



**Northeastern University**  
*Global Resilience Institute*

# Opportunity Zones and Disaster Recovery

**Howard Smith**

Distinguished Corporate Fellow

*Global Resilience Institute*

Integration Team Lead

*Applied Research Associates, Inc. (ARA)*

hsmith@ara.com

(703) 409-4676

*Resilience* is the ability to *prepare for and adapt to* changing conditions and *withstand and recover rapidly* from disruptions. Resilience includes the ability to *withstand and recover from deliberate attacks, accidents, or naturally occurring threats or incidents.*

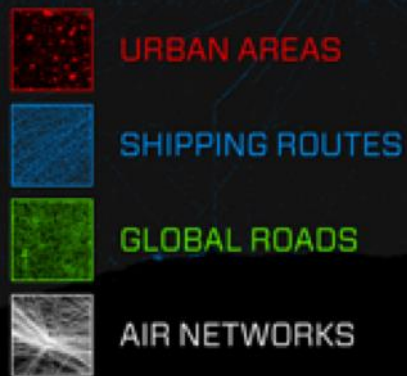
— *U.S. Presidential Policy Directive 21 (2013)*

# Overview:

1. Underserved communities are at the greatest risk for disruption in our increasingly turbulent world.
2. Resilience-building needs to be a critical component of the Opportunity Zone program.
3. The Global Resilience Institute's Resilience Assessment System takes a whole-of community approach to help communities attract investments in Opportunity Zones that lift up and improve the resilience of underserved low-income neighborhoods.

