

## CHAPTER 238

## URBAN RENEWAL AND LOW-RENT HOUSING

## H. F. 733

AN ACT relating to the urban-renewal law and the low-rent housing law and to legalize and validate certain actions under such laws.

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

- 1 SECTION 1. Section four hundred three point sixteen (403.16), Code  
 2 1966, is hereby amended as follows:  
 3 1. By inserting in line eight (8) after the first comma the words "as  
 4 hereinafter defined, whether".  
 5 2. By inserting in line twenty-one (21) after the second comma the words  
 6 "as hereinafter defined, whether".  
 7 3. By striking the period in line thirty-one (31) and inserting in lieu there-  
 8 of the following:  
 9 " , as the terms of such proscription are hereinafter defined. For the pur-  
 10 poses of this section the following definitions and standards of construction  
 11 shall apply:  
 12 1. 'Action affecting such property' shall include only that action direct-  
 13 ly and specifically affecting such property as a separate property but shall  
 14 not include any action, any benefits of which accrue to the public generally,  
 15 or which affects all or a substantial portion of the properties included or  
 16 planned to be included in such a project.  
 17 2. Employment by a public body, its agencies, or institutions or by any  
 18 other person having such an interest shall not be deemed an interest by  
 19 such employee or of any ownership or control by such employee of interests  
 20 of his employer. Such an employee may participate in an urban-renewal  
 21 project so long as any benefits of such participation accrue to the public  
 22 generally, such participation affects all or a substantial portion of the prop-  
 23 erties included or planned to be included in such a project, or such partic-  
 24 ipation promotes the public purposes of such project, and shall limit only  
 25 that participation by an employee which directly or specifically affects  
 26 property in which an employer of an employee has an interest.  
 27 3. The word 'participation' shall be deemed not to include discussion  
 28 or debate preliminary to a vote of a local governing body or agency upon  
 29 proposed ordinances or resolutions relating to such a project or any ab-  
 30 stention from such a vote.  
 31 4. The designation of a bank or trust company as depository, paying  
 32 agent, or agent for investment of funds shall not be deemed a matter of  
 33 interest or personal interest.  
 34 5. Stock ownership in a corporation having such an interest shall not be  
 35 deemed an indicia of an interest or of ownership or control by the person  
 36 owning such stocks when less than five percent of the outstanding stock of  
 37 the corporation is owned or controlled directly or indirectly by such person.  
 38 6. The word 'action' shall not be deemed to include resolutions advisory  
 39 to the local governing body or agency by any citizens group, board, body,  
 40 or commission designated to serve a purely advisory approving or recom-  
 41 mending function under this chapter.  
 42 7. The limitations of this section shall be construed to permit action  
 43 by a public official, commissioner, or employee where any benefits of such  
 44 action accrue to the public generally, such action affects all or a substan-

45 tial portion of the properties included or planned to be included in such a  
46 project, or such action promotes the public purposes of such project, and  
47 shall be construed to limit only that action by a public official, commis-  
48 sioner, or employee which directly or specifically affects property in which  
49 such official, commissioner, or employee has an interest or in which an  
50 employer of such official, commissioner, or employee has an interest.

51 8. No action of an official, employee of a municipality, board, or commis-  
52 sion prior to the effective date of this Act not judicially declared to be  
53 void as of such date shall be construed to be prohibited or disqualified pro-  
54 vided such action was in accord with the standards of this section as now  
55 amended. All actions which have been in accord with the standards of this  
56 section are hereby declared legal and valid."

57 4. By inserting in line forty-five (45) after the word "office" the follow-  
58 ing:

59 " , but no ordinance or resolution of a municipality or agency shall be  
60 invalid by reason of a vote or votes cast in violation of the standards of this  
61 section as now amended unless such vote or votes were decisive in the  
62 passage of such ordinance or resolution".

1 SEC. 2. Section four hundred three A point twenty-two (403A.22), Code  
2 1966, is hereby amended as follows:

3 1. By inserting in line seven (7) after the word "interest" the words  
4 " , as hereinafter defined, whether".

5 2. By inserting in line twenty-one (21) after the word "interest" the  
6 words " , as hereinafter defined, whether".

