

CHAPTER 109_v3c DRAFT
LANDFILL ALTERNATIVES FINANCIAL ASSISTANCE PROGRAMS

567—109.1(455B,455E) Purpose. The purpose of this chapter is to provide direction for the department's implementation of certain financial assistance programs that are funded from the solid waste account within the groundwater protection fund as described in Iowa Code Section 455E.11, including the Iowa Solid Waste Environmental Management Systems Program as described in subparagraph 2a(1)(c); the Derelict Building Program as described in subparagraph 2a(1)(d); the Solid Waste Alternatives Program as described in subparagraph 2a(1)(e); and other waste management assistance programs as described subparagraph 2a(2)(a)(1)(iv).

567—109.2(455B,455E, 455J) Definitions. For the purposes of this rule, the following **definitions**, definitions in 567-100 (**455B, 455D**) and those found in Iowa Code 455B.301, 455DE and 455J shall apply.

"Abandoned" means that the building has been unoccupied for a minimum of six continuous months.

"Asbestos-containing material" or *"ACM"* means any material that contains more than 1 percent of asbestos.

"Building renovation" means repairs that stabilize or improve the structural integrity of the building, including but not limited to roof repair or replacement, building stabilization, and the tuck-pointing of exterior walls.

"Cost share" means the applicant's share of the eligible costs of the proposed project.

"Deconstruction" means the selective dismantlement of a building for the purpose of maximizing reuse and recycling opportunities through source separation while minimizing disposal costs.

"Derelict building grant eligibility" means any city with a population of 5,000 or fewer is eligible to apply for a derelict building grant. An applicant may partner with a local nonprofit organization on a project.

"Financial assistance" means monetary assistance in the form of grants, loans, or forgivable loans awarded by the department.

"Phase I environmental assessment" means review of known environmental records and land use information about the site and vicinity.

"Phase II environmental assessment" means actual soil, groundwater and structural material sampling and testing to confirm or deny the presence of contamination.

"Recipient" means any applicant selected to receive financial assistance under these rules.

567—109.3 (455B,455E) Funding sources. The department will use moneys that are appropriated by the legislature and that may be obtained from other sources for the purpose of achieving the goals outlined in these rules.

567—109.4 (455B,455E, 455J) Requirements for Financial Assistance Programs.

In addition to any of the requirements of 455B, 455E and 455J, the following requirements shall be met.

109.4(1) Requests for financial assistance.

a. Requests for financial assistance must be made by applicants on the relevant program application form provided by the department and according to accompanying guidance documentation that specifies program criteria.

b. The department reserves the right to deny financial assistance requests for any reason.

The department will deny financial assistance requests for the Derelict Building Program for buildings that are not abandoned or are listed on the National Register of Historic Places.

109.4(2) Awards and agreements for financial assistance.

a. Recipients shall enter into a written agreement with the department for the purposes of implementing the project for which financial assistance has been awarded. The agreement shall be signed by the appropriate department signatory and the recipient's authorized signatory.

b. A written agreement must be executed between the department and the award recipient prior to the recipient incurring expenses. Awarded funds are disbursed on a reimbursable basis and are not to be incurred prior to executing a written agreement.

c. The department may terminate agreements and seek the return of funds released under the agreement for failure by the recipient to perform under the terms and conditions of the agreement.

d. Amendments to agreements may be adopted by mutual written consent of the department and the recipient.

e. The department reserves the right to offer financial assistance awards in an amount less than that requested by the applicant.

f. For funds to be disbursed, the recipient shall be in compliance with all applicable statutes and regulations as specific in the written agreement.

567—109.5(455B,455E, 455J) Denial of financial assistance. An applicant may be denied financial assistance for any of the following reasons:

1. Funds are insufficient to award financial assistance to all qualified applicants.
2. An applicant does not meet eligibility requirements pursuant to provisions of subrule 109.6(1) for the solid waste alternatives program, subrule 109.7(1) for the derelict building grant nor environmental management system designation requirements per Iowa Code 455J.
3. An applicant does not provide sufficient requested information on forms provided by the department pursuant to rule 567—109.4(1)(455B,455E, 455J). An applicant has previously received financial assistance under these rules and is determined by the department to be delinquent in repaying the loan or delinquent in submitting required documentation.
4. The goals or scope of the project is not consistent with rules 567—109.6(455B,455E), 567—109.7 (455B,455E) and Iowa Code 455J.
5. The project does not meet the criteria of an eligible project in subrule 109.6(2) for the solid waste alternatives program, or subrule 109.7(2) for the derelict building grant program or Iowa Code 455J for the environmental management system program.

