

MAIN STREET IOWA CHALLENGE GRANT GUIDELINES

The Main Street Iowa Challenge Grant is a grant program provided by Main Street Iowa (MSI) and the Iowa Economic Development Authority (IEDA) for brick-and-mortar building projects. A state appropriation made to the Iowa Economic Development Authority for the Main Street Iowa Program allows MSI to offer matching Challenge Grants to participating communities for vertical infrastructure projects that contribute to the development of designated Main Street districts. Highly competitive applications include:

- Comprehensive building rehabilitation projects that provide increased business, housing or job opportunities.
- Projects that incorporate quality design and preservation-based strategies.
- Projects that support local revitalization efforts and stimulate additional district investment.
- Projects that are well planned and achievable within the two-year contract period.

GRANT AWARDS

Applicants may request funding for eligible one-time project expenses incurred and expended within the eligible funding period.

- Minimum Grant Request: \$25,000
- Maximum Grant Request: \$100,000

ELIGIBLE APPLICANTS

Main Street Iowa programs in good standing and in compliance with all contractual requirements from previously awarded funds, if any, may apply on behalf of a property or project within the designated district. The local Main Street organization **MUST** be the applicant on behalf of local property owners. Awards will be made to the applicant Main Street organization, hereafter referred to as the Grantee, for disbursements to locally designated grant beneficiaries.

NOTE: Previous Grant Beneficiaries (projects/buildings) who are completing a large, phased project may apply for additional Main Street Iowa Challenge Grant funding so long as the scope of work authorized in the previous award is complete and all funds dispersed.

ELIGIBLE PROJECTS

1. Rehabilitation and/or restoration of significant commercial properties within the designated Main Street district. This can include, but is not limited to:
 - Exterior rehabilitation (front, rear and side facades)
 - Interior rehabilitation (first floor commercial and upper story housing)
 - Structural repairs and building system improvements
 - Single specific phase of a large rehab. The project must have a specific defined focus and clearly identified scope of work, with commitment to future phases demonstrated.
2. Compatible new construction including building additions with first floor commercial and upper floor(s) commercial or residential. Razing of an existing structure to allow for new construction will not be considered an eligible use of funds.

3. Multiple properties connected by a common need or issue. Multiple property projects might include but are not limited to: the removal of inappropriate slipcovers/siding materials; façade restoration for several buildings; activation of a series of highly visible rear entries; or installation of an elevator and common hallway linking several buildings to support upper story development. Programs considering a Multiple Properties application are strongly encouraged to discuss the project with Main Street Iowa Staff before submission.

Eligible projects must be within the designated Main Street district (a map showing eligible Main Street districts is available [here](#)).

INELIGIBLE PROJECTS

Projects involving public government buildings or religious facilities.

Projects involving building demolition or deconstruction.

Projects involving first floor storefront residential uses (including short term/overnight lodging).

REHAB/CONSTRUCTION STANDARDS

Main Street Iowa staff will review building plans and specifications for design appropriateness. Plans must meet all local code and design review requirements.

Applicants should be aware of the Iowa Green Streets Criteria and provide Green Streets Best Practice checklists to appropriate project contractors and/or subcontractors.

If a property is listed or deemed eligible for the National Register of Historic Places or part of a National Register District, the [Secretary of the Interior's Standards](#) for Rehabilitation must be followed.

MATCH REQUIREMENT

A (1:1) match is required for all projects. In-kind contributions are permitted for no more than 35% of the project match. In-kind match must be documented, professional services. Volunteer efforts and staff hours are important but cannot be used to meet match requirements for any project. At least 65% of the project match must be in cash.

The match requirement may include necessary project “soft” costs for professional service i.e., architectural or engineering fees directly related to the project/property.

No previous expenditures of any kind will be considered as suitable cash match for a project. This statement applies to both new applicants and additional submissions for phased projects.

ELIGIBLE EXPENSES

Site preparation work, surveying, construction materials, construction labor, architectural services, engineering services, building permits, building inspection fees, and interest accrued on a construction loan during contract period.

INELIGIBLE EXPENSES

Acquisition, deconstruction, or disposal of property; site improvements (sidewalks, parking lots, etc.); furnishings; appliances; accounting services; legal services; loan origination or other financing costs; syndication fees and related costs; developer fees.

APPLICATION PROCESS

Only one application per program is allowed. The local Main Street Iowa program MUST be the applicant on behalf of the local property owner(s) as the grant beneficiary.

Applicants must apply via www.IowaGrants.gov. Applications will not be accepted in any other format.

APPLICATION DEADLINE

Applications are due September 8, 2023 by 4:30 PM. Late applications will not be considered. Only completed applications including all required documentation will be reviewed.

PROJECT REVIEW

Main Street Iowa and IEDA staff will review submitted projects and make awards based on information provided in the grant application. Projects will be scored and ranked according to the scoring criteria outlined in the application.

AWARD ANNOUNCEMENT AND PROJECT COMMENCEMENT

Applicants will be notified in writing of the award decision in mid-October. A public announcement is planned for October 19, 2022. Grant recipients will receive an electronic contract for review and signature after the announcement. Selected projects may be required to do a final design review and must agree to a virtual or onsite consultation prior to contract execution. Once contracts are finalized and signed by all parties a project may begin construction. Projects will have a two-year contract period in which work is to be completed.

All awarded projects must agree to provide Main Street Iowa with appropriate budgetary information and expenditures and provide project status updates as requested. Main Street Iowa also reserves the right to share this information, including before, during and after photographs of each project for educational and promotional purposes to further the mission of historic commercial district revitalization in the context of historic preservation.

DISBURSEMENT OF FUNDS

Grant disbursements will be made on a reimbursement basis. All claims must be made through www.IowaGrants.gov.

A partial reimbursement payment may be made, if so requested, when no less than one-half (1/2) of the project is completed and proper documentation including photographs of completed work to date, copies of invoices/expenditures and proof of payment are submitted to Main Street Iowa. Partial payment cannot exceed 60% of entire grant amount.

Final payment will be made upon project completion including final inspection by Main Street Iowa staff. To request final reimbursement payment, applicants must submit invoices of expenditures marked paid, proof of payment and photographs of the completed project. Warrants will be dispersed following a project inspection by Main Street Iowa staff.

Expenses incurred before or after the contract period are not eligible for reimbursement.

GRANT CLOSEOUT/FINAL INSPECTION

Main Street Iowa will conduct a final site inspection/walk through before final payment. Paid invoices and proof of payment are required before final reimbursement is made. Projects that come in under budget will receive 50% of approved project expenses. Under no circumstances will IEDA pay more than 50% of the project expenditures.

CONTACT

Potential applicants are encouraged to review all published material and contact Downtown Real Estate Specialist at 515-348-6182 or nick.sorensen@iowaeda.com with questions well in advance of application deadlines.

The terms and conditions detailed above are a broad outline of the Main Street Challenge Grant and are not intended to be all-inclusive. Terms and conditions are subject to change.