

**CRE Practitioner
Series**

2026 EDITION

**Economic
Development
Workbook**

For informational
purposes only. Consult
qualified legal, tax, and
financial advisors before
acting on any incentive
program.
**Louisville, KY • United
States**

A Practitioner-
Grade Resource
for CRE
Professionals to

Identify, Evaluate,
and Leverage
Economic
Development
Incentive
Programs — With
a Focus on the
Louisville, KY
Region and
National
Applicability
Companion
resource to the
blog post:
"How
Economic
Development
Programs
Shape
Commercial
Real Estate
Opportunities"
Prepared By
Market Focus
Date

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How to Use This Workbook

This workbook is designed for CRE professionals — brokers, investors, developers, and property owners — who want to identify, evaluate, and leverage economic development incentives in their deals. Each section builds on the last:

- **Sections 1–5** are reference and education — read these to build foundational knowledge.
- **Sections 6–8** are fillable worksheets — complete these for each active property or deal.
- **Section 9** is a recurring monthly discipline — use it to stay ahead of the market.
- **Section 10** is your resource library — bookmark it for quick access.

Pair this workbook with the companion blog post for full context and strategy.

01

Overview of Local Economic Development Programs

Foundation · Program Types · Agencies · CRE Positioning

What Are Economic Development Programs and Why Do They Matter for CRE?

Economic development programs are government-administered tools — at the federal, state, county, and municipal levels — designed to stimulate investment, job creation, infrastructure improvement, and community revitalization in targeted areas. For commercial real estate professionals, these programs represent one of the most powerful — and consistently underutilized — levers for creating deal value, unlocking difficult projects, and differentiating listings in competitive markets.

When a property sits in an Opportunity Zone, a TIF district, or a historic district eligible for tax credits, the economics of acquisition, development, and leasing can shift dramatically. A broker who understands this creates outsized value for clients. An investor who models incentive value correctly wins bids that others cannot underwrite. A developer who masters the incentive landscape can make deals pencil that would otherwise be impossible.

Key Program Types



Federal Programs

Opportunity Zones, New Markets Tax Credits, Historic Tax Credits, SBA 504 Loans, HUD CDBG, EDA grants, Foreign Trade Zones, EB-5 Regional Centers.



State Programs

Kentucky Cabinet for Economic Development grants, KEDFA incentives, state historic tax credits, enterprise zones, industrial revenue bonds, workforce incentives.



Local/Municipal

TIF districts, property tax moratoriums/abatements, façade grants, small business corridor programs, Louisville Metro Economic Development programs.

Major Administering Agencies

Agency / Entity	Level	Primary Role	Key Programs
HUD (Dept. of Housing & Urban Development)	Federal	Community development, housing	CDBG, HOME, Choice Neighborhoods
EDA (Economic Development Admin.)	Federal	Regional economic growth	Public Works Grants, CEDS
SBA (Small Business Administration)	Federal	Small business financing	504 Loans, 7(a) Loans, SBIC
IRS / U.S. Treasury	Federal	Tax incentive administration	Opportunity Zones, NMTC
National Park Service (NPS)	Federal	Historic preservation	Federal Historic Tax Credits
Kentucky Cabinet for Economic Dev.	State	Business attraction & retention	KEIA, KEDFA, Tax Credits
Louisville Metro / Louisville Forward	Municipal	Local economic development	TIF Districts, Tax Moratoriums
Greater Louisville Inc. (GLI)	Regional	Business advocacy & attraction	Site selection support, incentive guidance
CDFI Fund (U.S. Treasury)	Federal	Community investment	New Markets Tax Credits, CDFI grants

How Programs Are Funded and What Triggers Their Availability

Economic development programs are funded through a mix of congressional appropriations, state legislative allocations, bond proceeds, and tax expenditure mechanisms. Key triggers for program availability include:

- **Legislative action:** Programs are created, funded, extended, or sunset by legislation at federal, state, and local levels.

- **Census tract designation:** Many programs (OZ, NMTC, CDBG) are tied to census tracts meeting low-income or distress thresholds.
- **Annual appropriations cycles:** Grant programs (EDA, CDBG) receive annual funding that determines the pool available for applications.
- **Geographic district creation:** TIF districts, enterprise zones, and historic districts require formal designation before incentives apply.
- **NOFA releases:** "Notice of Funding Availability" announcements from HUD and other agencies signal when grant windows open.

Why Brokers and Investors Need to Know This

The Competitive Advantage Is Real — and Significant

In Louisville, Metro Council has approved over 30 TIF districts since the early 2000s, directing at least \$49 million in local tax dollars to developments — from the Hotel Genevieve in NuLu to the sprawling \$114 million One Park mixed-use project. The West Louisville TIF, created by the Kentucky legislature in 2021, covers approximately 12 square miles — the largest TIF district in the state — directing revenue to the West End Opportunity Partnership for neighborhood revitalization.

Nationally, more than \$48 billion has been invested in Opportunity Zone funds, according to Economic Innovation Group data. Brokers who can identify, explain, and quantify these incentives for clients close more deals — and at better terms. Investors who model incentive value correctly win bids that purely market-rate underwriters cannot match. Developers who master the incentive landscape transform unbankable projects into successful developments.

- Incentive-aware brokers can present properties with demonstrably lower effective acquisition costs
- Incentive-aware investors can justify higher bid prices while still meeting return thresholds
- Incentive-aware developers attract more equity partners and better lender terms
- All professionals differentiate themselves in a market where most competitors do not connect these dots

Key Incentive Categories

12 Incentive Types · Description · Eligibility · CRE Impact · Watch For

The following 12 incentive categories represent the core toolkit available to CRE professionals. Each entry includes a description, typical eligibility requirements, direct CRE impact, and a practical "Watch For" tip.

1

Tax Increment Financing (TIF) Districts

Local/State

Description

TIF captures the incremental tax revenue generated by a new development within a designated district and rebates a portion back to the developer to offset project costs. In Louisville, the city typically rebates 80% of new taxes to the developer, with the remaining 20% split between city and state. TIFs are performance-based — funds flow only if the project generates projected new revenue.

Typical Eligibility

Projects within formally designated TIF district boundaries. Most common for mixed-use, retail, office, hotel, and residential developments. Requires Metro Council approval in Louisville. Must demonstrate "but for" the TIF, the project would not proceed.

CRE Impact

Dramatically improves project feasibility by reducing effective development costs. Can support 20–45 year benefit periods. Elevates surrounding property values. Drives new tenant demand in previously unproductive corridors. Louisville's TIFs have supported projects ranging from a boutique hotel to a 2-square-mile arena district.

🚩 Watch For

Existing TIF districts may block new TIF creation in the same geographic area. Louisville's downtown Arena TIF (2009) has historically prevented new TIF incentives in the Central Business District — though KY House Bill 775 (2025) may change this. Always map TIF boundaries before assuming availability.

2

Opportunity Zones (Federal)

Federal • IRS/Treasury

Description

Created by the 2017 Tax Cuts and Jobs Act, Opportunity Zones allow investors to defer and reduce capital gains taxes by investing in Qualified Opportunity Funds (QOFs) that deploy capital into designated low-income census tracts. Projects must involve new construction or substantial rehabilitation of existing property.

Typical Eligibility

Investment must be in a designated OZ census tract. Property must be "substantially improved" (doubled in basis) within 30 months, or be new construction. Investors must hold the investment 10+ years for maximum tax exclusion on appreciation. Over 8,700 designated tracts nationwide.

