

Iowa, being nonexistent, the Council Bluffs Nonpareil, a newspaper published in Council Bluffs, Iowa, is designated to publish the foregoing Act, House File 175.

MELVIN D. SYNHORST, *Secretary of State.*

I hereby certify that the foregoing Act, House File 175, was published in the Council Bluffs Nonpareil, Council Bluffs, Iowa, April 13, 1957, and in the Neola Gazette-Reporter, Neola, Iowa, April 18, 1957.

MELVIN D. SYNHORST, *Secretary of State.*

CHAPTER 197

URBAN RENEWAL LAW

S. F. 184

AN ACT to provide for the rehabilitation, clearance, and redevelopment of slums and blighted areas in cities and towns.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. This Act shall be known and may be cited as the
2 "urban renewal law".

1 SEC. 2. 1. It is hereby found and declared that there exist in
2 municipalities of the state slum and blighted areas, as herein defined,
3 which constitute a serious and growing menace, injurious to the
4 public health, safety, morals and welfare of the residents of the state;
5 that the existence of such areas contributes substantially and in-
6 creasingly to the spread of disease and crime, constitutes an economic
7 and social liability imposing onerous municipal burdens which de-
8 crease the tax base and reduce tax revenues, substantially impairs or
9 arrests the sound growth of municipalities, retards the provision of
10 housing accommodations, aggravates traffic problems and substan-
11 tially impairs or arrests the elimination of traffic hazards and the
12 improvement of traffic facilities; and that the prevention and elimi-
13 nation of slums and blighted areas is a matter of state policy and
14 state concern in order that the state and its municipalities shall not
15 continue to be endangered by areas which are focal centers of dis-
16 ease, promote juvenile delinquency and consume an excessive pro-
17 portion of state revenues because of the extra services required for
18 police, fire, accident, hospitalization and other forms of public pro-
19 tection, services and facilities.

20 2. It is further found and declared that certain slum or blighted
21 areas, or portions thereof, may require acquisition, clearance, and
22 disposition subject to use restrictions, as provided in this Act, since
23 the prevailing condition of decay may make impracticable the recla-
24 mation of the area by conservation or rehabilitation; that other areas
25 or portions thereof may, through the means provided in this Act, be
26 susceptible of conservation or rehabilitation in such a manner that
27 the conditions and evils hereinbefore enumerated may be eliminated,
28 remedied or prevented; and that fringe areas can be conserved and
29 rehabilitated through appropriate public action as herein authorized,
30 and through the cooperation and voluntary action of the owners and
31 tenants of property in such areas.

32 3. It is further found and declared that the powers conferred by

33 this Act are for public uses and purposes for which public money may
34 be expended and for which the power of eminent domain and police
35 power exercised; and that the necessity in the public interest for the
36 provisions herein enacted is hereby declared as a matter of legis-
37 lative determination.

1 SEC. 3. The local governing body of a municipality may formu-
2 late for the municipality a workable program for utilizing appro-
3 priate private and public resources to eliminate slums and prevent
4 the development or spread of slums and urban blight and to encour-
5 age needed urban rehabilitation. Such workable program may in-
6 clude, without limitation, provisions for:

7 1. The prevention of the spread of blight into areas of the municipi-
8 pality which are free from blight, through diligent enforcement of
9 housing, zoning and occupancy controls and standards.

10 2. The rehabilitation or conservation of slum or blighted areas or
11 portions thereof by replanning, by removing congestion, by provid-
12 ing parks, playgrounds and other public improvements, by encourag-
13 ing voluntary rehabilitation and by compelling the repair and reha-
14 bilitation of deteriorated or deteriorating structures.

15 3. The clearance of slum and blighted areas or portions thereof.

16 4. The redevelopment of slum and blighted areas by approval of
17 urban renewal plans.

1 SEC. 4. No municipality shall exercise the authority herein con-
2 ferred upon municipalities by this Act until after its local governing
3 body shall have adopted a resolution finding that:

4 1. One or more slum or blighted areas exist in such municipality.

5 2. The rehabilitation, conservation, redevelopment, or a combina-
6 tion thereof, of such area or areas is necessary in the interest of the
7 public health, safety, morals or welfare of the residents of such
8 municipality.

1 SEC. 5. 1. A municipality shall not approve an urban renewal
2 project for an urban renewal area unless the governing body has, by
3 resolution, determined such area to be a slum area or a blighted area
4 or a combination thereof, and designated such area as appropriate
5 for an urban renewal project. The local governing body shall not
6 approve an urban renewal plan until a general plan for the municipi-
7 pality has been prepared. For this purpose and other municipal
8 purposes, authority is hereby vested in every municipality to prepare,
9 to adopt and to revise from time to time, a general plan for the phys-
10 ical development of the municipality as a whole, giving due regard
11 to the environs and metropolitan surroundings. A municipality shall
12 not acquire real property for an urban renewal project unless the
13 local governing body has approved the urban renewal project in ac-
14 cordance with subsection four (4) hereof.

15 2. The municipality may itself prepare or cause to be prepared an
16 urban renewal plan; or any person or agency, public or private, may
17 submit such a plan to a municipality. Prior to its approval of an
18 urban renewal project, the local governing body shall submit such
19 plan to the planning commission of the municipality, if any, for re-
20 view and recommendations as to its conformity with the general plan
21 for the development of the municipality as a whole. The plan-

22 ning commission shall submit its written recommendations with
23 respect to the proposed urban renewal plan to the local governing
24 body within thirty (30) days after receipt of the plan for review.
25 Upon receipt of the recommendations of the planning commission or,
26 if no recommendations are received within said thirty (30) days,
27 then, without such recommendations, the local governing body may
28 proceed with the hearing on the proposed urban renewal project
29 prescribed by subsection three (3) hereof.

