NC DEPARTMENT of COMMERCE
RURAL ECONOMIC DEVELOPMENT

Josh Stein
GOVERNOR

Lee Lilley
SECRETARY

Reginald Speight
ASSISTANT SECRETARY

May 7, 2026

Amanda Edwards
Chair
Buncombe County
200 College St
Asheville, NC 28801

Re: Contract Agreement for Grant Number SA-0430; Your Signature and Reply is Requested
Project Title: "Swannanoa Sidewalks Repair and Extension; Whitson Ave"

Dear Chair Edwards:

This contract document is required to finalize the grant award for funding as described in the Disaster Recovery Act of 2025 – Part I. Below is a description of the documents included along with an explanation of each.

Document:	Document Description:	Signed By:
Grant Agreement	Contract: Outlines the terms of Agreement between the Department of Commerce and the Unit of Local Government.	Highest Elected Official - Unit of Local Government
Exhibit A	Small Business Infrastructure Grant Application	No Signature Required
Exhibit B	Payment Schedule: Outlines the process for the Unit of Local Government to request payments from the Department of Commerce.	No Signature Required
Exhibit C	Reporting Schedule: Outlines the schedule of reports that are due from the Unit of Local Government to the Department of Commerce and when they are due.	No Signature Required
Exhibit D	Small Business Infrastructure Grant Program Guidelines	No Signature Required

Please execute this document and return a copy to nichole.gross@commerce.nc.gov. A copy of this document and all others pertaining to the project will be available and accessible through the Rural Connect Portal. If you have any questions, or if I can be of any assistance, please contact me, hazel.edmond@commerce.nc.gov or please contact your program manager, nichole.gross@commerce.nc.gov.

Sincerely,

Hazel S. Edmond

Hazel S. Edmond, Director
Rural Engagement & Investment Programs

The North Carolina Department of Commerce ("Commerce"), an agency of the State of North Carolina ("State"), enters into this Small Business Infrastructure Grant Agreement (the "Agreement") with **Buncombe County** (the "Local Government"), each being referred to individually as a "Party" and collectively as the "Parties".

WHEREAS, the North Carolina General Assembly ("General Assembly") has determined that it is the policy of the State to assist with disaster recovery;

WHEREAS, the General Assembly, in the Disaster Recovery Act of 2025 – Part I (North Carolina Session Law 2025-02) (the "Act"), transferred funds from the State Emergency Response and Disaster Relief Fund ("SERDRF") to the Hurricane Helene Disaster Recovery Fund (the "Helene Fund");

WHEREAS, in Section 2A.2(4) of the Act, the General Assembly appropriated Fifty-Five Million Dollars ($55,000,000) from the Helene Fund for the Small Business Infrastructure Grant Program (the "Program");

WHEREAS, under Section 2F.1(a) of the Act, the Program is to be administered by Commerce;

WHEREAS, the General Assembly has created the Rural Economic Development Division ("REDD") within Commerce, and REDD will be responsible for administering the Program;

WHEREAS, the purpose of the Program is to provide grants to eligible local governments to expedite infrastructure repairs impacting the operation and patronage of small businesses in the Affected Area;

WHEREAS, under Section 2F.1(c) of the Act, the General Assembly has authorized Commerce to review applications for grants under the Program and, where appropriate, award grants to eligible local governments on a first-come, first-served basis; and

WHEREAS, pursuant to the Act, and based on the application filed by the Local Government (the "Application") and any subsequent materials supporting the Application that have been approved of by Commerce in writing as of the Effective Date, all of which are included as Exhibit A and are incorporated by reference herein, Commerce has approved a grant to the Local Government (the "Grant); and

WHEREAS, without limitation, Commerce awarded the Grant: (1) based on the Application filed by the Local Government and the certifications contained therein and (2) for the completion of the Project (as defined below), as summarized in the Application.

NOW, THEREFORE, in consideration of the mutual promises and such other valuable consideration as set out herein, the Parties mutually agree to the following terms and conditions:

SECTION 1. DEFINITIONS

1.1 "Act" means The Disaster Recovery Act of 2025 – Part 1 (N.C.S.L. 2025-02).

1.2 "Affected Area" means the counties designated before, on, or after March 19, 2025, under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene.

1.3 "Agreement" means this Small Business Infrastructure Grant agreement between the Local Government and the Department of Commerce, as amended, modified, revised, or supplemented from time to time and including the documents set forth in the Preamble and the Exhibits listed in Paragraph 5.14.

1.4 "Application" has the meaning set forth in the Preamble.

1.5 "Commerce" means the North Carolina Department of Commerce.

1.6 "Effective Date" has the means **10/31/2025**

1.7 "Eligible Local Government" means a city or county, as defined in N.C. Gen. Stat. §§ 160A-1 and 153A-1, located in an Affected Area.

1.8 "General Assembly" means the North Carolina General Assembly.

1.9 "Grant" means the Small Business Infrastructure Grant awarded to **Buncombe County** on **10/31/2025** by Commerce and subject to the terms and conditions of this Agreement.

1.10 "Grant Term" means the effective period of this Agreement beginning on **10/31/2025** ("Effective Date") and terminating on **10/31/2028** unless terminated on an earlier date under the terms of this Agreement (either one of which dates shall constitute the "Termination Date") or unless extended for an express term agreed upon in writing by the Local Government and Commerce.

1.11 "Local Government" means **Buncombe County,** a county in North Carolina.

1.12 "Project" means repair or reconstruction of the **sidewalk and curb infrastructure**, as described in the Application.

1.13 "Project Change" means any material alteration, addition, deletion, or expansion of the Project, including but not limited to material changes to construction or rehabilitation and any filing of bankruptcy by the Local Government.

1.14 "Qualifying Infrastructure Needs" means water, sewer, gas, telecommunications, high-speed of businesses located in an Eligible Local Government and damaged by Hurricane Helene that, until repaired, inhibits access to or operations of one or more of those Small Businesses (as defined below). For purposes of the Agreement, infrastructure owned by the Small Business(es) or for which the Small Business(es) is/are responsible for maintaining is not included.

1.15 "REDD" has the meaning set forth in the Preamble.

1.16 "Secretary" means the Secretary of the North Carolina Department of Commerce.

1.17 "Small Business" means

Short Sleeves Coffee Co., LLC, 222 Whitson Ave. Swannanoa, NC 28778	Limited Liability Company	NC

a business with a physical presence in the Affected Area that employs/ one hundred fifty (150) or fewer employees, as identified in the Application.

1.18 "State" means the State of North Carolina and any of its related agencies, commissions, or departments (including Commerce, the North Carolina State Auditor, the North Carolina Office of State Budget and Management, and the Joint Legislative Commission on Governmental Operations) and any of their authorized representatives.

