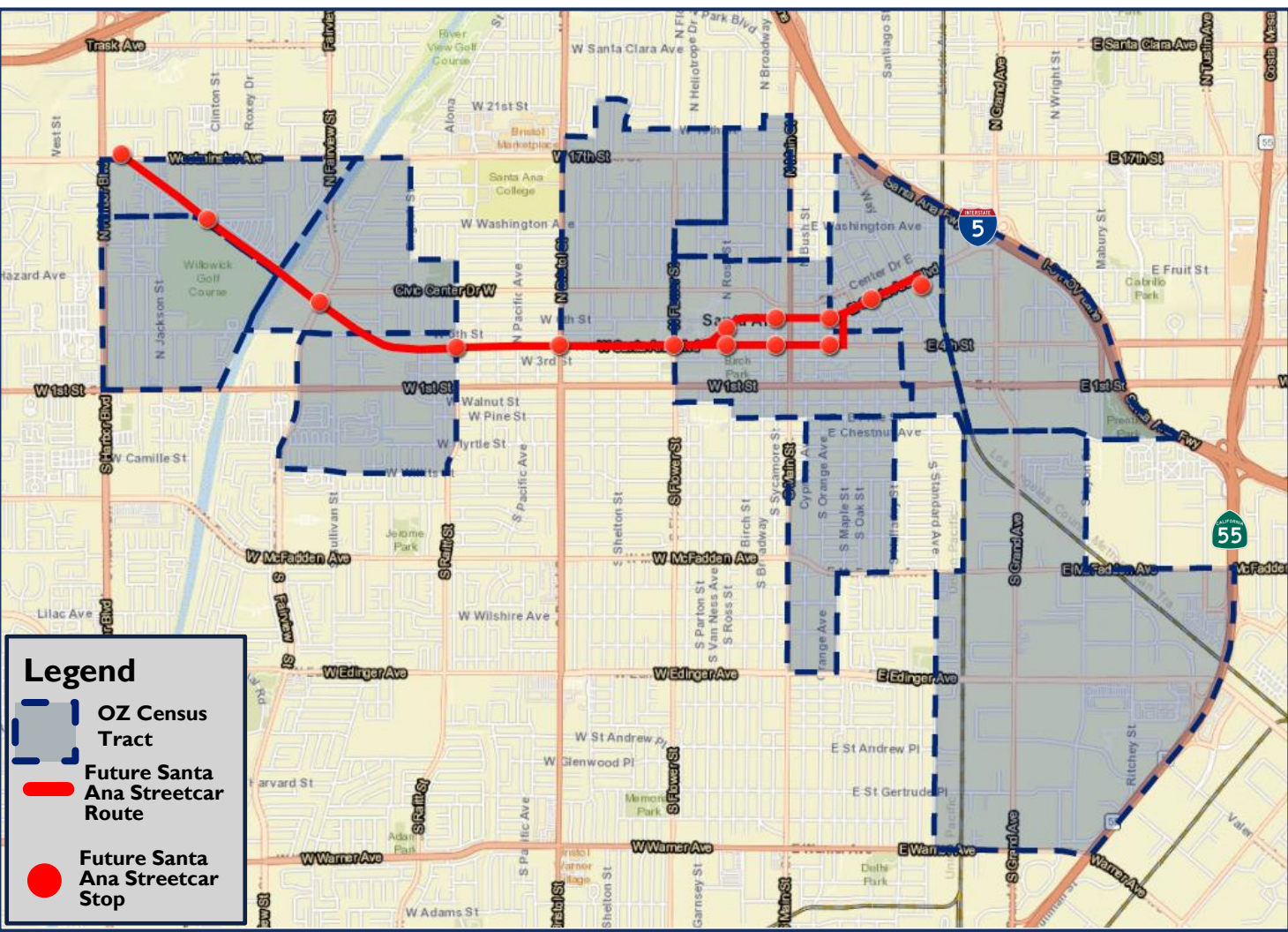


4th Street Market



Willowick Revitalization

CITY OF SANTA ANA'S OPPORTUNITY ZONES



Santa Ana's Opportunity Zones are generally centered along major commercial/industrial corridors and downtown areas in the City, including along proposed stops for the future **Santa Ana OC Streetcar** route.

- 11 Qualified Opportunity Zones (OZs) in City of Santa Ana comprised of ~3,800 Acres;
- Santa Ana OZs represent ~22% of the City area and ~41% of OZs in Orange County;
- ~76,500 residents reside within OZs (22.7% of City population); and
- ~47,000 jobs within OZs (35.5% of total City jobs).

	Santa Ana OZ Areas	Santa Ana City	Orange County
Population (2020)	76,451	336,744	3,230,429
Jobs (2020)	47,015	132,519	1,581,134
Median Age	27.8	30.8	37.5
Average Household Income (2020)	\$62,382	\$80,706	\$126,141

CITY OF SANTA ANA'S KEY OZ DEVELOPMENT OPPORTUNITIES

See pages 12 – 16 for additional information about development opportunities.

Willowick Area

~100 AC public-private development opportunity and nearby revitalization opportunities

