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

Project Sponsor: City of Hinton, Hinton, WV

Project Name: New River Grocery Warehouse (Project Summary provided in Attachment B.)

Release Date: June 27, 2024

Proposal Due Date: July 25, 2024

Selection Date: August 9, 2024

Contract Period: August 9, 2024 – February 28, 2025 (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](#) TA provider 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, Dogwood Health Trust, Claude Worthington Benedum Foundation, US Bank, and M&T Bank.

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 – Kentucky, North Carolina, Ohio, Tennessee, Virginia, West Virginia



IV. Project Timeline

It is anticipated that the contractor will be selected by August 9, 2024 for an estimated contract start date of August 9, 2024 through February 28, 2024.

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.
 - *Please note:* to reduce administrative burdens and management costs, OA requires a maximum of 3 invoices per contract (the first may be a retainer/deposit totaling no more than ~20% of the contracted amount. Payments are made based upon satisfactory completion of deliverables and approval by the project sponsor.
- 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 with anticipated deliverable and associated invoicing schedule
- Requests from project sponsors

Attachment A

Requested Scope of Services

Project Sponsor: City of Hinton, WV

Project Name: New River Grocery Warehouse

Project Description: Refurbishment of a former warehouse building into a restaurant or coffee shop and bookstore/retail on the ground level with 16 apartments above. Estimated costs total \$5,000,000 with creation of up to 20 permanent jobs.

Full project summary provided in Attachment B.

TA Requested

- Market study to determine the optimal type of housing units for the area
- Existing conditions structural assessment
- Project pro forma and financial structuring
- Part I application to the National Park Service for Historic Tax Credits (Note: Building is located in a Historic District as a Contributing Structure)
- Developer solicitation and identification

Attachment B

Summary Information

Lead Contact: Cris Meadows

Applicant Organization: City of Hinton, WV

Address: 322 Summers Street, Hinton, West Virginia 25951

Phone: (304) 673-8716

Email: hintoncitymanager@hotmail.com

Community Information

1. **Communities targeted by this application (municipality(ies), county(ies), and census tract(s)):**
Hinton West Virginia is the county seat of Summers County. It is also the main hub for commerce, education, and healthcare.
2. **Service area of applicant (note if different than above, or note same):** The area of service would be Hinton and Summers County. West Virginia
3. **Community Development Strategy(ies):** The city is attempting to increase the amount of housing and the quality of safe housing in our city. We have had many community meetings and discussions with the public and local leaders about the need for more and better housing. We have developed what we feel is a good concept for the beginning of housing and retail in a location in downtown Hinton that will stimulate growth and development for many years to come. We have a plan to create 16 apartments in a warehouse in the National Historic District along with offering 5,000 square feet of retail space in the bottom level of the building hoping to rent it to a restaurant/coffee shop/brewpub.

Project Information

4. Proposed Projects (list up to 3):

- I. **Name of Project, address:** New River Grocery Warehouse, 201 5th Ave, Hinton WV 25951
 - **Size in Sq Ft.:** 22,000
 - **Total anticipated Project Cost \$:** \$5,000,000
 - **Financing identified/anticipated, list source and dollar amount or note 'None':** \$1.8 MM
 - **Project description (include url link if available):** The City of Hinton purchased the New River Grocery Building with anticipation of bringing it back to code and begin to develop each floor for the betterment of the district. The city wants to develop the top two floors into loft style apartments we feel we can put between 12-16 apartments on those floors and renovate the bottom floor for a bookstore/coffee shop/restaurant. We have been provided congressionally directed funds of 1,800,000 for installation of new power, water, hvac, and major building upgrades as needed for safety. We also just installed a new 30 year rubber roof with a grant from Preservation West Virginia. Hinton has a major need for housing most of the housing on the market is substandard rentals and we are missing out on the many opportunities because of this.
 - **Community Impact (quantify / provide estimates):** The creation of this housing opportunity helps many people just starting out in their careers and helps us lure young professionals who will continue to grow and engage with the community for years. it will also produce jobs with the retail business opportunities in the 1st floor and also have a gathering place for those residents and the locals as well. The continued development of that area will see more housing and retail opportunities pop up as we show to residents the possibilities once this project is completed. we

are estimating 12-16 apartments will be able to be located on the top two floors. These will be two-bedroom units with the opportunity to hold both young professionals and small families. The retail space below could hold a restaurant/coffee shop and maybe a small gift shop or book store. These combined businesses could employ upwards of 20 people with both full time and part time positions. We feel that the restaurant opportunity could also flourish with the proximity of the Freight Depot event center next door and the ability to cater to those events that happen weekly. This could provide extra income to the business. Jobs in the restaurant industry could range from part-time minimum wage employees to management making in the \$40-50,000 range. These jobs will be for both low skills up to trained chefs and management. This business will be the energizing focus of this part of the community and bring many visitors as well as the locals to the downtown area. It is directly off of a state route and is a very visible location in our city.

- **Name(s) of project sponsors, developer, and/or business owner, if identified:** The City of Hinton is the project sponsor.
 - **Technical Assistance Needed (refer to Attachment A, page 5, for TA requested in this RFP):** The City of Hinton will need support from an architect/ engineering firm that can design and help through the construction phase of the city's vision of a housing and retail mixed-use building. We will need someone to design the apartments, ingress, egress, common spaces and the bottom floor which is to be small retail. We are also working with New River Gorge EDA and GAI engineering Consultants to come up with both feasibility studies and conceptual drawings for the entire block on which this building sits. We have already received some wonderful conceptual designs that could help us attract a developer or get us additional funding through grants and other means to make this project happen.
5. **Clean Energy Focus:** The City will be using as many green materials as possible in the renovations. we have also obtained a grant for the Green Infrastructure program in which we will be developing rain gardens on the adjacent properties as well as a green roof on the building across the street. for this building we will be using a high efficiency HVAC system as well as energy efficient low e windows and doors. We will be adopting green building techniques for this project as much as we can due to it being a historic structure on the national register. LED lighting inside and out will be used.
6. **Applicant Capacity:** The City of Hinton (applicant) is the main local advocate for development and has a long history of completing projects that involve historic building renovations. The city has renovated the building next door which was a freight depot into a local event center that is highly visible and widely used for events from birthdays and reunions to community events and weddings. The community has supported this development and we feel that the additional of both the housing component and the retail opportunity of a food service and retail business in the area will be a hit with the citizens. The City has also received congressional spending grant of 1,800,000 to begin this renovation and we will continue to apply for more to make this building project happen.