

CHAPTER 211
COMMUNITY ATTRACTION AND
TOURISM DEVELOPMENT (CATD) PROGRAMS
[Prior to 9/6/00, see 261—Ch 65]

DIVISION I
GENERAL PROVISIONS

261—211.1(15F) Purpose. The community attraction and tourism development programs are designed to assist communities in the development and creation of multiple-purpose attraction and tourism facilities. The CATD programs include the CAT fund and the RECAT fund. The rules in this division apply to all applications and awards from the CAT and RECAT funds.

261—211.2(15F) Definitions. When used in this chapter, unless the context otherwise requires:

“*Attraction*” means a permanently located recreational, cultural, educational, or entertainment activity that is available to the general public.

“*Board*” means the vision Iowa board established by Iowa Code section 15F.102.

“*CAT*” means the community attraction and tourism component of the CATD programs.

“*CATD*” means community attraction and tourism development.

“*CATD programs*” means the CAT fund and RECAT fund.

“*CAT fund*” means the community attraction and tourism fund established pursuant to Iowa Code section 15F.204.

“*Community*” or “*political subdivision*” means a city or county, or an entity established pursuant to Iowa Code chapter 28E.

“*Community attraction and tourism program review committee*” or “*CAT review committee*” means the committee established by Iowa Code section 15F.203(2) and identified as the following members of the vision Iowa board: three members of the general public, one from each of the three tourism regions; the mayor of a city with a population of less than 20,000; and the county supervisor from a county that has a population ranking in the bottom 33 counties according to the 1990 census. The chair and vice chair of the vision Iowa board may serve as ex officio members of any subcommittee of the board.

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

“*Economic development organization*” means an entity organized to position a community to take advantage of economic development opportunities and strengthen a community’s competitiveness as a place to work and live.

“*Float loan*” or “*interim financing*” means a short-term loan (maximum of 30 months) from obligated but unexpended funds.

“*Loan*” means an award of assistance with the requirement that the award be repaid with term, interest rate, and other conditions specified as part of the award. A deferred loan is one for which the payment of principal, interest, or both is not required for some specified period. A forgivable loan is one for which repayment is eliminated in part or entirely if the borrower satisfies specified conditions.

“*Local support*” means endorsement by local individuals and organizations that have a substantial interest in a project.

“*Nonfinancial support*” may include, but is not limited to, the value of labor and services which may not total more than 25 percent of a local match. Real property and personal property donated for purposes of the project are considered financial support at their fair market value.

“*Private organization*” means a corporation, partnership, or other organization that is operated for profit.

“*Public organization*” means a not-for-profit economic development organization or other not-for-profit organization including those that sponsor or support community or tourism attractions and activities.

“*RECAT*” means river enhancement community attraction and tourism.

“*RECAT fund*” means the river enhancement community attraction and tourism fund established pursuant to Iowa Code section 15F.205.

“*Recipient*” means the entity under contract with the vision Iowa board to receive CAT or RECAT funds and undertake the funded activity.

“*Recreational and cultural attraction*” means an attraction that enhances the quality of life in the community.

“*River enhancement community attraction and tourism project*” means a project that creates or enhances recreational opportunities and community attractions on and near lakes or rivers or river corridors within cities across the state under the purview of the program.

“*School district*” means a school corporation organized under Iowa Code chapter 274.

“*Subrecipient*” means a private organization or other entity operating under an agreement or contract with a recipient to carry out a funded CAT or RECAT activity.

“*Tourism opportunity*” means a facility that draws people into the community from at least 50 miles (one way) away from home.

“*Vertical infrastructure*” means land acquisition and construction, major renovation and major repair of buildings, all appurtenant structures, utilities, site development, and recreational trails. “Vertical infrastructure” does not include routine, recurring maintenance or operational expenses or leasing of a building, appurtenant structure, or utility without a lease-purchase agreement.

“*Vision Iowa program review committee*” means the committee established by Iowa Code section 15F.304(2) as amended by 2009 Iowa Acts, House File 822, and identified as the following members of the vision Iowa board: four members of the general public, the mayor of a city with a population of 20,000 or more, the director of the Iowa department of economic development or designee, the treasurer of state or designee, and the auditor of state or designee. The chairperson and vice chairperson of the vision Iowa board may serve as *ex officio* members of any subcommittee of the board.