CRE Impact

Attracts significant equity capital to otherwise challenging markets. More than \$48 billion invested in QO funds nationally. Drives new construction and substantial rehabilitation. Can support commercial, mixed-use, industrial, and multifamily projects. Proven to increase housing supply and reduce vacancy in designated tracts.

🚩 Watch For

The 15% basis step-up benefit expired at end of 2019; investors who entered after that date receive a smaller tax benefit. Always verify OZ designation status with current IRS mapping. Track legislative efforts to extend and reform the program (e.g., OZ Transparency, Extension & Improvement Act).

3

New Markets Tax Credits (NMTC)

Federal • CDFI Fund

Description

NMTC provides investors a 39% federal tax credit (over 7 years) in exchange for making qualified equity investments through CDEs into businesses or projects in low-income communities. Credits offset income tax dollar-for-dollar, making them highly attractive to institutional investors, banks, and corporations.

Typical Eligibility

Project must be in a qualified low-income community census tract. Must be a "qualified active low-income community business." Capital must flow through a certified Community Development Entity (CDE). Projects typically \$5M+ to justify transaction complexity. Common uses: commercial real estate, healthcare, education, grocery.

CRE Impact

NMTC can fill 20–25% of project financing gap when combined with other sources. Has supported transformational projects — e.g., the Voices Building in Dubuque, IA used both NMTC and Historic Tax Credits, combined with JP Morgan capital, to convert a historic warehouse into community office space, catalyzing broader neighborhood redevelopment.

Watch For

NMTC requires complex legal structuring with an investor, CDE, and sub-CDE. Transaction costs can be significant (\$50K–\$200K). Credit allocations are competitive and limited — track CDFI Fund allocation rounds. Best suited for larger, catalytic projects with community impact components.

4

Historic Tax Credits (Federal & State)

Federal/State · NPS/SHPO

Description

The Federal Historic Tax Credit (HTC) provides a 20% income tax credit for the certified rehabilitation of income-producing historic properties listed on or eligible for the National Register of Historic Places. Kentucky also offers a state-level Historic Preservation Tax Credit (up to 30% for commercial properties). Credits are applied against qualified rehabilitation expenditures (QREs).

Typical Eligibility

Property must be a "certified historic structure" — listed in, or eligible for, the National Register. Rehabilitation must be "certified" by the National Park Service, meaning the work must respect the building's historic character (Secretary of Interior Standards). Must be an income-producing property. Must be placed in service after rehabilitation.

CRE Impact

HTC is one of the most powerful tools for adaptive reuse of historic downtown buildings. Enables conversion of vacant historic structures to office, residential, hotel, and mixed-use. Kentucky's stacked state + federal credits (up to 50% combined in some cases) make adaptive reuse projects significantly more financeable. Drives demand in historic business districts.

Watch For

NPS review can be lengthy — plan 6–18 months for full certification. Rehabilitation must meet strict standards; modern alterations that compromise historic character may disqualify credits. Kentucky's state HTC program is competitive and has had funding caps. Work with an experienced historic preservation architect and tax credit syndicator.

5

Enterprise Zones / Empowerment Zones

State/Federal

Description

Geographic zones offering businesses a suite of tax incentives — including sales tax exemptions, wage tax credits, capital gains deferrals, and accelerated depreciation — to incentivize investment and job creation in economically distressed areas. Many states have their own enterprise zone programs with varying benefit packages.

Typical Eligibility

Business must be physically located within a designated zone. Employment and/or capital investment thresholds typically required. Some programs require net new hiring from within the zone. Kentucky's enterprise zones have evolved over time; confirm current program status with the Kentucky Cabinet for Economic Development.

CRE Impact

Enterprise zone designations stimulate demand for commercial and industrial space within the zone. Reduces the effective operating cost for businesses, supporting higher lease rates and longer tenancy. Creates a competitive advantage for zone properties vs. comparable non-zone locations. Relevant for retail, light industrial, and office submarkets.

🚩 Watch For

Enterprise zone programs vary significantly by state and may have been sunset, replaced, or restructured. Verify current eligibility with the applicable state commerce department before marketing zone-based benefits. Some benefits require annual recertification by the business.

6

Industrial Revenue Bonds (IRBs)

State/Local

Description

IRBs are tax-exempt bonds

Typical Eligibility

Typically available for

CRE Impact

IRBs lower the effective cost

🚩 Watch For

IRBs involve a complex

issued by local governments on behalf of private companies to finance the acquisition or construction of industrial or commercial facilities. The interest paid to bondholders is exempt from federal income tax, allowing the company to borrow at below-market interest rates. The issuing government retains no financial liability — the company is solely responsible for repayment.

manufacturing, industrial, and certain commercial projects. Minimum project size requirements apply (often \$1M–\$5M+). Must create or retain jobs. Property financed with IRBs may receive property tax abatement in some jurisdictions while the bonds are outstanding. KEDFA in Kentucky administers the state IRB program.

of capital for industrial and commercial development, enabling projects to proceed in locations where conventional financing would be insufficient. Commonly used for build-to-suit industrial projects and manufacturing facilities. Creates a significant competitive advantage for industrial park developers and owner-users.

issuance process requiring bond counsel and local government cooperation. IRS regulations strictly define eligible uses — projects that don't qualify as "exempt facility" bonds will not receive tax-exempt treatment. Confirm eligibility early. Bond issuance costs (1–3%) should be factored into the economic analysis.

7

Property Tax Abatements / Moratoriums

Local

Description

Property tax abatements freeze, reduce, or eliminate property taxes on improvements for a specified period — typically 5–15 years. In Louisville, the Property Assessment and Reassessment Moratorium freezes local property taxes on improved properties in qualifying redevelopment areas. Kentucky's Manufacturing Tax Moratorium provides similar relief for manufacturing facility locations/expansions.

Typical Eligibility

Eligibility varies by jurisdiction. Louisville's moratorium applies to qualifying redevelopment in approved areas. Manufacturing facilities locating or expanding in Louisville Metro may qualify for the Manufacturing Tax Moratorium. Contact Louisville Metro Economic Development (502-574-4140) to verify current eligibility for specific properties.

CRE Impact

Directly reduces operating costs for tenants or owner-users, improving NOI (if landlord-retained) or ability-to-pay (if tenant benefit). Can be a decisive factor in site selection decisions. Increases a property's effective competitive position vs. non-abated alternatives. Quantifiable benefit that should be included in all marketing materials and LOI negotiations.

► Watch For

Abatements typically apply only to improvements, not land value. When abatement expires, property taxes increase to full assessed value — model this "cliff" in your underwriting. Transferability to new owners varies; confirm treatment in sale/purchase transactions. Some abatements require the property to remain in a specific use category.

SBA 504 Loans

Federal • SBA

Description

The SBA 504 loan program provides long-term, fixed-rate financing for major fixed assets (real estate and equipment) through Certified Development Companies (CDCs). Structure: ~50% from a bank/lender, ~40% from the SBA/CDC (at below-market fixed rates), ~10% equity from the borrower. Maximum SBA debenture is typically \$5.5M (\$5.5M for energy-efficiency projects; up to \$16.5M for manufacturers).

Typical Eligibility

For-profit businesses with tangible net worth under \$20M and average net income under \$6.5M (after taxes) for the preceding two years. Must be owner-occupied (51%+ for existing building; 60%+ for new construction). Eligible uses: land, buildings, renovations, machinery/equipment. Job creation or retention requirements apply.

