



DATE: June 16th, 2026
TO: Saint Paul City Councilmembers
FROM: Robert Spaulding & Maria Blaesing, Research Analysts, PED Data, Research & Mapping Team
SUBJECT: Process Overview and Staff Recommendations for the Opportunity Zone 2.0 Program

The Opportunity Zone Program, initially authorized by Congress in 2017, was reauthorized for a second incarnation last year. While some particulars about the program have been updated, the basic premise of the program remains the same: Census tracts designated as Opportunity Zones allow investors in those tracts to benefit from certain tax advantages in exchange for targeting their investment in these areas. Once the new phase of the program goes into effect, the prior Opportunity Zone 1.0 geographies are replaced with the new Opportunity Zone 2.0 geographies to attract new investment.

As before, the federal government publishes a list of tracts eligible to be designated as Opportunity Zones. The criteria for eligibility focuses on tracts that have a poverty rate of at least 20%, as well as having a median family income no greater than 125% of the median family income for the metropolitan area. Using that criteria, the federal government determined that 46 tracts are eligible for an Opportunity Zone designation in Ramsey County; 38 of those tracts are in Saint Paul, and the balance are in suburban Ramsey County. Those tracts are shown on the map on the following page.

The Governor of each state recommends a list of tracts for designation to the federal government. The Governor may only recommend 25% of the total tracts for inclusion. In Ramsey County, if the Governor recommended 25% of the eligible tracts, we would expect that 11.5 tracts would be recommended from our area.

In Minnesota, Governor Walz is giving Counties and Cities of the First Class the opportunity to provide input for our jurisdiction. We have partnered closely with Ramsey County to develop a shared analysis and recommendation for tract designation across our jurisdictions. The remainder of this memo is designed to shed light on the process undertaken to develop these recommendations.

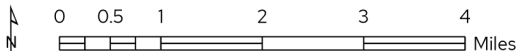
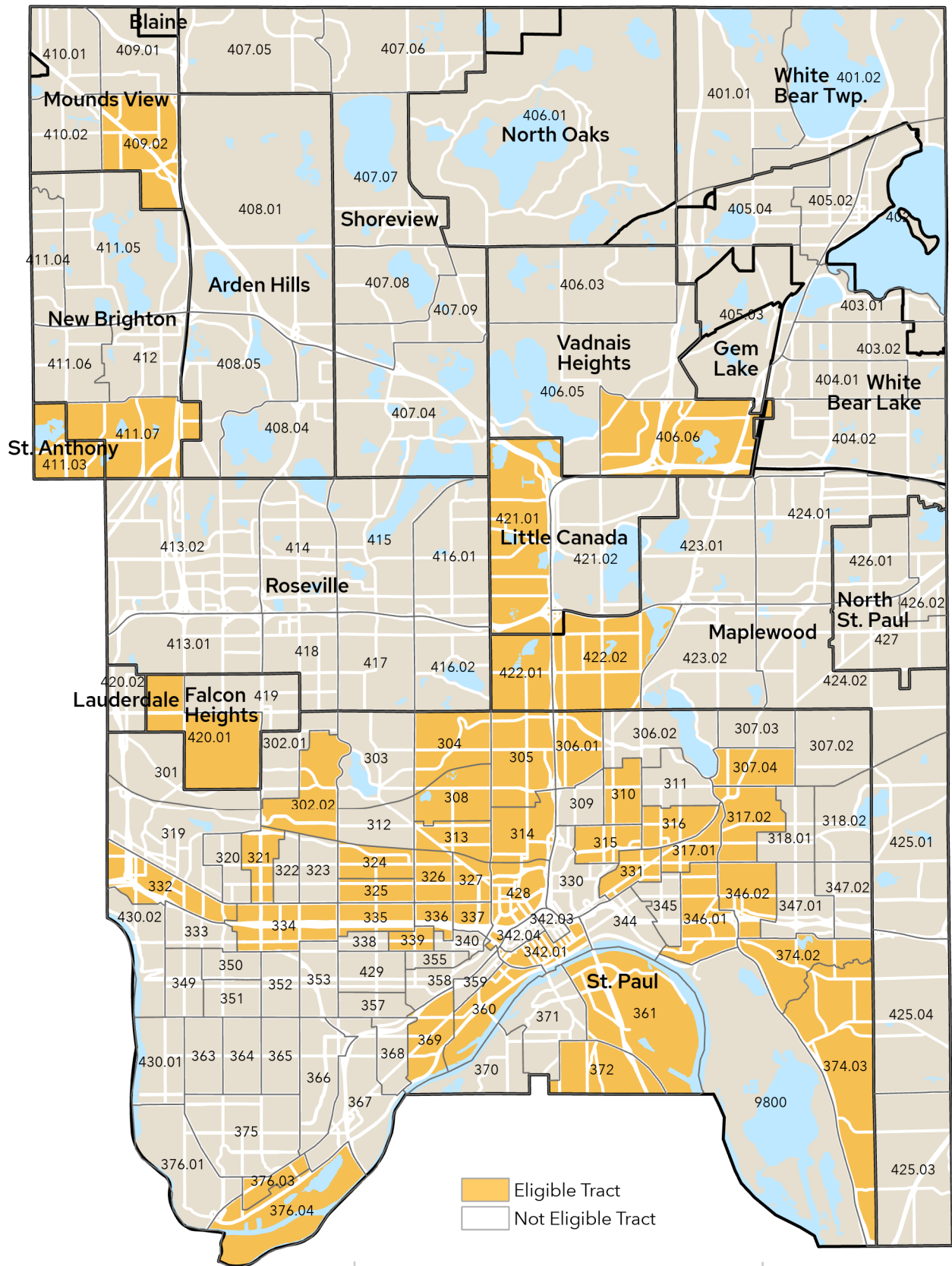
Similar to how we previously researched metrics in census tracts for the first establishment of Opportunity Zones, we completed analysis that has two components. First, a quantitative analysis that uses a range of metrics to evaluate each eligible tract and prioritize them accordingly. This analysis evaluates tracts using 11 different metrics. The sum of these metrics then provides each tract an overall score, which provides a starting point for our final score. Second, a qualitative analysis based on local staff and stakeholder knowledge to further refine the prioritization based on known development opportunities.