[ARC 8034B, IAB 8/12/09, effective 7/17/09; ARC 8213B, IAB 10/7/09, effective 11/11/09]

261—211.3(15F) Program components. There are four direct components of the CATD programs. The first component relates to community attraction, tourism or leisure projects that are sponsored by political subdivisions, public organizations, and school districts in cooperation with a city or county. This component is referred to as the community attraction component. The second component provides community attraction and tourism development funds for interim financing for eligible projects under the community attraction component. This component is referred to as the interim financing component. The third component relates to river enhancement community attraction and tourism projects. This component is referred to as the river enhancement component. The fourth component relates to marketing projects that have received funding from the vision Iowa or CATD programs. This component is referred to as the marketing component.

211.3(1) Community attraction component—CAT. The objective of the CAT component is to provide financial assistance for community-sponsored attraction and tourism projects. Community attraction projects may include but are not limited to the following: museums, theme parks, cultural and recreational centers, heritage attractions, sports arenas and other attractions.

211.3(2) Interim financing component.

a. The objective of the interim financing component is to provide short-term financial assistance for eligible community attraction and tourism projects. Financial assistance may be provided as a float loan. A float loan may only be made for projects that can provide the vision Iowa board with an irrevocable letter of credit or equivalent security instrument from a lending institution rated AA or better, in an amount equal to or greater than the principal amount of the loan.

b. Applications for float loans shall be processed, reviewed and considered on a first-come, first-served basis to the extent funds are available. Applications that are incomplete or require additional information, investigation or extended negotiation may lose funding priority. Applications for float loans shall meet all other criteria required for the community attraction component.

211.3(3) River enhancement component—RECAT. The objective of the RECAT component is to provide financial assistance for projects that are related to, closely connected with, and enhance rivers, lakes, or river corridors within cities. River enhancement projects may include but are not limited

to pedestrian trails and walkways, amphitheaters, bike trails, water trails or white water courses for watercraft, and any modifications necessary for the safe mitigation of dams.

211.3(4) Marketing component. The objective of the marketing component is to provide financial assistance for the marketing of vision Iowa or CATD projects.

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261—211.4(15F) Eligible applicants. Eligible applicants for CAT and RECAT funds include political subdivisions, public organizations, and school districts in cooperation with a city or county.

211.4(1) Any eligible applicant may apply directly or on behalf of a subrecipient.

211.4(2) Any eligible applicant may apply individually or jointly with another eligible applicant or other eligible applicants.

261—211.5(15F) Eligible projects and forms of assistance.

211.5(1) Eligible projects include those which are related to a community or tourism attraction, and which would position a community to take advantage of economic development opportunities in tourism and strengthen a community's competitiveness as a place to work and live. Eligible projects include building construction or reconstruction, rehabilitation, conversion, acquisition, demolition for the purpose of clearing lots for development, site improvement, equipment purchases, and other projects as may be deemed appropriate by the vision Iowa board.

211.5(2) Eligible forms of assistance include grants, interest-bearing loans, non-interest-bearing loans, float loans under the interim financing component, interest subsidies, deferred payment loans, forgivable loans, or other forms of assistance as may be approved by the vision Iowa board.

211.5(3) Financial assistance for an eligible project may be provided in the form of a multiyear award to be paid in increments over a period of years, subject to the availability of funds.

211.5(4) IDEED, with the approval of the chair or vice chair of the vision Iowa board, reserves the right to make technical corrections which are within the intent of the terms of a board-approved award.

211.5(5) Applicants must report other sources of funding or pending funding, public or private, for the project including the local recreation infrastructure grants program administered by the Iowa department of natural resources and the Iowa historic site preservation grant program administered by the historical division of the Iowa department of cultural affairs. IDEED may consult with appropriate staff from the department of cultural affairs and the department of natural resources to coordinate the review of applications under the programs.

261—211.6(15F) Ineligible projects.

211.6(1) The vision Iowa board shall not approve an application for assistance under this program to refinance an existing loan.

211.6(2) An applicant may not receive more than one award under the CATD programs for a single project. However, previously funded projects may receive an additional award(s) if the applicant demonstrates that the funding is to be used for a significant expansion of the project, a new project, or a project that results from previous project-development assistance.

211.6(3) The vision Iowa board shall not approve an application for assistance in which the combination of RECAT and CAT funding would constitute more than 50 percent of the total project costs. RECAT funding may constitute up to one-third of the total project cost. A portion of the resources provided by the applicant for project costs may be in the form of in-kind or nonfinancial contributions.