CRE Impact

Dramatically improves small business owner access to commercial real estate ownership by reducing required equity to 10% and locking in long-term fixed rates (10, 20, or 25-year terms). Creates a deep pool of qualified buyer-users for owner-occupied CRE. Brokers who understand SBA 504 structure can convert tenants into buyers and expand their transaction volume.

🚩 Watch For

SBA 504 loan closings are slower than conventional — allow 60–90+ days. Owner-occupancy requirements must be maintained; violations can trigger loan acceleration. Not suitable for investment properties (pure landlord plays). Work with an SBA-experienced commercial lender and a CDC familiar with your market.

State Business Incentive Grants

State

Description

State-level discretionary grants and incentive packages awarded to

Typical Eligibility

Varies widely by program. Most require: minimum capital investment (often

CRE Impact

State incentive packages are often the deciding factor in major corporate location

🚩 Watch For

State incentive packages are often kept confidential during negotiations. Businesses that

businesses that commit to locating or expanding in the state, typically tied to job creation and capital investment thresholds. In Kentucky, programs administered by KEDFA include the Kentucky Business Investment (KBI) program (tax credits tied to new jobs/payroll) and the Kentucky Economic Development Finance Authority's direct incentive packages for major employers.

\$100K–\$1M+), creation of a minimum number of full-time jobs at or above average county wage, and a demonstrated need for state assistance. Advanced manufacturing, logistics, and technology sectors often receive preferential treatment in Kentucky incentive competitions.

decisions — directly driving demand for large industrial, office, and distribution facilities. CRE professionals who are plugged into the state incentive pipeline can position properties for major tenant wins before the deal becomes publicly known. Build relationships with the Kentucky Cabinet for Economic Development's business development team.

announce before agreements are finalized risk losing negotiating leverage. CRE professionals should maintain strict confidentiality regarding prospective tenant incentive discussions. Clawback provisions are standard — failed job creation targets trigger repayment.

10

Infrastructure / Façade Improvement Grants

Local/State

Description

Matching grants provided by municipalities, Main Street programs, and BIDs to support physical improvements to commercial building facades, streetscapes, and public infrastructure. Kentucky's Main Street Program (heritage.ky.gov) provides technical assistance and access to façade improvement funding in designated downtown districts. Louisville's Louisville Downtown Partnership also coordinates similar programs.

Typical Eligibility

Property must be within a designated district (Main Street district, BID, CRA, or special improvement zone). Improvements must be visible from the public right-of-way. Match requirements typically range from 1:1 to 3:1 (private match to grant). Award amounts commonly range from \$5,000 to \$100,000 per project. Commercial, mixed-use, and historic structures are most commonly eligible.

CRE Impact

Façade grants directly increase curb appeal and property value at minimal owner cost. Can accelerate leasing activity in commercial corridors by improving the visual environment. Signal district investment to prospective tenants. When stacked with historic tax credits, façade grants can fund significant exterior rehabilitations with minimal out-of-pocket owner expense.

► Watch For

Grant funds are typically limited and awarded on a first-come, first-served or competitive basis. Design guidelines must be followed — unapproved changes may disqualify funding. Reimbursement-based programs (common) require owners to fund improvements upfront. Confirm match source eligibility; some programs exclude in-kind contributions.

Workforce Development Incentives (Indirect CRE Driver)

Federal/State/Local

Description

Programs that subsidize employee training, hiring, and workforce pipeline development — including Work Opportunity Tax Credits (WOTC), state employee training grants, apprenticeship programs, and WIOA-funded training. While not direct real estate incentives, they reduce labor costs for businesses, making a market or property more competitive for tenant attraction.

Typical Eligibility

WOTC: Businesses hiring from targeted groups (veterans, ex-felons, SNAP recipients, long-term unemployed) receive federal tax credits of \$1,200–\$9,600 per qualifying hire. Kentucky Bluegrass State Skills Corporation (BSSC) provides customized job training grants to businesses that are creating new jobs or upskilling existing employees in Kentucky.

CRE Impact

Workforce incentives can be the deciding factor for labor-intensive businesses (call centers, light manufacturing, distribution) choosing between markets or properties. CRE professionals who can document workforce program availability in proximity to a property — and quantify the per-employee tax credit value — add a measurable, differentiated benefit to their property pitch.

🚩 Watch For

Workforce incentive programs change frequently with legislative and budget cycles. Build a relationship with the local Workforce Innovation board and state Cabinet for Economic Development workforce team to stay current. CRE professionals should not try to administer workforce programs — focus on identifying and quantifying them as part of the property value proposition.

Foreign Trade Zones (FTZ)

Federal • Commerce Dept.

Description

FTZs are designated U.S.

Typical Eligibility

FTZ designation requires

CRE Impact

FTZ designation is a powerful

🚩 Watch For

Operating an FTZ requires

Customs and Border Protection-supervised areas where foreign and domestic merchandise can be received, stored, manipulated, manufactured, and re-exported free of customs duties. Duties are only paid when (and if) goods enter U.S. commerce. Louisville's air cargo hub position, anchored by UPS Worldport, makes FTZ availability particularly valuable for logistics and manufacturing tenants.

approval from the Foreign Trade Zones Board (administered by the Department of Commerce). Louisville has an established FTZ (FTZ #29) covering Jefferson County and surrounding areas. Individual companies can apply for subzone status or locate within an active FTZ general-purpose zone. Most common for manufacturers, distributors, and logistics operators with significant import/export activity.

differentiator for industrial and logistics properties. Companies operating in FTZs can reduce or eliminate duties on goods that are re-exported, manufactured, or substantially transformed. This directly improves industrial tenant economics, supporting higher rents and longer leases. Properties within Louisville's FTZ #29 should highlight this in all industrial marketing materials.

significant recordkeeping and Customs compliance infrastructure. Not suitable for all businesses — works best for high-volume import/export operations. CBP audits are regular occurrences. CRE professionals marketing FTZ-eligible properties should coordinate with the local FTZ administrator and position the benefit clearly for qualifying industrial tenants.

03

How to Evaluate an Economic Development Program

7-Step Framework · Program Evaluation Scorecard

Not every incentive program is worth pursuing. Use this framework to efficiently triage programs, focus your due diligence, and avoid wasting deal time on programs that won't deliver value.

7-Step Evaluation Framework

1

Confirm Program Status (Active, Funded, Accepting Applications)

Before any analysis, verify the program exists in its current described form. Programs are frequently modified, sunset, temporarily defunded, or placed on moratorium between funding cycles. Contact the administering agency directly. Check agency websites for "NOFA" (Notice of Funding Availability) announcements or open application windows. For TIF districts, confirm with Louisville Metro / Louisville Forward whether the specific location is within a district and whether the district is active. Never rely on information more than 90 days old for incentive availability.

2

Determine Eligibility Criteria

Screen the program against four dimensions: (a) **Property type** — does the program apply to the specific asset class (industrial, retail, office, multifamily, historic)? (b) **Location** — is the property within the required geographic boundary (TIF district, OZ census tract, Main Street district)? (c) **Use** — does the proposed or current use qualify? (d) **Business size** — does the owner or tenant meet size, revenue, or employment thresholds? Eliminate programs that fail any dimension before investing further analysis time.

3

Quantify the Financial Benefit

Express every incentive in dollar terms: tax savings over the benefit period (NPV), grant amount received, interest rate differential on below-market loans, or equity generated from tax credit sales. For TIF, model the projected rebate stream and discount to present value. For OZ, calculate the capital gains tax deferral value and appreciation exclusion based on projected hold period and exit pricing. For HTC, calculate credit amount (20% of QREs federally) and expected net proceeds from syndicating credits to investors. Always present a conservative, base, and optimistic scenario.

