

# APPALACHIAN COMMUNITY CAPITAL

IN PARTNERSHIP WITH PROGRAM SPONSORS



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

**Project Sponsor:** Russell County Industrial Development Authority

**Project Name:** Proposed Childcare Facility Evaluation (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 2023 for an estimated contract start date of March 15, 2023 through September 15, 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](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
- Requests from project sponsors

# Attachment A

Requested Scope of Services

**Project Sponsor:** Russell County Industrial Development Authority

**Project Name:** Proposed Childcare Facility Evaluation

Project Summary provided in Attachment B.

## TA Requested

- Schematic designs and renovation cost estimates for childcare facility. Evaluation of the current conditions and feasibility to accommodate and renovate for a childcare facility.
- Site plan and cost estimates to include fenced playground area, parking, and drop-off/pick-up area.

# Attachment B

## Summary Information

**Lead Contact:** Heather Musick

**Applicant Organization:** Russell County Industrial Development Authority

**Address:**

133 Highland Drive Suite B  
Lebanon, Virginia 24266  
**Phone:** (276) 210-5609

**Email:** hmusick75@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.

Town of Lebanon VA; Russell County; Census Tracts 301,302.01, 303, 304.02, 304.03, 304.04, 304 & 306.

This facility will be located in Russell County and in the Town of Lebanon; however, the facility will have the opportunity to benefit any individual that is traveling into Russell County for employment.

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

Same

Community Development Strategy(ies): Childcare to support maintaining and expanding other Community Development Strategies. Childcare has recently been identified as a reason that current businesses are losing quality employees per the Cumberland Plateau Planning District Commission “Roadmap to Economic Resiliency” (September 2021). And as companies are defining their challenges to rehiring or hiring employees as business demand increases childcare issues are yet again identified as an issue (“Roadmap to Economic Resiliency”). Companies identified more daycare options as being important for infrastructure/support services needed to strengthen the region as we move forward (“Roadmap to Economic Resiliency”). Companies time and time again identified the lack of childcare and the need for more childcare facilities as barriers to retaining and hiring employees. The Russell County IDA has recently had two proposals from current daycare facilities that would like to expand their current operations to assist with the high demand for childcare services. The Town of Lebanon has provided support to the Russell County IDA as we look for opportunities to meet this growing need.

## Project Information

3. Proposed Projects (list up to 3):

I. **Name of Project, address:** Proposed Childcare Facility Evaluation

Former 911 Building  
656 Clydesway Dr  
Lebanon VA 24266

- **Size in Sq Ft.:** 9,824 ft<sup>2</sup>
- **Total anticipated financing need \$:** TBD

- **Financing identified/anticipated, list source and dollar amount or note 'None':** Will work to secure the needed funding through financing or grant opportunities through VCEDA, TRRC and/or United Way.
- **Project description (include url link if available):** Proposed Childcare Facility Evaluation will be evaluating a recently vacated Russell County IDA property to determine the feasibility of placing a childcare facility in this location. This building evaluation will determine if there are any items that require immediate updates. It will also determine if it is necessary to reconfigure the layout of the facility to make this location suitable to a daycare facility.
- **Community Impact (quantify / provide estimates):** We would anticipate that a minimum of 15 childcare workers would be added to the current workforce. This type of project is hard to quantify due to so many unknowns. We do know that our current childcare facilities have waiting lists for all ages. There are daily postings on social media of parents asking for anyone that can assist with childcare. Russell County Medical Center is currently prolonging the start dates of potential employees until they are able to find childcare. Childcare availability is always a question asked by potential business and industry being recruited to Russell County. It would be our expectation that by providing additional childcare options, that at a minimum our current employers would be able to maintain and grow their current staffs if this service was readily available. We would have a great expectation of being able to recruit additional business and industry by being able to demonstrate our offering of support services.
- **Name(s) of project sponsors, developer, and/or business owner, if identified:** The Town of Lebanon is also interested in this project as this is also a need that we share. We would like to pursue funding opportunities with VCEDA, TRRC, and/or United Way.
- **Technical Assistance Needed:** Conceptual site plan and evaluate the feasibility and modifications required to accommodate a childcare facility, including but not limited to parental traffic and child drop-off; generate existing floor plan with dimensions, evaluate the architectural feasibility of the structure to accommodate a childcare facility, including any code compliance modifications required; provide a scope narrative of site improvements, and provide conceptual budget estimate to represent renovations necessary to accommodate a childcare business. Professional drawings.

#### 4. **Clean Energy Focus:**

This facility will be equipped with energy efficient lighting and will make efforts to operate with a clean energy focus

5. **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 Russell County IDA is responsible for maintaining and building the capacity for business and industry, recruitment, and assisting entrepreneurship in Russell County. Community members as well as current businesses have requested additional childcare options so that employees can continue to work and support their families. Russell County IDA's purpose is to assist with providing supportive needs to current business and industry within Russell County as well as to recruit additional business opportunities to Russell County. Childcare is an essential supportive need of employers to ensure that their employees will have the ability to work consistency without the worries of the well being of their children. Projects such as this, are what the Russell County IDA does on a regular basis. The internal structure and capacity to see a project through to the end is well established.