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JAN 18 1979

Place On Calendar

HOUSE FILE 81

By COMMITTEE ON WAYS AND MEANS

(Formerly House File 13)

Passed House, Date 1-1-79 (p 4.36) Passed Senate, Date \_\_\_\_\_

Vote: Ayes 79 Nays 18 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved May 10, 1979

### A BILL FOR

1 An Act relating to property tax exemptions for property on  
 2 which improvements have been made in a revitalization  
 3 area of a city and authorizing cities to issue revenue  
 4 bonds for revitalization and urban renewal areas.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

6 *2117 strike see*

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3152, 3124-4

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1 Section 1. NEW SECTION. The governing body of a city  
2 may, by ordinance, designate an area of the city as a  
3 revitalization area, if that area is either of the following:

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4 1. An area in which there is a predominance of buildings  
5 or improvements, whether residential or nonresidential, which  
6 by reason of dilapidation, deterioration, obsolescence,  
7 inadequate provision for ventilation, light, air, sanitation,  
8 or open spaces, high density of population and overcrowding,  
9 the existence of conditions which endanger life or property  
10 by fire and other causes or a combination of such factors,  
11 is conducive to ill health, transmission of disease, infant  
12 mortality, juvenile delinquency or crime, and which is  
13 detrimental to the public health, safety, or welfare.

14 2. An area which by reason of the presence of a substan-  
15 tial number of deteriorated or deteriorating structures,  
16 predominance of defective or inadequate street layout,  
17 incompatible land use relationships, faulty lot layout in  
18 relation to size, adequacy, accessibility or usefulness,  
19 unsanitary or unsafe conditions, deterioration of site or  
20 other improvements, diversity of ownership, tax or special  
21 assessment delinquency exceeding the actual value of the land,  
22 defective or unusual conditions of title, or the existence  
23 of conditions which endanger life or property by fire and  
24 other causes, or a combination of such factors, substantially  
25 impairs or arrests the sound growth of a municipality, retards  
26 the provision of housing accommodations or constitutes an  
27 economic or social liability and is a menace to the public  
28 health, safety, or welfare in its present condition and use.

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29 Sec. 2. NEW SECTION. A city may only exercise the  
30 authority conferred upon it in this Act after the following  
31 conditions have been met:

32 1. The governing body has adopted a resolution finding  
33 that the rehabilitation, conservation, redevelopment, or a  
34 combination thereof of the area is necessary in the interest  
35 of the public health, safety, or welfare of the residents

1 of the city and the area meets the criteria of section one  
2 (1) of this Act.

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3 2. The city has prepared a proposed plan for the designated  
4 revitalization area. The proposed plan shall include all  
5 of the following:

6 a. A legal description of the real estate forming the  
7 boundaries of the proposed area along with a map depicting  
8 the existing parcels of real estate.

9 b. The existing assessed valuation of the real estate  
10 in the proposed area, listing the land and building values  
11 separately.

12 c. A list of names and addresses of the owners of record  
13 of real estate within the area.

14 d. The existing zoning classifications and district  
15 boundaries and the existing and proposed land uses within  
16 the area.

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17 e. Any proposals for improving or expanding city services  
18 within the area including but not limited to transportation  
19 facilities, sewage, garbage collection, street maintenance,  
20 park facilities and police and fire protection.

21 f. A statement specifying whether the revitalization is  
22 applicable to residential, commercial or industrial property  
23 within the designated area or a combination thereof and whether  
24 the revitalization is for rehabilitation and additions to

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25 existing buildings or new construction or both. The city  
26 shall state how long it is estimated that the area shall  
27 remain a designated revitalization area which time shall be  
28 longer than one year from the date of designation and shall

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29 state any plan by the city to issue revenue bonds for  
30 revitalization projects within the area.

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31 g. The provisions that have been made for the relocation  
32 of persons, including families, business concerns and others,  
33 whom the city anticipates will be displaced as a result of  
34 improvements to be made in the designated area.

