

Opportunity Zones 2.0

Unlock the next decade of place-based investment

Opportunity Zones (OZ) 2.0 marks a permanent reset of the OZ program which unlocks a new wave of private capital for high-need urban and rural communities. With clearer incentives, redefined eligibility, and a refreshed national map beginning in 2027, OZ 2.0 creates a powerful window for states and localities to shape where and how investment flows for the next decade.

Key players across the OZ ecosystem include state, local, and regional public and quasi-public agencies, Qualified Opportunity Funds (QOFs), developers, and investors. Government agencies are currently in a pivotal position to lay the groundwork and maximize high-impact, compliant, and aligned OZ investment opportunities across their communities.

To maximize the impact of Opportunity Zones, states, cities, and regions must be proactive. They need to build effective local programs to attract capital, elevate priority projects, and refine their strategy over time using data-driven tools.

What's changing in OZ 2.0

- Expanded OZ designations, refreshed every 10 years based on updated census data.
- Reduced threshold eligibility for low-income community tracts.
- Updated deferral & basis step-up mechanics.
- Enhanced incentives for rural communities, including a lower substantial improvement threshold for rural QOFs.

Guidehouse supports the full OZ ecosystem with an integrated suite of services designed to help each stakeholder navigate policy changes, strengthen governance, and deploy capital effectively.

Why act now?

With new OZ designations beginning January 1, 2027, and only a 90-day nomination window (July 1–September 28, 2026), early action is critical. Governors are authorized to designate up to 25% of their state's eligible low-income community census tracts as OZs. States and local government agencies who mobilize now will:

- Advance priority projects into 2026–2028 capital pipelines.
- Build compliance-ready reporting systems ahead of new requirements.
- Attract and align new investors around local economic priorities.

Tailored service offerings for states and local governments

SERVICES FOR: - States - Cities and large counties - Economic development agencies	Service offerings components					
	Data tool to assist in selection of new QOZ	Tool to identify and track priority projects across the state	Investor incentives	Capital attraction strategy	Compliance tool	Impact reporting tool
1 Selecting QOZ Aligning eligibility with statewide project priorities	✓	✓				
2 Setting up an OZ office Building the capital attraction infrastructure		✓				
3 Marketing & capital attraction Establish market prominence and maintain competitiveness		✓	✓	✓		
4 Data collection & reporting Establish market prominence and maintain competitiveness					✓	✓

Driving growth and measurable results

- **Structure:** Investments are channeled through Qualified Opportunity Funds (QOFs)
- **Equity investments:** QOFs provide equity investments into qualified projects.
- **Location constraints:** Projects must be located within designated, low-income census tracts.
- **Real estate and businesses:** OZ equity can fund real estate or operating businesses.
- **Substantial improvement:** Real estate projects must undergo substantial improvement.
- **Leverage potential:** OZ equity is often used to leverage other sources of capital.

Primary types of OZ investments

- For-sale and rental housing
- Commercial and industrial real estate
- Infrastructure projects
- Energy generation/distribution
- Healthcare
- Operating businesses
- Mixed-use redevelopment

Driving growth and measurable results

With Opportunity Zones 2.0, key stakeholders can redefine how private capital advances public priorities. Our team equips those in the OZ ecosystem to lead with insight, align multi sector priorities, and position at the forefront of inclusive economic innovation.

About Guidehouse

Guidehouse is a global AI-led professional services firm delivering advisory, technology, and managed services to the commercial and government sectors. With an integrated business technology approach, Guidehouse drives efficiency and resilience in the healthcare, financial services, energy, infrastructure, and national security markets. Built to help clients across industries outwit complexity, the firm brings together approximately 18,000 professionals to achieve lasting impact and shape a meaningful future. [guidehouse.com](https://www.guidehouse.com)

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