Assess the Application Timeline vs. Deal Timeline

Every incentive program has an application and approval timeline that must align with your deal timeline. TIF approvals in Louisville can take 3–6+ months through the Metro Council process. NMTC allocations are competitive and awarded annually. Historic Tax Credit Part I/II approvals through NPS can take 6–18 months. Map the critical path for incentive approval against your closing date, construction start, and lease commencement. If the timelines are incompatible, the incentive may not be achievable within the deal structure.

Identify Required Commitments

Every incentive comes with strings attached. Document: (a) **Job creation targets** — number of FTE jobs, wage levels, benefit requirements, and measurement periods; (b) **Capital investment thresholds** — minimum spend on qualified improvements within a specified timeframe; (c) **Ownership/occupancy requirements** — hold periods, owner-occupancy ratios, use restrictions; (d) **Reporting and compliance obligations** — annual certifications, audit rights, public disclosure requirements. If the commitments are incompatible with your business plan, the incentive may create more risk than value.

Evaluate Compliance and Reporting Obligations

Compliance failures can trigger clawback provisions — requiring repayment of incentive benefits with interest and penalties. Assess the administrative burden of ongoing compliance: annual reporting to state agencies, job verification, wage certification, environmental or historic compliance monitoring, and customs recordkeeping (FTZ). Factor in the cost of compliance infrastructure (staff time, accounting, legal) when calculating net incentive value. Some programs (NPS Historic Tax Credit, IRS Opportunity Zone) have extremely detailed compliance requirements.

Consult Legal / Tax Counsel

Always engage qualified legal and tax counsel before committing to any incentive program. Federal programs (OZ, NMTC, HTC) involve complex IRS regulations and require experienced tax counsel. State programs require knowledge of Kentucky administrative law and KEDFA procedures. TIF agreements are legal contracts requiring real estate attorney review. The cost of counsel (\$3,000–\$50,000+ depending on program complexity) is virtually always recouped many times over by the incentive benefit — and far outweighed by the cost of getting it wrong.

Program Evaluation Scorecard

Use the scorecard below to systematically evaluate and compare programs. Rate each criterion from 1 (poor/unfavorable) to 5 (excellent/favorable). Programs scoring below 20 total warrant additional scrutiny before pursuit.

Evaluation Criterion	Assessment Questions	Rating (1–5)	Notes
1. Program Active Status	Is the program currently active, funded, and accepting applications?		
2. Property Eligibility	Does this property type and location meet all eligibility requirements?		
3. Financial Benefit Magnitude	Is the quantified incentive benefit material relative to total project cost?		
4. Timeline Alignment	Can program approval be obtained within the deal's critical path timeline?		
5. Commitment Feasibility	Are job creation, capital investment, and use commitments		

Evaluation Criterion	Assessment Questions	Rating (1–5)	Notes
	achievable within your business plan?		
6. Compliance Burden	Are ongoing reporting and compliance obligations manageable at reasonable cost?		
7. Clawback / Risk Exposure	Is the risk of clawback or compliance failure low relative to benefit?		
8. Stackability	Can this program be layered with other incentives (TIF + OZ + HTC) for greater combined benefit?		
9. Counsel / Expert Availability	Are qualified legal, tax, and program advisors available and accessible for this program?		
10. Strategic Value	Beyond this deal, does pursuing this program build long-term expertise or relationships?		
TOTAL SCORE		/50	

Scoring Guidance: 40–50 = High Priority · Pursue aggressively | 30–39 = Moderate Priority · Pursue with conditions
 | 20–29 = Low Priority · Revisit if deal structure changes | Below 20 = Do Not Pursue at this time

Impact on Commercial Real Estate

Property Values · Cap Rates · IRR · Perspectives · Red Flags

How Incentives Affect Property Values, Absorption, and Tenant Demand

Economic development incentives operate as force multipliers on the core CRE value drivers: rent, occupancy, and capital value. Understanding these mechanisms — and being able to quantify them — is the difference between a generalist broker and an incentive-sophisticated advisor.

CRE Metric	Incentive Mechanism	Typical Impact	Quantification Approach
Property Values	OZ investment capital influx, TIF-funded improvements, abatement-reduced holding costs	+10–30% in active incentive zones vs. comparable non-incentive areas; OZ-driven development has shown 25% surrounding value increases	Comparable analysis of incentive vs. non-incentive zone properties; NPV of abatement benefit added to stabilized value
Absorption Rates	Business attraction to incentive zones drives occupier demand; corridor improvements increase foot traffic	Incentive-active corridors typically absorb 15–30% faster than comparable non-incentive corridors during active program periods	Track CoStar/LoopNet absorption data by submarket; compare incentive-designated vs. non-designated zones over 2–5 year periods
Tenant Demand Quality	Workforce and SBA incentives attract creditworthy small	Higher credit-quality tenants, longer lease terms,	Track new business filings and corporate

CRE Metric	Incentive Mechanism	Typical Impact	Quantification Approach
	businesses; state grants attract corporate credit tenants	and lower TI requirements in markets with active business attraction incentives	relocations in incentive zones; monitor local EDC press releases
Effective Rent	Tax abatements, lower operating costs for tenants → higher willingness to pay face rent	Tenants with property tax abatements or WOTC credits can justify \$2–8/SF higher face rents while maintaining equivalent net occupancy costs	Model tenant total occupancy cost including/excluding incentive benefits; present as "effective rent" equivalent
Cap Rates	Incentive certainty and improved NOI stability can compress cap rates in designated zones	25–75 bps compression vs. non-incentive comparable in active incentive markets; larger compression where incentives drive institutional capital (OZ funds)	Compare exit cap rate assumptions with and without incentive-driven demand; model IRR sensitivity to cap rate scenarios

Incentive-Driven Deal Types

Redevelopment Projects

Vacant or underutilized properties in designated zones (TIF districts, OZ tracts) are ideally suited for incentive-driven redevelopment. The combination of low acquisition price (distressed basis), available incentive capital (OZ equity, TIF rebates), and improving submarket fundamentals creates compelling risk-adjusted returns for experienced developers.

Adaptive Reuse

Historic buildings eligible for Federal and Kentucky Historic Tax Credits can be transformed into office, hotel, residential, and mixed-use at effective costs well below replacement. The 20% federal + up to 30% Kentucky state credit (combined up to ~50% in some cases) essentially funds a substantial portion of rehabilitation costs, dramatically improving feasibility.

Mixed-Use / Transit-Adjacent

TIF districts frequently support mixed-use projects that add density and activate commercial corridors. Louisville's NuLu, Butchertown, and West End are active examples of incentive-supported mixed-use growth. Stacking TIF + OZ + HTC in a single project multiplies the financing advantage.

Industrial / Logistics

IRBs, FTZ designation, property tax abatements, and workforce incentives create powerful stacked incentive packages for industrial and logistics facilities — particularly relevant in Louisville given UPS Worldport's presence, I-65/I-64 access, and established FTZ #29 coverage.

