Regulatory Analysis

Notice of Intended Action to be published: 261—Chapter 77
"Site Development Program"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 15.106A and 15E.18
State or federal law(s) implemented by the rulemaking: Iowa Code section 15E.18

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

August 12, 2025	1963 Bell Avenue
2:30 to 2:45 p.m.	Des Moines, Iowa

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the Iowa Economic Development Authority (Authority) no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

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Iowa Economic Development Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Email: lisa.connell@iowaeda.com

Purpose and Summary

Pursuant to Executive Order 10, the Authority proposes to rescind Chapter 77 and adopt a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to the Site Development Program established pursuant to Iowa Code section 15E.18. The updated chapter will be clearer and more concise throughout. Language that repeats statute will be eliminated. The new chapter will include updated rules regarding application content, process, and evaluation criteria. An existing requirement that applicants enter a reimbursement agreement with the Authority for site consultation costs will be incorporated into the new chapter.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

Local governments and economic development officials interested in applying for or receiving a certificate of readiness (certification) for a site through the program will bear the costs of this proposed rulemaking.

- **Classes of persons that will benefit from the proposed rulemaking:**

Local governments and economic development officials interested in applying for or receiving certification through the program will benefit from this proposed rulemaking.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

Entities interested in applying for the program may require staff time to complete an application for certification or recertification of a site. Some applicants or recipients may choose to rely on an

external service provider to complete these tasks. The amount of the costs will vary, depending on the compensation of staff or service providers involved.

The Authority incurs the cost of site development consultations. However, applicants for certification may be required to repay all or a portion of the cost of such consultations if, during the period the certification is effective, the owner(s) of a site or park sell(s), give(s) away, or otherwise dispose(s) of the site or park or any portion of the site development area for a purpose or use other than a purpose or use for which the site was certified.

- **Qualitative description of impact:**

The program supports the Authority's ability to establish an inventory of sites in Iowa that may be suitable for development or redevelopment and to provide consultation to local governments about site development techniques.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

Authority staff time is required to review and prepare applications for certification, draft and execute reimbursement agreements, and communicate with program applicants and recipients. Additionally, the Authority incurs costs for site development consultations and of marketing certified sites.

- **Anticipated effect on State revenues:**

The rules have no anticipated impact on State revenues. The Authority is directed to establish the program by Iowa Code section 15E.18. Funds lawfully available to the Authority are used for the costs of site consultations.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

Only the entities that will potentially benefit from the program bear the costs of this proposed rulemaking. The costs to the State to administer the program are proportional to the activities supported by the program.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

The Authority has not identified any less costly methods or less intrusive methods for administering the program.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

The Authority did not consider any other methods.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

The Authority did not consider any other methods.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

The rulemaking does not have an impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 261—Chapter 77 and adopt the following **new** chapter in lieu thereof:

CHAPTER 77
SITE DEVELOPMENT PROGRAM

261—77.1(15E) Definitions.

"Applicant" means the entity that submits an application to the authority for a certificate of readiness for a site development area or areas.

"Authority" means the economic development authority established in Iowa Code section 15.105.

"Certificate of readiness" means a certificate issued to a local government or local economic development official for a site that is determined to be ready for development or redevelopment based on criteria set forth in rule 261—77.4(15E).

"Site development area" means property that is included as part of a site development plan and that is to be used or proposed to be used for development or redevelopment.

261—77.2(15E) Eligibility. Eligible applicants may apply to the authority for a certificate of readiness pursuant to Iowa Code section 15E.18.

261—77.3(15E) Application; review; approval.

77.3(1) *Application.* All requests for a certificate of readiness for a site development area shall be made using the application provided by the authority. The application shall include at least the following information:

a. Applicant information, including name, address, telephone number and contact person.

b. Legal description of the site development area(s).

c. Identification of the property owner(s) related to the site development area(s) and control of the site development area(s) for the period the certificate of readiness will be effective.

d. Detailed site development plan(s) for the site development area(s).

77.3(2) *Review.* The authority will accept applications during specified time periods. The authority and, if applicable, a contractor engaged for the purpose of evaluating sites will review applications based on the general criteria described in subrule 77.4(1). The authority will evaluate each application to identify any barriers to development or redevelopment.

77.3(3) *Approval.* The authority may approve, deny or defer applications for a certificate of readiness. If the authority approves an application for a certificate of readiness, the authority will issue a certificate of readiness in accordance with rule 261—77.5(15E).

261—77.4(15E) Evaluation criteria.

77.4(1) *General.* When evaluating applications for certificates of readiness, the authority will consider the following criteria:

a. The thoroughness and detail of the site development plan.

b. The site development plan's regard for compliance with applicable regulations, including without limitation land-use and zoning restrictions or environmental or cultural protections.

c. The presence of or planning for viable transportation infrastructure.

d. The presence of or planning for viable utility infrastructure.

e. The geologic and natural characteristics of the site development area(s), including the proximity or inclusion of any floodplains.

f. The ownership and control of the site development area(s).

g. Demonstrated support, including without limitation financial and local support, for the site development plan.

77.4(2) *Additional consideration.* In addition to the general criteria described above, the authority may consider whether a site development plan for a site development area utilizes sustainable design and practices. For purposes of this subrule, "sustainable design" means construction design intended to minimize negative environmental impacts and to promote the health and comfort of building occupants.

261—77.5(15E) Certificate of readiness.

77.5(1) *Certification.* Upon approval of an application, the authority will issue a certificate of readiness to the applicant. The certificate of readiness will include a short description of how the site development plan meets the general criteria described in subrule 77.4(1) and will include whether the site development plan meets the additional consideration described in subrule 77.4(2). The certificate of readiness will be valid for the term described on the certificate, which may vary for each site development area depending on the nature of the development and the site characteristics. In no event shall the term of a certificate exceed ten years.

77.5(2) *Recertification.* The local government or local economic development official responsible for the site development area shall reapply for a certificate of readiness under these rules for the site to be considered for a subsequent certificate of readiness.

261—77.6(15E) Consultation. The authority may contract with third parties to provide site development consultations. The applicant will be required to enter a contract with the authority that provides for reimbursement of all or a portion of the cost of site development consultations if, during the period the certificate of readiness is effective, the owner(s) of a site or park sell(s), give(s) away, or otherwise dispose(s) of the site or park or any portion of the site development area for a purpose or use other than a purpose or use for which the site was certified.

These rules are intended to implement Iowa Code section 15E.18.