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

Project Sponsor: Coalfield Development Corporation, Huntington, WV

Project Name: Black Diamond Sustainable Development Hub (Project Summary provided in Attachment B.)

Release Date: July 19, 2024

Proposal Due Date: August 9, 2024

Selection Date: August 16, 2024

Contract Period: August 17, 2024 – February 28, 2025

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 16, 2024 for an estimated contract start date of August 16, 2024 through February 28, 2025.

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 \$50,000**. 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: Coalfield Development Corporation

Project Name: Black Diamond Sustainable Development Hub

Project Description: Second phase build-out to create state-of-the-art space for tenants in the climate resilience and climate technology industries. Total costs estimated at \$6 MM with creation of 100 permanent jobs.

Full project summary provided in Attachment B.

TA Requested

Engineering Assessment.

Architectural assessment and design schematics, project cost estimation.

Attachment B

Summary Information

Lead Contact: Nick Guertin, Senior Director - Revitalize Appalachia

Applicant Organization: Coalfield Development Corporation

Address: 2923 Park Avenue, Huntington, WV 25704

Phone: (304) 501-6033 (o); (347) 262-5690 (m)

Email: nguertin@coalfield-development.org

Community Information

1. **Communities targeted by this application (municipality(ies), county(ies), and census tract(s)):** City of Huntington, WV
Wayne County, WV (FIPS CODE 54099)
Census Tract 52, Huntington, West Virginia

2. **Service area of applicant (note if different than above, or note same):** Multiple counties across Southern West Virginia, including:
 - Cabell
 - Kanawha
 - Lincoln
 - Logan
 - Mingo
 - Nicholas
 - Wayne

3. **Community Development Strategy(ies):** The Black Diamond project will include community development strategies that focus on climate technology and climate resilience, renewable energy, upcycling and recycling, ecological restoration and regenerative agriculture, and brownfields redevelopment - with a priority for development that results in growth of good-paying job opportunities for local residents residing in the community.

Coalfield has built deep relationships in the Westmoreland community over the last ten years - working with local stakeholders and residents at every step of the way. This project, and the adjoining West Edge Factory, are efforts that have been significantly influenced by community priorities. This includes extensive community engagement and collaboration stretching over the previous decade.

Project Information

4. Proposed Projects (list up to 3):

- I. **Name of Project, address:** Black Diamond Sustainable Development Logistics Hub; 2923 Park Avenue, Huntington WV, 25704
 - **Size in Sq Ft.:** 16,000+ sq. ft.
 - **Total anticipated Project Cost \$:** \$6,000,000

- **Financing identified/anticipated, list source and dollar amount or note 'None':** \$2,000,000 New Market Tax Credits (anticipated); \$500,000 Renewable Energy Tax Credits (anticipated); Remaining funding gap to be further explored
- **Project description:** The Black Diamond site is part of a Coalfield Development campus in the Westmoreland community of Huntington, WV.

This campus includes multiple properties that are hubs for community development initiatives focused on workforce and economic development, employment-based social enterprises; rehabilitating vacant or blighted property; and designing / scaling new programs in emerging sustainable sectors.

This campus includes the adjacent West Edge Factory (<https://coalfield-development.org/west-edge-factory/>) – a project undertaken by Coalfield to rehabilitate a 90,000 sf formerly vacant textiles factory into a hub for social enterprise and local business operations, workforce development, and entrepreneurial creative economy initiatives. The Black Diamond site is progressing through a phased redevelopment: previously undergoing a US EPA-funded environmental remediation (now complete), and currently in-progress on a first-phase rehabilitation that will begin construction in Q2 2024. This first phase rehabilitation is part of a broader consortium of projects facilitated by the ACT Now (Appalachian Climate Technologies Now) Coalition that was a winner of the US Economic Development Administration's Build Back Better Regional Challenge in 2022 (<https://actnowwv.org/projects/>).

This first phase rehabilitation will create new space to be occupied by anchor tenants Solar Holler (<https://www.solarholler.com/>) - a solar development / photovoltaics installation company; and the ReUse Corridor (<https://coalfield-development.org/reuse-corridor/>), a regional network of partners facilitating sustainable materials management in supply chains.

The technical assistance work in this Opportunity Appalachia application will leverage the substantial progress already underway onsite, but is distinct in being an additional body of work that will evaluate expansion opportunities for interior buildout and exterior spaces that are not supported in the first phase of redevelopment. Coalfield expects the work of this Opportunity Appalachia project to focus on refining architectural and engineering plans, in turn helping define potential scope and uses for the remaining building and exterior spaces that achieve significant community impact (discussed further in next section).

