



IN PARTNERSHIP WITH PROGRAM SPONSORS



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

**Release Date: May 26, 2020**

**Proposal Due Date: June 16, 2020**

**Selection Date: June 23, 2020**

**Contract Period: June 23, 2020 – March 31, 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.

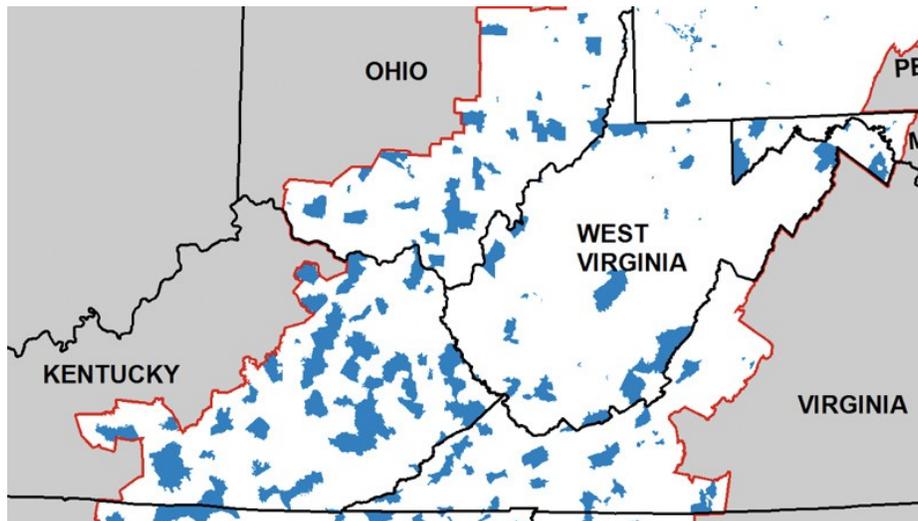
Once project technical assistance is completed, a highly visible OZ Investor Convening event will be held in late 2020 that will target both local and pre-vetted national investors, as well as

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:** Village of Somerset

**Project Name:** Hotel Swisher

Project Summary provided below.

**TA Requested:**

- Business Plan for Swisher Hotel – update / finalization; substantial progress has been made on business planning and pro forma development.
- Investment Prospectus and pitch deck for the Swisher Hotel to include: projected sources and uses of funds, updated pro formas.
- Development and execution of regulatory project elements such as design review, zoning & building permitting, PACE financing and tax abatement.
- Development of a Qualified Opportunity Fund for investment in the Swisher Hotel and other projects in the Village of Somerset. Legal support requested for QOF formation.

**Opportunity Appalachia Application Form**

**LEAD CONTACT:**

Tom Johnson

**APPLICANT ORGANIZATION:**

Village of Somerset, Ohio

**ADDRESS**

100 Public Square  
Somerset, Oh 43783

**WORK PHONE**

(740) 743-2963

**MOBILE PHONE**

(740) 621-3580

**EMAIL**

[tom.johnson1367@gmail.com](mailto:tom.johnson1367@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):**

Somerset, Ohio; Perry County CT; 9659

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

The service area is a 50 acre downtown historic district with 67 properties dating from the early to mid 19th century. Somerset, located in Perry County, 45 miles east of Columbus, boasts a 50-acre historic district with over 60 significant structures placed on the National Register of Historic Places in 1975 with an impressive number of local shops fueling a traditional walkable small town downtown core. The Village of Somerset is in its fourth year of a downtown revitalization/economic restructuring initiative. The long-term goal is to position the Village into a destination for visitors from the Columbus area and other more populous locations within a 100-mile radius. Small business development measures have been put in place that include becoming a Revitalization District, Community Reinvestment Area, Opportunity Zone, PACE Financing District, with updated land use planning and zoning, and improved access to plans reviews, permitting, and building inspections. While there are still vacant buildings in the downtown and historic structures that are at risk and need rehabilitated, the Village is fully engaged in strategic development efforts creating investment opportunities that are fueling a strong and growing economy.

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

The Village is embarking on an economic restructuring strategy to position its historic downtown into a destination for the emerging nearby Columbus area market highlighting hospitality, local food, niche retail, the arts, antiques and its natural and historic assets. A plan for rehabilitation, new building and relocation of retail, housing and public spaces on 2.5 acres called the Renaissance Project has been completed (estimated budget \$12,000,000). New sidewalks and streetscape have been completed for the majority of the downtown. Hotel Swisher is in full-swing development efforts to utilize over \$700,000 of initial investments. Historic Jacob Miller's Tavern, built in 1808 has been purchased by the Historic Society and is being developed through a public/private partnership into a cider house and event space. A total of ten other historic properties have also been identified for rehabilitation and either reuse or business upgrade. Plans are ongoing to construct 50 housing units in the downtown area. The village is purchasing several other key properties for rehabilitation and reuse by investors. The Village is also currently conducting a new business development competition to generate a cohort of new locally owned businesses. Twelve individuals are engaged in a six-week business training course and developing business plans for a competition which will provide cash prizes and/or business space for participants. Somerset is intending to develop investment portfolios and marketing materials for the downtown as a whole, and individual or aggregation of properties. The Village needs to complete its inventory of available properties, complete its historic district designation for national recognition, complete a housing needs analysis, and develop an investment strategy, and create the Somerset Community Development Corporation.

