

APPALACHIAN COMMUNITY CAPITAL

IN PARTNERSHIP WITH PROGRAM SPONSORS



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

Project Sponsor: Blue Mountain Therapy, Abingdon, VA

Project Name: Blue Mountain Expansion (Project Summary provided in Attachment B.)

Release Date: June 24, 2022

Proposal Due Date: July 22, 2022

Selection Date: July 29, 2022

Contract Period: August 1, 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 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](#) 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

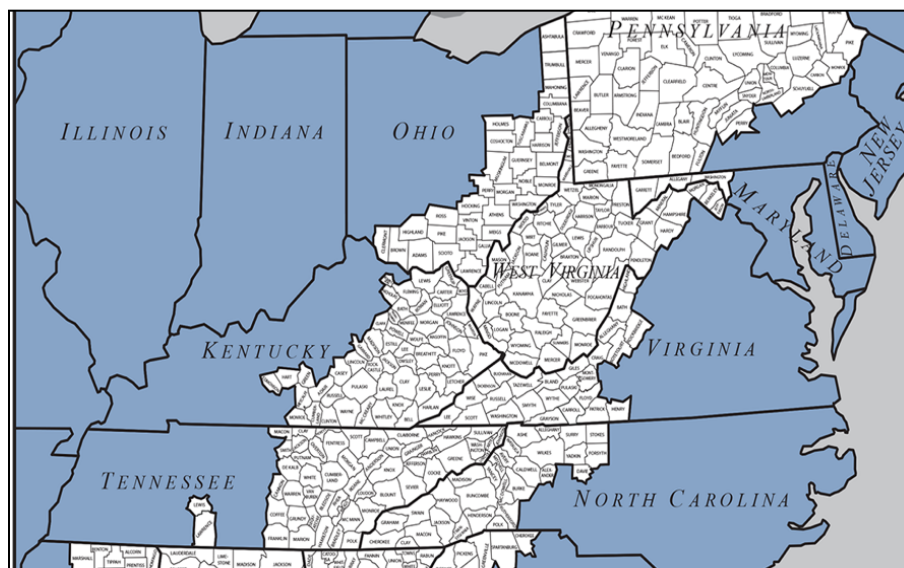
The Appalachian Region, as defined in ARC's authorizing legislation, is a 205,000 square-mile region that follows the spine of the Appalachian Mountains from southern New York to northern Mississippi. It includes all of West Virginia and parts of 12 other states: Alabama, Georgia, Kentucky, Maryland, 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: Blue Mountain Therapy

Project Name: Blue Mountain Expansion

Project Summary provided in Attachment B.

TA Requested

- Architectural drawings and engineering, to include HVAC compatibility with pool environment.
- Financial Structuring to include lender identification, including SBA loans.
- Legal/CPA advice for structuring of the business / subsidiary structure to protect all parties, to include for profit and non-profit entities.

Note: Current business accountant will prepare project financial projections and loan packages.

Attachment B

Summary Information

Lead Contact: Clint Waddell

Applicant Organization: Blue Mountain Therapy

Address: 17507 Lee Hwy., Abingdon, VA 24210

Phone: (276) 525-6043

Email: clintw@bluemountaintherapy.com

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.

This facility location is located in Washington County, Virginia. However, we expect this service to service families regionally. We are the only facility with these service types in Southwest Virginia West of Roanoke.

2. Service area of applicant (note if different than above, or note same): same
3. Community Development Strategy(ies): Healthcare and recreation are two of the major community development strategies. We hope to add an indoor pool for aquatic therapy as well as a rock climbing wall that is accessible for those of all abilities. We will be creating a commercial kitchen that will allow us to help train those we currently serve to help them obtain employment in the restaurant/retail industry. We currently provide many services for those with physical and or mental disabilities with a large majority being on the autism spectrum.

Project Information

4. Proposed Projects (list up to 3):
 - I. **Name of Project, address:** Blue Mountain Expansion, 17507 Lee Hwy., Abingdon, VA 24210

- **Size in Sq Ft.:** 42,000
- **Total anticipated financing need \$:** 1,000,000
- **Financing identified/anticipated, list source and dollar amount or note 'None':** none
- **Project description (include url link if available):**

Located in the former Dixie Pottery location, we have already remodeled approximately 35,000 sq ft. We're planning to finish the additional 42,000 sq ft. In these additional spaces, we plan to open an indoor playground with 3 private party rooms, 2 sensory rooms, bounce houses, game rooms and a commercial kitchen. We would also install an indoor pool for aquatic therapy and a rock climbing/bouldering wall. We'd also have an 8000 sq ft venue for fundraising opportunities open to the public.

We also have created an equine assisted therapy program and would like to have an indoor riding arena. This would allow for an additional 32 per day patient treatments on days that it is raining or too cold.

www.bluemountaintherapy.com

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

With the additional projects completed, we believe we'd create an additional 35 full time jobs with benefits. Our current pay rates range from \$15/ hr up to \$105k yearly. All full time employees receive the following benefits with employer contribution: Medical, Dental, Vision, STD (100% employer paid), LTD, Life (100% employer paid), 401k (5% match, no vesting period), 104 PTO hours yearly, 64 hours yearly Holiday pay, up to \$200 CEU reimbursement yearly.

We anticipate job training for many who are currently unemployed or considered unemployable. We work with those who need life skills training and have partnered with a local chef who will partner with us to offer restaurant training in our facility. We believe that we are already a regional healthcare attraction and that these additional services will continue to bring others to our area. This is not only a service to the patients, but also to their families and the community as a whole.

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

Clint Waddell-sole owner of the property and the business.

- **Technical Assistance Needed:**

Developer identification, architectural drawings, structural engineering, legal/CPA advice for structuring of the business to help with liabilities and setting up the company(ies) to protect all parties.

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

5. **Clean Energy Focus:** I am completely open to solar and clean energy options. I currently have 20 solar panels on my home and would love to have input on how to include solar power or more energy efficient measures on this project.

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: I was born and raised in Washington County, VA. I currently live in Meadowview, VA. I co-founded this business in October of 2013 and have seen this company not only survive all it's faced including COVID, but we have thrived. We have grown to 130+ employees and have a great management team to help complete the projects at hand. If you see what we've already accomplished, it will leave no doubts that we have the ability to complete the projects at hand.