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mountainbizworks.org

Opportunity Appalachia in North Carolina: Program Launch Webinar

February 16th, 2022

NC Launch of Opportunity Appalachia

Program Sponsors:



Event Sponsors:



TIME	AGENDA ITEM
15 MIN	Welcome & Introductions <ul style="list-style-type: none"> ▪ Matt Raker, Executive Director, Mountain BizWorks ▪ Steve Lockett, Program Manager, Opportunity Appalachia, Mountain BizWorks ▪ Jordan Whichard, Chief Deputy Secretary, NC Commerce open / welcome ▪ Donna Gambrell, CEO, Appalachian Community Capital
15 MIN	Overview of Opportunity Appalachia from Rural Support Partners <ul style="list-style-type: none"> ▪ Kathryn Coulter Rhodes, Director of Organizational Consulting, Rural Support Partners ▪ Types of projects sought & TA to be provided to participants ▪ Timeline, deadlines
15 MIN	Examples of Project from OA First Round – Hotel Swisher, Somerset, OH <ul style="list-style-type: none"> ▪ Michelle Robinson, Hotel Swisher ▪ Project Discussion and Best Practices
15-20 MIN	Panel on Opportunity Appalachia Impact on Western North Carolina <ul style="list-style-type: none"> ▪ Sarah Thompson, VP of Impact – Economic Opportunity, Dogwood Health Trust ▪ Josh Carpenter, Western Region Manager, Economic Development Partnership of North Carolina ▪ Stephanie Swepson-Twitty, Eagle Market Streets Development Corporation & Catawba Vale Collective ▪ Emma Wyatt, Program Manager, The Innovate Fund ▪ Wilson Lester, Founding Partner, Partners In Equity
15-20 MIN	Question & Answer Discussion <ul style="list-style-type: none"> ▪ Large group discussion, questions by Chat function ▪ To be facilitated by Opportunity Appalachia and MBW
5 MIN	Wrap Up <ul style="list-style-type: none"> ▪ Steve Lockett Wrap up & Next Steps ▪ Provide contact information

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**

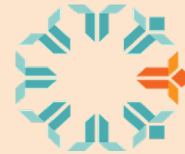
Opportunity Appalachia Steering Committee



**Ohio
Southeast**
ECONOMIC DEVELOPMENT



THE UNIVERSITY OF
TENNESSEE
SYSTEM



**OPPORTUNITY
SWVA**

**mountain
bizworks** 



Opportunity Appalachia is supported by funding from:



Appalachian
Regional
Commission

Goldman
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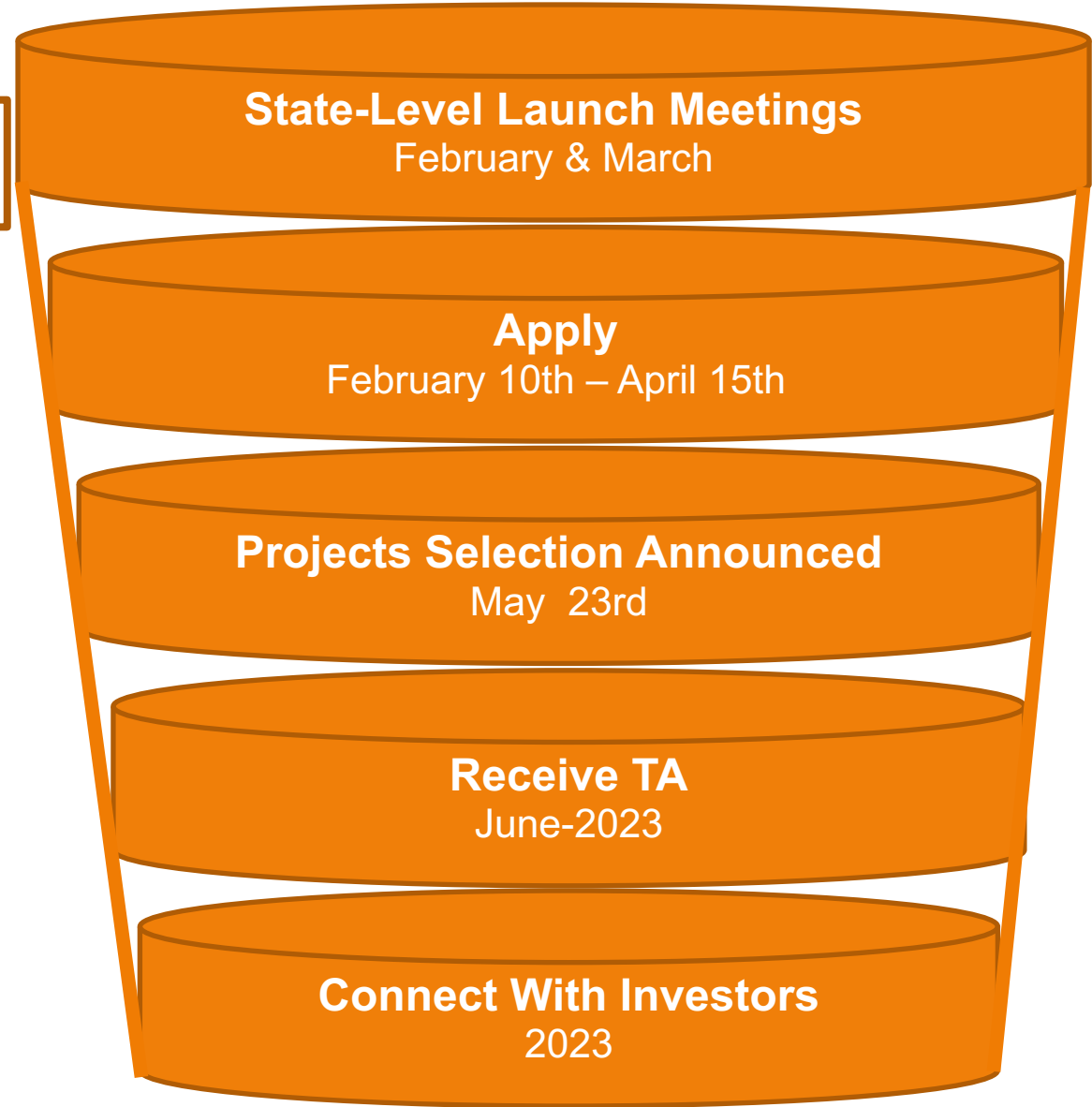
TRUIST 