30 3. The local governing body shall hold a public hearing on an
31 urban renewal project after public notice thereof by publication in
32 a newspaper having a general circulation in the area of operation of
33 the municipality. The notice shall describe the time, date, place and
34 purpose of the hearing, shall generally identify the urban renewal
35 area covered by the plan, and shall outline the general scope of the
36 urban renewal project under consideration.

37 4. Following such hearing, the local governing body may approve
38 an urban renewal project if it finds that:

39 a. A feasible method exists for the location of families who will be
40 displaced from the urban renewal area into decent, safe and sanitary
41 dwelling accommodations within their means and without undue
42 hardship to such families;

43 b. The urban renewal plan conforms to the general plan of the
44 municipality as a whole; provided, that if the urban renewal area
45 consists of an area of open land to be acquired by the municipality,
46 such area shall not be so acquired except:

47 (1) If it is to be developed for residential uses, the local govern-
48 ing body shall determine that a shortage of housing of sound stand-
49 ards and design with decency, safety and sanitation exists in the
50 municipality; that the need for housing accommodations has been or
51 will be increased as a result of the clearance of slums in other areas,
52 including other portions of the urban renewal area; that the condi-
53 tions of blight in the area and the shortage of decent, safe and sani-
54 tary housing cause or contribute to an increase in and spread of dis-
55 ease and crime, and constitute a menace to the public health, safety,
56 morals, or welfare; and that the acquisition of the area for residen-
57 tial uses is an integral part of and essential to the program of the
58 municipality.

59 (2) If it is to be developed for nonresidential uses, the local gov-
60 erning body shall determine that such nonresidential uses are neces-
61 sary and appropriate to facilitate the proper growth and development
62 of the community in accordance with sound planning standards and
63 local community objectives. The acquisition may require the exercise
64 of governmental action, as provided in this Act, because of defective
65 or unusual conditions of title, diversity of ownership, tax delinquency,
66 improper subdivisions, outmoded street patterns, deterioration of
67 site, economic disuse, unsuitable topography or faulty lot layouts,
68 or because of the need for the correlation of the area with other
69 areas of a municipality by streets and modern traffic requirements,
70 or any combination of such factors or other conditions which retard
71 development of the area.

72 5. An urban renewal plan may be modified at any time: Provided,
73 that if modified after the lease or sale by the municipality of real
74 property in the urban renewal project area, such modification may

75 be conditioned upon such approval of the owner, lessee or successor
76 in interest as the municipality may deem advisable, and in any event
77 such modification shall be subject to such rights at law or in equity
78 as a lessee or purchaser, or his successor or successors in interest,
79 may be entitled to assert.

80 6. Upon the approval by a municipality of an urban renewal plan
81 or of any modification thereof, such plan or modification shall be
82 deemed to be in full force and effect for the respective urban renewal
83 area, and the municipality may then cause such plan or modification
84 to be carried out in accordance with its terms.

85 7. Notwithstanding any other provisions of this Act, where the
86 local governing body certifies that an area is in need of redevelop-
87 ment or rehabilitation as a result of a flood, fire, hurricane, earth-
88 quake, storm, or other catastrophe respecting which the governor of
89 the state has certified the need for disaster assistance under Public
90 Law 875, Eighty-first Congress, or other federal law, the local gov-
91 erning body may approve an urban renewal plan and an urban re-
92 newal project with respect to such area without regard to the provi-
93 sions of subsection four (4) of this section and without regard to
94 provisions of this section requiring a general plan for the municipal-
95 ity and a public hearing on the urban renewal project.

1 SEC. 6. Every municipality shall have all the powers necessary
2 or convenient to carry out and effectuate the purposes and provisions
3 of this Act, including the following powers in addition to others
4 herein granted:

5 1. To undertake and carry out urban renewal projects within its
6 area of operation; and to make and execute contracts and other in-
7 struments necessary or convenient to the exercise of its powers under
8 this Act; and to disseminate slum clearance and urban renewal in-
9 formation.

10 2. To arrange or contract for the furnishing or repair by any
11 person of services, privileges, works, streets, roads, public utilities
12 or other facilities for or in connection with an urban renewal proj-
13 ect; to install, construct, and reconstruct streets, utilities, parks,
14 playgrounds, and other public improvements; and to agree to any
15 conditions, that it may deem reasonable and appropriate, attached
16 to federal financial assistance and imposed pursuant to federal law
17 relating to the determination of prevailing salaries or wages or com-
18 pliance with labor standards, in the undertaking or carrying out of
19 an urban renewal project; and to include in any contract let in con-
20 nection with such a project, provisions to fulfill such of said condi-
21 tions as it may deem reasonable and appropriate.

22 3. Within its area of operation, to enter into any building or prop-
23 erty in any urban renewal area in order to make inspections, surveys,
24 appraisals, soundings or test borings, and to obtain an order for this
25 purpose from a court of competent jurisdiction in the event entry is
26 denied or resisted; to acquire by purchase, lease, option, gift, grant,
27 bequest, devise, eminent domain or otherwise, any real property, or
28 personal property for administrative purposes, together with any
29 improvements thereon; to hold, improve, clear or prepare for re-
30 development any such property; to mortgage, pledge, hypothecate
31 or otherwise encumber or dispose of any real property; to insure or

32 provide for the insurance of any real or personal property or oper-
33 ations of the municipality against any risks or hazards, including
34 the power to pay premiums on any such insurance; and to enter into
35 any contracts necessary to effectuate the purposes of this Act: Pro-
36 vided, however, that no statutory provision with respect to the ac-
37 quisition, clearance or disposition of property by public bodies shall
38 restrict a municipality or other public body exercising powers here-
39 under in the exercise of such functions with respect to an urban
40 renewal project, unless the legislature shall specifically so state.