35 h. Any tax exemption schedule that shall be used in lieu

3114 { 1 of the schedule set out in subsection one (1), two (2) or  
2 three (3) of section three (3) of this Act. This schedule  
3 shall not allow a greater exemption, but may allow a smaller  
4 exemption, than allowed in the schedule specified in the  
5 corresponding subsection of section three (3) of this Act  
3122-6 and shall be the same schedule used for all property located  
7 in an existing revitalization area.

3171, 3123, 3142 >

8 3. The city has filed a copy of the proposed plan for  
9 the designated revitalization area with the city development  
10 board by the fourteenth day before the scheduled public  
11 hearing.

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12 4. The city has scheduled a public hearing and notified  
13 all owners of record of real property located within the

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14 proposed area and the city development board in accordance  
15 with section three hundred sixty-two point three (362.3) of

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16 the Code. In addition to notice by publication, notification  
17 shall also be given by ordinary mail to the last known address

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18 of the owners of record.

19 5. The public hearing has been held.

20 6. The city development board has approved the proposed  
21 plan for the designated area. However, if the board does  
22 not approve or object, by notifying the city within thirty  
23 days after receipt of the minutes of the first public hearing,  
24 the board shall be deemed to have approved the proposed plan.  
25 If the board objects by notifying the city within thirty days  
26 after receipt of the minutes of the first public hearing,  
27 the city shall hold a second public hearing. At this second  
28 hearing, the city may offer an amended plan or consider the  
29 specifics of the board's objection.

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30 7. The city has adopted the proposed or amended plan,  
31 as the case may be, for the revitalization area after the  
32 requisite number of hearings. The city may subsequently amend  
33 this plan by following the procedures in this section.

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34 Sec. 3. NEW SECTION.

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35 1. All qualified real estate assessed as residential

1 property or assessed as commercial property, consisting of  
2 three or more separate living quarters with at least seventy-  
3 five percent of the space used for residential purposes, is  
4 eligible to receive a one hundred percent exemption from  
5 taxation on the actual value added by the improvements. The  
6 exemption is for a period of ten years.

7 2. All qualified real estate is eligible to receive a  
8 partial exemption from taxation on the actual value added  
9 by the improvements. The exemption is for a period of ten  
10 years. The amount of the partial exemption is equal to a  
11 percent of the actual value added by the improvements,  
12 determined as follows:

- 13 a. For the first year, eighty percent.
- 14 b. For the second year, seventy percent.
- 15 c. For the third year, sixty percent.
- 16 d. For the fourth year, fifty percent.
- 17 e. For the fifth year, forty percent.
- 18 f. For the sixth year, forty percent.
- 19 g. For the seventh year, thirty percent.
- 20 h. For the eighth year, thirty percent.
- 21 i. For the ninth year, twenty percent.
- 22 j. For the tenth year, twenty percent.

23 3. All qualified real estate is eligible to receive a  
24 one hundred percent exemption from taxation on the actual  
25 value added by the improvements. The exemption is for a  
26 period of three years.

27 4. The owners of qualified real estate eligible for the  
28 exemption provided in this section shall elect to take the  
29 applicable exemption provided in subsection one (1), two (2)  
30 or three (3) of this section. Once the election has been  
31 made and the exemption granted, the owner is not permitted  
32 to change the method of exemption.

33 5. The tax exemption schedule specified in subsection  
34 one (1), two (2) or three (3) of this section shall apply  
35 to every revitalization area within a city unless a different

3130 { 1 schedule is adopted in the city plan as provided in section  
 2 two (2) of this Act. However, a city shall not adopt a dif-  
 3 ferent schedule unless every revitalization area within the  
 3120-4 city has the same schedule applied to it and the schedule  
 5 adopted does not provide for a larger tax exemption in a  
 6 particular year than is provided for that year in the schedule  
 7 specified in the corresponding subsection of this section.

8 6. "Qualified real estate" as used in this Act means real  
 9 property, other than land, which is located in a designated  
 10 revitalization area and to which improvements have been added,  
 11 during the time the area was so designated, which have  
 12 increased the actual value by at least fifteen percent, or  
 13 at least ten percent in the case of real property assessed  
 3149-14 as residential property. "Qualified real estate" also means  
 3122-15 land upon which no structure existed at the start of the new  
 16 construction, which is located in a designated revitalization  
 17 area and upon which new construction has been added during  
 3124, 3125-18 the time the area was so designated. "Improvements" as used  
 19 in this Act includes rehabilitation and additions to existing  
 20 structures as well as new construction on vacant land or on  
 3164, 3132-21 land with existing structures. "Actual value added by the  
 3122-22 improvements" as used in this Act means the actual value added  
 23 as of the first year for which the exemption was received.