## Why Resilience?

A hyper-connected world translates into a greater risk of cascading failures



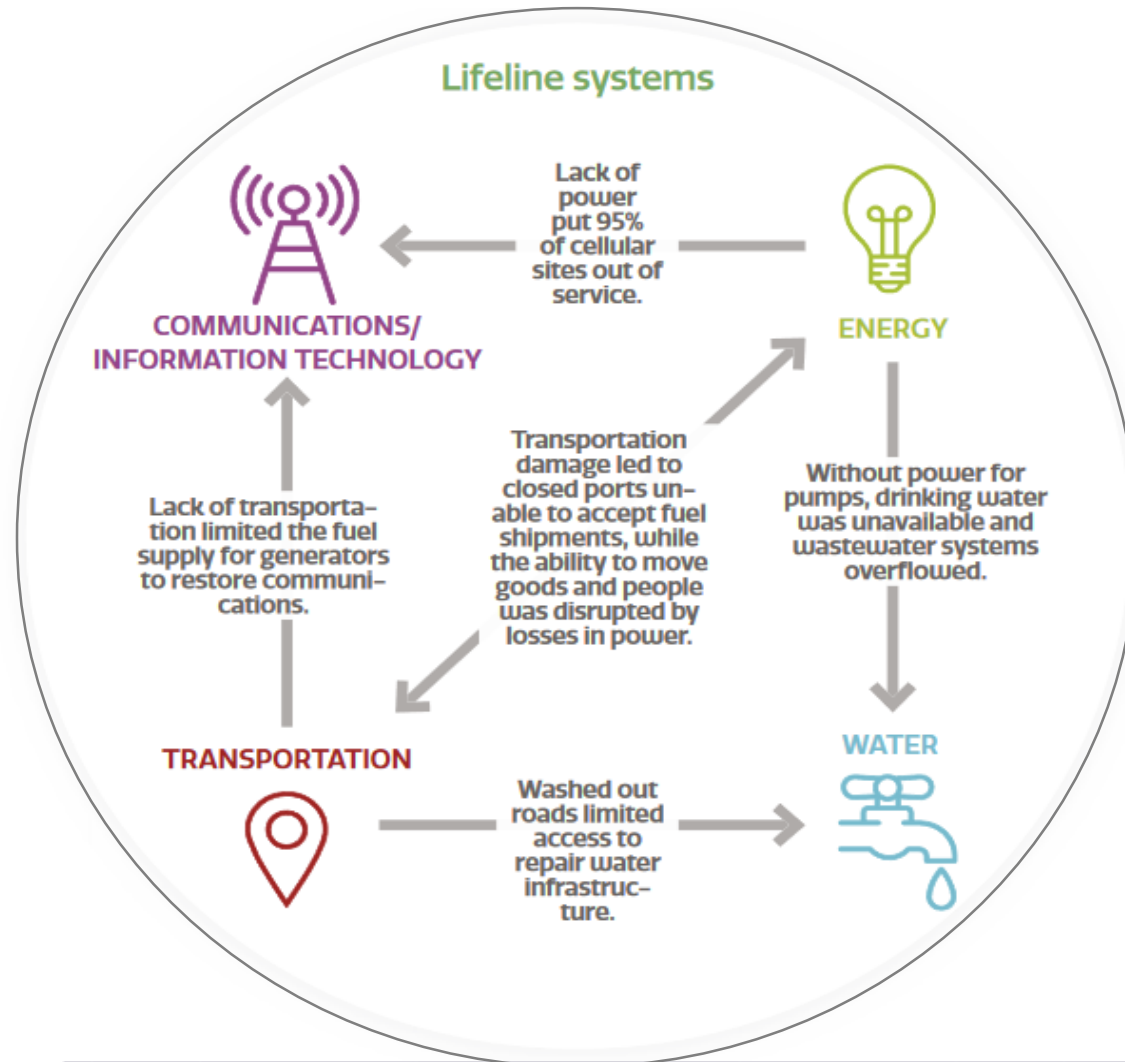


## Why Resilience? More Frequent and Consequential Disasters

In 2017, natural and man-made  
disasters caused \$306 billion in  
worldwide economic losses  
according to Swiss Re



# Puerto Rico: Post-Hurricane Maria



## Severe Weather Threatens Small Business Survival



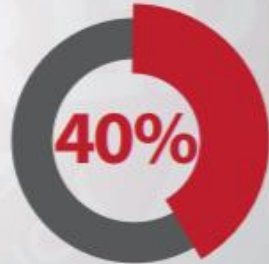
# 100%

Small businesses prone to one or more extreme weather events



# 90%

Small businesses whose majority of customers are within 2 miles of their only location (making them even more vulnerable)



Small businesses that never reopen following severe weather events



# \$3,000

Median daily cost of downtime for small businesses impacted by extreme weather events

# 100%

Small businesses with emergency plans fulfill their responsibility to employees, customers, communities and local economy



Reduce your risk today by creating a customized plan using IBHS' free EZ-PREP® severe weather emergency preparedness toolkit.

[DisasterSafety.org/EZ-PREP](https://DisasterSafety.org/EZ-PREP)

## Business Recovery Post-Disaster

- Small businesses are disproportionately affected by disruption, and often close.
- This doesn't just mean a loss of investment, it means a loss of community.
  - Immediate: 40% of small businesses won't re-open (FEMA).
  - One year later: 25% more small business will close (FEMA).

# Resilience as a Competitive Advantage



*People and companies that have a choice will chose to **live and invest** in those communities and enterprises that are resilient, and avoid those that are not.*

*The elevated house that the owners call the Sand Palace, on 36th Street in Mexico Beach, Fla., came through Hurricane Michael almost unscathed.*

*Credit: Johnny Milano for The New York Times*



# Opportunity Zones

A historic opportunity for nationwide investments in community and infrastructure resilience within neglected neighborhoods and communities