41 4. To invest any urban renewal project funds held in reserves or
42 sinking funds, or any such funds not required for immediate dis-
43 bursement, in property or securities in which savings banks may
44 legally invest funds subject to their control; to redeem such bonds
45 as have been issued pursuant to section nine (9) of this Act at the
46 redemption price established therein, or to purchase such bonds at
47 less than redemption price, all such bonds so redeemed or purchased
48 to be cancelled.

49 5. To borrow money and to apply for and accept advances, loans,
50 grants, contributions and any other form of financial assistance from
51 the federal government, the state, county, or other public body, or
52 from any sources, public or private, for the purposes of this Act, and
53 to give such security as may be required, and to enter into and carry
54 out contracts in connection therewith. A municipality may include
55 in any contract, for financial assistance with the federal government
56 for an urban renewal project, such conditions imposed pursuant to
57 federal laws as the municipality may deem reasonable and appro-
58 priate and which are not inconsistent with the purposes of the Act.

59 6. Within its area of operation, to make or have made all surveys
60 and planning necessary to the carrying out of the purposes of this
61 Act, and to contract with any person in making and carrying out of
62 such planning, and to adopt or approve, modify and amend such
63 planning. Such planning may include, without limitation:

64 a. A general plan for the locality as a whole;

65 b. Urban renewal plans;

66 c. Preliminary plans outlining urban renewal activities for neigh-
67 borhoods to embrace two or more urban renewal areas;

68 d. Planning for carrying out a program of voluntary or compul-
69 sory repair and rehabilitation of buildings and improvements;

70 e. Planning for the enforcement of state and local laws, codes and
71 regulations relating to the use of land and the use and occupancy of
72 buildings and improvements and to the compulsory repair, rehabili-
73 tation, demolition, or removal of buildings and improvements;

74 f. Appraisals, title searches, surveys, studies, and other planning
75 and work necessary to prepare for the undertaking of urban renewal
76 projects. The municipality is authorized to develop, test, and report
77 methods and techniques, and carry out demonstrations and other
78 activities, for the prevention and the elimination of slums and urban
79 blight and to apply for, accept and utilize grants of funds from the
80 federal government for such purposes.

81 7. To plan for the relocation of persons, including families, busi-
82 ness concerns and others, displaced by an urban renewal project, and
83 to make relocation payments to or with respect to such persons for

84 moving expenses and losses of property for which reimbursement or
85 compensation is not otherwise made, including the making of such
86 payments financed by the federal government.

87 8. To appropriate such funds and make such expenditures as may
88 be necessary to carry out the purposes of this Act, and to levy taxes
89 and assessments for such purposes; to zone or rezone any part of
90 the municipality or make exceptions from building regulations; and
91 to enter into agreements, respecting action to be taken by such mu-
92 nicipality pursuant to any of the powers granted by this Act, with
93 an urban renewal agency vested with urban renewal project powers
94 under section fourteen (14) of this Act, which agreements may ex-
95 tend over any period, notwithstanding any provision of rule of law
96 to the contrary.

97 9. To close, vacate, plan or replan streets, roads, sidewalks, ways
98 or other places; and to plan or replan any part of the municipality.

99 10. Within its area of operation, to organize, coordinate and direct
100 the administration of the provisions of this Act as they apply to such
101 municipality in order that the objective of remedying slum and
102 blighted areas, and preventing the causes thereof, within such mu-
103 nicipality, may be most effectively promoted and achieved; and to
104 establish such new office or offices of the municipality, or to re-
105 organize existing offices, in order to carry out such purpose most
106 effectively.

107 11. To exercise all or any part of combination of powers herein
108 granted.

109 12. To approve urban renewal plans.

110 13. To sell and convey real property in furtherance of an urban
111 renewal project.

1 SEC. 7. A municipality shall have the right to acquire by con-
2 demnation any interest in real property, including a fee simple title
3 thereto, which it may deem necessary for or in connection with an
4 urban renewal project under this Act. A municipality may exercise
5 the power of eminent domain in the manner provided in chapter four
6 hundred seventy-two (472) of the Code, and acts amendatory thereof
7 or supplementary thereto, or it may exercise the power of eminent
8 domain in the manner now or which may be hereafter provided by
9 any other statutory provisions for the exercise of the power of emi-
10 nent domain. Property already devoted to a public use may be ac-
11 quired in like manner: Provided, that no real property belonging to
12 the state, or any political subdivision thereof, may be acquired with-
13 out its consent, provided further that no real property or any right
14 or interest therein owned by any public utility company, pipe line
15 company, railway or transportation company vested with the right
16 of eminent domain under the laws of this state, shall be acquired
17 without the consent of such company, or without first securing, after
18 due notice to such company and after hearing, a certificate authoriz-
19 ing condemnation of such property from the board, commission or
20 body having the authority to grant a certificate authorizing condem-
21 nation.