SECTION 2. REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties by the Local Government

a) The Local Government makes the following representations and warranties and acknowledges and agrees that such representations and warranties have been material to Commerce's decision to enter into this Agreement and to its determination that the Local Government is eligible for a grant with respect to the Project, and the Local Government further agrees that each representation and warranty shall be true, accurate, and complete as of the date of execution and delivery of this Agreement and as of the date of any disbursement of Grant funds:

b) The execution and delivery of this Agreement have been duly authorized by all necessary Local Government action and are not in contravention of law or in contravention of the provisions of any indenture agreement or undertaking to which the Local Government is a party or by which it is bound.

c) To the knowledge of the Local Government, no action or legal proceeding is threatened against it or affecting it that may adversely affect the Project or any of the transactions contemplated by this Agreement or the validity or enforceability of this Agreement or the abilities of the Local Government to discharge its obligations under this Agreement. If it is subsequently found that such an action, suit, proceeding, or investigation did or could threaten or affect the development and/or completion of this Project, the Local Government shall be liable to Commerce for repayment of the entire amount of the Grant, and this Agreement may be terminated by Commerce, effective upon notice of such termination.

d) No approval is necessary, or if any approval is necessary, all such approvals have been obtained from any governmental authority as a condition to the execution of this Agreement by the Local Government. The Local Government shall provide Commerce with evidence of the existence of any such necessary approvals at the time of the execution of this Agreement.

e) The Local Government is solvent.

f) The Local Government shall provide Commerce with any information it obtains with regard to the Project. Additionally, at Commerce's request and on Commerce's behalf, the Local Government shall exercise any rights of the Local Government to access, obtain, review, or monitor such information in the possession of third parties, including any Business.

g) The Local Government shall exercise all of its rights and duties under this Agreement in a prudent and timely manner to ensure the use of the Grant funds for their intended purposes and objectives and to preserve the rights of Commerce in this Agreement.

h) If the Local Government fails to timely repay Commerce any Grant funds upon request and as directed, and, at its sole discretion, Commerce elects to initiate legal proceedings against the Local Government for such repayment, the Local Government is responsible and agrees to reimburse Commerce for all litigation costs and reasonable attorneys' fees that Commerce incurs in pursuing repayment.

i) The Local Government qualifies as an Eligible Local Government.

j) The County in which the Local Government sits qualifies as an Affected Area.

k) The Small Business is a business with a physical presence in the Affected Area that employs one hundred fifty (150) or fewer employees.

l) The Project addresses a Qualifying Infrastructure Need that adversely affects access to or operations of the Small Business identified in the Application.

m) The infrastructure to be repaired by the Project was damaged by Hurricane Helene.

n) The Small Business does not own the infrastructure to be repaired by the Project and is not responsible for maintaining the infrastructure to be repaired by the Project.

o) The Small Business identified in the Application was adversely impacted by Hurricane Helene, and the resulting damage to infrastructure has inhibited access to or operations of the Business.

p) The Small Business identified in the Application will benefit from the Project.

q) The Local Government will use the Grant Funds only for purposes of repairing the Qualifying Infrastructure Needs identified in the Application, as permitted under this Agreement and under the Act.

2.2 Changes in the Project or Other Conditions.

(a) There shall be no Project Change unless expressly approved by Commerce in a separate, prior written agreement stating, if applicable, the costs and schedule for completing the Project Change.

(b) Additionally, the Local Government immediately shall provide written notice to Commerce of any change in conditions, local law, or any other event which may significantly affect its ability

to oversee, administer, or perform this Agreement or the Project. In its sole discretion, Commerce may deem such a change in conditions, local law, or other event to constitute a Project Change.

SECTION 3. TERMS AND CONDITIONS OF AGREEMENT

3.1 Project Details

(a) The Local Government represents that it has, or will secure at its own expense, all personnel required to monitor, carry out, and perform the scope of services of this Agreement. Such employees shall not be employees of Commerce. Such personnel shall be fully qualified and shall be authorized under State and local law to perform such services.

(b) The Project will commence on **10/31/2025**

(c) The infrastructure is to be repaired as described in the Application.

(d) The Small Business is located,

Business Name	**Physical Address**
Short Sleeves Coffee Co., LLC	222 Whitson Ave. Swannanoa, NC 28778

utilize the infrastructure to be repaired, and have been negatively impacted by damage to the infrastructure, as described in the Application.

(e) The Project will be completed on or before **10/31/2028.** If the Local Government anticipates a delay in the Project, the Local Government will provide timely notice, in writing, to Commerce of the delay and the anticipated date of completion. Commerce, in its sole discretion, then will provide written consent to an extension of the Project End Date.

3.2 Grant Funds

(a) Commerce grants to the Local Government an amount not to exceed **$979,069** for expenditures directly related to the Project. If Commerce determines that the actual costs of the Project are less than the Grant amount, Commerce, in its sole discretion, may reduce the amount of the Grant accordingly. If the Local Government determines that the actual costs of the Project are less than the Grant amount, it shall report so to Commerce, in writing, and return any surplus Grant funds to Commerce within thirty (30) days of making that determination.

(b) Grant funds will be distributed to the Local Government in accordance with the Payment Schedule established in Exhibit B. For those funds not distributed in advance (in accordance with Exhibit B), the Local Government will complete a Payment Request Form (provided by Commerce), along with invoices and proof of payment, and submit said form and documentation to Commerce. Upon receipt and review of the Payment Request Form and attached documentation, Commerce will disburse payment to the Local Government. Commerce may, in its sole discretion, request additional documentation of expenses from the Local Government prior to disbursement of Grant funds.

(c) If Grant funds are distributed in advance, the Local Government will provide proof that those advanced funds were used exclusively for the purpose of the Project. Such proof will be provided according to the terms of Exhibit B. Should the Local Government fail to provide such proof within sixty (60) days of receipt of the advanced distribution, the Project will be placed into default status, and no further payments will be made until the required documentation is submitted to and approved by the Department.

(d) The Local Government shall use Grant funds exclusively for the purpose of the Project, as described in the Application, and consistent with all applicable State, federal, and local laws, rules, regulations, and requirements (including, without limitation, all language in the Act regarding this funding). The Local Government shall not make or approve of any improper expenditure of Grant funds.

(e) The Local Government may use Grant funds for administrative purposes, provided those administrative expenses do not exceed [one and a half percent] (1.5%) of the total Grant funds awarded to the Local Government.

(f) The Local Government shall not obligate Grant funds prior to the Effective Date or subsequent to the Termination Date of this Agreement. All obligations outstanding as of the Termination Date shall be liquidated within thirty (30) days, unless Commerce terminates the Agreement pursuant to Paragraph 3.3 below, in which case any expenditures shall be made pursuant to the requirements of that Paragraph.

