

CHAPTER 23
IOWA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

261—23.1(15) Purpose. The primary purpose of the community development block grant program is the development of viable communities by providing decent housing and suitable living environments and expanding economic opportunities, primarily for persons of low and moderate income.

261—23.2(15) Definitions. When used in this chapter, unless the context otherwise requires:

“*Annual action plan*” means the annual plan required and approved by the U.S. Department of Housing and Urban Development that outlines the state’s processes and procedures for distribution of CDBG funds. The annual action plan is available on the authority’s website.

“*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.iowaeda.com and may include integrated content at affiliate sites.

“*CDBG*” means community development block grant.

“*Citizen participation plan*” means the plan required and approved by the U.S. Department of Housing and Urban Development that describes the state’s process for including citizen participation in development of its consolidated plan and annual action plan. The citizen participation plan is available on the authority’s website.

“*Consolidated plan*” means the five-year plan required and approved by the U.S. Department of Housing and Urban Development that establishes goals and objectives for the state’s CDBG program. The consolidated plan is available on the authority’s website.

“*HUD*” means the U.S. Department of Housing and Urban Development.

“*Management guide*” means the administrative reference manual published by the authority for each program year. The management guide is available on the authority’s website.

“*Program year*” means the annual period beginning January 1 and ending December 31.

“*Recipient*” means a local government entity awarded CDBG funds under any CDBG program.

“*Subrecipient*” means a public or nonprofit entity contracting with and receiving funds from a recipient to carry out CDBG project activities.

[ARC 7970B, IAB 7/15/09, effective 7/1/09; ARC 8145B, IAB 9/23/09, effective 10/28/09; ARC 2038C, IAB 6/24/15, effective 7/29/15; ARC 6241C, IAB 3/9/22, effective 4/13/22]

261—23.3(15) Annual action plan. The authority will prepare a CDBG annual action plan for submittal to and approval by HUD. The plan will provide a description of the activities and programs that will take place during the year to meet goals established in the consolidated plan.

23.3(1) The authority will follow the state’s citizen participation plan during the development of the annual action plan. A draft annual action plan will be available on the authority’s website for 30 days for public review and comment. The authority will hold a public hearing during the comment period to collect public input on the plan prior to its submittal to HUD.

23.3(2) The annual action plan will be submitted to HUD by November 15 of each year or 60 days after HUD announces the annual allocation amount. Upon review and approval by HUD, the annual action plan will cover activities from January 1 to December 31 of the year following plan submittal to HUD.

23.3(3) The annual action plan will include the proposed CDBG program funding allocation.
[ARC 2038C, IAB 6/24/15, effective 7/29/15; ARC 6241C, IAB 3/9/22, effective 4/13/22]

261—23.4(15) Allocation of funds. Upon approval by HUD, the authority will annually allocate CDBG funds among programs or activities described in the state’s most recent annual action plan, which may include, but not be limited to, the following:

1. Housing assistance.
2. Job training and employment-related transportation services.
3. Water and sewer improvements.
4. Community facilities improvements.

5. Opportunities and threats fund.
6. Business or microenterprise assistance.
7. Neighborhood revitalization activities.

[ARC 2038C, IAB 6/24/15, effective 7/29/15; ARC 6241C, IAB 3/9/22, effective 4/13/22]

261—23.5(15) Requirements for funding. Applications for funds under any of the program-allocated funds pursuant to rule 261—23.4(15) shall meet the minimum criteria described in subrules 23.5(1) through 23.5(3).

23.5(1) Proposed activities shall be eligible, as authorized by Title I, Section 105 of the Housing and Community Development Act of 1974, as amended, and as further defined in 24 CFR Part 570.