Civic Center

Downtown public-private revitalization opportunity

Grand Complex

~30 AC public-private
development opportunity
along commercial corridor

One Broadway

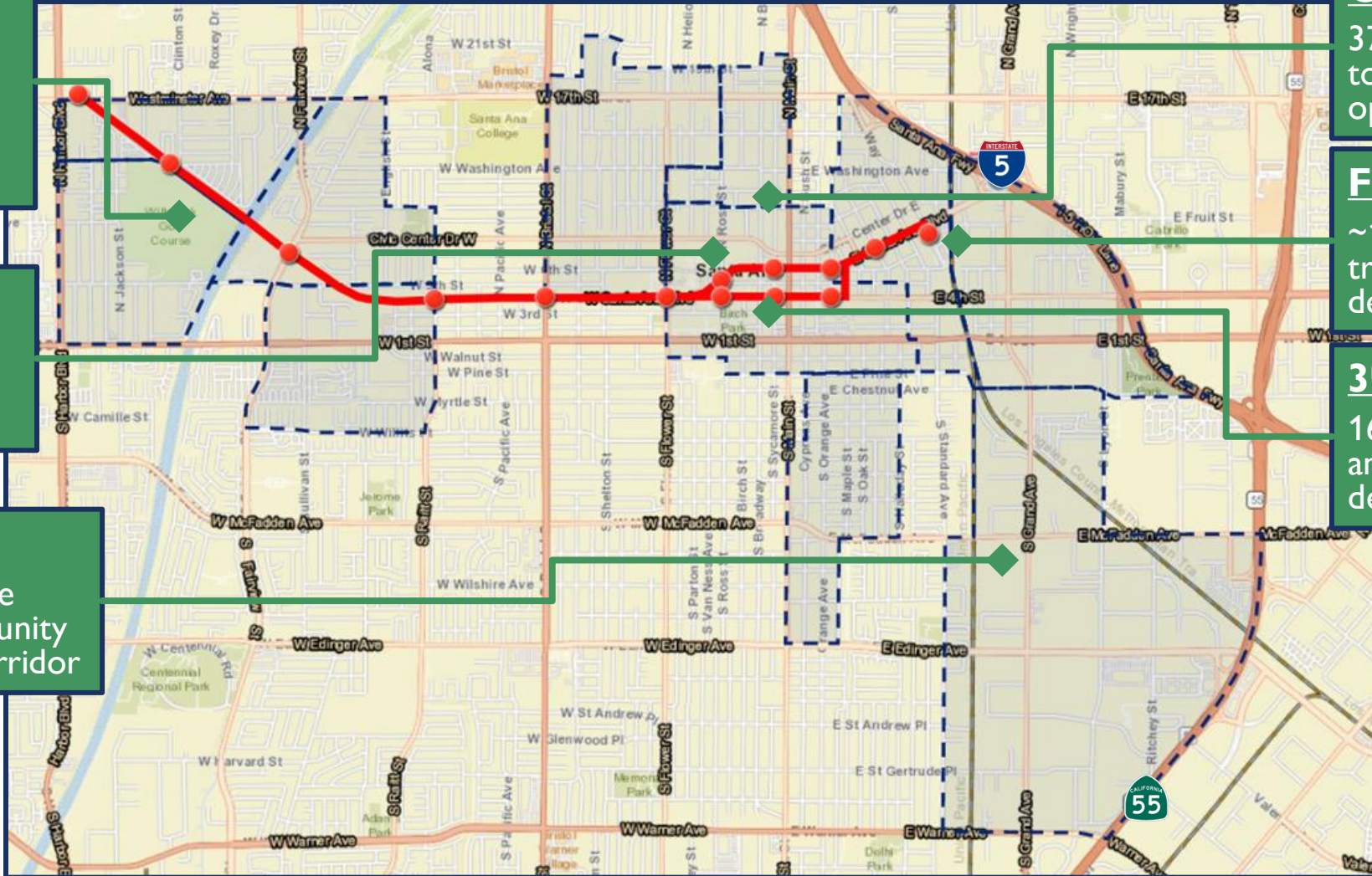
37-story office / residential tower development opportunity

Fruit St. Complex

~10 AC public-private transit-oriented development opportunity

3rd & Broadway

16-story residential / retail and 10-story hotel development opportunity



Legend

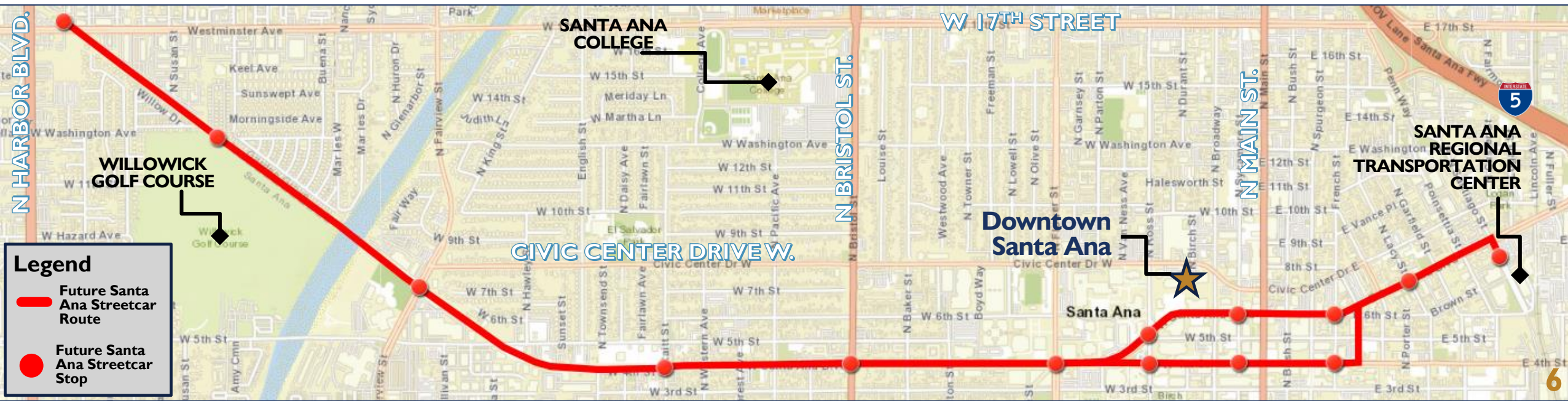
-  **OZ Target Areas**
-  **Future Santa Ana Streetcar Route**
-  **Future Santa Ana Streetcar Stop**
-  **OZ Opportunities**

OC STREETCAR

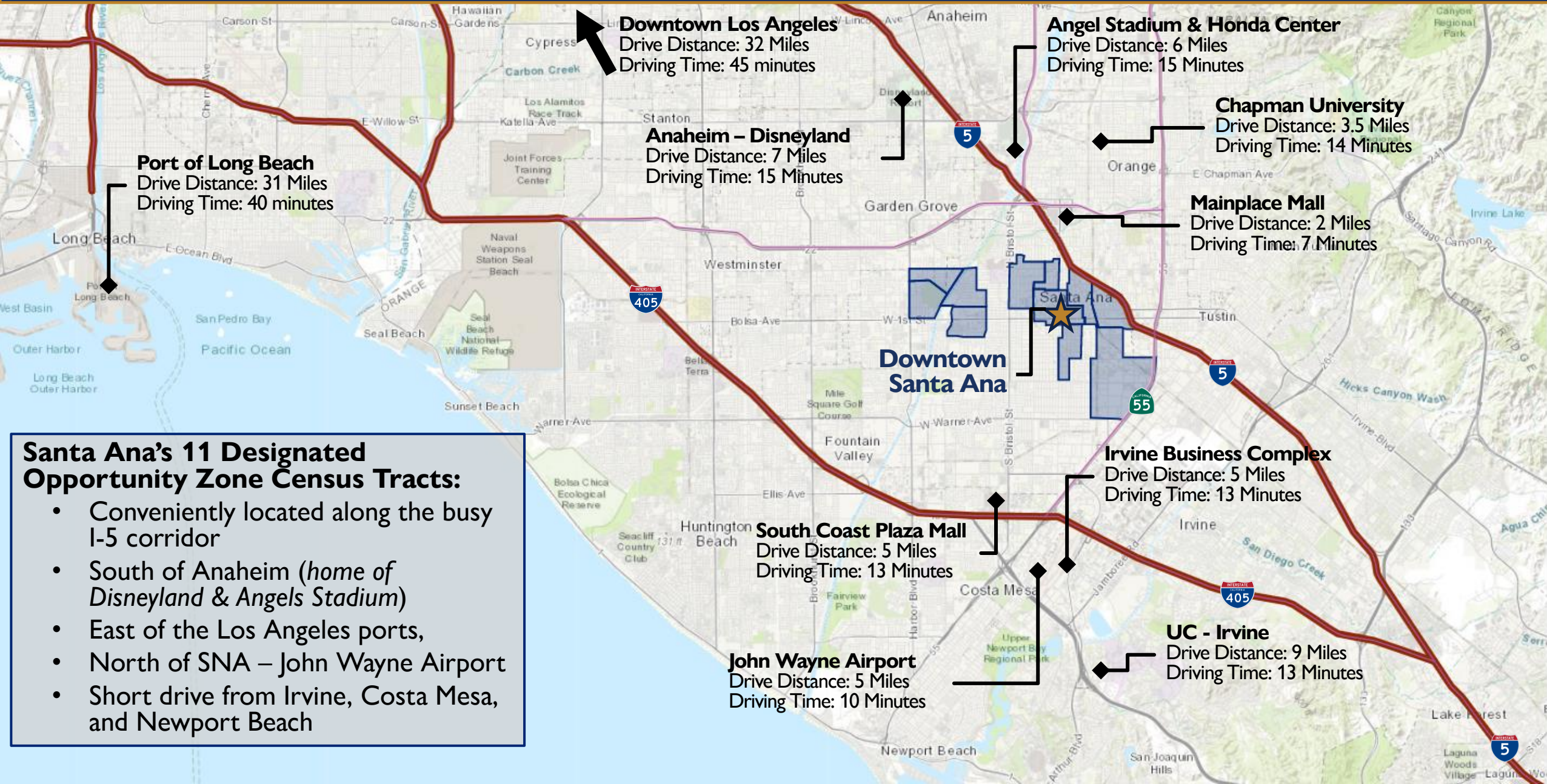
The OC Streetcar Project (*Under Construction*)

