



IN PARTNERSHIP WITH PROGRAM SPONSORS



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

Release Date: April 14, 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.

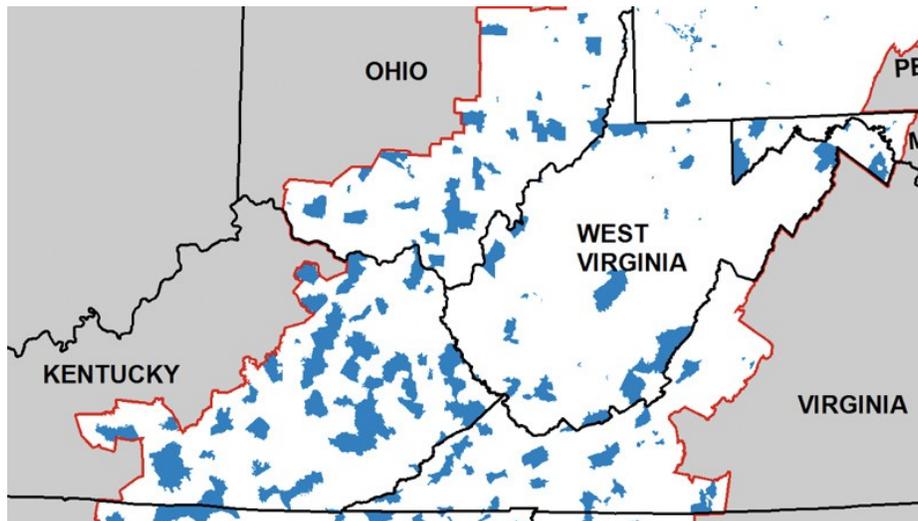
Once project technical assistance is completed, a highly visible OZ Investor Convening event will be held in late 2020 that will target both local and pre-vetted national investors, as well as

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: City of Zanesville

Project Name: Zanesville Gateway Project 9118

Project Summary provided below.

TA Requested:

- Development prospectus / plan for investible buildings and land located in the 100 acre OZ parcel.
- Application for LIHTC with Ohio Housing Finance Agency and other public financing programs, as suitable.
- Secure commitments of local resources (municipal, county, etc) for projects identified by prospectus.
- Identification and obtain engagement of suitable developer(s).
- Creation of marketing plan and investment prospectus for attracting investment into these projects.
- Support for capital raise from public and private sources.

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LEAD CONTACT:

Will Arnett

APPLICANT ORGANIZATION:

City of Zanesville

ADDRESS

WORK PHONE

740-617-4879

MOBILE PHONE

EMAIL

william.arnett@coz.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):

Census Tract 9118 in Muskingum County, Ohio. This census tract is located in the city of Zanesville.

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

Applicant is City of Zanesville. Zanesville, Ohio is a city of approximately 25,000 Ohioans located in East-Central Ohio.

3. COMMUNITY DEVELOPMENT STRATEGY(IES):

Zanesville is in the process of reinventing itself through a comprehensive economic and community development approach. The city's long-time partnership with the Zanesville-Muskingum County Port Authority has resulted in the development of multiple industrial parks (generally outside the city) that are home to companies with thousands of employees. More recent collaborative efforts inside the City of Zanesville link to redevelopment of brownfield sites, blighted neighborhoods and the downtown area. The proposed Zanesville Gateway Project would bring the industrial park success seen outside the city limits into 100 acres of vacant lots and cheap land across the Muskingum River from downtown Zanesville. This Project is the

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premier industrial site development opportunity in southeastern Ohio, and sits ready with all the necessary infrastructure and transportation access to attract the right Opportunity Zone investor.

Expanding the size of the business district to the western side of the Muskingum River opens the city to opportunities for more affordable commercial and residential development, and will put jobs in close proximity to more affordable housing for moderate to low-income residents of the city. Specifically, the “West Zanesville” region, just across from downtown Zanesville and home to multiple businesses, housing and community amenities, has been identified as a primary location for investable projects. Most notably, the economic development leaders of the city are focused on the State Street Corridor of Zanesville, which is a 100 acre developable area known as the “Gateway to Zanesville.”

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

I. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

Zanesville Gateway Project, 9118

SIZE	TOTAL ANTICIPATED FINANCING NEEDED:	FINANCING ALREADY IDENTIFIED
Various	Unknown	<p>The Zanesville-Muskingum County Port Authority has contributed \$10,700, the Zanesville Community Improvement Corporation has contributed \$2,500, and the Muskingum County Land Reutilization Corporation has contributed \$9,500 to begin acquiring properties in the Zanesville Gateway Project area. Additional pledges of up to \$10,000 will be made by the Port Authority and Muskingum Growth Partnership, the economic development arm of the Zanesville-Muskingum County Chamber of Commerce.</p>

PROJECT DESCRIPTION:

