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Opportunity Appalachia

Bringing jobs, business support, and investment to Central Appalachian communities

Program Sponsors:



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Opportunity Appalachia today announced selection of 8 projects to participate in a program to bring **jobs, business support, and investment to Central Appalachia**. The selected projects propose to create over 310 jobs and attract \$27 million in financing to develop and expand childcare centers, outdoor recreation, food business incubator and support facilities, regional airport facilities, and hotels in downtown and rural areas across East Tennessee and Southwest Virginia.

These projects are signals that Central Appalachia is a great place to invest. [Opportunity Appalachia](#) will work closely with private investors, banks, Community Development Financial Institutions, New Markets Tax Credits investors, Historic Tax Credit Investors, Opportunity Zone investors and Federal agencies to connect interested investors with these projects.

These projects were selected from the second call for applications in 2022, this time focused in East Tennessee and Southwest Virginia. From both application rounds, Opportunity Appalachia received 85 applications for technical assistance (TA) from Western North Carolina, Southeast Ohio, East Tennessee, Southwest Virginia, and West Virginia representing projects with anticipated costs over \$442 million and requested TA worth more than \$4.2 million. From these project pools, 41 projects were selected for participation. This builds on the 2020-2021 Opportunity Appalachia efforts, which

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supported 17 projects seeking to raise over \$250 million in financing. The eight projects selected this round are summarized below.

Opportunity Appalachia will now provide technical assistance to the newly selected projects to support the development of investment prospectus, structuring of project financing, market research, operations planning, architectural design, and investor outreach.

As project TA begins later this quarter, projects will be added to our [searchable web platform](#) hosting project details and prospectus / pitch decks to facilitate investor interest and due diligence.

The program is supported by the Appalachian Regional Commission, the US Department of Treasury CDFI Fund, Truist, Goldman Sachs, US Bank, and the Dogwood Health Trust.

“We appreciate Opportunity Appalachia for providing assistance to projects that support opportunities for job creation and investment in Central Appalachia,” said Stuart McWhorter, commissioner of the Tennessee Department of Economic and Community Development. “I congratulate these grant recipients for taking the steps needed to encourage economic growth and create opportunities for Tennesseans across the region.”

“Appalachia is a vital part of Virginia, and we must continue to invest in the people and communities in this beautiful region,” said Virginia Department of Housing and Community Development Director Bryan Horn. “These eight projects will help us build on the region's strengths, address its unique challenges and drive economic growth and opportunity throughout Appalachia.”

“Congratulations to the 8 project partners selected to participate in this year’s Opportunity Appalachia program,” said ARC Federal Co-Chair Gayle Manchin. “This program will further empower these organizations to do the valuable work of bolstering and diversifying Appalachia’s economic vitality, while expanding the quality of life for our residents. Opportunity Appalachia is a

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wonderful example of all that can be accomplished when Appalachians work together for the benefit of the region.”

“We are thrilled to continue to bring much needed financial and technical resources to underinvested communities to help Appalachia secure investment in job creating businesses such as in the food industry, childcare, and heritage tourism and recreation,” remarked Appalachian Community Capital (ACC) President & CEO Donna Gambrell, whose organization coordinates the Opportunity Appalachia effort. She added, “We expect the projects in both rounds to strengthen or help establish over 490 businesses leading to the creation of more than 1,980 new jobs and generate private and public investments totaling over \$210 million. This builds on our 2020-2021 Opportunity Appalachia efforts, which supported 17 projects seeking to raise over \$250 million in financing.”

Opportunity Appalachia is led by an eight-member coalition of regional and national organizations with expertise in financing and marketing that will support locally-led projects to develop sophisticated investment packets geared toward prospective investors. Opportunity Appalachia partners include: [Appalachian Community Capital](#), [OhioSE](#), [Opportunity Southwest Virginia / UVA – Wise](#), [Mountain BizWorks](#), [West Virginia Brownfields Assistance Center](#), [University of Tennessee Knoxville](#), [Main Street America](#), and [Coastal Enterprises](#).

