

Idaho Gem Grant

Application Guide



Idaho Gem Grant Application Guide 2026-2027

Introduction

Established by the Idaho Legislature in 2001 as part of the Rural Initiative, the Idaho Gem Grant Program (IGG) aids rural communities for the purpose of planning and executing economic development projects. The program is available to any rural community with a population of 25,000 people or fewer. Projects in rural communities exceeding 25,000 residents may be eligible for consideration at the discretion of the Director of the Idaho Department of Commerce.

The main goals of the IGG program are to attract and expand businesses. Eligible communities may receive grants of up to \$100,000 to develop assets that directly contribute to job creation in the private sector. Examples of potential IGG projects include upgrading waterlines to support the expansion of food processors, constructing deceleration and turn lanes for new industrial facilities, and creating engineering plans for new industrial parks. **Awards for more than \$50,000 will be reserved for projects with significant permanent private sector job creation and capital investment benefits.**

The range of eligible projects is broad. In years past, all funded projects started with phone call or email exchange with Idaho Commerce

Before preparing your IGG application, call and discuss the competitiveness of your project with the Idaho Department of Commerce Rural Services Team. Questions may be directed to...

Jules Belyea,
jules.belyea@commerce.idaho.gov,
208-287-3158

Technical questions regarding the grants portal, logins and passwords should be submitted to grants@commerce.idaho.gov

Eligible Applicants

Rural cities with populations under 25,000, not contiguous to a larger community as well as counties representing unincorporated rural areas and tribes, are invited to apply for grants of up to \$100,000 per project. Cities and counties can submit applications on behalf of special governing bodies and non-profit organizations. Additionally, other rural cities may be considered for funding at the discretion of the Director of the Idaho Department of Commerce. It is important to note that only one Gem Grant will be awarded to each city, county, or tribe at a time. An open Gem Grant must be closed out before Commerce will entertain a city, county, or tribe's next application

Eligible Activities

Projects applying for the Idaho Gem Grant must be connected to an economic development goal. The projects that will stand out the most are those that create immediate, long-lasting job opportunities and capital investments. Generally, this means:

- Public infrastructure construction tied to a direct business expansion or attraction.
- Public infrastructure engineering tied to direct business expansion or attraction.
- Public infrastructure construction intended to make the community more attractive for future businesses, tourism, or workforce attraction.
- Public infrastructure engineering tied to making the community more attractive for future business, tourism, or workforce attraction.
- Planning studies to develop, grow or rehabilitate community owned assets.

There may be additional projects that align with IGG goals but were not included in the examples provided. To ensure that no promising project is overlooked, we encourage all potential applicants to reach out to the Idaho Department of Commerce Rural Services team to explore funding opportunities.

Eligible Costs

Idaho Gem Grants are specifically designated for covering the essential implementation costs of economic development projects. To qualify for reimbursement, all purchases of goods and services must adhere to the guidelines outlined in the Idaho Code. It is crucial to consider various government regulations, such as contractor licensing, insurance, and appraisal requirements, when creating a budget for an IGG project.

This entails engaging in competitive bidding processes for materials and construction services, as well as issuing an official request for proposal or request for qualifications for professional services. Therefore, it is imperative to communicate these requirements to potential vendors prior to obtaining cost estimates. **Idaho Gem Grant funds cannot reimburse invoices created before the award date.**

Eligible costs for the use of IGG funds are limited to:

- Construction Materials.
- New and rehabilitative construction contracts.
- Architect and engineering services; legal and professional services required for project implementation.
- Fixed Equipment.
- Equipment installation.
- Advertising/Printing as necessary to satisfy procurement and legal requirements.
- Acquisition of real estate for business development.

- Matching funds for other state, federal and foundation economic development grants provided that the matching funds are for a project that meets IGG goals and objectives.

Ineligible Activities/Costs

Idaho Gem Grants cannot be used for contingency, ongoing overhead, operating costs, grant administration, compliance expenses associated with other funder requirements or staff expenses. Additionally, IGG funds are not to be used for the construction, rehabilitation, or operation of active churches, schools, general government facilities, jails, or state and federal properties. Political activities are also not eligible for funding. It is important to note that portable items such as vehicles, computers, mobile generators, and software are not eligible for funding.

Expenses related to administering Idaho Gem Grants are not eligible for reimbursement. Administrative expenses not to exceed 5% of the grant award may be used as a match for the grant.

Selection

Pursuant to Idaho Administrative Code 28.02.04.017 Idaho Gem Grant applications will be accepted and reviewed on a quarterly basis or at any time that the director of the Idaho Department of Commerce determines it necessary to take advantage of special opportunities. The deadline for submitting IGG applications for the State of Idaho Fiscal Year 2027 are as follows...

- June 15, 2026.
- December 21, 2026.
- September 21, 2026.
- March 15, 2027.

Matching Funds

All recipients of Idaho Gem Grants (IGG) are required to provide a match equal to or exceeding 20% of the grant amount requested. For instance, if a community is awarded a \$50,000 grant, they must contribute at least \$10,000 as a match. This match can be in the form of cash or in-kind contributions. Additionally, up to 5% of the grant award can be considered as "in-kind" for grant administration purposes.

