

APPALACHIAN COMMUNITY CAPITAL

IN PARTNERSHIP WITH PROGRAM SPONSORS



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

Project Sponsor: Cliffhanger Ranch Adventure Outpost

Project Name: Cliffhanger Ranch Adventure Outpost (Project Summary provided in Attachment B.)

Release Date: January 13, 2023

Proposal Due Date: February 10, 2023

Selection Date: February 24, 2023

Contract Period: February 24, 2023 – September 30, 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. 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, 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 March 15, 2023 for an estimated contract start date of March 15, 2023 through November 30, 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 \$45,000. 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: Cliffhanger Ranch Adventure Outpost

Project Name: Cliffhanger Ranch Adventure Outpost

Project Summary provided in Attachment B.

TA Requested

- Site and engineering plan, to include necessary septic and electrical placement as well as optimal campsites placement, and planned vehicle access (e.g. horse trailers), etc.
- Financial Structuring of the transaction, to include possible crowdfunding sources
- Advising on existing business plan, proforma, and market assessment, each of which are planned to be updated by the project sponsor

Attachment B

Summary Information

Lead Contact: R. Nathan Ormes

Applicant Organization: Cliffhanger Ranch Adventure Outpost

Address: 11703 Cordertown Road
Coeburn, Virginia 24230

Phone: (276) 614-5585

Email: cliffhangerranch@gmail.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.

Deep in the heart of the rugged Appalachian Mountains, Wise County, Virginia offers an unrivaled mixture of natural beauty, outdoor recreation opportunities, a vibrant music and artisan scene, and abundant southern kindness. Nature lovers, adventure seekers, music and art enthusiasts, families, and everyone in between will find something special in Wise County's charming mountain towns.

Wise County has an approximate population of 38,032 and is located in the southwest portion of Virginia. The county has a median age of 41.6 and a median household income of \$41,285. The population declined from 38,486 to 38,032, a -1.18% decrease in 2020, however the median household income grew from \$38,888 to \$41,285, a 6.16% increase. The county's economy employs 13,000 people. The largest industries in Wise County, VA are Health Care & Social Assistance (1,964 people), Retail Trade (1,833 people), and Educational Services (1,369 people), and the highest paying industries are Mining, Quarrying, & Oil & Gas Extraction, Agriculture, Forestry, Fishing & Hunting, & Mining, and Information Technology.

This project lies just outside of the town of Coeburn in Wise County (census tract 9316). The Town of Coeburn is unspoiled and nestled in the mountains of Southwest Virginia and is positioned in the southeastern portion of Wise County, just off Route 58. The town was named Guest Station after Christopher Gist. The town was incorporated in 1894 but, the name was changed to Coeburn in honor of W. W. Coe, Chief Engineer of the N&W Railroad, and Judge W. E. Burns. The home of Jim & Jesse and Ralph Stanley II, and is also widely known today for its beautiful downtown, complete with antique lamps, brick sidewalks, and pedestrian bridges. The Town of Coeburn has an approximate population of 1,476 people with a median age of 44 and a median household income of \$44,417. The population of Coeburn, VA declined from 1,567 to 1,472, a -6.06% decrease in 2020 but its median household income grew from \$23,816 to \$44,417, an 86.5% increase. The town's economy employs 397 people. The largest industries in Coeburn, VA are Health Care & Social Assistance (132 people), Retail Trade (75 people), and Public Administration (32 people), and the highest paying industries are Transportation, Warehousing, Utilities, and Public Administration.

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

Customer Target Range is 300-500-mile radius for camping, riding, hiking and biking and unique events. The Southwest, VA is strategically located within close proximity to major populations. The current economy and rising fuel costs, travelers have a rediscovered focus for recreational opportunities closer to home. There are approximately 163 million potential visitors within one day's drive of the regional area. The unique terrain that combines rolling hills, mountains and wide valleys makes it all the more appealing to others outside the region.

3. Community Development Strategy(ies):

The plans and goals for Cliffhanger Ranch Adventure Outpost have taken aim at several of the community development strategies Opportunity Appalachia Program is looking for.

- Heritage Tourism and Recreation – (Adventure Outpost /Trail Head to multiple connected trail options in and around Jefferson National Forest and Clinch River Areas)
- Clean energy - (Solar Powered Lodging – Cabins, Campsites, etc. to fully power guest needs as well as several backup on-site infrastructure needs)
- Addiction treatment and recovery - (Wild at Heart Ministries/Outdoor Leadership Programs and Outsourced Equine Therapy).

The Cliffhanger Ranch Adventure Outpost strategy has always been about the evolution of outdoor recreation and tourism that has taken place over recent years. This can be seen through a variety of grass root efforts that have developed with much success.

- High Knob Initiative – Multiple high \$\$ project proposals including Equestrian Resort within the HKRI foot print.
- Trail Rider Comments – Local Meetings with Pro Trail Riding interest. People Ride all over with home base.
- Spearhead Trails – Encompasses Multiple Recreation Initiatives including untapped Equestrian Branch
- Clinch River State Park - “string of pearls”, for outdoor enthusiasts to access the river, “One of the Last, Great Places.”
- St. Paul VA Success Stories carried over to Coeburn Opportunities? Incubator for business successes (ATV’s)
- Heart of Appalachia - Promoting the exciting outdoor adventure and serene scenic beauty of SWVA.
- Scott County Horse Park (focused on shows only mostly but very popular) - Provide equine activities in Scott County and the surrounding region for fellow horsemen of all ages.