1 SEC. 8. 1. A municipality may sell, lease or otherwise transfer
2 real property or any interest therein acquired by it, and may enter

3 into contracts for such purposes, in an urban renewal area for resi-
4 dential, recreational, commercial, industrial or other uses, or for
5 public use, subject to such covenants, conditions and restrictions,
6 including covenants running with the land, as it may deem to be
7 necessary or desirable to assist in preventing the development or
8 spread of future slums or blighted areas, or to otherwise carry out
9 the purposes of this Act: Provided, that such sale, lease, other trans-
10 fer, or retention, and any agreement relating thereto, may be made
11 only after the approval of the urban renewal plan by the local gov-
12 erning body. The purchasers or lessees and their successors and
13 assigns shall be obligated to devote such real property only to the
14 uses specified in the urban renewal plan, and they may be obligated
15 to comply with such other requirements as the municipality may
16 determine to be in the public interest, including the obligation to
17 begin within a reasonable time any improvements on such real prop-
18 erty required by the urban renewal plan. Such real property or in-
19 terest shall be sold, leased, otherwise transferred, or retained at not
20 less than its fair value for uses in accordance with the urban renewal
21 plan. In determining the fair value of real property for uses in
22 accordance with the urban renewal plan, a municipality shall take
23 into account and give consideration to: The uses provided in such
24 plan; the restrictions upon, and the covenants, conditions and obli-
25 gations assumed by the purchaser or lessee or by the municipality
26 retaining the property; and the objectives of such plan for the pre-
27 vention of the recurrence of slum or blighted areas. The municipality
28 in any instrument of conveyance to a private purchaser or lessee may
29 provide that such purchaser or lessee shall be without power to sell,
30 lease or otherwise transfer the real property, without the prior writ-
31 ten consent of the municipality, until he has completed the construc-
32 tion of any or all improvements which he has obligated himself to
33 construct thereon. Real property acquired by a municipality which,
34 in accordance with the provisions of the urban renewal plan, is to be
35 transferred, shall be transferred as rapidly as feasible in the public
36 interest, consistent with the carrying out of the provisions of the
37 urban renewal plan. Any contract for such transfer under the urban
38 renewal plan, or such part or parts of such contract or plan as the
39 municipality may determine, may be recorded in the land records of
40 the county in such manner as to afford actual or constructive notice
41 thereof.

42 2. A municipality may dispose of real property in an urban re-
43 newal area to private persons only under such reasonable competitive
44 bidding procedures as it shall prescribe, or as hereinafter provided
45 in this subsection. A municipality, by public notice by publication in
46 a newspaper having a general circulation in the community, thirty
47 days prior to the execution of any contract to sell, lease or otherwise
48 transfer real property, and prior to the delivery of any instrument of
49 conveyance with respect thereto under the provisions of this section,
50 may invite proposals from and make available all pertinent informa-
51 tion to any persons interested in undertaking to redevelop or rehabili-
52 tate an urban renewal area, or any part thereof. Such notice shall
53 identify the area, or portion thereof, and shall state that proposals
54 shall be made by those interested within thirty (30) days after the

55 date of publication of said notice, and that such further information
56 as is available may be obtained at such office as shall be designated in
57 said notice. The municipality shall consider all such redevelopment
58 or rehabilitation proposals, and the financial and legal ability of the
59 persons making such proposals to carry them out, and the municipa-
60 lity may negotiate with any persons for proposals concerning the
61 purchase, lease or other transfer of any real property acquired by
62 the municipality in the urban renewal area. The municipality may
63 accept such proposal as it deems to be in the public interest and in
64 furtherance of the purposes of this Act: Provided, that a notifica-
65 tion of intention to accept such proposal shall be filed with the gov-
66 erning body not less than thirty (30) days prior to any such accep-
67 tance. Thereafter, the municipality may execute such contract in
68 accordance with the provisions of subsection one (1) of this Act and
69 may deliver deeds, leases and other instruments and may take all
70 steps necessary to effectuate such contract.

71 3. A municipality may temporarily operate and maintain real
72 property acquired in an urban renewal area pending the disposition
73 of the property as authorized in this Act, without regard to the provi-
74 sions of subsection one (1) above, for such uses and purposes as may
75 be deemed desirable, even though not in conformity with the urban
76 renewal plan.

1 SEC. 9. 1. A municipality shall have power to issue bonds from
2 time to time in its discretion to finance the undertaking of any urban
3 renewal project under this Act, including, without limiting the gen-
4 erality thereof, the payment of principal and interest upon any ad-
5 vances for surveys and planning; and the municipality shall also
6 have power to issue refunding bonds for the payment or retirement
7 of such bonds previously issued by it. Such bonds shall be made pay-
8 able, as to both principal and interest, solely from the income, pro-
9 ceeds, revenues, and funds of the municipality derived from or held
10 in connection with its undertaking and carrying out of urban renewal
11 projects under this Act: Provided, however, that payment of such
12 bonds, both as to principal and interest, may be further secured by
13 a pledge of any loan, grant, or contribution from the federal govern-
14 ment or other source, in aid of any urban renewal projects of the
15 municipality under this Act, and by a mortgage of any such urban
16 renewal projects, or any part thereof, title to which is in the munic-
17 ipality.

18 2. Bonds issued under this section shall not constitute an indebt-
19 edness within the meaning of any constitutional or statutory debt
20 limitation or restriction, and shall not be subject to the provisions of
21 any other law or charter relating to the authorization, issuance or
22 sale of bonds. Bonds issued under the provisions of this Act are
23 declared to be issued for an essential public and governmental pur-
24 pose and, together with interest thereon and income therefrom, shall
25 be exempted from all taxes.

