Opportunity Appalachia

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

Click here to view the recorded Webinar.
Passcode: 5xl5$%N$
## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Participants</th>
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<tbody>
<tr>
<td>1:00-1:20 PM</td>
<td>Welcome and Introductions</td>
<td>• Donna Gambrell, President &amp; CEO, Appalachian Community Capital</td>
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<td>• Commissioner Stuart McWhorter, Tennessee Dept. of Economic &amp; Community Development</td>
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<td>• Bryan Horn, Director of the Virginia Dept. of Housing and Community Development</td>
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<td>1:20-1:35</td>
<td>Overview of Opportunity Appalachia</td>
<td>• Thomas Watson, Rural Support Partners, OA Program Manager</td>
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<td>1:35-1:55</td>
<td>Examples of Past &amp; Current Projects</td>
<td>• Tygart Hotel in Elkins, WV with Dave Clark, Woodlands Development Group</td>
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<td>• Vaughan Furniture Building in Galax, VA with Craig Wilson, Planner AICP</td>
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<td>1:55-2:20</td>
<td>Investment Panel</td>
<td>• Grady Vanderhoofven, President &amp; CEO at Three Roots Capital</td>
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<td>• Stephen Dixon, Senior Vice President Community Development Officer at Bank of Tennessee</td>
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<td>• Liza Soydan, Chief Operating Officer at Chestnut Funds</td>
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<td>• Amir Kirkwood, President &amp; CEO at Virginia Community Capital</td>
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<td>• Moderated by Ray Daffner, OA Senior Advisor</td>
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<td>2:20-2:30</td>
<td>Q&amp;A and Closing</td>
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Preview: What’s Next

1. **Opportunity Appalachia Overview**
   - What, Who, History

2. **Opportunity Appalachia Deep Dive**
   - Application Details

3. **Real Examples: Past & Current Projects**
   - Videos, Project Sponsors

4. **Investment Panel**
   - What are lenders looking for?

5. **Q & A (2:30pm End Time)**

-------------------------Submit Questions in the Q&A-------------------------
What is Opportunity Appalachia?

A $3M+ 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
  - Complete pre-develop work & prepare for investment
- Raise over $400M of new investment for targeted communities
  - Investors Convening – Connecting with potential investors

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Purpose: Build strong and diverse local economies where local businesses thrive, quality jobs are created, and communities are supported
## Opportunity Appalachia: History to Present

### Phase I: 2020 - 2021
- **17 Projects Selected**
- **WV, OH, VA**

### Phase II: Round 1 - Spring of 2022
- **34 Projects Selected**
- **WV, OH, NC, TN, VA**

### Phase II: Round 2 - Fall of 2022 (Current)
- **6-8 Projects (Anticipated)**
- **TN & VA**

Opportunity Appalachia Steering Committee
Opportunity Appalachia is supported by funding from:
What Types of Projects Supported?

**Downtown or Rural Development Real Estate Projects**
- Supports broader community-identified plans or priorities
- Project is seeking investment / Will have the ability to repay loan

**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
Who Should Apply? (Types of Entities)

Organizations eligible to apply to participate include:

- For-profit developers and businesses
- Multi-county regions
- Counties
- Municipalities
- Community development organizations (e.g. Main Street)
- Other non-profit organizations
- Educational institutions
Who Should Apply? (Geographic Location)

All Appalachian counties in TN & VA are eligible EXCEPT Bath and Botetourt Counties in VA

Priority Communities include:

- ARC-designated Distressed areas and At-Risk areas
- Persistent Poverty Communities (defined as any community (county or census track) 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)
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 90+ Approved TA Providers
   - See Webpage for the approved list of TA providers
   - Request for Proposals launched to TA Provider list

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
Connecting with Investors

Dedicated Outreach by:
- Opportunity Appalachia
- TA teams

Investors Convening With:
- Project Representatives
- TA providers
- Investors
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 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
  - 1MM x 1% = $10,000 (is less than 50k TA support)
  - Generally, rolled in as part of their financial closing
Application Timeline

Information Opportunity
Appalachia Webpage

- **Apply**
  Through November 18th
- **TN & VA Informational Webinar**
  October 6th
- **Projects Selection Announced**
  January 3rd
- **Release RFPs**
  January-February 2023
- **Receive TA**
  March – November 2023
Submission Deadline & Project Selection

- Application is currently open
  - **Online submission on Opportunity Appalachia website:**

- **November 18, 5pm EDT** – Application submission deadline.
- **January 3rd** – Selected OA projects announced.
For more information, please contact the lead partner in your state:

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<th>State</th>
<th>Name</th>
<th>Title</th>
<th>Institution</th>
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<tr>
<td>Tennessee</td>
<td>Victoria Hirschberg</td>
<td>Assistant Vice President for Research, Outreach and Economic Development</td>
<td>University of Tennessee</td>
<td><a href="mailto:victoria@Tennessee.edu">victoria@Tennessee.edu</a></td>
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<tr>
<td>Virginia</td>
<td>Vickie Ratliff</td>
<td>Opportunity Appalachia Project Manager</td>
<td>University of Virginia at Wise</td>
<td><a href="mailto:vratliff@uvawise.edu">vratliff@uvawise.edu</a></td>
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For Application & More Information

Examples of Past & Current Projects

Tygart Hotel in Elkins, WV with Dave Clark, Woodlands Development Group

Vaughan Furniture Building in Galax, VA with Craig Wilson, Planner AICP
Spring Round TN & VA Projects

Four Tennessee Projects

- $260k in TA
- $24.8 M in anticipated investment
- 170 Jobs

Three Virginia Projects

- $150k in TA
- $4.2 M in anticipated investment
- 60 Jobs
Virginia Projects

Blue Mountain Therapy Expansion
Blue Mountain Therapy
Abingdon, VA

MECC Outdoor Amphitheater
MECC Foundation
Big Stone Gap, VA

Whistle Pig Farmers Market & Country Store
Whistle Pig Country Store
Ewing, VA
Investment Panelists

- Amir Kirkwood, President & CEO at Virginia Community Capital
- Stephen Dixon, Senior Vice President Community Development Officer at Bank of Tennessee
- Liza Soydan, Chief Operating Officer at Chestnut Funds
- Grady Vanderhoofven, President & CEO at Three Roots Capital

Ray Daffner, Opportunity Appalachia Senior Advisor, to Moderate