

APPALACHIAN COMMUNITY CAPITAL

IN PARTNERSHIP WITH PROGRAM SPONSORS



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

Project Sponsor: Nikwasi Initiative, Franklin, NC

Project Name: Noquisiyi Cherokee Cultural Learning Center (Project Summary provided in Attachment B.)

Release Date: June 20, 2022
Proposal Due Date: July 22, 2022
Selection Date: July 27, 2022
Contract Period: July 29, 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 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, engineering, and design
- Feasibility assessment, market research/demand assessment
- Development of investment prospectus, preparation of pro forma financial projections, structuring of projecting financing
- Investor outreach for project finance/investment
- Structure to ownership/lease agreement

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 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 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 15, 2022 for an estimated contract start date of July 15, 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.

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: Nikwasi Initiative

Project Name: Noquisiyi Cherokee Cultural Learning Center

Project Summary provided in Attachment B.

TA Requested

- **Market Research and Business / Operations Plan for the cultural learning center**
- Architectural/engineering design and drawings.
- Financial pro formas for the entire facility, to include income from tenant businesses. (see note below)
- Capital Structure including loan packaging
- Possible legal assistance for ownership/lease structure

Additional Notes:

- The Cultural Learning Center will be the primary tenant of the building and there will be additional businesses renting space within the property. This multi-tenant facility will seek project financing.
- The property is owned by the Eastern Band of the Cherokee (EBTC) and the Nikwasi Initiative is a non-profit organization operating with the support of the EBTC.

Attachment B

Summary Information

Lead Contact: Elaine Eisenbraun

Applicant Organization: Nikwasi Initiative

Address: PO Box 2197, Franklin, NC 28744

Phone: (828) 226-7523

Email: elaine@nikwasi-initiative.org

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 project targets: Eastern Band of Cherokee Indians (EBCI) Qualla Boundary, Town of Franklin, and Macon County in western North Carolina, with secondary impacts throughout the region. All of the 6 westernmost counties of NC meet the federal definition of “rural”. Macon County, home of the project, is an ARC Transition County including 1 Distressed Area. The Town of Franklin, located in Macon County, is defined as an “Opportunity Zone” (Census Tract 9703.01) with a total population of 3,969, a median family income of \$54,191, and a poverty rate of 23% Franklin is also the nucleus of a qualified “New Market Tax Credit” (NMTC) region extending from the Georgia line to the Brush Creek area (census tract 37113970302). This NMTC region is “Severely Distressed”, based on a poverty rate of 35.9%. The EBCI is centered in Cherokee, NC, heart of another NMTC, “Severely Distressed” area based on a poverty rate of 35.2%. Franklin, is a Coal-impacted community. In 2015, at the height of coal energy facility retirement and decommissioning, Macon County lost 150 jobs, when a major Caterpillar, Inc. manufacturer supplying coal mines, closed in Franklin. Associated jobs were lost at Tubular Products, Inc. and by closing a rail terminal that serviced the coal industry. Overall demographics of the region define a population that is 86% White and 14% Minority including 9% Native American. This compares with a 1.3% Native population nationwide. More than 27.5% of the region’s population is over 65 years of age, which exceeds the national level by 8.5%, leaving the area susceptible to pandemics and other instabilities. Employment is driven by tourism, service sector, technology, flooring, retail, and construction. Tourism employs 21.5% of the workers, though not generally in high-income jobs. Outdoor tourism is a high-growth sector, currently receiving focused attention. Western North Carolina has long faced a tenuous economic condition, partly a result of its isolation and mountainous geography. Currently, the region is struggling to recover from multiple workforce impacts including Covid-19, coal industry retractions, and the general decline of extractive industries. Covid-19 alone is directly responsible for a three-fold increase in unemployment in Macon County from April 2019 to April 2020. However, the area expresses persistent resilience by focusing on reliable systems. It hosts creative and hard-working individuals, most with a deep connection to place.

2. Service area of applicant (note if different than above, or note same): Nikwasi Initiative has a primary focus area mirroring the above description. In addition, the organization retains a secondary focus on all the original homelands of the Cherokee, which cover much of the southern Appalachians. The organization mission is to, “Preserve, protect, and promote culture and heritage in the original homeland of the Cherokee.” This mission encompasses a broad geography in the Appalachians, but the core programs and primary projects revolve tightly around the Franklin and Cherokee communities. This is due to the inception of the Organization being in that specific locale.

