

Opportunity Appalachia

Application for Participation - Summary

Bringing Opportunity Zone investment to Central Appalachian coal-impacted communities, creating new jobs and businesses that support sustainable growth.

Program Partners:



Rev 1.29.20 (in yellow highlight)

Opportunity Appalachia will help bring Opportunity Zone investment into Central Appalachian communities in Ohio, Virginia, and West Virginia. The effort is designed to strengthen investable transactions in target rural communities, attracting Opportunity Zone investors to back small businesses and real estate development, leading to more local jobs. Opportunity Appalachia is led by a six-member consortium comprised of regional and national organizations with expertise in financing and community development that will support local projects to prepare sophisticated investment packets geared toward prospective OZ investors. Opportunity Appalachia partners include: [Appalachian Community Capital](#), [Appalachian Partnership for Economic Growth](#) (Ohio), [Opportunity Southwest Virginia / UVA – Wise](#), [West Virginia Community Development Hub](#), [Main Street America](#), and [Coastal Enterprises – CCML](#).

Please complete this application if:

- ✓ You have a specific transaction(s) for which you are seeking financing, located in an eligible OZ (See Appendix I for a list of eligible counties).
- ✓ Your transaction(s) is investable: it has the ability to repay an investor's principal and a rate of return.
- ✓ Your transaction(s) provides community benefits, such as quality jobs or community services.
- ✓ You need technical assistance to develop the project(s), which could include: development of investment prospectus, preparation of pro forma financial projections, structuring of project financing, market research / demand assessment, design support, operations planning, identification of project developers / business operators, outreach for project financing / OZ investors.

Timeline:

- January 3 – Application posted on Opportunity Appalachia web.
- January 13 – Application open for entry / submission.
- March 2, 5pm ET – Application submission deadline.
- March 31/April 2 – Selected OZ projects announced.

For more information, please contact the lead partner in your state:

Ohio

Katy Farber, Vice President
APEG
kfarber@apeg.com

Virginia

Becki O'Quinn, Director -
Economic Development
UVA Wise
Rjj3s@uvawise.edu

West Virginia

Andy Davis, Special Projects
WV Community
Development HUB
a.davis@wvhub.org

Opportunity Appalachia

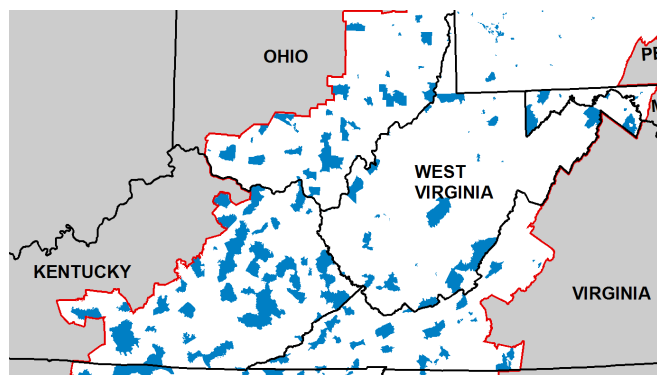
Application for Participation - Overview

Background: The new Opportunity Zone (OZ) tax program is anticipated to provide billions of dollars of new investment to low income communities throughout the nation. Knowledgeable observers anticipate that much Opportunity Fund capital will be invested in gentrifying communities in growing urban areas. In addition, smaller cities such as Louisville KY, Cincinnati OH, and Erie PA have already developed robust strategies to attract Opportunity Fund capital. Rural OZs are at a distinct disadvantage in attracting this financing as they 1) have fewer resources to enable them to develop community strategies and package transactions to potential investors, and 2) have investment opportunities that often provide lower rates of financial return than do faster growing cities.

Opportunity Appalachia Program: For a group of fifteen to twenty OZ communities in Central Appalachia, provide technical assistance to both develop community strategies and structure investable transactions, creating prospectus and pitch decks targeting Opportunity Fund (QOF) Investors. Once these prospectus are complete, outreach to Opportunity Fund investors - including the hosting of a highly visible investment event - to review a portfolio of OZ investments in Central Appalachia that provide both robust social and sufficient financial return.

Opportunity Appalachia is projected to bring \$7.5M of new Opportunity Fund capital to 15 targeted OZ communities (many of which are [ARC distressed counties](#) and areas), structuring investments in 15 businesses and real estate projects that support strategies for economic restructuring and diversification, which will create 720 new jobs -- 10% of which (70 jobs) are projected to be for persons in recovery from substance abuse. Investment priorities include projects focusing on downtown development, manufacturing, IT, healthcare, education, food systems, clean energy, heritage tourism and recreation.

