

Help Shape the future of Kern County's *Opportunity Zones*

Identify Where the Next Generation of Investment Should Go (2027-2037)

WHAT IS AN OPPORTUNITY ZONE?

Opportunity Zones (OZs) are federally designated, low-income census tracts created to spur private investment in local businesses, housing, and infrastructure.

- Nominated by State Governors and certified by the U.S Treasury.
- Offer preferential tax treatment on capital gains through Qualified Opportunity Funds (QOFs).

INVESTOR BENEFITS:



Deferral of capital gains by reinvesting in a QOF.



Partial exclusion for long term holdings (7 years).



Tax-free appreciation after 10 years.



Expand portfolio into emerging or underdeveloped markets.

Kern County has 35 federally designated Opportunity Zones, established in 2017.

WHAT IS A RURAL OPPORTUNITY ZONE?

The One Big Beautiful Bill Act (OBBB) expanded OZs to include Rural Opportunity Zones, which are designated areas that qualify for enhance tax incentives to promote rural investment.

KEY INCENTIVES:



30% Basis step-up after 5 years compared to 10% in Urban Areas.



Full capital gains exclusion after 10 years.



50% Investment requirement for building improvements vs. 100% in Urban Areas.



Expanded eligibility for agriculture and infrastructure projects.

LOCAL IMPACT IN KERN COUNTY

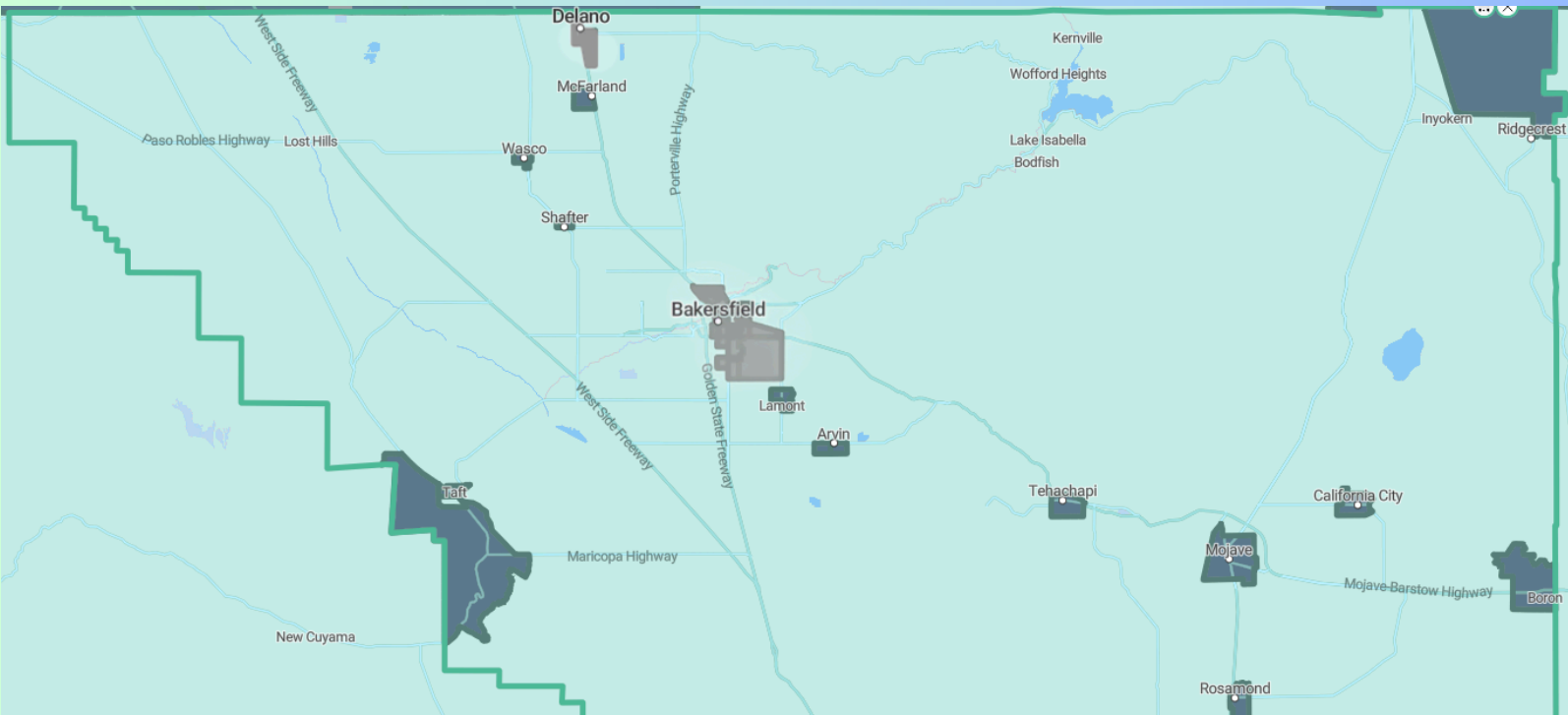


Renaissance at Baker, 85-Unit affordable housing in Old Town Kern.



Sage Equities, 49-unit apartment complex in Downtown Bakersfield.

Kern County has 35 federally designated Opportunity Zones, established in 2017.



● Designated Opportunity Zones- Rural

● Designated Opportunity Zone- Not Rural

WHAT'S HAPPENING NOW?

- Current OZs that were designated in 2017 will expire soon.
- County must submit proposed zones to Governor by June 2026.
- Final zones announced late 2026, effective January 1, 2027.

WE WANT TO HEAR FROM YOU!

Your feedback will help us identify the best areas for opportunity zones and rural opportunity zones for future development.



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