Bowling Green - Fast Facts

**Diverse economy**, built on Healthcare, Education, Manufacturing and Business Services. Over 5,700 new jobs since 2010

**Fastest growing** city in Kentucky

**Committed to public safety**, downtown development, walkability

**Multiple potential investments**

**$1.3+ Billion** invested in building construction and renovation in the past six years

**Actively investing** in redevelopment efforts in and around the Opportunity Zone

**One-stop contact** for downtown and surrounding area redevelopment
Brent Childers
NCS Director
brent.childers@bgky.org

**Brownfields Program assistance** with environmental issues at distressed properties

**Best place to live** in Kentucky (Money Magazine, Dec 2018)
Opportunity Zone Tax Incentives

2017 Tax Cuts and Jobs Act established new Internal Revenue Code Section 1400Z-Opportunity Zones

**TEMPORARY DEFERRAL**

Investor can defer capital gains taxes until 2026 by rolling their gains directly over into an Opportunity Fund.

**STEP-UP IN BASIS**

Deferred capital gains liability is effectively reduced by 10% if the investment in the Opportunity Fund is held for 5 years and another 5% if held for 7 years.

**PERMANENT EXCLUSION**

Capital gains on investments made through an Opportunity Fund accrue tax-free as long as the investor stays invested in the fund for at least 10 years.

* Courtesy of the Economic Innovation Group
How does the Opportunity Zone Work?

Investor has capital gain from sale of assets

Investor creates opportunity fund

Opportunity fund makes investment in OZ
Eligible Assets for Investments

- **STOCK** of a qualified opportunity zone **CORPORATION**
- **PARTNERSHIP INTEREST** in a qualified opportunity zone partnership
- **BUSINESS PROPERTY** used in qualified opportunity zones

*Courtesy of the Economic Innovation Group*
Opportunity Zone Tax Incentives

4 Parties in Transaction

- Opportunity Fund
- Qualified Zone
- Projects (Property & Business)
- Taxpayer

Different Than Other Tax Credits

- More market-oriented
- Residential or commercial real estate and business investments
- No benefit cap or minimum
- Can leverage other public benefits or tax credits
Key Features of Opportunity Zones

1. **Flexibility**
   Areas in the Opportunity Zone come in many different shapes and sizes and have different needs. OZ is capable of supporting a variety of mutually reinforcing activities within the same area.

2. **Scalability**
   There is no statutory cap or minimum on the amount of capital that can flow into the Opportunity Zone.

3. **Simplicity**
   No public sector financing or pre-approval necessary. Can move at the speed of the market.

*Courtesy of the Economic Innovation Group*
Bowling Green Momentum

By the People

Growing population base in Bowling Green & Warren County
Growing Downtown with millions of dollars of capital construction since 2010

By the Community

Diverse employment opportunities across the community
City commitment to workforce and economic development

By the Opportunity Zones

Zone was selected based on City’s targeted investment in BG Reinvestment Area
Zone includes other catalytic public and private projects
Bowling Green Opportunity Zone Lead

01 STRONG
Strong fiscal base with solid bond ratings

02 GROWING
Fastest growing city in KY

03 DIVERSE
Diverse community both economically and culturally

04 ENERGETIC
Large public and private investments in and around the Opportunity Zone

05 EPICENTER
Regional epicenter of commerce, education and healthcare for over 400,000 people
BOWLING GREEN
BY THE NUMBERS
Bowling Green Economy

