

CHAPTER 40
IOWA JOBS MAIN STREET PROGRAM

261—40.1(83GA,SF2389) Authority. The authority for establishing the Iowa jobs main street program is provided in 2010 Iowa Acts, Senate File 2389, sections 10 and 68.
[ARC 8922B, IAB 6/30/10, effective 6/11/10]

261—40.2(83GA,SF2389) Purpose. The purpose of the program is to fund projects that are currently on the department's highest-priority list. The highest-priority list shall include those projects that have previously applied for funding consideration or have received partial funding for façade master plans to rehabilitate storefronts in Iowa main street districts; that complete streetscape projects where planning and the majority of funding are already secure; that are unfunded main street challenge grant projects; and that are other building rehabilitation projects.
[ARC 8922B, IAB 6/30/10, effective 6/11/10]

261—40.3(83GA,SF2389) Definitions.

“*Department*” means the Iowa department of economic development.

“*Director*” means the director of the department or the director's designee.

“*Eligible applicant*” means a department-designated main street organization that participates in the Iowa main street program described by 261—Chapter 39 and that has a current contract with the department for participation in the program.

“*Grant*” means funds received through the program as evidenced by an agreement with the department.

“*Grantee*” means any eligible applicant receiving funds under the program.

“*Highest-priority list*” means the list of projects developed under these rules that contains a description and prioritization of main street projects eligible for funding under the program.

“*Program*” means the Iowa jobs main street program.

“*Project*” means a project that has previously applied to the department under its main street program, sustainable community fund, or downtown revitalization fund.

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261—40.4(83GA,SF2389) Highest-priority list. The director shall compile at least annually a highest-priority list of projects proposed for funding and shall publish the highest-priority list on the department's Web site.

40.4(1) Eligibility. To be eligible to be included on the highest-priority list, the proposed project must be managed or owned by an eligible applicant, be eligible for main street funding described in 261—Chapter 39, and meet one of the following requirements:

a. The project has previously applied for funding consideration or has received partial funding for façade master plans to rehabilitate storefronts in Iowa main street districts through the department's community development programs;

b. The project is a complete streetscape project for which planning and the majority of funding is already secure;

c. The project is an unfunded project through the main street challenge grant described in 261—Chapter 39; or

d. The project is a building rehabilitation project.

40.4(2) Priority. Proposed projects shall be prioritized based on the following criteria:

a. The eligible applicant is in good standing with the department, that is, the eligible applicant is conforming with contractual requirements or has satisfactorily performed under prior awards.

b. The project is currently under construction or has adequate development of construction documents so that it could be under construction within 60 days of award. For purposes of this subrule, “under construction” shall mean that construction contracts have been executed by the grantee or its subrecipients.

c. The project could be completed within the grant period of 18 months from the date of award.

- d. The project has demonstrated a broad base of funding outside the public investment.
- e. The project is utilizing, intends to utilize, or has utilized state or federal historic tax credits, as evidenced by appropriate filings to the state historic preservation office.
- f. The project conforms to the state of Iowa's Green Streets Criteria, version 2.0, published in August 2009.
- g. The project is considered a key structure or group of structures in a historic commercial district.
- h. The project, if funded, would likely result in job creation or revenue increases for the community.
- i. The estimated costs of the project are documented and credible.

40.4(3) Additional information. The department may request additional information from eligible applicants in developing the highest-priority list. Failure on the part of an eligible applicant to provide additional information to the department in the form and by the date requested may result in an eligible applicant's project not being included in the highest-priority list.

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261—40.5(83GA,SF2389) Funding. All Iowa jobs funds shall be awarded and used as specified in 2009 Iowa Acts, Senate File 376, and 2010 Iowa Acts, Senate File 2389, and these rules. Funds shall be paid on a reimbursement basis as described in the grant agreement. Any portion of an amount awarded for projects that remains unexpended upon completion of the project may be reallocated to other projects on the highest-priority list at the discretion of the director.

40.5(1) Timing of grants. The funding of projects on the highest-priority list under the program is contingent upon the availability of funds allocated to the department. When funds are available, the department shall fund main street projects on the highest-priority list in the order they are listed and subject to the conditions of these rules.