(g) The obligations of the State (including but not limited to REDD and Commerce) to pay any amounts under this Agreement are contingent upon the availability and continuation of funds for such purpose. If funds for the Grant become unavailable, Commerce has the right to terminate this Agreement by giving written notice to the Local Government. The effective date of such termination will be in Commerce's sole discretion and will be included in the written notice of termination. Upon such termination, the State shall have no responsibility to make additional Grant payments. Further, upon such termination, the Local Government shall not expend any Grant funds without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.

a) Termination

a) If the Local Government fails to fulfill in a timely and proper manner its obligations or violates any of the covenants or stipulations under this Agreement, the Local Government agrees that Commerce has the right to terminate this Agreement by giving the Local Government written notice of termination. The effective date of such termination will be in Commerce's sole discretion and will be included in the written notice from Commerce to the Local Government. Upon such termination, Commerce shall have no responsibility to make additional Grant payments under this Agreement. Upon such termination, the Local Government shall not expend any Grant funds without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.
b) The terminations and remedies addressed in this Section 3.3 are in addition to those terminations and other remedies set forth elsewhere in this Agreement.

3.4 Project Records

(a) The Local Government shall maintain full, accurate, and verifiable financial records, supporting documents, and all other pertinent data for the Project in such a manner as to clearly identify and document the expenditure of the State funds provided under this Agreement separate from accounts for other awards, monetary contributions, or other revenue sources for this Project.

(b) The Local Government shall retain all financial records, supporting documents, and all other pertinent records related to the Project for a period of five (5) years from the Termination Date. In the event such records are audited, all Project records shall be retained beyond the five-year period until the audit is concluded and any and all audit findings have been resolved. Similarly, if litigation or other action arising out of or related in any way to this Project is commenced before the end of such retention of records period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved or until the end of the record retentions period, whichever is later.

3.5 Monitoring, Reports, and Auditing

(a) The Local Government shall ensure compliance and provide its assistance with such monitoring and auditing requirements as the State may request, including following the Termination Date of this Agreement. Additionally, the Local Government shall regularly monitor all performance of Grant-supported activities, including activities performed by any third party.

(b) The Local Government will comply with the Reporting Schedule established in Exhibit C. The Local Government shall submit progress reports on or before January 15th and July 15th of each year of the Grant Term. The first of these reports shall be due on or before January 15, 2026. The Local Government also shall submit a final report upon the earlier of: (i) the date of completion of the Project or (ii) no later than thirty (30) days following the Termination Date. These reporting requirements shall be completed as directed by REDD staff and shall remain in effect for the entire Grant Term, including any extension to the Grant Term.

(c) The Local Government acknowledges and agrees that, with regard to the Grant funds, it will be subject to the audit and reporting requirements prescribed by N.C.G.S. § 159-34, Local Government Finance Act - Annual Independent Audit; rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of Grant funding received by the Local Government and are subject to change from time to time. Upon completion, the Local Government shall forward to Commerce one copy of any audited financial statements and accompanying reports generated during the period between the Effective Date and Termination Date of this Agreement.

(d) The Local Government shall grant the State and any of its related agencies, commissions, or departments (including, without limitation, Commerce, the North Carolina State Auditor, the North Carolina Office of State Budget Management, and the Joint Legislative Commission on Governmental Operations) and an of their authorized representatives, at all reasonable times and as often as necessary (including after the Termination Date), access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents in the possession of the Local Government or any third-party or business relating to the Agreement or the Project. In

addition, the Local Government shall comply at any time, including after the Termination Date, with any requests by the State (including, without limitation, REDD or Commerce) for financial and organizational materials to permit the State to comply with its fiscal monitoring responsibilities or to evaluate the short- and long-range impact of its programs.

SECTION 4. WAIVER

4.1 No Waiver by the State

(a) Failure of the State at any time to require performance of any term or provision of this Agreement shall not affect the rights of the State to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions herein at a later date. No waiver by the State of any condition or the breach of any term, provision, or representation contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall not operate as a continuing waiver of any such condition or of a future breach of any other term, provision, or representation.

4.2 Waiver of Objections to Timeliness of Legal Actions

(a) The Local Government waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the State (including REDD or Commerce) to enforce its rights under this Agreement. This waiver includes any objections the Local Government may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.

SECTION 5. MISCELLANEOUS PROVISIONS

5.1 Independent Status of Local Government

(a) The Local Government and any third party are entities independent from the State and any agency or employee thereof. The Agreement, the Project, and any actions taken pursuant to them shall not be deemed to create a partnership or joint venture between or among the State, the Local Government, and/or any third party, nor shall the Agreement or the Project be construed to make the Local Government (including its employees, agents, members, or officials) or any third party employees, agents, members, or officials of the State. Neither the Local Government nor any third party shall have the ability to bind the State or any agency, division, or employee thereof to any agreement for payment of goods or services or represent to any person that they have such ability.

5.2 Liabilities and Loss

(a) The Local Government hereby agrees to release, indemnify, and hold harmless the State (including, without limitation, Commerce), and their respective members, officers, directors, employees, agents, and attorneys (together, the "Indemnified Parties"), from any claims of third parties arising out of any act or omission of the Local Government or any third party in connection with the performance of this Agreement or the Project, and for all losses arising from their implementation. Without limiting the foregoing, the Local Government hereby releases the Indemnified Parties from, and agrees that such Indemnified Parties are not liable for, and agrees

to indemnify and hold harmless the Indemnified Parties against, any and all liability or loss, cost, or expense, including, without limitation, reasonable attorneys' fees, fines, penalties, and civil judgments, resulting from or arising out of or in connection with or pertaining to, any loss or damage to property or any injury to or death of any person occurring in connection with the Project, or resulting from any defect in the fixtures, machinery, equipment, or other property used in connection with the Project or arising out of, pertaining to, or having any connection with, the Project or the financing thereof (whether arising out of acts, omissions, or negligence of the Local Government or of any third party or of any of their agents, contractors, servants, employees, licensees, lessees, or assignees), including any claims and losses accruing to or resulting from any and all subcontractors, material men, laborers, and any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the Project.

5.3 Additional Repayment Requirements and Remedies

(a) The repayment requirements and remedies addressed in this Section 5.3 are in addition to those repayment requirements and other remedies set forth elsewhere in this Agreement, including the requirements to repay unspent Grant funds. No remedy conferred or reserved by or to the State is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy provided for in this Agreement, or now or hereinafter existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.

(b) If there is a breach of any of the requirements, covenants, or agreements in this Agreement, or if there are any representations or warranties which are untrue as to a material fact in this Agreement or in relation to the Project (including the performance thereof), the Local Government agrees that Commerce may require repayment from the Local Government of an amount of Grant funds to be determined in Commerce's sole discretion but not to exceed the amount of Grant funds the Local Government has already received under this Agreement.

5.4 Non-discrimination.

(a) The Local Government agrees not to discriminate by reason of age, race, religion, color, sex, national origin, or disability related to the activities of this Agreement.

