

16.181 Housing trust fund.

1. *a.* A housing trust fund is created within the authority. The moneys in the housing trust fund are annually appropriated to the authority to be used for the development and preservation of affordable housing for low-income people in the state. Payment of interest, recaptures of awards, or other repayments to the housing trust fund shall be deposited in the fund. Notwithstanding section 12C.7, interest or earnings on moneys in the housing trust fund or appropriated to the fund shall be credited to the fund. Notwithstanding section 8.33, unencumbered and unobligated moneys remaining in the fund at the close of each fiscal year shall not revert but shall remain available for expenditure for the same purposes in the succeeding fiscal year.

b. Assets in the housing trust fund shall consist of all of the following:

(1) Any assets received by the authority from the Iowa housing corporation.

(2) Any assets transferred by the authority for deposit in the housing trust fund.

(3) Any other moneys appropriated by the general assembly and any other moneys available to and obtained or accepted by the authority for placement in the housing trust fund.

c. The authority shall create the following programs within the housing trust fund:

(1) Local housing trust fund program. Sixty percent of available moneys in the housing trust fund shall be allocated for the local housing trust fund program. Any moneys remaining in the local housing trust fund program on April 1 of each fiscal year which have not been awarded to a local housing trust fund may be transferred to the project-based housing program at any time prior to the end of the fiscal year.

(2) Project-based housing program. Forty percent of the available moneys in the housing trust fund shall be allocated to the project-based housing program.

2. *a.* In order to be eligible to apply for funding from the local housing trust fund program, a local housing trust fund must be approved by the authority and have all of the following:

(1) A local governing board recognized by the city, county, council of governments, or regional officials as the board responsible for coordinating local housing programs.

(2) A housing assistance plan approved by the authority.

(3) Sufficient administrative capacity in regard to housing programs.

(4) A local match requirement approved by the authority.

b. An award from the local housing trust fund program shall not exceed ten percent of the balance in the program at the beginning of the fiscal year plus ten percent of any deposits made during the fiscal year.

c. By December 31 of each year, a local housing trust fund receiving moneys from the local housing trust fund program shall submit a report to the authority itemizing expenditures of the awarded moneys.

3. In an area where no local housing trust fund exists, a person may apply for moneys from the project-based housing program.

4. The authority shall adopt rules pursuant to chapter 17A necessary to administer this section.

Coordination of federal funding received by department of economic development for the community development block grant program and for the HOME investment partnership program with projects under this section; 2003 Acts, ch 179, § 155