QUANTITATIVE ANALYSIS

Our quantitative analysis was undertaken across eleven metrics grouped in three key categories. Once we had data for the metric, tracts for that metric were given scores of between 1 and 10; more points were given to tracts that better demonstrated an investment need or benefit based on that metric. Therefore, for each metric, five tracts in rank order were given each of 1, 2, 3, 4, 5, points; four tracts in rank order were assigned each of 6, 7, 8, 9, and 10 points, totaling the 46 tracts, except where the same value split across categories, where we grouped like values with the same number of points. The transitways metric is a slight exception to this rule, which we note below.

Below, we provide a brief description of each metric used, broken out under a caption for each topical area.

Opportunity Zones 2.0 | OZ Eligible Census Tracts



Data: Opportunity Zone Qualified Tracts from Economic Innovation Group at <https://eig.org/ozs-resources/>; Parcel Polygons: Ramsey County, City Boundaries, Census Tracts, Water Bodies and Roadways: Metropolitan Council, via MN Geospatial Commons at <https://gisdata.mn.gov/>, potentially derivative of other sources as documented. This document was prepared by the Saint Paul Planning and Economic Development Department in close collaboration with Ramsey County's Community and Economic Development Department and is intended to be used for reference and illustrative purposes only. This drawing is not a legally recorded plan, survey, official tax map or engineering schematic and is not intended to be used as such.

The orange highlighted tracts are those that the federal government has deemed as already qualified to be recommended as Opportunity Zones.



Section 1. Demographics (50 possible points)

- The **poverty rate** of households in the Census Tract, drawn from the Census Bureau's American Community Survey 2020-2024 5-year dataset, *10 possible points, with the tracts with the highest poverty rates scoring highest.*
- The **unemployment rate** of people in the Census Tract, drawn from the Census Bureau's American Community Survey 2020-2024 5-year dataset, *10 possible points, with the tracts with the highest rates of unemployment scoring highest.*
- The **median household income** of people in the Census Tract, drawn from the Census Bureau's American Community Survey 2020-2024 5-year dataset, *10 possible points, with the tracts with the lowest median household income scoring the highest.*
- The **number of cost-burdened renters** in the Census Tract, drawn from the Census Bureau's American Community Survey 2020-2024 5-year dataset, *10 possible points, with the most cost-burdened tracts scoring highest.*
- The **percentage of households with limited English proficiency**, drawn from the Census Bureau's American Community Survey 2020-2024 5-year dataset, *10 possible points, with the least proficient tracts scoring highest.*