23.5(2) Proposed activities shall address at least one of the following three objectives:

a. Primarily benefit low- and moderate-income persons. To address this objective, 51 percent or more persons benefiting from a proposed activity must have incomes at or below 80 percent of the area median income.

b. Aid in the prevention or elimination of slums and blight. To address this objective, the application must document the extent or seriousness of deterioration in the area to be assisted, showing a clear adverse effect on the well-being of the area or community and illustrating that the proposed activity will alleviate or eliminate the conditions causing the deterioration.

c. Meet an urgent community development need. To address this objective, the applicant must certify that the proposed activity is designed to alleviate existing conditions that pose a serious and immediate threat to the health or welfare of the community and that are recent in origin or that recently became urgent; that the applicant is unable to finance the activity without CDBG assistance and that other sources of funding are not available.

23.5(3) Applicants shall certify their compliance with federal requirements applicable to the CDBG program including, but not limited to, the following:

a. The Civil Rights Act of 1964 (PL 88-352) and Title VIII of the Civil Rights Act of 1968 (PL 90-284) and related civil rights, fair housing and equal opportunity statutes and orders;

b. Title I of the Housing and Community Development Act of 1974;

c. Age Discrimination Act of 1975;

d. Section 504 of the Housing and Urban Development Act of 1973;

e. Section 3 of the Housing and Urban Development Act of 1968;

f. Davis-Bacon Act (40 U.S.C. 276a-5) where applicable under Section 100 of the Housing and Community Development Act of 1974;

g. Lead-Based Paint Poisoning Prevention Act;

h. 24 CFR Part 58 and the National Environmental Policy Act of 1969;

i. Uniform Relocation Assistance and Real Property Acquisition Act of 1979, Titles II and III;

j. Americans with Disabilities Act;

k. Section 102 of the Department of Housing and Urban Development Reform Act of 1989;

l. Contract Work Hours and Safety Act;

m. Copeland Anti-Kickback Act;

n. Fair Labor Standards Act;

o. Hatch Act;

p. Prohibition on the Use of Excessive Force and Barring Entrance;

q. Drug-Free Workplace Act;

r. Governmentwide Restriction on Lobbying;

s. Single Audit Act;

t. State of Iowa Citizen Participation Plan; and

u. Other relevant regulations as noted in the CDBG management guide.

[ARC 2038C, IAB 6/24/15, effective 7/29/15; ARC 6241C, IAB 3/9/22, effective 4/13/22]

261—23.6(15) Award and administration. The authority may negotiate award amounts, terms and conditions prior to making any award under the program. Recipients shall comply with requirements and instructions set forth in the applicable CDBG management guide.
[ARC 6241C, IAB 3/9/22, effective 4/13/22]

261—23.7(15) Requirements for the economic development set-aside fund. Rescinded ARC 6241C, IAB 3/9/22, effective 4/13/22.

261—23.8(15) Requirements for the public facilities set-aside fund. Rescinded ARC 6241C, IAB 3/9/22, effective 4/13/22.

261—23.9(15) Requirements for the career link program. Rescinded ARC 6241C, IAB 3/9/22, effective 4/13/22.

261—23.10(15) Requirements for the opportunities and threats fund. Rescinded ARC 6241C, IAB 3/9/22, effective 4/13/22.

261—23.11(15) Requirements for the housing fund program. Rescinded ARC 6241C, IAB 3/9/22, effective 4/13/22.

261—23.12(15) Interim financing program. Rescinded ARC 2038C, IAB 6/24/15, effective 7/29/15.

261—23.13(15) Flood recovery fund. Rescinded IAB 9/18/02, effective 10/23/02.

261—23.14(15) Disaster recovery fund. Rescinded ARC 6241C, IAB 3/9/22, effective 4/13/22.

261—23.15(15) Administration of a CDBG award. Rescinded ARC 6241C, IAB 3/9/22, effective 4/13/22.

261—23.16(15) Requirements for the downtown revitalization fund. Rescinded ARC 6241C, IAB 3/9/22, effective 4/13/22.

261—23.17(15) Section 108 Loan Guarantee Program. Rescinded ARC 6241C, IAB 3/9/22, effective 4/13/22.

These rules are intended to implement Iowa Code section 15.108(1)“a.”

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¹ See IAB Economic Development Department.