- First modern streetcar project to be built in Orange County
- \$400M est. project cost - Anticipated completion in 2022
- Project will expand accessibility to transit and connectivity throughout the City and OZ areas catalyzing private investment
- Will connect the Santa Ana Regional Transportation Center, historic downtown districts and civic center, artists village & cultural institutions, and thriving restaurant scene.

For more information, click the following link: [OC STREETCAR](#)



CITY OF SANTA ANA'S OZs – REGIONAL CONTEXT



WHY INVEST IN SANTA ANA, CALIFORNIA?



Santa Ana is a vibrant, young, and diverse community at the heart of Orange County.

Top employers include Santa Ana College, the Orange County Medical Center (KPC Healthcare), headquarters for insurer First American Title Company, metal forging company Aluminum Precision Products, and Johnson & Johnson.

The City is well integrated into the Orange County region via freeways, rail, and airports, and features a thriving cultural, commercial & governmental hub in the civic center and historic downtown neighborhoods.

Major infrastructure investments like the OC Streetcar and supportive transit-oriented/blended use zoning will catalyze investment in key OZ areas and induce housing, sustainable transportation, and employment opportunities.



REAL ESTATE MARKET OPPORTUNITY



Santa Ana Market Opportunities

Residential

Downtown Santa Ana’s neighborhoods are highly walkable thriving communities, and there are many opportunities for future development—particularly along the OC streetcar route.

Retail

Downtown Santa Ana is well-suited for an active downtown retail experience, and Santa Ana’s central Orange County location can be a strength for future retail-fulfillment blends.

Office

Downtown Santa Ana’s live-work-play environment and can provide future office developments with amenities and accessibility to surrounding Orange County communities.

Hospitality

Santa Ana’s growth position and location in central Orange County make it a strong long-term prospect for hotel development to serve local Orange County tourism and business traveler market.

Industrial

Santa Ana’s prime positioning along major freeways near John Wayne Airport and Los Angeles Ports puts the City in a good position to meet growing industrial demand.



SANTA ANA ECONOMIC DEVELOPMENT TOOLKIT

Santa Ana is prepared to use a wide array of economic development tools to assist Opportunity Zones investments that will benefit the community:



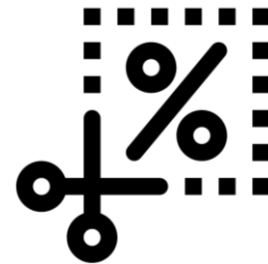
District Incentives

Enhanced Infrastructure Financing District
Downtown Improvement Districts
HUBZone Program
Foreign Trade Zone
Opportunity Zones



Real Estate / Property

Site and Building Search
Assistance
Entitlement / Permitting
Development Agreement
CEQA



Financial Incentives

Small Business Incentive Program
Fee Reductions & Tax Exemptions
Infrastructure Improvements
Environmental Assessment
Santa Ana Resident Vehicle Incentive Program
Statewide Community Infrastructure Program



Tax Incentives

Hotel Incentive Program
Housing Opportunity Incentive

Go to santa-ana.org/cd/OpportunityZone to learn how to use Santa Ana's Economic Development Tools with Opportunity Zone investment

HOW TO CONNECT WITH THE CITY OF SANTA ANA TO TURN YOUR OZ IDEA INTO A REALITY

1

Contact Marc Morley at the City of Santa Ana for information about potential incentives and other general Santa Ana OZ questions.

Email: mmorley@santa-ana.org

Phone: (714) 647-6588

2

Contact Brian Moncrief at Kosmont Realty for information about the real estate market, opportunity zones, and key opportunity sites in Santa Ana.

Email: bmoncrief@kosmont.com

Phone: (805) 469-7364

3

Contact Fabiola Zelaya Melicher at the City of Santa Ana for information about planning, zoning, and entitlement processes in Santa Ana.

Email: fzelayamelicher@santa-ana.org

Phone: (714) 667-2713

For up-to-date information about OZ Opportunities in Santa Ana, visit
www.santa-ana.org/cd/OpportunityZone