Target geography
Central Appalachian Opportunity Zones – Ohio, Virginia, West Virginia



*158 OZs in Central Appalachian coal-impacted communities in WV, OH and VA.
See Appendix I for a listing of eligible counties.*

Program Participation:

To participate in Opportunity Appalachia and receive technical assistance for project prospectus development and support for OZ capital raising, communities and project sponsors must apply. To learn more about the Opportunity Appalachia program and the application process, we encourage you to attend one of the State outreach meetings to be held:

- West Virginia Outreach Meeting, January 13, Bridgeport.
- Ohio Outreach Meeting, January 14, Marietta.
- Virginia Outreach Meeting, January 27, Abingdon.

For registration visit: <http://appalachiancommunitycapitalcdfi.org/oa-program/>

Eligible applicants: Organizations eligible to apply to participate include: for-profit Project Sponsors including developers and businesses, multi-county regions, counties, municipalities, economic and community development organizations (e.g. Main Street organizations), other non-profit organizations, and educational institutions.

Communities outside of OZs are welcome to participate in Opportunity Appalachia projects, particularly for projects that are part of regional development efforts. However, projects identified for support from Opportunity Appalachia **must all be located in OZs in Ohio, Virginia, and West Virginia.**

See Appendix I for a listing of eligible counties.

Selection process:

Applicants will be selected using the following criteria:

1. Identified community strategy(ies) and engagement. Applications that clearly identify an existing community strategy(ies) and highlight community engagement / support for the project(s) will score higher in the review process. Applicants can focus on one or more strategies, including those identified in the Opportunity Appalachia program summary such as: downtown development, manufacturing, IT, healthcare, education, food systems, clean energy, heritage tourism and recreation, addiction treatment and recovery. Applicants can reference community plans, municipally approved plans, regional development plans, Blueprints, community meetings, charettes, approvals by public bodies, engagement of diverse populations, etc.
2. Identified priority project(s). Applications that have identified specific investment opportunities will score higher in the review process. Selection will not favor the number of potential OZ projects but will focus on the quality of the identified projects / investments, including their community impact and suitability for Opportunity Fund (QOF) investment.
3. Community Impact. Applications with identified projects that have significant community and economic development outcomes will score higher in the review process. Community outcomes that will be prioritized include: the creation of quality jobs with good pay and benefits, jobs with training and advancement opportunities, jobs accessible to unemployed / underemployed persons, projects that support community economic diversification, projects that create vibrant places and/or promote follow-on investment in the target communities, and impact among diverse populations served including those in addiction recovery.
4. Capacity and Track Record. Applications in which Applicants and/or Project Sponsors have the capacity and track record to support the identified projects(s) will score higher in the review process. For example: Have developers (private, non-profit, public) been identified? Have business owners / operators (private, non-profit, public) been identified?

5. Suitability for OZ investment. Applications with investable projects will score higher in the review process. For example: Is the project investable? Will the project result in capital gains for investors? Is it likely the requested support from Opportunity Appalachia will result in the development of an investable transaction that has a return to QOF investors?
6. Identify existing community resources and identify gaps. Applications which identify a clear need for additional support from Opportunity Appalachia to close resource gaps will score higher in the review process.

Opportunity Appalachia welcomes applications targeting one OZ community and welcomes applications targeting several OZ communities / counties that have compatible development strategies. Opportunity Appalachia will review applications with one or more OZ projects identified for investment.

It is anticipated that 15 communities / projects / businesses will be selected to participate in the Opportunity Appalachia program.

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 project financing, market research / demand assessment, operations planning, identification of project developers / business operators, outreach for project finance / OZ investors.

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 applicant, averaging \$50,000 per applicant. The Scope of Work timeline for provision of technical support is anticipated to be 6 – 12 months, from April 2020 to Q1 2021, with capital raise activities beginning in Q3 – Q4 2020.

If applicants would like to utilize technical assistance providers they have identified, the Request for Qualifications must be completed, see RFQ Appendix III, below. *

If no specific technical support organizations have been identified, Opportunity Appalachia will recommend / provide organizations for consideration.*

No preference is given in the Opportunity Appalachia selection process to either of these approaches for identifying technical assistance providers.

** In each community / state there are capable partners that can be engaged to support OZ activities at the local level. Local OZ communities may select these local partner organizations to provide technical assistance for their OZ efforts, may select other capable and vetted regional or national organizations, may select the Lead State Partners or National Technical Assistance Providers for this support (see below), or some combination thereof.*

Match Requirement

Applicants selected to participate will be required to provide \$5,000 of matching support. This matching support can either be in-kind from community leaders or members, developers and business owners, or through a cash contribution to the prospectus development and related activities.

