



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 22, 2020**

**Selection Date: June 5, 2020**

**Contract Period: June 5, 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.

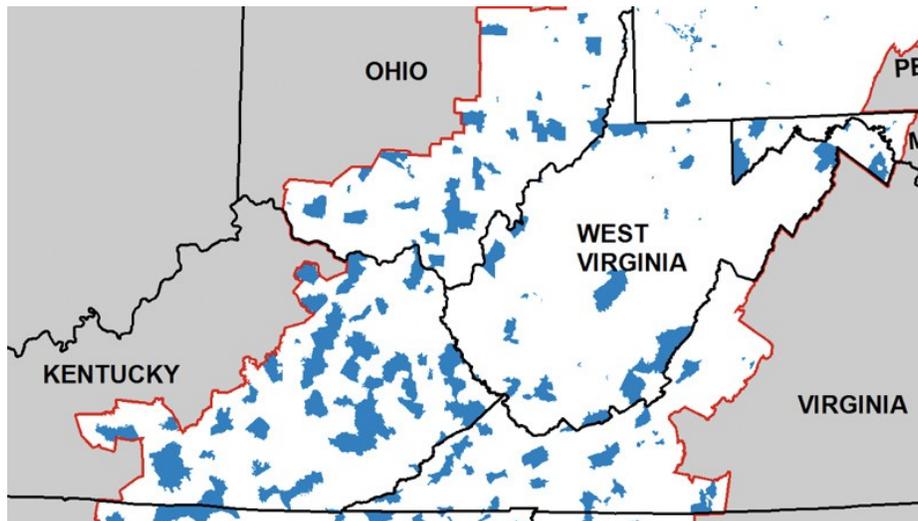
Once project technical assistance is completed, a highly visible OZ Investor Convening event will be held in late 2020 that will target both local and pre-vetted national investors, as well as

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](mailto: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:** City of Chillicothe

**Project Name:** Canal Warehouse Restoration

Project Summary provided below.

**TA Requested:**

- Feasibility assessment and business plan.
- Identification and obtain engagement of suitable developer(s).
- Pro forma financial projections.
- Development of investment prospectus.
- Support for capital raise from public and private sources.

**Opportunity Appalachia Application Form**

**LEAD CONTACT:**

Luke Feeney

**APPLICANT ORGANIZATION:**

City of Chillicothe

**ADDRESS**

**WORK PHONE**

740-774-1185

**MOBILE PHONE**

**EMAIL**

[Luke.Feeney@ChillicotheOh.gov](mailto:Luke.Feeney@ChillicotheOh.gov)

**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):**

Census Tract 9563, Chillicothe Ohio

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

City of Chillicothe. Chillicothe, Ohio is a city of approximately 21,000 people in South-Central Ohio. The application was co written by, and is being submitted in partnership with Tammy Eallonardo, the Economic Development Director for Ross County and Luke Feeney, Mayor of Chillicothe.

**3. COMMUNITY DEVELOPMENT STRATEGY(IES):**

In line with the past decade of community collaboration and concerted efforts in Chillicothe, we are focusing our efforts to revitalize Chillicothe and the surrounding region through downtown improvements and by encouraging increased tourism. Over the past few years, we have invested in projects designed to improve the Chillicothe historic downtown, eliminate slum and blighted structures, create and retain permanent, private-sector job opportunities for moderate-income households. One example of this effort is the collaboration to arrange Adena Hospital's investment in the Carlisle building, a seven million dollar investment project that includes thirty

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two apartments and community space on the first floor. We have also made strategic investments in our streetscapes and other public infrastructure, demonstrating our commitment to creating a thriving city through targeted project development, proper planning, and efficient stewardship of limited funding resources.

Chillicothe is home to multiple unique tourist attractions, and due to Chillicothe’s unique history in American and Native American culture, the city is currently in consideration for UNESCO World Heritage status. Should Chillicothe receive this designation, it will be more important than ever to have saved and restored as much of the history of the town as possible. Our current draws include the Hopewell Culture Historical Park, a historic downtown, and the Majestic Theater, which has been in operation since the 1850s. We believe that the key to a strong future for our town is recognizing and highlighting our beautiful past. Encouraging investment into the opportunity zones in our downtown will be central to that effort, and the project has been endorsed by our mayor, public and private leadership, and economic development officials. With a technical assistance grant, we feel confident in our ability to bring home investors in the Ohio Erie Canal building, which has the potential to make our already great city one of the premier historical hotspots in the state of Ohio, or even the midwest.

