



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.

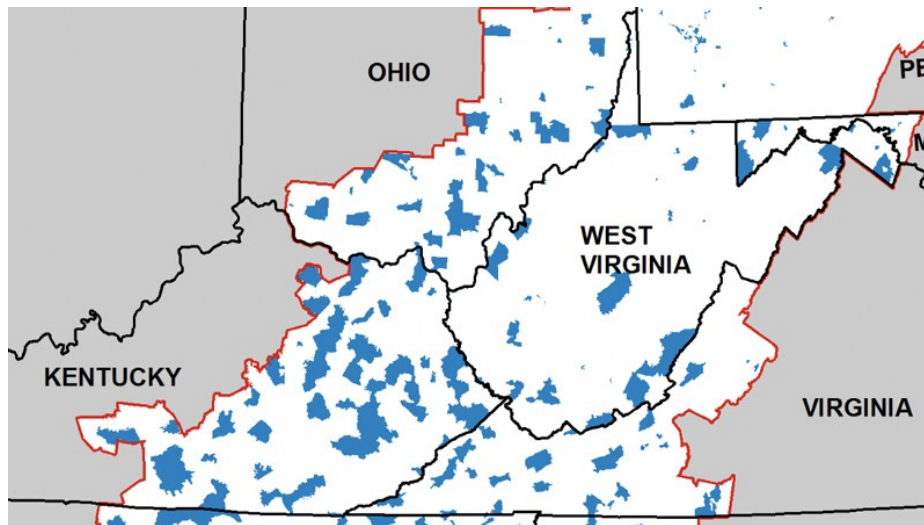
Once project technical assistance is completed, a highly visible OZ Investor Convening event will be held in late 2020 that will target both local and pre-vetted national investors, as well as

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: GIME

Project Name: Green Industrial Manufacturing Ecosystem

Project Summary provided below.

GIME has three tenants, business plan completed, and can obtain architectural services independently. Many documents required for a prospectus are in draft form.

TA Requested:

- Financial pro forma development, capital stack structuring, prospectus preparation. Transaction includes Historic Tax Credit and New Markets Tax Credit components.
- Legal structures are completed and compliant.
- Assistance for capital raise.

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LEAD CONTACT:

Kristen Olmi

APPLICANT ORGANIZATION:

K.O. Consulting, LLC on behalf of Green Industrial Manufacturing Ecosystem Inc.

ADDRESS

100 S. Bridge Street, Box # 8, Struthers, Ohio 4447
Struthers, Ohio 44471

WORK PHONE

(330) 750-1363

MOBILE PHONE

(330) 720-8551

EMAIL

kristen@koconsultllc.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):

This project will be located in the cities of Struthers and Campbell, Mahoning County, and within the following OZ Census Tracts: 8108 and 8102.

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

Service area of the applicant is the same as the area above.

3. COMMUNITY DEVELOPMENT STRATEGY(IES):

The Green Industrial Manufacturing Ecosystem (GIME) was founded to create a regional ecosystem in the Mahoning Valley of socially responsible manufacturing businesses. GIME is submitting this application on behalf of three projects within our ecosystem. All three projects are located in two opportunity zone census tracts and within a very small 2 mile radius of one and other. Additionally all three projects have community support and have the opportunity to be catalyst for job creation and downtown development for the cities of Campbell and Struthers, located in Mahoning County, Ohio. Striving to serve the Mahoning Valley, GIME intends to develop property for industrial use, incubate manufacturing startups, and offers supportive services and capital assistance strategies to its members. GIME is engaging and developing a diverse array of pipeline projects, including development and construction assistance of a Sports Complex, a bottling facility for local breweries, CBD oil extraction, and hemp waste product