567—109.6 (455B,455E) Solid waste alternatives program. Financial assistance awarded under the solid waste alternatives program shall be used to implement activities that support the practical and beneficial use of solid waste materials and for activities leading to a reduction in the reliance on sanitary landfills for disposal of solid waste.

109.6(1) Eligible applicants. Any unit of local government, public or private group, individual or business that has an interest in or has responsibility for solid waste management in Iowa and is currently in compliance with all applicable state statutes and regulations is eligible to apply for the solid waste alternatives program.

109.6(2) Eligible projects. The department may provide financial assistance to applicants for the following types of projects that are consistent with the goal and purpose of this program:

- a.* Best practices — practices and programs that will move Iowa toward long-term pollution prevention, waste reduction and recycling sustainability;
- b.* Education — practices and programs that are consistent with a coordinated statewide

message on pollution prevention, waste reduction, and recycling to ensure ongoing support of these integrated solid waste management activities; and

c. Market development — practices and programs that develop a demand for value-added recyclables sufficient to provide increased and stable commodity markets.

109.6(3) *Type of financial assistance.* The type of financial assistance (forgivable loan, zero interest loan, low-interest loan) offered to an applicant is dependent upon factors such as, but not limited to, the amount of program funds awarded, level of new landfill diversion, profit generation and project uniqueness. The department reserves the right to offer any combination of types of financial assistance to any selected project.

109.6(4) *Loans.* The term of all loans executed under these rules shall be determined on a case-by-case basis and shall be based on the specific capital costs financed, as well as the terms of other financing provided for the project. The written agreement between the department and the recipient will establish other conditions or terms needed to manage or implement the project.

567—109.7 (455B,455E) Derelict building grant program. Financial assistance awarded under the derelict building grant program is available to cities of 5,000 or fewer to help improve the attractiveness and appearance of their jurisdictions by providing financial assistance for eligible projects. Each project must have a landfill diversion component.

109.7(1) *Eligible applicants.* Any city with a population of 5,000 or fewer is eligible to apply for a derelict building grant. An applicant may partner with a local nonprofit organization on a project.

109.7(2) *Eligible projects.* A city's building is eligible for the program if the building meets the following criteria:

a. The building is an abandoned commercial or public building of which a city has ownership or an intent to own.

b. The building is not on the National Register of Historic Places.

109.7(3) *Eligible activities and amount of financial assistance.* The eligible activities and amount of financial assistance for each are:

a. Asbestos-containing material inspections: 100 percent reimbursement for inspection costs conducted by a state of Iowa-licensed asbestos contractor.

b. Abatement of asbestos-containing material: 100 percent reimbursement, not to exceed \$10,000, for abatement of ACM performed by a state of Iowa-licensed asbestos contractor. A 50 percent cost share is required for those costs exceeding \$10,000.

c. Structural engineering analysis: 100 percent reimbursement not to exceed \$1,500 for a structural engineering analysis conducted by a licensed structural engineer or architectural historian to determine the ability to renovate the building. The recipient is responsible for all costs exceeding \$1,500.

d. Phase I environmental assessment: 100 percent reimbursement not to exceed \$3,000 for conducting a Phase I environmental assessment. The recipient is responsible for all costs exceeding \$3,000.

e. Phase II environmental assessment: 50 percent reimbursement not to exceed \$2,500 for conducting a Phase II environmental assessment. The recipient is responsible for all costs exceeding \$5,000. The need for this assessment is determined by the results of the Phase I environmental assessment and involves the sampling of structure components, soil, and groundwater to confirm or deny the presence of contamination.

f. Building renovation: 50 percent reimbursement not to exceed \$50,000 for renovation costs, including but not limited to:

- (1) Restoration or removal of materials for reuse, either at the site or off site, or for recycling.
 - (2) Roof repair or replacement.
 - (3) Building stabilization.
 - (4) Tuck-pointing of exterior walls.
- g. Deconstruction: 50 percent reimbursement not to exceed \$50,000 for costs related to deconstruction. All deconstruction projects must achieve a minimum landfill diversion rate of 30 percent of the structure by weight to receive reimbursement for deconstruction costs.

109.7(4) *Deconstruction cost-share incentive.* For every additional 10 percent above 30 percent of landfill diversion by weight that is documented upon completion of the project, the applicant's cost share is reduced by 5 percent and the grant award amount will increase by 5 percent. The maximum grant award for deconstruction projects shall not exceed \$75,000.

These rules are intended to implement Iowa Code sections 455B.301A, 455E.11 and 455J.