

MAR 2 2005
ECONOMIC GROWTH

HOUSE FILE 550
BY MILLER

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

A BILL FOR

1 An Act creating a community infrastructure and transportation
2 enhancement program and fund, making appropriations, and
3 providing a contingent effective date.

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

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

HF 550

1 Section 1. NEW SECTION. 15E.321 DEFINITIONS.

2 As used in this division, unless the context otherwise
3 requires:

4 1. "Board" means the Iowa economic development board
5 created in section 15.103.

6 2. "Fund" means the community infrastructure and
7 transportation enhancement fund created in section 15E.324.

8 3. "Program" means the community infrastructure and
9 transportation enhancement program established in section
10 15E.322.

11 Sec. 2. NEW SECTION. 15E.322 COMMUNITY INFRASTRUCTURE
12 AND TRANSPORTATION ENHANCEMENT PROGRAM.

13 1. The department shall establish and administer a
14 community infrastructure and transportation enhancement
15 program to assist communities on a regional basis in the
16 promotion, marketing, and provision of infrastructure
17 enhancement for existing airports, railways, port facilities,
18 and recreational trails.

19 2. A city or county may submit an application to the
20 department for financial assistance for a project under the
21 program. The assistance shall be provided only from funds,
22 rights, and assets legally available to the department and
23 shall be in the form of grants, loans, forgivable loans, and
24 credit enhancements and financing instruments. The
25 application shall include, but not be limited to, the
26 following information:

27 a. The total capital investment of the project, including
28 but not limited to costs for construction, site acquisition,
29 and infrastructure improvement.

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

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

34 d. The need of the community for the project and for the
35 financial assistance.

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

2 3. The department shall adopt rules relating to the
3 establishment and administration of the program, including
4 eligibility criteria.

5 Sec. 3. NEW SECTION. 15E.323 APPLICATION REVIEW.

6 1. Applications for assistance under the program shall be
7 submitted to the department. For those applications that meet
8 the eligibility criteria, the department shall provide a staff
9 review analysis and evaluation to the board. The department
10 shall make recommendations to the board regarding the
11 approval, deferral, or denial of applications.

12 2. When reviewing the applications, the department shall
13 consider, at a minimum, all of the following:

14 a. Whether the wages, benefits, including health benefits,
15 safety, and other attributes of the project would improve the
16 quality of life in the community.

17 b. The ability of the project to produce a long-term, tax-
18 generating economic impact.

19 c. The location of the projects and geographic diversity
20 of the applications.

21 d. Whether the project is primarily a vertical
22 infrastructure project with demonstrated substantial regional
23 or statewide economic impact. For purposes of the program,
24 "vertical infrastructure" means land acquisition and
25 construction, major renovation and major repair of buildings,
26 all appurtenant structures, utilities, site development, and
27 recreational trails. "Vertical infrastructure" does not
28 include routine, recurring maintenance or operational expenses
29 or leasing of a building, appurtenant structure, or utility
30 without a lease-purchase agreement.

31 e. Whether the applicant has received financial assistance
32 under the program for the same project.

33 f. The extent to which the project has taken the following
34 planning principles into consideration:

35 (1) Efficient and effective use of land resources and

1 existing infrastructure by encouraging development in areas
2 with existing infrastructure or capacity to avoid costly
3 duplication of services and costly use of land.

4 (2) Provision for a variety of transportation choices,
5 including pedestrian traffic.

6 (3) Maintenance of a unique sense of place by respecting
7 local cultural and natural environmental features.

8 (4) Conservation of open space and farmland and
9 preservation of critical environmental areas.

10 (5) Promotion of the safety, livability, and
11 revitalization of existing urban and rural communities.

12 g. Whether financial assistance under the program would
13 supplement investments in the project made by private
14 individuals or supplement other state or federal financial
15 assistance for the project.

16 3. Upon review of the recommendations, the board shall
17 approve, defer, or deny the applications.

18 Sec. 4. NEW SECTION. 15E.324 COMMUNITY INFRASTRUCTURE
19 AND TRANSPORTATION ENHANCEMENT PROGRAM FUND -- ALLOCATION OF
20 MONEYS -- APPROPRIATION.