261—211.7(15F) Threshold application requirements. To be considered for funding under the CATD programs, an application must meet the following threshold requirements:

211.7(1) There must be demonstrated local support for the proposed activity.

211.7(2) A need for the CAT or RECAT funds must exist after other financial resources have been identified for the proposed project.

211.7(3) The proposed project must primarily involve the creation or renovation of vertical infrastructure with demonstrated substantial regional or statewide economic impact.

211.7(4) The project must provide and pay at least 50 percent of the cost of a standard medical insurance plan for all full-time employees working at the project after the completion of the project for which financial assistance was received.

261—211.8(15F) Application review criteria. Applications meeting the threshold requirements of rule 261—211.7(15F) will be reviewed by IDED staff and passed on to the vision Iowa board. IDED staff shall provide a review, analysis and evaluation of the applications to the CAT and vision Iowa program review committees of the vision Iowa board. All eligible applications will be reviewed by the vision Iowa board. The CAT review committee shall evaluate and rank CAT applications and the vision Iowa program review committee shall evaluate and rank RECAT applications based on the following criteria:

211.8(1) Feasibility (0-25 points). The feasibility of the existing or proposed facility to remain a viable enterprise. The applicant's comprehensive business plan and operational plan will be reviewed as part of this criterion. Rating factors for this criterion include, but are not limited to, the following: analysis of the comprehensive business plan which shall include a description of initial capitalization, sources of funding, project budget, detailed financial projections for five years, marketing analysis, marketing plan, management team, and operational plan that provides detailed information about how the proposed attraction will be operated and maintained including a time line for implementing the project. In order to be eligible for funding, proposals must score at least 15 points on this rating factor.

211.8(2) Economic impact (0-25 points). Number of jobs created and other measures of economic impact including long-term tax generation, but excluding the use of economic multipliers. The evaluation of the economic impact of a proposed project shall also include a review of the wages and benefits (including health benefits) associated with the jobs to be created, safety, and other attributes of the project that would improve the quality of attraction and tourism employment in the community. Additionally, the economic impact of the project shall be reviewed based on the degree to which the project enhances the quality of life in a community; increases the recreational and cultural attraction and tourism opportunities; contributes to the community's efforts to retain and attract a skilled workforce; and creatively uses existing resources in the community. In order to be eligible for funding, proposals must score at least 15 points on this rating factor.

211.8(3) Leveraged activity (0-10 points). The degree to which the facility or project will stimulate the development of other recreational and cultural attractions or tourism opportunities and enhance economic growth and job opportunities. In order to be eligible for funding, proposals must score at least 6 points on this rating factor.

211.8(4) Matching funds (0-25 points). The proportion of nonstate match to be contributed to the project, and the extent of public and private participation. Moneys raised at any time but not yet spent may be considered to be a local match.

211.8(5) Planning principles (0-10 points). The extent to which the project has taken the following planning principles into consideration:

a. Efficient and effective use of land resources and existing infrastructure by encouraging compact development in areas with existing infrastructure or capacity to avoid costly duplication of services and costly use of land. Compact development maximizes public infrastructure investment and promotes mixed uses, greater density, bike and pedestrian networks, and interconnection with the existing street grid.

b. Provision for a variety of transportation choices, including public transit, pedestrian and bicycle traffic.

c. Maintenance of unique sense of place by respecting and enhancing local cultural, historical and natural environmental features.

d. Conservation of open space and farmland and preservation of critical environmental areas.

e. Promotion of the safety, livability, and revitalization of existing urban and rural communities.

f. Construction and promotion of developments, buildings, and infrastructure that conserve natural resources by reducing waste and pollution through efficient use of land, energy, water, and materials.

g. Capture, retention, infiltration and harvesting of rainfall using storm water best management practices such as permeable pavement, bioretention cells, bioswales, and rain gardens to protect water resources.

h. Implementation of the green sustainable design principles described in the CAT and RECAT application green design checklist.

i. Extent to which project design, construction, and use incorporate renewable energy sources including, but not limited to, solar, wind, geothermal, and biofuels, and support the following state of Iowa plans and goals:

(1) Office of energy independence's Iowa energy independence plan.

(2) General reduction of greenhouse gas emissions.