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The Zanesville Gateway Project (ZGP) possesses all of the necessary requirements for any type of development to occur. The project focus consists of one hundred acres of land located within the City of Zanesville, which is virtually flat. The corridor is fixed between the Licking and Muskingum Rivers to the west and east, a Class A Railroad line to the south and Interstate 70 to the north. All utilities are present, including water, sewer, gas, electric and fiber, with excellent capacities. Current uses of the area include single family housing, both retail and light commercial businesses, as well as small manufacturing facilities. The entire City of Zanesville is an Ohio Enterprise Zone, so real estate tax incentives are available for qualifying business investments. Further, the City of Zanesville is currently in the process of applying to the State of Ohio for a Community Reinvestment Area designation that would also provide incentives for commercial and residential projects. The project description is aligned to the assets mentioned. Ample space exists for the development of moderately priced housing, which would serve a growing need for housing among the city's workers and visitors to Zanesville. Within this 100 acres, many vacant lots exist, many of which are zoned for industrial development. The access to eastern Ohio's key transportation arteries is unparalleled, as is the access to a workforce in a population center (greater Zanesville) that has seen its local economy grow as industrial and health care investments have increased. An hour from Columbus, 75 minutes from Dilles Bottom and two hours from Pittsburgh, this site is positioned to be the jewel of industrial development in Ohio's eastern I-70 corridor. In addition to the industrial opportunities, the well documented need for affordable and mixed-use housing in Zanesville makes this location a valuable investment opportunity for investors looking to capitalize on Muskingum County's growth. For investors who are looking for blank slate development opportunities in a city that is growing and already has a strong diverse economy, this corridor is very promising. With a technical assistance grant, we will be able to identify, provide plans for and create a pitch deck for investable projects in this area.

COMMUNITY IMPACT (QUANTIFY / PROVIDE ESTIMATES):

Investment in this opportunity zone will revolutionize the northern corridor to Zanesville. The Zanesville Gateway Project (ZGP) includes opportunities for various types of investments, so quantifying the specific impact is difficult. The target area lends itself to a mix of uses ranging from highway commercial near the I-70/State Street interchange to industrial along the southern and eastern borders to neighborhood commercial development and housing in the central portion. Each type of investment will generate different results but all non-residential development will create a mix of employment opportunities with various required skills and associated pay. Further, a recently completed Housing Needs Assessment documents the need for owner-occupied and multi-family residential housing at all price levels. The construction of industrial and commercial facilities in this opportunity zone could bring hundreds of additional good paying jobs into the city of Zanesville, further supporting the city's tax base than previous industrial and commercial developments outside the city limits. And housing developments would help the city meet the significant need for new, clean and safe affordable housing -- a top priority of Zanesville's new mayor that will help attract future employers and investors.

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The nature of this corridor is such that it presents a revolutionary opportunity for the City of Zanesville, for Opportunity Zone investors, and for regional businesses looking to locate in a city that provides full services and utilities already in place in a massive, developable piece of land. Many industrial parks this large are not located so close to cities like Zanesville, and many opportunity zones are located in areas where utilities do not exist. The Zanesville Gateway Project is the best of both worlds. This premier development opportunity can be marketed to OZ investors of all backgrounds, because the potential is so great and the existing infrastructure is so strong.

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

Current project sponsors include the Zanesville-Muskingum County Port Authority, City of Zanesville, the Zanesville Community Improvement Corporation, the Muskingum County Land Reutilization Corporation and Muskingum Growth Partnership. In early 2019, a meeting was held with local stakeholders that included public officials, key business leaders, and community partners that have ownership in the zone. The City invested \$2,500 in contractual services to fund facilitation of the visioning process for the Opportunity Zones.

TECHNICAL ASSISTANCE NEEDED:

We are requesting technical assistance to develop a prospectus of investible buildings that are located in this opportunity zone. All necessary utilities are present and available within this zone. In addition, groundwork has been laid with key community stakeholders around a redevelopment plan. Technical assistance to create a marketable plan for attracting investment into these projects is the next step to creating a greater, more attractive Zanesville.

Proposed OZ Project:

II. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

SIZE	TOTAL ANTICIPATED FINANCING NEEDED:	FINANCING ALREADY IDENTIFIED
<input type="text"/>	<input type="text"/>	<input type="text"/>

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:

Proposed OZ Project:

III. 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:

5. APPLICANT CAPACITY:

The day after becoming aware of this application, the City of Zanesville passed an emergency act of City Council, under prompting by Mayor Don Mason, to authorize the \$5,000 match for

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this application. The Mayor, City Planning Director Bill Arnett and county Port Authority Executive Director Matt Abbott were all heavily involved in the creation and submission of this application. The development of this Project, and with it, the attraction of affordable, safe housing and good paying jobs within Zanesville's city limits, is a top priority for Mayor Mason. That commitment to the project has been reflected in the urgency and intensity with which the City and County economic development partners have moved quickly to submit this application and prepare for an opportunity to market the Zanesville Gateway Project.

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.

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

50000

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

NAME 3: CONTACT NAME

COMPANY NAME

ADDRESS

EMAIL

PHONE

URL

7. MATCH REQUIREMENT:

8. ATTESTATION:

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Mayor

City of Zanesville