How to Price and Underwrite Incentive Value

Incentive value must be modeled explicitly in your underwriting — not left as an undefined upside. Use the following approach:

- **Cash flow incentives** (TIF rebates, abatements): Model as above-line NOI adjustments or below-line equity distributions. Discount to NPV at an appropriate discount rate reflecting program certainty risk.
- **Tax credit incentives** (HTC, NMTC, OZ): Calculate expected equity proceeds from credit syndication (typically \$0.85–\$1.00 per dollar of credit, depending on market conditions). Model these as equity sources in the capital stack.
- **Below-market debt** (IRB, SBA 504): Calculate the present value of interest savings vs. conventional financing over the loan term and include in the acquisition/development cost analysis.
- **Grant funds**: Treat as direct equity contributions. Model the impact on required developer equity and return thresholds.

Perspective Breakdowns

Developer Perspective

- Incentives enable deals that don't pencil at market costs
- Stack incentives to minimize required equity
- Understand compliance timelines before breaking ground
- Budget for incentive pursuit costs (legal, consulting)
- Model clawback risk in sensitivity analysis
- Use incentives as a competitive differentiator in land acquisition

Tenant / Occupier Perspective

- Site selection now includes incentive analysis as a core decision factor
- Tax abatements, WOTC, and workforce grants reduce total occupancy cost
- Large tenants negotiate custom incentive packages from state/local EDCs
- OZ locations may offer newer facilities at competitive rates due to developer incentives
- Incentives tied to job commitments create operational constraints to plan around

Investor Perspective

- OZ investments offer capital gains deferral/exclusion — powerful for high-gain investors
- Incentive-driven submarkets may offer higher yield + appreciation vs. core markets
- Assess incentive expiration impact on exit cap rates
- Verify incentive transferability in sale/purchase agreements
- Institutional OZ fund investment is driving competition in designated tracts
- Underwrite the "incentive cliff" when modeling exit timing

Red Flags — When Incentives May Not Be Worth It

- **The "but for" isn't real:** If the project would proceed without the incentive, pursuing it adds legal/compliance complexity for no marginal benefit — and creates political risk if publicly scrutinized.
- **Timeline mismatch:** If the incentive approval timeline (6–18+ months) exceeds your deal critical path, pursuing it may kill the transaction or force you to close without confirmed incentive benefit.
- **Compliance burden exceeds benefit:** Some programs require annual reporting, job verification, and audit rights that cost more in administrative time and legal fees than the incentive is worth — particularly for smaller projects.
- **Clawback risk is unquantifiable:** If job creation commitments, capital investment milestones, or occupancy requirements cannot be reliably achieved given business plan risk, the clawback exposure may exceed the incentive value.
- **The incentive is the only thing making it work:** Deals that are fundamentally unviable without incentives — where the location, asset quality, or tenant demand are genuinely deficient — should not be pursued just because an incentive is available. Incentives improve good deals; they cannot rescue bad ones.
- **Program is not legally documented:** If the incentive exists only as a verbal commitment from a government official or a letter of intent from an agency, it is not a financeable incentive. Require executed agreements before incorporating incentive value into deal underwriting.

The following case studies present real programs and outcomes alongside illustrative composite examples drawn from documented program mechanics. These examples are designed to ground the incentive concepts from Sections 1–4 in tangible deal outcomes.

Example 1 · Louisville, KY — West Louisville TIF District & West End Revitalization

TIF · Louisville

Project Overview	Incentive Used	CRE Outcome	CRE Professional Takeaway	Lessons Learned
The West Louisville TIF district, created by the Kentucky General Assembly in 2021, covers approximately 12 square miles across Louisville's nine West End neighborhoods. Unlike traditional project-specific TIFs, all incremental tax revenue from the district flows to the West End Opportunity Partnership (WEOP), a nonprofit public corporation, which deploys funds toward area-wide revitalization. The district is the largest TIF district in Kentucky. The broader Louisville TIF program, active since the early 2000s, has approved over 30 TIF districts directing at least \$49 million in local tax dollars to developments including the 122-room Hotel Genevieve in NuLu, the KFC Yum! Center arena district (a 2-square-mile TIF), and the \$114 million One Park mixed-use	Tax Increment Financing — Louisville's standard model rebates 80% of new taxes generated back to the developer, with city and state splitting the remaining 20%. TIF periods typically run 20–45 years. The West Louisville district uses a community-benefit model channeling all incremental revenue to the WEOP for broader neighborhood investment rather than direct developer reimbursement.	The TIF tool has enabled projects ranging from boutique hospitality (Hotel Genevieve, NuLu) to major mixed-use developments (One Park, \$114M) that developers stated would not have proceeded without the public subsidy. The West Louisville district creates a framework for sustained investment in an historically underinvested submarket, potentially generating new commercial and mixed-use demand in West End neighborhoods over the next two decades.	Louisville's 30+ active or completed TIF districts represent an ongoing pipeline of incentive-supported projects. CRE professionals should map current TIF district boundaries (louisvilleky.gov/forward) and track Metro Council TIF applications as an early indicator of emerging development activity and commercial demand in specific corridors.	Existing TIF districts can block new district creation in overlapping areas — Louisville's downtown Arena TIF (2009) has prevented new TIF incentives across large portions of the Central Business District. Understanding the existing TIF map is essential before assuming this tool is available in any given downtown location. Monitor Kentucky legislative activity (e.g., HB 775, 2025) that may modify TIF rules for downtown Louisville.

project along
Grinstead Drive.

Example 2 · Erie, PA (Nationally Applicable) — Opportunity Zone Mixed-Use Revitalization

Opportunity Zone

Project Overview

The Erie Downtown Development Corporation (EDDC), operating in Erie's Opportunity Zone-designated downtown, has deployed a combination of OZ fund capital, national impact fund investment, and local bank financing to execute a multi-project revitalization strategy in what was previously the poorest ZIP code in Pennsylvania. Once home to 18,000 GE Transportation employees, Erie's industrial base had severely contracted over decades.

Incentive Used

Opportunity Zone fund capital (federal capital gains deferral/exclusion) combined with a national OZ impact fund and conventional bank financing. The OZ designation attracted long-term patient equity capital unavailable through conventional real estate channels, enabling a comprehensive rather than piecemeal approach to downtown revitalization.

CRE Outcome

Over six years, the EDDC built 110 new residences, established space for 25 new businesses, restored eight historic properties, created 100,000 square feet of new commercial space, and established a grocery store in a USDA-designated food desert. Total long-term capital investment surpassing \$400 million is now at work in the formerly distressed zone. Neighboring tracts have begun experiencing positive economic spillover effects.

CRE Professional Takeaway

OZ success is most pronounced where a coordinated development entity deploys capital strategically across an area — not piecemeal. CRE professionals should identify the "anchor developer" or coordinating entity in Louisville's OZ tracts and position properties accordingly. [Novoco.com/opportunity-zones](https://www.novoco.com/opportunity-zones) is the leading resource for tracking OZ fund activity nationally.

Lessons Learned

Nationally, \$48+ billion has been deployed into OZ funds, with the strongest returns documented in projects with long investment horizons (10+ years) and strong local market fundamentals underlying the OZ designation. The program works best as a capital attraction mechanism layered on top of genuine market demand — not as a substitute for it.

Example 3 · Dubuque, IA — Historic Tax Credit + NMTC Adaptive Reuse

HTC + NMTC

Project Overview

Gronen Development's rehabilitation of the Voices Building in Dubuque, Iowa — a historic industrial structure that had sat empty and deteriorated in a formerly thriving factory district — combined Federal Historic Tax Credits with New Markets Tax Credits to fund a complete renovation into community office space. The project required replacing all 250 windows and the entire roof system to meet NPS standards, while preserving character-defining features including original wood columns and structural beams repurposed as stair treads.

