

House File 654

S-3200

1 Amend House File 654, as passed by the House, as
2 follows:

3 1. Page 8, after line 6 by inserting:

4 <DIVISION
5 REINVESTMENT DISTRICTS AND FLOOD MITIGATION

6 Sec. _____. Section 15J.4, subsection 3, paragraph a,
7 Code 2015, is amended to read as follows:

8 a. The municipality shall submit a copy of the
9 resolution, the proposed district plan, and all
10 accompanying materials adopted pursuant to this section
11 to the board for evaluation. The board shall not
12 approve a proposed district plan ~~or an amendment to an~~
13 ~~existing district's plan~~ on or after July 1, 2018.

14 Sec. _____. Section 28F.12, Code 2015, is amended to
15 read as follows:

16 **28F.12 Additional powers of the entity.**

17 1. If the entity is comprised solely of cities,
18 counties, and sanitary districts established under
19 chapter 358, or any combination thereof, the entity
20 shall have in addition to all the powers enumerated in
21 this chapter, the powers ~~which~~ that a county has with
22 respect to solid waste disposal projects.

23 2. If the entity is comprised solely of cities,
24 counties, and sanitary districts established under
25 chapter 358, or any combination thereof, it is a
26 governmental entity with respect to projects undertaken
27 pursuant to chapter 418 and may exercise all of the
28 powers of a governmental entity under that chapter in
29 connection with the flood mitigation project. Unless
30 otherwise provided in chapter 418, if undertaking a
31 flood mitigation project as a governmental entity
32 under chapter 418, the provisions of chapter 418 shall
33 prevail over any conflicting provision in this chapter.

34 Sec. _____. Section 418.1, subsection 4, paragraph c,
35 unnumbered paragraph 1, Code 2015, is amended to read
36 as follows:

37 A joint board or other legal or administrative
38 entity established or designated in an agreement
39 pursuant to chapter 28E or 28F between any of the
40 following:

41 Sec. _____. Section 418.1, subsection 4, paragraph
42 c, Code 2015, is amended by adding the following new
43 subparagraph:

44 NEW SUBPARAGRAPH. (4) One or more counties, one or
45 more cities that are located in whole or in part within
46 those counties, and one or more sanitary districts
47 established under chapter 358 or a combined water and
48 sanitary district as provided for in sections 357.1B
49 and 358.1B, located in whole or in part within those
50 counties.

1 Sec. _____. Section 418.4, subsection 1, paragraph b,
2 Code 2015, is amended to read as follows:

3 b. A governmental entity as defined in section
4 418.1, subsection 4, paragraph "c", shall have the
5 power to construct, acquire, own, repair, improve,
6 operate, and maintain a project, may sue and be sued,
7 contract, and acquire and hold real and personal
8 property, subject to the limitation in paragraph
9 "c", and shall have such other powers as may be
10 included in the chapter 28E or 28F agreement. Such a
11 governmental entity may contract with a city or the
12 county participating in the ~~chapter 28E~~ agreement
13 to perform any governmental service, activity, or
14 undertaking that the city or county is authorized by
15 law to perform, including but not limited to contracts
16 for administrative services.

17 Sec. _____. Section 418.11, subsection 3, paragraph
18 c, Code 2015, is amended to read as follows:

19 c. For projects approved for a governmental
20 entity as defined in section 418.1, subsection 4,
21 paragraph "c", the area used to determine the sales
22 tax increment shall include the incorporated areas
23 of each participating city ~~that is participating in~~
24 ~~the chapter 28E agreement~~, the unincorporated areas
25 of ~~the~~ each participating county, and the area of any
26 participating drainage district not otherwise included
27 in the areas of the participating cities or county, and
28 the area served by any sanitary district or combined
29 water and sanitary district and not otherwise included
30 in the areas of the participating cities or counties,
31 as applicable.

32 Sec. _____. Section 418.11, subsection 3, Code 2015,
33 is amended by adding the following new paragraph:

34 NEW PARAGRAPH. d. For all projects, the area used
35 to determine the sales tax increment shall not include
36 any parcels of real property that are included in a
37 reinvestment district designated pursuant to chapter
38 15J.

39 Sec. _____. Section 418.14, subsection 3, paragraph
40 a, Code 2015, is amended to read as follows:

41 a. Except as otherwise provided in this section,
42 bonds issued pursuant to this section shall not be
43 subject to the provisions of any other law or charter
44 relating to the authorization, issuance, or sale of
45 bonds. Bonds issued under this section shall not limit
46 or restrict the authority of a governmental entity as
47 defined in section 418.1, subsection 4, paragraphs
48 "a" and "b", or a city, county, ~~or~~ drainage district,
49 sanitary district, or combined water and sanitary
50 district participating in a governmental entity as

1 defined in section 418.1, subsection 4, paragraph "c",
2 to issue bonds for the project under other provisions
3 of the Code.