40.5(2) Grant period. A grantee may receive a grant for a term not to exceed 18 months unless otherwise agreed upon by the department and included as part of the grant agreement or amendment thereof.

40.5(3) Compliance and termination. Continued funding through the grant period is contingent upon acceptable audit and monitoring reports received by the department and the grantee's compliance with the terms and conditions of the grant agreement. The department may terminate or suspend funding, in whole or in part, if there is a substantial violation of a specific provision of the agreement or these rules and corrective action has not been taken by the grantee.

40.5(4) Allowable cost. Funds granted by this program to a grantee shall be applied toward the project described in the grant agreement.

40.5(5) Ineligible costs. In addition to any limitations described in the grant agreement, funds shall not be used for the following:

- a. Expenditures made prior to the date of the award.
- b. The refinancing of a loan existing prior to the date of the award.
- c. Administrative costs of the grantee.
- d. Routine, recurring maintenance or operational expenses of the project.
- e. Purchase of real property.

40.5(6) Amendments. Any substantive change to a grant agreement shall be considered an amendment. Amendments must be requested in writing by the grantee and shall not be considered effective until the director has approved and executed such an amendment. All amendments must be executed in conformance with the grant agreement and these rules.

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261—40.6(83GA,SF2389) Financial management.

40.6(1) Audits. All grants under the program are subject to audit. Grantees shall be responsible for the procurement of audit services and for the payment of audit costs. Audits may be performed by the state auditor's office or by a qualified independent auditor. Representatives of the department and the state auditor's office shall have access to all books, accounts, documents and records belonging to, or in use by, grantees pertaining to the receipt of a grant under these rules.

40.6(2) Record retention. All records shall be retained for five years beyond the grant period or longer if any litigation or audit is begun or if a claim is instituted involving the grant or agreement covered by the record. In these instances, the records shall be retained until the litigation, audit or claim has been resolved.

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261—40.7(83GA,SF2389) Reports.

40.7(1) General reporting requirements. Reports shall include information required by the grant agreement and shall be submitted to the department at intervals described in the grant agreement. The reports shall assess the use of funds in accordance with the program's objectives and progress of the program activities.

40.7(2) Job creation. The grantee shall report the total number of jobs created as a result of the project along with other information related to the quality of such jobs, including hours and wages, as requested by the department. For purposes of this rule, the number of jobs created may be calculated by determining which new employment positions created and filled would not have been continued were it not for this program. This would include both permanent and temporary positions filled by the grantee, a contractor or a subcontractor, including construction contractors and their employees. This requirement shall be in effect for two years beyond the project's completion.

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261—40.8(83GA,SF2389) Signs. Each project shall recognize in a prominent location and manner the fact that the project was made possible, in part, through a grant from the Iowa jobs program. During the construction period, the recognition (including a display of the Iowa jobs logo) may be located on temporary signage. The completed project shall feature a permanent acknowledgment, such as a plaque or similar commemoration. Other benefactors of the project may be similarly acknowledged as well. The department may provide funding to the grantees for these signs using funds appropriated to the department through 2010 Iowa Acts, Senate File 2389, sections 10 and 68.

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261—40.9(83GA,SF2389) Noncompliance. If the department finds that a grantee is not in compliance with the requirements under this program, the grantee will be required to refund to the state all disallowed costs. Reasons for a finding of noncompliance include, but are not limited to, a finding that the grantee is using program funds for unauthorized activities, has failed to complete approved activities in a timely manner, has failed to comply with applicable laws and regulations or the grant agreement, or lacks the capacity to carry out the purposes of the program.

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261—40.10(83GA,SF2389) Great places consideration. In compliance with Iowa Code section 303.3C, projects that are identified in an Iowa great places agreement developed pursuant to section 303.3C that are otherwise eligible projects under these rules shall receive additional consideration for placement on the highest-priority list. Such additional consideration shall be afforded only to those projects that have been identified as an Iowa great place under Iowa Code section 303.3C within the past three years.

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These rules are intended to implement 2010 Iowa Acts, Senate File 2389, sections 10 and 68.

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