# Financing Resilience Solutions: Nationwide Opportunity Zones

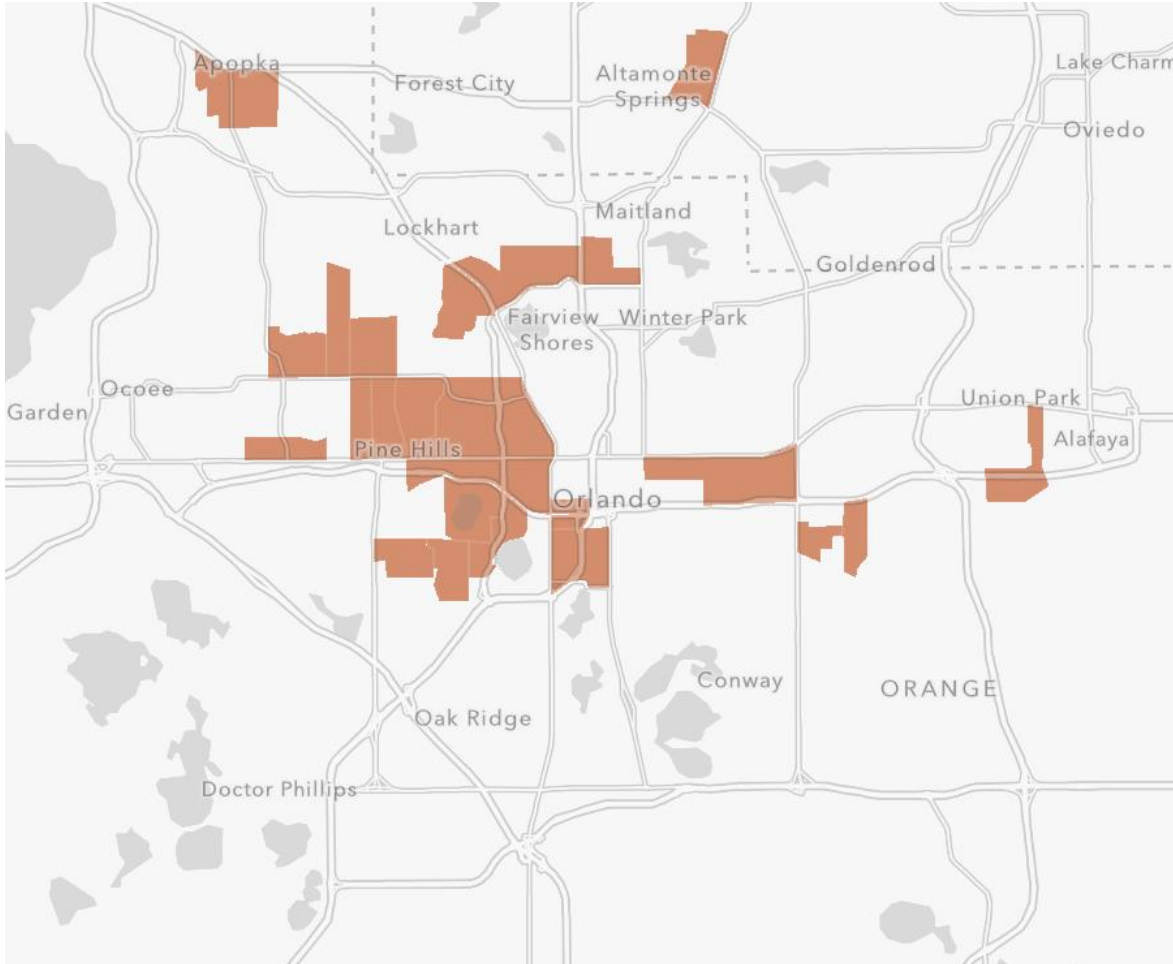
8,761  
Opportunity  
Zones

Estimated  
\$6.1 trillion in  
unrealized  
equity capital

Explore the map: [www.goz.org/about](http://www.goz.org/about)



