



# Ohio's Opportunity Zone Map Gets Rewritten This Decade — And the Window Closes July 10

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Ohio is choosing its Opportunity Zones (OZs) for the next ten years right now, and most of those decisions run through a form that closes July 10, 2026. On June 10, the Ohio Department of Development (ODOD) opened its portal for local communities, economic development organizations, developers, and business owners to nominate eligible census tracts for OZ 2.0. Both ODOD and the Governor's Office will weigh the submissions, send the state's picks to the U.S. Treasury Department, and the new map takes effect January 1, 2027 — locked until the next redesignation in 2037. If your site, your project, or your community isn't in front of the state by July 10, you are not in the conversation.

## What Changed Under OZ 2.0

The One Big Beautiful Bill Act made [Opportunity Zones](#) permanent and rebuilt the rules. The core mechanics still hold: defer tax on a capital gain by rolling it into a Qualified Opportunity Fund, then earn a basis step-up for holding the investment for five years. What changed is scarcity. Eligibility tightened — the income threshold dropped to 70% of area median income, and contiguous tracts are gone. Ohio has roughly 1,032 eligible tracts and can designate only about 258 of them. Today's ~320 zones sunset at the end of 2028. This is a smaller, more competitive map, and being a current OZ guarantees nothing.

OZ capital is not a real-estate-only tool, and treating it that way leaves the more powerful half on the table. A Qualified Opportunity Fund can finance ground-up development and substantial rehab, but it can just as readily capitalize an operating business inside the zone — manufacturing, logistics, health care, a startup, an expansion. For an economic developer, that means a designation can pull both bricks and jobs into a tract. For a business owner already in or moving into an eligible tract, it means your growth capital — not just

a developer's — can carry the OZ benefit.

OZ 2.0 created a separate, richer deal for qualified rural tracts: a 30% basis step-up instead of 10%, and a substantial-improvement threshold cut in half — 50% rather than 100%. For rural Ohio, that is a materially better investment than the program has ever offered, and it sharply lowers the rehab bar that kills so many small-town deals. If you build or operate outside the metros, securing a rural designation is the single most valuable thing you can pursue this cycle.

Designation doesn't require a committed project; a tract can be nominated on its merits. But ODOD isn't designating in a vacuum. Nominations carrying a credible usage case — a real project, a pipeline, alignment with plans already underway — are far stronger than a tract submitted cold. If you have a site or a plan, the nomination and the justification are the same exercise. Put the intent on paper.

Ohio is one of the few states with its own active, funded OZ benefit: a 10% nonrefundable state tax credit for investments made through Ohio Qualified Opportunity Funds. (Mind the calendar — the state credit's next application window runs July 10–17 and is a separate process that happens to share the designation date.) Layered on the federal benefit, the state credit is a real reason capital chooses an Ohio tract over an identical one across a state line.

## Lessons From Other States

There are a few tactics worth borrowing from other states. First, hunt the off-list tracts. Off-list tracts are census tracts the Treasury did not flag as eligible — they're "off the list" in the literal sense. The Treasury's published list is built on a fixed data snapshot, and it is not the full universe of tracts that can qualify. A tract the Treasury didn't list can still be put forward when the eligibility case can be made. These are the parcels no one is competing for precisely because they never appeared on anyone's list. If a tract that matters to you isn't on the Treasury's list, don't read that as a closed door — read it as one nobody else has thought to open.

Second, economic developers and project sponsors should go find the frozen capital gains in their own backyard. Every region is sitting on locked-up gain — appreciated stock, real estate, proceeds from a business sale — that owners won't realize because of the tax bill. An OZ designation paired with a Qualified Opportunity Fund gives that capital a reason to move, and to move locally. Mapping where the frozen gain lives, and lining up the vehicle to receive it, is what turns a designation into deployed dollars.

Third, submit together. The strongest results come when private developers and local officials nominate jointly — a coordinated ask with a named project and regional buy-in consistently outperforms a solo submission.

## Ready to Get Started?

If you have a site, a project, or a community you want positioned for the next decade of OZ capital, the move is to get an eligible tract — with its usage case — in front of ODOD now.

FBT Gibbons works at the intersection of OZ policy, real estate, and economic development, and we can build the nomination case: confirming eligibility, framing the justification, and coordinating the local and regional support that moves a tract from eligible to designated. Reach out and let's get your tract in the conversation before the window closes.

For questions about Ohio OZ 2.0 nominations, fund formation, or related public finance and public-private partnership matters, please contact the authors or any attorney in FBT Gibbons' [Public Finance](#) practice group.

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