Application for Participation

The full Application for Participation is available in Appendix II. If you have questions about the Application, please contact the lead state partner in your state, see first page of Application for contact information.

Application Submission Date: March 2, 5pm ET.

OZ Project / Community Selection: Selection of OZ Project / Communities will be announced by April 2.

Program Management & Steering Committee:

The Opportunity Appalachia program Steering Committee is comprised of the following six regional and national organizations:

Program Manager

- [Appalachian Community Capital](#) (ACC), a 20-member CDFI intermediary whose members and their affiliates manage over \$1 billion in assets supporting economic development in Appalachia.

Lead State Partners – lead community development state partners:

- [Appalachian Partnership for Economic Growth \(APEG\)](#) – The lead regional economic development organization in Eastern and Southern Ohio working in a 25 county area, supported by Jobs Ohio.
- [Opportunity Southwest Virginia / UVA – Wise](#) – Pilots the way for 19 counties and scores of communities in Southwest Virginia to support economic and community development efforts to create thriving entrepreneurial communities that accelerate progress for both new and established ventures.
- [West Virginia Community Development Hub](#) – the leading community development organization in West Virginia, has worked with over 40 small communities across the state.

National Technical Assistance Providers

- [Main Street America](#) With a network of more than 1,600 neighborhoods and communities, MSA works to successfully transform communities and revitalize local economies.
- [Coastal Enterprises](#) – [CCML](#) This leading national rural CDFI has deployed over \$1.3 billion in financings directly and through CEI Capital Management (CCML) its New Markets Tax Credit CDE affiliate.

This program is supported by



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OZ Resources

More information on Opportunity Zones is available at:

- [Economic Innovation Group and EIG OZ Fact Sheet](#)
- [LISC Community Partners Playbook for OZs](#)
- [Enterprise Community Partners – OZ Platform](#)
- [Novogradac Opportunity Funds listing](#)
- [Opportunity Zone Fund Directory](#)
- [Council of Development Finance Agencies – OZ Resource Center](#)
- [Kresge Foundation and OZ investing article](#)
- [Virginia – Locus Impact Investing services](#)
- [Ohio – 10% OZ state tax credit](#)
- [West Virginia – OZ business income exempt from state taxes](#)

Appendix I

Opportunity Appalachia - Eligible Counties

All counties in the Appalachian portions of Ohio, Virginia, and West Virginia are eligible, except for ARC designated economically Competitive counties.

OH	Adams	OH	Tuscarawas	WV	Hampshire
OH	Ashtabula	OH	Vinton	WV	Hancock
OH	Athens	OH	Washington	WV	Harrison
OH	Belmont			WV	Jackson
OH	Brown	VA	Buchanan	WV	Kanawha
OH	Carroll	VA	Carroll	WV	Marion
OH	Columbiana	VA	Dickenson	WV	Marshall
OH	Gallia	VA	Grayson	WV	Mason
OH	Guernsey	VA	Henry	WV	Mercer
OH	Harrison	VA	Lee	WV	Mingo
OH	Highland	VA	Russell	WV	Monongalia
OH	Hocking	VA	Scott	WV	Monroe
OH	Holmes	VA	Smyth	WV	Morgan
OH	Jackson	VA	Tazewell	WV	Nicholas
OH	Jefferson	VA	Washington	WV	Ohio
OH	Lawrence	VA	Wise	WV	Raleigh
OH	Mahoning	VA	Wythe	WV	Randolph
OH	Meigs	VA Independent Cities:		WV	Summers
OH	Monroe	Bristol (Washington County)		WV	Taylor
OH	Morgan	Galax (Carroll County)		WV	Tyler
OH	Muskingum	Martinsville (Henry County)		WV	Upshur
OH	Noble	Norton (Wise County)		WV	Wayne
OH	Perry			WV	Wetzel
OH	Pike	WV	Berkeley	WV	Wood
OH	Ross	WV	Boone	WV	Wyoming
OH	Scioto	WV	Cabell		
OH	Trumbull	WV	Greenbrier		

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Program Partners:



Submission Deadline: March 2, 2020 5pm ET.