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research and development. Our community and economic development strategies focus on tying together green industrial manufacturing along with strategic downtown development. Utilization of this location as a qualified opportunity zone fund can yield invest in R&D, Equipment and facilities within the footprint of GIME and general scope of this project. The Green Industrial Manufacturing Ecosystem (GIME) will can generate capital on sub-leasing space to ecosystem member businesses, and/or in conjunction with providing business contract services, centralized server management services, R&D, generating equity on business interests in the ecosystem, potentially raising capital/debt for production equipment for a bio-medical business, having bio-refinery equipment to process hemp feedstock from other businesses in the incubator to sell it on the market. The relevance of this strategy for the Qualified Opportunity Zone Business Fund (QOZBF) is that any income can be reinvested in the business and looked at as capital gain at the ten-year mark to generate a higher return and value to investors.

The long term goal is to mesh the activities of Opportunity Zone Funds and Green Industrial Manufacturing Ecosystem (GIME) to create a regional ecosystem in the Mahoning Valley of B corporations and socially responsible businesses through incubation, purchasing, and business licensing acquisitions.

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

I. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

Green Industrial Manufacturing Ecosystem (GIME) Development, located at 100 S. Bridge Street, Struthers, Ohio 44471, Census Tract 8108.

SIZE	TOTAL ANTICIPATED FINANCING NEEDED:	FINANCING ALREADY IDENTIFIED
2 613,600	10,000,000	EDA- \$5,000,000

PROJECT DESCRIPTION:

www.castlo.com
 In 1978, CASTLO Community Improvement Corporation became a source of hope for our local communities. As a nonprofit organization, \$5 million was invested to clean, level and landscape the 120-acre campus of the former Youngstown Sheet & Tube Company to attract new industry and prospective employers. CASTLO Industrial Park was the first re-purposed, shovel-ready brownfield development in Ohio. CASTLO, CIC will be the main location of the Green Industrial Manufacturing Ecosystem (GIME) which will located our Research and Development facilities in A-Complex, and use approximately the entirety of the 60,000 sq. feet of industrial property which can house tenant members and qualify as Opportunity Zone Business Property. Our initial R&D also includes within the A-Complex a server room, to meet the technology needs of industrial supply chain management through secured serves, which can both house our GIME member’s data, as well as being capable of outside clients supply chain technology

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management, which would be a source of revenue for GIME as well. Additionally we have already identified two other potential anchor members; Global Water International, which focuses on products utilized by plastic companies and companies that use injection molding. Rather than traditional plastic injection molding, they have developed technologies that can use hemp as a replacement for plastic and plastic products. This would revolutionize our ability to remove plastics from many daily use products and provide a huge boost for potential green manufacturing in Ohio and neighboring states. The second company, DevCann is manufacturing products that utilize CBD-oil extraction for pain patches and other related products. Additionally, GIME intends to provide additional technical and scientific R&D for everyone under the ecosystem with a focus on research utilizing manufacturing uses for hemp bio products. This can expand what type of products can be manufactured in our area ten-fold. Separate to the A Complex but related to the vision of GIME, is the opportunity to develop the remaining undeveloped 30 plus acres of the CASTLO, CIC property. Recently CASTLO, CIC has had serious discussions and engagement with a steel company for the construction of a rolling mill. The location of the rolling mill on this cite would enable GIME to partner on potential R&D of new environmentally friendly options, but it will also allow the utilization of the Opportunity Zone location.

COMMUNITY IMPACT (QUANTIFY / PROVIDE ESTIMATES):

- GIME, Inc. will create 5 jobs in year one/\$45 per hr/healthcare
- 10 other jobs via other companies of DevCann and Global Water International, tbd the rates and healthcare options
- 30 jobs via the Rolling Mill-TBD on rates

Additionally this opportunity will provide the potential for the location of several additional businesses and other job creation figures once established.