- **Community Impact (quantify/provide estimates):** This expansion of the work at Black Diamond will provide new, state-of-the art space for potential tenants / uses in climate resilience and climate technology industries – diversifying the local economy and adding to an already growing economic cluster in the greater metro area. This work would help chart a future vision for the project that, once completed, will accomplish:
 - Putting approximately 16,000 SF of vacant building space into operation.
 - Regenerate a currently vacant, post-industrial site into a thriving green / open space for community and public engagement (1.5 acres). This strategy would include techniques that restore the ecological health of the land, while improving climate resilience through green infrastructure and regenerative agriculture.
 - Prioritized economic growth that results in good jobs paid at livable wages. Coalfield Development has long supported this objective through both direct employment, as well as collaboration with tenants and partners. Coalfield also prioritizes paid, on-the-job

workforce development programs for individuals who face barriers to employment, and who gain direct professional experience in the sectors named above. These pay rates reflect living wages or better for participants (Coalfield is an affiliated member of the Carpenter’s Local 439 in Charleston). Solar Holler, one of Coalfield’s main partners in the Black Diamond project, is an affiliated member of the IBEW and a West Virginia Benefit Corporation. When considering these operational perspectives, Coalfield would continue to prioritize future operations and/or uses that align with these quality job and pay rate imperatives.

- In conjunction with preexisting activity already occurring across the Westmoreland campus, Coalfield anticipates outcomes associated with 150 people trained in new industries and 100 new jobs created.

- **Name(s) of project sponsors, developer, and/or business owner, if identified:** Project Sponsor and Developer: Coalfield Development Corporation
- **Technical Assistance Needed (refer to Attachment A, page 5, for TA requested in this RFP):** Architectural and engineering assessments / cost estimates

5. **Clean Energy Focus:** In addition to the activities where Coalfield will pursue relevant tenants and uses for the building space described above, the organization is also actively exploring clean energy opportunities for the site. This includes assessments for solar energy generated by either roof-mounted or ground mounted PV arrays. It has also included preliminary coordination with consultants conducting feasibility assessments for the construction of an electric micro-grid onsite. While a potential calculation of anticipated energy generation is not yet available, consultant teams working in parallel to this TA grant’s activities would further scope and define this impact.

The organization is also actively anticipating numerous energy efficiency measures that will ensure the project has a reduced carbon emission footprint over baseline: including the utilization of building systems that are all-electric, as well as passive ventilation strategies to minimize forced-air HVAC that result in higher energy demands.

6. **Applicant Capacity:** Coalfield has been engaged in community-focused work in Westmoreland for nearly a decade – first at the adjacent West Edge Factory (also redeveloped and owned by Coalfield). Over this time, that work has included direct collaboration with numerous community stakeholders, partners and residents. Efforts at Black Diamond have built on this successful track record by creating a “Black Diamond Community Advisory Board” – composed of abutting neighbors, community members, and elected officials. The group began meeting in 2021 – and have been integral members of the redevelopment planning throughout. The group was recognized for the “2023 WV Brownfield Community Engagement Award” from the WV Brownfields Assistance Centers.

Coalfield’s work at Black Diamond is fully consistent with the Regional Intergovernmental Council (Region 2) CEDS (Comprehensive Economic Development Strategy) covering the City of Huntington and Wayne County. This work has been listed as a key initiative for economic diversification in the region - which is tied to the driving mission of the region to grow new sectors and workforce readiness as the coal sector declines. Meanwhile, the organization’s work at adjacent West Edge has been included in multiple City-sponsored planning initiatives, including the City’s “Huntington Innovation Plan.” – with West Edge Factory as a key project in Huntington’s submission for "America's Best Communities Prize", a national challenge in 2017 that chose Huntington as having the #1 "community turnaround" in America.

Coalfield Development has long, and extensive, experience in managing projects of a similar nature. To date, the organization has revitalized 200,000 sf of formerly dilapidated property, have created over 250 new jobs, trained over 1,200 people and have leveraged more than \$20million in new investment to the region. The organization has previously and continues to manage a number of rehabilitation and adaptive reuse development projects: working with a wide range of federal, regional, and state agencies; philanthropic and foundation funding supporters, and lending institutions.

The team at Coalfield has significant capacity to advance this project's activities – relying on extensive experience in community-based real estate development initiatives. That includes key team members with specific expertise in project management, construction management, grant and financial management.