

15.338 Nuisance property remediation assistance — fund.

1. *a.* The economic development authority shall establish a nuisance property remediation fund pursuant to [section 15.106A, subsection 1](#), paragraph “o”, for purposes of providing financial assistance to cities for the remediation of nuisance properties and abandoned buildings and other structures. The authority shall administer the fund in a manner designed to make funds annually available to cities for purposes of this section.

b. The authority may administer a fund established for purposes of this section as a revolving fund. The fund may consist of any moneys appropriated by the general assembly for purposes of this section and any other moneys that are lawfully available to the authority, including moneys transferred or deposited from other funds created pursuant to [section 15.106A, subsection 1](#), paragraph “o”.

c. The authority shall use any moneys specifically appropriated for purposes of this section only for the purposes of this section. The authority may use all other moneys in the fund, including interest, earnings, recaptures, and repayments for purposes of this section or the authority may transfer the other moneys to other funds created pursuant to [section 15.106A, subsection 1](#), paragraph “o”.

d. Notwithstanding [section 8.33](#), moneys in the nuisance property remediation fund at the end of each fiscal year shall not revert to any other fund but shall remain in the fund for expenditure for subsequent fiscal years.

e. The authority may use not more than five percent of the moneys in the fund at the beginning of the fiscal year for purposes of administrative costs, finance, compliance, marketing, and program support.

2. The authority shall use moneys in the fund to provide financial assistance to cities for the remediation of nuisance properties and abandoned buildings and other structures. Such financial assistance may include loans or forgivable loans. The authority may provide financial assistance under this section using a competitive scoring process.

3. In providing financial assistance under this section, the authority may give priority to cities with severe blighted areas, widespread dilapidated housing stock, or high rates of low or moderate income residents.

4. The authority shall enter into an agreement with each city for the receipt of financial assistance under this section. The authority may negotiate the terms of the agreement.

5. In providing financial assistance under [this section](#), the authority shall coordinate with a city to develop a plan for the use of funds that is consistent with the community development, housing, and economic development goals of the city. The terms of the agreement entered into pursuant to [subsection 4](#) and the use of financial assistance provided under [this section](#) shall reflect the plan developed based on a city’s goals.

6. If a city receives financial assistance under this section, the amount of any lien created for costs related to remediation of the property shall not include any moneys that the city received pursuant to this section to remediate the property.

7. The authority shall submit a report to the general assembly and the governor’s office on or before January 31, 2019, describing the results of the program implemented pursuant to this section and making recommendations for additional program changes.

[2015 Acts, ch 136, §48, 54, 55; 2016 Acts, ch 1073, §8](#)

Referred to in [§15.335B](#)