**Summary Statement**

1. **Problem Statement:**

Opportunity Zones are a place-based incentive that were created by the Tax Cuts and Jobs Act of 2017. This incentive allows investors to allocate unrealized capital gains to invest in Qualified Opportunity Funds. While the Department of Housing and Urban Development (HUD) has a great interest in Opportunity Zones, including Secretary Benjamin Carson chairing the White House Opportunity and Revitalization Council, Opportunity Zones are an IRS-administered program. The IRS has not made Qualified Opportunity Fund data available.

1. **Findings**

Is there a relationship between qualified low income communities and qualified Opportunity Zones across different demographic and socioeconomic indicators? If so, which factor plays a more significant role in determining its status as a Qualified Opportunity Zone?

We found that data indicators, particularly housing and median housing values, had the strongest relationship and predictor of whether a census tract is considered eligible and was qualified as an Opportunity Zone. Demographics showed no correlation with the Opportunity Zone eligibility, and Socioeconomic background showed a weak relationship which suggests that it may have no relationship, or has specific variations among different census tracts that it plays down the strength of a direct correlation, suggesting further studies may help enhance our results.

1. **Implications**

It is beneficial to the Department of Housing and Urban Development to know these findings because it would help shape policies that enable Affordable Housing Activities and allocation of resources to local communities to serve individuals and families that fall in these categories. It is also beneficial to the IRS to determine which factors likely play a pivotal role regarding the future of potential Opportunity Zones. One of which is housing median values and using this to further enhance or diversify the criteria with which the IRS deems specific census tracts to receive funding. The importance of using this finding will also help the civilian sector businesses and industries by making better choices in capturing census tracts with growth potential by being aware of the specific geographic locations that are likely to receive more funds in the near future.