26 3. Bonds issued under this section shall be authorized by resolu-
27 tion or ordinance of the local governing body and may be issued in
28 one or more series and shall bear such date or dates, be payable upon
29 demand or mature at such time or times, bear interest at such rate
30 or rates not exceeding six per centum (6%) per annum, be in such

31 denomination or denominations, be in such form either coupon or
32 registered, carry such conversion or registration privileges, have
33 such rank or priority, be executed in such manner, be payable in
34 such medium of payment, at such place or places, and be subject to
35 such terms of redemption, with or without premium, be secured in
36 such manner, and have such other characteristics, as may be pro-
37 vided by such resolution or trust indenture or mortgage issued pur-
38 suant thereto.

39 4. Such bonds may be sold at not less than par at public sales held
40 after notice published prior to such sale in a newspaper having a
41 general circulation in the area of operation and in such other medium
42 of publication as the municipality may determine, or may be ex-
43 changed for other bonds on the basis of par: Provided, that such
44 bonds may be sold to the federal government at private sale at not
45 less than par, and, in the event less than all of the authorized prin-
46 cipal amount of such bonds is sold to the federal government, the
47 balance may be sold at private sale at not less than par at an interest
48 cost to the municipality of not to exceed the interest cost to the
49 municipality of the portion of the bonds sold to the federal govern-
50 ment.

51 5. In case any of the public officials of the municipality whose
52 signatures appear on any bonds or coupons issued under this Act
53 shall cease to be such officials before the delivery of such bonds, such
54 signatures shall, nevertheless, be valid and sufficient for all purposes,
55 the same as if such officials had remained in office until such delivery.
56 Any provision of any law to the contrary notwithstanding, any bonds
57 issued pursuant to this Act shall be fully negotiable.

58 6. In any suit, action or proceeding involving the validity or en-
59 forceability of any bond issued under this Act or the security there-
60 for, any such bond reciting in substance that it has been issued by
61 the municipality in connection with an urban renewal project, as
62 herein defined, shall be conclusively deemed to have been issued for
63 such purpose and such project shall be conclusively deemed to have
64 been planned, located and carried out in accordance with the provi-
65 sions of this Act.

1 SEC. 10. All banks, trust companies, bankers, savings banks and
2 institutions, building and loan associations, savings and loan associ-
3 ations, investment companies and other persons carrying on a bank-
4 ing or investment business; all insurance companies, insurance asso-
5 ciations, and other persons carrying on an insurance business; and
6 all executors, administrators, curators, trustees, and other fiduciaries,
7 may legally invest any sinking funds, moneys, or other funds belong-
8 ing to them or within their control in any bonds or other obligations
9 issued by a municipality pursuant to this Act, or those issued by any
10 urban renewal agency vested with urban renewal project powers
11 under section fourteen (14) of this Act: Provided, that such bonds
12 and other obligations shall be secured by an agreement between the
13 issuer and the federal government, in which the issuer agrees to
14 borrow from the federal government and the federal government
15 agrees to lend to the issuer, prior to the maturity of such bonds or
16 other obligations, moneys in an amount which, together with any
17 other moneys irrevocably committed to the payment of interest on

18 such bonds or other obligations, will suffice to pay the principal of
 19 such bonds or other obligations with interest to maturity thereon,
 20 which moneys under the terms of said agreement are required to be
 21 used for the purpose of paying the principal of and the interest on
 22 such bonds or other obligations at their maturity. Such bonds and
 23 other obligations shall be authorized security for all public deposits.
 24 It is the purpose of this section to authorize any persons, political
 25 subdivisions and officers, public or private, to use any funds owned
 26 or controlled by them for the purchase of any such bonds or other
 27 obligations. Nothing contained in this section with regard to legal
 28 investments shall be construed as relieving any person of any duty
 29 of exercising reasonable care in selecting securities.

1 SEC. 11. 1. All property of a municipality, including funds,
 2 owned or held by it for the purposes of this Act shall be exempt from
 3 levy and sale by virtue of an execution; and no execution or other
 4 judicial process shall issue against the same; nor shall judgment
 5 against a municipality be a charge or lien upon such property: Pro-
 6 vided, however, that the provisions of this section shall not apply to
 7 or limit the right of obligees to pursue any remedies for the enforce-
 8 ment of any pledge or lien given pursuant to this Act by a municipi-
 9 lity on its rents, fees, grants or revenues from urban renewal
 10 projects.

11 2. The property of a municipality, acquired or held for the pur-
 12 poses of this Act, is declared to be public property used for essential
 13 public and governmental purposes, and such property shall be exempt
 14 from all taxes of the municipality, the county, the state, or any po-
 15 litical subdivision thereof: Provided, that such tax exemption shall
 16 terminate when the municipality sells, leases or otherwise disposes
 17 of such property in an urban renewal area to a purchaser or lessee
 18 which is not a public body entitled to tax exemption with respect to
 19 such property.

1 SEC. 12. 1. For the purpose of aiding in the planning, undertak-
 2 ing or carrying out of an urban renewal project located within the
 3 area in which it is authorized to act, any public body may, upon such
 4 terms, with or without consideration, as it may determine:

5 *a.* Dedicate, sell, convey or lease any of its interest in any property,
 6 or grant easements, licenses or other rights or privileges therein to
 7 a municipality;

8 *b.* Incur the entire expense of any public improvements made by
 9 such public body in exercising the powers granted in this section;

10 *c.* Do any and all things necessary to aid or cooperate in the plan-
 11 ning or carrying out of an urban renewal project;

12 *d.* Lend, grant or contribute funds to a municipality;

13 *e.* Enter into agreements, which may extend over any period, not-
 14 withstanding any provision or rule of law to the contrary, with a
 15 municipality or other public body respecting action to be taken pur-
 16 suant to any of the powers granted by this Act, including the fur-
 17 nishing of funds or other assistance in connection with an urban
 18 renewal project;

19 *f.* Cause public buildings and public facilities, including parks,
 20 playgrounds, and recreational, community, educational, water, sewer

21 or drainage facilities, or any other works which it is otherwise em-
22 powered to undertake to be furnished;

23 *g.* Furnish, dedicate, close, vacate, pave, install, grade, regrade,
24 plan or replan streets, roads, sidewalks, ways or other places;

25 *h.* Plan or replan, zone or rezone any part of the public body or
26 make exceptions from building regulations;

27 *i.* Cause administrative and other services to be furnished to the
28 municipality.