SANTA ANA OZ PROJECT OPPORTUNITIES



**Civic Center
Revitalization**



One Broadway Plaza



**Willowick Area
Revitalization**

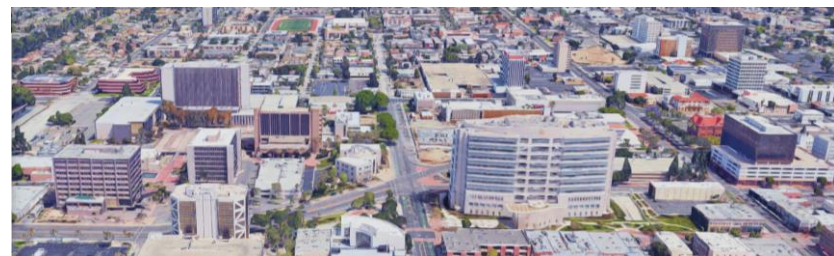


**Fruit Street Complex
Revitalization**



**Grand Complex
Revitalization**

KEY OPPORTUNITY SITE: CIVIC CENTER REVITALIZATION AREA



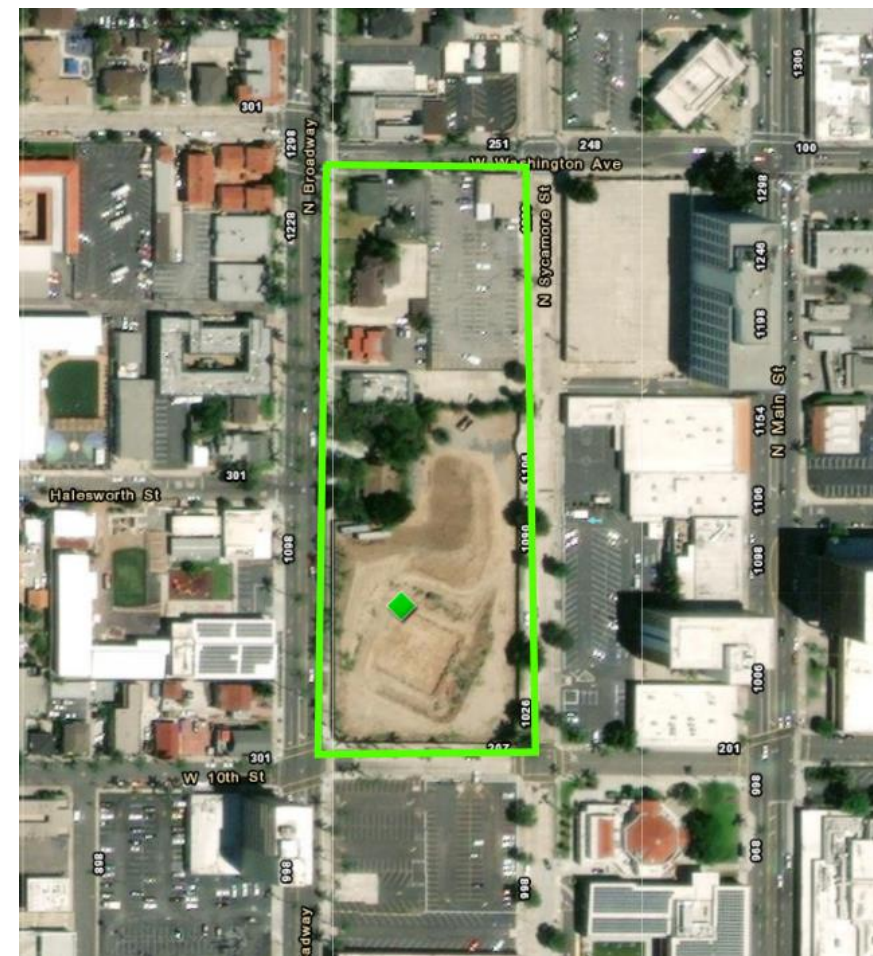
Development Opportunity: Civic Center Revitalization Area

- Approx. 89 acres, bounded by Civic Center Drive / Santa Ana Blvd.
- Located in the heart of downtown Santa Ana, the Civic Center is home to Santa Ana City Hall, Public Library, and Police Department, as well as County / State / Federal courthouses and office buildings.
- City is exploring the opportunity to expand and leverage existing key anchors to create an integrated destination center that provides a thriving blend of complimentary uses – residential, commercial, entertainment, hotel
- Surrounding neighborhoods: walkable, eclectic area featuring arts / cultural institutions and a thriving restaurant scene.
- OC Streetcar expected to open in 2022 and bring further economic growth and development opportunities.
- Specialized infrastructure can create sense of place and further rejuvenate and connect the civic center and downtown historic districts—plazas and outdoor spaces, running/walking paths, street improvements, sidewalks, etc.

Santa Ana – Potential Incentives / Support

- Facilitate discussions with County, State, and Federal government
- District based financing incentives for supportive public infrastructure and related amenities
- Zoning, planning & entitlement permitting assistance

KEY OPPORTUNITY SITE: THE ONE – 1001 N. BROADWAY



Development / Investment Opportunity: The ONE – 1001 N. Broadway (One Broadway Plaza)

- ~4.3 acre site in downtown Santa Ana, bounded by Broadway, Washington Ave, Sycamore Street, and 10th Street
- Proposed project is a 37-story office building: over ~600,000 SF of Class A office space, restaurant spaces on upper floors, plaza-level food court, first-floor presentation theatre, and other amenities.
- Proposed residential use modification being considered: convert over ~300,000 SF of office space to residential.
- Development site is fully entitled and has all approvals and permits available to immediately begin construction.
- Project will redefine the Orange County skyline and the surrounding historic downtown Santa Ana neighborhoods of French Park, Washington Square, and Floral Park.
- Location near major freeways provides a short commute for a vast employee base in Santa Ana, Anaheim, Irvine, and other Orange County communities.

Santa Ana – Potential Incentives / Support

- Facilitate discussions with private property owner
- District based financing incentives for supportive public infrastructure and related amenities
- Zoning, planning & entitlement permitting assistance

CONTRACTOR & DEVELOPER



PRESERVING THE PAST | ENSURING THE FUTURE



Source: Caribou Industries; ESRI; CoStar; City of Santa Ana

KEY OPPORTUNITY SITE: 3RD AND BROADWAY



Development / Investment Opportunity: 3rd and Broadway – 201 W 3rd St

- ~1.5 acre site (current public parking structure) in downtown Santa Ana, bounded by Broadway, 3rd St, and Sycamore Street.
- Proposed mixed-use project features two towers: a 16-story residential building with 171 apartments and ~15,000 SF of retail, and a 10-story hotel with 75 rooms.
- Development site is fully entitled and has all approvals and permits available to immediately begin construction.
- Project located in the French Park neighborhood in the heart of downtown Santa Ana, and will be steps away from an OC Streetcar stop.
- Location near major freeways provides a short commute for a vast employee base in Santa Ana, Anaheim, Irvine, and other Orange County communities.