5.5 Conflict of Interest.

(a) The Local Government shall adopt and keep on file, along with the executed copies of this Agreement, a copy of its policy and any ordinance or resolution it has adopted addressing conflicts of interest that may arise involving the members of the Local Government's governing body and/or any of its employees or officers involved in the Grant or the Project. Such policy, ordinance, or resolution shall address situations in which any of these individuals may directly or indirectly benefit, other than through receipt of their normal compensation in their capacities as the Local Government's employees, officers, or members of its governing body, from the Grant or the Project, and shall include actions to be taken by the Local Government or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. Additionally, the Local Government certifies that, as of the date it executes this Agreement, no such individuals have such a conflict of interest or will directly or indirectly benefit, except in the capacities described above, from the Grant or Project. Throughout the Grant Term and for the duration of the Project, the Local Government has the duty to inform Commerce promptly of any such conflict of interest or direct or indirect benefit of which it becomes aware.

5.6 Compliance with Laws.

(a) The Local Government shall at all times observe and comply with all laws, regulations, codes, rules, ordinances, and other requirements (together, "Laws") of the state, federal, and local governments which may in any manner affect the performance of the Agreement or the Project. This includes compliance with any and all State and federal environmental laws and regulations.

5.7 Non-Assignability.

(a) The Local Government shall not assign or transfer any interest in the Agreement without the prior written consent of Commerce, provided, however, that claims for money due to the Local Government from Commerce under this Agreement may be assigned to any commercial bank or other financial institution without such approval.

5.8 Other Agreements.

(a) The Local Government understands and consents that, if it is a party to a separate grant agreement or loan with the State, then full compliance with that separate grant agreement or loan and with this Agreement is required. Any default under the separate grant agreement or loan during the term of this Agreement, as it may be extended, may be the basis for Commerce to deny payment under this Agreement or request repayment of any funds previous paid in the discretion of Commerce.

5.9 Notice.

(a) All notices required or permitted to be delivered hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered or when deposited in the United States mails, certified, return receipt requested, first class, postage prepaid and addressed as follows, or when submitted via electronic mail as follows:

If to the Department of Commerce : Attn: **Hazel Edmond**
North Carolina Department of Commerce
Rural Economic Development Division
301 North Wilmington Street
4346 Mail Service Center
Raleigh, North Carolina 27699-4346
Email: hazel.edmond@commerce.ng.gov

If to the Local Government: Attn: **Avril Pinder**
County Manager
Buncombe County
200 College St.
Asheville, NC 28801
Email:
avril.pinder@buncombecounty.org

or addressed to such other address or to the attention of such other individual as Commerce or the Local Government shall have specified in a notice delivered pursuant to this subsection.

All notices required or permitted to be delivered hereunder and all communications in respect hereof also shall be deemed given when submitted to the Rural Connect Portal.

5.10 Entire Agreement.

(a) This Agreement supersedes all prior agreements between or among Commerce and the Local Government with regard to the Project and expresses their entire understanding with respect to the transactions contemplated herein, and shall not be amended, modified, or altered, except pursuant to a writing signed by both Commerce and the Local Government.

5.11 Execution.

(a) This Agreement may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and such counterparts, together, shall constitute one and the same Agreement which shall be sufficiently evidenced by one of such original counterparts.

5.12 Construction, Jurisdiction, and Venue.

(a) This Agreement shall be construed and governed by the laws of the State of North Carolina.

(b) The Local Government agrees and submits, solely for matters concerning this Agreement, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purposes, that the only venue for any legal proceedings shall be Wake County, North Carolina. The place of this Agreement, and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract, tort, or otherwise, relating to its validity, construction, interpretation, and enforcement, shall be determined.

5.13 Severability

(a) Each provision of this Agreement is intended to be severable and, if any provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

5.14 Exhibits

(a) The following Exhibits are hereby incorporated by reference as though set forth in their entirety herein:
   i. Exhibit A –Small Business Infrastructure Development Grant Project Application
   ii. Exhibit B – Payment Schedule
   iii. Exhibit C – Reporting Schedule
   iv. Exhibit D – The Small Business Infrastructure Development Grant Guidelines

SECTION 6. ACCEPTANCE

6.1 Return of Documents

(a) If the Local Government agrees to the Agreement terms and conditions as stated, the Local Government will execute the Agreement, as directed by REDD staff. This Grant may be withdrawn if Commerce has not received such documents within thirty (30) days from the date of the cover letter from Commerce to the Local Government.

6.2 Conditions of the Agreement

(a) An authorized signatory of the Local Government shall execute the Agreement in its exact form, unless Commerce approves a change to its terms in writing.

IN WITNESSETH WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Buncombe County

Signature: _____ [SEAL]

Printed Name: _____

Title: _____

Date: _____

North Carolina Department of Commerce

Signature:  _____ [SEAL]

Printed Name: Reginald Speight

Title: Assistant Secretary for Rural Economic Development

Date: 5/7/2026

EXHIBIT A
SmBIZ Project Application

Application
App-001118

Details | Application | Checklist | Cost Categories

Information

Application Name: App-001118	Status: Approved
Account: Buncombe County	External Status: Approved
Account Address: 200 College St Asheville, NC 28801	Original Submitted Date: 7/18/2025, 3:49 PM
Program: Rural Engagement and Investment Fund	Submitted Date/Time: 7/18/2025, 3:49 PM
Grant: Small Business Infrastructure Grant Program	Approved Date/Time: 10/31/2025, 3:14 PM
External Grant Administrator Account:	County: Buncombe
Project Title: Swannanoa Sidewalks Repair and Extension, Project 5	County Tier: 3
	Prosperity Zone: Western

Project Description

Project Description

Buncombe County proposes five sidewalk infrastructure repair and expansion projects in Swannanoa, an unincorporated area within the county that saw significant flood damage from Hurricane Helene. These projects will repair and extend sidewalks within the Swannanoa commercial center, restoring and expanding small businesses' ability to attract customers and recover from Hurricane Helene, as well as connecting the community to existing sidewalk infrastructure in Asheville.

This project is the fifth of 5 and extends sidewalk infrastructure on US-70 from Patton Cove Road to Whitson Avenue, as well as repairing sidewalks in the adjacent Beacon neighborhood. Buncombe County requests $979,069.00 to complete this work.

Contact Information

Contact: Elizabeth Odderstol	External Grant Administrator:
Chief Elected Official Contact: Amanda Edwards	Chief Administrative Officer: Avril Pinder

Funding Information

Original Grant Amount: $979,069.00	Total Other Federal Resources: $0.00
Grant Amount Requested: $979,069.00	Total State Resources: $0.00
Total Project Resources: $979,069.00	Total Local Resources: $0.00
	Total Leveraged Resources: $0.00

Narrative Questions

Please refer to the SmBIZ Guidelines for the information that should be included in your narrative responses. Please provide complete and detailed responses.

DESCRIBE THE INFRASTRUCTURE IMPACTS ON YOUR COMMUNITY.

Provide a detailed description of the qualifying infrastructure needs. Description must include:

•Summary of the detrimental impact on the named small business or businesses and how the business or businesses will benefit from the grant;

•Description of infrastructure affected (water, sewer, sidewalks, etc.), including ownership information;

•Details of damage to infrastructure and immediate risks due to damage;

*•Explanation of any proposed repairs to improve durability and sustainability of infrastructure

The unincorporated Swannanoa community in Buncombe County experienced some of the most significant flood damage from Tropical Storm Helene. In the aftermath of the storm, the community needs additional investment in order revitalize its economy and build back better. The Small Business Infrastructure Grant (SmBIZ) offers an opportunity to repair and extend the community's sidewalk infrastructure, increasing multi-modal access to the small businesses in the area and serving a need currently unmet through other grant opportunities.

