

APPALACHIAN COMMUNITY CAPITAL

IN PARTNERSHIP WITH PROGRAM SPONSORS



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

Project Sponsor: Switchback Properties, Chauncey, OH

Project Name: RowHammer Brewing Company (Project Summary provided in Attachment B.)

Release Date: June 10, 2022
Proposal Due Date: July 8, 2022
Selection Date: July 15, 2022
Contract Period: July 15, 2022 – February 28, 2023 (or later)

REQUEST FOR PROPOSALS

Technical Assistance for Opportunity Appalachia Projects

I. Overview of Request for Proposals

Appalachian Community Capital (ACC) seeks contractual support for specified Technical Assistance for real estate project development.

The Technical Assistance contractor will report to the Program Manager of Opportunity Appalachia. The requested Scope of Services is noted in Attachment A, and may involve:

- Architectural and engineering,
- Market research/demand assessment,
- Development of investment prospectus, preparation of pro forma financial projections, structuring of projecting financing,
- Feasibility assessment,
- Identification of project developers and/or business operators,
- Investor outreach for project finance/investment,
- And other types of support.

Entities interested in providing Technical Assistance must complete the Request for Qualifications RFQ, as noted on the [Opportunity Appalachia](#) webpage and found [here](#). Proposals will be evaluated on contractors' qualifications (per the RFQ), expertise, track record, Scope of Work, budget/timeline, and other project requests.

II. 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 investment to rural and downtown communities. Investment priorities include projects focusing on downtown development, manufacturing, IT, healthcare, education, food systems, clean energy, heritage tourism, and recreation.

The program recently announced selection of 34 projects to participate in the program to bring jobs, business support, and investment to Central Appalachia. The selected projects propose to create over 1,600 permanent and 190 construction jobs and attract over \$177M in financing to develop textile manufacturing facilities; downtown development; community centers; health, wellness, and childcare centers; food and agricultural facilities; hotels; and retail enterprises in downtown and rural areas across Central Appalachia.

These proposed projects are signals of the growing investment potential in our rural and downtown communities in Central Appalachia. Opportunity Appalachia will work closely with private investors, banks, Community Development Financial Institutions, New Markets Tax Credits investors, Historic Tax Credit Investors, and Federal agencies to highlight participating communities and access financing for transactions.

Once project technical assistance is completed, a highly visible Investor Convening event will be held in early 2023 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.

The program is supported by the Appalachian Regional Commission, the US Department of Treasury CDFI Fund, Truist, Goldman Sachs, and the Dogwood Health Trust.

III. 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.

Target geography

Central Appalachia – North Carolina, Ohio, Tennessee, Virginia, West Virginia



IV. Project Timeline

It is anticipated that the contractor will be selected by July 15, 2022 for an estimated contract start date of July 15, 2022 through February 28, 2023.

V. Instructions to Submit a Proposal

Contractors seeking to provide the full suite of TA services should submit the items listed below. It is expected that one proposal should include all requested services, which may mean that multiple entities are providing services, with one identified lead contractor.

- 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 \$25,000. Payment Schedule to be based on deliverables / outcome milestones.
- Timeline for Scope of Work, with deliverable milestones.
- Biography/resume for all staff noted in proposal (or provided in RFQ response).
- 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 response).

Please submit responses via email in one pdf attachment by Proposal Due Date to Kathryn Coulter Rhodes oa@acc1.org.

VI. Proposal Evaluation

ACC will select contractors through a competitive process based on the following criteria.

- Qualifications (per those provided in the RFQ), expertise, track record, and staff bios.
- Scope of Work and Timeline
- Budget
- Requests from project sponsors

Attachment A

Requested Scope of Services

Project Sponsor: Switchback Properties

Project Name: RowHammer Brewing Company

Project Summary provided in Attachment B.

TA Requested

- Architectural design services and drawings
- Structural engineering assessment of the building and designs

Attachment B

Summary Information

Lead Contact: Brooke McDonough

Applicant Organization: Switchback Properties

Address: 35 Sycamore St. PO BOX 253, Chauncey, OH 45719

Phone: (419) 559-6210

Email: brooke.overberg@gmail.com

Community Information

1. Communities targeted by this application (municipality(ies), county(ies), and census tract(s):
Note: See Appendix I for a list of eligible counties.

