



IN PARTNERSHIP WITH PROGRAM SPONSORS



**REQUEST FOR PROPOSAL (“RFP”) FOR
OPPORTUNITY APPALACHIA
OZ PROJECT TECHNICAL ASSISTANCE**

Release Date: April 9, 2020

Proposal Due Date: April 30, 2020 (extended thru May 8)

Selection Date: May 15, 2020

Contract Period: May 15, 2020 – January 30, 2021

Request for Proposals:

Technical Assistance for Opportunity Appalachia OZ Projects

I. Overview of Request for Proposals

Appalachian Community Capital (ACC) seeks contractual support for specified Technical Assistance for Opportunity Zone project development.

The Technical Assistance contractor will report to the Project Director of Opportunity Appalachia. The requested Scope of Services is noted in Attachment A, and may involve:

- development of investment prospectus, preparation of pro forma financial projections, structuring of projecting financing,
- market research
- demand assessment, operations planning, identification of project developers / business operators
- architectural and design
- outreach to OZ investors / public and private project finance
- other types of assistance.

Entities interested in providing Technical Assistance must complete the Request for Qualifications RFQ, as noted on the [Opportunity Appalachia](#) web page.

Proposals will be evaluated on contractors' qualifications (per the RFQ), expertise, track record, Scope of Work, budget/timeline, and OZ project requests.

II. Background

About Opportunity Zones

Opportunity Zones (OZ) were established by the U S Congress in the Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low-income communities. The tax incentive provides relief to individuals and businesses that have significant capital gains if they elect to invest into Opportunity Funds or Qualified Opportunity Zone businesses.

Federal Opportunity Zones present the Appalachian Region with a unique opportunity to bring investment to areas that have historically struggled to attract investment and resulting development. To maximize this opportunity, the Region must deploy a holistic approach to marketing, business support services, alignment of state laws and local incentives, capital investment and attraction strategies, as well as engagement of community-based development and service partners.

About the Appalachian Region

The Appalachian Region, as defined in ARC's authorizing legislation, is a 205,000 square-mile region that follows the spine of the Appalachian Mountains from southern New York to northern Mississippi. It includes all of West Virginia and parts of 12 other states: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia. Forty-two percent of the Region's population is rural, compared with 20 percent of the national population.

The Appalachian Region's economy, which was once highly dependent on extractive industries, has become more diversified in recent times and now includes larger shares of manufacturing and professional services, among other industries. Appalachia has made significant progress over the past five decades: its poverty rate, which was 31 percent in 1960, had fallen to 16.3 percent over the 2013–2017 period. The number of high-poverty counties in the Region (those with poverty rates more than 1.5 times the U.S. average) declined from 295 in 1960 to 98 over the 2013–2017 period.

These gains have transformed the Region from one of widespread poverty to one of economic contrasts: some communities have successfully diversified their economies, while others still require basic infrastructure such as roads, clinics, and water and wastewater systems. The contrasts are not surprising considering the Region's size and diversity—the Region extends more than 1,000 miles from southern New York to northeastern Mississippi, and it is home to more than 25 million people.

About Opportunity Appalachia

[Opportunity Appalachia](#) will provide technical assistance to develop and structure investable transactions, and it will create investment prospectuses and pitch decks that will be used to bring Opportunity Fund investment to rural coal communities. Investment priorities include projects focusing on downtown development, manufacturing, IT, healthcare, education, food systems, clean energy, tourism, and recreation.

The initiative recently announced selection of 16 projects to participate in the program to bring jobs, business support, and investment to Central Appalachia. The selected projects propose to create over 1,800 jobs and attract over \$365M in financing to develop manufacturing facilities, downtown development, tech business, agricultural facilities, hotels, broadband deployment, and retail enterprises in federally designated Opportunity Zones.

These proposed projects are particularly important at this challenging time as local economies look to restart once public health concerns resolve. Opportunity Appalachia will work closely with both private investors and Federal agencies that have prioritized support for Opportunity Zone (OZ) communities, an essential component of our national economic recovery.

