



IN PARTNERSHIP WITH PROGRAM SPONSORS



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

Project Sponsor: Pathways & Procurement, Asheville, NC

Project Name: Pathways & Procurement (Project Summary provided in Attachment B.)

Release Date: July 12, 2024

Proposal Due Date: August 9, 2024

Selection Date: August 23, 2024

Contract Period: August 23, 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 23, 2024 for an estimated contract start date of August 23, 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 \$80,000**. 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: Pathways & Procurement

Project Name: Oak Hill Commons

Project Description: Construction of 28 new townhome units to serve as affordable homeownership for the Asheville Community. The minority-owned project sponsor estimates costs to total \$7.8 M and creation of 100 construction jobs.

Full project summary provided in Attachment B.

TA Requested

- Architectural designs for the 28 affordable townhome complex, experience in multi-family living and affordable housing preferred.
- Civil site design documents advanced and completed to follow local municipality requirements (i.e., roadway layout, applicable setbacks, buffers, open space, and zoning requirements), including a grading plan and sediment and erosion control plan. Additionally, a sanitary sewer plan set completed for approval by the local sewer district.
 - Note: project sponsor already has a conceptual site plan developed.
- Financial structuring and development of financial pro forma and prospectus, including an evaluation of and relevant preparation for New Markets Tax Credits (NMTC) or other eligible tax credits for affordable housing for home ownership, to be used with the Housing Authority's homeownership voucher program. (Experience using New Market Tax Credits for homeownership preferred.)

Attachment B

Summary Information

Lead Contact: Dwayne Richardson

Applicant Organization: Pathways & Procurement

Address: 56 Mills Gap Rd., Asheville, North Carolina 28803

Phone: (828) 785-9860

Email: pathwaysandprocurement@gmail.com

Community Information

1. **Communities targeted by this application (municipality(ies), county(ies), and census tract(s)):**
Buncombe, Henderson, Madison, Transylvania, Haywood counties
2. **Service area of applicant (note if different than above, or note same):** Same
3. **Community Development Strategy(ies):** Affordable Housing is our intended purpose.
The Asheville area has a tremendous need for affordable housing and there are numerous entities that are will willing to support developers who are willing to try and deliver as many units as possible in the affordable price range. We have been able to foster support from the City of Asheville, Buncombe County, the Housing Authority of Asheville, Self-Help Credit Union and the Dogwood Health Trust to mention a few.

Project Information

4. **Proposed Projects (list up to 3):**
 - I. **Name of Project, address:** Oak Hill Commons, 67 Oak Hill Drive, Asheville, NC 28806
 - **Size in Sq Ft.:** 39,200 sq. ft.
 - **Total anticipated Project Cost \$:** \$7,840,000
 - **Financing identified/anticipated, list source and dollar amount or note 'None':** Developer private funds; ALFIE Loans
 - **Project description:** Our mission is to create homeownership opportunities for sectors of the population that are often left out of this economically empowering form of living. Oak Hill Commons will provide 28 Town Home units that will be priced in the HUD defined affordable price range. Homeownership Vouchers will be accepted to assist those in the workforce or lower income range.
 - **Community Impact (quantify / provide estimates):** Oak Hill Commons will deliver some very needed affordable housing to the Asheville Community. It is intended to be a 100% affordable development (28 Town Homes). As the leader of the developer services for this project, Pathways and Procurement has established a partnership between the Housing Authority of Asheville and Self-Help Credit Union to allow for the use of Homeownership Vouchers to be used for buyers in this development. This will make use of funding that has been intended to assist moderate to low-income individuals to experience the economic gains that often come with ownership versus lifelong renting. Plus, the tax revenue generated will be of far greater use to the community at large than rental properties.

Further, well over 100 jobs will be created by the construction of the units. Construction sector jobs are well paying and will bring income to the workers and tax revenue to local and state governments. Maintenance of the property will also offer long-term jobs within both site care and building maintenance fields.

Finally, Pathways and Procurement is a minority-owned company and has committed to mentoring young women and men of color towards entering the construction profession on both entry and leadership levels. Assistance from Opportunity Appalachia will greatly empower them to achieve this mission.

- **Name(s) of project sponsors, developer, and/or business owner, if identified:** Oak Hill Commons will be developed primarily by QB1 Enterprises, Inc. in conjunction with Eden Rock Enterprises, Inc. and Pathways and Procurement, LLC. The primary owner of the development will be Brandon Quinn. Pathways and Procurement will provide Developer Services for this project. Developer Services organizes the project, brings in the technical assistance required for planning and operations, manages alongside Project Managers and ultimately creates and administers the marketing and sales of the units. Pathways and Procurement is a minority-owned company based in Asheville, NC
- **Technical Assistance Needed (refer to Attachment A, page 5, for TA requested in this RFP):** The present team is very well staffed and has worked together on projects ranging from a single home construction up to a 104 unit development in Mars Hill, N.C. known as Rock Creek at Parkway View Rd. and everything in between. We are comprised of a Prime General Contractor, an experienced Civil Engineer, and an experienced leader of Developer Services (Pathways and Procurement). Our primary focus is on delivering affordable housing. If there is an element that we would like to bring into our group it would be an experienced architect (we would gladly also work with an upstart woman or man from our BIPOC community or anyone qualified to help).

This application marks an opportunity for Pathways and Procurement to be a stand-alone company. In that respect, it is a startup company. Experienced, but always working for others up to now.

5. **Clean Energy Focus:** The construction of our units always includes the use of Energy Star windows and appliances. We are presently exploring installing some solar panels on the rooves of these structures given that one of our partners, Self-Help CU, has recently received a large grant to facilitate the use of solar energy and it isn't often used in affordable housing projects. As of now we cannot yet quantify what the financial impact will be but it is our intention to use it wherever feasible.
6. **Applicant Capacity:** Pathways and Procurement's owner is Dwayne Richardson. I am presently a seated, voting member of the Community Reparations Commission in Asheville, N.C. I am also a member of the Land of Sky Regional Council's Regional Housing Alliance Board as well. Both organizations hold at their core a desire to improve the living conditions for people in Asheville and the surrounding area. As a long time resident of the City, my family has been through the Urban Renewal years in Asheville all the way up to the boom period that we are presently living in. A Mom and Pop's grocery store was the business that my family owned through the years and Haynes Grocery was well known across the City. After leaving Wake Forest I worked as a campaign manager for a local candidate who was ultimately elected to represent WNC in the General Assembly in Raleigh, N.C. My ties to this community span nearly 62 years now.

The community's support for this project is strongly displayed through the partnerships that have been forged to assist with creating home ownership for those who need it most. The Housing Authority of Asheville and Self-Help Credit Union have each provided me with Letters of Interest to show their support for this project. Our decision to accept Homeownership Vouchers for this development has lead to the Housing Authority and Self-Help's willingness to combine their resources to make this venture a success. As the leader of Developer Services on other projects in the region I have been responsible for putting together the necessities for affordable housing projects that have delivered over 100 units within the HUD or USDA affordable price range. Working together with a large team of professionals and a large construction labor force we have been successful at delivering on-time and on-budget residential housing.