29 2. If at any time title to or possession of any urban renewal proj-
30 ect is held by any public body or governmental agency, including any
31 agency or instrumentality of the United States of America, other
32 than the municipality, which is authorized by law to engage in the
33 undertaking, carrying out, or administration of urban renewal proj-
34 ects, the provisions of the agreements referred to in this section shall
35 inure to the benefit of and may be enforced by such public body or
36 governmental agency. As used in this subsection, the term "municipi-
37 pality" shall also include an urban renewal agency vested with all
38 of the urban renewal project powers pursuant to the provisions of
39 section fourteen (14) of this Act.

40 3. Any sale, conveyance, lease or agreement provided for in this
41 section may be made by a public body without appraisal, public
42 notice, advertisement or public bidding.

43 4. For the purpose of aiding in the planning, undertaking or carry-
44 ing out of an urban renewal project of an urban renewal agency, a
45 municipality may, in addition to its other powers and upon such
46 terms, with or without consideration, as it may determine, do and
47 perform any or all of the actions or things which, by the provisions
48 of subsection one (1) of this section, a public body is authorized to
49 do or perform, including the furnishing of financial and other as-
50 sistance.

51 5. For the purposes of this section, or for the purpose of aiding in
52 the planning, undertaking or carrying out of an urban renewal proj-
53 ect of a municipality, such municipality may, in addition to any
54 authority to issue bonds pursuant to section nine (9) of this Act,
55 issue and sell its general obligation bonds. Any bonds issued by a
56 municipality pursuant to this section shall be issued in the manner
57 and within the limitations prescribed by the laws of this state for
58 the issuance and authorization of bonds by such municipality for
59 public purposes generally.

1 SEC. 13. Any instrument executed by a municipality and purport-
2 ing to convey any right, title or interest in any property under this
3 Act shall be conclusively presumed to have been executed in compli-
4 ance with the provisions of this Act insofar as title or other interest
5 of any bona fide purchasers, lessees or transferees of such property
6 is concerned.

1 SEC. 14. 1. A municipality may itself exercise its urban renewal
2 project powers, as herein defined, or may, if the local governing body
3 by resolution determines such action to be in the public interest, elect
4 to have such powers exercised by the urban renewal agency, if one
5 exists or is subsequently established in the community. In the event
6 the local governing body makes such determination, the urban re-
7 newal agency shall be vested with all of the urban renewal project

8 powers in the same manner as though all such powers were con-
9 ferred on such agency instead of the municipality. If the local gov-
10 erning body does not elect to make such determination, the munici-
11 pality in its discretion may exercise its urban renewal project powers
12 through a board or commissioner, or through such officers of the
13 municipality as the local governing body may by resolution deter-
14 mine.

15 2. As used in this section, the term "urban renewal project pow-
16 ers" shall include the rights, powers, functions and duties of a mu-
17 nicipality under this Act, including the following:

18 a. The power to determine an area to be a slum or blighted area
19 or combination thereof and to designate such area as appropriate
20 for an urban renewal project and to hold any public hearings re-
21 quired with respect thereto;

22 b. The power to approve urban renewal plans and modifications
23 thereof;

24 c. The power to establish a general plan for the locality as a whole;

25 d. The power to formulate a workable program under section three
26 (3) of this Act;

27 e. The power to make the determinations and findings provided
28 for in section four (4), and section five (5), subsection four (4), of
29 this Act;

30 f. The power to issue general obligation bonds;

31 g. The power to appropriate funds, to levy taxes and assessments,
32 and to exercise other powers provided for in section six (6), subsec-
33 tion eight (8), of this Act.

1 SEC. 15. 1. There is hereby created in each municipality a public
2 body corporate and politic to be known as the "urban renewal agency"
3 of the municipality: Provided, that such agency shall not transact
4 any business or exercise its powers hereunder until or unless the
5 local governing body has made the finding prescribed in section four
6 (4) of this Act, and has elected to have the urban renewal project
7 powers exercised by an urban renewal agency as provided in section
8 fourteen (14) of this Act.

9 2. If the urban renewal agency is authorized to transact business
10 and exercise powers hereunder, the mayor, by and with the advice
11 and consent of the local governing body, shall appoint a board of
12 commissioners of the urban renewal agency, which board shall consist
13 of five commissioners. The term of office of each such commissioner
14 shall be one year.

15 3. A commissioner shall receive no compensation for his services,
16 but he shall be entitled to the necessary expenses, including traveling
17 expenses, incurred in the discharge of his duties. Each commissioner
18 shall hold office until his successor has been appointed and has quali-
19 fied. A certificate of the appointment or reappointment of any com-
20 missioner shall be filed with the clerk of the municipality, and such
21 certificate shall be conclusive evidence of the due and proper appoint-
22 ment of such commissioner.