21 1. A community infrastructure and transportation
22 enhancement program fund is created as a separate fund in the
23 state treasury under the control of the department, consisting
24 of any moneys appropriated by the general assembly and any
25 other moneys available to and obtained or accepted by the
26 department for placement in the fund.

27 2. Payments of interest, repayments of moneys loaned
28 pursuant to this division, and recaptures of grants or loans
29 shall be deposited in the fund.

30 3. Moneys in the fund shall be used to provide assistance
31 under the program. A project with a total cost exceeding
32 twenty million dollars may receive financial assistance under
33 the program. An applicant under the program shall not receive
34 financial assistance from the fund in an amount exceeding
35 fifty percent of the total cost of the project.

1 4. Moneys in the fund are not subject to section 8.33.
2 Notwithstanding section 12C.7, subsection 2, interest or
3 earnings on moneys in the fund shall be credited to the fund.

4 5. At the beginning of each fiscal year, the department
5 shall allocate all moneys in the fund in the following manner:

6 a. One-third of the moneys shall be allocated to provide
7 assistance to cities and counties which meet the following
8 criteria:

9 (1) A city that has a population of ten thousand or less
10 according to the most recently published census.

11 (2) A county that has a population that ranks in the
12 bottom thirty-three counties according to the most recently
13 published census.

14 b. Two-thirds of the moneys shall be allocated to provide
15 assistance to any city or county in the state, which may
16 include a city or county included under paragraph "a".

17 6. If two or more cities or counties submit a joint
18 project application for financial assistance under the
19 program, all joint applicants must meet the criteria of
20 subsection 5, paragraph "a", in order to receive any moneys
21 allocated under that paragraph.

22 7. If any portion of the allocated moneys under subsection
23 5, paragraph "a", has not been awarded by April 1 of the
24 fiscal year for which the allocation is made, the portion
25 which has not been awarded may be utilized by the board to
26 provide financial assistance under the program to any city or
27 county in the state.

28 8. For the fiscal period beginning July 1, 2005, and
29 ending June 30, 2010, there is appropriated two million
30 dollars each fiscal year from the grow Iowa values fund to the
31 community infrastructure and transportation enhancement
32 program fund.

33 9. Notwithstanding the allocation requirements in
34 subsection 5, the board may make a multiyear commitment to an
35 applicant of up to four million dollars in any one fiscal

1 The bill creates a community infrastructure and
2 transportation enhancement program fund in the state treasury
3 under the control of the department. The bill provides that
4 the fund shall be used to provide financial assistance under
5 the program in the form of grants, loans, forgivable loans,
6 and credit enhancements and financing instruments. The bill
7 provides that a project with a total cost exceeding \$20
8 million may receive financial assistance under the program.
9 The bill limits the amount of financial assistance a recipient
10 can receive to not more than 50 percent of the total cost of
11 the project.

12 The bill requires the department, at the beginning of each
13 fiscal year, to allocate one-third of the moneys in the fund
14 to provide assistance to cities that have a population of
15 10,000 or less and to counties that have a population that
16 ranks in the bottom 33 counties in the state. The remaining
17 two-thirds of the moneys shall be allocated to provide
18 assistance to any city and county in the state. The bill
19 provides that if any portion of the one-third of the moneys
20 allocated to small cities or counties has not been awarded by
21 April 1 of the fiscal year for which the allocation is made,
22 the portion which has not been awarded may be utilized by the
23 board to provide financial assistance under the program to any
24 city or county in the state.

25 For the fiscal period beginning July 1, 2005, and ending
26 June 30, 2010, the bill appropriates \$2 million each fiscal
27 year from the grow Iowa values fund to the community
28 infrastructure and transportation enhancement program fund.

29 The bill provides that, notwithstanding the allocation
30 requirements of the bill, the board may make a multiyear
31 commitment to an applicant of up to \$4 million in any one
32 fiscal year.

33 The bill takes effect upon the enactment of legislation
34 creating a grow Iowa values fund by the general assembly
35 during the 2005 legislative session.