CONTRACTOR ▲ DEVELOPER



PRESERVING THE PAST ▼ ENSURING THE FUTURE

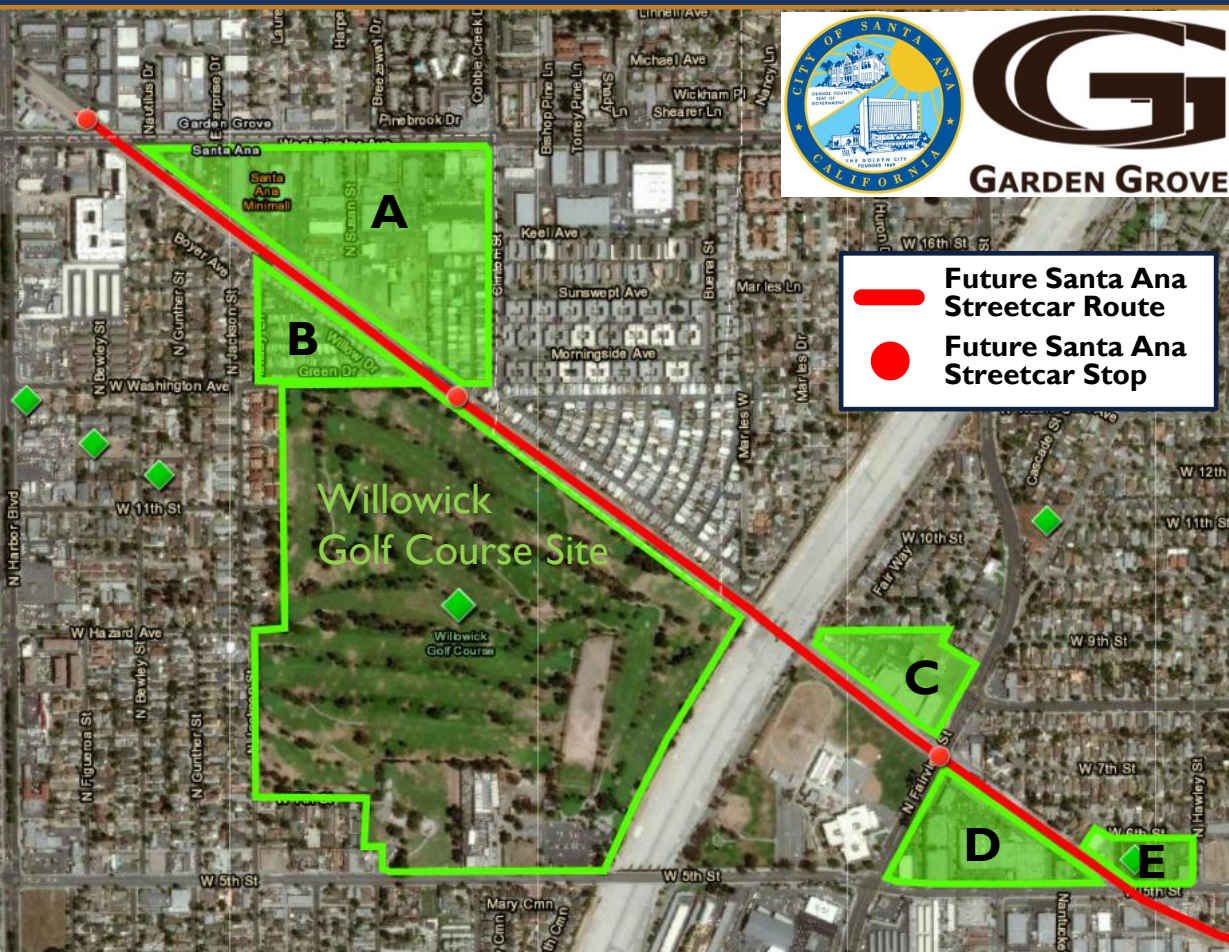


Santa Ana – Potential Incentives / Support

- Facilitate discussions with private property owner
- District based financing incentives for supportive public infrastructure and related amenities
- Zoning, planning & entitlement permitting assistance

Source: Caribou Industries; ESRI; CoStar; City of Santa Ana

KEY OPPORTUNITY SITES: WILLOWICK AREA REDEVELOPMENT



Area	Acreage	Parcels	Land Use	Zoning
A	28.6	25	Commercial, Industrial	Mixed Use Res. & Comm.
B	6.8	1	Mobile Homes	Two Family Residential
C	6.8	5	School Administrative Building	Single / Two Family Res.
D	7.2	21	Industrial, Commercial	Mixed Use Res. & Comm.
E	2.7	15	Industrial, Single Family Residential	Light Industrial

- Development Opportunity:
Willowick Area Redevelopment**
 - ~100-acre greenfield site located at 3017 W. 5th Street in City of Santa Ana (property owned by neighboring City of Garden Grove)
 - Cities are currently reviewing proposals for a public-private partnership that will transform / redevelop the property into a safe, vibrant, multi-use destination, reinforcing the economic viability of surrounding area.
 - Property is one of the largest greenfield development opportunities in Southern California: relatively flat, long frontages along the Santa Ana River, located along the OC Streetcar route.
 - This catalytic development will likely stimulate additional development in surrounding area *[Adjacent areas A, B, and C identified in map are in City of Santa Ana]*
 - Privately owned opportunity sites are located nearby along OC Streetcar route.

Santa Ana – Potential Incentives / Support

- District and zoning based incentives for supportive public infrastructure and related amenities
- Zoning, planning & entitlement permitting/processing assistance
- District & financial incentives for supportive infrastructure

KEY OPPORTUNITY SITE: COUNTY-OWNED FRUIT STREET COMPLEX



Development Opportunity: Public – Private Partnership

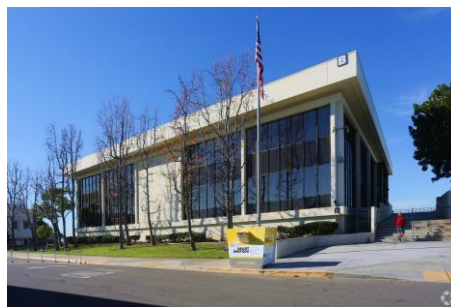
- Approximately 13 acres site bounded by Santa Ana Boulevard and Fruit Street, adjacent to the Santa Ana Regional Transportation Center and proximate to I-5.
- Site currently used as a maintenance yard / labs by County's Public Works Department, with an office complex in the center of the site, a large storage yard, and parking for service vehicles and staff.
- Opportunity for public-private partnership to leverage location near Santa Ana Regional Transportation Center for blended use project
- District Center land use designation, zoned as Transit Village: transit-supportive mixed-use / residential development; retail, restaurant, entertainment, and office uses at high intensity/density



Santa Ana – Potential Incentives / Support

- Facilitate discussions/introductions with County of Orange
- District based financial incentives for supportive public infrastructure and related amenities
- Zoning, planning & entitlement permitting assistance

KEY OPPORTUNITY SITE: COUNTY-OWNED GRAND COMPLEX



Development Opportunity: Public – Private Partnership

- Approximately 30-acre site located at 1300 South Grand Avenue, a busy commercial corridor close the Interstate 5 and State Route 55.
- Currently used as one of the County's largest office complexes and government services campuses: Voter Registrar, Veterans Services, Data Center, Reprographics and other internal services.
- Opportunity to partner with County and City to expand / leverage existing key anchors and provide complimentary uses – residential, commercial, etc.
- Two large office buildings located near the borders of the property, nearly 9 acres of undeveloped raw land that lies on the southeast boundary of the property, and two solar arrays with one of the two installations serving as covered parking.
- The current land designation is Industrial.

Santa Ana – Potential Incentives / Support

- Lead discussions/facilitate introductions with County of Orange
- District and zoning based incentives for supportive public infrastructure and related amenities
- Zoning, planning & entitlement permitting assistance

Source: County of Orange; ESRI; CoStar; City of Santa Ana

Prepared By:



Disclaimer: The use of the word “prospectus” for the purpose of the work contained herein is not to advertise about, endorse or in any other way to promote or offer specific investment opportunities in cities or otherwise. The investment prospective is a template designed to help unify city leaders around a plan, to show what might occur in a city and to use as a tool to promote the city and its plans. The prospectus has been prepared for discussion purposes only and not to induce any one to enter into any agreement or transaction. For the avoidance of any doubt, the distribution of this prospectus does not constitute an offer to sell or a solicitation of an offer to buy any assets or equity securities or any investment of any kind.

