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Culver: \$40 million in flood relief will go to homes, businesses

By Charlotte Eby , Capitol News Service

DES MOINES - Iowa Gov. Chet Culver on Friday announced \$40 million will go to new forgivable loan and assistance programs to help homeowners and business owners who suffered losses from this year's flood and storms.

"Today, if you're a business owner or homeowner, you're going to be excited learning for the first time that these two programs are going to be ramped up in the immediate future," Culver said at a news conference.

A total of \$20 million will be used to help out homeowners.

Assistance comes in the form of \$50,000 forgivable loans for down payment help to those whose homes were damaged beyond repair.

For those whose homes were damaged but won't be bought out, \$50,000 is available for repairs.

Interim mortgage assistance of up to \$1,000 per month for up to 12 months is also part of the package.

Homeowners can also be reimbursed for up to \$10,000 spent on energy efficient furnaces, appliances, windows and insulation.

Another \$20 million will go to businesses that suffered losses and need working capital to help ensure business survival and money for the acquisition of energy efficient equipment.

Some of the money being used to assist businesses comes from the state's top economic development fund, the Iowa Values Fund, as well as the Iowa Power Fund, which offers incentives to renewable energy firms and projects.

Businesses that already have been approved for a disaster loan through the U.S. Small Business Administration are eligible to apply for the state program, which offers loans that are forgivable if the businesses re-open within six months.

Culver said the state is formalizing the rules for the programs and would move quickly to get aid to Iowans as soon as possible.

A week ago, Culver said he would call lawmakers into a special session if federal officials did not move quickly enough to release \$85 million in aid coming to Iowa.

Culver said he has gotten word the money will be headed to Iowa later this month and held off Friday on calling a special session but said it is still an option.

Culver expressed disappointment with what he said is partisanship on the part of some state lawmakers who have been critical of his actions on flood relief.

He urged the critics to join in flood recovery planning, saying House Minority Leader Christopher Rants, R-Sioux City, had been "completely AWOL" and hasn't attended meetings on the rebuilding process.

"He hasn't participated in any part of the recovery effort, but he's taken plenty of time for the political partisan shots," Culver said.

Rants has been critical of Culver for not calling a special session of the Legislature for flood recovery efforts. He believes lawmakers could approve other types of aid to residents and businesses.

Rants took issue with Culver's claim he hadn't been involved in flood recovery efforts, calling the charge unfair.

"Instead of going to commission meetings, I went to the flood zone," Rants said. "Instead of meeting with another advisory group, I went and listened to the city council members in Cedar Rapids, in Palo."

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