

CHAPTER 36
DOWNTOWN LOAN GUARANTEE PROGRAM

Chapter rescission date pursuant to Iowa Code section 17A.7: 5/20/31

261—36.1(15) Definitions.

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

“*Authority’s website*” means the information and related content found at www.opportunityiowa.gov.

“*Borrower*” means a business that is approved for a loan by a lender and that has applied for assistance under the program.

“*Director*” means the director of the authority.

“*Iowa finance authority*” means the public instrumentality and agency of the state created by Iowa Code section 16.1A.

“*Lender*” means a federally insured financial lending institution that issued a loan to a borrower.

“*Program*” means the downtown loan guarantee program established pursuant to Iowa Code section 15.431 and this chapter.

[ARC 0203D, IAB 4/15/26, effective 5/20/26]

261—36.2(15) Eligibility. To be eligible for approval of a loan guarantee, a borrower must demonstrate that all conditions in Iowa Code section 15.431(2) are met.

[ARC 0203D, IAB 4/15/26, effective 5/20/26]

261—36.3(15) Application submittal and review process.

36.3(1) To apply for assistance under the program, the borrower and lender shall submit an application to the authority in the manner prescribed by the authority. Applications will be accepted and processed by authority staff on a continuing basis, or the authority may establish application periods as announced on the authority’s website.

36.3(2) The application will include, at a minimum, the following: name(s) and address(es) of the borrower and participating lender, amount of loan, amount of loan guarantee requested, and certification of compliance with state law and lending practices.

36.3(3) The authority may refuse to accept incomplete or ineligible applications.

36.3(4) The authority may refuse to accept applications because of insufficient funds.

36.3(5) Authority staff, in conjunction with Iowa finance authority staff, will review applications and make a recommendation as to whether an application should be approved and the guarantee percentage. The director may approve, deny, or defer an application.

[ARC 0203D, IAB 4/15/26, effective 5/20/26]

261—36.4(15) Loan guarantee limitations. Loan guarantees are subject to the limitations in Iowa Code section 15.431(3) through 15.431(10). Extensions are subject to approval by the director.

[ARC 0203D, IAB 4/15/26, effective 5/20/26]

261—36.5(15) Annual fee. The lender shall pay an annual loan guarantee fee not to exceed 2 percent of the loan amount for the duration of the loan guarantee. The fee applicable to each approved loan guarantee will be established by the program agreement executed pursuant to rule 261—36.6(15).

[ARC 0203D, IAB 4/15/26, effective 5/20/26]

261—36.6(15) Agreement. Upon approval of an award, authority staff will prepare an agreement between the authority, the lender, and the borrower. The agreement, at a minimum, shall include the conditions of the award, including the applicable annual fee to be paid by the lender pursuant to rule 261—36.5(15), the guarantee percentage, the responsibilities of each party, and the potential actions in instances of noncompliance.

[ARC 0203D, IAB 4/15/26, effective 5/20/26]

261—36.7(15) Reporting. The borrower and lender shall submit any information reasonably requested by the authority in sufficient detail to permit the authority to prepare any reports required by the authority, the authority board, the general assembly, or the governor’s office.

[ARC 0203D, IAB 4/15/26, effective 5/20/26]

These rules are intended to implement Iowa Code section 15.431.

[Filed Emergency After Notice ARC 6134C (Notice ARC 5984C, IAB 10/20/21), IAB 1/12/22,
effective 12/17/21]

[Filed ARC 0203D (Notice ARC 9976C, IAB 1/21/26), IAB 4/15/26, effective 5/20/26]