DATA APPENDIX



City Background

Demographics

Market Data

Target Area Overviews

Opportunity Zone Program Overview

Key Partners





Historic 4th Street "La Calle Cuatro",
West End and East End



Howe - Waffle House
& Medical Museum



Grand Central Art Center



Old Orange County Courthouse

CITY OF SANTA ANA HISTORY

The City of Santa Ana celebrated its 150th Anniversary! ("Sesquicentennial") in October 2019. The City of Santa Ana was founded in October 27, 1869 by William H. Spurgeon and later incorporated as a city in 1886.

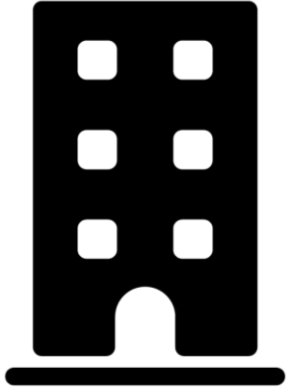
The City of Santa Ana is the County seat, the second-most populous city in Orange County, and is widely known as "Downtown Orange County." The City is proud to celebrate Santa Ana's history, people, businesses, culture, public services, and vision.

SANTA ANA OZs BY THE NUMBERS

	Santa Ana OZ Areas	Santa Ana City	Orange County
Population (2020)	76,451	336,744	3,230,429
Daytime Population (2020)	78,346	308,339	3,289,696
Jobs (2020)	47,015	132,519	1,581,134
Jobs / Housing Ratio (2020)	2.80	1.68	1.42
Annual Population Growth (Since 2010)	0.3%	0.4%	0.7%
Annual Population Growth Projection (2025)	1.0%	0.5%	0.6%
Median Age	27.8	30.8	37.5
Hispanic %	87.9%	77.9%	34.4%
Bachelors Degree+ %	9.4%	15.1%	41.8%
Average Household Income (2020)	\$62,382	\$80,706	\$126,141
Average Home Value (2020)	\$497,425	\$546,852	\$809,772

Source: ESRI Business Analyst Online, Accessed September 2020

SANTA ANA REAL ESTATE MARKET SNAPSHOT



MULTIFAMILY

- Inventory: over ~22,000 units
- Market rent annual growth ~3.4% from ~\$1,661 in Q1 2016 to ~\$1,890 in Q1 2020
- Vacancy rates increased ~3.3% from Q1 2016 to ~9.2% in Q1 2020
- In Q4 2020 (to date): Market rent ~\$1,892 & ~7.4% vacancy rate
- Within the OZs, market rents are ~\$1,505 and vacancy rate is ~5.8% in Q4 2020.



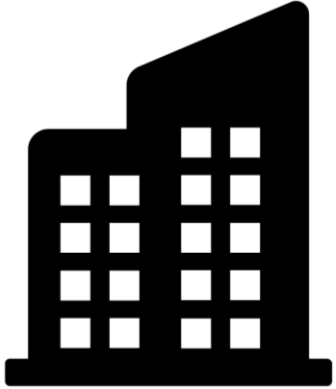
RETAIL

- Inventory: over ~11.8 million SF
- Market rent annual growth ~2.7% from ~\$26.5 psf in Q1 2016 to ~\$29 psf in Q1 2020
- Vacancy rates have decreased from 4.5% in Q1 2016 to 4.3% in Q1 2020
- In Q4 2020 to date, market rents are ~\$29 and vacancy is ~3.9%
- Within the OZs, market rents are ~\$25.5 psf and vacancy is ~3.5% in Q4 2020 to date

Note: Market information provided as estimates and examples only; it is your responsibility to independently confirm accuracy and completeness, and do not represent current or future performance.

Source: CoStar, Accessed October 2020. 2020Q4 figures are to-date estimates. Market Rent is defined as “The rental income that a property would most probably command in the open market.”

SANTA ANA REAL ESTATE MARKET SNAPSHOT



OFFICE

- Inventory: over ~19.2 million SF
- Market rent annual growth ~5.3% from ~\$22.5 in Q1 2016 to ~\$27 in Q1 2020
- Vacancy rates have decreased from ~13.3% in Q1 2016 to ~11.5% in Q1 2020
- In Q4 2020 to date, market rents are ~\$27 and vacancy is ~12.6%.
- Within the OZs, market rents are ~\$25.5 and vacancy is ~9.7% in Q4 2020 to date.

INDUSTRIAL

- Inventory: over ~31.0 million SF
- Market rent annual growth ~7.4% from ~\$10 in Q1 2016 to ~\$13.5 in Q1 2020
- Vacancy rates have increased from ~2.1% in Q1 2016 to ~4.2% in Q1 2020
- In Q4 2020 to date, market rents are ~\$13.5 and vacancy is ~5.0%
- Within the OZs, market rents are ~\$14 and vacancy is ~1.9% in Q4 2020 to date.

Note: Market information provided as estimates and examples only; it is your responsibility to independently confirm accuracy and completeness, and do not represent current or future performance.

Source: CoStar; Accessed October 2020. 2020Q4 figures are to date estimates. Market Rent is defined as “The rental income that a property would most probably command in the open market.”