Section 2. Jobs and Accessibility (40 possible points)

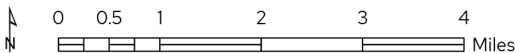
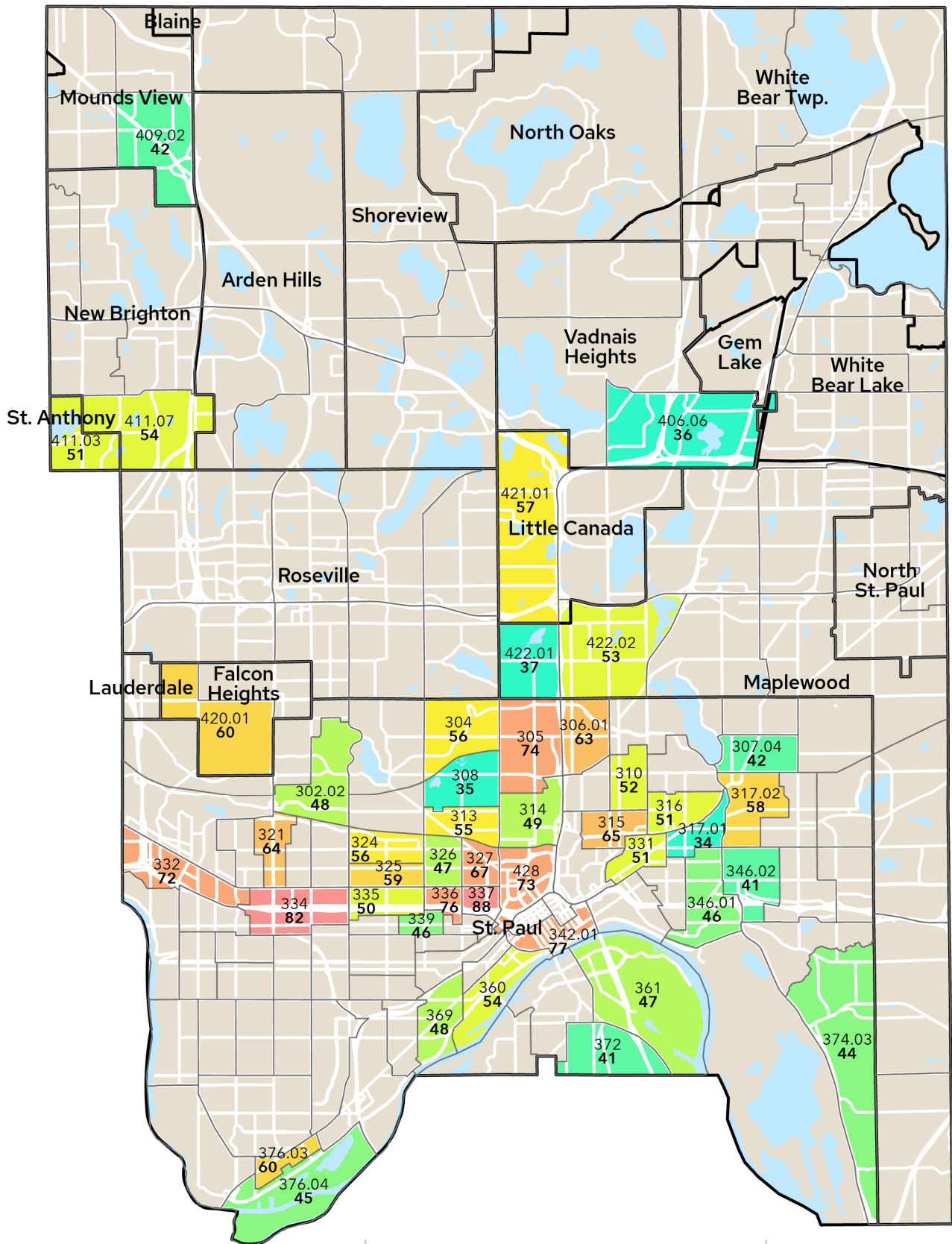
- The **number of jobs available within 30 minutes by auto** of households in the Census Tract, drawn from the Access Across America Dataset for 2024, as published by the University of Minnesota's Center for Transportation Studies, *10 possible points, with the most accessible tracts scoring highest.*
- The **number of jobs available within 30 minutes by transit** of households in the Census Tract, drawn from the Access Across America Dataset for 2024, as published by the University of Minnesota's Center for Transportation Studies, *10 possible points, with the most accessible tracts scoring highest.*
- The **number of jobs lost or gained between 2018 and 2023** in the Census Tract, drawn from the Census Bureau's Longitudinal Household Employer Dynamics Origin-Destination Survey Dataset, *10 possible points, with the most job losses scoring highest.*
- The **number of potential transitways identified in County or regional plans for 2050** in the Census Tract, drawn from the Metropolitan Council's Transportation Policy Plan and County/City planning prioritization of Riverview Corridor, *10 possible points, with the score for this metric simply equaling the number of potential transitways or plans for potential transitways identified in the Metropolitan Council's Transportation Policy Plan, and the County and City plans for Riverview Corridor, 0 to 10 points range.*