Do not submit this form. Submit responses via the Online Application Form at <http://appalachiancommunitycapitalcdfi.org/oa-program/>

Summary Information

Lead Contact: _____

Applicant Organization: _____

Address: _____

Phone w _____ m _____

Email: _____

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):
Note: See Appendix I for a list of eligible counties.
2. Service area of applicant (note if different than above, or note same):
3. Community Development Strategy(ies):
(for example: downtown development, manufacturing, IT, healthcare, education, food systems, clean energy, heritage tourism and recreation, addiction treatment and recovery, or describe other strategies)
4. Proposed OZ Projects (list up to 3):
 - I. Name of Project, address, OZ census tract
 - Size in Sq Ft.
 - Total anticipated financing need \$:
 - Financing already identified, list source and \$ or note 'None':
 - Project description: Provide url link if available.
 - Community Impact (quantify / provide estimates):
(for example: the creation of quality jobs with good pay and benefits (# of jobs, pay rates, benefits provided), jobs with training and advancement opportunities, jobs accessible to

unemployed / underemployed persons, project supports community economic diversification, creates vibrant places for follow-on investment, other impacts ...)

- Name(s) of project sponsors, developer, and/or business owner, if identified:
- Technical Assistance Needed: (eg business plan development, financial pro forma development, financial structuring of transaction, market assessment, feasibility assessment, developer identification, architectural drawings, capital raise, ...)

Proposed OZ Project:

II. Name of Project, address, OZ census tract

- Size in Sq Ft.
- Total anticipated financing need \$:
- Financing already identified, list source and \$ or note 'None':
- Project description: Provide url link if available.
- Community Impact (quantify / provide estimates):
(for example: the creation of quality jobs with good pay and benefits (# of jobs, pay rates, benefits provided), jobs with training and advancement opportunities, jobs accessible to unemployed / underemployed persons, project supports community economic diversification, creates vibrant places for follow-on investment, other impacts ...)
- Name(s) of project sponsors, developer, and/or business owner, if identified:
- Technical Assistance Needed: (eg business plan development, financial pro forma development, financial structuring of transaction, market assessment, feasibility assessment, developer identification, architectural drawings, capital raise, ...)

Proposed OZ Project:

III. Name of Project, address, OZ census tract

- Size in Sq Ft.
- Total anticipated financing need \$:
- Financing already identified, list source and \$ or note 'None':
- Project description: Provide url link if available.
- Community Impact (quantify / provide estimates):
(for example: the creation of quality jobs with good pay and benefits (# of jobs, pay rates, benefits provided), jobs with training and advancement opportunities, jobs accessible to unemployed / underemployed persons, project supports community economic diversification, creates vibrant places for follow-on investment, other impacts ...)
- Name(s) of project sponsors, developer, and/or business owner, if identified:
- Technical Assistance Needed: (eg business plan development, financial pro forma development, financial structuring of transaction, market assessment, feasibility assessment, developer identification, architectural drawings, capital raise, ...)

5. Applicant Capacity: What is the relationship of the applicant to the community? How has the community demonstrated its support of the project(s)? Describe the applicant's capacity for completing or overseeing project activities:

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.

- a) Amount in \$ of Technical Assistance support requested / anticipated from Opportunity Appalachia, or state 'Unknown \$'.

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.

Name 1 – contact name, 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

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.

- c) Technical Assistance providers have not yet been identified. The Applicant requests Opportunity Appalachia identify / recommend suitable technical support organizations.
___ (check)

7. Match Requirement:

Applicants selected to participate will be required to provide \$5,000 of matching support. This matching support can either be in-kind from community leads or members, developers and business owners, or through a cash contribution to the prospectus development and related activities.

If selected to participate in the Opportunity Appalachia program, our community commits to provide \$5,000 of cash or in-kind matching support for this effort. ___ (initial)

8. Attestation:

Date of Submission: _____

Name: _____

Title: _____

Organization: _____

Do not submit this form. Submit responses via the Online Application Form at <http://appalachiancommunitycapitalcdfi.org/oa-program/>

Appendix III

Opportunity Appalachia RFQ – Request for Qualifications

All Technical Assistance providers (TA) are required to submit this information to Appalachian Community Capital. ACC will review submissions and notify TA providers if they have been accepted as eligible TA providers for this program.

RFQ responses should include:

1. Cover Page: Contact Name, Company Name, Address, contact information including phone and email.
2. Description of organization and summary of expertise, including relevant web links (business web site, LinkedIn, ...) . Recommended length 1 – 2 pages.
3. Description of relevant expertise proposed to be provided through the Opportunity Appalachia program to projects in OZ communities. For example: market assessment, financial structuring, prospectus development, ... Recommended length 1 – 2 pages.
4. Bios of individuals providing technical assistance.
5. Sample client listing of entities receiving similar assistance. Please include dates for provision of service.
6. References of clients receiving similar services. Please provide at least three references, with contact information to include email and phone.

Please **submit as one PDF** with section headers for each RFQ question, #2 - #6.

Please upload the response on the Opportunity Appalachia RFQ webpage.

For questions: OA@acc1.org