3. Community Development Strategy(ies): The project strategy is centered in the “heritage tourism and recreation” strategy, including a “downtown development” highlight, and a profound “education” component. These three strategies converge to provide coactive impacts for a rural Appalachian region. Cherokee culture is unique to the southern Appalachians and remains most vibrant in western North Carolina since that is where the Eastern Band of Cherokee Indians settled. Today, an abundance of knowledge sharing is needed in order to bring the American people to an awakening with realistic understanding of their Native neighbors. Doing this within the framework of heritage tourism creates a desirable and marketable means of building cross-cultural understanding. The project was designed through a community planning process. The final concept, prepared by Equinox, Inc., aligns with: the design presented on page 51 of the Town of Franklin Land Use Comprehensive Plan, the Comprehensive Economic Development Strategies (CEDS) for both western North Carolina (WNC) (<https://regiona.org/wp-content/uploads/SWC1702-CEDS-FullReport-Final.pdf>) and the Eastern Band of Cherokee Indians (EBCI), and also with the July 2019 Nikwasi Feasibility Study and Nikwasi Initiative Strategic Plan. The plan meets CEDS Goal 3- Objective 1, Strategies 1 & 2; Goal 1- Objective 2, Strategy 1; Goal 3 - Objective 1, Strategy 3 in WNC. In the EBCI CEDS, it meets: Prosperity Goal 3, Cultural Goal 4, and Cultural Goal 5. In preparation of the conceptual site plan, surveys were delivered and received from 450 people. In addition, there were 5 public listening session meetings. People from both Franklin and Cherokee were eager to share enthusiastic responses and to provide ideas for the project development. From the overall 500 public responses, the site plan was derived. Beginning on page 8 of the 88-page linked site plan, approximately 219 public input data points are recorded, including a section specifically from EBCI members. Eighteen organizations are listed on page 17 of the plan as mentioning a desire to partner on the project and a total of 20 organizations have filed letters of support with Nikwasi Initiative.

Project Information

4. Proposed Projects (list up to 3):

- I. **Name of Project, address:** Noquisiyi Cherokee Cultural Learning Center, 454 East Main St., Franklin, NC 28734
 - **Size in Sq Ft.:** 7,048
 - **Total anticipated financing need \$:** 3,755,000
 - **Financing identified/anticipated, list source and dollar amount or note ‘None’:** none
 - **Project description (include url link if available):**

This is phase I of a Cultural District that will be developed around Noquisiyi Mound. The overall site plan can be viewed at this link: <https://documentcloud.adobe.com/link/track?uri=urn:aaid:scds:US:638d38e7-450d-3d08-96f3-69165b528d40> or at the Nikwasi Initiative homepage: www.nikwasi-initiative.org. Organizers have collected community input, and established this site plan from the community data collected. The first phase of the project focuses on the “Learning Center” to be constructed from the retired and empty auto sales and repair building adjacent to the Mound. This building is owned by the Eastern Band of Cherokee Indians. The next sequential step is to retain architectural and engineering designs that can be taken to funders to implement the construction.

The design repurposes a currently unused car sales and repair building to establish a Cherokee Cultural Learning Center. It is located adjacent to the largest unexcavated Native American platform mound in the southeast, and in the neighborhood of East Franklin with easy walking to other museums and shopping features of downtown Franklin. The learning center will offer the dual educational benefits of providing cultural opportunities to Cherokee people and cross-

cultural exhibits and programming for non-native people. This site offers education to the public at an authentic and understandable landscape overlooking Noquisiyi Mound. It includes an empty 5-bay auto sales and repair station and surrounding land adjacent to the mound. The strategy is to convert the unprepossessing, industrial building into a vibrant, attractive heritage center for education and tourism. The site will be landscaped with native food plants that the ancestors of today's Cherokee would have grown or foraged, and it will be converted to a green technology site to help present awareness of the Cherokee connection to nature. Impermeable ground coverings (asphalt) will be converted to water permeable surfaces.

Also, the project targets women, because Cherokee women were the farmers and played important roles in societal decision-making. By emphasizing farm systems and plants, the project emphasizes the opportunity to encourage women farmers, and excite young female entrepreneurs.

The next step is to acquire architectural/engineering designs.

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

Jobs to be created at the site have been estimated for the entire multi-phase project. Extracted from that for the first phase, predictions for direct impact employment include: a minimum of 10 well-paying construction jobs, at least 4 site operations positions, a minimum of 4 food service positions, plus contributions to the existing administrative positions. Construction labor will adhere to Davis Bacon wages and result in \$404,250 job benefits. On site details include an operations manager @\$48,000 plus benefits, a Visitor Manager @\$40,500 plus benefits and two Education/Operations Coordinators @ \$36,500 plus benefits. Food service expansion includes 4 positions totaling \$125,000. Starting in year three, a showroom will provide on and off-site benefits to no less than 6 artisans resulting in labor income of \$97,897 for part-time crafts. If the Indirect and Induced effects are added there is total non-construction employment of 23.4 employees and 6 part-time artisans for a total estimated annual output of \$993898 as determined using Implan models. Additional employment added for custodial (\$14,500), repairs/maintenance (\$30,000), and Finance (\$10,000) will be new contract opportunities yielding annual outputs of no less than \$1,048,398. The additional \$404,250 for construction labor will take place in the first two years.

