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WITT

HSB 75
ECONOMIC DEVELOPMENT

SENATE/HOUSE FILE SF/H
BY (PROPOSED DEPARTMENT OF
ECONOMIC DEVELOPMENT BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing the community attraction and tourism
2 development program and fund, making an appropriation, and
3 providing an effective date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 8.57, subsection 5, paragraph e, Code
2 1999, is amended to read as follows:

3 e. Notwithstanding provisions to the contrary in sections
4 99D.17 and 99F.11, for the each fiscal years-beginning-July-1,
5 1995, and-July-1, 1996, year not more than a total of sixty
6 million dollars, ~~and-for-each-fiscal-year-thereafter,~~ shall be
7 deposited in the general fund of the state ~~in-any-fiscal-year~~
8 pursuant to sections 99D.17 and 99F.11 and ten million dollars
9 shall be deposited in the community attraction and tourism
10 development fund established in section 15.372. The total
11 moneys in excess of the moneys deposited in the general fund
12 and in the community attraction and tourism development fund
13 in a fiscal year shall be deposited in the infrastructure fund
14 and shall be used as provided in this section, notwithstanding
15 section 8.60.

16 Sec. 2. NEW SECTION. 15.371 COMMUNITY ATTRACTION AND
17 TOURISM DEVELOPMENT PROGRAM.

18 1. The department shall establish and administer a
19 community attraction and tourism development program to assist
20 communities in the development and creation of multiple
21 purpose attraction and tourism facilities and to further the
22 development of marketing efforts and promotion of existing
23 Iowa tourism attractions and events.

24 2. Only a political subdivision of the state may submit an
25 application to the department for financial assistance for a
26 project under the program. The assistance shall be in the
27 form of grants, loans, forgivable loans, and loan guarantees.
28 The application shall include, but not be limited to, the
29 following information:

30 a. The total capital investment of the project.

31 b. The amount or percentage of local and private matching
32 moneys which will be provided for the project.

33 c. The total number of jobs to be created or retained by
34 the project.

35 d. The need of the community for the project and the

1 financial assistance.

2 e. The long-term tax generating impact of the project.

3 Sec. 3. NEW SECTION. 15.372 COMMUNITY ATTRACTION AND
4 TOURISM DEVELOPMENT FUND.

5 1. The department may establish a community attraction and
6 tourism development fund consisting of any moneys appropriated
7 by the general assembly for that purpose and any other moneys
8 available to and obtained or accepted by the department for
9 placement in the fund.

10 2. Payments of interest, repayments of moneys loaned
11 pursuant to this division, and recaptures of awards shall be
12 deposited in the fund.

13 3. The fund may be used for any of the following purposes:

14 a. To provide grants, loans, forgivable loans, and loan
15 guarantees under the community attraction and tourism
16 development program established in section 15.371.

17 b. To provide for tourism advertising and community
18 attraction and tourism development program marketing and
19 administrative costs. In order to determine the marketing
20 allocation, at the beginning of each fiscal year, the
21 department shall determine the current average regional
22 tourism advertising budget of contiguous states. The
23 allocation of marketing expenditures under this paragraph
24 shall be equivalent to the average regional state tourism
25 advertising budget minus the current tourism advertising
26 placement budget of the department.

27 Sec. 4. NEW SECTION. 15.373 COMMUNITY ATTRACTION AND
28 TOURISM DEVELOPMENT PROGRAM REVIEW COMMITTEE -- APPLICATION
29 REVIEW.

30 1. A community attraction and tourism development program
31 review committee is established consisting of ten members.
32 The director shall appoint three members from the travel
33 federation of Iowa representing three tourism regions, two
34 members from gaming facilities representing riverboats and
35 race tracks, one member from an association with expertise in

1 the vertical infrastructure industry, and one member of the
2 Iowa economic development board. The remaining three members
3 shall consist of one member appointed by the administrator of
4 the parks and preserves division of the department of natural
5 resources, one member appointed by the administrator of the
6 historical division of the department of cultural affairs, and
7 one member appointed by the director of transportation.

8 2. The community attraction and tourism development
9 program review committee shall review applications for
10 community attraction and tourism development fund assistance
11 and make recommendations to the department regarding the
12 applications. Upon review of the recommendations of the
13 committee, the department shall approve, defer, or deny the
14 application.

