



**APPALACHIAN**  
COMMUNITY CAPITAL

IN PARTNERSHIP WITH PROGRAM SPONSORS



Coastal Enterprises



**Ohio  
Southeast**  
ECONOMIC DEVELOPMENT



**OPPORTUNITY  
SWVA**



THE UNIVERSITY OF  
**TENNESSEE**  
SYSTEM



**fahe**  
Strength in Numbers

**mountain  
bizworks**

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

**Project Sponsor:** City of Portsmouth, OH

**Project Name:** Chillicothe Street Housing Development (Project Summary provided in Attachment B.)

**Release Date:** June 13, 2024

**Proposal Due Date:** July 11, 2024

**Selection Date:** July 26, 2024

**Contract Period:** July 26, 2024 – February 28, 2025 (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](#) TA provider webpage. 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 8 projects to participate in the program to bring jobs, business support, and investment to Central Appalachia. The selected projects propose to create over 280 jobs and attract over \$27M in financing to develop and expand food business hubs; outdoor recreation; childcare centers; regional airport facilities; and hotels; in downtown and rural areas across East Tennessee and Southwest Virginia.

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.

As project technical assistance is completed, investor connections will be made between projects and 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, Dogwood Health Trust, Claude Worthington Benedum Foundation, US Bank, and M&T Bank.

### 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 – Kentucky, North Carolina, Ohio, Tennessee, Virginia, West Virginia



### IV. Project Timeline

It is anticipated that the contractor will be selected by July 26, 2024 for an estimated contract start date of July 26, 2024 through February 28, 2024.

## 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 \$65,000**. Payment Schedule to be based on deliverables / outcome milestones.
  - *Please note:* to reduce administrative burdens and management costs, OA requires a maximum of 3 invoices per contract (the first may be a retainer/deposit totaling no more than ~20% of the contracted amount. Payments are made based upon satisfactory completion of deliverables and approval by the project sponsor.
- 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 with anticipated deliverable and associated invoicing schedule
- Requests from project sponsors

# Attachment A

Requested Scope of Services

**Project Sponsor:** City of Portsmouth

**Project Name:** Chillicothe Street Housing Development

**Project Description:** Rehabilitation of two centrally located downtown buildings to mixed-use structures with at least five apartments on the upper floors. Total costs estimated at \$1.5 MM and creation of 10 construction jobs.

Full project summary provided in Attachment B.

## TA Requested

- Structural assessment and conceptual architectural sketches with cost estimation
- Financial proforma development to include likely sources and uses for the project
- Developer solicitation and assistance with proposal consideration and developer selection

## Additional Notes

- The City of Portsmouth already has a completed housing study indicating the housing shortage.
- Buildings have experienced some water damage from a leaking roof

# Attachment B

## Summary Information

**Lead Contact:** Tracy Shearer

**Applicant Organization:** City of Portsmouth

**Address:** 728 Second St, Portsmouth, OH 45662

**Phone:** (740) 354-5673 (O); (937) 217-4933 (M)

**Email:** [tshearer@portsmouthoh.org](mailto:tshearer@portsmouthoh.org)

## Community Information

**1. Communities targeted by this application (municipality(ies), county(ies), and census tract(s)):**

Census tract 39145003600

Scioto County

City of Portsmouth

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

Same

**3. Community Development Strategy(ies):**

This project aligns with downtown development, specifically targeting the city's current housing crisis which is outlined in our comprehensive housing market analysis, "Redeveloping in the Comeback City." The need for more housing options are noted several times in "Elevate Portsmouth," the city's 2020 downtown master plan. Both studies involved extensive public engagement and gathered community input from residents and stakeholders throughout Scioto County.