Project Information

4. Proposed Projects (list up to 3):

I. **Name of Project, address:**

Cliffhanger Ranch Adventure Outpost

11703 Corder Town Road, Coeburn, VA 24230

- **Size in Sq Ft.:** 88 Acres
- **Total anticipated financing need \$:** \$350,000
- **Financing identified/anticipated, list source and dollar amount or note ‘None’:** None
- **Project description (include url link if available):** Cliffhanger Ranch Adventure Outpost LLC is seeking technical assistance to develop a full service outdoor adventure experience in Central Appalachia that will include cabins, camping, and horseback riding all with a western guest ranch feel. The primary service groups will take the form of lodging, recreational rentals, and supporting retail products. Lodging will consist of cabins, primitive camping, RV spots, and Tipi rental. Each will offer a different level of accommodations. Recreational rentals will consist of bicycles, horses, and

canoes. Each will offer a different outdoor experience. Supporting retail products will consist of horse tack, camping gear, food/beverages, souvenirs specific to the establishment, and other necessary items. Guide services will also be offered as demand arises. The property is located near the entrance to some deeper wilderness and a good distance from business establishments. The "Adventure Outpost" signifies a wild and exciting undertaking in a location that is remote or sparsely populated, or a settlement on the frontier of civilization. The feel of a ranch and the frontier in an earlier day is the intent of the overall image. This is how the location and the services offered will create a unique environment for the guests and keep them there for longer periods. Cliffhanger Ranch Adventure Outpost LLC is dedicated to Adventure. Adventure is exploring, learning, and being part of the natural world available to us. Cliffhanger Ranch will illuminate a life that adventure can bring by providing a basic and pure approach to life. The goals are to generate participation in the outdoor possibilities available to an increasingly busy society in both spiritual and physical relationships to nature. The proper use of these relationships will further the visitors understanding of basic living. The services offered will all take full advantage of the surrounding wilderness and recreational environment. (in development
<https://crd983.wixsite.com/cliffhangerranch>)

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

Creation of quality jobs with good pay and benefits (# of jobs, pay rates, benefits provided) Initially will create 4 positions 2 full time and 2 part time at \$12 to \$15/hr with basic health ins

In the future, plans are to hire and additional 8 depending on how things evolve at same or economic rate. During seasonal uptick in onsite activity camping or living quarters may be provided. Jobs with training and advancement opportunities All employees will be cross trained to develop as much opportunity for themselves as possible (PT to FT)

As additional services and products are brought online employees will be able to take on lead roles. These 2 approaches will also make an overall better Visitor experience as staff begins to act as owners.

- Jobs accessible to unemployed / underemployed persons
- The current employment market or applicant attitude requires an investment in self for ultimate success.
- The project supports community economic diversification
- Economic Diversification is achieved by investing in the Outdoor Economy over standard industries
- Creates vibrant places for follow-on investment
- Once milestones are met and infrastructure is developed the possibilities are numerous.
- To include Old West Town, Jeep Course, zip line, Cowboy Action Shooting, and event venue.

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

R. Nathan Ormes (self/developer/business owner), Noah Ormes (Son/Co-Developer)

▪ **Technical Assistance Needed:**

- Site Engineering Plan - to include needed septic and electrical placement as well as campsites placement etc.
- Business plan development – Complete and in revision
- Financial pro forma development – Needs checked and updated.
- Financial structuring of transaction -

- Market assessment – In Business Plan
- Feasibility assessment – in Business Plan
- Developer identification - unknown
- Architectural drawings – not needed
- Capital raise - unknown

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

II. **Name of Project 2, address:**

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

- Community Impact (quantify / provide estimates):

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

- Technical Assistance Needed:

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

III. **Name of Project 3, address:**

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

- Community Impact (quantify / provide estimates):

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

- Technical Assistance Needed:

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

5. **Clean Energy Focus:**

Solar Powered Cabins/Structures – Ample service per structure up to 10 cabins, 10 campsites, Bathhouse, Pavilion

The intention is to use energy efficient lighting and/or take all measures possible from a clean energy focus.

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:

The original idea for Cliffhanger Ranch came many years ago. Nathan Ormes grew up visiting "Grandma & Grandpa McConnell" in Wise County and developed a deep love for the area, the outdoors, and all it had to offer. There came a point, (long before the Tourism Initiatives or Spearhead Trails) when Nathan knew that the amount of outdoor activities and authentic cultural experiences could indeed support visitors if they only knew about them. It could also support many business opportunities once everyone became aware of what was all around them. At that point, a process began of research and planning on ideas some thought were pointless.

The Community has demonstrated its support of the project through a variety of organizations and Initiatives surrounding all types of outdoor recreation and adventure. The horse community alone is In need of a place to camp with their horse that is safe and near the trails. One comment from riders Passing by "You get this place going and we will have people riding all over this place!"

Just as ATV enthusiasts needed a legal and extensive place to ride so do Horse Trail Riders. The community has also demonstrated support through the High Knob Regional Initiative. The Plan Calls for a variety of signature projects within the High Knob footprint. One of these projects is a Proposed Equestrian Resort for Trail Riders riding the trail system in Jefferson National Forest.