

**261—36.3(15) Eligibility.** To be eligible for approval of a loan guarantee, a borrower must demonstrate that all of the following conditions are met:

**36.3(1)** The loan finances an eligible downtown resource center community catalyst building remediation grant project or main street Iowa challenge grant project within a designated district. A borrower does not need to receive a grant to be eligible for a loan guarantee under the program, but a borrower and proposed project must meet all eligibility criteria for either the community catalyst building remediation grant or main street Iowa challenge grant.

**36.3(2)** The loan finances a rehabilitation project, or finances acquisition or refinancing costs associated with the project.

**36.3(3)** At least 25 percent of the project costs are used for construction on the project or renovation.

**36.3(4)** The project includes a housing component.

**36.3(5)** The loan is used for construction of the project, permanent financing of the project, or both.

**36.3(6)** A federally insured financial lending institution issued the loan.

**36.3(7)** The loan does not reimburse the borrower for working capital, operations, or similar expenses.

**36.3(8)** The project meets downtown resource center and main street Iowa design review criteria.

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