



**North Carolina General Assembly
Senate**

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February 18, 2020

The Honorable Mark Meadows
Congressman, NC 11th District
Henderson County Court House
200 N. Grove Street, Suite 90
Hendersonville, North Carolina 28792

Re: Federal Assistance to Modify Transylvania County Opportunity Zone

Dear Congressman Meadows,

I write this letter to request your feedback and assistance with creating a pathway to modify North Carolina's Opportunity Zones.

The Opportunity Zone tax incentive, enacted into law by Congress as part of the Tax Cuts and Jobs Act of 2017, offers a tremendous opportunity for transformational impact, including new jobs and higher wages in low-income areas throughout the country. More than 8,700 census tracts were designated as Opportunity Zones out of approximately 42,000 eligible tracts; North Carolina has just over 1,000 of these tracts and only 252 tracts can be federally designated Opportunity Zones.

As you and I are key stakeholders in the success of Western North Carolina's Opportunity Zones, I am requesting federal assistance to allow North Carolina to modify Transylvania County's only Opportunity Zone (Census Tract #37175960100). This zone includes the Pisgah National Forest/Hwy. 64/Hwy. 280 corridor. I'm confident that a modification of the criteria would be beneficial for other rural parts of our state as well.

A glaring problem with the composition of this zone is that approximately 65% of the land area resides inside of the Pisgah National Forest. Since development on national forest property is prohibited, this Opportunity Zone does little to incentivize development in Transylvania County.

Furthermore, the criteria for a census tract to be classified as an opportunity zone is based on the income of its residents and does not consider the existence of distressed commercial property. Nor does it consider industrial property proximity to a certified zone. With such consideration, we could provide economic development incentives in more of the areas that need it most.

Specifically, I believe that if we could modify this opportunity zone to include the abandoned Ecusta Mill site, we could ignite much needed economic development on this unused, 500-acre industrial site that may otherwise remain vacant for decades. Unfortunately, there seems to be no mechanism to change the boundaries of a zone once the U.S. Treasury certifies it. I recognize that finalizing new regulations or passing new laws is never as simple as it seems, but by working together, I am confident we can unleash the potential of Opportunity Zones in these critical communities.

Thank you for your enthusiastic support of Opportunity Zones, and for the hard work of your staff to ensure this incentive helps expand the economic opportunity for residents in Western North Carolina.

With warmest regards,

A handwritten signature in blue ink that reads "Chuck Edwards".

Chuck Edwards, Senator
NC Senate District 48 Representing Henderson, Transylvania, Buncombe Counties