As a result of Tropical Storm Helene, businesses in the Swannanoa valley experienced 13 inches of rain, and record flooding along the Swannanoa River. In the aftermath, the community faced an extended time without utility services. Swannanoa in particular experienced over three of weeks without water service of any kind, seven weeks before potable drinking water was restored, three weeks with limited electricity, and over four weeks with no internet or cell service. At time of writing, the community is still suffering from numerous business closures, including the area's primary grocery store and community post office, raising fears of increased food deserts within the county.

Along with these impacts, sidewalks and pedestrian infrastructure was damaged, with nearly 600 yards of sidewalk in need of repair. The repair and extension of sidewalks along this corridor would improve the community's access to local businesses by allowing increased foot traffic in the entire area. Additional infrastructure impacted but not factored into this grant includes roadway closures (Old US 70), loss of the Whitson Bridge, power lines, fiber optic cable, etc. Much of this has been replaced, but small business pedestrian infrastructure remains an unmet need.

Improvement to Swannanoa's sidewalk infrastructure will be critical to the area's recovery, revitalizing the economy and investing in the community's future. Sidewalks have been shown to improve local economies. One study found that streetscape improvements to pedestrian and cycling infrastructure can increase property values and attract new businesses, while further research concluded that pedestrian and cyclist visitors to retail businesses tend to have higher spending per trip. While these economic benefits are most realized in walkable commercial cores, similar in built environment to the Beacon Village area of Swannanoa, sidewalk infrastructure has been shown to improve economic outcomes for many businesses along an entire corridor. Improved walkability in Swannanoa supports high-value pedestrian traffic to small businesses, and as further development occurs along this corridor, the county has an opportunity to position Swannanoa as a commercial destination with numerous amenities, attracting customers from beyond the immediate area.

This project will also make significant safety improvements to the US-70 corridor in unincorporated Buncombe County. Currently, pedestrian and bicycle traffic must travel along the side of the right of way, crossing driveways and other intersections with low visibility, or enter a roadway with a posted speed limit of 55 miles per hour. NC DOT records that this corridor has seen an average of 1.7 pedestrian or cyclist-involved crashes per year (17 from 2015 to 2025), with one third of these crashes resulting in a pedestrian fatality. Sidewalk infrastructure along this corridor would protect these users. As a result, improved pedestrian safety infrastructure along US-70 supports multimodal transit, as Asheville's 170 bus route operates on Highway 70 through the entire project area. Further, sidewalks along this route improve accessibility and equity, allowing wheelchair users or other disabled residents to travel along the commercial corridor without a car.

Sidewalks in this area improve the broader infrastructure health of the county, bringing the route into closer alignment with NC DOT's Complete Streets policy. The repair functions of this work include improved durability and sustainability of sidewalks originally built decades ago in the Swannanoa commercial area. These improvements will become more important as the former site of the Beacon manufacturing plant is redeveloped into park space for the community. Moreover, these projects are supportive of Buncombe County's 2043 Comprehensive plan, which identifies Swannanoa as a key growth corridor, and the County's Strategic plan, which seeks to build increased transit access in the county.

US-70 continues through Swannanoa, connecting the area to the Town of Black Mountain. Sidewalk and pedestrian infrastructure along this stretch of US-70 remains a county priority, but at this time future study is needed to determine the specific infrastructure and alignment needs of this area. The area between Black Mountain and Swannanoa is part of the planned Fonta Flora State Trail, and will additionally be considered during the County's Swannanoa Small Area and Resilience Plan process. Pedestrian infrastructure development in this section of the US-70 corridor will follow the recommendations of these processes and is therefore not included in this funding request.

Project 5 of this work performs sidewalk repairs on 1,746 linear feet of sidewalks on Whitson Avenue in the Beacon Village residential area, and extends sidewalks along US-70 from Patton Cove road to Whitson Avenue, and within the Beacon Village residential area along Park Street, North Avenue, South Avenue, Railroad Street, and Alexander Place. The Beacon Village is the historic core of Swannanoa, centered around the former site of the Beacon Blanket Manufactuing facility. It provides a residential anchor to the surrounding commercial area, and is home to numerous community-supported small businesses, including Terra Nova Beer Company, Short Sleeves Coffee, and Ovenbird Kitchen. Improved sidewalk and curb infrastructure in this area would provide strong walkability benefits for businesses in Beacon Village, and connect customers in the largest abutting residential area in this project zone to their commercial district. Further, this work would support the existing pedestrian traffic in this area: the 1/3 mile stretch of US-70 in this project is home to two bus stops on Asheville's 170 bus route, and has seen 4 pedestrian or bicycle accidents since 2015, including 1 pedestrian fatality. Safety improvements in this area can address an existing need and increasing existing walkability to businesses in the area.

DESCRIBE THE ANTICIPATED OUTCOMES.

Identify the anticipated outcomes that will result in repaired infrastructure as a direct result of the project.
Outcomes could include but are not limited to the number of feet/miles of water/sewer lines being replaced or repaired, number of feet/miles of sidewalk or curb improvements, number of small businesses improved/assisted, etc, in the applicable cost categories:

•water
•sewer
•gas
•telecommunications
•high-speed broadband
•electric utility
•sidewalk and curb infrastructure

Direct outputs of this project will consist of repair and extension work on curb and sidewalks infrastructure in Swannanoa, totaling to 4.71 miles of sidewalk infrastructure improvements. If fully funded, this project would create an uninterrupted sidewalk network from the City of Asheville to Swannanoa's central commercial area, improving pedestrian infrastructure in the county's fastest growing area. These improvements will serve small businesses throughout the project area, allowing for increased foot traffic and pedestrian access to commercial properties in one of the areas most impacted by Tropical Storm Helene.

Sidewalk and curb infrastructure of this type offers direct benefits to low-income residents, seniors, and those without vehicles, including the commercial access benefits mentioned above as well as safety and transportation benefits. Compared to other possible solutions to these issues, such as public transportation services, other roadway improvements, or more targeted spot improvements in the right of way, sidewalk extensions are the most effective solution to these needs. Safe access to work, school, services and transit directly supports residents and underserved populations, and lays the groundwork for broader economic benefits in the project area.

Project 5 of this effort, Swannanoa Commerical, will consist of 1.2 miles (2,183 yards) of sidewalk infrastructure work, consisting of 1746 feet of repair to sidewalks on Whitson Avenue, and .8 miles of extension to sidewalks on US-70, North Avenue, South Avenue, Park Street, Alexander Place, and Railroad Street. This project serves numerous small businesses, detailed in the attached list document.

DESCRIBE THE PROJECT SUSTAINABILITY.