23 4. The powers of an urban renewal agency shall be exercised by
24 the commissioners thereof. A majority of the commissioners shall
25 constitute a quorum for the purpose of conducting business and exer-
26 cising the powers of the agency, and for all other purposes. Action

27 may be taken by the agency upon a vote of a majority of the com-
28 missioners present, unless in any case the by-laws shall require a
29 larger number. Any persons may be appointed as commissioners if
30 they reside within the area of operation of the agency, which area
31 shall be co-terminous with the area of operation of the municipality,
32 and if they are otherwise eligible for such appointments under this
33 Act.

34 5. The mayor shall designate a chairman and vice-chairman from
35 among the commissioners. An agency may employ an executive di-
36 rector, technical experts and such other agents and employees, per-
37 manent and temporary, as it may require, and the agency may deter-
38 mine their qualifications, duties and compensation. For such legal
39 service as it may require, an agency may employ or retain its own
40 counsel and legal staff. An agency authorized to transact business
41 and exercise powers under this Act shall file, with the local governing
42 body, on or before March 31 of each year, a report of its activities
43 for the preceding calendar year, which report shall include a com-
44 plete financial statement setting forth its assets, liabilities, income
45 and operating expense as of the end of such calendar year. At the
46 time of filing the report, the agency shall publish in a newspaper of
47 general circulation in the community a notice to the effect that such
48 report has been filed with the municipality, and that the report is
49 available for inspection during business hours in the office of the city
50 clerk and in the office of the agency.

51 6. For inefficiency, or neglect of duty, or misconduct in office, a
52 commissioner may be removed only after a hearing, and after he
53 shall have been given a copy of the charges at least ten (10) days
54 prior to such hearing, and after he shall have had an opportunity to
55 be heard in person or by counsel.

1 SEC. 16. No public official or employee of a municipality, or board
2 or commission thereof, and no commissioner or employee of an urban
3 renewal agency, which has been vested by a municipality with urban
4 renewal project powers under section fourteen (14), shall voluntarily
5 acquire any personal interest, direct or indirect, in any urban re-
6 newal project, or in any property included or planned to be included
7 in any urban renewal project of such municipality, or in any contract
8 or proposed contract in connection with such urban renewal project.
9 Where such acquisition is not voluntary, the interest acquired shall
10 be immediately disclosed in writing to the local governing body, and
11 such disclosure shall be entered upon the minutes of the governing
12 body. If any such official, commissioner or employee presently owns
13 or controls, or has owned or controlled within the preceding two (2)
14 years, any interest, direct or indirect, in any property which he
15 knows is included or planned to be included in an urban renewal
16 project, he shall immediately disclose this fact in writing to the local
17 governing body, and such disclosure shall be entered upon the minutes
18 of the governing body; and any such official, commissioner or em-
19 ployee shall not participate in any action by the municipality, or
20 board or commission thereof, or urban renewal agency affecting such
21 property. Any disclosure required to be made by this section to the
22 local governing body shall concurrently be made to an urban renewal
23 agency which has been vested with urban renewal project powers by

24 the municipality pursuant to the provisions of section fourteen (14)
25 of this Act. No commissioner or other officer of any urban renewal
26 agency, board or commission exercising powers pursuant to this Act
27 shall hold any other public office under the municipality, other than
28 his commissionership or office with respect to such urban renewal
29 agency, board or commission. Any violation of the provisions of this
30 section shall constitute misconduct in office.

1 SEC. 17. The following terms wherever used or referred to in this
2 Act, shall have the following meanings, unless a different meaning is
3 clearly indicated by the context:

4 1. "Agency" or "urban renewal agency" shall mean a public agency
5 created by section fifteen (15) of this Act.

6 2. "Municipality" shall mean any city or town in the state.

7 3. "Public body" shall mean the state or any political subdivision
8 thereof.

9 4. "Local governing body" shall mean the council or other legis-
10 lative body charged with governing the municipality.

11 5. "Mayor" shall mean the mayor of a municipality, or other officer
12 or body having the duties customarily imposed upon the executive
13 head of a municipality.

14 6. "Clerk" shall mean the clerk or other official of the municipality
15 who is the custodian of the official records of such municipality.

16 7. "Federal government" shall include the United States of Amer-
17 ica or any agency or instrumentality, corporate or otherwise, of the
18 United States of America.

19 8. "Slum area" shall mean an area in which there is a predomi-
20 nance of buildings or improvements, whether residential or nonresi-
21 dential, which: by reason of dilapidation, deterioration, age or obso-
22 lescence; by reason of inadequate provision for ventilation, light, air,
23 sanitation, or open spaces; by reason of high density of population
24 and overcrowding; by reason of the existence of conditions which en-
25 danger life or property by fire and other causes; or which by any
26 combination of such factors, is conducive to ill health, transmission
27 of disease, infant mortality, juvenile delinquency, or crime, and which
28 is detrimental to the public health, safety, morals or welfare.

29 9. "Blighted area" shall mean an area which by reason of the pres-
30 ence of a substantial number of slum, deteriorated or deteriorating
31 structures, predominance of defective or inadequate street layout,
32 faulty lot layout in relation to size, adequacy, accessibility or useful-
33 ness, insanitary or unsafe conditions, deterioration of site or other
34 improvements, diversity of ownership, tax or special assessment
35 delinquency exceeding the fair value of the land, defective or unusual
36 conditions of title, or the existence of conditions which endanger life
37 or property by fire and other causes, or any combination of such fac-
38 tors, substantially impairs or arrests the sound growth of a munici-
39 pality, retards the provision of housing accommodations or consti-
40 tutes an economic or social liability and is a menace to the public
41 health, safety, morals, or welfare in its present condition and use:
42 Provided, that if such blighted area consists of open land, the condi-
43 tions contained in the proviso in section five (5), subsection four (4),
44 shall apply: And provided further, that any disaster area referred
45 to in section five (5), subsection seven (7), shall constitute a
46 "blighted area".