15 3. When reviewing the applications, the community
16 attraction and tourism development program review committee
17 and the department shall consider, at a minimum, all of the
18 following:

19 a. Whether the wages, benefits, including health benefits,
20 safety, and other attributes of the project would improve the
21 quality of attraction and tourism employment in the community.

22 b. The extent to which such a project would generate
23 additional attraction and tourism opportunities.

24 c. The ability of the project to produce a long-term tax
25 generating economic impact.

26 Sec. 5. This Act, being deemed of immediate importance,
27 takes effect upon enactment.

28 EXPLANATION

29 This bill establishes the community attraction and tourism
30 development program. The bill provides that the program will
31 assist communities in the development and creation of multiple
32 purpose attraction and tourism facilities and to further the
33 development of marketing efforts and promotion of existing
34 Iowa tourism attractions and events. Only a political
35 subdivision of the state may submit an application for

1 financial assistance under the program. The bill provides
 2 that all applications are initially reviewed by the 10-member
 3 community attraction and tourism development program review
 4 committee. After reviewing the recommendations by the
 5 committee, the department is required to approve, defer, or
 6 deny the application. The bill provides that criteria which
 7 are to be considered in reviewing the application include the
 8 projected employment impact of the project, the projected
 9 attraction and tourism opportunities generated by the project,
 10 and the projected economic impact of the project.

11 The bill also establishes the community attraction and
 12 tourism development fund. The bill provides that the fund is
 13 to be used for funding projects under the community attraction
 14 and tourism development program and for tourism advertising
 15 and community attraction and tourism development program
 16 marketing and administrative costs. The bill provides that
 17 \$10 million shall be appropriated from the rebuild Iowa
 18 infrastructure fund each fiscal year.

19 The bill takes effect upon enactment.

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TO: General Assembly
FROM: Kim Statler, IDEED Legislative Liaison
DATE: November 30, 1998
RE: Community Attraction and Tourism Development Program

Community Attraction and Tourism Development Program

Prior to the last legislative session, the Recreation Summit was held to develop a plan to look at increasing the number of tourism attractions in Iowa, as well as improving our existing recreation opportunities. Several recommendations were made to the Legislature, including a larger commitment by the state to develop sites. During the final days of session, a proposal emerged to create a competitive funding process for communities to partner with the State of Iowa, to create more attractions in this state. As a result of those discussions and many meetings with the Travel Federation of Iowa, the proposed legislation creates the Community Attraction and Tourism Development Program.

The Community Attraction and Tourism Development Fund will be a \$10M fund used to partner with communities to establish more tourism attractions for Iowans, as well as travelers coming into the state. The first \$1.7 million of the fund balance will be used for tourism advertising to bring the state's advertising budget up to the regional average. The remaining fund dollars may be distributed in the form of a loan, forgivable loan, grant, or loan guarantee. Applicants will be required to demonstrate community commitment to the project, as well as the return on investment to the state and the community. Applications will be reviewed by a review and selection committee created in the legislation, with final approval by the IDEED director.

MAR 10 1999

APPROPRIATIONS

HOUSE FILE 587
BY COMMITTEE ON ECONOMIC
DEVELOPMENT

(SUCCESSOR TO HSB 75)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing the community attraction and tourism
2 development program and fund, making an appropriation, and
3 providing an effective date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 587

1 Section 1. NEW SECTION. 15.371 ~~COMMUNITY~~ ATTRACTION AND
2 TOURISM DEVELOPMENT PROGRAM.

3 1. The department shall establish and administer a
4 community attraction and tourism development program to assist
5 communities in the development and creation of multiple
6 purpose attraction and tourism facilities. Financial
7 assistance received under this program shall be used for land
8 acquisition and construction, major renovation, or major
9 repair of buildings, all appurtenant structures, utilities,
10 site development, and recreational trails.

11 2. A political subdivision of this state or a public
12 organization may submit an application to the department for
13 financial assistance for a project under the program. The
14 assistance shall be in the form of grants, loans, forgivable
15 loans, and loan guarantees. The application shall include,
16 but not be limited to, the following information:

- 17 a. The total capital investment of the project.
- 18 b. The amount or percentage of local and private matching
19 moneys which will be provided for the project.
- 20 c. The total number of jobs to be created or retained by
21 the project.
- 22 d. The need of the community for the project and the
23 financial assistance.
- 24 e. The long-term tax generating impact of the project.