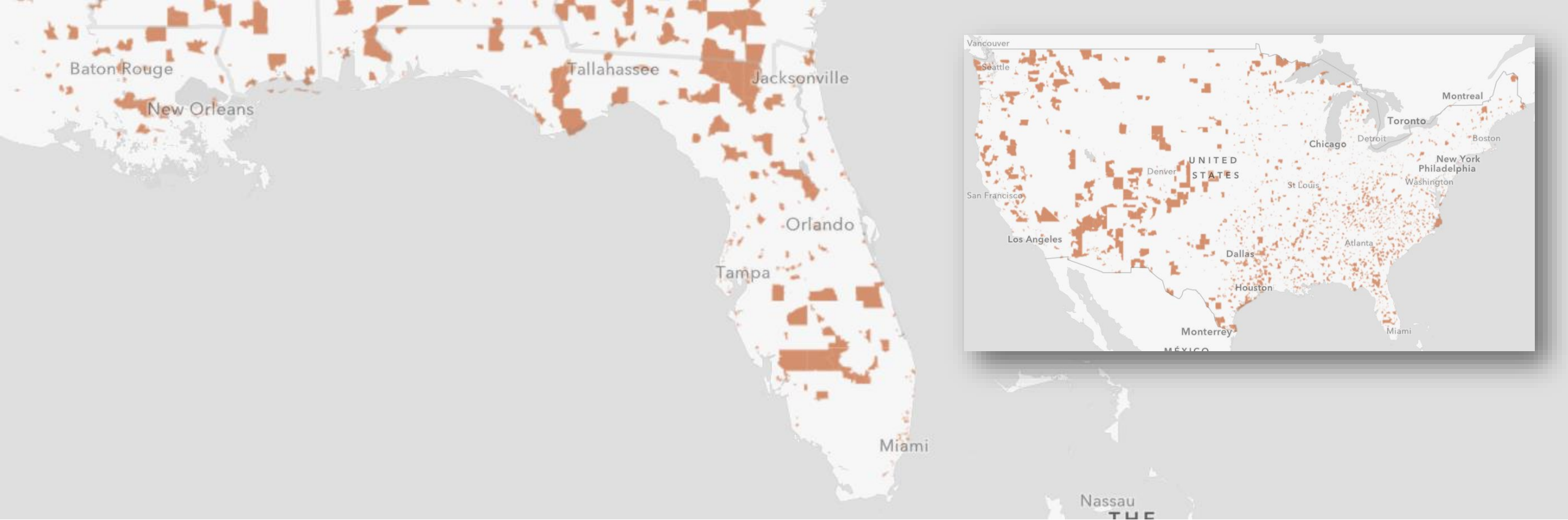
# Opportunity Zones in Orlando



12 zones in the City of Orlando:

- 23.25% of all Orlando residents live in the zones
- 4 hospitals
- \$40,259 average household income
- 29.35% poverty rate

*Proactive local leadership has already [recommended project categories](#) for the zones*



**FSCJ** Florida State College  
at Jacksonville



Colleges and Universities can serve as anchor institutions for shaping community development efforts in Opportunity Zones

# The Global Resilience Institute's Resilience Assessment System

# Opportunity Zone Goals of the Resilience Assessment System

**Attract Investment & demonstrate how to incorporate resilience best practices**

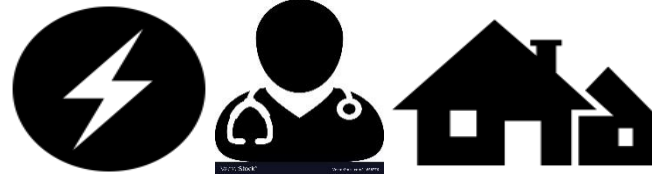
**Advance resilience-building efforts currently underway in communities across the nation**