HOTEL

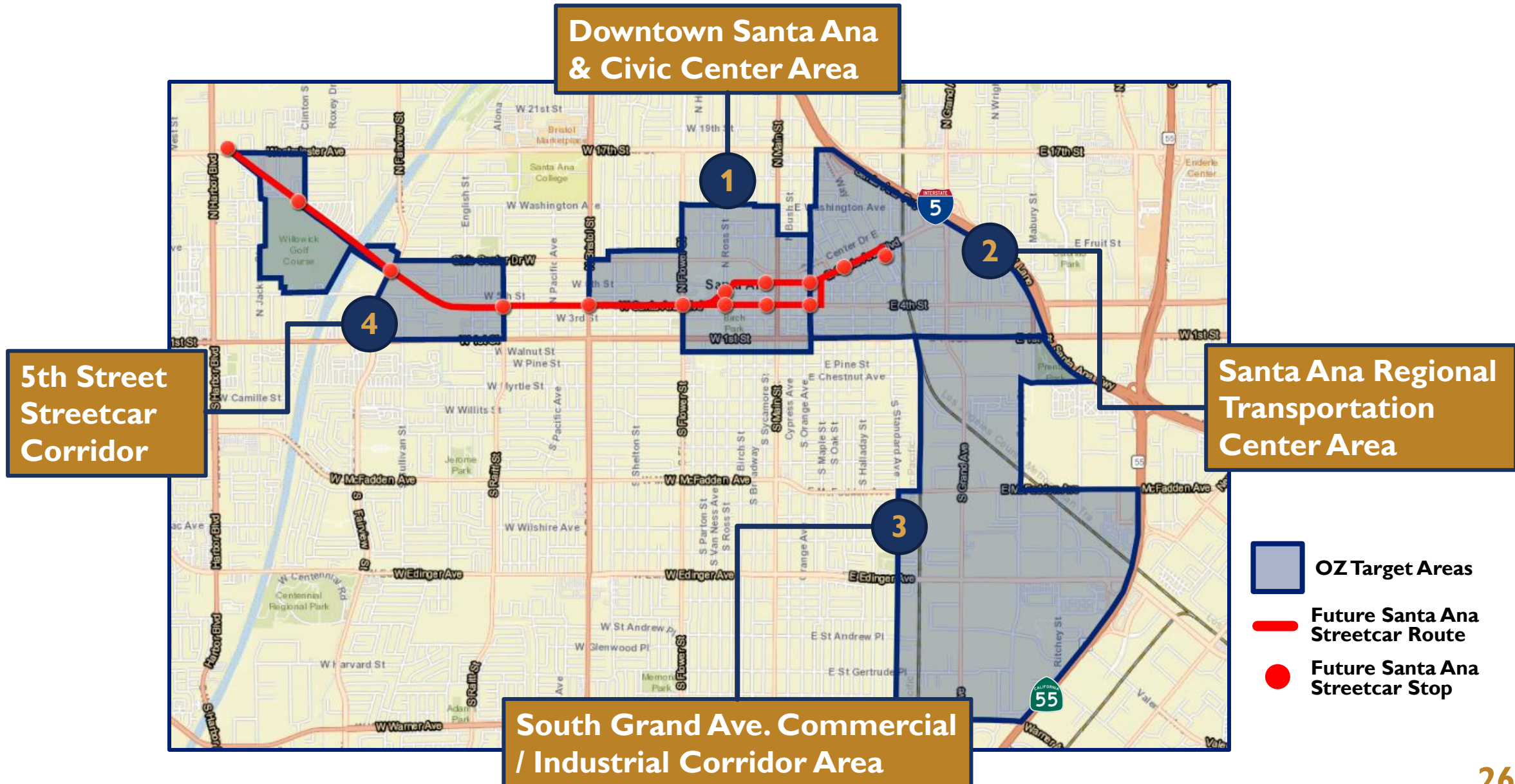


- There are over ~3,200 hotel rooms across 29 properties in the City
- Orange County September 2020 year-to-date: occupancy ~46.1%, Average Daily Rate ~\$141, Revenue Per Available Room ~\$65.
- Orange County September 2019 year-to-date: occupancy ~78.5%, Average Daily Rate ~\$167, Revenue Per Available Room ~\$131.
- The Anaheim / Santa Ana hotel market saw occupancy reach ~78% in 2018, with average daily rates over ~\$162 and Revenue per Available Room of ~\$126.

Note: Market information provided as estimates and examples only; it is your responsibility to independently confirm accuracy and completeness, and do not represent current or future performance.

Source: Visit California, Smith Travel Research; HVS.

CITY OF SANTA ANA'S OZ TARGET AREAS



OZ TARGET AREA 1: DOWNTOWN SANTA ANA & CIVIC CENTER AREA

AREA OVERVIEW



Downtown Santa Ana is one of the major governmental, economic, and cultural centers of Orange County. The Civic Center area includes Santa Ana City Hall and City offices, the Orange County Civic Center, state and local courthouses, medical center, and Federal office buildings.

The historic downtown area has emerged as one of Orange County's premier live/work/play walkable neighborhoods, with eclectic restaurants, trendy retail, and nearby arts / cultural institutions, such as the Grand Central Art Center and the Bowers Museum.

Target Area 1: Downtown Santa Ana & Civic Center Area Snapshot

2020 Residents	12,382	2020 Daytime Population	14,213	2020 Jobs	11,944
Estimated General Plan Land Use					
Institutional	29%	General Commercial	4%		
District Center	22%	Open Space	3%		
Professional / Administrative Office	20%	One Broadway Center District Center	1%		
Medium Density Residential	11%	Urban Neighborhood	1%		
Low Density Residential	8%				

Source: ESRI; City of Santa Ana

OZ TARGET AREA 2: SANTA ANA REGIONAL TRANSPORTATION CENTER

AREA OVERVIEW



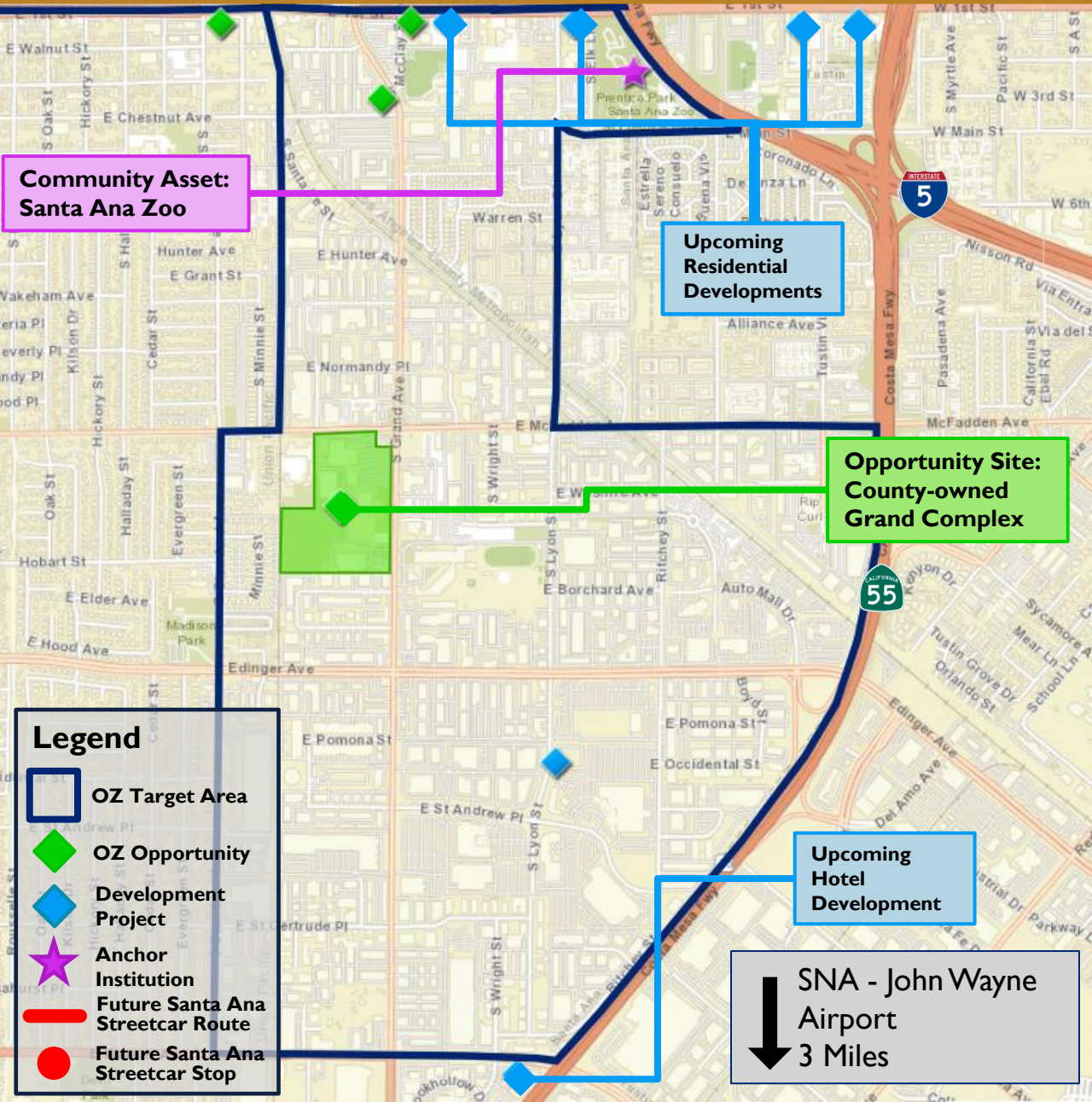
The Santa Ana Regional Transportation Center is the focal point of Orange County transportation and serves as a gateway to Santa Ana, just east of the historic downtown. Nearby government offices and services, as well as industrial and commercial development, anchor this area as one of Santa Ana’s economic hubs.