25 Sec. 2. NEW SECTION. 15.372 COMMUNITY ATTRACTION AND
26 TOURISM DEVELOPMENT FUND.

27 1. The department may establish a community attraction and
28 tourism development fund consisting of any moneys appropriated
29 by the general assembly for that purpose and any other moneys
30 available to and obtained or accepted by the department for
31 placement in the fund.

32 2. Payments of interest, repayments of moneys loaned
33 pursuant to this division, and recaptures of awards shall be
34 deposited in the fund.

35 3. The fund may be used for any of the following purposes:

1 a. To provide grants, loans, forgivable loans, and loan
2 guarantees under the community attraction and tourism
3 development program established in section 15.371.

4 b. To provide the basis for a marketing and promotion
5 strategy through approved planning, regional assessments,
6 community mobilization, and market research such as traveler
7 profiles, preferences, travel patterns, and desired
8 activities.

9 Sec. 3. NEW SECTION. 15.373 COMMUNITY ATTRACTION AND
10 TOURISM DEVELOPMENT PROGRAM REVIEW COMMITTEE -- APPLICATION
11 REVIEW.

12 1. A community attraction and tourism development program
13 review committee is established consisting of seven members.
14 The director shall appoint one member representing the travel
15 federation of Iowa, one member representing gaming facilities,
16 one member representing an association with expertise in the
17 vertical infrastructure industry, one member representing a
18 regents institution with expertise in economic promotion, one
19 member representing a council of governments, and one member
20 representing the professional developers of Iowa. The
21 governor shall appoint the remaining member.

22 2. The community attraction and tourism development
23 program review committee shall review applications for
24 community attraction and tourism development fund assistance
25 and make recommendations to the department regarding the
26 applications. Upon review of the recommendations of the
27 committee, the department shall approve, defer, or deny the
28 application.

29 3. When reviewing the applications, the community
30 attraction and tourism development program review committee
31 and the department shall consider, at a minimum, all of the
32 following:

33 a. Whether the wages, benefits, including health benefits,
34 safety, and other attributes of the project would improve the
35 quality of attraction and tourism employment in the community.

1 b. The extent to which such a project would generate
2 additional attraction and tourism opportunities.

3 c. The ability of the project to produce a long-term tax
4 generating economic impact.

5 d. The geographic diversity of the projects in the
6 applications.

7 Sec. 4. APPROPRIATION. There is appropriated from the
8 rebuild Iowa infrastructure fund of the state to the
9 department of economic development for the fiscal year
10 beginning July 1, 1999, and ending June 30, 2000, the
11 following amount, or so much thereof as is necessary, to be
12 used for the purposes designated:

13 For the community attraction and tourism development fund:
14 \$ 15,000,000

15 Sec. 5. This Act, being deemed of immediate importance,
16 takes effect upon enactment.

17 EXPLANATION

18 This bill establishes the community attraction and tourism
19 development program. The bill provides that the program will
20 assist communities in the development and creation of multiple
21 purpose attraction and tourism facilities. A political
22 subdivision of the state or a public organization may submit
23 an application for financial assistance under the program.
24 The bill provides that all applications are initially reviewed
25 by the seven-member community attraction and tourism
26 development program review committee. After reviewing the
27 recommendations by the committee, the department is required
28 to approve, defer, or deny the application. The bill provides
29 that criteria which are to be considered in reviewing the
30 application include the projected employment impact of the
31 project, the projected attraction and tourism opportunities
32 generated by the project, the projected economic impact of the
33 project, and the geographic diversity of the projects in the
34 applications.

35 The bill also establishes the community attraction and

1 tourism development fund. The bill provides that the fund is
2 to be used for funding projects under the community attraction
3 and tourism development program and to provide the basis for a
4 marketing and promotion strategy. The bill appropriates \$15
5 million from the rebuild Iowa infrastructure fund for the
6 fiscal year beginning July 1, 1999, and ending June 30, 2000.

7 The bill takes effect upon enactment.

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