211.8(6) *Technology and values (0-5 points)*. Whether the project has taken the following into consideration:

a. Extent to which the project encourages technologies that allow regional or statewide access for long-distance learning and Internet access to facility resources.

b. Extent to which the project enhances education, wellness (health), and breadth of the project to attract Iowans of all ages.

c. Extent to which facilities are nonsmoking.

d. Extent to which facilities enhance or promote fine arts. For purposes of this paragraph, "fine arts" means "fine arts" as defined in Iowa Code section 304A.8(2) and also includes landscaping.

e. Extent to which facilities promote healthy indoor environments by employing the use of healthy and sustainable building materials, furnishings, cleaning products, and maintenance practices.

A minimum score of 65 points is needed for a project to be recommended for funding.

[ARC 8034B, IAB 8/12/09, effective 7/17/09; ARC 8213B, IAB 10/7/09, effective 11/11/09]

261—211.9(15F) Application procedure. Subject to availability of funds, applications are reviewed by IDED staff on an ongoing basis and reviewed at least quarterly by the board. Applications will be reviewed by staff for completeness and eligibility. If additional information is required, the applicant shall be provided with notice, in writing, to submit additional information. A review, analysis and evaluation from the IDED staff will be submitted to the CAT and vision Iowa program review committees of the board, who will then make a final recommendation to the complete board for final approval, denial or deferral. The vision Iowa board has the option of funding a component of a proposed project if the entire project does not qualify for funding.

211.9(1) Application forms shall be available upon request from IDED, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)725-3197; and on IDED's Web site at www.iowalifechanging.com.

211.9(2) IDED may provide technical assistance to applicants as necessary. IDED staff and board members may conduct on-site evaluations of proposed projects.

211.9(3) Applications shall include, at a minimum, the information detailed in rule 211.8(15F), application review criteria.

[ARC 8034B, IAB 8/12/09, effective 7/17/09; ARC 8213B, IAB 10/7/09, effective 11/11/09]

261—211.10(15F) Administration.

211.10(1) *Administration of awards.*

a. A contract shall be executed between the recipient and the vision Iowa board. These rules and applicable state laws and regulations shall be part of the contract. The board reserves the right to negotiate wage rates as well as other terms and conditions of the contract.

b. The recipient must execute and return the contract to the vision Iowa board within 45 days of transmittal of the final contract from the vision Iowa board. Failure to do so may be cause for the vision Iowa board to terminate the award.

c. Certain projects may require that permits or clearances be obtained from other state or local agencies before the project may proceed. Awards may be conditioned upon the timely completion of these requirements.

d. Awards may be conditioned upon commitment of other sources of funds necessary to complete the project.

e. Awards may be conditioned upon IDED receipt and board approval of an implementation plan for the funded project.

211.10(2) *Requests for funds.* Recipients shall submit requests for funds in the manner and on forms prescribed by IDED. Individual requests for funds shall be made in an amount equal to or greater than \$500 per request, except for the final draw of funds.

211.10(3) *Record keeping and retention.* The recipient shall retain all financial records, supporting documents and all other records pertinent to the community attraction and tourism development activity for three years after contract closeout. Representatives of IDED shall have access to all records belonging to or in use by recipients pertaining to community attraction and tourism development funds.

211.10(4) *Performance reports and reviews.* Recipients shall submit performance reports to IDED in the manner and on forms prescribed by IDED. Reports shall assess the use of funds and progress of activities. IDED may perform any reviews or field inspections necessary to ensure recipient performance.

211.10(5) *Amendments to contracts.* Any substantive change to a contract shall be considered an amendment. Changes include time extensions, budget revisions and significant alteration of the funded project that change the scope, location, objectives or scale of the approved project. Amendments must be requested in writing by the recipient and are not considered valid until approved by the vision Iowa board and confirmed in writing by IDED following the procedure specified in the contract between the recipient and IDED.

211.10(6) *Contract closeout.* Upon contract expiration, IDED shall initiate contract closeout procedures.

211.10(7) *Compliance with state and local laws and regulations.* Recipients shall comply with these rules, with any provisions of the Iowa Code governing activities performed under this program, and with applicable local regulations.

211.10(8) *Remedies for noncompliance.* At any time before contract closeout, the board may, for cause, find that a recipient is not in compliance with the requirements of this program. At the board's discretion, remedies for noncompliance may include penalties up to and including the return of program funds to the board. Reasons for a finding of noncompliance include but are not limited to the recipient's use of funds for activities not described in the contract, the recipient's failure to complete funded projects in a timely manner, the recipient's failure to comply with applicable state or local rules or regulations, or the lack of a continuing capacity of the recipient to carry out the approved project in a timely manner.

