

# APPALACHIAN COMMUNITY CAPITAL

IN PARTNERSHIP WITH PROGRAM SPONSORS



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

**Project Sponsor:** Jefferson County Port Authority, Steubenville, OH

**Project Name:** Exchange Realty Building Redevelopment (Project Summary provided in Attachment B.)

**Release Date:** June 23, 2022  
**Proposal Due Date:** July 21, 2022  
**Selection Date:** July 28, 2022  
**Contract Period:** July 28, 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 a 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 based upon the 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 28, 2022 for an estimated contract start date of July 28, 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 \$75,000. 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](mailto: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:** Jefferson County Port Authority

**Project Name:** Exchange Realty Building Redevelopment

Project Summary provided in Attachment B.

## TA Requested

Phase I

- Market research/demand assessment to define the optimal mixed use of the building, including housing, retail, and restaurant uses.
- Engineering and Environmental Assessment, preliminary architectural. Note: asbestos abatement proposals in hand.
- Development of financing models, including capital structure and identification of financial incentives.

Upon evaluation of the above deliverables, Phase II items may be needed, to include:

- Development of Prospectus.
- Developer solicitation and selection. Expertise in historic buildings and housing development preferred. Assistance with the contracting/legal structuring of the developer relationship.

## Attachment B

### Summary Information

**Lead Contact:** Robert Naylor

**Applicant Organization:** Jefferson County Port Authority

**Address:** 500 Market Street, First Floor, Suite 3, Steubenville, Ohio 43952

**Phone:** (740) 283-2476

**Email:** rnaylor@jcport.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.

The community targeted by this application is the City of Steubenville, the county seat of Jefferson County, Ohio. The 2020 Census reports Steubenville's population as 18,161 which accounts for almost 28% of Jefferson County's total population of 65,249. The subject property is the Exchange Realty Building located at 426-430 Market Street, Steubenville, Jefferson County Ohio in the City's Commercial Historic Business District in Census Tract 39081000200.

Local officials and residents are of the opinion the Exchange Realty Building represents one of the most impactful development opportunities in the City's Commercial Historic Business District. Location maps and current building photographs may be viewed by clicking <https://bit.ly/37Ra2QP>.

Records indicate the Exchange Realty Building was originally constructed as a bank in the mid to late 1880s given its proximity to the Ohio River approximately 0.3 miles from the burgeoning steel and coal industries which rose to prominence in Jefferson County in the late 19th and early 20th centuries. The Jefferson County Auditor's records indicate the Exchange Realty Building was built in 1906. A historic photograph of the Exchange Realty Building around 1906 may be viewed by clicking <https://bit.ly/3M5EbKL>.

For fiscal year 2022, Jefferson County is designated as an at-risk county with 6 distressed areas. PolicyMap reports Census Tract 39081000200 as a Persistent Poverty Tract as of 2014. Census Tract 39081000200 is further identified as NMTC Qualified, Severely Distressed. Moreover, Jefferson County, Ohio is identified as a high dependence, high impact, and high risk Coal Impacted Community.

The Jefferson County Port Authority (Port Authority), the county's lead economic development entity, secured a Prepared Communities Program grant sponsored by OhioSE. The technical assistance grant developed an action plan for economic development. The action plan identified the redevelopment of Downtown Steubenville as a top priority. Located 40 miles east of Pittsburgh, PA and 25 miles east of the Pittsburgh International Airport via 4-lane US 22, Steubenville is poised to become a regional tourist destination hub with new residential options and a home to local entrepreneurs and businesses seeking to relocate. This opportunity will provide Jefferson County with a more diverse source of jobs for a citizenry overly reliant on steel and coal for the last 100+ years.

2. Service area of applicant (note if different than above, or note same): Jefferson County, Ohio

3. Community Development Strategy(ies):

The Port Authority was formed in 2012 to drive investment in Jefferson County through targeted business retention and attraction. Over time, the revitalization of Downtown Steubenville

