

CDBG PROGRAM OVERVIEW

The CDBG program is a federally funded program through the U. S. Department of Housing and Urban Development (HUD). HUD provides grants on an annual basis to states and some local communities to help develop viable communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

Each activity funded with CDBG funds must meet one of three national objectives:

- Prevention and elimination of slum and blight
- Benefit low to moderate income persons
- Meet an urgent need

The State of Iowa’s Community Development Block Grant (CDBG) program is administered by the Iowa Economic Development Authority.

The amount of CDBG funds received by the State varies, depending on the spending level approved by Congress.

IOWAGRANTS. GOV

CDBG applications are submitted online through www.iowagrants.gov. To start or submit an application, you must have an account through iowagrants.gov. Below is the “Welcome Page” to IowaGrants.

The screenshot shows the IowaGrants.gov website. At the top, there is a dark blue header with the IowaGrants logo on the left, the text "IOWA GRANTS" in the center, and "Welcome to IowaGrants.gov" on the right. Below the header, the page is divided into two main sections. On the left, there is a "Login" section with a key icon. It contains three boxes: the first box says "IowaGrants Users Click Here To Login" and has a blue button "Click Here to Access Single Sign On Tool"; the second box says "Interested in the current posted Opportunities?" and has a blue button "View Current Funding Opportunities"; the third box is labeled "DISABLED (IOWA USERS DO NOT USE)" and contains input fields for "User ID" and "Password", along with a "SIGN IN" button. On the right, there is an "Announcements" section with a document icon. It features a yellow header "NEW LOGIN PROCESS" followed by text stating that all users must use the single sign-on tool. Below this, it provides "Login & Registration Instructions" with links for text and video. A "Program Information" section follows, advising users to contact the State of Iowa Service Desk for questions. At the bottom of the announcements, there is a yellow header "DISASTER RELIEF" with text providing instructions for disaster-related housing relief and a link to disasterrecovery.iowa.gov.

On the left hand side of the above screenshot is a site you can go to for step-by-step instructions or ID.iowa.gov for help. Placing a “Ticket” can be faster than calling the help desk.

FEDERAL REQUIREMENTS APPLICABLE TO ALL CDBG PROJECTS

Eligible Applicants

Applicants must be a unit of local government; CDBG funds cannot be awarded directly to a business entity, non-profit or individual.

All incorporated cities and all counties in the State, except those designated as HUD entitlement communities, are eligible to apply for and receive CDBG funds. A list of entitlement communities in Iowa can be found here: <https://www.hud.gov/states/iowa/community/partnerwebsites>

Grant Administration

Iowa's Councils of Governments/ Regional Planning Commissions and some private consultants provide CDBG grant administration services. Please refer to the 2 CFR 200 & procurement section of this manual for more information on selecting a CDBG grant administrator and what is required to be done at the time of application.

The U. S. Department of Housing and Urban Development (HUD) limits planning and administrative costs. These costs include State Administration, Local Administration and Technical Assistance. IEDA is required to monitor Planning and Administrative costs to ensure compliance with the "Not to Exceed Cap".

IEDA allows normal administration costs for individual projects, on average, to be between 4% and 7% of the total CDBG project cost. The maximum amount available for grant administration may not exceed 10%. However, any amount exceeding 7% will require IEDA approval and proof of undue financial hardship. All decisions by IEDA are final.

Please Note: The total award is inclusive of administration and activity costs. The more administration costs requested, the less activity dollars available for the project. Example: Total amount of award is \$500,000. Administrative Cost requested amount is \$25,000 or 5%, leaving \$475,000 for activity costs. If the Administration Cost amount is increased to \$35,000 or 7%, then the available activity dollars is reduced to \$465,000.

Procurement Requirements

The CDBG Management Guide (link below) Chapter 2, summarizes Federal requirements that apply to the CDBG program. Included are the various Methods of Procurement for all CDBG funded projects.

[CDBG Management Guide | Iowa Economic Development Authority](#) (2024 is the most current Management Guide available at the writing of this manual.)

Please also reference Appendix 2 in the CDBG Management Guide for detailed information on procurement requirements. The appendix summarizes when and how to procure services and construction, types of procurement, bonding, and a sample Procurement Policy.

Be aware that regardless of the source(s) of funding, contractors involved in CDBG projects (including grant administrators and architects) be procured in accordance with the CDBG policies.