3142, 3125 > 24 Sec. 4. NEW SECTION. A person may submit a proposal for  
 3120-25 an improvement project to the governing body of the city to  
 26 receive prior approval for eligibility for a tax exemption  
 27 on the project. The governing body shall, by resolution,  
 28 give its prior approval for an improvement project if the  
 29 project is in conformance with the plan for revitalization  
 3130-30 developed by the city. Such prior approval shall not entitle  
 31 the owner to exemption from taxation until the improvements  
 32 have been completed and found to be qualified real estate;  
 33 however, if the proposal is not approved, the person may  
 34 submit an amended proposal for the governing body to approve  
 35 or reject.

1 An application shall be filed for each new exemption  
2 claimed. The first application for an exemption shall be  
3 filed by the owner of the property with the governing body  
3130-4 of the city in which the property is located by February first  
5 of the assessment year for which the exemption is first  
6 claimed, but not later than the year in which all improvements  
7 included in the project are first assessed for taxation.  
8 The application shall contain, but not be limited to, the  
9 following information: the nature of the improvement, its  
3143-10 cost, the estimated date of completion, the tenants that oc-  
3130-11 cupied the owner's building on the date the city adopted the  
12 resolution referred to in subsection one (1) of section two  
13 (2) of this Act, and which exemption in section three (3)  
3122-14 of this Act will be elected.

3130-15 The governing body of the city shall approve the applica-  
16 tion, subject to review by the local assessor pursuant to  
17 section five (5) of this Act, if the project is in conformance  
3130-18 with the plan for revitalization developed by the city, is  
19 located within a designated revitalization area and if the  
20 improvements were made during the time the area was so  
3130-21 designated. The governing body of the city shall forward  
22 for review all approved applications to the appropriate local  
23 assessor by March first of each year with a statement  
3114-24 indicating whether subsection one (1), two (2) or three (3)  
3122-25 of section three (3) of this Act applies. Applications for  
26 exemption for succeeding years on approved projects shall  
27 not be required.

28 Sec. 5. NEW SECTION. The local assessor shall review  
29 each first-year application to determine if the improvements  
3133-30 made increased the actual value of the qualified real estate  
31 by at least fifteen percent or at least ten percent in the  
3142-32 case of real property assessed as residential property. If  
33 the assessor determines that the actual value of that real  
34 estate has increased by at least fifteen percent or at least  
3142-35 ten percent in the case of real property assessed as

5142-1 residential property, the assessor shall proceed to determine  
2 the actual value of the property and certify the valuation  
3 determined pursuant to section three (3) of this Act to the  
4 county auditor at the time of transmitting the assessment  
5 rolls. However, if a new structure is erected on land upon  
3122-6 which no structure existed at the start of the new  
7 construction, the assessor shall proceed to determine the  
8 actual value of the property and certify the valuation  
9 determined pursuant to section three (3) of this Act to the  
10 county auditor at the time of transmitting the assessment  
11 rolls. The assessor shall notify the applicant of the  
12 determination, and the assessor's decision may be appealed  
13 to the local board of review at the times specified in section  
14 four hundred forty-one point thirty-seven (441.37) of the  
15 Code. If an application for exemption is denied as a result  
16 of failure to sufficiently increase the value of the real  
17 estate as provided in section three (3) of this Act, the owner  
18 may file a first annual application in a subsequent year when  
19 additional improvements are made to satisfy requirements of  
20 section three (3) of this Act, and the provisions of section  
21 four (4) of this Act shall apply. After the tax exemption  
22 is granted, the local assessor shall continue to grant the  
23 tax exemption, after annual physical review by the assessor,  
(24 for the time period specified in subsection one (1), two (2)  
3114  
3122-25 or three (3) of section three (3) of this Act under which  
26 the exemption was granted. The tax exemptions for the  
27 succeeding years shall be granted without the taxpayer having  
28 to file an application for the succeeding years.