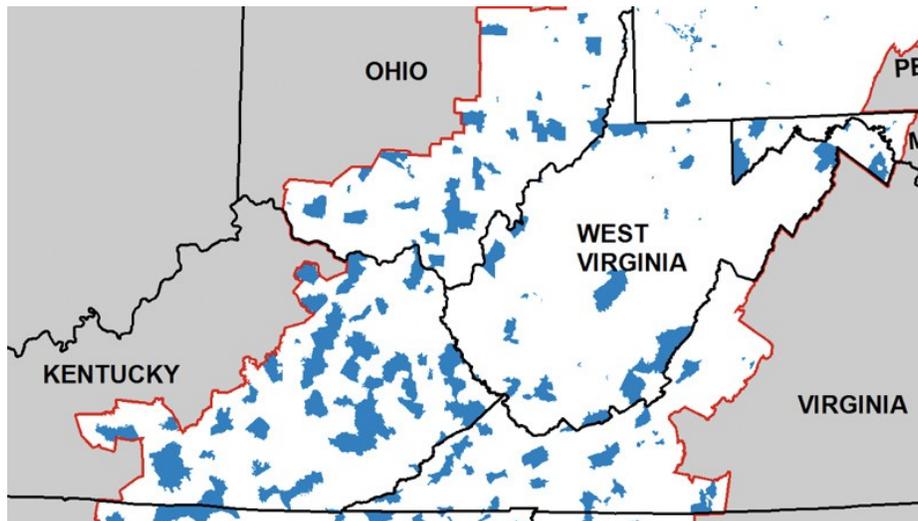
Once project technical assistance is completed, a highly visible OZ Investor Convening event will be held in late 2020 that will target both local and pre-vetted national investors, as well as

federal and state funders. A curated web-based platform hosting prospectus / pitch decks will also be made available to facilitate investor due diligence.

Opportunity Appalachia is a [Forbes Opportunity Zone 20 Catalyst](#), which designates the Opportunity Appalachia program as a top national example of community-focused efforts to revitalize distressed communities using the new Opportunity Zone (OZ) investment tool.

The program is supported by a POWER grant from the [Appalachian Regional Commission](#) with additional support from the [Benedum Foundation](#).

Central Appalachian Opportunity Zones – Ohio, Virginia, West Virginia



158 OZs in Central Appalachian coal-impacted communities in WV, OH and VA.

III. Project Timeline

It is anticipated that the contractor will be selected by May 15, 2020 for an estimated contract start date of May 15, 2020 through January 30, 2021.

IV. Instructions to Submit a Proposal

Contractors seeking to provide these services should submit the following:

- Scope of Work (max 3 pages) describing proposed activities to be undertaken as requested in Attachment A, with identified staffing (lead and support) for each work element.
- Budget that defines deliverables, rates and proposed payment schedule including indirect costs. **A Not to Exceed cost for the full engagement must be provided. Costs not to exceed \$75,000.**
- Timeline for Scope of Work, with deliverable milestones

- Biography/resume for all staff noted in proposal (or provided in RFQ)
- References from current or prior clients, including name, title, organization, contact information, and a brief description of the relevant work performed (or provided in RFQ).

Please submit responses via email in one pdf attachment by Proposal Due Date to Ray Daffner oa@accl.org.

V. Proposal Evaluation

ACC will select contractors through a competitive process based on the following criteria.

- Qualifications (per the RFQ), expertise, track record, and staff bios.
- Scope of Work and Timeline
- Budget
- Requests from OZ project sponsors

Attachment A
Requested Scope of Services

Project Sponsor: Blue Ridge Plateau Initiative
Project Name: Pathogen Free Sheep Production

Project Summary provided below.

TA Requested:

- Business and financial pro forma development
- Market and feasibility assessment
- Building design including architectural drawings and description of needed technology
- Investment prospectus development and capital raising

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LEAD CONTACT:

Jerry Moles

APPLICANT ORGANIZATION:

Blue Ridge Plateau Initiative

ADDRESS

8784 Spring Valley Road, Fries, VA 24330
Froes, Virginia 24330

WORK PHONE

(540) 797-9531

MOBILE PHONE

(540) 797-9531

EMAIL

jmoles@igc.org

Narrative Responses

Note: Narrative responses to each question are limited to 2,500 characters unless otherwise noted.

1. OZ COMMUNITIES TARGETED BY THIS APPLICATION (MUNICIPALITY(IES), COUNTY(IES) AND OZ CENSUS TRACT(S):

Municipalities of Hillsville, Galax, and Independence; counties of Carroll and Grayson; and OZ tracts: Virginia 802, (ID: 51035080200), 701.01, (ID: 51640070101), and 602.01, (ID: 51077060201).

2. SERVICE AREA OF APPLICANT (NOTE IF DIFFERENT THEN ABOVE, OR NOTE SAME):

Same.

3. COMMUNITY DEVELOPMENT STRATEGY(IES):

The VCEDA sees the value of the agriculture across the region and is committed to developing the sector and driving economic growth. In alignment with VCEDA, NEO's CDS creates a vibrant ecosystem that drives innovation, unlocks new scientific frontiers, and accelerates rural economic development across the Central Appalachian region leading to a more diverse and enterprising future.