4 Sec. _____. Section 418.14, subsection 4, paragraph
5 b, Code 2015, is amended to read as follows:

6 b. If the moneys in the governmental entity's
7 flood project fund are insufficient to pay the
8 governmental entity's costs related to bonds, notes,
9 or other obligations issued under this chapter, the
10 amounts necessary to pay such costs may be levied and
11 transferred for deposit in the governmental entity's
12 flood project fund from the debt service fund of
13 the governmental entity or, if applicable, the debt
14 service fund of a participating city or county for
15 a governmental entity as defined in section 418.1,
16 subsection 4, paragraph "c", but only if and to the
17 extent provided in the resolution authorizing the
18 issuance of bonds and, if applicable, the chapter 28E
19 or 28F agreement.

20 Sec. _____. Section 418.15, subsection 4, Code 2015,
21 is amended to read as follows:

22 4. All property and improvements acquired by
23 a governmental entity as defined in section 418.1,
24 subsection 4, paragraph "c", relating to a project
25 shall be transferred to the county, city, ~~or~~ drainage
26 district, sanitary district, or combined water and
27 sanitary district designated in the chapter 28E or 28F
28 agreement to receive such property and improvements.
29 The county, city, ~~or~~ drainage district, sanitary
30 district, or combined water and sanitary district to
31 which such property or improvements are transferred
32 shall, unless otherwise provided in the chapter
33 28E or 28F agreement, be solely responsible for the
34 ongoing maintenance and support of such property and
35 improvements.

36 Sec. _____. Section 423.2, subsection 11, paragraph
37 b, Code 2015, is amended by adding the following new
38 subparagraph:

39 NEW SUBPARAGRAPH. (05) Beginning the first day
40 of the calendar quarter beginning on the reinvestment
41 district's commencement date, subject to remittance
42 limitations established by the economic development
43 authority board pursuant to section 15J.4, subsection
44 3, transfer to a district account created in the state
45 reinvestment district fund for each reinvestment
46 district established under chapter 15J, the amount of
47 new state sales tax revenue, determined in section
48 15J.5, subsection 1, paragraph "b", in the district,
49 that remains after the prior transfers required
50 under this paragraph "b". Such transfers shall cease

1 pursuant to section 15J.8.

2 Sec. _____. Section 423.2, subsection 11, paragraph
3 b, subparagraph (6), Code 2015, is amended by striking
4 the subparagraph.

5 Sec. _____. Section 423.2, Code 2015, is amended by
6 adding the following new subsection:

7 NEW SUBSECTION. 11A. Of the amount of sales tax
8 revenue actually transferred per quarter pursuant to
9 subsection 11, paragraph "b", subparagraphs (05) and
10 (5), the department shall retain an amount equal to
11 the actual cost of administering the transfers under
12 subsection 11, paragraph "b", subparagraphs (05) and
13 (5), or twenty-five thousand dollars, whichever is
14 less. The amount retained by the department pursuant
15 to this subsection shall be divided pro rata each
16 quarter between the amounts that would have been
17 transferred pursuant to subsection 11, paragraph "b",
18 subparagraphs (05) and (5), without the deduction made
19 by operation of this subsection. Revenues retained by
20 the department pursuant to this subsection shall be
21 considered repayment receipts as defined in section
22 8.2.

23 Sec. _____. EFFECTIVE UPON ENACTMENT. This division
24 of this Act, being deemed of immediate importance,
25 takes effect upon enactment.

26 Sec. _____. RETROACTIVE AND OTHER APPLICABILITY.

27 1. Except as provided in subsection 3, this
28 division of this Act applies retroactively to
29 reinvestment districts designated under chapter 15J in
30 existence on or after July 1, 2014.

31 2. Except as provided in subsection 3, this
32 division of this Act applies to flood mitigation
33 project plan applications received under chapter
34 418 before, on, or after the effective date of this
35 division of this Act.

36 3. The sections of this division of this Act
37 amending section 423.2, subsection 11, and enacting
38 section 423.2, subsection 11A, apply to transfers of
39 sales tax revenues made on or after July 1, 2015.

40 DIVISION

41 NUISANCE PROPERTIES AND ABANDONED BUILDINGS

42 Sec. _____. Section 15.335B, subsection 2, paragraph
43 a, Code 2015, is amended by adding the following new
44 subparagraph:

45 NEW SUBPARAGRAPH. (8) For deposit in the nuisance
46 property remediation fund created pursuant to section
47 15.338.

48 Sec. _____. NEW SECTION. 15.338 Nuisance property
49 remediation assistance — fund.

50 1. a. The economic development authority shall

1 establish a nuisance property remediation fund pursuant
2 to section 15.106A, subsection 1, paragraph "o",
3 for purposes of providing financial assistance to
4 cities for the remediation of nuisance properties
5 and abandoned buildings and other structures. The
6 authority shall administer the fund in a manner
7 designed to make funds annually available to cities for
8 purposes of this section.

