



THE UNIVERSITY OF
TENNESSEE
SYSTEM

Opportunity Appalachia Tennessee

February 22, 2022

Agenda

2:00-2:10 AM Welcome and Introductions

- Randy Boyd, President of the University of Tennessee
- Donna Gambrell, ACC

2:10-2:30 Overview of Opportunity Appalachia

- Kathryn Coulter Rhodes, Rural Support Partners

2:30-2:45 Examples of Past Projects

- [Green Industrial Manufacturing Ecosystem](#) (GIME) in Struthers, OH
- [Staats Building](#) in Charleston, WV
- [Cohen Building](#) in Grafton, WV

2:45-3:15 Guest Investment Panel Facilitated by Tom Rogers, UT Research Park

- Bill Pollard Brightbridge Capital - NMTC
- Liza Soydan, Chestnut Funds – OZ and Development Fund
- Chris Leutzinger, Truist Bank
- Grady Vanderhoofven, Three Roots Capital

3:15-3:45 Guest Public Funding Panel

- Brooxie Carlton, TNECD and Community development Block Grants
- Paula Middlebrooks, TN Department of Environmental Conservation

3:45-4:00 Q&A and Closing

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 Chat or 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*

All Appalachian counties in TN are eligible

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



U.S. ECONOMIC DEVELOPMENT ADMINISTRATION



OSDC



VIRGINIA COALFIELD ECONOMIC
DEVELOPMENT AUTHORITY



Investors

CDFI and Other Investor Partners



Partner
Community
Capital™



Virginia Community Capital
Let's do more, together.



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Strength in Numbers



Invest
APPALACHIA

Bank Investors



Huntington



WOODFOREST®
NATIONAL BANK



PNC



REGIONS

Opportunity Zone Investors



Enterprise™



Catalyst

Opportunity Zone Impact Fund

LLSC



Chestnut
Funds



PNC

ARCTARIS
IMPACT INVESTORS

RENAISSANCE EQUITY PARTNERS



BOULOS
CAPITAL MANAGEMENT



THE PEARL FUND
A QUALIFIED OPPORTUNITY ZONE+VENTURE FUND



COMMUNITY CAPITAL
MANAGEMENT

New Markets Tax Credits Investors

The

INNOVATEFUND

Transforming Communities



People inc.

Building Futures
Realizing Dreams™



CEI Capital



Pathway
Lending

Financing Businesses. Strengthening Communities.



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:

Tennessee	Stacey Swiger-Patterson University of Tennessee Vice President for Research, Outreach and Economic Development vpresearch@Tennessee.edu
Ohio	Katy Farber Vice President OhioSE katy@ohiose.com
Virginia	Vickie Ratliff Opportunity SWVA Project Lead University of Virginia at Wise vr9a@uvawise.edu
North Carolina	Steve Lockett Program Manager Mountain BizWorks steve@mountainbizworks.org
West Virginia	Ray Moeller Northern WV Brownfields Assistance Center raymond.moeller@mail.wvu.edu

For Application & More Information

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