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

- CASTLO,CIC
- GIME, Inc.
- DevCann, LLC, Attorney James Ickes
- Global Water International, Heather Richmond

TECHNICAL ASSISTANCE NEEDED:

GIME has completed most of the draft documents required for a prospectus, we are just seeking technical assistance to make sure the financial information and legal structures are completed and compliant and we are looking specifically for capital assistance

Proposed OZ Project:

II. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

Opportunity Appalachia Application Form

SIZE <div style="border: 1px solid black; height: 20px;"></div>	TOTAL ANTICIPATED FINANCING NEEDED: <div style="border: 1px solid black; padding: 2px;">\\</div>	FINANCING ALREADY IDENTIFIED <div style="border: 1px solid black; padding: 2px;">None</div>
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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:

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Proposed OZ Project:

III. NAME OF PROJECT, ADDRESS, OZ CENSUS TRACT

SIZE <div style="border: 1px solid black; height: 25px; width: 100%;"></div>	TOTAL ANTICIPATED FINANCING NEEDED: <div style="border: 1px solid black; height: 25px; width: 100%;"></div>	FINANCING ALREADY IDENTIFIED <div style="border: 1px solid black; height: 25px; width: 100%;"></div>
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PROJECT DESCRIPTION:

COMMUNITY IMPACT (QUANTIFY / PROVIDE ESTIMATES):

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investment and have a tremendous impact as a catalyst for downtown development.

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

TECHNICAL ASSISTANCE NEEDED:

5. APPLICANT CAPACITY:

CASTLO, CIC has participated in community revitalization projects since its creation in 1978, and has a singular focus which is to foster necessary development projects within in their jurisdiction. K.O. Consulting, LLC has been working on community and economic development projects in Mahoning County for the last 10 years. Working with both non-profits and for profits, K.O. Consulting, LLC is responsible for bringing several million dollars to the Mahoning Valley region through grants and development. The relationship of K.O. Consulting, LLC to the community is very strong and has the support of the Mayor of the City of Struthers and Struthers City Council. Letters of Support for these three projects are available upon request from Struthers and Campbell officials, as well as MOUs from ecosystem participants. Additionally Struthers Mayor has previously met with and will be accompanying Y2 Sports, Inc. during various meetings regarding their Sports Complex project and will continue to be a strategic partner throughout the process. Both Campbell and Struthers Mayors are also Board of Directors for CASTLO, CIC and support projects within CASTLO'S jurisdiction. K.O. Consulting, LLC has been working in partnership with and has assisted CASTLO, CIC for several years, assisting with downtown planning/development, specifically a downtown planning grant, awarded from Eastgate Regional Council of Government for downtown Place-Making and Connectivity Planning. This planning grant required community and residential input. CASTLO, CIC hosted multiple stakeholder meetings, which included elected officials, residents, businesses and students. KO Consulting, LLC and CASTLO, CIC have facilitated and successfully completed large scale projects. CASTLO, CIC completed and facilitated a Jobs Ready Site Grant, which included the clean-up of 120 acres of brownfield to be redeveloped, utility extensions and site planning. CASTLO, CIC is responsible for the management of the industrial park and provides business support, tenant recruitment and planning services. K.O. Consulting, LLC and GIME have over a decade of grant planning, management, research and compliance. K.O. Consulting, LLC has a portfolio of clients and renovation projects that demonstrate capacity. There is ample historical evidence that GIME has the talent and skill set to oversee these Opportunity Zone Projects.

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

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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

COMPANY NAME

ADDRESS

EMAIL

PHONE

URL

NAME 2: CONTACT NAME

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COMPANY NAME

ADDRESS

EMAIL

PHONE

URL

NAME 3: CONTACT NAME

COMPANY NAME

ADDRESS

EMAIL

PHONE

URL

C) TECHNICAL ASSISTANCE PROVIDERS HAVE NOT YET BEEN IDENTIFIED.

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

7. MATCH REQUIREMENT:

K.O.

8. ATTESTATION:

03/02/2020

Kristen Olmi

Managing Member, Economic Development

K.O. Consulting, LLC