*Describe how this project will provide long-term and sustainable solutions for recovery of the business(es) involved in the project.

Sidewalks along the US-70 corridor support the long-term and sustainable recovery of businesses in the area by improving customer access to businesses through pedestrian, transit, or multi-modal uses. This project advances the longer-term goal of creating a walkable core in Swannanoa and developing Swannanoa as a commercial and residential destination in its own right, a strategy shown to improve local business outcomes around the country. Expanded pedestrian infrastructure along US-70 outside of the commercial core provides "shoulder" pedestrian access to this commercial center, as well as connecting residents outside of central Swannanoa to adjacent businesses areas in Asheville and Black Mountain. Buncombe county anticipates these sidewalk investments will reduce retail vacancies in the area, attracting residents and workers. These infrastructure improvements provide support for future development in the corridor, such as the Beacon Bike Park and the planned Fonta Flora State Trail. As one of the fastest-growing areas in the county before the storm, Swannanoa is undergoing additional planning for these efforts via the county's Swannanoa Small Area and Resilience Plan process. Overall, improved pedestrian infrastructure in the US-70 corridor through Swannanoa allows this disaster-impacted community to rebuild with economic resilience in mind.

Upon completion of these sidewalks with NC DOT, Buncombe County will assume ownership and maintenance responsibilities for the sidewalks. If awarded funds, the county will amend existing maintenance policies to guide the upkeep of this infrastructure and support future sidewalk construction in the county. The ability of the county to maintain this infrastructure ensures businesses are not negatively impacted by any external costs.

Project 5 of this effort supports small businesses along the US-70 corridor and the Beacon Village neighborhood, an area that was uniquely devasted by Tropical Storm Helene. As the community rebuilds, sidewalk infrastructure repairs and extensions can support additional foot traffic to businesses in this area. Infrastructure of this type additionally positions Swannanoa well for future development: this project area contains the under-development Beacon Bike Park, with plans for additional commercial development on the site in progress. Sidewalk repairs in this area directly support the recovery of the area, and improve safety, access and equity in the commercial core of Swannanoa.

DESCRIBE THE SCOPE OF THE PROPOSED PROJECT.

Provide a detailed work plan that includes a description of all major project activities. Include in detail how the anticipated repairs, in the applicable cost categories, will promote restored infrastructure in the project area:

•water
•sewer
•gas
•telecommunications
•high-speed broadband
•electric utility
•sidewalk and curb infrastructure

Buncombe County is working with NCDOT to develop a complete work plan and construction timeline based on NCDOT estimates and contractor cost proposals. Based on initial consultation with NCDOT, the county estimates the project will progress through three phases: Design (estimated 9 months from project start date), Right of Way (estimated 6 months), and Construction (estimated 12 months). This timeline should allow for the project to be completed within the allowable timeframe.

The primary project activities this application proposes are planning and engineering design of sidewalk improvements, request for proposal generation and contractor engagement, and construction management activities. All of the activities described above are direct contributions to restoration and improvement of infrastructure in the project area and fall into the specific cost categories of sidewalk and curb material, labor, planning, and construction costs.

Construction and engineering management work for this project will be conducted by NCDOT, including contracting out for construction of approved sidewalks. Buncombe County will be responsible for the financial management of the project, including the biannual reporting requirements.

Application
App-001118

Details | Application | Checklist | **Cost Categories**

Project Budget	
Total Amount Approved:	$979,069.00
Total Amount Requested:	$979,069.00
Other Federal Resources:	$0.00
State Resources:	$0.00
Local Resources:	$0.00
Total Leveraged Resources:	$0.00
Total Project Resources:	$979,069.00

NAME	COST CATEGORY	ACTIVITY	AMOUNT REQUESTED	AMOUNT APPROVED	OTHER FEDERAL RESOURCES	STATE RESOURCES	LOCAL RESOURCES	TOTAL
ACC-0020502	Infrastructure	Administration	$75,313.00	$14,686.00	$0.00	$0.00	$0.00	$75,313.00
ACC-0020503	Infrastructure	Electric Utility	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
ACC-0020504	Infrastructure	Public Water Improvements	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
ACC-0020505	Infrastructure	Public Sewer Improvements	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
ACC-0020506	Infrastructure	Public Gas Improvements	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
ACC-0020507	Infrastructure	Telecommunications	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
ACC-0020508	Infrastructure	High-speed Broadband	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
ACC-0020509	Infrastructure	Sidewalk and Curb Infrastructure	$903,756.00	$964,383.00	$0.00	$0.00	$0.00	$903,756.00
		TOTALS:	$979,069.00	$979,069.00	$0.00	$0.00	$0.00	$979,069.00

EXHIBIT B
PAYMENT SCHEDULE

To receive up to twenty percent (20%) of the total grant award in advance, the Local Government must submit the following information, which the Department will use to determine whether to grant the request for advanced payment:

1. A written request for the advanced distribution;
2. A completed SMBIZ advance payment request form signed by an authorized signatory for the local government and;
3. Invoice(s) for eligible expenses to be paid using the funds issued in advance; and
4. Satisfaction of all reporting requirements at the time of request.

Following the approval and issuance of the advanced payment by the Department, the local government will be required to submit proof of payment for those invoice(s) approved for advanced payment. This proof of payment will be due to the Department within sixty (60) days of receipt of the advanced payment. If proof of payment is not provided within sixty (60) days, the Project will be placed into default status, and no further payments will be made until the required documentation is submitted and approved by the Department. The Local Government may be required to host the department for a monitoring visit if the Department deems such a visit is necessary.

To receive distribution of those funds not issued in advance, the Local Government will submit the following to the Department:

1. Completed financial activity submitted via Rural Connect Portal;
2. Eligible project invoices that support the requested amount;
3. Proof of payment for each eligible project invoice that supports the requested amount; and
4. Satisfaction of all reporting requirements at the time of request.

Eligible expenditures may not be incurred prior to the effective date or subsequent to the termination date of the grant. The Department will issue payment within 60 days of receipt of the required documentation from the Local Government. All payments are subject to the availability of funds.

EXHIBIT C
REPORTING SCHEDULE

Progress reports are due on January 15th and July 15th-for each year that the grant remains open. The final report is due at the time of project completion or no later than thirty (30) days after the grant end-date, whichever is sooner. The reporting schedule remains in effect for the duration of the grant including time extensions.

Failure to submit progress reports as required:

1. Will result in non-payment of payment requests,
2. Can result in the immediate termination of the grant,
3. Can result in the demand for immediate repayment of any funds paid by Commerce, and
4. Will negatively impact the grantee's eligibility for future Commerce grants.

All forms, including reporting and request for payment, can be found via Rural Connect Portal.