emerged as a priority strategy. In 2015, the Port Authority hosted, "Investing in the Ville," which attracted over 100 attendees to tour vacant city buildings and promote business creation in Steubenville. One attendee noted the event inspired him to purchase a building now home to a local coffee shop, "Leonardo's". As previously noted, in 2021, the Prepared Communities Program technical assistance grant confirmed the importance of redeveloping Steubenville. The City of Steubenville's Planning and Zoning Department provides comprehensive planning and building permitting services (one of only a few local building permitting offices in Appalachian Ohio) to help existing businesses, new businesses, and local entrepreneurs navigate the project development process. Recently, the City of Steubenville applied for a streetscape grant and formally reviewed the City's current Comprehensive Plan (July 2013). Key strategies identified in the Comprehensive Plan include: improving the City's image; developing riverfront properties; removing blight; and, promoting downtown business development. Tourism events sponsored by Historic Fort Steuben (Click on <https://bit.ly/3JJfaUe> to view the Historic Fort Steuben's full calendar of events) and the popular First Fridays sponsored by the Harmonium Project have sparked investment in Downtown Steubenville. (Click on <https://bit.ly/37UuYX7> to view the Harmonium Project's website). Most recently, an Ohio-West Virginia Ad Hoc Committee was formed to address connecting a 4.3 mile gap in the Panhandle trail between Weirton, WV and Steubenville and a 28.2 mile gap between Steubenville and Jewett, Ohio in Harrison County in the Great American Trail. The Port Authority has a seat on this regional committee. A natural consequence of bridging these two gaps in the Great American Trail would include riverfront development in downtown Steubenville and corresponding business development and job creation. Downtown Steubenville, however, remains plagued by a high vacancy rate and blight. Nonetheless, a renewed groundswell of enthusiasm and participation by local officials, stakeholders, and citizens to address these challenges exists to stimulate the downtown economy, create jobs, and improve the quality of life in Steubenville.

## Project Information

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

#### I. **Name of Project, address:**

Exchange Realty Building Redevelopment, 426-430 Market St., Steubenville, OH 43952

- **Size in Sq Ft.:** 47,000
- **Total anticipated financing need \$:** 10,000,000
- **Financing identified/anticipated, list source and dollar amount or note 'None':** Anticipated.
- **Project description (include url link if available):**  
 The Exchange Realty Building, owned by Yea-Yea, Inc., an Ohio corporation and its sole shareholder, local entrepreneur Ron Stillwagon, represents a significant and substantial opportunity to create market rate housing (e.g. loft apartments that align with Franciscan University of Steubenville's growth trajectory discussed below) or mixed use office and housing in Downtown Steubenville. The building's ground floor would house a mixed use of office/retail/restaurant. Click on the following link to review a Corporate Interest Letter provided by Yea-Yea, Inc. and Mr. Stillwagon in support of this project: <https://bit.ly/3KNg4jP>.  
 The Exchange Realty Building is constructed with cement floors and iron trusses on each floor. Inoperable elevators are located in the building. Due to the size of the building consisting of approximately 47,000 of gross exterior space, the presence of three separate entrances, and the cost to renovate, developers have shied away from engaging in redevelopment efforts.

Nevertheless, the Port Authority remains confident the Exchange Realty Building would be very attractive to the nation's major historic redevelopment firms, as Steubenville continues to exhibit incremental growth in the education and tourism sectors.

For this to occur, the Port Authority, working in partnership with Yea-Yea, Inc. and Mr. Stillwagon, needs technical assistance to tell the story. Such technical assistance would include engineering and architectural services, market research/demand assessment, feasibility assessment, development of investment prospectus, preparation of pro forma financial projections, structuring of project financing, and investor outreach. The requested technical assistance will enable the Port Authority to communicate the Exchange Realty Building's unique value proposition in a manner the community has not been able to accomplish in recent decades.

The preliminary construction vision is 15-20 loft apartments with ground level restaurants, coffee shops, retail and office that will seamlessly integrate with the recent resurgence of new business on Fourth Street since 2015 (1 block east of Exchange Realty Building) and compliment the County and City governmental complexes (2 blocks east of the Exchange Realty Building), near the Market Street Bridge (0.3 miles from the Exchange Realty Building). The Port Authority and its project partners look forward to engaging an architectural team to refine this integrated vision.

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

The Port Authority is focused on targeted redevelopment projects throughout the Commercial Historic Business District as well as the "South Third Street Corridor" in Downtown Steubenville which offer unique opportunities for both retail and light manufacturing land and building redevelopment work.

Due to the area's topography and the historic industrial development of the steel industry along the Ohio River, Jefferson County does not have many flat development sites which are often the home of new job-creating projects throughout the Midwest. If Jefferson County and Steubenville are to be successful in creating quality job opportunities, efforts must continue to work collaboratively to advance Downtown Steubenville's potential as a new residential and tourist hub thereby creating a demand for entrepreneurial activity as business leaders recognize new market potential. The Exchange Realty Building Development represents an exciting opportunity to create market-rate housing and ground floor retail to move the community beyond simply a vision of renewed downtown activity.