Citizen Participation Requirements

Citizen Participation Requirements can be found below in Appendix 1, Page 12.

Prior to submitting an application, the applicant (city or county) must hold a public hearing to discuss the project and provide information on the CDBG application.

Public notice of the hearing must be published in a newspaper of general circulation, no less than 4 days and no more than 20 days, before the public hearing. Public hearings are to be held in accessible locations. The public hearing notice must provide the date and time of the public hearing, the project name and description, the purpose of the project, the source of funds being requested (CDBG), and a local contact person (name/phone/email) for the public to contact if accessibility or translation services are needed.

At the public hearing, the following information should be covered. Each point must be reflected in the public hearing minutes:

- How the need for the proposed activities was identified.
- How the proposed activities will be funded and sources of funds.
- Date the application will be submitted.
- Requested amount of federal funds.
- Estimated portion of federal funds that will benefit persons of low to moderate income families.
- Where the proposed activities will be conducted.
- Plans to minimize displacement of persons and businesses as a result of the funded activity.
- Plans to assist persons actually displaced.
- The nature of the proposed activities.

At the application public hearing, applicants must conduct a Community Development and Housing Needs Assessment. During this process, applicants should ask for public input on local community and housing needs, needs of low to moderate income persons in the community and planned or potential projects to address these needs.

For more specific information, please refer to IEDA training slides regarding public hearings and community development plans:

<https://www.iowaeda.com/UserDocs/2020CDBGTrainingPowerPoint09292020.pdf>

Applicants must ensure all public hearing and Community Development and Housing Needs assessment information is complete and adequate. Applications that do not demonstrate compliance with citizen participation requirements will not be funded.

General CDBG Application Requirements

While the questions and information collected in each program application varies, there are some items that are required for all CDBG applications. These documents/ items will be collected in lowagrants.gov and must be submitted as part of a completed application.

- Public hearing notice and proof of publication of notice
- Signed minutes from the public hearing
- Community Development & Housing Needs Assessment (not older than one year)
- Federal Assurances signature page- Link to this form included in lowagrants.gov
- Applicant/Recipient Disclosure/Update form- Link to this form included in lowagrants.gov
- Minority impact statement

General CDBG Program Requirements & Policies

All CDBG programs are subject to some general requirements and policies. Program specific requirements and policies are outlined further in this manual.

The following policies apply to all IEDA CDBG programs:

- Incomplete applications may not be reviewed- Applications that are missing required information, and attachments may not be reviewed or scored. IEDA staff will inform applicants why an application was not scored.
- No corrections to applications may be made after submittal- Once an application is submitted for review, applicants will not be able to amend or correct information in the application. It is imperative that applicants review all information and ensure all required attachments are included with an application before the application is submitted for review. IEDA may however request clarifying information during its review, to supplement what has already been submitted to IEDA. This may include allowing applicants to upload supplemental information in lowagrants.gov upon request from IEDA.
- IEDA reserves the right to negotiate award amounts with applicants- Awards may be less than the amount requested in the application. If IEDA is considering making an award of a lesser amount, IEDA staff will contact the applicant to discuss before any funding decision is made.
- Projects may not start before an award is made and an environmental release of funds letter is issued- Due to federal requirements, IEDA is unable to fund projects that have already started at the time of application. Costs incurred with the preparation of an application are not eligible costs and cannot be paid with CDBG funding.

COMMERCIAL FAÇADES PROGRAM

Program Overview

The Commercial Facades program (previously called Downtown Revitalization, or DTR) assists communities with impactful downtown exterior improvement projects that eliminate slum and blight conditions. Projects include front and visible side facades of commercial or mixed-use buildings in a traditional downtown setting.

All non-entitlement cities (that do not receive CDBG funds directly from HUD) are eligible to apply. The maximum grant amount is \$650,000. Applicants must address a clear majority of blighted components on a minimum of eight buildings (addresses) to request a maximum grant of \$650,000 and a minimum of six buildings (addresses) to request anything less than the maximum. Applications for single buildings are also accepted, but only if they meet the criteria for being an “iconic” building and if the building is central to the development of a downtown area. See below for more information.

Project buildings must be situated within a downtown target area in which at least 25% of all buildings are determined to be in “fair” or “poor” condition using the definitions found in the “CDBG Slum and Blight – Initial Documentation” guide located on IEDA’s Commercial Facade webpage. Determination of building condition and overall blight is documented through individual surveys, photos, descriptions, and prioritization ranking. For further guidance, please refer either to that guide or to the recording of the Commercial Facades Application Workshop session.