NEO's plans to transfer and expand its main SPF Sheep production to green biosecure facilities in Central Appalachia. "NEO Virginia" will expand current sales of SPF sheep as candidates for biomedical and agricultural research and preclinical studies for medical devices. Further, a planned Animal Derived Materials (ADM) Harvest Facility will collect high value animal by-

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products for the fast-growing, multibillion dollar biomanufacturing market. Additionally, provide support to ag-related businesses, help raise the level of the local workforce, and create agricultural opportunities.

These activities will attract and support interest and investment from large-scale agriculture and life science businesses from outside the region. For example, the need for a SPF Sheep ADM harvest facility is in direct response to requests from international companies from Germany, Switzerland, and Malaysia looking to procure aseptically harvested SPF fetal sheep tissues from live NEO SPF sheep. Other large-scale public and private organizations including U.S. DOD, NIH, the Advanced Regenerative Manufacturing Institute and Wake Forest Institute for Regenerative Medicine have expressed similar interests. Many partnerships and alliances ranging from local to global, public and private, large and small will form around these new activities.

In cooperation with the BRPI, over the past 6 years, NEO helped train and develop the skills of local Virginia farmers in producing SPF animals. NEO formed a close collaboration with the schools of veterinary medicine at Virginia Tech and Lincoln Memorial University. This synergistic relationship with BRPI, Va Tech and LMU is now focused to establish an Agricultural Bio-Technical Training Center in Central Appalachia to provide hands-on opportunities to ag and vet students, interns, residents, graduate and post graduate students as well as livestock producers and 4-H and FFA members. This will enrich the local workforce on all levels with an outcome of increased earning power and expertise in agriculture across the region and beyond.

4. Proposed OZ Projects (list up to 3):

I. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

Specific Pathogen Free Sheep Production, 8784 Spring Valley Road, Fries, VA 24330, Grayson County 602.01, (ID: 51077060201).

SIZE to be determined	TOTAL ANTICIPATED FINANCING NEEDED: to be determined	FINANCING ALREADY IDENTIFIED None
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PROJECT DESCRIPTION:

The global regenerative medicine market (RMM) is projected to register a CAGR of 32.2% from a reported \$7.37B in 2017 to \$39.33B by 2023 (<http://hitechnewsdaily.com/2019/08/regenerative-medicine-market>). The RMM requires the highest quality Specific Pathogen Free (SPF) Animal-Derived Material (ADM). Over the past 15 years, New England Ovis (NEO) has set the gold standard for producing SPF sheep, verified free of over 50 pathogens and recognized across the bioresearch community as the World's Healthiest Sheep. To help put that in perspective, the closest SPF competitor has eliminated 7 pathogens from their sheep.

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Initially, NEO SPF Sheep were sold to academia, government, and private industry for biomedical and agricultural research and preclinical studies. With the onset of applied regenerative medicine and strict standards of safety that recommend SPF ADM, higher value markets opportunities for ADM sales are rapidly developing. Given the growing market demand and high prices for safe and healthy animal tissue, NEO is strategically situated to expand and fill the needs of large-scale biomanufacturing of approved organs, tissues, and cell and gene therapies.

As the result of a long term established relationship and staunch support of the Blue Ridge Plateau Initiative, NEO has committed to expanding SPF production operations to SW VA; leveraging Central Appalachia's sustainable competitive advantage. These advantages include but are not limited to: geographic location to DC and Research Triangle, quality educational institutions, excellent pasture lands, experienced livestock producers, access to capital and investors, and local, state and federal support programs.

NEO and BPRI serve as a catalyst of sustainable agriculture and facilitators of business clusters across the Central Appalachian region. NEO/BRPI envision the Central Appalachian region as being at the epicenter of the global regenerative medicine market and are attracting those collaborative partners from across the region, U.S., and abroad who will help make this dynamic opportunity an economic reality.

COMMUNITY IMPACT (QUANTIFY / PROVIDE ESTIMATES):

NEO's strategic activities serve as an ecosystem, accelerator and innovation driver for the region, delivering hundreds of high paying jobs, employment tax revenues, exports, and valuable economic benefits. It is intended not only to improve the economic well-being of Central Appalachia but also help promote economic growth across the agriculture region by attracting scientific talent, joint ventures and business partnerships aimed at advancing agri-based and life-science innovations, investor funding, and spin-off enterprises as the ADM harvesting operations begin to take hold.

An Agricultural Bio-Technical Training Center will be a first in the country that provide hands-on experiences in the development of SPF animals for agricultural, biotechnical, veterinary and graduate students as well as livestock producers and 4-H and FFA youth. Experiential husbandry, embryo transfer techniques, biosecurity, major surgical training are all applicable to all species and both large and small animal veterinary medicine. Experiences gained will improve the quality of care of all species and increase the expertise and earning power of the ag community of Appalachia. To enumerate, 16-20 trainees per month and workshops for groups of 10 livestock producers 4x/yr are planned.