47 10. "Urban renewal project" may include undertakings and ac-
48 tivities of a municipality in an urban renewal area for the elimina-
49 tion and for the prevention of the development or spread of slums
50 and blight, and may involve slum clearance and redevelopment in an
51 urban renewal area, or rehabilitation or conservation in an urban
52 renewal area, or any combination or part thereof in accordance with
53 an urban renewal program. Such undertakings and activities may
54 include:

55 a. Acquisition of a slum area or a blighted area or portion thereof;

56 b. Demolition and removal of buildings and improvements;

57 c. Installation, construction, or reconstruction of streets, utilities,
58 parks, playgrounds, and other improvements necessary for carrying
59 out in the urban renewal area the urban renewal objectives of this
60 Act in accordance with the urban renewal plan;

61 d. Disposition of any property acquired in the urban renewal area,
62 including sale, initial leasing or retention by the municipality itself,
63 at its fair value for uses in accordance with the urban renewal plan;

64 e. Carrying out plans for a program of voluntary or compulsory
65 repair and rehabilitation of buildings or other improvements in ac-
66 cordance with the urban renewal plan;

67 f. Acquisition of any other real property in the urban renewal
68 area, where necessary to eliminate unhealthful, insanitary or unsafe
69 conditions, or to lessen density, eliminate obsolete or other uses detri-
70 mental to the public welfare, or otherwise to remove or prevent the
71 spread of blight or deterioration, or to provide land for needed public
72 facilities;

73 g. Sale and conveyance of real property in furtherance of an urban
74 renewal project.

75 11. "Urban renewal area" means a slum area or a blighted area,
76 or a combination thereof, which the local governing body designates
77 as appropriate for an urban renewal project.

78 12. "Urban renewal plan" means a plan, as it exists from time to
79 time, for an urban renewal project. The plan shall:

80 a. Conform to the general plan for the municipality as a whole
81 except as provided in section five (5), subsection seven (7);

82 b. Be sufficiently complete to indicate such land acquisition, demo-
83 lition and removal of structures, redevelopment, improvements, and
84 rehabilitation as may be proposed to be carried out in the urban re-
85 newal area, and to indicate zoning and planning changes, if any, land
86 uses, maximum densities, building requirements, and the plans rela-
87 tionship to definite local objectives respecting appropriate land uses,
88 improved traffic, public transportation, public utilities, recreational
89 and community facilities, and other public improvements.

90 13. "Real property" shall include all lands, including improve-
91 ments and fixtures thereon, and property of any nature appurtenant
92 thereto, or used in connection therewith, and every estate, interest,
93 right and use, legal or equitable, therein, including terms for years
94 and liens by way of judgment, mortgage or otherwise.

95 14. "Bonds" shall mean any bonds, including refunding bonds,
96 notes, interim certificates, certificates of indebtedness, debentures or
97 other obligations.

98 15. "Obligee" shall include any bondholder, agents or trustees for
99 any bondholders, or any lessor demising to the municipality prop-

100 erty used in connection with an urban renewal project, or any as-
 101 signee or assignees of such lessor's interest or any part thereof, and
 102 the federal government, when it is a party to any contract with the
 103 municipality.

104 16. "Person" shall mean any individual, firm, partnership, corpora-
 105 tion, company, association, joint stock association; and shall include
 106 any trustee, receiver, assignee, or other person acting in a similar
 107 representative capacity for an individual or such entities.

108 17. "Area of operation" shall mean the area within the corporate
 109 limits of the municipality and the area within five miles of such limits,
 110 except that it shall not include any area which lies within the terri-
 111 torial boundaries of another incorporated city or town, unless a reso-
 112 lution shall have been adopted by the governing body of such other
 113 city or town declaring a need therefor.

114 18. "Board" or "commission" shall mean a board, commission, de-
 115 partment, division, office, body or other unit of the municipality.

116 19. "Public officer" shall mean any officer who is in charge of any
 117 department or branch of the government of the municipality relating
 118 to health, fire, building regulations, or to other activities concerning
 119 dwellings in the municipality.

1 SEC. 18. Notwithstanding any other evidence of legislative in-
 2 tent, it is hereby declared to be the controlling legislative intent that
 3 if any provision of this Act, or the application thereof to any person
 4 or circumstances, is held invalid, the remainder of the Act and the
 5 application of such provision to persons or circumstances other than
 6 those as to which it is held invalid, shall not be affected thereby.

1 SEC. 19. Insofar as the provisions of this Act may be inconsistent
 2 with the provisions of any other law, the provisions of this Act shall
 3 be controlling. The powers conferred by this Act shall be in addition
 4 and supplemental to the powers conferred by any other law.

1 SEC. 20. Nothing in this Act shall be construed to permit any
 2 municipalities to construct, own, lease, or operate any housing, or
 3 residential buildings of any type, except as provided in subsection
 4 three (3) of Section eight (8) of this Act.

Approved April 2, 1957.

CHAPTER 198

ENCUMBRANCES ON PLATTED AREAS

S. F. 356

AN ACT to amend section four hundred nine point nine (409.9), Code 1954, relating to encumbrances on platted areas.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred nine point nine (409.9), Code
 2 1954, is amended by adding at the end thereof the following:
 3 "Utility easements shall not be construed to be encumbrances here-
 4 under and the location thereof with reference to the land platted may