**Generate models and guidance that can be shared with communities across the country**

# Resilience Assessment System Output



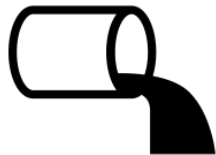
Location overview



Energy - Healthcare - Housing



Telecommunications - Transportation



Water/Wastewater

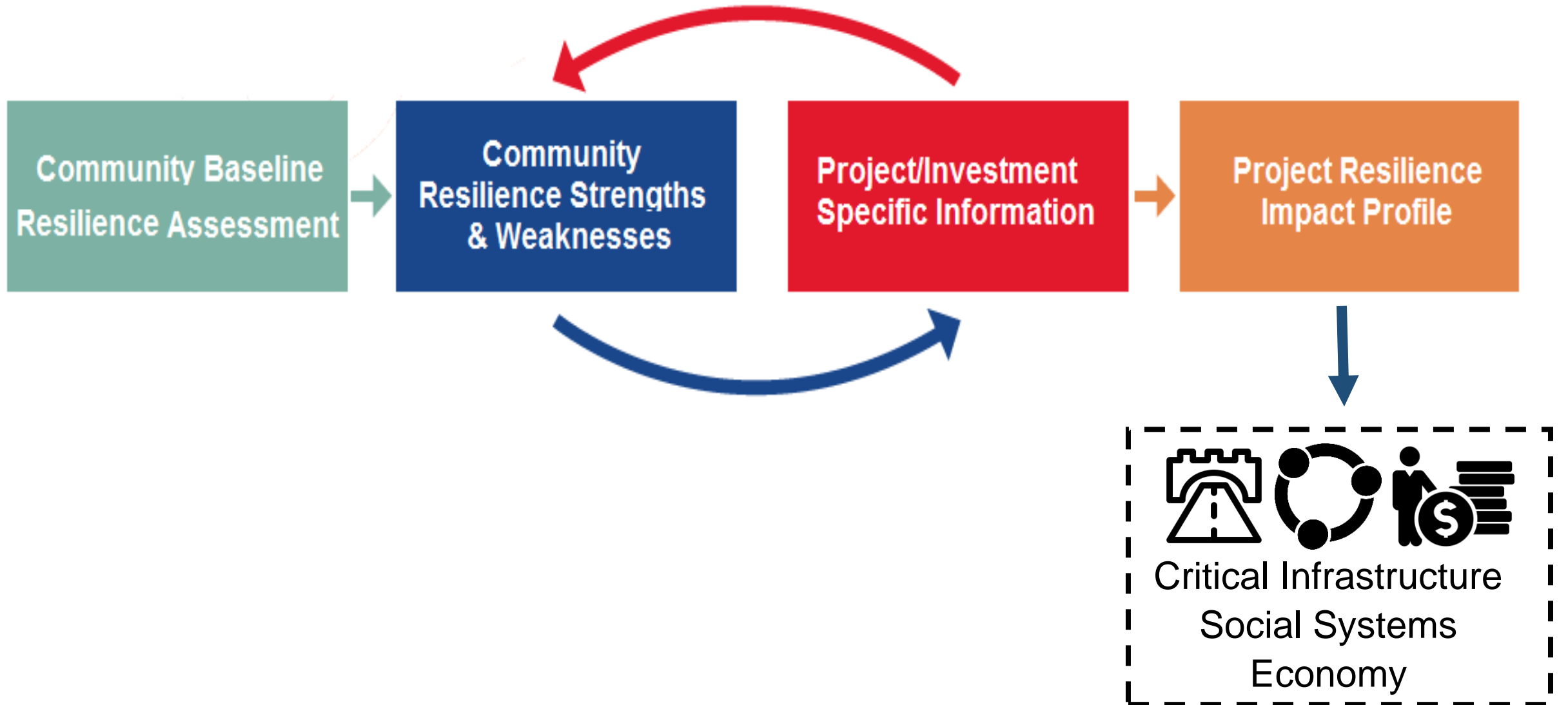


Economic Profile



Community Social Profile

# Resilience Assessment System Output





# OpZone Program Obstacles that GRI's Resilience Assessment System Helps to Overcome

## Lack of social Impact Incentives

Incentives focus primarily on back-end returns for investors rather than achieving positive social impacts.

## Lack of Oversight

The absence of a formal oversight requirement by government entities could lead to program abuses.

## Gentrification and Displacement

Investments may lead to gentrification and displacement of long-term residents and small businesses in Opportunity Zone communities.

## Interplay with Other Tax Incentives

The new OZ incentives create uncertainty about how they will work w/ other incentive programs that encourage community development.



## The Resilience Assessment System Helps Communities to:

1. Attract outside investment into local Opportunity Zones.
2. Empower residents to assess the potential that proposed investments will improve their lives by bolstering economic opportunities that also enhance community resilience.
3. Generate and model guidance for Opportunity Zone investments that can be shared with under-served communities across the United States.



https://www.qoz.org



Global Resilience Institute  
at Northeastern University

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THE GLOBAL RESILIENCE INSTITUTE (GRI)  
AT NORTHEASTERN UNIVERSITY

# Opportunity Zones: Advancing Infrastructure and Community Resilience on a National Scale

AN ESTIMATED \$100 BILLION WILL BE FLOWING INTO THE NEW TAX-ADVANTAGED QUALIFIED OPPORTUNITY FUNDS BEGINNING IN LATE 2018. IN JANUARY, GRI WILL HOST THE FIRST MAJOR SUMMIT FOR SETTING NATIONAL GOALS TO GUIDE WHAT IS AN UNPRECEDENTED OPPORTUNITY TO MAKE MAJOR NEW INVESTMENTS IN U.S. COMMUNITIES.

MARCH 4-5, 2019: NATIONAL SUMMIT

An aerial photograph of a city skyline, likely Boston, featuring several skyscrapers and a large brick building in the foreground. The image is overlaid with a dark semi-transparent rectangle on the right side, which contains contact information.

## GRI Contacts:

### **Howard Smith**

Distinguished Corporate Fellow  
Global Resilience Institute

Integration Team Lead

Applied Research Associates, Inc. (ARA)

[hsmith@ara.com](mailto:hsmith@ara.com)

(703) 409-4676

### **Dr. Stephen Flynn**

Founding Director

Global Resilience Institute

[s.flynn@northeastern.edu](mailto:s.flynn@northeastern.edu)

### **Dr. Phil Anderson**

Director for Research & Chief Innovation Officer

Global Resilience Institute

[p.anderson@northeastern.edu](mailto:p.anderson@northeastern.edu)

***[globalresilience.northeastern.edu](http://globalresilience.northeastern.edu)***