Affordable housing enhances economic development, and contributes to community stability; the absence of which can lead to negative impacts on residents, employers, and the community at large. Drastic decreases or increases in the overall population can severely impact a community's housing market. From 2000 to 2019, the City of Portsmouth saw a slight reduction in population, consistent with a longstanding, downward trend in population growth since 1934. Residents at or below the federal poverty level have also increased over time. According to 2019 ACS estimates, 30.0% of families in the city were living in poverty in 2019, compared to 24.1% in 2010 and 23.6% in 2000. In 2017, CHAS estimated that a total of 2,070 rental households were cost-burdened in the City of Portsmouth. This number represented close to 47% of all rental households in the city. The renters who were severely cost-burdened (paying more than 50% of their income on housing) were estimated to be 1,295 (29.2%) of rental households. Over 50% of the housing stock in the City of Portsmouth was built before 1950, and 96% of housing stock was built before 1990. According to 2017 CHAS estimates, for all residents, regardless of income, 85 renter households and 45 owner households were living in a household that lacked complete kitchen or plumbing facilities.

The City of Portsmouth now has the opportunity to make transformational change in Downtown Portsmouth by converting two abandoned buildings to mixed-use/mixed-income housing. The two adjacent buildings are located on Chillicothe Street (U.S. 23), are within the City's Arts, Culture and Innovation District, and within an Opportunity Zone, Downtown Redevelopment District, and Community Reinvestment Area. This prime and appealing location will attract the interest of developers with the assistance of this grant opportunity.

Project Information

4. Proposed Projects (list up to 3):

I. **Name of Project, address:** Chillicothe Street Housing Development

802 Chillicothe Street Portsmouth, Ohio 45662

- **Size in Sq Ft.:** 2,990 sq. ft.
- **Total anticipated Project Cost \$:** Unknown
- **Financing identified/anticipated, list source and dollar amount or note 'None':** None
- **Project description:** <https://oh-scioto-auditor.publicaccessnow.com/PropertyInfo.aspx?mpropertynumber=30-1482.000&mtab=property&p=30-1482.000>

Both properties within this application for assistance are currently owned by the Kroger Company, who have recently contacted the City of Portsmouth requesting to donate them. Knowing our current housing crisis, this became the perfect opportunity for the City of Portsmouth and the Kroger Company to convert two vacant, dilapidated buildings into at least five new housing units and potentially 2 small business opportunities. The City of Portsmouth does not have the capacity to restore and manage future properties, but would like the technical assistance offered within this grant program to partner with a housing developer to create new and much needed housing along this prime corridor of its downtown, as well as creating economic growth and spending to nearby businesses.

These properties are within feet of Kroger grocery and a few blocks from Shawnee State University. There are multiple restaurants, coffee shops, stores and other small businesses along Chillicothe Street making this property an attractive place to live.

- **Community Impact (quantify / provide estimates):** This project will create downtown revitalization, attracting more visitors to the City of Portsmouth and our downtown businesses. It will attract new residents to live and work in the City, as well as the addition of a more knowledgeable and reliable workforce for Portsmouth businesses. With the creation of downtown housing, more Shawnee State University graduates would be more likely to live and work in Portsmouth, rather than relocating to other cities with more housing options.

The project properties are currently vacant and distressed, this rehabilitation will strengthen neighboring properties and likewise boost their property values as well.

- **Name(s) of project sponsors, developer, and/or business owner, if identified:**  
The City of Portsmouth (project sponsor)  
The Kroger Co. (owner, willing to donate buildings)
- **Technical Assistance Needed (refer to Attachment A, page 5, for TA requested in this RFP):**  
Developer identification and architectural services will be needed in order to promote and make this project successful.

II. **Name of Project 2, address:** Chillicothe Street Housing Development

804 Chillicothe Street Portsmouth, Ohio 45662

- **Size in Sq Ft.:** 3,105 sq. ft
- **Total anticipated Project Cost \$:** Unknown

- **Financing identified/anticipated, list source and dollar amount or note 'None':** None
- **Project description:** <https://oh-scioto-auditor.publicaccessnow.com/Propertyinfo.aspx?mpropertynumber=30-0184.000&p=30-0184.000>  
The construction and use of decent housing affects economic development through its impact on employment, savings, investment, and labor productivity. Since the 1970s, housing has increasingly come to be seen as a contributor to growth, not only because house building is a major employer with large multiplier effects but also because housing is seen to have social consequences with diverse economic effects. Housing plays a critical role in economic opportunity for individual workers and their families, affecting current and future workers, employers, communities, and regional markets.