Cash match can come from various sources including private, local, state, federal, and foundation funds. It is essential that all match contributions, whether cash or in-kind, are committed and documented in writing when submitting the Idaho Gem Grant application. Prior to the completion of the project and the final disbursement of IGG funds, all match expenditures must be supported by receipts, invoices, timecards, or other written documentation signed by the donor.

In some cases, IGG funds can be used to match other state, federal, and philanthropic funds. It is advisable to consult with other funding agencies to confirm if IGG funds can be used as a match. The value of in-kind matches should be substantiated using market

data. Idaho Commerce retains the right to reject or reduce the value of in-kind matches proposed in an application. For guidance on determining in-kind match values, please reach out to Idaho Commerce.

Note: Match documentation may be in the form of a letter on the donor's stationery or using the Statement of Contribution form found on the Commerce web page. <http://commerce.idaho.gov/communities/community-grants/grant-resources>

All matching funds need to be committed at the time of application submission. Commerce will not consider any application whose matching funds have yet to be secured.

Grant Administration

In most cases, the grantee (which can be a city, county, or tribe applying for the Idaho Gem Grant) will act as the administrator of the grant. However, the grantee has the option to designate a third party as its grant administrator by adopting a formal resolution. Regardless of who serves as the grant administrator, all payments of IGG funds will be processed through the grantee. **Idaho Gem Grant funds may not be used to pay for grant administration.**

Grant Payments

Grantees will receive payment of funds on a reimbursement basis. Each request for reimbursement must be submitted through the Idaho Department of Commerce [grant portal](#). All request for funds must contain the following:

- Invoice - An invoice must be submitted, signed by the mayor, commission chair, tribal chair or other elected official stipulating the amount to be reimbursed. The invoice may be in the form of a letter prepared on the grantee's stationery or a signed the [Idaho Gem Grant Request for Reimbursement form](#). **The request for reimbursement must be submitted no more than seven days after the date of the signed Idaho Gem Grant Request for Reimbursement form or signed reimbursement invoice.**
- Proof of Payment – The grantee must include copies of bills equal to or exceeding the amount of the grant payment.

Grantees with questions pertaining to the uploading of documents and submitting a request for funds are encouraged to contact grants@commerce.idaho.gov

Reporting

Grantees are strongly encouraged to submit a progress narrative with each request for funds. For construction projects before, during and after photos are appreciated. Commerce may require written reports, photos or other supporting materials at its discretion

Procurement

The procurement of goods and services purchased with Idaho Gem Grant funds must conform to Idaho Code.

- [Idaho Code Title 67, Chapter 28](#) – purchasing by political subdivisions.
- [Idaho Code Title 54, Chapter 19](#) – Public Works Contractors
- [Idaho Code Title 67, Chapter 2320](#) – design professional qualification-based selection.

These laws apply to any contractor, consultant or vendor to be paid with Idaho Gem Grant funds. Idaho Gem Grant funds may not be used to reimburse private or nonprofit entities who fail to follow the above referenced procedures.

Project Amendments

Grantees must submit a written request to the Department and receive written approval prior to modifying the budget or scope-of-work of a project.

How to Submit an Idaho Gem Grant

All applications must be submitted through the [Commerce Grants Portal](#). Access to the portal is limited to one login and password per city, county or tribe. An applicant may share their login and password with a third party for the purpose of writing an IGG. Once the grant is submitted the applicant should change the account password. Applicants seeking to access the grant portal for the first time or need help recovering previously issued logins and passwords should submit their request to grants@commerce.idaho.gov. Applicants will need to upload with their application the following documents:

- Sign and Submit Resolution – An applicant may craft their own sign and submit resolution or use the Application Resolution found on the grant landing page and the Commerce website.
- [Idaho Gem Grant Budget](#) – All applicants must submit an Idaho Gem Grant Budget form.
- Documentation of Matching Funds – This may be done in the form of a signed letter prepared on the contributor's letterhead or the Statement of Contribution found on the grant landing page or the [Commerce website](#).
- Supplemental Materials – Grantees may upload maps, reports, photos or other documents in support of their application. Written documents should be in a PDF format; photos in a .jpg format. The size of each upload should not exceed 1MB in size.

Application Tips

- Local Contributions – Reviewers favor applications from communities investing home grown resources into a project. It's hard for reviewers to justify funding projects that locals are not willing to step up and help fund.
- Other Funding Options – Reviewers favor applicants who exhaust local funding raising and other funding sources before seeking an Idaho Gem Grant. A Gem Grant should be your last option, not the first.
- Detailed Cost Estimates – Detailed cost estimates ensure project feasibility and fiscal integrity. By providing line-item breakdowns for labor, materials, and overhead, applicants demonstrate a rigorous planning process and a clear understanding of the resources necessary to achieve the proposed project milestones. This transparency allows the review committee to verify that the requested funding is both reasonable and sufficient for successful project delivery."
- Accuracy – Math and grammatical errors are red flags that an applicant lacks the attention to detail needed to successfully complete a project. Always screen your application for errors before hitting the submit button.