A local funding match, typically sourced by a combination of both the city and the participating property owners, is required. There is no minimum match amount, but the cost to undertake the project makes it not uncommon to see match percentages starting at 40% and usually running higher. The higher match percentage in the overall project budget, the higher that application will score.

For more detail on this and all other program requirements, please review the 2026 Commercial Building Facades Application Workshop materials (slide deck and recording) on our website here: <https://opportunityiowa.gov/community/community-infrastructure/cdbg-programs/downtown-revitalization-fund#commercial-facades>

Program Policies & Guidelines

Target Area Eligibility Requirements:

- Must be in the core downtown area of the community.
- The majority of the buildings must be of commercial use and be facing major downtown streets.
- Area geography / boundary areas should be basically rectangular in shape as much as possible, although some deviation is allowed.
- The applicant must be able to explain the rationale for why the target area boundaries are drawn where and the way they are.
- Target areas that were used in a previous Commercial Facades project (previously known as Downtown Revitalization, or DTR) can be reused in part or in whole provided that the area minimum slum and blight criteria can be met. However, buildings that were previous recipients of funding under either program name cannot be counted as blighted for a second time nor can they be eligible to receive funding a second time.
- Commercial Facades project target areas must be declared blighted through an Urban Renewal Area or Slum and Blight resolution adopted by the City Council in accordance with Iowa Code chapter 403.
- Applicants must upload a historic architectural survey created within the past five years. The survey must at a minimum cover every building in the target area; there is no penalty if it also covers buildings outside the Commercial Facades target area.

Project Building Eligibility Requirements:

- Must be determined to be in fair or poor condition. This must be documented by detailed photographs and descriptive narrative and in alignment with the definitions found in the “CDBG Slum and Blight – Initial Documentation” guide.
- Cannot have first-floor residential usage, although *can* be converting previous first floor residential back into commercial space.
- Cannot be used for the general administrative purposes of a municipality or county government.
- Cannot be owned by anyone with a conflict of interest as defined by HUD, or by a tradesperson hoping to bid/work on the project, or by any Project Manager designated by the City to oversee the project.
- No other work, except emergency repairs and routine maintenance, can be conducted on the building from the time of application submittal until grant period closeout, unless a request is made to IEDA in accordance with the “Building Owner Certifications/Plans” document and that request is approved by IEDA.
- Projects including a single “iconic” building must demonstrate that the structure must have historic, cultural or architectural significance rendering it a local landmark, be of a size or footprint that is larger than all or nearly all other buildings in the downtown area, consist of vacant or clearly under-utilized space, be clearly visible from multiple viewpoints, and be vital to the revitalization of the downtown area.
- Buildings that have previously received CDBG DTR funds are not eligible to receive additional funds a second time.

Facade Eligibility Requirements:

- All public street-facing front facades must be included.
- Corner side facades facing a public street must be included. Side facades facing alleys or that extend higher than the adjoining building must be included if readily visible from the adjacent street.
- Rear facades are rarely eligible - only in unique circumstances involving direct street frontage or full visibility from an adjacent street and with a first-floor commercial entrance.
- Roofs are eligible so long as there is a front façade also being funded.
- Work done to provide accessibility at the main entrance for persons with physical mobility difficulties and/or work done to address code violations is permissible as long as the building is also requesting funding to address other blighted elements.
- Façade work on portions of the building occupied or readily occupiable by upper story residential units is subject to Lead Based Paint regulations. Readily occupiable is defined as code-compliant and with a working kitchen and bathroom.
- All project work is subject to Davis Bacon; radon testing and possible mitigation; the Buy America, Build America Act (BABA); and public procurement, as per the CDBG Management Guide.

Application Deadlines

Applications for Commercial Facades projects will be accepted on an annual basis. For the 2026 round, Commercial Facades applications will be due on August 17, 2026.

Application Process

Applications must be accessed and submitted through lowagrants.gov: <https://www.iowagrants.gov> Go to that webpage, click “View Funding Opportunities,” and search for “CDBG Downtown Revitalization.” You must have an account with IowaGrants to see and submit an application.

Required Attachments

The application form in lowagrants.gov lists all attachments required to be submitted with the CDBG Commercial Facades application. Applications without all required attachments submitted will not be reviewed by IEDA.