DOGWOOD
HEALTH TRUST

General Timeline

Information
Opportunity
Appalachia
Webpage



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 counties in WNC 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



ECONOMIC DEVELOPMENT AUTHORITY

Investors

CDFI and Other Investor Partners



Bank Investors



Opportunity Zone Investors



RENAISSANCE EQUITY PARTNERS



New Markets Tax Credits Investors



CEI Capital



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 sspatter@utk.edu
Ohio	Katy Farber Vice President OhioSE katy@ohiose.com
Virginia	Courtney Conner-Stringer Director of Community & Business Development University of Virginia at Wise cstringer@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/>

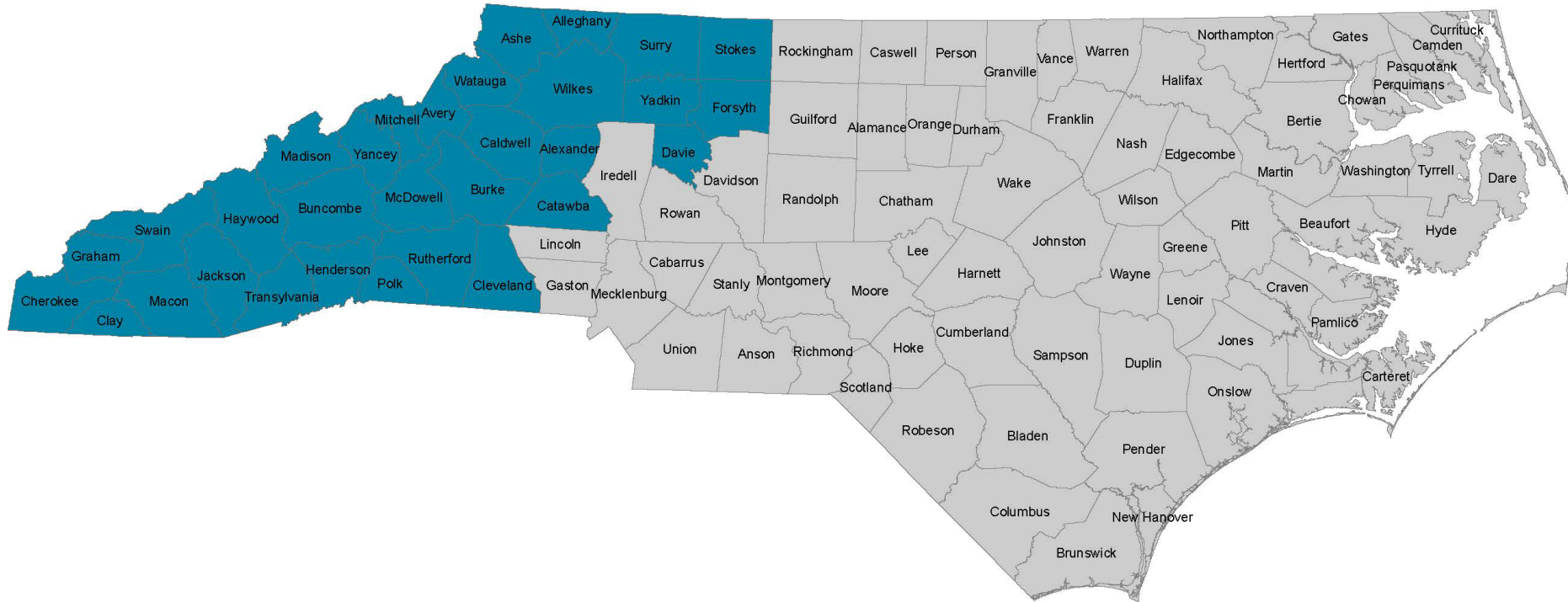
Timeline

- **Now through early April 2022:** MBW provides project and application assistance to WNC participants
- **April 15th, 2022:** Applications Due
- **May 23rd, 2022:** Project Selection Announcement



Project Considerations

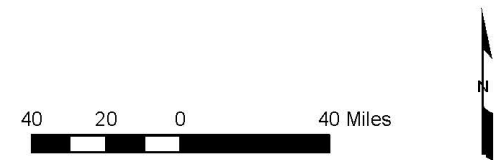
- Is it eligible?
- Who is project lead?
- Does it have community engagement and impact?
- Is it investable?
- What Technical Assistance is needed to close resource gap(s)?
- **Fill out a Project Interest Form**

North Carolina Appalachian Regional Commission: ARC Counties



Legend

-  NC ARC Region
-  Non-ARC Counties



Contact Information

- Steve Lockett, OA Project Manager
- www.mountainbizworks.org/opportunity-appalachia/
- steve@mountainbizworks.org
- 828-260-8108