Section 3. Existing Fiscal/Market Performance (20 possible points)

- The **estimated market value per acre** of property across the Census Tract, cuing off of the recent work Urban3 did with Ramsey County, as drawn from an analysis of the Ramsey County Parcel Polygon layer in GIS. *10 possible points, with the tracts with the lowest values per acre scoring highest to demonstrate the most unrealized potential.*
- The **ratio of the estimated market value** of property across the Census Tract, drawn from an analysis of the Ramsey County Parcel Polygon layer in GIS. *10 possible points, with the tracts with the lowest ratios scoring highest to demonstrate the most unrealized potential.*

A map that shows the final result of the quantitative analysis is shown on the following page.

Opportunity Zones 2.0 | Total scores after quantitative analysis



Data: Opportunity Zone Qualified Tracts from Economic Innovation Group at <https://eig.org/ozs-resources/>; Parcel Polygons: Ramsey County, City Boundaries, Census Tracts, Water Bodies and Roadways: Metropolitan Council, via MN Geospatial Commons at <https://gsdata.mn.gov/>, potentially derivative of other sources as documented. This document was prepared by the Saint Paul Planning and Economic Development Department in close collaboration with Ramsey County's Community and Economic Development Department and is intended to be used for reference and illustrative purposes only. This drawing is not a legally recorded plan, survey, official tax map or engineering schematic and is not intended to be used as such.

Total Score	
34 - 37	55 - 57
38 - 43	58 - 60
44 - 46	61 - 66
47 - 49	67 - 77
50 - 54	78 - 89