Incentive Used

Federal Historic Tax Credits (20% of Qualified Rehabilitation Expenditures) + New Markets Tax Credits, structured through JP Morgan as the tax credit investor. Both credits were stacked in the same transaction, with each creating equity from investor capital attracted by the tax credit monetization. The combination filled the financing gap that made conventional financing unworkable for the project.

CRE Outcome

Successful rehabilitation of a previously vacant historic industrial structure into productive community office use. The project catalyzed additional redevelopment activity in the surrounding district, demonstrating the "anchor project" effect that HTC/NMTC-funded projects frequently generate in distressed corridors. The Dubuque case became a J.P. Morgan impact investing case study.

CRE Professional Takeaway

In Louisville's NuLu, Butchertown, Smoketown, and West End corridors, numerous historic industrial and commercial structures are eligible or potentially eligible for HTC. CRE professionals should proactively screen listings in these areas for historic designation status using the Kentucky Heritage Council database (heritage.ky.gov) and engage historic architects early in the evaluation process.

Lessons Learned

Stacking HTC + NMTC requires sophisticated legal structuring and experienced transaction counsel — but the combined equity benefit can fund 40–50% of a project's total development cost. Transaction complexity should not deter pursuit; build a team with prior stacked credit transaction experience.

Example 4 · Illustrative Composite — Suburban Industrial Park, IRB + Property Tax Abatement

IRB · Abatement

Project Overview

A 350,000 SF build-to-suit distribution facility for a regional food manufacturer locating in a Jefferson County, KY industrial park adjacent to I-265. The project involved a \$42 million

Incentive Used

IRBs issued through KEDFA provided tax-exempt financing for land and building costs, reducing the interest rate on \$28M of the capital stack by approximately 150 basis points vs.

CRE Outcome

Total incentive value reduced effective project cost by approximately 10%, enabling the company to achieve its required return threshold in a build-to-suit structure. The

CRE Professional Takeaway

For industrial CRE professionals in the Louisville market, FTZ #29 coverage, IRB availability through KEDFA, and Louisville's established position as a logistics hub

Lessons Learned

IRB issuance timelines (typically 90–120 days from application to closing) must be built into the project schedule. Bond counsel selection and KEDFA coordination should

total development cost for an owner-user facility. The site qualified for Kentucky's Manufacturing Tax Moratorium and, given the project's scale and job creation (175 full-time jobs at wages averaging 110% of county median), was eligible for an Industrial Revenue Bond issuance through KEDFA.	conventional financing. The Kentucky Manufacturing Tax Moratorium provided property tax relief on improvements for 5 years post-completion. Combined with state Kentucky Business Investment (KBI) tax credits tied to new payroll, the total incentive package was valued at approximately \$4.2 million over the abatement/credit period.	facility anchored the industrial park, attracting two additional distribution tenants to adjacent parcels within 24 months of opening. The park's occupancy rate increased from 60% to 92% over a 3-year period following the anchor project's completion.	create a powerful incentive package for qualifying manufacturers and distributors. Always present the full incentive stack — not just the real estate — when competing for major industrial site selections.	begin simultaneously with site selection, not after a letter of intent is signed. Early agency engagement is the single most important step in securing industrial incentive packages on competitive timelines.
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Example 5 · Illustrative Composite — Small Business Corridor Façade Grant, Main Street District

Façade Grant · Main Street

Project Overview	Incentive Used	CRE Outcome	CRE Professional Takeaway	Lessons Learned
A 10-block commercial corridor in a Kentucky Main Street-designated downtown had experienced 35% storefront vacancy following a major anchor retailer's departure. A local community development organization partnered with the Kentucky Main Street Program (heritage.ky.gov) and a regional CDFI to administer a façade improvement grant program for corridor property owners. Individual grants of \$15,000–\$50,000 (1:1 owner match	Kentucky Main Street Program façade improvement grants (state-funded), supplemented by CDBG funds administered through the regional planning commission. Total program budget: \$485,000. Property owners matched with equal or greater private investment, leveraging over \$1M in total rehabilitation activity. Participating properties were also assessed for historic designation eligibility, with four qualifying for state HTC applications.	Over 36 months following program completion, corridor vacancy declined from 35% to 18%. Average face rents increased \$3.50/SF as improved building conditions and corridor aesthetics attracted higher-quality tenants. Four participating properties filed successful state HTC applications, enabling more comprehensive interior rehabilitation. The corridor attracted a regional restaurant group, a community health clinic, and a co-working operator as anchor tenants.	Façade grant programs create measurable, near-term property value uplift at minimal owner cost. For properties in Main Street districts or BIDs, proactively connecting clients with available grant programs can accelerate leasing, increase effective rent, and differentiate listings in a market where most brokers are competing solely on price.	The most successful corridor programs combine physical improvement grants with active business recruitment and programming — physical improvement alone is insufficient without demand activation. CRE professionals who can connect clients to the full ecosystem (grants + tenants + financing) provide dramatically more value than those who focus only on listing and leasing mechanics.

required) funded exterior rehabilitation across 14 properties over 24 months.

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Worksheet — Mapping Incentives to CRE Opportunities

Property Information · Incentive Mapping Table · Total Estimated Benefit



How to Use This Worksheet

Complete one worksheet per active property or deal. Begin with the Property/Project Information section, then systematically work through the Incentive Mapping Table for each of the 12 incentive types covered in Section 2. For each incentive, determine geographic eligibility (confirm via agency mapping tools), property type match, and estimated dollar benefit. Sum all applicable incentive benefits to determine the total estimated incentive value for the property. Use this total in client presentations, deal underwriting, and listing marketing materials.

Part A · Property / Project Information

Property Address / Description

Property Type

Total Square Footage

Asking Price or Rent

Year Built

Current Use / Condition

Proposed Use / Development Program

Census Tract Number

Zoning Classification

Historic Register Status

Total Project / Acquisition Cost (Est.)

Target Closing / Start Date

Worksheet Completed By

Part B · Incentive Mapping Table

Incentive Name

Administering Agency

Geographic Eligible (Y/N)

Property Type Match (Y/N)

Est. Benefit (\$)

Application Deadline

Priority Level

Score

TIF District

Louisville Metro / Louisville Forward

Opportunity Zone (OZ)

IRS / U.S. Treasury

New Markets Tax Credit

CDFI Fund / Treasury

Federal Historic Tax Credit

National Park Service

KY State Historic Tax Credit

KY Heritage Council / SHPO

Enterprise / Empowerment Zone

State / Local EDC

Industrial Revenue Bond

KEDFA / Louisville Metro

Property Tax Abatement

Louisville Metro / Jefferson Co.

SBA 504 Loan

SBA / Local CDC

State Business Incentive Grant

KY Cabinet for Econ. Dev.

Façade / Infrastructure Grant

Louisville DTP / Main Street KY

Foreign Trade Zone

FTZ Board / Commerce Dept.

Workforce Development

BSSC / Local Workforce Board

Other: _____

Part C · Summary & Total Estimated Benefit

Applicable Incentives (list programs that scored Y on both eligibility columns)

Total Estimated Incentive Benefit (\$)

% of Total Project Cost

Primary Incentive to Lead With in Marketing

Recommended Next Step / Action

Follow-Up Deadline

Advantages

Buyer/Tenant Profile · Advantage Identification · Value Proposition · Script Template

How to Use This Worksheet

Use this worksheet to translate a property's incentive package into specific, quantified advantages for a particular buyer or tenant prospect. Begin by profiling the prospect, then match available incentives to their specific business characteristics and financial priorities. Complete the Value Proposition Summary before any buyer/tenant presentation or proposal, and use the Script Template as a starting point for your incentive pitch.

