

Opportunity Zone Investment Profile



S & K Holdings, Inc.

Location: **Pittsburgh, PA**

Congressional District: **PA-12th**

Opportunity Fund Name: **Arctaris Southwestern Pennsylvania Opportunity Zone Program**

Opportunity Fund Manager: **Arctaris Impact Investors**

Investment Date: **Q3 2021**

Project Details: **Investment in Certified Minority Enterprise Business**

Minority-owned Healthcare Firm Expands Workforce, Geographic Coverage

In 2021, [Arctaris Impact Investors](#) (Arctaris) announced that [S&K Holdings, Inc.](#) (S&K) — a Certified Minority Enterprise Business focused on providing personal healthcare services for the disabled and elderly — would receive the first investment through the [Arctaris Southwestern Pennsylvania Opportunity Zone Program](#). S&K, the owner of Family Choice Healthcare, primarily serves low-income seniors who are often living alone or with a partner who may also need assistance. Steve and Kym Taylor founded S&K and Family Choice Healthcare in 1996, and have grown their firm from a small start-up to an established mid-sized company over the past two decades.

Arctaris' investment has allowed S&K to expand its footprint in Pittsburgh's Allegheny County and Altoona's Blair County. S&K will establish a regional office in the Hill District of Pittsburgh, a move that is expected to create more than 50 jobs each year for local residents. Pittsburgh's Hill District is emblematic of the uneven economic growth that has occurred in cities across the nation in recent decades. While the city of Pittsburgh has benefited from reinvestment and revitalization efforts, certain pockets, like the Hill District, have remained overlooked.

S&K will utilize its Opportunity Zones (OZ) investment to expand its workforce and geographic presence, strengthening its ability to provide quality care to low-income seniors and disabled residents living in underserved communities. S&K provides excellent career opportunities for its 950 employees, many of whom are from the same communities as the clients they serve.

Projected Impact

Full-time jobs created:	50 annually
Supplier diversity:	40% of spending on minority individuals
Management diversity:	100% BIPOC senior management

Community Stats

	Census Tract 103:	Pittsburgh MSA:
Median Family Income:	\$23,272	\$80,995
Poverty Rate:	40.2%	11.2%
Adults Not Working:	90.2%	18.7%
Minority Population:	41.0%	14.6%
Bachelor's Degree or Higher:	12.8%	34.9%
Housing Vacancy:	32.9%	9.5%

“

“In economically uncertain times, it's important to invest in and create jobs in vulnerable communities. We are committed to doing that. We continue to look at expansion and job creation opportunities in Pittsburgh and Erie, Pennsylvania as well as other cities in the mid-Atlantic.”

– Steve Taylor, Founding President & CEO, S&K Holdings, Inc.

”

Opportunity Zone Investment Profile

About the Investment

The Arctaris Southwestern Pennsylvania Opportunity Zone Program is a partnership between Arctaris and the [Richard King Mellon Foundation](#). The Richard King Mellon Foundation invested \$4 million in catalytic seed capital that enabled Arctaris to attract additional investment in the program, which is now capitalized at \$20 million. Investments deployed through the program will support economic development, workforce training, and sustainable job creation in 72 OZs within Pennsylvania's Allegheny and Westmoreland counties.

The Impact of Opportunity Zone Financing

The OZ investment allowed the minority-owned firm to expand its workforce and geographic presence. S&K will consolidate its Pittsburgh operations into an OZ, moving existing jobs and creating new ones in a low-income community where current and future employees live. The firm is committed to providing entry-level career opportunities in the healthcare sector for those otherwise lacking the educational background or professional certifications to get a job in the field.

S&K's founding president and CEO, Steve Taylor, shared, "Arctaris really planted the vision for us to help our caregivers become even better at what they're already good at and open opportunities for them to get into professional nursing or another healthcare-related career. With their help, we want to partner with local colleges, the public sector, and nursing licensing services to help provide a stairway for our employees."

Capital Stack

Arctaris made a \$3.1 million OZ investment in S&K through the Arctaris Southwestern Pennsylvania Opportunity Zone Program. As part of the financing, S&K also obtained a \$2.5 million loan from First National Bank/Pennsylvania.

Total development cost: \$5.6 million



Key sources of financing:

- \$3.1 million - Arctaris Southwestern Pennsylvania Opportunity Zone Program investment
- \$2.5 million - Loan from First National Bank/Pennsylvania

About Opportunity Zones

Opportunity Zones are a new national investment tool designed to spur economic growth and community development by encouraging long-term private equity investment in distressed urban, suburban, and rural communities across America. In 2018, local leaders in every state, U.S. territory, and Washington, D.C. supported the nomination of more than 8,700 low-income census tracts for Opportunity Zone designation. Individuals and companies can receive a series of graduated tax benefits based on the amount of time invested in a Qualified Opportunity Fund, which must have 90 percent of assets invested in real property or operating businesses located in Opportunity Zones. The Opportunity Zones policy is based on the bipartisan Investing in Opportunity Act, which was championed by a regionally and politically diverse coalition of congressional cosponsors.

About The Economic Innovation Group (EIG)

EIG is a bipartisan ideas laboratory and advocacy organization whose mission is to advance solutions that empower entrepreneurs and investors to forge a more dynamic American economy. Headquartered in Washington, D.C., EIG convenes leading experts from the public and private sectors, produces original research, and works to advance creative legislative proposals that will bring new jobs, investment, and economic growth to communities across the nation.

EIG leads a coalition of stakeholders as part of its efforts to support the formation of a robust Opportunity Zones ecosystem. For more information, contact info@eig.org