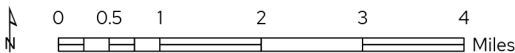
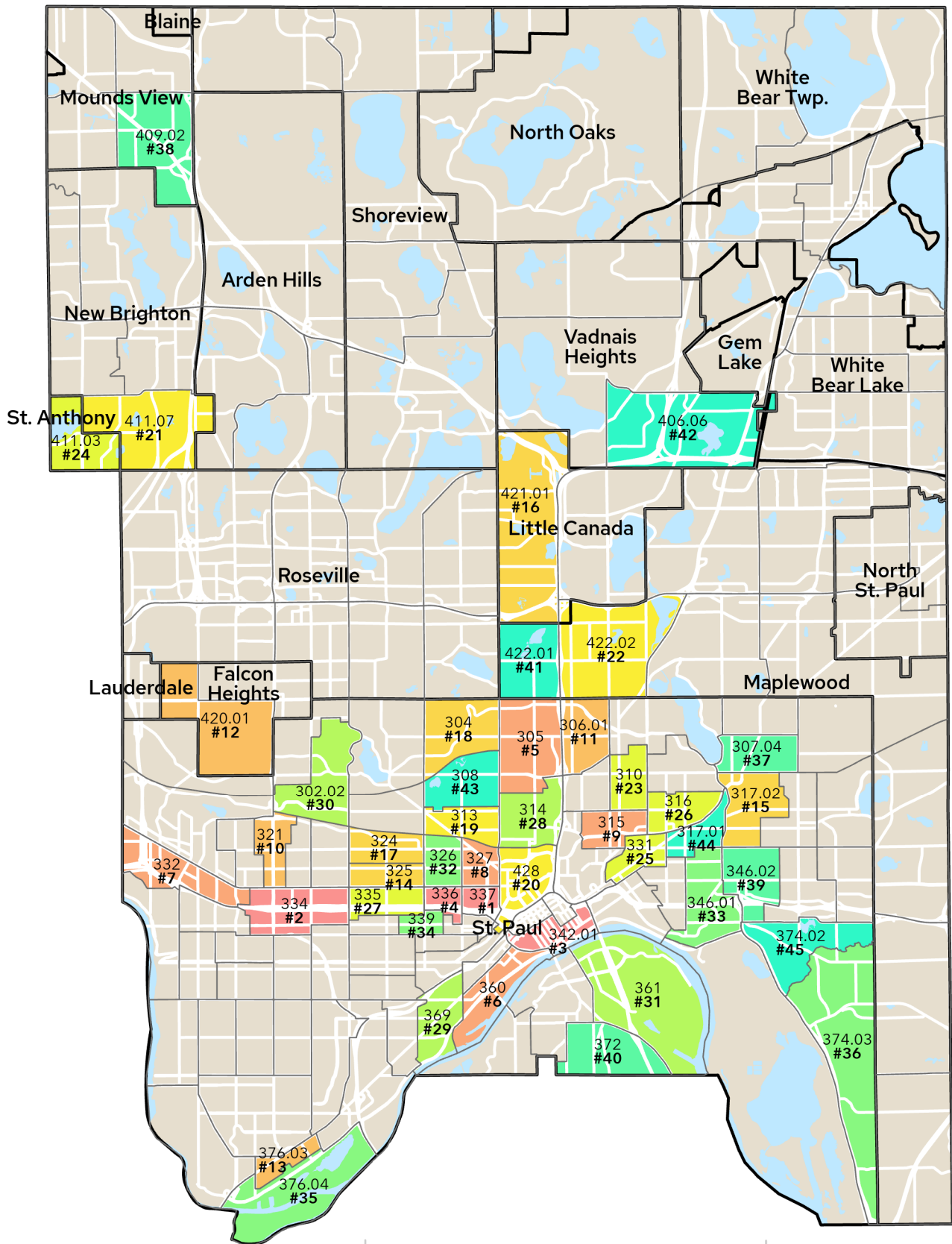
QUALITATIVE ANALYSIS

Following the quantitative analysis, we took stock of all we know and have learned about the areas in question. In particular, we worked to identify prospective projects in each tract likely to go forward in the next few years that would benefit from OZ funding. Based on that approach, Tracts 360 and 428 were switched with one another in the rankings, with Tract 360 ultimately ranked #6, and Tract 428 ultimately ranked #20. Tract 360 includes several hoped-for redevelopment sites, including Riversedge and the RiverCentre Parking Ramp. Tract 428 is home to the Capitol campus and includes considerable government and non-profit land that significantly limits any potential benefits from Opportunity Zone designation.

FINAL RECOMMENDATION

A revised map showing the final recommended rankings, with the modification recommended directly above, is shown on the following page. For greater geographic detail, a version of this map is also at <https://tinyurl.com/stpauloz2026>.

Opportunity Zones 2.0 | Final recommended ranking of tracts



Data: Opportunity Zone Qualified Tracts from Economic Innovation Group at <https://eig.com/ozs-resources/>; Parcel Polygons: Ramsey County, City Boundaries, Census Tracts, Water Bodies and Roadways: Metropolitan Council, via MN Geospatial Commons at <https://gsdata.mn.gov/>, potentially derivative of other sources as documented. This document was prepared by the Saint Paul Planning and Economic Development Department in close collaboration with Ramsey County's Community and Economic Development Department and is intended to be used for reference and illustrative purposes only. This drawing is not a legally recorded plan, survey, official tax map or engineering schematic and is not intended to be used as such.

Final recommended ranking

