

CHAPTER 3  
GROW IOWA VALUES FUND FINANCIAL ASSISTANCE

**264—3.1(80GA,HF692,HF683) Eligible applicants.** Only businesses are eligible to apply to the department for financial assistance under the grow Iowa values fund.

**264—3.2(80GA,HF692,HF683) Eligibility requirements.**

**3.2(1)** The committee and the board will consider all applications that would contribute to attaining the statutory goals of the fund. The board and committee should look for opportunities to support expansion in the following areas:

- a. Life sciences.
- b. Advanced manufacturing.
- c. Information solutions.

**3.2(2)** Wage requirements and award amounts.

a. Wage requirements. Fifty percent or more of the jobs must start at 110 percent of the average county wage or average regional wage, whichever is lower.

b. Award amounts. Award amounts shall be based on the average wage of those jobs that meet or exceed the following wage requirements (only qualified jobs will be counted):

<u>Percent of Average County Wage or Average Regional Wage</u>	<u>Award Amount</u>
110%	up to \$3,000 per job
120%	up to \$4,000 per job
130%	up to \$5,000 per job
140%	up to \$6,000 per job
150%	up to \$7,000 per job

c. Definitions. The percentages described in paragraph “b” are based on the average county wage or average regional wage, whichever is lower. As used in this rule, the following definitions shall apply:

“*Average county wage*” means the average the department calculates annually using the most current four quarters of wage and employment information as provided in the Quarterly Covered Wage and Employment Data report provided by the Iowa workforce development department, audit and analysis section. Agricultural/mining and governmental employment categories are deleted in compiling the wage information.

“*Average regional wage*” means the wage calculated annually by the department using a methodology in which each particular county is considered to be a geographic center of a larger economic region. The wage threshold for the central county is calculated using the average wage of that county, plus each adjoining Iowa county, so that the resulting figure reflects a regional average that is representative of the true labor market area. In performing the calculation, the greatest importance is given to the central county by weighting it by a factor of four, compared to a weighting of one for each of the other adjoining counties. The central county is given the greatest importance in the calculation because most of the employees in that central county will come from that same county, as compared to commuters from other adjoining counties.

d. Award terms and amounts shall be based on factors including, but not limited to, percentage of loan versus forgivable loan, industry cluster, potential for agglomeration, job quality and benefits.

**3.2(3)** Retail businesses shall not be eligible to apply for funding.

**264—3.3(80GA,HF692,HF683) Forms of assistance.** Financial assistance by the grow Iowa values fund may consist of, but not be limited to, loans, forgivable loans, grants and such other forms of assistance the board deems appropriate and consistent with the needs of a given project.

**264—3.4(80GA, HF692, HF683) Application.**

**3.4(1)** To apply for moneys from the grow Iowa values fund, a business shall submit an application to the department for consideration by the committee and the board of directors of the grow Iowa values fund in a form provided by the department on behalf of the board.

**3.4(2)** A business or group of businesses may submit an application for assistance from the fund.

**3.4(3)** Requests for an application should be directed to the Board of Directors, Grow Iowa Values Fund, 200 East Grand Avenue, Des Moines, Iowa 50309.

**3.4(4)** Rescinded IAB 11/12/03, effective 10/22/03.

**264—3.5(80GA, HF692, HF683) Application contents.** An application to request assistance from the grow Iowa values fund shall include, but not be limited to, the following:

1. A business plan that describes the business's current operations and future plans.
2. A description of the proposed project including an identification of the community or location for the project.
3. Documentation that the business meets the eligibility requirements.
4. A description of the jobs to be created or retained, including information concerning wage rates and progression, continuing education requirements, turnover rate, type of job (e.g., full-time, part-time, career-type), health benefits, and any other factors relating to the quality of the jobs to be created or retained.
5. An identification of competitors of the applicant business.
6. An applicant shall be required to include information regarding benefits to the state of Iowa from the proposed project in terms of return on investment by the state in the project. A recipient of values fund money shall annually submit a statement to the board of directors of the grow Iowa values fund regarding the progress achieved in meeting the intended return on investment to the state of Iowa.
7. A description of any violations of law in the preceding five years including, but not limited to, worker safety statutes, rules and regulations. The description must include violations of a federal or state environmental protection statute, regulation or rule within the previous five years. If the violations seriously affected the public health or safety, or the environment, the business shall provide an explanation of any mitigating circumstances and corrective action taken to achieve compliance. If requested by the department, the business shall provide copies of materials documenting the type of violation(s), any fees or penalties assessed, court filings, final disposition of any findings and any other information which would assist the department, the committee and the board in understanding the nature of any violation(s).
8. A certification by the business that the information provided in the application is true and accurate to the best of its knowledge.
9. A release of information to permit the department, the committee, the board, and their respective attorneys and agents, to reasonably evaluate the application.
10. Financial information to the extent requested by the board, including information about the applicant's owners, investors, and business structure.
11. A certification by the applicant that it plans to stay in Iowa and evidence to support this commitment.
12. A description of how the applicant's project will promote one or more of the goals identified in 264—subrule 1.2(1).

**264—3.6(80GA, HF692, HF683) Selection criteria.** In reviewing applications for financial assistance, the board, the department and the committee shall consider, in addition to the requirements described in 264—Chapter 1, the following criteria:

1. The extent of financial and other assistance to be provided by local resources.
2. The extent of private contributions to be provided by private parties, including the involvement of financial institutions.

3. The need of the business for financial assistance from governmental sources. Primary consideration will be given to projects for which the department determines that governmental assistance is most necessary for the success of the project.

4. The amount of other governmental financial assistance the applicant will apply for to complete the proposed project.

5. The level of need of the business, the community and region in which it is located as compared to the state as a whole.

6. The impact of the proposed project on the economy of the local and regional areas, and the state of Iowa.

7. The capacity of the business and the methodology to be used to document the return on investment by the state.

**264—3.7(80GA, HF692, HF683) Rules expiration date.** Rescinded IAB 11/12/03, effective 10/22/03.

These rules are intended to implement 2003 Iowa Acts, House Files 692 and 683.

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