Small Business Infrastructure Grant Program

I. FUND OVERVIEW

North Carolina Session Law 2025-02 transferred funds from the State Emergency Response and Disaster Relief Fund ("SERDRF") to the Hurricane Helene Disaster Recovery Fund and allocated $55 million from the Disaster Recovery Act of 2025 – Part I to the North Carolina Department of Commerce (the Department), Rural Economic Development Division (the REDD) for the **Small Business Infrastructure Grant program (SmBIZ)** to help local governments and small businesses impacted by Hurricane Helene rebuild and repair critical infrastructure, restore and resume functions and operations, and support economic recovery and sustainability. The **SmBIZ** program will offer grants to local governments for infrastructure projects that will target and support small businesses that employ 150 or fewer employees and that were adversely impacted by Hurricane Helene. Funding will be awarded on a first-come, first-served basis.

Grants awarded under this program must be used by local governments to address qualifying infrastructure needs that the Department, in consultation with applicant local governments and small businesses, determines were damaged by Hurricane Helene and adversely affect access to, or operations of, the identified small businesses.

REDD will administer SmBIZ in accordance with State law.

II. PURPOSE OF THE FUND

- Provide financial assistance for **community recovery and resilience** to communities specifically impacted by Hurricane Helene, helping to bring back vital services for small businesses and entrepreneurs.
- **Restore and repair critical infrastructure,** allowing small businesses to resume function and operations to support economic recovery and sustainability.
- Assist in **restoring or expanding small businesses'** ability to attract customers to business districts to help retain business, expand access, spur private investment to create stability, and leverage resources to create resiliency and economic growth.

III. ELIGIBLE APPLICANTS

Eligible applicants are those local governments impacted by Hurricane Helene and designated before, on, or after March 19, 2025, under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene (the "Affected Area"). Special consideration will be given to local governments in Tier 1 and Tier 2 Counties.

For the purposes of this program, a local government is defined as a city or county within the state of North Carolina.

IV. ELIGIBLE PROJECTS AND EXPENSES

Qualifying infrastructure must serve one or more businesses within the Affected Area, must have been damaged by Hurricane Helene, and must not be owned or maintained by the small business or businesses. Infrastructure may include but will not be limited to the following activities:

- water;
- sewer;
- gas;
- telecommunications;
- high-speed broadband;
- electric utility; and
- sidewalk and curb infrastructure.

Eligible expenses may also include planning, material, labor, and administration to complete public infrastructure improvements.

Ineligible expenses include:

- improvements to privately owned infrastructure;
- projects that address building construction; and
- land acquisition costs or fees except for those associated with public easements for the project.

V. FUNDING AMOUNTS

The maximum grant amount is **$1M per project**, with some restrictions on specific activities. There is no minimum grant amount. The total grant amount per county in the Affected Area will not exceed ten percent (10%) of the total funds appropriated for the SmBIZ program.

Applicants should consider feasibility as it relates to the overall cost of any project. Grant administration costs are limited to one and a half percent (1.5%) of the awarded grant total. Applicants that receive funding approval for project(s) may charge the cost of application preparation. No more than $3,500 may be charged to the SmBIZ program for the preparation of the application if a grant is awarded. This cost would be included in the maximum of one and a half percent (1.5%) allowed for administration. No other costs incurred prior to grant awards are eligible for reimbursement.

Applicants may request that up to twenty percent (20%) of the total grant award be allocated in advance without providing proof of payment. Applicants may also request that the full one and a half percent (1.5%) of allowable costs for administration be allocated in advance. All remaining

funds not issued in advance will be allocated to the local government on a reimbursement basis as the local government incurs expenses and submits eligible invoices and proof of payment.

Applicants may request that up to twenty percent (20%) of the total grant award be issued in advance without providing proof of payment by providing specific information and documentation to the Department. Applicants may also request that the full one and a half percent (1.5%) of allowable costs for administration be issued in advance. All remaining funds not issued in advance will be distributed to the local government on a reimbursement basis as the local government incurs expenses and submits eligible invoices and proof of payment.

To receive up to twenty percent (20%) of the total grant award in advance, the Local Government must submit the following information, which the Department will use to determine whether to grant the request for advanced payment:

1. A written request for the advanced distribution;
2. A completed SMBIZ advance payment request form signed by an authorized signatory for the local government and;
3. Invoice(s) for eligible expenses to be paid using the funds issued in advance; and
4. Satisfaction of all reporting requirements at the time of request.

Following the approval and issuance of the advanced payment by the Department, the local government will be required to submit proof of payment for those invoice(s) approved for advanced payment. This proof of payment will be due to the Department within sixty (60) days of receipt of the advanced payment. If proof of payment is not provided within sixty (60) days, the Project will be placed into default status, and no further payments will be made until the required documentation is submitted and approved by the Department. The Local Government may be required to host the department for a monitoring visit if deemed necessary.

To receive distribution of those funds not issued in advance, the Local Government will submit the following to the Department:

1. Completed financial activity submitted via Rural Connect Portal;
2. Eligible project invoices that support the requested amount;
3. Proof of payment for each eligible project invoice that supports the requested amount; and
4. Satisfaction of all reporting requirements at the time of request.

Eligible expenditures may not be incurred prior to the effective date or subsequent to the termination date of the grant. The Department will issue payment within 60 days of receipt of the required documentation from the Local Government. All payments are subject to the availability of funds.

VI. APPLICATION PROCESS

Local governments seeking funds from the SmBIZ program are required to submit a formal application to the North Carolina Department of Commerce through the online grants management portal, Rural Connect Portal.

Funding is awarded on a first come, first served basis. A full and complete application, including all necessary supporting documentation, can be submitted beginning May 1, 2025.

Upon receipt of a full application and consideration of the application relative to the criteria set forth in NC Session Law 2025-02 and these Guidelines, the REDD shall determine whether the proposed project should receive an award of a grant under the SmBIZ program.

Applications will be reviewed in the order they are received, according to the submission time and date, as recorded in the portal.

Awards will be granted on or before the dates listed in the schedule below and are subject to available funding.

Incomplete or ineligible applications may be disqualified.

Applicants will be notified in writing regarding the status of their project via an award or declination letter. If a grant is awarded, the REDD then will provide grantees with grant administration contracts in order to execute the terms of the grant. Projects must be completed within thirty-six (36) months of the award, unless an extension is granted by REDD in writing.

Award Schedule:

June 30, 2025
October 31, 2025
February 28, 2026
June 30, 2026

VII. APPLICATION REQUIRMENTS

In the Rural Connect Portal, grantees should use the following as guidance to complete the SmBIZ program application.

DESCRIBE THE INFRASTRUCTURE IMPACTS ON YOUR COMMUNITY:

Provide a detailed description of the qualifying infrastructure needs. Descriptions must include:

- summary of the detrimental impact on the named small business or businesses and how the business or businesses will benefit from the grant;
- description of infrastructure affected (water, sewer, sidewalks, etc.), including ownership information;
- details of damage to infrastructure and immediate risks due to damage; and
- explanation of any proposed repairs to improve durability and sustainability of infrastructure;

DESCRIBE THE SCOPE OF THE PROPOSED PROJECT:

Provide a detailed work plan that includes a description of all major project activities. Include in detail how the anticipated repairs, in the applicable cost categories, will promote restored infrastructure in the project area:

- water;
- sewer;
- gas;
- telecommunications;
- high-speed broadband;
- electric utility; and
- sidewalk and curb infrastructure.

