

CHAPTER 211
COMMUNITY ATTRACTION AND
TOURISM (CAT) PROGRAMS

[Prior to 9/6/00, see 261—Ch 65]

DIVISION I
GENERAL PROVISIONS

261—211.1(15F) Purpose. The community attraction and tourism programs are designed to assist communities in the development and creation of multiple-purpose attraction and tourism facilities. The CAT 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.

[ARC 4513C, IAB 6/19/19, effective 7/24/19]

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.

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

“*Board*” means the economic development authority board established by Iowa Code section 15.105.

“*CAT*” means community attraction and tourism.

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

“*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 economic development authority board: one member from each congressional district and one member from the state at large.

“*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.

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

“*Nonfinancial support*” may include, but is not limited to, the value of labor and services. Real property and personal property donated for purposes of the project are considered financial support at their fair market value.

“*Public organization*” means a not-for-profit economic development organization or other not-for-profit organization, including one that sponsors or supports 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 economic development authority board to receive CAT or RECAT funds and undertake the funded activity.

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

“*Vertical infrastructure*” means land acquisition and construction, major renovation and major repair of buildings, all appurtenant structures, utilities, site development, recreational trails and water 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) and identified as the following members of the economic development authority board: one member from each congressional district and two members from the state at large.

[ARC 8034B, IAB 8/12/09, effective 7/17/09; ARC 8213B, IAB 10/7/09, effective 11/11/09; ARC 4513C, IAB 6/19/19, effective 7/24/19; Editorial change: IAC Supplement 7/10/24]

261—211.3(15F) Forms of assistance.

211.3(1) *Community attraction and tourism—CAT.* The CAT program provides financial assistance for community-sponsored attraction and tourism projects.

211.3(2) *River enhancement community attraction and tourism—RECAT.* The RECAT program provides financial assistance for projects that create or enhance recreational opportunities and community attractions on and near lakes or rivers or river corridors within cities.

211.3(3) *Marketing component.* Rescinded IAB 4/8/20, effective 5/13/20.
[ARC 4513C, IAB 6/19/19, effective 7/24/19; ARC 5028C, IAB 4/8/20, effective 5/13/20]

261—211.4(15F) Eligible applicants. Eligible applicants for CAT and RECAT funds include cities, counties, public organizations, and school districts in cooperation with a city or county. Any eligible applicant may apply individually or jointly with another eligible applicant or other eligible applicants. A school district must apply jointly with a city or county.

[ARC 4513C, IAB 6/19/19, effective 7/24/19]

261—211.5(15F) Eligible projects.

211.5(1) Eligible projects provide recreational, cultural, entertainment and educational opportunities. Funded projects must 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. Completed projects must be open to the public for general use.

211.5(2) Eligible CAT and RECAT projects must be primarily vertical infrastructure projects.

211.5(3) The economic development authority board has the option of funding a component of a proposed project.

[ARC 4513C, IAB 6/19/19, effective 7/24/19; Editorial change: IAC Supplement 7/10/24]

261—211.6(15F) Ineligible projects.

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

211.6(2) A recipient may not receive more than one CAT or RECAT award 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 or a new project.

211.6(3) The economic development authority board shall not approve an application for assistance in which the combination of CAT or RECAT funding plus other state funds would constitute more than 50 percent of the total project costs.

211.6(4) Work completed and costs incurred, except the acquisition of real estate, prior to the date of a potential CAT or RECAT award are ineligible for funding under the CAT programs.

[ARC 4513C, IAB 6/19/19, effective 7/24/19; Editorial change: IAC Supplement 7/10/24]

261—211.7(15F) Application requirements. At a minimum, CAT and RECAT applications must contain the following information:

211.7(1) The total capital investment of the project, including but not limited to costs for construction, site acquisition, and infrastructure improvement.

211.7(2) The amount or percentage of local and private matching moneys which will be or have been provided for the project. Moneys raised at any time and not yet spent may be considered as local match. Up to 25 percent of the local match may be nonfinancial support.

211.7(3) The total number of jobs to be created or retained by the project.

211.7(4) The long-term tax-generating impact of the project.

211.7(5) A joint application from a school district in cooperation with a city or county must demonstrate that the intended future use of the project shall be by both joint applicants.

[ARC 4513C, IAB 6/19/19, effective 7/24/19]

261—211.8(15F) Application review.

211.8(1) Authority staff will review CAT and RECAT applications to ensure the applications meet the threshold requirements set forth in subrule 211.8(2). All eligible applications will be forwarded to and

reviewed by the economic development authority board. Applications that do not meet the threshold requirements will not be forwarded to the economic development authority board for review.

211.8(2) Authority staff will review each application for the following information:

- a. Local support for the proposed activity.
- b. Whether the proposed project is primarily a vertical infrastructure project.
- c. Certification from the applicant that the applicant will provide and pay for 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.
- d. At least 65 percent of the funds needed to complete the proposed project have been raised or pledged. Other state funds cannot be counted as match until the applicant can document that at least 50 percent of the funds have been raised.