7 3. By striking from line thirty-one (31) the period and inserting in lieu  
8 thereof the following:

9 " , as the terms of such proscription are hereinafter defined. For the  
10 purposes of this section the following definitions and standards of construc-  
11 tion shall apply:

12 1. 'Action affecting such property' shall include only that action directly  
13 and specifically affecting such property as a separate property but shall  
14 not include any action of which any benefits accrue to the public generally,  
15 or which affects all or a substantial portion of the properties included or  
16 planned to be included in such a project.

17 2. Employment by a state public body, its agencies, and institutions or  
18 by any other person as defined in subsection sixteen (16) of section four  
19 hundred three point seventeen (403.17) of the Code, having such an interest  
20 shall not be deemed an interest by such employee or of any ownership or  
21 control by such employee of interests of his employer. Such an employee  
22 may participate in a low-rent housing project so long as any benefits of  
23 such participation accrue to the public generally, such participation affects  
24 all or a substantial portion of the properties included or planned to be in-  
25 cluded in such a project, or such participation promotes the public purposes  
26 of such project, and shall limit only that participation by an employee  
27 which directly or specifically affects property in which an employer of  
28 an employee has an interest.

29 3. The word 'participation' shall be deemed not to include discussion  
30 or debate preliminary to a vote by a local governing body or agency upon  
31 proposed ordinances or resolutions relating to such a project or any ab-  
32 stention from such a vote.

33 4. The designation of a bank or trust company as a depository, paying  
34 agent, or agent for investment of funds shall not be deemed a matter of  
35 interest or personal interest.

36 5. Stock ownership in a corporation having such an interest shall not be  
 37 deemed an interest or of ownership or control by the person owning such  
 38 stocks when less than five percent of the outstanding stock of the corpora-  
 39 tion is owned or controlled directly or indirectly by such person.

40 6. The word 'action' shall not be deemed to include resolutions advisory  
 41 to the local governing body or agency by any citizens group, board, body,  
 42 or commission designated to serve a purely advisory function of approving  
 43 or recommending under this chapter.

44 7. The limitations of this section shall be construed to permit action by  
 45 a public official, commissioner, or employee where any benefits of such  
 46 action accrue to the public generally, such action affects all or a substan-  
 47 tial portion of the properties included or planned to be included in such a  
 48 project, or such action promotes the public purposes of such project, and  
 49 shall be construed to limit only that action by a public official, commis-  
 50 sioner, or employee which directly or specifically affects property in which such  
 51 official, commissioner, or employee has an interest or in which an employer  
 52 of such official, commissioner, or employee has an interest.

53 8. No action of an official, employee of a municipality, or board or  
 54 commission thereof antedating the effective date of this Act not judicially  
 55 declared to be void as of such date shall be construed to be prohibited or  
 56 disqualified so long as such action was in accord with the standards of  
 57 this section as now amended and all actions which have been in accord  
 58 with the standards of this section as now amended are hereby declared  
 59 legal and valid."

60 4. By inserting in line thirty-three (33) after the word "office" the  
 61 following:

62 " , but no ordinance or resolution of a municipality or agency shall be  
 63 invalid by reason of a vote or votes cast in violation of the standards of  
 64 this section as now amended unless such vote or votes were decisive in the  
 65 passage of such ordinance or resolution".

1 SEC. 3. If any section, subsection, paragraph, sentence, clause, or  
 2 phrase of this Act is for any reason held to be unconstitutional or invalid,  
 3 such unconstitutionality or invalidity shall not affect the constitutionality  
 4 or validity of the remaining portions of this Act. The general assembly  
 5 hereby declares that it would have passed this Act and each section, sub-  
 6 section, paragraph, sentence, clause, or phrase hereof, irrespective of wheth-  
 7 er any one or more of the sections, subsections, paragraphs, sentences,  
 8 clauses, or phrases be declared unconstitutional.

1 SEC. 4. This Act, being deemed of immediate importance, shall take  
 2 effect and be in force from and after its publication in The Clinton Herald,  
 3 a newspaper published in Clinton, Iowa, and the Ames Daily Tribune, a  
 4 newspaper published in Ames, Iowa.

Approved April 16, 1969.

I hereby certify that the foregoing Act, House File 733, was published in The Clinton Herald, Clinton, Iowa, April 21, 1969 and in the Ames Daily Tribune, Ames, Iowa, April 18, 1969.  
 MELVIN D. SYNHORST, *Secretary of State.*