Scoring / Evaluation Criteria

CDBG Commercial Facades applications are reviewed and evaluated based on the criteria included in the application review form which can be found in the appendix to this manual. The CDBG Team makes funding recommendations to the IEDA Director. Final award approval is provided by the IEDA Director.

Award decisions

Approval timelines may vary, depending on staffing, internal approval processes and the completeness and readiness of the applications. Awards decisions are typically made within 45-60 days of application submittal.

Applicants may only have one open Commercial Facades contract at any time (this includes contracts under the old program name of Downtown Revitalization, or “DTR”). Open projects must be completed and closed with IEDA before the community may apply for funding for another project.

APPENDIX – COMMERCIAL BUILDING FACADES REVIEW FORM

Application Checklist:

Is the UEI documentation provided?	Yes	No
Is the Slum & Blight summary included?	Yes	No
Is the grant amount requested at or below the amount allowable?	Yes	No
Is the administration line 10% or less of CDBG amount AND of total cost?	Yes	No
Is the “Construction, Professional Fees, & Permit Administration” budget table completed?	Yes	No
Is the public hearing publication date no less than 4 days but no more than 20 days prior to the hearing?	Yes	No
Does the public hearing notice contain correct & necessary information?	Yes	No
Do the public hearing minutes cover the 9 required points and include correct and necessary information?	Yes	No
Is the disclosure statement completed and signed? (If Yes on Part 1 Question #2, then Parts II and III must also be completed)	Yes	No
Is the CEO signature in federal assurances page?	Yes	No
Is a city resolution declaring slum & blight area included?	Yes	No
Is the Community Needs Assessment current (good for one year only, then must be re-adopted; the minutes and proof of publication are both uploaded)?	Yes	No
Have all documents under Required Attachments been uploaded?	Yes	No

Application Review:

Previous Grants:	Yes	No
Previous Grants Comments:		
Administrative Capacity:	Yes	No
Administrative Capacity Comments:		
Is the activity in a floodplain?	Yes	No
Floodplain Comments:		
Comprehensive Downtown Revitalization Planning Efforts Comments:		
Percentage of buildings in fair or poor condition:		
Was the city resolution designating slum & blight/urban renewal area adopted within the past two years?	Yes	No

Map or boundaries of city resolution consistent with inventory and target area?	Yes	No
Comments related to current conditions/need:		
Completed inventory form for each building in designated slum & blight area?	Yes	No
Building(s) selected for improvements classified as fair or poor conditions?	Yes	No
Comments related to S&B National Objective:		
Local funds secured:	Yes	No
Owner interest letters(s)?	Yes	No
Local match amount and sources:		
Building owner certifications/plans uploaded?	Yes	No
Comments related to the project's potential impact to the community:		
Project eligible for funding?	Yes	No
Eligibility Comments:		

Scored Component; Use 1-5 for all rankings:

Degree of community involvement with the proposed downtown revitalization efforts (community outreach, public input, planning exercises, expressed support)

1 Low = Little support shown, all necessary parties have not been contacted and discussions have been minimal, no supplemental documents uploaded

2 Medium/Low =

3 Medium = Full support not evident, but discussions among all parties is on-going, minimal documentation uploaded showing past/current/future efforts

4 Medium/High =

5 High = Strong support documented by all parties involved, multiple types of efforts are documented and uploaded spanning past, present, and future

Rank the degree of community involvement: (1 – 5)

Degree to which the applicant adhered to the Commercial Facades Design Guide based on the quality and appropriateness of their design choices:

1 Low = Little to no sign that the applicant attempted to adhere to the Design Guide; the proposed designs and materials are largely inappropriate for the building or surrounding downtown district, detracting from the district's historic or aesthetic integrity.

2 Medium/Low = Minimal effort has been made to comply with the Design Guide – perhaps one or two addresses show good design and appropriate materials, but most do not.

3 Medium = Some effort has been made to comply with the Design Guide – there is a mix of design elements that are appropriate and inappropriate for the building or district; or, roughly half of the addresses are designed well, with the other approximate half using inappropriate materials or design.

4 Medium/High = The applicant followed most aspects of the Design Guide and achieved a generally appropriate design; however, the designs would not be strong examples for others in the field. There may be minor issues or missed opportunities to elevate the design.

5 High = The applicant's designs fully align with the Design Guide and represent best practices; these designs could serve as exemplary models for architects, design professionals, and others engaged in downtown revitalization projects.

