



IN PARTNERSHIP WITH PROGRAM SPONSORS



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

Release Date: April 21, 2020

Proposal Due Date: May 20, 2020

Selection Date: June 3, 2020

Contract Period: June 3, 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.

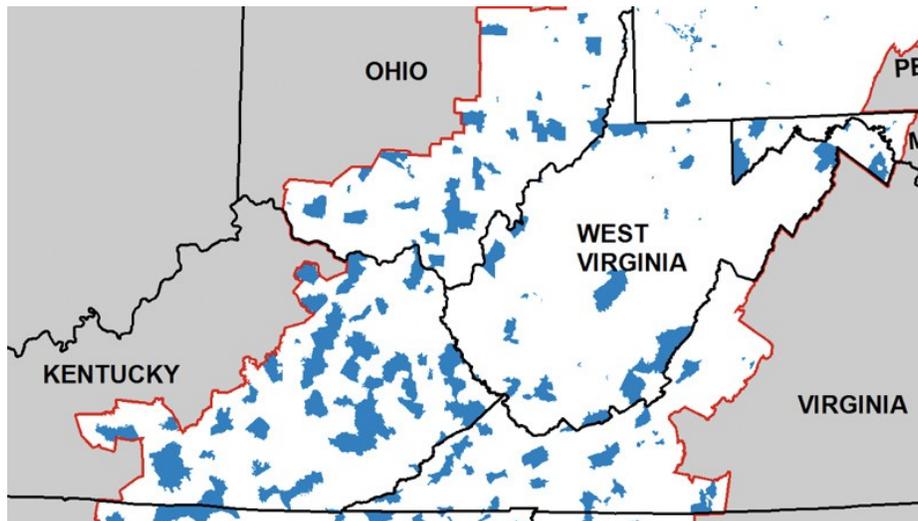
Once project technical assistance is completed, a highly visible OZ Investor Convening event will be held in late 2020 that will target both local and pre-vetted national investors, as well as

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: Bristol Sports Complex

Project Name: Bristol Sports and Multi-Use Complex

Project Summary provided below.

TA Requested:

- Phase I – Feasibility Study and Report. If feasible, continue to Phase II, below.
- Phase II
 - Architectural and Engineering: Preliminary Drawings, Phase I Environmental Study
 - Financial Structuring of transaction; development of capital stack.

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LEAD CONTACT:

Mark McKinney

APPLICANT ORGANIZATION:

Bristol Sports Complex

ADDRESS

PO Box 165
Meadowview, Virginia 24361

WORK PHONE

(276) 698-0922

MOBILE PHONE

(276) 698-8750

EMAIL

markbecky5@gmail.com

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):

City of Bristol, Virginia
Opportunity Zone Census Tract: 51520020400
Address: Located at the corner of Bonham Road and Old Airport Road

Bristol, Virginia is the ideal location for the proposed sports facility. The site is located less than one mile from I-81 (exit 7), and already has adequate traffic accommodations such as a red light and turning lanes. The proposed facility location is also located in an eligible New Markets Tax Credit district and in a transitional county for fiscal year 2020 in Appalachia. Additionally, as a community recently coming out of fiscal distress, investment at this time is necessary to contribute to the economic health of the City. City leaders are eager to accept developments that create positive, non-local visitor spending, create a set of assets that enhance residents' access to high-quality, year-round sports facilities, and diversify and strengthen the economy.

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

The proposed sports facility is located in the City of Bristol, but several market areas will be tapped into for revenue and activity. The majority of people coming to the facility will be located in the primary market, which includes communities located in a one-hour drive radius. This market area represents approximately 280,00 people, 23% of which are under the age of 29.

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The secondary market area (or regional market) will include communities within a two-hour drive radius, which represents approximately 1.1 million people. These drive time radius' are industry standards.

3. COMMUNITY DEVELOPMENT STRATEGY(IES):

Recreation- The competition sports facility market in the regional market area is vastly under tapped. Currently the nearest facilities able to accommodate larger tournaments are located in Roanoke, VA, and Gatlinburg, TN, both of which are over 2 hours away from Bristol, VA. In addition to providing a facility that will meet the needs of many local families, there will be significant direct impacts on the community with job creation to support the facility.