Target Area 2: Santa Ana Regional Transportation Center Area Snapshot					
2020 Residents	11,444	2020 Daytime Population	11,126	2020 Jobs	5,722
Estimated General Plan Land Use					
Urban Neighborhood		42%	Professional and Administrative Office		4%
Low Density Residential		18%	Industrial		3%
District Center		17%	Open Space		2%
General Commercial		7%	Medium Density Residential		1%
Institutional		5%			

Source: ESRI; City of Santa Ana
Note: Proposed General Plan revisions will change some land use designations near SARTC and future Amazon development to District Center designation

OZ TARGET AREA 3: SOUTH GRAND AVE. COMMERCIAL / INDUSTRIAL CORRIDOR

AREA OVERVIEW



South Grand Avenue runs south from the Interstate 5 and is a major commercial corridor in Santa Ana, with significant general commercial and light industrial developments, as well as low / medium density residential.

A number of multifamily residential projects are in the development pipeline, particularly in mixed-use areas close to the Santa Ana Regional Transportation Center (SARTC) and I-5 freeway.

Target Area 3: South Grand Ave. Commercial / Industrial Corridor Snapshot

2020 Residents	6550	2020 Daytime Population	16,433	2020 Jobs	21,508
Estimated General Plan Land Use					
Industrial		80%	Low Density Residential		2%
Institutional		5%	Urban Neighborhood		2%
Medium Density Residential		5%	General Commercial		2%
Open Space		4%	District Center		1%

Source: ESRI; City of Santa Ana

OZ TARGET AREA 4: 5TH AVENUE STREETCAR CORRIDOR

AREA OVERVIEW



- The 5th Avenue Streetcar Corridor area is largely comprised of light industrial, general / community commercial, and single/two-family residential.
- The area includes the Willowick Golf Course, a 100-acre property owned by neighboring city Garden Grove that is currently pursuing redevelopment possibilities.
- Located ~1 mile west of the civic center area, the launching of the OC Streetcar project in 2022 presents this area with many opportunities for new commercial & residential projects, with two stops nearby.
- Proposed General Plan revisions shift significant portions of 5th Street area to Industrial/Flex & Urban Neighborhood designation.

New projects, infrastructure, and improvements will catalyze development in this district. **The County and City are open to public-private development opportunity project ideas for this area.**

Target Area 4: 5 th Avenue Streetcar Corridor Snapshot					
2020 Residents	3,941	2020 Daytime Population	4,011	2020 Jobs	1,755
Estimated General Plan Land Use					
Open Space		41%	District Center		8%
Industrial		23%	General Commercial		5%
Low Density Residential		22%	Urban Neighborhood		1%

Source: ESRI; City of Santa Ana

OPPORTUNITY ZONES BASICS



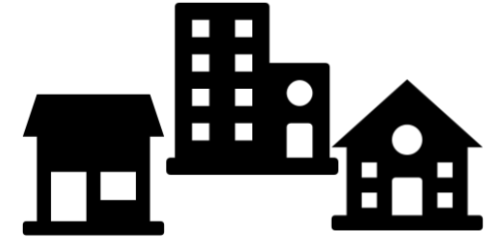
Tax Cuts and
Jobs Act 2017



Tax breaks for capital
gains invested in OZs



OZs: economically
distressed census tracts
selected by states



Investments in projects
and businesses in OZs

- Federal tax incentive program designed to stimulate investment in economically distressed communities
- 11 OZs in Santa Ana, 879 OZs in California, and 8,764 OZs across the country
- 513 separate investor funds with ~**\$70 billion** community development investment capacity
- Investments can be made in **real property** or **businesses** – *certain time limits apply*
- Some regulatory flexibility and deadline extensions for COVID relief

OPPORTUNITY ZONES BASICS - COMMUNITY BENEFITS



Opportunity Zones can be used as part of an economic development strategy, **creating jobs, stimulating economic activity, and jump-starting projects** within a community.

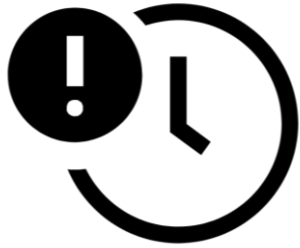


Opportunity Zones can stimulate housing development, **paving the way for cities to meet legislative housing mandates.**



Opportunity Zones can be used to augment other tax incentives and economic development strategies and **can enhance the economic viability of a proposed project by mixing with EIFDs, NMTC, other Fed Tax Credits.**

OPPORTUNITY ZONE BASICS – INVESTOR BENEFITS



Temporary Tax Deferral

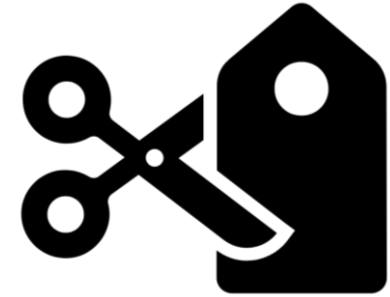
Capital Gains reinvested in an Opportunity Fund can be deferred until the earlier of 12/31/2026 or upon exit.



Reduction of Capital Gains Taxes

Taxes reduced on current capital gains via step-up in basis for holding OZ investment:

- 5-year hold: basis increased 10%



Permanent Exclusion

Exemption from tax on capital gains from the sale of Opportunity Fund investment, if held for at least 10 years.

SANTA ANA'S KEY BUSINESS SECTOR ALLIANCES



County of Orange

<https://ocgov.com/>



**Santa Ana Chamber
of Commerce**

<https://santaanachamber.com/>



Downtown Inc.

<http://www.downtown-santaana.com/>



Orange County Business Council

<https://www.ocbc.org/>



Santa Ana Business Council