NAME(S) OF PROJECT SPONSORS, DEVELOPER, AND/OR BUSINESS OWNER, IF IDENTIFIED:

New England Ovis and The Blue Ridge Plateau Initiative, Inc.

TECHNICAL ASSISTANCE NEEDED:

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Business and financial pro forma development, market and feasibility assessment, building design including architectural drawings and description of needed technology, and capital raising.

Proposed OZ Project:

II. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

SIZE	TOTAL ANTICIPATED FINANCING NEEDED:	FINANCING ALREADY IDENTIFIED
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PROJECT DESCRIPTION:

COMMUNITY IMPACT (QUANTIFY / PROVIDE ESTIMATES):

NAME(S) OF PROJECT SPONSORS, DEVELOPER, AND/OR BUSINESS OWNER, IF IDENTIFIED:

TECHNICAL ASSISTANCE NEEDED:

Proposed OZ Project:

III. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

SIZE	TOTAL ANTICIPATED FINANCING NEEDED:	FINANCING ALREADY IDENTIFIED
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PROJECT DESCRIPTION:

COMMUNITY IMPACT (QUANTIFY / PROVIDE ESTIMATES):

NAME(S) OF PROJECT SPONSORS, DEVELOPER, AND/OR BUSINESS OWNER, IF IDENTIFIED:

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TECHNICAL ASSISTANCE NEEDED:

5. APPLICANT CAPACITY:

NEO is a 15 year mature company that has created a flock of specific pathogen free (SPF) sheep free of over 50 pathogens; a health status unparalleled in the world. To meet growing demand for these animals, plans are underway in cooperation with the BPRI to expand NEO SPF operations to SW VA.

NEO is working in collaboration with Professor Peter Ziegler, an animal epidemiologist at Virginia Tech; Lincoln Memorial University College of Veterinary Medicine (LMU), and others joined as a Team in developing plans for a Tissue Harvest Facility for harvesting pathogen free Animal Derived Materials (ADMs) from SPF sheep. The harvested ADM will meet FDA and USDA compliance and regulatory standards and will be sold into well-defined markets, both domestic and overseas.

NEO has received local support for its proposed SPF expansion plans to SW VA, to include letters of support from the following offices: Floyd County Community and Economic Development Office, Grayson County Farm Bureau, Grayson LandCare, Grayson County Administrator, The BRPI, Commonwealth of Virginia, Department of Agriculture and Consumer Services, and the Office of the Administrator for Carroll County. Further, in cooperation with the BPRI, NEO helped train and develop the skills of local Virginia farmers in producing SPF animals.

Together, with the support of the local community and the BRPI partners, the capacity exists for completing and overseeing the proposed projects.

6. Provision of Technical Assistance:

The types of technical support to be provided by the Opportunity Appalachia program include: development of investment prospectus, preparation of pro forma financial projections, structuring of projecting financing, market research / demand assessment, identification of project developers and business operators, feasibility assessment, outreach for project finance / OZ investors, and other types of support. This support will be provided on contract by experienced business and development partners. It is anticipated that support of \$30,000 - \$75,000 will be provided for each OZ applicant, averaging \$50,000 per applicant. The Scope of Work timeline for provision of technical support is anticipated to be 6 - 12 months, from March 2020 to March 2021, with capital raise activities beginning in Q3 2020 - Q1 2021.

Applicants may choose to use technical assistance providers offered by Opportunity Appalachia or may work with technical assistance providers they have identified.

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AMOUNT IN \$ OF TECHNICAL ASSISTANCE SUPPORT REQUESTED / ANTICIPATED FROM OPPORTUNITY APPALACHIA, OR STATE 'UNKNOWN \$'.

\$46,000

Please complete either b) or c), below. No preference is given in the Opportunity Appalachia selection process to either 6(b) or 6(c).

b) If known, please provide name(s) and contact information of Technical Assistance provider(s) you prefer to support the above project activities.

Note: Each TA provider must complete the Request for Qualifications, see Appendix III, to be eligible to provide TA for this program. If your OZ project is selected to participate in Opportunity Appalachia, proposals from Technical Assistance providers will be required, which will be reviewed for adequacy.

NAME 1: CONTACT NAME

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COMPANY NAME

ADDRESS

EMAIL

PHONE

URL

NAME 2: CONTACT NAME

COMPANY NAME

ADDRESS

EMAIL

PHONE

URL

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NAME 3: CONTACT NAME

COMPANY NAME

ADDRESS

EMAIL

PHONE

URL

7. MATCH REQUIREMENT:

JAM

8. ATTESTATION:

03/20/2020

Jerry Moles

Secretary, Board of Directors

Blue Ridge Plateau Initiative, Inc.