Tourism- The indirect and induced effects of the proposed sports facility will create significant additional investment in the local tourism industry. The events taking place at this facility will be one, two, and three-day events drawing in many families. The anticipated attendees will spend additional money in the community while shopping at stores, staying in local accommodations, visiting local entertainment venues, and taking advantage of the area's supportive industries (rental cars, emergency medical facilities, etc).

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

I. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

Bristol, VA Sports/ Multi-Use Facility Project
 Address: Corner of Bonham Rd and Old Airport Road in Bristol, VA
 OZ Census Tract: 51520020400

SIZE	TOTAL ANTICIPATED FINANCING NEEDED:	FINANCING ALREADY IDENTIFIED
105,000	9,500,000	New Markets Tax Credit Equity of approximately \$2.9 MM, non-committed

PROJECT DESCRIPTION:

The proposed sports facility will be a multi-use indoor sports facility consisting of 8 basketball courts, 16-20 volleyball courts, turf fields for several sports including but not limited to; soccer, baseball, softball, football, and golf. It will also house an indoor track which will meet standards for hosting local high school indoor track meets, and will have convertible space for gymnastics, wrestling, special olympics, Paralympics, and tennis just to name a few. Aside from sports, the facility will also be used for conventions, meetings, & parties.

COMMUNITY IMPACT (QUANTIFY / PROVIDE ESTIMATES):

The proposed sports facility will have a significant impact on the Bristol community. As a unique facility in the market area, the development will support community economic diversification.

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During the first five years of operation, it is projected that six event related FTE positions will be created, resulting in an economic impact of approximately \$800,000. Indirectly, it is projected that additional FTE positions would be created in the transportation, retail, food & beverage, entertainment, and hotel industries. The employees of the facility will receive fair benefits packages and will pay over the local living wage. 90% of the positions created will not require a college education, and, therefore, can be made accessible to members of the low-income community.

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

Mark and Rebecca McKinney
 Aaron and Pam Newberry
 Shawn and Crystal Miller

TECHNICAL ASSISTANCE NEEDED:

The project is requesting the full allocation of \$75,000 to prepare the full due diligence package for Opportunity Zone investors. Specifically, technical assistance is needed to develop a financial pro forma and conduct a Phase I Environmental study.

Proposed OZ Project:

II. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

SIZE

TOTAL ANTICIPATED FINANCING NEEDED:

FINANCING ALREADY IDENTIFIED

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

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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:

5. APPLICANT CAPACITY:

The partners in the project each have a vested desire in the community of offering safe options for all ages, especially youth. The project will offer numerous sports and fitness options available in the facility which will reach a wide variety of interests. Their desire is to become a vital part of the community and be an asset that makes a difference in many lives. The Bristol VA community and its leaders have demonstrated great support for this project. The leaders have also agreed to help create a right-of-way to use an existing traffic light for entrance and exit from the property. They've also agreed to give us first choice on the property at a very agreeable price. Whatever reviews are necessary for the project, the city has been gracious in helping and ensuring any assistance in the process to make it become a reality.

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

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or may work with technical assistance providers they have identified.

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

\$75,000

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

COMPANY NAME

ADDRESS

EMAIL

PHONE

URL

NAME 2: CONTACT NAME

COMPANY NAME

ADDRESS

EMAIL

PHONE

URL

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NAME 3: CONTACT NAME

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COMPANY NAME

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ADDRESS

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EMAIL

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PHONE

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URL

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C) TECHNICAL ASSISTANCE PROVIDERS HAVE NOT YET BEEN IDENTIFIED.

- The Applicant requests Opportunity Appalachia identify / recommend suitable technical support organizations.

7. MATCH REQUIREMENT:

MM

8. ATTESTATION:

03/02/2020

Mark McKinney

Partner

Bristol Sports Complex
