

# Opportunity Appalachia

*BRINGING INVESTMENT TO CENTRAL APPALACHIAN COMMUNITIES,  
CREATING NEW JOBS AND BUSINESSES FOR SUSTAINABLE GROWTH*

# Presentation Preview

## 1. **Opportunity Appalachia Overview**

- What, Who, Timeline

## 2. **Opportunity Appalachia Deep Dive**

- Types of Projects
- Who Should Apply
- Types of Technical Assistance Provided
- Matching & Pay it Forward Requirements
- Investor Connections
- Selection Criteria
- Submission Deadline & Selection Announcements

## 3. **Submit Questions in the Q&A**

# What is Opportunity Appalachia?

**Purpose: Build strong and diverse local economies where local businesses thrive, quality jobs are created, and communities are supported to address the Covid downturn.**

**A \$3M+ expanded program that will:**

- Support 40 downtown & rural development real estate projects
  - **5-States: WV, OH, TN, NC, VA (Appalachian Counties)**
- Provide \$2.25M to fund direct technical assistance
  - **\$30,000 – \$75,000 per project**
  - **Prepare projects for investment**
- Raise over \$400M of new investment for targeted communities
  - **Investors Convening – Connecting with potential investors**

# Opportunity Appalachia Steering Committee



# *Opportunity Appalachia is supported by funding from:*



Appalachian  
Regional  
Commission

Goldman  
Sachs

TRUIST 



DOGWOOD  
HEALTH TRUST

# General Timeline

Information  
Opportunity  
Appalachia  
Webpage

**State-Level Launch Meetings**

February & March

**Apply**

February 10th – April 15th

**Projects Selection Announced**

May 23rd

**Receive TA**

June-2023

**Connect With Investors**

2023

# What Types of Projects Supported?

## Downtown or Rural Development Real Estate Projects

- **That support broader community-identified plans or priorities**
- **The Project is investable: it has the ability to repay an investor's principal and a rate of return**

Investment priorities include projects focusing on

- Downtown development
- Manufacturing
- IT
- Healthcare
- Education
- Food Systems
- Clean Energy
- Heritage Tourism & Recreation

# Phase 1 (2020-2021 ): 17 Projects

**Hotel Swisher, Somerset, OH.** \$3.2M historic boutique hotel, 15 rooms in downtown, locally owned, supporting tourism and outdoor recreation in drivable 'gateway' community adjacent to metros. Project Sponsor: Village of Somerset. TA Team: The Clay Christensen Group, LOCUS, Schooley Caldwell, HVS.

**Cohen Building, Grafton, WV.** \$10M redevelopment of historic downtown building for use by identified for-profit and non-profit tenants. Project Sponsor: Unleash Tygart, Inc. TA Team: People Incorporated Financial Services, Thrasher Engineering, CohnReznick.

**Vaughan Furniture Building, Galax, VA.** \$92M redevelopment of historic downtown anchor building, to include 220,000 SF of residential, and 220,000 SF of retail, commercial, business incubator, and event space. Project Sponsor: City of Galax. TA Team: Summit Design and Engineering, Opportunity Virginia / LOCUS, National Main Street Center.

**Full Project List @ Opportunity Appalachia Webpage (see chat)**



# Who Should Apply? (Types of Entities)

## **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
- Educational institutions

# Who Should Apply? (Geographic Location)

All counties in the Appalachian portions of North Carolina, Tennessee, Ohio, Virginia, and West Virginia are eligible, except for ARC-designated Competitive and Attainment counties\*

## Prioritized Communities include:

- ARC-designated Distressed areas and At-Risk areas
- Persistent Poverty Communities (defined as any community (county or census tract) that has had 20% or more of its population living in poverty over the last 30-year period)
- Rural communities – meeting any of the federal definitions
- Federal Opportunity Zones and New Markets Tax Credit census tracts
- ARC-designated Coal Impacted Communities (dependence, impact, or risk)

\* Some exceptions exist thanks to availability of local funding. Check with State Partners



# Types of Technical Support Provided

Development of investment prospectus

Market research, demand assessment

Preparation of financial projections, structuring of project financing

Architectural & engineering

Business plan preparation, operations planning

Identification of project developers

Investor outreach

Other types of assistance targeted at investment readiness

# Who Provides the Technical Assistance?

1. Opportunity Appalachia (OA) Has 40+ Approved TA Providers
    - See Webpage of approved list of TA providers
  2. Projects Can Identify Specific TA Providers
    - Part of the application
    - Provider needs to be vetted & approved
- 
- **\$30,000 – \$75,000 per project**
  - **6-12 month TA completion timeline**

## OA Continues To Seek TA Providers

TA Application Available on OA Webpage

# Match Requirements & Pay It Forward

## 1. **Matching Support: Required \$5,000**

- Funding or In-kind

## 2. **Pay It Forward: Help Sustain Opportunity Appalachia**

- Projects that successfully close on project financing within three years
- Repay Opportunity Appalachia at the lesser of either:
  - A. The total TA project grant amount provided by Opportunity Appalachia, or
  - B. 1% of the project's closed financing amount

### For Example:

A project received \$50,000 in TA support. The project closes on \$1MM in financing in year 2.

This project will repay \$10,000. Generally, rolled in as part of their financial closing.

- $1\text{MM} \times 1\% = \$10,000$  (is less than 50k)

# Connecting with Investors

Dedicated  
Outreach by:

- Opportunity Appalachia
- TA teams

Investors  
Convening With:

- Project Representatives
- TA providers
- Investors

## Public Loan Funds & Grantors



Appalachian  
Regional  
Commission



# Investors

## CDFI and Other Investor Partners



## Bank Investors



## Opportunity Zone Investors



Chestnut  
Funds



RENAISSANCE EQUITY PARTNERS



## New Markets Tax Credits Investors



CEI Capital  
National Trust Community  
Investment Corporation  
a subsidiary of the  
National Trust for Historic Preservation

# What is the Project Selection Criteria?

1. Identified community strategy(ies) and engagement
2. Clearly Identified project(s) & vision
3. Community Impact
4. Capacity and Track Record
5. Suitability for investment
6. Identify existing community resources and identify gaps
7. Clean Energy focus



# Submission Deadline & Project Selection

- **February 10** – Application is open.
    - *Online submission on Opportunity Appalachia website:*  
<https://appalachiancommunitycapitalcdfi.org/oa-program/opportunity-appalachia-2022-2024/>
  - **April 15, 5pm EDT** – Application submission deadline.
  - **May 23** – Selected OA projects announced.
- *Second Call for Applications This Fall – Date TBD*

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

<b>Tennessee</b>	<b>Stacey Swiger-Patterson</b> University of Tennessee Vice President for Research, Outreach and Economic Development <a href="mailto:vpresearch@Tennessee.edu">vpresearch@Tennessee.edu</a>
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<b>West Virginia</b>	<b>Ray Moeller</b> Northern WV Brownfields Assistance Center <a href="mailto:raymond.moeller@mail.wvu.edu">raymond.moeller@mail.wvu.edu</a>

# For Application & More Information

<https://appalachiancommunitycapitalcdfi.org/oa-program/opportunity-appalachia-2022-2024/>