261—211.11 to 211.49 Reserved.

DIVISION II
COMMUNITY ATTRACTION AND TOURISM (CAT) FUND

261—211.50(15F) *Applicability.* The rules in this division are in addition to the general provisions of division I and only apply to the CAT fund.

261—211.51(15F) *Allocation of funds.*

211.51(1) Except as otherwise noted in this rule, all CAT funds shall be awarded for projects as specified in rule 211.3(15F).

211.51(2) One-third of the moneys shall be allocated to provide assistance to cities and counties which meet the following criteria:

- a.* A city which has a population of 10,000 or less according to the most recently published census.
- b.* A county which has a population that ranks in the bottom 33 counties according to the most recently published census.

211.51(3) Two-thirds of the moneys shall be allocated to provide assistance to any city and county in the state, which may include a city or county included under subrule 211.51(2).

211.51(4) If two or more cities or counties submit a joint project application for financial assistance from the CAT fund, all joint applicants must meet the criteria of subrule 211.51(2) in order to receive any moneys allocated under that subrule.

211.51(5) If any portion of the allocated moneys under subrule 211.51(2) has not been awarded by April 1 of the fiscal year for which the allocation is made, the portion which has not been awarded may be utilized by the vision Iowa board to provide financial assistance from the CAT fund to any city or county in the state.

261—211.52 to 211.100 Reserved.

DIVISION III
RIVER ENHANCEMENT COMMUNITY ATTRACTION AND TOURISM (RECAT) FUND

261—211.101(15F) Applicability. The rules in this division are in addition to the general provisions of division I and only apply to the RECAT fund.

261—211.102(15F) Allocation of funds.

211.102(1) Except as otherwise noted in this rule, all river enhancement community attraction and tourism funds shall be awarded for projects as specified in rule 211.3(15F).

211.102(2) Application contents. Applications for river enhancement projects shall include, as an exhibit to the standard CATD program application, information about the project's connection and interaction with a river, lake or river corridor.

211.102(3) Application review criteria. In addition to the application review criteria in rule 211.8(15F), river enhancement projects shall be reviewed using the following additional criteria:

a. Connection and interaction with a river, lake or river corridor. The extent that the project relates to, connects with, and enhances a body of water. An explanation of the relevance of the body of water with regard to the project overall (0-5 points).

b. A description of the green sustainable design and construction practices, including storm water best management practices, such as permeable pavement, bioretention cells, and bioswales that will be utilized on the project to protect from pollution the body of water enhanced by the project (0-5 points).

DIVISION IV
CAT AND RECAT WAIVERS

261—211.103(15F) Procedures for waiver of local or private matching moneys.

211.103(1) *General information.* Within the parameters of this rule, the board may, for good cause shown, waive any requirements for local or private matching moneys for CAT and RECAT beginning July 1, 2009, and ending June 30, 2010. 2009 Iowa Acts, Senate File 336, allows a community to apply to the board for a project-specific waiver of any local or private matching moneys required of the applicant by the board pursuant to Iowa Code section 15F.202. This rule also establishes a process for applicants to apply for a waiver of requirements for local or private matching moneys that the department has established by rule for the CATD programs.

211.103(2) *Definition of "good cause."* For purposes of this rule, "good cause" includes only a proposed project that is located or plans to locate in an area declared a disaster area by the governor or by a federal official. To qualify for a waiver on the basis of a disaster area, an applicant shall meet all of the following criteria:

a. The project must be located within an area declared a disaster area by the governor or by a federal official.

b. The community must apply for the waiver within 24 months of the date of the disaster declaration.

c. The community must document why a waiver is necessary as a result of the natural disaster.

211.103(3) *Waiver procedures and board action.*

a. Waiver requests shall be submitted in writing to the department at the time the CAT or RECAT application is submitted. The request shall include documentation of good cause as defined in subrule 211.103(2).

b. Waiver requests will be reviewed as part of the application review process and acted upon by the board. If a request for a waiver is approved, the board will proceed with a final decision on the application.

c. The board may approve all or a portion of the request or deny or defer action on waiver requests. The board reserves the right to condition its approval upon terms and conditions the board deems appropriate for the specific project.

[ARC 8034B, IAB 8/12/09, effective 7/17/09; ARC 8213B, IAB 10/7/09, effective 11/11/09]

These rules are intended to implement Iowa Code chapter 15F as amended by 2009 Iowa Acts, House File 822, and 2009 Iowa Acts, Senate File 336.

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