

261—53.6 (15) Application for assistance. The requirements outlined in this rule are applicable to all CEBA program components, except applications under the venture project component. Refer to rule 261—53.10(15) for application requirements for venture projects.

53.6(1) General policies.

a. An applicant may submit as many different applications as it wishes at any time. However, if the department is reviewing two or more applications from the same applicant at the same time, it may ask the applicant to rank them in the order preferred by the applicant.

b. Only one applicant may apply for any given project.

c. No single project may be awarded more than \$1 million unless at least two-thirds of the members of the board approve the award. However, this restriction will not apply after the first \$10 million has been credited to the CEBA program in any given year. This restriction does not apply to the float loan described in 53.5(2)“4.”

d. No single project may be awarded a forgivable loan of more than \$500,000.

e. No single project may be awarded more than \$500,000 unless all other applicable CEBA requirements and each of the following criteria is met:

(1) The business has not closed or substantially reduced its operation in one area of the state and relocated substantially the same operation in the community. This requirement does not prohibit a business from expanding its operation in the community if existing operations of a similar nature in the state are not closed or substantially reduced.

(2) The business must provide and pay at least 80 percent of the cost of a standard medical and dental insurance plan or its equivalent for all full-time employees working at the facility in which the new investment occurred.

(3) The business shall agree to pay a wage for new full-time jobs of at least 130 percent of the average county wage in the county in which the community is located. This requirement may be waived by the department in the case of a float loan described in 53.5(2)“4” if the net value of the award is determined by the department to be less than \$500,000.

f. To be eligible for assistance, the business shall provide for a preference for hiring residents of the state or the economic development area, except for out-of-state employees offered a transfer to Iowa or the economic development area.

g. To be eligible for assistance, applicants shall meet the qualifying wage threshold requirements described in 261—Chapter 174 and the following:

(1) Fifty percent or more of the jobs to be created or retained shall have a starting wage that pays at least the qualifying wage threshold.

(2) The department may approve a project where the starting project wage is less than the average county wage or average regional wage under the following conditions:

1. The starting wage is associated with a training period which is of relatively short duration as documented by the business; and

2. The wages will exceed 100 percent of the average county wage or 100 percent of the average regional wage at the conclusion of the training period as documented by the business; and

3. CEBA funds will be released only at the conclusion of the training period when the average county or average regional wage is achieved.

53.6(2) Ineligible applications. The department will not rate and rank ineligible applications. An application may be ruled ineligible if:

a. It is submitted by an ineligible applicant, or

b. The project consists of a business relocation from within the state unless unusual circumstances exist which make the relocation necessary for the business’s viability, or

c. CEBA funds comprise more than 50 percent of the project’s financing, or

d. The CEBA application is not properly signed by the applicant and the business, or

- e.* The project fails to meet the qualifying wage threshold requirements under 261—Chapter 174,
- or
- f.* The business has a record of violations of the law over a period of time that tends to show a consistent pattern as described in 261—Chapter 172.

53.6(3) Procedures.

- a.* Applications may be submitted at any time.
- b.* Applications should be submitted to: Division of Business Development, Department of Economic Development, CEBA Program, 200 East Grand Avenue, Des Moines, Iowa 50309. Application forms and instructions are available at this address, on the department's Web site, or by calling (515)242-4819.
- c.* Application contents. Required contents of application will be described within the application package itself.
- d.* Each eligible application will be reviewed by the department. The department may request additional information from the applicant or the proposed recipient, or perform other activities to obtain needed information.
- e.* The department will rate and rank applications according to the criteria in rule 53.7(15). Additionally, for small business gap financing applications, the department will use rule 53.8(15). For new business opportunities and new product development applications, the department will use rule 53.9(15). Applications shall be reviewed and approved following the process described in 261—Chapter 175.

53.6(4) Emergency applications. Rescinded IAB 7/4/07, effective 6/15/07.