

# New Flood Recovery Assistance for Businesses

Although the floods of 2008 are now heading into their second anniversary, Iowans continue to struggle to recover. This month, two new programs to help businesses were announced. One program will help with damaged equipment; the other will help cover the cost of flood insurance.

Both programs were developed by the Iowa Department of Economic Development and were recently approved by the U.S. Department of Housing and Urban Development. To date, more than \$117 million in Community Development Block Grant funds have been allocated for business assistance programs.

## ***Equipment Reimbursement***

The Equipment Reimbursement Assistance Program is for businesses, located in presidentially declared disaster counties, that sustained physical damage to machinery, equipment, furniture, inventory, or supplies. Awards are limited to 75% of replacement cost, and cannot exceed \$75,000 per business.

A business cannot receive assistance for these losses if they have already been covered by private insurance, other federal funding, state or local grants or forgivable loans, or private bank loans. In-home businesses or businesses on upper floors of damaged buildings that did not sustain damage are not eligible.

## ***Flood Insurance Reimbursement***

This program will reimburse businesses for the cost of one year of flood insurance. Businesses are eligible if they had water in their building because of the 2008 disaster involving overland flow or sewer backup; and/or if they are located in the 100 or 500-year flood plain. Even businesses that have located to either flood plain after the disaster may also be eligible for assistance. Reimbursement is up to \$5,000 per qualified business. The flood insurance policy start date must fall between January 1, 2010 and December 31, 2010. In-home businesses are not eligible for this program either.

Funds for both programs are awarded on a first-come, first-serve basis. Small business owners must apply or update their applications at their local Council of Government or Entitlement City by December 31, 2010.

For a listing of area Council of Governments or Entitlement Cities, visit the Rebuild Iowa Office website at [www.rio.iowa.gov/assets/disaster\\_program\\_contact\\_list.pdf](http://www.rio.iowa.gov/assets/disaster_program_contact_list.pdf) or call (515) 242-5004.