



**STATE OF NORTH CAROLINA  
OFFICE OF STATE BUDGET AND MANAGEMENT**



Employment First State for Individuals with Disabilities

ROY COOPER  
GOVERNOR

KRISTIN WALKER  
STATE BUDGET DIRECTOR

June 4, 2024

MEMORANDUM

TO: Senator Phil Berger, President Pro-Tempore of the Senate  
Representative Tim Moore, Speaker of the House of Representatives

FROM: Kristin Walker *Kristin Walker*  
State Budget Director

SUBJECT: New Grant Award

Pursuant to G.S. 143C-5-4(9) the Office of State Budget and Management (OSBM) submits the attached Notification of Grant Award (Appalachian Regional Initiatives for Stronger Economies) for consultation with the Joint Legislative Commission on Governmental Operations.

The Appalachian Regional Commission (ARC) is an economic development partnership entity of the federal government. Their mission is to innovate, partner, and invest to build community compacity and strengthen economic growth in Appalachia to help the region achieve socioeconomic equality with the nation. ARC has allocated funds through the North Carolina Department of Commerce (NCDOC) for the Appalachian Regional Initiatives for Stronger Economies Program (ARISE). The purpose of the ARISE funds is to construct a facility in Morganton, North Carolina that will serve as a regional hub for textile circularity and connect entrepreneurs and brands to circular supply chains in North Carolina, South Carolina, and Tennessee. The project is the first of several planned phases to establish The Innovation Campus.

The ARISE grant is an ARC initiative that aims to drive large-scale, regional transformation through multi-state collaborative projects across America. This grant will be administered in accordance with a Memorandum of Understanding (MOU) between the Appalachian Regional Commission and The Industrial Commons where the North Carolina Department of Commerce will act as the Fiscal Agent for The Industrial Commons.

If you have any questions or concerns, please contact OSBM Budget Execution Analyst, Unika Ashe- Valentine.

Thank You.



# Notification of Grant Application/Award, FY 2023-2024

Office of State Budget and Management 984-236-0600.

[Instructions at https://www.osbm.nc.gov/budget/common-agency-requests/agency-reporting-grant-applicationsawards](https://www.osbm.nc.gov/budget/common-agency-requests/agency-reporting-grant-applicationsawards)

Please indicate if Notification is for a GRANT APPLICATION or GRANT AWARD

 Application

 Grant Award

- 1 Department .....
- 2 Division (except in DHHS).....  
DHHS only, choose division from drop down list.....
- 3 Contact person (name) .....
- 4 Phone number .....
- 5 E-mail .....
- 6 Funding Entity (grantor) .....
  
- 7 CFDA number.....
- 8 Grant title .....
  
- 9 Grant application deadline (MM/DD/YY) .....
- 10 Start date of grant (MM/DD/YY) .....
- 11 End date of grant (MM/DD/YY) .....
- 12 Application type .....
- 13 Is this grant already in agency's base budget?
- 14 Budget Code the grant will be expended in (XXXXX).....
- 15 Budget Fund (XXXXXX or NA) .....
- 16 Is there a state matching requirement? .....
- 17 If yes, what is the matching requirement? .....
  
- 18 If yes, what is the source of state funds being used to match grant funds. ....
- 19 Is there a maintenance of effort (MOE) requirement? .....
- 20 If yes, what is the MOE? .....
  
- 21 Is an additional General Fund appropriation required to meet the state match requirement? .....
- 22 Will any of these funds be passed through to local governments or non-state entities? .....
- 23 If yes, identify affected entities by type .....
- 24 Will additional state funds be required to continue the program if grant expires or is reduced? .....
- 25 If yes, is this a requirement of the grant? .....
- 26 Are new FTEs funded through the grant?.....

Department of Commerce
Rural Economic Development Division
Olivia Collier
919-218-3623
<a href="mailto:ocollier@commerce.nc.gov">ocollier@commerce.nc.gov</a>
Appalachian Regional Commission
23.001
<b>Appalachian Regional Initiatives for Stronger Economies</b>
09/30/23
10/01/23
09/30/28
New
No
24600
209273
No
No
Yes
No
No

For 2023-24  
Complete either Authorized or Proposed

27 If yes, give the number by type for each year: *Permanent*  
*Time-Limited*

28 Amount of grants funds **applied for** in each year .....

29 Amount of grants funds **awarded** in each year .....

30 Purpose of grant or amendment .....

31 Comments .....

SFY 2022-23 Actual	SFY 2023-24 Authorized	SFY 2023-24 Proposed	SFY 2024-25 Proposed	SFY 2025-26 Proposed	SFY 2026-27 Proposed
			\$10,119,143.00		

The North Carolina Department of Commerce (NC DOC) will administer construction grants awarded by the Appalachian Regional Commission's (ARC) Appalachian Regional Initiative for Stronger Economies (ARISE) program under ARC's State Basic Agency Grants Administration Program. NC DOC has the experience required to administer federal construction grants and expects to play an active role in administering ARC construction grants. NC DOC first entered a memorandum of understanding (MOU), dated June 22, 2015, that gives the agency legal authority to administer ARC grants.

ARC shall pay the Grantee: The Industrial Commons in Morganton, NC. a total sum not to exceed \$10,000,000 of the actual, reasonable and eligible project costs. The Industrial Commons fulfills their mission by enhancing the retention and creation of small to mid-size manufacturing firms and meaningful, gainful employment; by providing economic, business and vocational education services to workers and business owners; and by sustainably enhancing the economic well-being of all members of a community. The North Carolina Department of Commerce (NC DOC) will act as the Fiscal Agent for the Industrial Commons per signed MOU to administer construction grants awarded by the Appalachian Regional Commission's (ARC) for a total not to exceed \$119,143 over a 5 year period. (\$ 23,282 per state fiscal year).

Return completed form as email attachment and indicate in message that proper agency sign-offs have been obtained. Contact your OSBM budget analyst if you have questions.