



Small Business Infrastructure Grant Program (SmBIZ)

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.

V. FUNDING AMOUNTS

The maximum grant amount is **\$1M per grantee**, 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.



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 REQUIREMENTS

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:

1. will result in non-payment of payment requests;
2. may result in the immediate termination of the grant;
3. may result in the demand for immediate repayment of any funds paid by REDD; 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 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
 - Attach detailed color maps or schematics that show the project area. This may include the route of utility systems, diagrams of building sites, etc. Please label the map clearly and appropriately to identify the infrastructure to be repaired as well as each small business associated with the project.
- Project Timeline
 - 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
 - Sample available in the Program Documents section of the following link: <https://www.commerce.nc.gov/smBIZ>
- Preliminary Engineering Report (PER)
- List of Small Businesses
 - Provide information for each business that will be supported or where services will be provided by your project. Please complete all fields for each business. Click the Small Business List [link](#) to download, complete, and upload as an attachment.
- NCU101 Forms
 - Include a form from the most recent quarter for each small business included in the project and listed above.
- Executed Local Government Certifications Document
 - Form available in the Program Documents section of the following link: <https://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.
- Photos of damage and infrastructure to be repaired.