

203 of such acquisition may be made pursuant to such agreement or to any
 204 separate agreement between or among said public agency and such entity
 205 or the other public agencies participating in such entity or any of them.
 206 Upon payment of such costs, any property so acquired shall be and become
 207 the property of the entity.”

Approved May 19, 1969.

CHAPTER 237

URBAN RENEWAL FUND AND BONDS

H. F. 562

AN ACT authorizing cities and towns to create an urban renewal fund from additional taxes produced by an urban renewal area, and to issue revenue bonds secured by and payable from such fund.

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

1 SECTION 1. Section four hundred three point nine (403.9), Code 1966,
 2 is hereby amended as follows:

3 1. By striking subsection one (1) and inserting in lieu thereof the fol-
 4 lowing:

5 “1. A municipality shall have power to periodically issue bonds in its
 6 discretion to pay the cost of carrying out the purposes and provisions of
 7 this chapter, including, but not limited to, the payment of principal and
 8 interest upon any advances for surveys and planning, and the payment
 9 of interest on bonds, herein authorized, not to exceed three years from the
 10 date the bonds are issued. The municipality shall have power to issue re-
 11 funding bonds for the payment or retirement of such bonds previously
 12 issued by it. Said bonds shall be payable solely from the income and pro-
 13 ceeds of the fund and portion of taxes referred to in subsection two (2) of
 14 section two (2) of this Act, and revenues and other funds of the municipal-
 15 ity derived from or held in connection with the undertaking and carrying
 16 out of urban renewal projects under this chapter. The municipality may
 17 pledge to the payment of the bonds the fund and portion of taxes referred
 18 to in subsection two (2) of section two (2) of this Act, and may further se-
 19 cure the bonds by a pledge of any loan, grant or contribution from the
 20 federal government or other source in aid of any urban renewal projects
 21 of the municipality under this chapter, or by a mortgage of any such urban
 22 renewal projects, or any part thereof, title which is vested in the munic-
 23 ipality.”

24 2. By striking from line seven (7) of subsection three (3) the word “six”
 25 and inserting in lieu thereof the word “seven”.

26 3. By striking subsection four (4) and inserting in lieu thereof the follow-
 27 ing:

28 “4. Such bonds may be sold at not less than par at public or private
 29 sale, or may be exchanged for other bonds on the basis of par.”

1 SEC. 2. Chapter four hundred three (403), Code 1966, is hereby amend-
 2 ed by adding thereto the following new section:

3 “A municipality may provide by ordinance that taxes levied on taxable
 4 property in an urban renewal project each year by or for the benefit of the

5 state, city or town, county, school district, or other taxing district after the
6 effective date of such ordinance, shall be divided as follows:

7 1. That portion of the taxes which would be produced by the rate upon
8 which the tax is levied each year by or for each of the taxing districts upon
9 the total sum of the assessed value of the taxable property in the urban
10 renewal project, as shown on the assessment roll used in connection with
11 the taxation of such property by such taxing district, last equalized prior
12 to the effective date of such ordinance, shall be allocated to and when col-
13 lected be paid into the fund for the respective taxing district as taxes by
14 or for said taxing district into which all other property taxes are paid. For
15 the purpose of allocating taxes levied by or for any taxing district which
16 did not include the territory in an urban renewal project on the effective
17 date of such ordinance, but to which such territory has been annexed or
18 otherwise included after such effective date, the assessment roll of the
19 county last equalized on the effective date of the ordinance shall be used
20 in determining the assessed valuation of the taxable property in the project
21 on the effective date; and

22 2. That portion of the taxes each year in excess of such amount shall be
23 allocated to and when collected be paid into a special fund of the munic-
24 ipality to pay the principal of and interest on loans, moneys advanced
25 to, or indebtedness, whether funded, refunded, assumed, or otherwise, in-
26 cluding bonds issued under the authority of section four hundred three
27 point nine (403.9), subsection one (1) of the Code, incurred by such mu-
28 nicipality to finance or refinance, in whole or in part, such redevelopment
29 project. Unless and until the total assessed valuation of the taxable prop-
30 erty in an urban renewal project exceeds the total assessed value of the tax-
31 able property in such project as shown by the last equalized assessment
32 roll referred to in subsection one (1) of this section, all of the taxes levied
33 and collected upon the taxable property in such urban renewal project
34 shall be paid into the funds for the respective taxing districts as taxes by
35 or for said taxing districts in the same manner as all other property taxes.
36 When such loans, advances, indebtedness, and bonds, if any, and interest
37 thereon, have been paid, all moneys thereafter received from taxes upon
38 the taxable property in such urban renewal project shall be paid into the
39 funds for the respective taxing districts in the same manner as taxes on
40 all other property.

41 3. The portion of taxes mentioned in subsection two (2) of this section
42 and the special fund into which they shall be paid, may be irrevocably
43 pledged by a municipality for the payment of the principal and interest on
44 loans, advances, bonds issued under the authority of section four hundred
45 three point nine (403.9), subsection one (1) of the Code, or indebtedness,
46 incurred by a municipality to finance or refinance, in whole or in part, the
47 urban renewal project.

48 4. As used in this section the word 'taxes' includes, but is not limited to,
49 all levies on an ad valorem basis upon land or real property."

Approved May 1, 1969.