

CHAPTER 22
NUISANCE PROPERTY AND ABANDONED BUILDING REMEDIATION ASSISTANCE

Chapter rescission date pursuant to Iowa Code section 17A.7: 12/3/30

261—22.1(15) Definitions. For purposes of this chapter unless the context otherwise requires:

“Abandoned building” means a building that has remained vacant and been in violation of the applicable housing code or building code for a period of six consecutive months.

“Applicant” means a city applying for financial assistance under the program.

“Authority” means the economic development authority created in Iowa Code section 15.105.

“Building” means a structure that is:

1. Used or intended to be used for commercial or industrial purposes; or
2. Used or intended to be used for residential purposes; or
3. Used or intended to be used for both commercial or industrial and residential purposes.

“Costs directly related” means expenditures that are incurred for acquisition, demolition, disposal, redevelopment, or rehabilitation of a project to the extent that they are attributable directly to the remediation or redevelopment of the property or its improvements. “Costs directly related” includes expenditures for site preparation work, surveying, construction materials, construction labor, architectural services, engineering services, building permits, building inspection fees, and interest accrued on a construction loan during the time period allowed for project completion under an agreement entered into pursuant to the program. “Costs directly related” does not include expenditures for furnishings, appliances, accounting services, legal services, loan origination and other financing costs, syndication fees and related costs, developer fees, or the costs associated with selling or renting the dwelling units whether incurred before or after completion of the project.

“Director” means the director of the authority.

“Financial assistance” means a loan or forgivable loan made by the authority to an applicant approved for funding under the program.

“Nuisance property” means a building, structure, or other real estate that is, or is likely to become, a public nuisance.

“Program” means the nuisance property and abandoned building remediation assistance program established pursuant to this chapter.

“Project” means remediation or redevelopment of nuisance properties and abandoned buildings. “Project” may include properties at multiple sites and locations, whether contiguous or not, as long as all properties to be remediated or redeveloped are included in the proposed plan upon application and as long as the proposed plan demonstrates the steps and actions necessary to further remediation and redevelopment efforts in a comprehensive and coordinated manner.

“Public nuisance” means the same as defined in Iowa Code section 657A.1 and includes buildings with blighting characteristics as described in Iowa Code section 403.2.

“Redevelopment” means development activities associated with a project that are undertaken either for the purpose of remediating nuisance properties or abandoned buildings; for constructing new buildings or improvements at a site where formerly existing buildings have been demolished; or for rehabilitating, reusing or repurposing existing buildings or improvements at a project site. “Redevelopment” typically includes projects that result in the elimination of blighting characteristics as described in Iowa Code section 403.2.

“Remediation” or *“remediating”* means the demolition, disposal, removal, repair, improvement, or rehabilitation of nuisance property or abandoned buildings at a site included in a project.

[ARC 9652C, IAB 10/29/25, effective 12/3/25]

261—22.2(15) Program description.

22.2(1) Amount, form, and timing of assistance. The program provides financial assistance to cities for the redevelopment or remediation of nuisance properties and abandoned buildings and other structures.

The amount of assistance awarded will be negotiated between each applicant and the authority based on the total amount of funds available to the authority for the program and based on the project details.

22.2(2) Application.

a. Each fiscal year in which funding is available, the authority will accept applications for the assistance under the program and make funding decisions on a rolling basis.

b. Information on submitting an application under the program is available on the authority's website.

22.2(3) Use of funds.

a. An applicant shall use funds only for purposes of the costs directly related to the project and provide documentation or other information establishing the actual costs incurred for a project. Failure to use the funds for purpose of the costs directly related to a project shall be grounds for default under the contract entered pursuant to this chapter.

b. If a city receives financial assistance under the program, the amount of any lien created for costs related to remediation of a property included in a project plan shall not include any moneys that the city received pursuant to this chapter for the remediation of the property. The contract executed pursuant to rule 261—22.4(15) will include a provision implementing this requirement.

[ARC 9652C, IAB 10/29/25, effective 12/3/25]

261—22.3(15) Eligibility and funding decisions.

22.3(1) To be eligible under the program, an applicant shall be a city interested in addressing issues of slum and blight through the remediation or redevelopment of nuisance properties or abandoned buildings.

22.3(2) Scoring criteria for applications may include but are not limited to financial need, project impact, plan to address the nuisance property or abandoned building, and other criteria as determined appropriate by the authority.

22.3(3) Each eligible application will be scored by authority staff. The director will make the final funding decision on each application, taking into consideration the amount of available funding, the numerical score of the application, and the funding recommendation of authority staff. The director may approve, deny, or defer funding for any application.

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261—22.4(15) Contract. Each applicant that is approved for financial assistance under the program shall enter into a contract with the authority. The contract will establish the terms on which the financial assistance is to be provided and may include any other terms necessary for administration of the program. The authority may require that an applicant utilize a grant administrator as a condition to receipt of financial assistance.

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These rules are intended to implement Iowa Code section 15.338.

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