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

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

Hotel Swisher, 117/119 East Main Street, Somerset, Ohio 43783, Census Tract 9659

| <b>SIZE</b> | <b>TOTAL ANTICIPATED FINANCING NEEDED:</b> | <b>FINANCING ALREADY IDENTIFIED</b>   |
|-------------|--|---|
| 13,000      | 1,650,000                                  | \$792,500.00 - Finance Fund - 26,500, Brownfield Clean-up - \$35,000, AEP Incentives - \$32,000, State and Federal Historic Tax Credits - \$562,000, Energy Audit - \$7,000, Developer Financing - \$70,000, USDA RBDG - \$60,000 |

**PROJECT DESCRIPTION:**

Hotel Swisher is privately owned through Hotel Swisher Limited/ Michelle Robinson. Hotel

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development began in 2016 when MARSwisherLTD purchased the historic property for the purposes of restoration and renovation into a boutique-style hotel. The Hotel project is a complete renovation of an historic structure that Hotel Swisher is privately owned through Hotel Swisher Limited/ Michelle Robinson. Hotel development began in 2016 when MARSwisherLTD purchased the historic property for the purposes of restoration and renovation into a boutique style hotel. The Hotel will house 13 rooms with one as an extended stay suite, retail space, 850s.f. meeting room with breakout space, fitness center, coffee and wine bar, rooftop deck, and 850 s.f. of leasable retail space.

The Hotel will be a limited, upscale property with a focus on exceptional service and is a cornerstone of an active economic development strategy for the Village that is focusing on developing the community for its residents and visitors alike with a focus on 'walkability'. Hotel Swisher will fulfill the need for tourism and business lodging in Somerset, Ohio, located in Perry County, Ohio as well as the surrounding region. Somerset is a gateway to the southeastern region that boasts some of Ohio's most significant wooded landscapes offering a wide variety of outdoor recreation, historic, and cultural opportunities. Somerset is located 50 miles east of Columbus, 12 miles south of Buckeye Lake, and 35 miles northeast of Hocking Hills.

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<https://drive.google.com/file/d/1kWODBgBy2mOwe7ZmMqdp-rdc-4LSDDin/view?usp=sharing>,  
<https://drive.google.com/file/d/1QMi48QxxAbOI0YTXumW0f5MeOxOA1EEG/view?usp=sharing>,  
<https://drive.google.com/file/d/1KJkd5s3fbfPxpVIGAYcK72pSkT0x5G/view?usp=sharing>,  
[https://drive.google.com/file/d/1WyjW2ML2zoC4t4e5j5\\_v0FUEP1Ujpcrz/view?usp=sharing](https://drive.google.com/file/d/1WyjW2ML2zoC4t4e5j5_v0FUEP1Ujpcrz/view?usp=sharing)

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

50 construction jobs, 12 full-time hospitality, anchor development that supports economic development efforts of the Village and the region as a tourism destination and gateway to the Appalachian areas in southeastern Ohio.

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

MAR Swisher LTD, Michelle Robinson

### **TECHNICAL ASSISTANCE NEEDED:**

Develop investment portfolio to include marketing materials, identification of potential investors, and strategies for employing Opportunity Zone and other gap financing sources.

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**Proposed OZ Project:**

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

**SIZE**

**TOTAL ANTICIPATED  
FINANCING NEEDED:**

**FINANCING ALREADY  
IDENTIFIED**

None

**PROJECT DESCRIPTION:**

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

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

**TECHNICAL ASSISTANCE NEEDED:**

**Opportunity Appalachia Application Form**

**Proposed OZ Project:**

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

| <b>SIZE</b> | <b>TOTAL ANTICIPATED FINANCING NEEDED:</b> | <b>FINANCING ALREADY IDENTIFIED</b> |
|-------------|--|-------------------------------------|
|             | 0  | None                                |

**PROJECT DESCRIPTION:**

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

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

**TECHNICAL ASSISTANCE NEEDED:**

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**5. APPLICANT CAPACITY:**

The applicant is the Village of Somerset which has completed many impactful projects toward its downtown revitalization. The Village has retained a number of professionals to assist in various aspects of the project. These include Schooley Caldwell, architects; MKSK, landscape architects, IBI Group, civil engineers, Bricker and Eckler LLP, attorneys, The Columbus Idea Foundry, coworking spaces, the Finance Fund Capital Corporation, housing, Buckeye Hills Development District, and Mid-Ohio Regional Planning Commission.

**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 \$'.**

\$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**

**Opportunity Appalachia Application Form**

**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:**

**Opportunity Appalachia Application Form**

Todd Christensen

Owner

The Clay Christensen Group