9 *b.* The authority may administer a fund established
10 for purposes of this section as a revolving fund. The
11 fund may consist of any moneys appropriated by the
12 general assembly for purposes of this section and
13 any other moneys that are lawfully available to the
14 authority, including moneys transferred or deposited
15 from other funds created pursuant to section 15.106A,
16 subsection 1, paragraph "o".

17 *c.* The authority shall use any moneys specifically
18 appropriated for purposes of this section only for the
19 purposes of this section. The authority may use all
20 other moneys in the fund, including interest, earnings,
21 recaptures, and repayments for purposes of this section
22 or the authority may transfer the other moneys to other
23 funds created pursuant to section 15.106A, subsection
24 1, paragraph "o".

25 *d.* Notwithstanding section 8.33, moneys in the
26 nuisance property remediation fund at the end of each
27 fiscal year shall not revert to any other fund but
28 shall remain in the fund for expenditure for subsequent
29 fiscal years.

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

34 2. The authority shall use moneys in the fund
35 to provide financial assistance to cities for the
36 remediation of nuisance properties and abandoned
37 buildings and other structures. Such financial
38 assistance may include grants, loans, forgivable loans,
39 or other forms of financial assistance as necessary to
40 effectuate the purposes of this section. The authority
41 may provide financial assistance under this section
42 using a competitive scoring process.

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

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

1 of the agreement.

2 5. In providing financial assistance under this
3 section, the authority shall coordinate with a city to
4 develop a plan for the use of funds that is consistent
5 with the community development, housing, and economic
6 development goals of the city. The terms of the
7 agreement entered into pursuant to subsection 3 and the
8 use of financial assistance provided under this section
9 shall reflect the plan developed based on a city's
10 goals.

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

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

21 Sec. _____. Section 657A.1, subsections 1 and 3, Code
22 2015, are amended to read as follows:

23 1. "*Abandoned*" or "*abandonment*" means that a
24 building has remained vacant and has been in violation
25 of the housing code or building code of the city in
26 which the property is located or the housing code or
27 building code applicable in the county in which the
28 property is located if outside the limits of a city for
29 a period of six consecutive months.

30 3. "*Building*" means a building or structure located
31 in a city or outside the limits of a city in a county,
32 which is used or intended to be used for commercial
33 or industrial purposes or which is used or intended
34 to be used for residential purposes, and includes a
35 building or structure in which some floors may be used
36 for retail stores, shops, salesrooms, markets, or
37 similar commercial uses, or for offices, banks, civic
38 administration activities, professional services, or
39 similar business or civic uses, and other floors are
40 used, designed, or intended to be used for residential
41 purposes.

42 Sec. _____. Section 657A.10A, subsection 1, paragraph
43 b, Code 2015, is amended to read as follows:

44 b. The petition shall be filed in the district
45 court of the county in which the property is located.
46 Service on the owner and any other named respondents
47 shall be by personal service or certified mail and or,
48 if service cannot be made by either method, by posting
49 the notice in a conspicuous place on the building and
50 by publication in a newspaper of general circulation in

1 the city. The action shall be in equity.
2 Sec. _____. Section 657A.10A, subsection 3,
3 paragraphs d, f, and j, Code 2015, are amended to read
4 as follows:
5 d. Whether the building meets the city's housing
6 code ~~for~~ as being fit for human habitation, occupancy,
7 or use.
8 f. Whether the building is boarded up or otherwise
9 secured from unauthorized entry.
10 j. Past and current compliance with orders of the
11 local housing or building code official.
12 Sec. _____. Section 657A.10A, subsection 3,
13 Code 2015, is amended by adding the following new
14 paragraphs:
15 NEW PARAGRAPH. *0e.* Whether the building meets the
16 city's building code as being fit for occupancy or use.
17 NEW PARAGRAPH. *0h.* Whether those claiming an
18 interest in the property have, prior to the filing
19 of the petition, demonstrated a good-faith effort to
20 restore the property to productive use.
21 Sec. _____. Section 657A.10A, subsections 4 and 5,
22 Code 2015, are amended to read as follows:
23 4. In lieu of the considerations in subsection 3,
24 if the city can establish to the court's satisfaction
25 that all parties with an interest in the property have
26 received proper notice and either consented to the
27 entry of an order awarding title to the property to the
28 city or did not make a ~~good-faith~~ good-faith effort to
29 comply with the order of the local housing or building
30 code official within sixty days after the filing of the
31 petition, the court shall enter judgment against the
32 respondents granting the city title to the property.
33 5. If the court determines that the property has
34 been abandoned or that subsection 4 applies, the court
35 shall enter judgment and order awarding title to the
36 city. The title awarded to the city shall be free and
37 clear of any claims, liens, or encumbrances held by the
38 respondents.>
39 2. Title page, line 3, after <retroactive> by
40 inserting <and other>
41 3. By renumbering, redesignating, and correcting
42 internal references as necessary.

COMMITTEE ON WAYS AND MEANS
JOE BOLKCOM, CHAIRPERSON