Access to affordable housing allows businesses to have access to a reliable workforce which is critical to the financial success of any business. Additionally, housing affordability at all income levels can support a talent attraction strategy. Mixed-income developments reduce poverty concentration and allow for more opportunities for community diversity. Without a clear strategy on housing costs, lower-income households often wind up in underfunded areas. Mixed-income housing allows everyone to benefit from neighborhood resources and amenities and offers more opportunities for economic mobility. New developments are usually in underutilized areas that may be blighted or low density. Building new housing, especially in mixed-use, mixed-income developments, increases the value of the property and the tax base of the community. This in turn can allow for more investment in the community. Affordable housing at all income levels means that residents have more disposable income which can be spent on local businesses and services. This means more money flowing through the community and in turn more business tax revenue for the community.

This project will create three housing units in the downtown corridor of Portsmouth, Ohio, with the option for a potential business opportunity with the ground floor storefront. With support from the Opportunity Appalachia grant program Portsmouth can build public-private partnerships, creating a more vibrant downtown, increasing nearby property values, increase visitor spending in downtown shopping and eateries and providing additional safe and healthy affordable housing for current and future residents.

- **Community Impact (quantify / provide estimates):** Greater tax generation, creation of jobs, opportunities for economic development, increased job retention and productivity, and the ability to address inequality — all are among the economic benefits of increased access to quality, affordable housing. Home affordability is an economic issue.

The pre-development stage creates jobs in architecture, real estate, engineering, market analysis, and environmental and legal services. The construction of housing produces employment in the building trades, material suppliers, real estate, attorneys and lenders. Post construction, there are full-time jobs created in property management and maintenance in addition to a cadre of employment within the local business community that is needed to support the developments and the residents. These include local shops, plumbers, electricians, food services, utilities, pharmacies and more.

The development of quality affordable housing has a direct benefit and creates opportunities within distressed communities. People who live close to work are more likely to be on time and participate in the civic associations and other activities within their home communities such as town, village and school boards. Stable and safe places to live are created. Housing security



increases individual health, education, and employment outcomes. Affordable housing allows for greater independence and reduces the costs associated with supportive services, such as public safety, evictions, and emergency room visits.

Our current housing cost burden creates an economic strain on local small business and stifles their ability to expand and in some cases – to simply remain open. The higher the housing costs are – the less “disposable income” is available for other purchases of goods and services. Residents that pay less for housing can afford to spend more on other necessities, including groceries, clothing and health care, which creates a benefit for the small business owner in their home neighborhood. Residents can also afford to save more for emergencies or for major purchases such as a home, a car or for an education.

Housing affordability increases the availability and reliability of workers for local businesses, which reduces the overall costs of business. Employers have less turnover and fewer costs related to hiring and training new staff. In today’s economy where competition for workers is so intense, access to affordable housing in close proximity to one’s place of work is essential.

- **Name(s) of project sponsors, developer, and/or business owner, if identified:**  
The City of Portsmouth (project sponsor)  
The Kroger Co. (willing to donate building)
- **Technical Assistance Needed (refer to Attachment A, page 5, for TA requested in this RFP):**  
Developer identification and architectural services will be needed in order to promote and make this project successful.

5. **Clean Energy Focus:** Since both properties will require extensive design elements to create mixed income housing units, clean energy priorities such as passive house design, and enterprise green community certifications (meaning these communities have completed standards for healthy, efficient, and environmentally responsible homes for residents) could be readily obtained to provide safe and healthy housing with a reduced carbon footprint.
6. **Applicant Capacity:** The City of Portsmouth (applicant) has participated in several studies including a Housing Market Analysis, and a Downtown Master Plan, which involved community input and engagement from residents and stakeholders throughout Scioto County.