

CHAPTER 41  
COMMUNITY DEVELOPMENT FUND

**261—41.1(79GA, HF718) Purpose.** The purpose of this program is to assist communities in addressing community and economic development challenges and opportunities. Technical and financial assistance will be provided to communities to access consultation and technical assistance to further local collaborative initiatives or to select and prioritize strategies for the improvement of operations and structures to meet business and residential demands.

**261—41.2(79GA, HF718) Program eligibility.**

**41.2(1)** Eligible applicants include any Iowa county, city, council of government, or resource conservation and development organization which may apply on behalf of an economic development group or government entity. Applicants must be able to demonstrate a minimum match that equals at least 25 percent of the grant amount requested in the form of cash, and an additional in-kind services match of 10 percent.

**41.2(2)** Eligible projects. Projects eligible for funding include the following:

- a. Telecommunications: education and training on enhanced telecommunications services, strategy development for access and use of advanced telecommunications;
- b. Growth management: strategies to promote orderly development and rational land use;
- c. Housing: area, regional or multicommunity strategy to address specific housing needs, particularly upper-story commercial areas and in-fill lot development;
- d. Business development: strategies to enhance target industry clusters (information solutions, advanced manufacturing, and life sciences); entrepreneurship; international trade; e-commerce, education and training through local development groups and chambers of commerce; and capital development;
- e. Community services: development of multicommunity or regional delivery of government services and community development services that directly enhance business development; innovative approaches to workforce shortages, skill development and employee retention; diversity of population capitalizing on immigration to sustain and revitalize communities;
- f. Education and training: development of leadership strategies and regional workshops related to the targeted 2010 issues; and
- g. Commercial development: one-to-one business assistance, market analysis training, upper-story reuse assistance, fundraising strategies, and building design assistance.

**261—41.3(79GA, HF718) General policies for applications.**

**41.3(1)** The maximum award for a single project is \$50,000. Awards may be in the form of either cash or technical assistance. Cash or technical assistance awards will vary depending upon the complexity of the issue, geographic area of service, population in the service area, number of issues involved, and diversity of the collaborative partners.

**41.3(2)** Applications shall include letters of support from each entity indicating roles, responsibilities, and support in the form of either cash or in-kind services.

**41.3(3)** One community, county, or council of governments shall be designated as the recipient of funds. An official of that legal entity shall sign the application accepting responsibility for the funds.

**261—41.4(79GA, HF718) Application procedures.** Preapplications shall be submitted to the Community Development Fund, Iowa Department of Economic Development, 200 East Grand Avenue, Des Moines, Iowa 50309. The IDED consultant team will review preapplications, and written or oral comments will be returned to the applicant with appropriate application forms and instructions available at this address.

**261—41.5(79GA, HF718) Application contents.** Applications shall be submitted on forms developed by and available from IDED. Required contents of the application shall include:

1. A summary sheet including title and project overview; name, address, and telephone number of one person who will serve as the contact for the application; the geographic area to be served; and total program budget including applicant match.
2. A description of needs or problems, objectives, activities, project timetable, and the final product/manual/outcome.
3. A budget for the project including cash and in-kind match.
4. Other documentation as requested by IDED.

**261—41.6(79GA, HF718) Review process.** A committee within the department will review each eligible application. Applicants may be interviewed further to explore the potential for providing technical assistance, gain additional information concerning the proposal, and negotiate the project's work plan and budget.

**41.6(1) Application review.** The committee will review the applications based on the following deliverables:

- a. Goals: are they obtainable in one year?
- b. Economic impact: is it measurable?
- c. Regional partners: is there a larger impact for the region?
- d. Industry clusters: does the project advance industry retention or an expansion of the targeted groups?
- e. Models for success: can the project be replicated in other parts of the state to address 2010 issues?

**41.6(2) Project description.** Each project description must include:

- a. Demonstrated need for the project. (Economic or community enhancement impact to the area; how the project will improve the development potential of the project area, improve access to services, or create an environment for community improvement.)
- b. Capacity of the applicant to sustain, implement, or reach stated objectives once grant period is concluded.
- c. Demonstrated networking, cooperation and partnerships with other entities, organizations, and local governments necessary to meet stated goals and objectives, including past successful cooperative efforts that have been sustained over time. Multicommunity groups are strongly encouraged.
- d. Local financial and volunteer contribution to the project that exceeds minimum match requirements. (Cash, office materials, supplies, volunteer support, office space, equipment, administrative assistance.)
- e. Creativity and innovation of the proposed project to address issues presented. (Project demonstrates a new and creative approach to address a common issue/concern.)
- f. Evidence of participation in local planning that supports the request for funds. (Community builder plan, housing needs assessment, comprehensive land use planning, or a similar planning activity that has led the applicant to the proposed activity which the application addresses.)
- g. Demonstrated need for the funds requested.
- h. Evidence of local planning.

**41.6(3) Ineligible expenses.** Expenses ineligible for reimbursement include, but are not limited to:

- a. Purchase of land, buildings or improvements thereon.
- b. Expenses for development of sites and facilities.
- c. Cost of nonexpendable equipment (i.e., computers and fax and copy machines).
- d. Cost of studies or plans that are routinely developed as part of a city or county function or operation, such as development of a comprehensive plan, community builder plans, master plans or engineering studies for water, sewer, roads, or parks.

**261—41.7(79GA, HF718) Award process.** Recommendations by the committee for funding will be forwarded to the director of the department for final decisions. Applicants will be notified in writing after the final decisions are made. Successful applicants will enter into a contract with IDED that

outlines recipient responsibilities for oversight of the project, terms of funds disbursement and reporting requirements.

**261—41.8(79GA, HF718) Project management.**

**41.8(1)** Record keeping. The recipient of funds shall retain financial records, supporting documents, statistical records and all other records pertinent to the project for a period of three years after the contract expiration date.

**41.8(2)** Representatives of the department and state auditors shall have access to all books, accounts and documents belonging to or in use by the grantee pertaining to the receipt of assistance under this program.

**41.8(3)** All contracts under this program are subject to audit.

**261—41.9(79GA, HF718) Performance reviews.**

**41.9(1)** Applicants will be required to submit performance reports to the department. The report will assess progress on the goals and project activities. Some projects may require the completion of a final product (such as a manual), study or report to be submitted to the department before final payment is made. Performance reports may be quarterly or semiannual and, for some projects, may be required for a period of time after contract period expires.

**41.9(2)** The department may perform field visits as deemed necessary.

These rules are intended to implement 2001 Iowa Acts, House File 718.

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