Rank the degree to which the applicant followed the Commercial Facades Design Guide: (0 - 5)

Degree to which the applicant has included structural engineering report(s) for proposed address(es):
(Optional/bonus points if applicant chose to submit report(s))

0 No reports uploaded

1 One report is uploaded covering one address

2 One or more report(s) is uploaded covering multiple addresses

3 One or more report(s) is uploaded covering ALL addresses

Rank the degree to which the applicant included structural engineering report(s): (0 - 3)

Degree to which CDBG funds will be leveraged by other funds:

1 Low = Less than 25% of project financed with leveraged funds

2 Medium/Low = 26% - 35%

3 Medium = 36% - 45%

4 Medium/High = 46% - 55%

5 High = Over 55%

Rank the degree to which CDBG funds will be leveraged by other funds: (1 – 5)

Degree to which applicant appropriately and accurately completed the individual building components prioritization ranking for each participating building:

1 Low = Rankings are incomplete or inaccurate (e. g. , some left blank, some duplication of numbers), and/or the descriptions and/or photos do not justify the blight ranking selection, or are missing

2 Medium/Low =

3 Medium = Generally the ranking is aligned with the blight on most buildings; perhaps one or two of the ranking prioritization positions should be switched or are not fully justified by the photos/descriptions

4 Medium/High =

5 High = The ranking order of components is complete for each building with no duplication of numbers, and the worst blighted component is ranked #1 (and so on); photos and/or descriptions are robust and clearly identify blight

Rank the degree to which the applicant appropriately completed the prioritization ranking: (1 – 5)

Degree to which the proposed design and work specs address identified and prioritized contributing factors to slum and blight:

- 1 Low = Minimal impact on the identified need; design focused primarily on lesser-ranked blighted components or cosmetic/non-blighted concerns
- 2 Medium/Low =
- 3 Medium = Partial impact on the identified need; addresses only half (or less) of the existing blight; may have included an extra (non-blighted) component in the scope of work before adequately addressing existing blight
- 4 Medium/High =
- 5 High = Activity will directly and substantially address the identified need; all blighted components of the building have a proposed rehab solution

Rank the degree to which the proposed design and work specs address contributing factors to slum and blight: (1 – 5)

Degree of impact the activity will have on the overall elimination of slum and blight in the identified target area (includes relative conditions of participating and non-participating buildings, prominence/visibility of project buildings, and geographic proximity of buildings)

- 1 Low = Minimal impact on the identified need, results/outcomes are unclear, does not appear to be the best long-term solution
- 2 Medium/Low =
- 3 Medium = Partial impact on the identified need; immediate results not evident
- 4 Medium/High =
- 5 High = Activity will directly and substantially address the identified need, immediate results will be achieved; best long-term solution

Rank the degree of impact the activity will have on the overall elimination of slum and blight:

Degree to which the project is planned out and prepared to proceed:

- 1 Low = Little preliminary design done, historic survey is outdated/isn't uploaded, no draft ERR/ISIF or draft Admin Plan uploaded, match funding not confirmed/documentated
- 2 Medium/Low =
- 3 Medium = Some preliminary design done, but some important elements remain undetermined; some but not all of the following may be uploaded: historic survey, draft ERR/ISIF, financing documentation, draft Admin Plan
- 4 Medium/High =
- 5 High = Preliminary design work is done and needed financial resources are secured, historic survey is done and current, a draft Admin Plan is uploaded, a draft ERR/ISIF (ERR ready for publication but unsigned) is uploaded

Rank the degree to which the project is planned out and prepared to proceed: (1 – 5)

Degree of clarity, completeness, readability, and viability of the application:

1 Low = confusing/unclear/inconsistent/incomplete

2 Medium/Low =

3 Medium = complete but not all sections or information immediately clear or entirely consistent

4 Medium/High =

5 High = completely and clearly defines project, all attachments properly prepared and included, demonstrates forethought and attention to detail

Rank the degree of clarity, completeness, readability, and viability of the application: (1 – 5)

Degree to which the proposed activity is appropriate for CDBG funding:

1 Low = Does not appear to further the CDBG program purpose in any meaningful way

2 Medium/Low =

3 Medium = Relates to some aspects of the CDBG program purpose

4 Medium/High =

5 High = Clearly furthers most aspects of the CDBG program purpose

Rank the degree to which the proposed project is appropriate for CDBG funding: (1 – 5)