211.8(3) The CAT and vision Iowa program review committees shall consider, at a minimum, the following:

- a. Whether the wages, benefits, including health benefits, safety, and other attributes of the project would improve the quality of life or the quality of the attraction or tourism employment in the community.
- b. The extent to which such a project would generate additional recreational and cultural attractions or tourism opportunities.
- c. The ability of the project to produce a long-term tax-generating economic impact.
- d. The location of the projects and geographic diversity of the applications.
- e. The project is primarily a vertical infrastructure project with demonstrated substantial regional or statewide economic impact.
- f. Whether the applicant has received financial assistance under the program for the same project.
- g. The extent to which the project has taken the following planning principles into consideration:
 - (1) Efficient and effective use of land resources and existing infrastructure by encouraging development in areas with existing infrastructure or capacity to avoid costly duplication of services and costly use of land.
 - (2) Provision for a variety of transportation choices, including pedestrian traffic.
 - (3) Maintenance of a unique sense of place by respecting local cultural and natural environmental features.
 - (4) Conservation of open space and farmland and preservation of critical environmental areas.
 - (5) Promotion of safety, livability, and revitalization of existing urban and rural communities.

[ARC 8034B, IAB 8/12/09, effective 7/17/09; ARC 8213B, IAB 10/7/09, effective 11/11/09; ARC 4513C, IAB 6/19/19, effective 7/24/19; Editorial change: IAC Supplement 7/10/24]

261—211.9(15F) Application procedure. Subject to availability of funds, applications will be accepted by the board quarterly. Authority staff will review applications for completeness and eligibility. A review, analysis and evaluation from the authority staff will be submitted to the CAT and vision Iowa program review committees of the board, which will then make a final recommendation to the complete board for final approval, denial or deferral.

211.9(1) Applicants must submit a notice of intent to apply on a form provided by the authority. The authority will send standard application forms to those applicants who have submitted a notice of intent to apply. The notice of intent to apply form will be available on the authority web page. The authority can waive this requirement for good cause.

211.9(2) Authority staff may provide technical assistance as necessary. Authority 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 application requirements.

211.9(4) Incomplete or ineligible applications will not be forwarded to the board for review.

[ARC 8034B, IAB 8/12/09, effective 7/17/09; ARC 8213B, IAB 10/7/09, effective 11/11/09; ARC 4513C, IAB 6/19/19, effective 7/24/19; Editorial change: IAC Supplement 7/10/24]

261—211.10(15F) Administration.

211.10(1) *Administration of awards.*

a. A contract shall be executed between the recipient and the economic development authority board. These rules and applicable state laws and regulations shall be part of the contract. The board reserves the right to negotiate terms and conditions of the contract.

b. The recipient must execute and return the contract to the economic development authority board within 45 days of transmittal of the final contract from the economic development authority board. Failure to do so may be cause for the economic development authority 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 the authority's receipt and board approval of an implementation plan for the funded project.

f. The authority, with the approval of the chair or vice chair of the economic development authority board, reserves the right to make technical corrections that are within the intent of the terms of a board-approved award.

211.10(2) *Disbursement of funds.* Recipients shall submit requests for funds in the manner and on forms prescribed by the authority. 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 funded CAT or RECAT project for three years after contract closeout. Representatives of the authority shall have access to all records belonging to or in use by recipients pertaining to CAT and RECAT funds.

211.10(4) *Performance reports and reviews.* Upon request of the authority or the economic development authority board, recipients shall submit performance reports in the manner and on forms prescribed by the authority. Reports shall assess the use of funds and progress of activities. The authority may perform any reviews or field inspections necessary to ensure each recipient's performance.

211.10(5) *Amendments to contracts.* Any substantive change to a contract shall be considered an amendment. Substantive changes include time extensions, budget revisions and significant alterations 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 economic development authority board and confirmed in writing.

211.10(6) *Contract closeout.* Upon project completion, the authority 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.

[ARC 4513C, IAB 6/19/19, effective 7/24/19; Editorial change: IAC Supplement 7/10/24]

261—211.11 to 211.49 Reserved.

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) One-third of the moneys shall be allocated to provide assistance to projects located in 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(2) Two-thirds of the moneys shall be allocated to provide assistance to projects in any city and county in the state, which may include a city or county included under subrule 211.51(1).

211.51(3) 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(1) in order to receive any moneys allocated under that subrule.

211.51(4) If any portion of the allocated moneys under subrule 211.51(1) 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 economic development authority board to provide financial assistance from the CAT fund to projects located in any city or county in the state.

[ARC 4513C, IAB 6/19/19, effective 7/24/19; Editorial change: IAC Supplement 7/10/24]

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) Application contents. Applications for RECAT projects shall include information about the project's connection and interaction with a river, lake or river corridor. "Lake" means a lake of which the state or a political subdivision owns the lake bed up to the ordinary high water line and which is open to the use of the general public.

[ARC 4513C, IAB 6/19/19, effective 7/24/19]

DIVISION IV

CAT AND RECAT WAIVERS

261—211.103(15F) Procedures for waiver of local or private matching moneys. Rescinded ARC 4513C, IAB 6/19/19, effective 7/24/19.

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.

[Filed emergency 6/18/99—published 7/14/99, effective 7/1/99]

[Filed 8/20/99, Notice 7/14/99—published 9/8/99, effective 10/13/99]

[Filed without Notice 8/18/00—published 9/6/00, effective 10/11/00]

[Filed 10/23/00, Notice 9/6/00—published 11/15/00, effective 12/20/00]

[Filed emergency 9/18/08 after Notice 7/16/08—published 10/8/08, effective 9/18/08]

[Filed Emergency ARC 8034B, IAB 8/12/09, effective 7/17/09]

[Filed ARC 8213B (Notice ARC 8033B, IAB 8/12/09), IAB 10/7/09, effective 11/11/09]

[Filed ARC 4513C (Notice ARC 4329C, IAB 3/13/19), IAB 6/19/19, effective 7/24/19]

[Filed ARC 5028C (Notice ARC 4670C, IAB 9/25/19), IAB 4/8/20, effective 5/13/20]

[Editorial change: IAC Supplement 7/10/24]