

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rule making related to rural housing needs assessment grant program

The Economic Development Authority hereby adopts new Chapter 220, “Rural Housing Needs Assessment Grant Program,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 15.106A.

State or Federal Law Implemented

This rule making implements, in whole or in part, 2019 Iowa Acts, Senate File 608.

Purpose and Summary

Pursuant to 2019 Iowa Acts, Senate File 608, the Authority established a Rural Housing Needs Assessment Grant Program to support the interpretation and implementation of hard data and housing-related information specific to the communities applying for financial assistance under this program. This grant program supports the use of publicly available information and supports community efforts to interpret hard data with supplemental information and to help communities implement changes to development codes, local ordinances, and housing incentives according to the community’s needs. These rules provide for the administration of the program.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on November 20, 2019, as **ARC 4774C**. No public comments were received.

Following further discussions with the Governor’s office and the Empower Rural Iowa Task Force, the Authority determined that both this program and the Rural Innovation Grant Program should have the same population requirement. Paragraph 220.4(1)“b” now requires that the applicant have a population of 20,000 or fewer, instead of 10,000 or fewer.

Adoption of Rule Making

This rule making was adopted by the Authority on February 21, 2020.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa beyond the funding allocated by 2019 Iowa Acts, Senate File 608.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on August 19, 2020.

The following rule-making action is adopted:

Adopt the following **new** 261—Chapter 220:

CHAPTER 220
RURAL HOUSING NEEDS ASSESSMENT GRANT PROGRAM

261—220.1(88GA,SF608) Purpose. Pursuant to 2019 Iowa Acts, Senate File 608, the authority is directed to establish a rural housing needs assessment grant program to support the interpretation and implementation of hard data and housing-related information specific to the communities applying for financial assistance under this program. This grant program is intended to support the use of publicly available information and support community efforts to interpret hard data with supplemental information and to help communities implement changes to development codes, local ordinances, and housing incentives according to the community's needs.

261—220.2(88GA,SF608) Definitions. For purposes of this chapter, unless the context otherwise requires:

“Agreement” means a contract for financial assistance under the program describing the terms on which financial assistance is to be provided.

“Applicant” means an Iowa city applying for financial assistance under the program. The terms “applicant” and “community” may be used interchangeably in this chapter.

“Authority” means the economic development authority created in Iowa Code section 15.105.

“Director” means the director of the authority.

“Financial assistance” means a grant made by the authority to an applicant approved for funding under the program.

“Program” means the procedures, agreement, terms, and assistance established and provided pursuant to this chapter.

261—220.3(88GA,SF608) Program description.

220.3(1) Amount, form, and timing of assistance. This program provides financial assistance to applicants to support the interpretation and implementation of hard data and housing-related information specific to the communities applying for a grant under this program. The amount of assistance awarded will be determined by the authority and will be based on the total amount of funds available to the authority for the program and the costs specified in the application. Each award shall not be less than \$1,000.

220.3(2) Application.

a. Forms. All applications and other filings related to the program shall be on such forms and in accordance with such instructions as may be established by the authority. Information about the program, the application, and application instructions may be obtained by contacting the authority or by visiting the authority's website: Iowa Economic Development Authority, Community Development Division, 200 East Grand Avenue, Des Moines, Iowa 50309, (515)328-3000, iowaeconomicdevelopment.com.

b. Application period. Each fiscal year during which funding is available, applications for financial assistance will only be accepted during the established application period, or periods, as identified by the authority on its website.

c. Complete application required. An application shall not be considered submitted for review until the application is completed and all required supporting documentation and information are provided to the authority.

220.3(3) Approval of assistance. Authority staff will review applications for financial assistance under the program, and a grant committee will score and recommend applications to the director in accordance with subrule 220.4(2). A project that does not receive funding may reapply.

220.3(4) Agreement required. The authority shall enter into an agreement with each applicant for the receipt of a grant under this chapter. The agreement must state the terms on which financial assistance is to be provided. The authority may negotiate the terms of the agreement. The applicant shall execute the agreement before funds are disbursed under the program.

220.3(5) Form of financial assistance. The authority will provide financial assistance in the form of a grant to the applicant. The amount of the grant and any other terms shall be included in the agreement required pursuant to this chapter.

220.3(6) Use of funds.

a. An applicant shall use funds only for reimbursement of the costs directly related to the project. The authority may require documentation or other information establishing the actual costs incurred for a project. Failure to use the funds for reimbursement of the costs directly related to a project shall be grounds for default under the agreement required pursuant to this chapter.

b. For purposes of this subrule, “costs directly related” does not include any expenses specified as ineligible in the agreement required pursuant to this chapter.

261—220.4(88GA,SF608) Program eligibility, application scoring, and funding decisions.

220.4(1) Program eligibility. An applicant must meet the following eligibility criteria to qualify for financial assistance under this program:

- a.* The applicant must be an Iowa city.
- b.* The applicant must have a population of 20,000 or fewer and shall not be contiguous to a city with a population of 40,000 or greater.
- c.* An eligible applicant will be allowed to submit only one application per application period.
- d.* The applicant must demonstrate the capacity for administering a grant.
- e.* The applicant must demonstrate the feasibility of the project’s proposed scope and timeline with the funds requested.
- f.* The applicant must identify and describe other sources of funding for the proposed assessment and related activities.
- g.* The applicant must identify any partner organizations that will be utilized in interpreting and implementing the data collected through the assessment.
- h.* The applicant must provide a cash match of at least 50 cents for every dollar awarded as a grant under this program.

220.4(2) Application scoring criteria. All completed applications will be reviewed and scored. Each application will be scored using criteria set forth by the authority.

220.4(3) Funding decisions. Funding decisions will be made using the following process:

a. Staff review. Each application will be reviewed by staff for eligibility and completeness. Complete applications meeting all eligibility requirements will be sent to a grant committee.

b. Grant committee review and recommendation. Following staff review, a grant committee will review and score applications using the criteria set forth by the authority pursuant to subrule 220.4(2) and will make funding recommendations. The committee may utilize an outside technical panel if the committee determines additional expertise is necessary to review and score the application. The application and score will be referred to the director with a recommendation as to whether to fund the project and, if funding is recommended, a recommendation as to the amount of the grant.

c. Director's decision. The director will make the final funding decision on each application, taking into consideration the amount of available funding and the grant committee's recommendation. The director may approve, deny, or defer funding for any application.

d. Notification. Each applicant will be notified in writing of the funding decision within 15 days of the director's decision.

261—220.5(88GA,SF608) Agreement required.

220.5(1) Each applicant that is approved for financial assistance under the program shall enter into an agreement with the authority for the provision of such financial assistance. The agreement will establish the terms on which the financial assistance is to be provided and may include any other terms reasonably necessary for the efficient administration of the program.

220.5(2) The authority and the applicant may amend the agreement at any time upon the mutual agreement of both the authority and the applicant.

220.5(3) The agreement may require an applicant that has been approved for financial assistance under the program to submit information reasonably required by the authority to make reports to the authority's board, the governor's office, or the general assembly.

These rules are intended to implement 2019 Iowa Acts, Senate File 608.

[Filed 6/22/20, effective 8/19/20]

[Published 7/15/20]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 7/15/20.