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

**I. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT**

Name of Project: Canal Warehouse Restoration Project  
 OZ census tract: 9563

<b>SIZE</b>	<b>TOTAL ANTICIPATED FINANCING NEEDED:</b>	<b>FINANCING ALREADY IDENTIFIED</b>
25000	2-4 Million	None

**PROJECT DESCRIPTION:**

The Canal Warehouse is a historic warehouse at the intersection of Main and Mulberry Streets in downtown Chillicothe, Ohio, United States. Although it is currently in need of rehabilitation, the warehouse has been recognized as a leading example of canal-related architecture; and few warehouses built for the Ohio and Erie Canal survive in comparable condition. The Canal Warehouse was listed on the National Register of Historic Places in 1974. Additionally, it lies within the boundaries of the Chillicothe Business District, a historic district that was added to the National Register in 1979. Plans have already been drawn up for the space, and are for mixed use development: an anchor restaurant in the main front space, with an Erie Canal history museum on the second floor above the restaurant. Maker Spaces, Co-Working Space and a rentable Video Recording Studio would be created on the main and second floors in the middle and rear of the building, with Loft-style living spaces on the third floor. Development partners have expressed interest in this beautiful building, as have county commissioners, city

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government, and private sector partners in Chillicothe.

As a result of this building being owned by preservationists, some designs and drawings for restoration already exist, and are available via the Greater Chillicothe and Ross County Development agency. It is truly a beautiful and historic sight, and we welcome you to come visit our city to check it out and see why saving it is so needed.

[https://en.wikipedia.org/wiki/Canal\\_Warehouse\\_%28Chillicothe,\\_Ohio%29](https://en.wikipedia.org/wiki/Canal_Warehouse_%28Chillicothe,_Ohio%29)

### **COMMUNITY IMPACT (QUANTIFY / PROVIDE ESTIMATES):**

The impact of the final restoration of this building would be monumental. Chillicothe has already been a leader in downtown revitalization of cities smaller than 25,000 people across Ohio. Development of the canal building would open up our community to new business and event opportunities we currently struggle to accommodate. Since few examples of Ohio Erie canal buildings still exist, let alone in good condition, this building presents a unique opportunity to Chillicothe's educational and tourism experience. We have already seen the impact of Chillicothe's canal history on the city, and the restoration of this building will dramatically multiply our ability to serve the interests of those tourists. With the addition of a modern restaurant space to the building, we will continue to diversify the local economy, adding jobs for low-income workers and create a new experience for Chillicothe's tourists. With 25,000 square feet of space, the additional chance to bring something unique to Chillicothe is unparalleled. The building could hold a minimum of two apartments, a makerspace or coworking space, and a recording studio. In this way, the restoration of this building presents a chance to create a future community hub for the city, not just by building tourism capacity, but also through building local pride and creating project space for our local artists and professionals.

If this project is completed, we aim to see the creation of six to ten new jobs through the restaurant, as well as five to six new jobs running an Erie Canal museum. The restoration of this building, which the community of Chillicothe has already rallied to discuss, is central to our long-term vision for downtown revitalization and for setting this city apart from Ohio's other tourist hot spots. Creative placemaking is important to our development process in Chillicothe, and ensuring that the inspiration and ideas of citizens are heard is key. Our Mayor, Luke Feeney, and our county Director of Economic Development, Tammy Eallonardo, are both supportive of the project, and believe it would be "a game changer" for the community in providing high-end event, retail, restaurant and living space in Chillicothe. They believe the project now needs to be marketed to opportunity zone investors.

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

Ohio Erie Development Company, LTD

### **TECHNICAL ASSISTANCE NEEDED:**

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We are requesting assistance to develop a business plan for this building, focused on creating an investment prospectus that outlines the unique potential and opportunities present in this project. Since some drawings and plans already exist, the rehabilitation of the building is conditional largely upon locating an interested investor. All other work around the project either already has been done or can be completed in-house.

**Proposed OZ Project:**

**II. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT**

Name of Project: Canal Warehouse Restoration Project  
 OZ census tract: 9563

SIZE	TOTAL ANTICIPATED FINANCING NEEDED:	FINANCING ALREADY IDENTIFIED

**PROJECT DESCRIPTION:**

Some consideration has been given by one local resident/investor into the development of a boutique hotel on another piece of land in the city. Depending on levels of funding and the flexibility of our technical assistance provider, exploring the potential for this project is something we will also consider.

**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

**PROJECT DESCRIPTION:**

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**COMMUNITY IMPACT (QUANTIFY / PROVIDE ESTIMATES):**

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

**TECHNICAL ASSISTANCE NEEDED:**

**5. APPLICANT CAPACITY:**

Tammy Eallonardo, Ross County Economic Development, co-wrote this application, which is seeking support for a project already begun by the community development leadership of the city and county. We were pleased to be able to help submit this application with Tammy, a self-described, "one woman office."

**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 -

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\$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.

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

50,000

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**

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**ADDRESS**

**EMAIL**

**PHONE**

**URL**

**NAME 3: CONTACT NAME**

**COMPANY NAME**

**ADDRESS**

**EMAIL**

**PHONE**

**URL**

**7. MATCH REQUIREMENT:**

**8. ATTESTATION:**