**Employment is UP**
- 2011 - 2018
- +17.5%

**Unemployment is DOWN**
- 2011 10.9%
- 2018 3.5%

**Median Family Income is UP**
- 2011 - 2017
- +18%

**$100K Income Households is UP**
- 2011 - 2017
- +40%

Photo by Miranda Pederson
Bowling Green Recognition

Site Selection Magazine’s
2014-2018 Five Consecutive Years Top 5 Market

NewGeography.com’s
2018 Top 15 Best Small Cities for Job Growth

Money Magazine’s
2018 Best Place to Live in KY

Photo by Jason Dority
Bowling Green Employment

Strong growth across several industry sectors

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>4,064</td>
<td>4,639</td>
<td>575</td>
<td>14%</td>
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<tr>
<td>Wholesale, Retail Trade</td>
<td>4,533</td>
<td>5,279</td>
<td>746</td>
<td>16%</td>
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<tr>
<td>Transportation, Warehousing</td>
<td>863</td>
<td>1,306</td>
<td>443</td>
<td>51%</td>
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<tr>
<td>Information</td>
<td>410</td>
<td>602</td>
<td>192</td>
<td>47%</td>
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<tr>
<td>Finance, Insurance &amp; Real Estate</td>
<td>1,024</td>
<td>1,348</td>
<td>324</td>
<td>31%</td>
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<tr>
<td>Professional &amp; Business Services</td>
<td>2,212</td>
<td>2,295</td>
<td>83</td>
<td>4%</td>
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<tr>
<td>Accommodations &amp; Food Services</td>
<td>3,395</td>
<td>4,363</td>
<td>968</td>
<td>28%</td>
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<tr>
<td>Educational Services &amp; Health Care</td>
<td>7,088</td>
<td>7,464</td>
<td>376</td>
<td>5%</td>
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<tr>
<td>Public Administration</td>
<td>559</td>
<td>565</td>
<td>6</td>
<td>1%</td>
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## Bowling Green Area Largest Employers

**Diverse Economy**

<table>
<thead>
<tr>
<th>EMPLOYER</th>
<th>TYPE OF BUSINESS</th>
<th>APPROXIMATE NUMBER OF EMPLOYEES</th>
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<tbody>
<tr>
<td>Houchens Industries</td>
<td>Employee Owned Holding Company</td>
<td>5,000</td>
</tr>
<tr>
<td>Western Kentucky University</td>
<td>4 year State University</td>
<td>3,455</td>
</tr>
<tr>
<td>Commonwealth Health Corporation</td>
<td>Hospital &amp; Medical Services</td>
<td>3,400</td>
</tr>
<tr>
<td>Warren County Public Schools</td>
<td>K-12 Public Schools</td>
<td>2,583</td>
</tr>
<tr>
<td>Bowling Green Metalforming</td>
<td>Manufacturing</td>
<td>1,618</td>
</tr>
<tr>
<td>Fruit of the Loom</td>
<td>Textiles</td>
<td>1,050</td>
</tr>
<tr>
<td>Henkel AG &amp; Co</td>
<td>Manufacturing</td>
<td>930</td>
</tr>
<tr>
<td>GM Corvette Assembly Plant</td>
<td>Manufacturing</td>
<td>887</td>
</tr>
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Bowling Green Opportunity Zone
CITY OF BOWLING GREEN OPPORTUNITY ZONE

Population

<table>
<thead>
<tr>
<th></th>
<th>Population 2010</th>
<th>Population 2017</th>
<th>% Change</th>
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<tbody>
<tr>
<td>MSA</td>
<td>125,953</td>
<td>169,250</td>
<td>34%</td>
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<tr>
<td>City</td>
<td>58,067</td>
<td>64,302</td>
<td>10%</td>
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<tr>
<td>OZ</td>
<td>3,928</td>
<td>3,854</td>
<td>(1.8%)</td>
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</table>

Bowling Green Opportunity Zone Geography
Bowling Green Opportunity Zone

Downtown District
- Vibrant mixed-use developments
- State approved TIF District
- Large public & private investments
- Active healthcare investments
- Numerous public park facilities

Riverview District
- Variety of investment opportunities including residential, industrial and commercial
- Tracts of vacant land
- Potential for City Brownfields Program partnership
Bowling Green Opportunity Zone Downtown District
Downtown District

Past Investments

- $25M Performing Arts Center
- $6M Mixed Use Development - Lenox Place
- $30M BG Ball Park
- $6M Mixed Use Development - The VUE
Downtown District
Past Investments

- Nursing College
- Circus Square Park
- Medical School
- Historic Depot
Bowling Green Opportunity Zone Riverview District
Riverview District
Past Investments
# Bowling Green

## Socio-Economic Data

<table>
<thead>
<tr>
<th></th>
<th>Black</th>
<th>Hispanic</th>
<th>Foreign Born</th>
<th>Median Income</th>
<th>% w/ Bachelor’s</th>
<th>% HS Diploma</th>
<th>% under 18</th>
<th>% over 65</th>
<th>Unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSA</td>
<td>7%</td>
<td>4%</td>
<td>7%</td>
<td>$46,716</td>
<td>25%</td>
<td>85%</td>
<td>22%</td>
<td>11%</td>
<td>3.7%</td>
</tr>
<tr>
<td>City</td>
<td>13%</td>
<td>6%</td>
<td>13%</td>
<td>$39,901</td>
<td>30%</td>
<td>86%</td>
<td>21%</td>
<td>13%</td>
<td>4.5%</td>
</tr>
<tr>
<td>OZ</td>
<td>36%</td>
<td>3%</td>
<td>23%</td>
<td>$15,814</td>
<td>14%</td>
<td>70%</td>
<td>29%</td>
<td>20%</td>
<td>5.5%</td>
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</tbody>
</table>
Invest and Grow

Opportunity Zone
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270-393-3658

Photo by John Deeb