

419.1 Definitions.

As used in this chapter, unless the context otherwise requires:

1. “*Beginning businessperson*” means an individual with an aggregate net worth of the individual and the individual’s spouse and children of less than one hundred thousand dollars. Net worth means total assets minus total liabilities as determined in accordance with generally accepted accounting principles.
2. “*Bonds*” of a municipality includes bonds, notes or other securities.
3. “*Contracting party*” or “*other contracting party*” means any party to a sale contract or loan agreement except the municipality.
4. “*Corporation*” includes a corporation whether organized for profit or not for profit for which the secretary of state has issued a certificate of incorporation or a permit for the transaction of business within the state and further includes a cooperative association.
5. “*Equip*” means to install or place on or in any building or improvements or the site thereof equipment of any and every kind, including, without limiting the generality of the foregoing, machinery, utility service connections, building service equipment, fixtures, heating equipment, and air conditioning equipment and including, in the case of portable equipment used for pollution control, all such machinery and equipment which maintains a substantial connection with the building or improvement or the site thereof where installed, placed, or primarily based.
6. “*Governing body*” means the board, council or other body in which the legislative powers of the municipality are vested.
7. “*Lease*” includes a lease containing an option to purchase the project for a nominal sum upon payment in full, or provision therefor, of all bonds issued in connection with the project and all interest thereon and all other expenses incurred in connection with the project, and a lease containing an option to purchase the project at any time, as provided therein, upon payment of the purchase price which shall be sufficient to pay all bonds issued in connection with the project and all interest thereon and all other expenses incurred in connection with the project, but which payment may be made in the form of one or more notes, debentures, bonds or other secured or unsecured debt obligations of the lessee providing for timely payments, including without limitation, interest thereon sufficient for such purposes and delivered to the municipality or to the trustee under the indenture pursuant to which the bonds were issued. A single lease may contain both of the foregoing options.
8. “*Lessee*” includes a single person, firm or corporation or any two or more persons, firms or corporations which shall lease the project as tenants-in-common or otherwise and which shall undertake rental payments and other monetary obligations under the lease of the project sufficient in the aggregate to satisfy the rental and other monetary obligations required by this chapter to be undertaken by the lessee of a project.
9. “*Loan agreement*” means an agreement providing for a municipality to loan the proceeds derived from the issuance of bonds pursuant to this chapter to one or more contracting parties to be used to pay the cost of one or more projects and providing for the repayment of such loan by the other contracting party or parties, and which may provide for such loans to be secured or evidenced by one or more notes, debentures, bonds or other secured or unsecured debt obligations of the contracting party or parties, delivered to the municipality or to the trustee under the indenture pursuant to which the bonds were issued.
10. “*Mortgage*” shall include a deed of trust.
11. “*Municipality*” means any county, or any incorporated city in this state.
12. “*Project*” means all or any part of, or any interest in:
 - a. Land, buildings, or improvements, whether or not in existence at the time of issuance of the bonds issued under this chapter, which are suitable for the use of any of the following:
 - (1) A voluntary nonprofit hospital, clinic, or health care facility as defined in section 135C.1, subsection 7.
 - (2) One or more physicians for an office building to be used exclusively by professional health care providers, including appropriate ancillary facilities.
 - (3) A private college or university or a state institution governed under chapter 262 whether for the establishment or maintenance of the college or university or state institution.
 - (4) An industry or industries for the manufacturing, processing, or assembling of

agricultural or manufactured products, even though the processed products may require further treatment before delivery to the ultimate consumer.

(5) A commercial enterprise engaged in storing, warehousing, or distributing products of agriculture, mining, or industry including but not limited to barge facilities and riverfront improvements useful and convenient for the handling and storage of goods and products.

(6) A facility for the generation of electrical energy through the use of a renewable energy source including but not limited to hydroelectric and wind generation facilities.

(7) A facility engaged in research and development activities.

(8) A national, regional, or divisional headquarters facility of a company that does multistate business.

(9) A museum, library, or tourist information center.

(10) A telephone company.

(11) A beginning businessperson for any purpose.

(12) A commercial amusement or theme park.

(13) A housing unit or complex for persons who are elderly or persons with disabilities.

(14) A fair or exposition held in the state, other than the Iowa state fair, which is a member of the association of Iowa fairs.

(15) A sports facility.

(16) A facility for an organization described in section 501(c)(3) of the Internal Revenue Code which is exempt from federal income tax under section 501(a) of the Internal Revenue Code.

b. Pollution control facilities which are suitable for use by any industry, commercial enterprise or utility. “*Pollution control facilities*” means any land, buildings, structures, equipment, including portable equipment, pipes, pumps, dams, reservoirs, improvements, or other facilities useful for the purpose of reducing, preventing, or eliminating pollution of the water or air by reason of the operations of any industry, commercial enterprise or utility or for the disposal, including without limitation recycling, of solid waste. “*Improve*”, “*improving*” and “*improvements*” include any real property, personal property or mixed property of any and every kind that can be used or that will be useful in connection with a project, including but not limited to rights-of-way, roads, streets, sidings, trackage, foundations, tanks, structures, pipes, pipelines, reservoirs, utilities, materials, equipment, fixtures, machinery, furniture, furnishings, improvements, instrumentalities and other real, personal, or mixed property of every kind, whether above or below ground level.

c. Purposes that are eligible for financing from qualified midwestern disaster area bonds authorized under the federal Emergency Economic Stabilization Act of 2008, Pub. L. No. 110-343, together with any other financing necessary or desirable in connection with such purposes.

d. Purposes for which tax-exempt financing is authorized by the Internal Revenue Code, together with any other financing necessary or desirable in connection with such purposes.

13. “*Revenues*” of a project, or derived from a project, include payments under a lease or sale contract and repayments under a loan agreement, or under notes, debentures, bonds and other secured or unsecured debt obligations of a lessee or contracting party delivered as herein provided.

14. “*Sale contract*” means a contract providing for the sale of one or more projects to one or more contracting parties and includes a contract providing for payment of the purchase price in one or more installments. If the sale contract permits title to the project to pass to the other contracting party or parties prior to payment in full of the entire purchase price, it shall also provide for the other contracting party or parties to deliver to the municipality or to the trustee under the indenture pursuant to which the bonds were issued one or more notes, debentures, bonds or other secured or unsecured debt obligations of such contracting

party or parties providing for timely payments, including without limitation, interest thereon for the balance of the purchase price at or prior to the passage of such title.

[C66, 71, 73, 75, 77, 79, 81, §419.1; 81 Acts, ch 130, §1; 82 Acts, ch 1001, §1, ch 1049, §1, 2, ch 1132, §1]

83 Acts, ch 47, §1; 83 Acts, ch 182, §1; 84 Acts, ch 1266, §22; 94 Acts, ch 1162, §1; 96 Acts, ch 1129, §91; 2009 Acts, ch 100, §17, 21; 2012 Acts, ch 1023, §157; 2013 Acts, ch 90, §99

Referred to in §419.17, 419.18

[T] Subsection 12, paragraph c amended