Fall 2022 Selected Projects – Opportunity Appalachia

Tennessee

- **Real Good Kitchen, PBC, Real Good Kitchen Food Entrepreneurship Hub, Knoxville, TN** – The Food Entrepreneurship Hub will expand to 7,200 sq. ft. and upgrade Real Good Kitchen’s current space to include a new storefront and micro-food hall. The space will also undergo a number of green building improvements including stormwater retention and solar panels. Estimated costs total \$2 MM with anticipated creation of 150 jobs and serve 250 businesses over five years.
- **Sequatchie County, Zipper Factory, Dunlap, TN*** – Redevelopment of an historic 64,820 sq. ft. former zipper manufacturing facility into a range of mixed-use downtown amenities and services. The development follows a number of infrastructure investments including sidewalks, public parks, music and farmers market pavilions and public restrooms, which

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connect the Zipper Factory property to downtown commercial development. Estimated costs total \$19.3 M with anticipated job creation of 40 jobs. (**Pending approval*)

Virginia

- **Grayson County, VA, Baywood School and Property, Galax, VA** – This 24,900 sq. ft. building and adjacent vacant property will be repurposed into affordable housing as well as a community center housing childcare, a wellness center, and/or business space. The adjacent field could become an outdoor recreation area, including a walking track, a multi-use field, and a picnic shelter. Estimated costs total \$1.5 MM with creation of 20 jobs.
- **Russell County Industrial Development Authority, Proposed Childcare Facility Evaluation, Lebanon, VA** – This 9,824 sq. ft. building will undergo renovations to become a childcare facility, serving an area struggling to meet the childcare demand. Estimated costs are to be determined with anticipated creation of at least 15 childcare jobs.
- **Town of Wise, Food Truck Incubator Site, Wise, VA** – This 13,329 sq. ft. vacant lot near the UVA Wise campus will house infrastructure for Food trucks to park, hookup, and sell their food. The project will also partner with UVA Wise to support business development with the food trucks to plan current and future growth. Estimated total costs are \$150,000 and anticipated job creation of roughly 10 jobs.
- **Cliffhanger Ranch Adventure Outpost, Cliffhanger Ranch Adventure Outpost, Coeburn, VA** – This project will create an 88-acre outdoor adventure experience in Southwest VA that will include cabins, camping, and horseback riding. The outpost will exude a western guest ranch feel and is located adjacent to and near other state and national parks. Estimated costs total \$350,000 with anticipated creation of four jobs upon open and eight more jobs eventually.
- **Lee County Airport Authority, Hangar Construction, Jonesville, VA** – Construction of a 9,600 sq. ft. aircraft hangar to support aircraft maintenance, increased visitation, and, eventually, a flight school program. With a growing pilot shortage challenge nationally, a planned flight school would train recent high school grads in an industry with competitive wages above average for the area. Estimated total costs are \$480,000 with anticipated permanent job creation at 8-10 and construction jobs at 15.
- **Blue Grass Resource Center, Highland Inn Revitalization, Monterey, VA** – This 18-room historic Inn built in 1904 will undergo major renovations to return it as an economic engine for the community. The renovated Inn will include fine dining featuring local foods paired

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with distinctive accommodations for guests. Estimated costs total \$3.5 MM with anticipated creation of 20 construction and 18 permanent jobs.

More information on Opportunity Appalachia is available at

appalachiancommunitycapitalcdfi.org/oa-program/opportunity-appalachia-2022-2024/

ACC is a 30-member CDFI lending intermediary whose members and their affiliates manage over \$1 billion in assets supporting economic development across Appalachia.

The **Appalachian Regional Commission** grant is made under the Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative, which is an integrated, multi-agency effort to align and invest federal economic resources in communities and regions negatively impacted by changes in the coal economy.

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