Jobs will include Native American preference, which assures impact over a wider region and economic diversification. All positions will include health benefits and training opportunities. The site is designed with multiple add-on entrepreneurial opportunities and job development. The site plan calls for increased food sales, a farm market, culturally appropriate retail, guides, and recreational equipment rental options.

The site will also be home to the unprecedented, "Sowing the Seeds of the Future" statue sculpted by a world renown artist, that is expected to attract many additional visitors from a new tourism sector. The estimated additional annual visitation from this project, based on extrapolation from local tourism experience, is 40,000. According to NC Economic Impact Studies from VisitNC.com, visitor spending in Macon County in 2020 was \$27,300,000 from 444,000 visitors or \$532.70 per visitor. An additional 40,000 visitors provides a direct tourism spending impact of \$21,308,000 based on spending of \$532.70 per visitor.

- **Name(s) of project sponsors, developer, and/or business owner, if identified:**

Nikwasi Initiative is the project manager. It is a nonprofit that works very closely with a variety of partners in western North Carolina with a mission of preserving, protecting, and promoting culture and heritage in the original homelands of the Cherokee. The Eastern Band of Cherokee

Indians is the key partner for Nikwasi Initiative, and half of the organization's Directors are enrolled members of Cherokee tribes. The EBCI Tribe owns the building to be revitalized. Nikwasi Initiative stewards the mound adjacent to the subject building.

- **Technical Assistance Needed:**

The Technical Assistance needed at this point in time is specifically:

- Architectural/engineering design and drawings.
- Business planning is a secondary need, where help could be advantageous.

- **Describe the connection to other proposed projects listed on this form (if applicable):** N/A

5. **Clean Energy Focus:** "The greenest building is the existing building." This maxim leads project organizers to repurpose the standing structure on the site through adaptive reuse, rather than replacing it by demolition and redevelopment. According to a 2020 article in Architect Magazine, "We have a carbon burden that already exists in the built environment.... The key is improving performance and minimizing the future use of carbon. If you have four walls and a roof, then if you can save anything, it's a plus." A 2017 article in Trade and Industry Development claims that repurposing can save 16% in construction costs and 18% in time, over new construction. In addition, the architects for this project will be asked to incorporate: an indoor clean-air native plant demonstration greenhouse/sunspace in the existing south-facing glass-front display space. Also, rainwater collection/irrigation, new low-e glass, energy efficient and renewable energy, waste reduction, recycled materials, water efficiency, native plants in landscaping and learning gardens, and toxin reduction will all be critical pieces of the project. The impermeable asphalt surface surrounding the building will be converted into: demonstration Cherokee plant gardens, permeable plaza space, and native plantings. A core component of the learning center is teaching the Cherokee value of connection to nature. The indigenous and native plants that were grown and foraged by historic residents of the site will be featured in, on, and around the building. Once the learning center is open, the programmatic systems will emphasize zero waste goals, resource efficiency, and native plantings specifically to present a Cherokee connection to nature as a model for modern day living. Green living and clean energy are at the core of cultural learning and presentation at the site.
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: Nikwasi Initiative is integrally engaged with Franklin, Cherokee, and Macon County. The Organization was formed to bridge gaps and misunderstandings between culturally diverse neighbors. An unfortunate incident at Noquisiyi mound, when the Town treated the entire site with herbicide in a well-intentioned attempt to alter undesirable vegetation, led initially to extremely hard feelings. But, partners joined together in a collaborative effort to create new bonds. The outcome was the nonprofit Nikwasi Initiative, featuring a board balanced equally between Cherokee and non-native directors. Thus, the role of the Organization is central to two communities and their continued, intercultural understanding. Nikwasi Initiative is a small Organization with two staff members. It is led by an Executive Director who has acquired and managed \$5,000,000 and over 100 projects for small nonprofits in diverse fields from construction, to education, arts, sustainability, restoration, youth services, and more. She has always completed projects on time and within, or often exceeding, expectations. The ED has a master's degree in business leadership and management. She has led four different organizations of varying sizes as the Chief Executive Officer. She is a certified grant specialist and environmental writer. The

Executive Director is assisted by a Coordinator, who has also led nonprofit organizations as Chief Executive, and has additionally worked in the construction industry. All financial transactions for Nikwasi Initiative, and all tracking are handled by an independent contract accountant with oversight by both the Executive Director and the Board of Directors. Annual audits are prepared. The governance board consists of 11 people with expertise in government, land conservation, leadership, public relations, nonprofit, health, and education.