Village of Chauncey, Athens County, OH, Census Tract 9734

2. Service area of applicant (note if different than above, or note same): same
3. Community Development Strategy(ies): The strategy for this project aligns with the Athens County Economic Development Council's (ACEDC) 2020 strategic plan, which emphasizes redevelopment of "urban" sites within the county to support jobs and investment. Support for these types of projects is particularly important in our smaller communities and economies, like the Village of Chauncey, that have experienced disinvestment and the "brain drain" phenomenon following coal mine plant closures. The Village of Chauncey is working to revitalize its economy as a trail town to support the increased tourism generated at the Baileys Trail System, the main trailhead for which is located at the Village's park. An economic impact report conducted by Ohio University studied the trail system from July 1, 2020 to June 30, 2021, and found that town visitors to the trail system had a direct economic impact of \$5.3 million with \$3.6 million specifically related to trail tourism. During this period, an estimated 55,665 visits were made to the Baileys Trail System. This is with less than a quarter of the trails completed. Once the full 88 miles are built, it is estimated to attract 180,000 visitors annually. To prepare for the economic activities generated by the Baileys, Chauncey has been utilizing the Athens County Land Bank to demolish and remediate blighted properties in the Village. Chauncey school building owners Brooke and Austin McDonough also worked with the Athens County Port Authority to secure funding from the Ohio Department Of Development Brownfields Remediation program for environmental site assessments for the buildings. They are in the process of submitting for cleanup/remediation in the program's second round. Additionally, Chauncey has been making significant infrastructure improvements and is currently developing a zoning code to help preserve residential areas and designate spaces for business development in the high traffic areas.

Project Information

4. Proposed Projects (list up to 3):
 - I. **Name of Project, address:** RowHammer Brewing Company, 35 Sycamore St., Chauncey, OH 45719
 - **Size in Sq Ft.:** 7,546
 - **Total anticipated financing need \$:** 550,000-800,000
 - **Financing identified/anticipated, list source and dollar amount or note 'None':**
Construction loan (local bank): Amount TBD. Awaiting final architectural drawings and construction quotes ODOD Brownfields Remediation: \$7,101 for ESAs; cleanup amount TBD. Waiting for

estimated Personal funds - Owners have invested \$160,000. Plan to invest at least \$100,000 more of personal funds.

- **Project description (include url link if available):**

The former Chauncey School Gymnasium will be restored and converted into a brewery, restaurant and event space. When completed, the restaurant will accommodate 100 people and include a drive through and brewery production (canning, growler fill station, yeast cultivation, etc.). Private event space will include catering and a stage for live entertainment. Renovations will ensure the historical integrity of the building and preserve original gym floors, stage, windows, facade, and brick access road.

- **Community Impact (quantify / provide estimates):**

This project will utilize the local workforce. The intention is to eventually offer employees a health insurance package and 401k. All employees will be paid a living wage (minimum of \$15/hour). The restaurant will aim to be a completely self-sustaining farm-to-table establishment with a commitment to sustainability and minimal waste.

After the last mine in Chauncey closed in the 1960's, the community's identity changed to a bedroom community to the nearby, larger City of Athens. With the Baileys Trail System generating economic activity in the Village again, Chauncey is now working to develop itself as a trail town and projects like Switchback Properties and Rowhammer Brewing Company are critical parts of that revitalization effort. It will display that there are significant, current investments in Chauncey which will encourage additional economic opportunities and jobs.

- **Name(s) of project sponsors, developer, and/or business owner, if identified:**

Owners: Brooke and Austin McDonough

Restaurant partners: Angela Straw and Martin Barnier

Architect: Richard Schultz

- **Technical Assistance Needed:** Architectural drawings & structural engineer assessment and drawings.

- **Describe the connection to other proposed projects listed on this form (if applicable):** N/A

5. **Clean Energy Focus:** Sustainability and clean energy are very important to the owners and will be considered for each step of the project. The brewing machinery and equipment will be energy efficient. Proper insulation will be added to improve energy efficiencies, and the feasibility of solar panels/solar power is currently being explored. The restaurant will implement a self-sustaining farm to table approach for produce and meat.
6. **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 role and capacity for completing or overseeing project activities: Brooke McDonough has been living in Athens County since 2007. She attended undergraduate and graduate school in the area and has now made Athens County her home with her husband, Austin, and their three children. She has worked both in the medical and real estate fields. She has both a strong understanding of real estate development and The community has been very supportive of this project. People who attended the school often share photos of the original school

building that will help with restoration efforts. The Chauncey Village Council has supported the project by helping connect Brooke & Austin with funding sources and local investors/partners. The community understands the need for the types of accommodations this project offers as it continues to support sustainable economic development that both spur tourism while providing job opportunities for existing residents - many of whom are underemployed. Brooke and Austin McDonough will oversee the project from start to finish. Currently they are self-funding the deconstructing the buildings to their original structure. Once the capital stack is completed, a general contractor will be hired to oversee the labor in order to complete the project in a timely fashion.