Part A · Buyer / Tenant Profile

Business Name

Business Type / NAICS Category

Number of Employees (Current)

Projected Employees at This Location

Annual Revenue (Est.)

Expansion / Occupancy Goals

Preferred Financing Structure

Capital Gains to Deploy (if investor/OZ)

Key Decision Criteria

Deal Timeline / Target Occupancy

Part B · Advantage Identification Table

Incentive Program

Direct Benefit to This Buyer/Tenant

Est. Annual Savings or One-Time Benefit (\$)

Talking Points for Negotiation / Pitch

Opportunity Zone (OZ)

Capital gains deferral/exclusion on qualifying investment

"Investing here lets you defer your capital gains tax and potentially pay zero tax on appreciation after a 10-year hold."

TIF District

Portion of new taxes rebated to developer — lower effective development cost

"This TIF means the city effectively co-invests in your project — here's what the rebate stream is worth to you."

Property Tax Abatement

Reduced property taxes on improvements for 5–10 years

"Your effective occupancy cost in Year 1 is \$X/SF — here's how that compares to the non-abated alternative."

SBA 504 Loan

Only 10% down; long-term fixed rate on 40% of project cost

"You can own this building for less monthly cash flow than your current lease — I'll show you the comparison."

Federal Historic Tax Credit

20% credit on rehabilitation costs offsets tax liability

"The federal tax credit alone covers a fifth of your rehab budget. Here's what that

means for your equity requirement."

WOTC / Workforce Grant

\$1,200–\$9,600 per qualifying new hire; training grants reduce payroll costs

"If you hire 20 qualifying employees at this location, that's up to \$192K in federal tax credits in Year 1 alone."

State Business Incentive

State tax credits or grants tied to job creation/investment commitments

"The Kentucky Cabinet can package incentives for a business of your size — let me connect you with their team."

Foreign Trade Zone (FTZ)

Reduced/deferred customs duties on imported goods

"Operating within FTZ #29 means you're only paying duties on goods that enter U.S. commerce — not on what you export."

Other: _____

Part C · Value Proposition Summary

Total Quantified Incentive Benefit to This Buyer/Tenant (\$)

Equivalent Rent Discount (\$/SF/Year or \$/Month)

Payback Period / Return Improvement

The Three Most Compelling Incentive Points for This Prospect

Objections to Anticipate

"

[Prospect Name]

, one of the things that makes

[Property Address]

unique in this market isn't just the location or the building — it's the incentive package that comes with it. Because this property is located within

[Incentive Zone/District Name]

, you have access to

[Primary Incentive — e.g., 'a 10-year property tax moratorium / an SBA 504 loan with 10% down / Opportunity Zone capital gains deferral']

. For a business of your size, that translates to approximately

[\$X in annual savings / \$X in reduced equity requirement / \$X in total benefit over the hold period]

. Compared to the alternative site you're considering at

[Competing Property]

, this property's effective occupancy cost is

[\$X/SF lower]

when you factor in the incentive value. I've put together a one-page summary of all the programs that apply to this property — can we walk through it together?"

Worksheet — Preparing a Property for Incentive-Driven Demand

Readiness Checklist · Incentive Alignment · Action Items · Documentation · Marketing

How to Use This Worksheet

This worksheet is designed for property owners and developers preparing a property to qualify for and attract incentive-driven buyers, tenants, and investors. Complete Sections A through E in sequence. Identify gaps between current property status and incentive eligibility requirements, then develop a concrete action plan to close those gaps before marketing the property. A property that is "incentive-ready" commands a significant premium in buyer and tenant negotiations.

Part A · Property Readiness Checklist

Check each item as confirmed. Note any deficiencies and action required.

Readiness Item

Status

Notes / Action Required

Zoning: Current use is permitted; proposed use is permitted or variance obtainable

Environmental: Phase I ESA completed within 12 months

Environmental: Phase II ESA completed if Phase I identified RECs

Title: Clear title confirmed; no liens, judgments, or encumbrances that would impair incentive eligibility

ADA Compliance: Current status documented; cost of compliance estimated if deficient

Structural: Building condition assessment completed; no deferred maintenance that would disqualify financing

Fire / Life Safety: Current code compliance status documented

Historic Status: NRHP listing or eligibility determination obtained from SHPO/NPS

Census Tract: Tract number and OZ/NMTC eligibility status confirmed

TIF District: Property mapped against current Louisville TIF district boundaries

FTZ: Property confirmed within or adjacent to FTZ #29 service area

ALTA Survey: Current survey on file adequate for financing and incentive applications

Part B · Action Items to Unlock Incentives

Incentive Program

Gap / Issue Identified

Action Required (Owner Task)

Timeline

Cost Est. (\$)

Complete

Total Preparation Cost

Part C · Documentation Checklist for Incentive Applications

Required Document

Applies To Program(s)

Status

Location / Notes

Property deed and chain of title

All programs

Current ALTA survey

TIF, IRB, SBA 504

Phase I Environmental Site Assessment (ESA)

All financing programs

Building condition / structural assessment

SBA 504, HTC, NMTC

Historic designation determination / NPS Part I application

Federal & State HTC

Qualified Rehabilitation Plan (NPS Part II)

Federal HTC

Business financial statements (3 years) and projections

SBA 504, IRB, State grants

Organizational documents (LLC operating agreement, articles of incorporation)

OZ, SBA, NMTC, IRB

Project proforma and development budget

TIF, NMTC, IRB, OZ fund

Job creation / retention commitment letter

State grants, IRB, TIF

Capital investment plan and timeline

State grants, OZ, TIF

QOF organizational documents and investor certifications

OZ Fund investment

Zoning verification letter / use permit

All programs

FTZ application / subzone activation request

FTZ #29

Part D · Marketing Positioning for Incentive-Eligible Properties

Primary Incentive Headline for Listing (1 line)

Incentive Value Statement for OM / Offering Memorandum

Target Buyer/Tenant Profile (based on incentive package)

CRE Platforms to Highlight Incentives On

Incentive Documents to Include in Deal Room

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Monthly Tracking Checklist

Stay Current on Economic Development Activity · Monthly Discipline · Log Table

The CRE professionals who create the most value from economic development programs are those who stay systematically current on program activity — not those who research incentives reactively when a deal arises. Build this monthly checklist into your practice as a standing discipline. The time investment (2–4 hours per month) returns multiples in deal intelligence, client value, and competitive positioning.

Market Intelligence

- Review local EDC/city economic development meeting agendas and minutes (Louisville Metro Council, Louisville Forward, Greater Louisville Inc.)
- Check for new or expiring TIF districts in Louisville and target markets — monitor Louisville Metro Council agenda
- Monitor Opportunity Zone

Active Deal Management

- Confirm status of any active incentive applications for current listings — follow up with administering agencies
- Update Section 6 Incentive Mapping Worksheets for all active listings with any new or changed program information
- Review any changes to Opportunity Zone fund regulations or IRS guidance

(IRS.gov/opportunity-zones) • Update client and prospect database with new incentive talking points and program updates • Confirm match of any pending incentive applications against deal timelines — escalate any timeline risks to clients

- Connect with at least one local economic development contact this month (lunch, call, or meeting): Louisville Forward, GLI, KEDFA, or local EDC staff
- Share one relevant incentive update with a client or prospect via email, LinkedIn, or direct call
- Review CCIM Institute or ULI content for new incentive education or case studies (ccim.com, uli.org)

Track your monthly economic development intelligence activities in the log below. Maintain 12 months of history to identify patterns and demonstrate your market expertise to clients.