DESCRIBE THE PROJECT TIMELINE: (Submit as an Attachment)

Please provide a detailed timeline that includes a description of all major project activities and the projected completion date in the applicable cost categories:

- water;
- sewer;
- gas;
- telecommunications;
- high-speed broadband;
- electric utility; and
- sidewalk and curb infrastructure.

DESCRIBE THE ANTICIPATED OUTCOMES:

Identify the anticipated outcomes that will result in repaired infrastructure as a direct result of the project.

- Outcomes could include but are not limited to the number of feet or miles of water or sewer lines being replaced or repaired served, number of feet or miles of sidewalk or curb improvements, number of small businesses improved or assisted in the following applicable cost categories:

    - water;
    - sewer;
    - gas;
    - telecommunications;
    - high-speed broadband;
    - electric utility; and
    - sidewalk and curb infrastructure.

DESCRIBE THE PROJECT SUSTAINABILITY:

Describe how this project will provide long-term and sustainable solutions for recovery of the business or businesses involved in the project.

VII. PROCUREMENT

Grantees must follow all local, state, and federal laws and ordinances as they pertain to procurement. More information on the State of NC procurement can be found here.

VIII. MONITORING PROCESS

REDD will monitor the project through various mechanisms, including review of semi-annual reports received from the grant recipient; phone, email, and/or letter correspondence; receipt of all published press articles about the project as provided to REDD by the local government; and on-site monitoring visits by REDD staff, as necessary.

IX. REPORTING REQUIREMENTS

Progress reports will be due on January 15th and July 15th for each year the grant remains open. The final report will be due at the time of project completion or no later than thirty (30) days after the grant end-date, whichever is sooner. The reporting schedule remains in effect for the duration of the grant, including time extensions.

Failure to submit progress reports as required:

5. will result in non-payment of payment requests;
6. may result in the immediate termination of the grant;
7. may result in the demand for immediate repayment of any funds paid by REDD; and
8. will negatively impact the grantee's eligibility for future Commerce grants.

All forms, including reporting and request for payment, can be found via the Rural Connect Portal.

X. LOCAL GOVERNMENT ROLES AND RESPONSIBILITIES

The local government will be responsible for managing the day-to-day operations of the activities funded by the SmBIZ program to ensure the funds are used in accordance with all program requirements and written agreements and will take action when performance problems arise. Specifically, the local government will be responsible for the following:

- **Management and Oversight**: The local government is legally, financially, contractually, and programmatically responsible for the project. The local government is responsible to the State of North Carolina, even if the local government employs a contract administrator or contracts with a sub-recipient for the project.
- **Financial Management**: The local government must ensure proper accounting of funds to avoid disallowed costs. This includes accurately identifying project costs and cash balances and maintaining proper internal controls.
- **Statement of Assurances and Certifications**: The local government's elected officials and administrators should read and understand these documents and the implementation obligations.
- **Grant Agreement:** If awarded, the local government will receive a grant agreement and funding approval from the State. These documents are contractually binding and cannot be
- changed without the State's written approval.

XI. PROJECT AMENDMENTS

Prior to making any change to the approved application, grantees should contact the program manager to discuss any proposed changes.

XII. USE OF NC LICENSED PROFESSIONALS

REDD strongly recommends the use of North Carolina licensed professionals on construction projects. This includes housing inspectors, electricians, HVAC installers and repairers, plumbers, and general contractors. However, it is important to note that bids and dwellings that are $30,000 and greater can ONLY BE ACCEPTED BY A LICENSED GENERAL CONTRACTOR, licensed by the State of North Carolina per Article 1 of Chapter 87 of the General Statute.

XIII. OTHER REQUIREMENTS AND ATTACHMENTS

Recipients will be required to comply with any subsequent requirements issued by REDD. Consult the Required Attachments section in the application. Please note that if key items are not submitted with the application, your project could be disqualified.

XIV. APPLICATION CHECKLIST

Applicants should review the Grant Application Checklist to verify the information and documentation needed to apply for funds.

1. **Local Government Information**
   - Local Government name
   - Local Government contact name, title, telephone, address, email
   - Unique Entity ID
2. **Project Contact Information (if applicable)**
   - Project Contact name
   - Project Contact title, telephone, address, email
3. **Project Information**
   - Project Title
   - Project Description – Provide a short description of your project.
4. **Property Information (if applicable)**
   - Census Tract Number
   - Property Address
   - Legal Name of Property Owner
   - National Register of Historic Places Listing
5. **Narrative Questions:**

1. Provide a detailed description of the qualifying infrastructure needs. Description must include:
   - summary of the detrimental impact on the named small business or businesses and how the business or businesses will benefit from the grant;
   - list of each business affected, including business address or addresses;

- description of infrastructure affected (water, sewer, sidewalks, etc.), including ownership information;
- details of damage to infrastructure and immediate risks due to damage; and
- explanation of any proposed repairs to improve durability and sustainability of infrastructure.

2. Provide a detailed work plan that includes a description of all major project activities. Include in detail how the anticipated repairs, in the applicable cost categories, will promote restored infrastructure in the project area:
    - water;
    - sewer;
    - gas;
    - telecommunications;
    - high-speed broadband;
    - electric utility; and
    - sidewalk and curb infrastructure.

3. Identify the anticipated outcomes that will result in repaired infrastructure as a direct result of the project.
    - Outcomes could include but are not limited to the number of feet or miles of water or sewer lines being replaced or repaired served, number of feet or miles of sidewalk or curb improvements, number of small businesses improved or assisted in the applicable cost categories:
        - water;
        - sewer;
        - gas;
        - telecommunications;
        - high-speed broadband;
        - electric utility; and
        - sidewalk and curb infrastructure.

4. Describe how this project will provide long-term and sustainable solutions for recovery of the business or businesses involved in the project.

5. Budget

Project Expense	Activity	Federal	State	Local	Total
Water					
Sewer					
Gas					
Telecommunications					
High-speed broadband					
Electric Utility					
Sidewalk and curb infrastructure					
Administration					
TOTAL					

6. Upload Documents

- Map of project area
- Project Timeline
  1. Provide a detailed timeline that includes a description of all major project activities and the projected completion date in the applicable cost categories.
- Certified Cost Estimates
  - Include a professional project budget including all revenue and expenditures allocated for each of the applicable cost categories.
- Local Government Resolution
- Preliminary Engineering Report (PER)
- Photos of the damage and infrastructure to be repaired
- NCUI101 Forms
  - Include a form from the most recent quarter for each small business included in the project.
- Executed Local Government Certifications Document
  - Form available: www.commerce.nc.gov/SmBIZ
- State Historic Preservation Office documentation/ National Registry of Historic Places documentation or provide a statement of explanation if these do not apply to your project.