From a socioeconomic standpoint, the Port Authority and its partners are focused on strategies to improve our economy's wage-earning potential. Steubenville's 2020 poverty rate of 24.8% and median household income of \$37,457 lag the statewide 2020 levels of 12.6% and \$58,116 respectively and must change. Click on the following link for demographic information for Jefferson County: <https://bit.ly/3vzhzUNH>.

Additionally, a renewed focus on downtown and business creation will be even more important in 2023 as one of the county's two coal-fired power plants will permanently close, displacing well over 500 full-time direct and indirect employees. For more information click on <https://bit.ly/37Qt0Hg>.

The possibility of the Exchange Realty Building Redevelopment comes at a perfect time as Franciscan University of Steubenville is experiencing an impressive growth curve, nearing 3,000 on-campus students. Downtown housing is expected to become an attractive option to accommodate this growth. Impressive educational and athletic facility construction will take place as the University completes its \$75 million capital campaign. For more information copy and paste the following link to your browser: <https://bit.ly/3vkg3gP>.



- **Name(s) of project sponsors, developer, and/or business owner, if identified:**  
Jefferson County Port Authority, Yea-Yea, Inc., and Ronald D. Stillwagon
- **Technical Assistance Needed:**  
The technical assistance requested to advance Exchange Realty Building Redevelopment including, but not limited to:
  1. Engineering and architectural services.
  2. Development of investment prospectus, preparation of pro forma financial projections, and structuring of project financing.
  3. Feasibility assessment.
  4. Market research/demand assessment.
  5. Prospectus/Pro Forma documents that can be shared with prospective purchasers/developers that outline maintenance and utility costs along with a cash flow analysis based on market rental rates.
  6. Investor outreach for project finance/investment.

5. **Clean Energy Focus:** The Port Authority has engaged in preliminary discussions with Yea-Yea, Inc. and Mr. Stillwagon in connection with implementing renewable and energy-saving features into the building. The benefits of incorporating renewable and energy-saving features must be emphasized in any architectural and pro forma analysis.

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: The City of Steubenville is an important stakeholder of the Port Authority and since 2020 has provided \$40,000 per year to the Port Authority’s general fund. The City holds four Board appointments to the Port Authority's Board of Directors. The Port Authority has proven itself to be a sustainable and effective economic development organization. Since 2012, the organization has processed over \$1 million in capital investment grant dollars and has also been an active member in a three-county, two-state coalition (OH and WV) that has received \$3 million in USEPA Brownfield technical assistance for environmental assessments along the Ohio River corridor. The coalition further anticipates receiving another grant in 2022 for \$500,000. The Port Authority has collaborated on the following projects in Steubenville:

- 2018 - served as conduit for \$20 Million Bond Sale by Franciscan University of Steubenville to assist additional development in Franciscan Square.
- 2018-2021 - over two and a half year period worked with the City of Water Department and Sewer Department and OMEGA to secure: (i) an ARC grant of \$250,000 to fund a City sewer upgrade; (ii) an ARC grant of \$250,000 to defray the cost of the City’s valve replacement project; (iii) a US Army Corps of Engineers grant of \$925,000 for upgrades to the sewage plant; and, (iv) an ARC grant of \$250,000 for improvements to the West End Water System.
- 2019 - Port Authority introduced EGCC to the ARC Power Grant Program which resulted in a successful grant application for \$836,000 for the EGCC training center on Sunset Boulevard set for a ribbon cutting and grand opening on April 21, 2021.

- 2018-2021 - secured two grants totaling \$590,000 through the Ohio Department of Development's Abandoned Gas Station Program and a USEPA grant in the sum of \$75,584 to remove underground storage tanks on South Third Street to set the stage for transformative re- development plan for the South Third Street Corridor. In securing a grant of No Further Action from BUSTR, the project came in \$159,927.35 under budget.
- Cooperated with the City's Director of Planning and Zoning and the Jefferson County Land Bank to submit two grant applications for the Ohio Department of Development Brownfield Remediation Program and one grant application for a Ohio Department of Development Demolition and Site Revitalization Program.

The Port Authority is very prepared, and ready, to engage in the Opportunity Appalachia technical assistance program.