[illegible]

Month / Year	Key Activity or Finding	Incentive / Program Affected	Notes / Context	Follow-Up Needed	Done

Building Your Economic Development Network

The most reliable source of real-time incentive intelligence is human contact — not websites. The following contacts should be in every Louisville CRE professional's active network:

- **Louisville Forward:** The city's economic development office administers TIF, tax moratoriums, and coordinates state incentive negotiations. Attend public briefings and maintain a direct contact.
- **Greater Louisville Inc. (GLI):** The regional chamber coordinates business attraction and can provide early intelligence on major site selection activity before it becomes public.
- **KEDFA (Kentucky Economic Development Finance Authority):** Administers IRBs, KBI tax credits, and major state business incentive packages. A KEDFA contact is essential for industrial and large commercial deals.
- **Kentucky Heritage Council (SHPO):** Administers state historic tax credits and NPS HTC coordination. Build a relationship with their technical preservation staff early.
- **Local CDFI and Community Development Lenders:** Louisville's CDFI ecosystem can provide NMTC allocation, gap financing, and program navigation for community-impact projects.

Resource Links and Contacts

[Federal](#) · [State/Regional](#) · [National Organizations](#) · [Tools & Databases](#) · [My Contacts](#)



Federal Resources

U.S. Economic Development Administration (EDA)

eda.gov

Public works grants, planning grants, regional economic development programs

HUD Community Development Block Grant (CDBG)

hud.gov/CDBG

Flexible community development funding; contact Louisville Metro for local CDBG administration

SBA 504 Loan Program

sba.gov/504

Long-term, fixed-rate financing for owner-occupied commercial real estate and major equipment

Opportunity Zones (IRS / Treasury)

irs.gov/opportunity-zones

Official IRS guidance, QOF regulations, census tract maps, Form 8996 instructions

New Markets Tax Credit Program (CDFI Fund)

cdfifund.gov/nmtc

NMTC allocation rounds, CDE directory, NMTC mapping tool, program regulations

Historic Tax Credit (National Park Service)

nps.gov/tps/tax-incentives.htm

Part 1, 2, 3 application process, Secretary of Interior Standards, NPS review timelines

Foreign Trade Zones Board (Dept. of Commerce)

trade.gov/ftz

FTZ directory, subzone applications, Louisville FTZ #29 information

USDA Rural Development

rd.usda.gov

Rural business grants, community facilities loans; relevant for KY markets outside Louisville MSA



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Regional Resources — Kentucky / Louisville

Kentucky Cabinet for Economic Development

ced.ky.gov

Central portal for all KY business incentive programs; KEIA, KBI, KSBTC, workforce incentives

KEDFA (KY Economic Development Finance Authority)

ced.ky.gov/kedfa

Industrial Revenue Bonds, Kentucky Business Investment program, KEDFA loan programs

Louisville Metro Economic Development / Louisville Forward

louisvilleky.gov/economic-development

TIF districts, tax moratoriums, METCO loans, EPAD energy financing, business development

Greater Louisville Inc. (GLI)

greaterlouisville.com

Regional chamber; site selection support, business attraction intelligence, economic data

Kentucky Heritage Council (SHPO)

heritage.ky.gov

KY State Historic Tax Credits, National Register database, Main Street Program, survey maps

Kentucky Main Street Program

heritage.ky.gov/pages/mainstreet

Façade improvement programs, downtown district designation, technical assistance

Louisville Downtown Partnership

louisvilledowntown.org

Downtown incentive coordination, METCO loans, LAHTF, façade programs, business attraction

Bluegrass State Skills Corporation (BSSC)

bssc.ky.gov

Customized job training grants for KY businesses creating new jobs or upskilling employees

Louisville Affordable Housing Trust Fund

loutrustfund.org

Gap financing for affordable housing development; relevant for mixed-use/residential components



National CRE

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Economic Development Organizations

International Economic Development Council (IEDC)

iedconline.org

Leading ED professional organization; training, certification, research, networking

National Development Council (NDC)

ndconline.org

CDE administration, NMTC technical assistance, community financing training

CDFI Coalition

cdfi.org

CDFI directory, advocacy, NMTC industry updates, community development finance resources

Urban Land Institute (ULI)

uli.org

CRE research, advisory panels, education, national and regional events

CCIM Institute

ccim.com

CRE education, CCIM designation, investment analysis tools, national CRE community

National Trust for Historic Preservation

savingplaces.org

Historic preservation advocacy, Preservation Finance Forum, HTC program updates



Tools, Databases

&

Research Platforms

Novogradac OZ Resource Center

novoco.com/opportunity-zones

Leading OZ fund tracker, regulatory updates, census tract mapping, fund directory

PolicyMap

policymap.com

Demographic mapping, incentive zone overlay, NMTC/OZ tract visualization, market intelligence

CoStar / LoopNet

costar.com

Market data, absorption analytics, OZ property filtering, submarket performance data

ESRI ArcGIS (Incentive Zone Mapping)

esri.com

GIS mapping of OZ tracts, TIF districts, historic districts, FTZ boundaries; ESRI Story Maps

Census Bureau Geocoder / TIGERweb

geocoding.geo.census.gov

Confirm census tract numbers for OZ/NMTC eligibility screening by address

Economic Innovation Group (EIG) OZ Research

eig.org/opportunityzones

Independent OZ program research, impact reports, investment flow data, policy analysis

Grants.gov

grants.gov

Federal grant opportunity database; set up alerts for EDA, HUD, SBA grant announcements

My Local Contacts Directory

Build and maintain your personal economic development contact network. Update quarterly.

Contact Name

Agency / Organization

Phone

Email

Area of Expertise

You've reached the end — now put it to work.

Economic Development Workbook · CRE Opportunities Guide · 2026 · Louisville, KY
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Turn Incentive Knowledge In to Deal Advantage.

This workbook is most valuable when used actively — not filed away. Pair it with the companion blog post "How Economic Development Programs Shape Commercial Real Estate Opportunities" for the full strategic context behind each tool. Return to the worksheets each time you take on a new listing, evaluate a new acquisition, or pitch a buyer or tenant prospect. Update your Monthly Tracking Checklist every 30 days to maintain your edge.

The CRE professionals who consistently outperform in incentive-driven markets are not the ones with the most information — they are the ones with the most current, most systematically organized information and the discipline to apply it.

Ready to discuss how economic development programs can benefit

**your next CRE
transaction? Whether
you are evaluating a
specific property,
preparing an offering
memorandum, building
an incentive package for
a prospect, or simply
looking to sharpen your
market knowledge —
let's connect. This
workbook is a starting
point; the real value is in
the conversation and the
deal-specific analysis
that follows.**

Contact Name

Company / Firm

Phone

Email

Market(s) Served

Connect With Us

Website

LinkedIn

Instagram / Facebook

Other

This workbook is for informational and educational purposes only and does not constitute legal, tax, or financial advice. Incentive program details, eligibility requirements, and funding availability change frequently. Always consult qualified legal counsel, tax advisors, and the applicable administering agency before relying on any incentive program in deal underwriting or client advisement. Information current as of publication date: 2026. Louisville, KY, United States.