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29 Sec. 6. NEW SECTION. When in the opinion of the governing  
3130-30 body of a city the desired level of revitalization has been  
31 attained or economic conditions are such that the continuation  
32 of the exemption granted by this Act would cease to be of  
3130-33 benefit to the city, the governing body may repeal the  
3122-34 ordinance establishing a revitalization area. In that event,  
35 all existing exemptions shall continue until their expiration.

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Sec. 7. NEW SECTION. Residential and agricultural real

2 estate located within an area designated as a revitalization

3150, 3119 -3

3 area pursuant to section one (1) of this Act, are not subject

4 to the additional tax imposed by section four hundred forty-

3158, 3119

5 five point sixty-three (445.63) of the Code.

3150, 3124

3129, 3136

3152, 3153

3163, 317

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Sec. 8. Section three hundred sixty-eight point ten

7 (368.10), unnumbered paragraph one (1), Code 1979, is amended

8 to read as follows:

9 The board shall conduct studies of city development, and

10 shall submit an annual report to the governor and the general

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11 assembly. This report shall include an analysis of all plans

12 for designated revitalization areas filed with the board

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3150, 3153

3152, 3136

13 pursuant to sections one (1) through seven (7) of this Act

14 since the last annual report.

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Sec. 9. Section four hundred three point nine (403.9),

16 Code 1979, is amended by adding the following new subsection:

17 NEW SUBSECTION. Municipalities may also issue revenue

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18 bonds for projects located within an urban renewal area or

19 an area designated a revitalization area pursuant to sections

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3153, 3136

20 one (1) through seven (7) of this Act. The revenue bonds

21 shall be issued pursuant to the provisions of chapter four

22 hundred nineteen (419) of the Code and all provisions of

23 chapter four hundred nineteen (419) of the Code, to the extent

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24 consistent with the provisions of this chapter in the case

25 of urban renewal areas or of sections one (1) through seven

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3153, 3136

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26 (7) of this Act in the case of revitalization areas, shall

27 apply, except that:

28 a. The term "project" as defined in section four hundred

29 nineteen point one (419.1) of the Code includes land, build-

30 ings, or improvements which are suitable for use as resi-

31 dential property or for the use of a commercial enterprise

32 or nonprofit organization which the governing body finds is

33 consistent with the urban renewal plan or the revitalization

34 plan, as the case may be.

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b. Sections four hundred nineteen point eight (419.8)

<sup>3/118</sup> 1 and four hundred nineteen point fourteen (419.14) of the Code  
<sup>2/130</sup> 2 do not limit the powers of a municipality granted under this  
<sup>3/156, 3/153, 3/152, 3/135</sup> 3 chapter in the case of an urban renewal area or under sections  
<sup>3/156, 3/153, 3/152, 3/135</sup> 4 one (1) through seven (7) of this Act in the case of a re-  
<sup>3/156, 3/153, 3/152, 3/135</sup> 5 vitalization area.

<sup>3/156, 3/153, 3/152, 3/135</sup> 6 The power to issue revenue bonds pursuant to this subsec-  
<sup>3/156, 3/153, 3/152, 3/135</sup> 7 tion is in addition to other powers granted municipalities  
<sup>3/156, 3/153, 3/152, 3/135</sup> 8 to aid urban renewal areas and revitalization areas.

<sup>3/156, 3/153, 3/152, 3/135</sup> 9 Sec. 10. This Act applies to all cities including special  
<sup>3/156, 3/153, 3/152, 3/135</sup> 10 charter cities.

<sup>3/156, 3/153, 3/152, 3/135</sup> 11 Sec. 11. This Act, being deemed of immediate importance,  
<sup>3/156, 3/153, 3/152, 3/135</sup> 12 shall take effect from and after its publication in The Decorah  
<sup>3/156, 3/153, 3/152, 3/135</sup> 13 Journal, a newspaper published in Decorah, Iowa, and in the  
<sup>3/156, 3/153, 3/152, 3/135</sup> 14 Marshalltown Times-Republican, a newspaper published in  
<sup>3/156, 3/153, 3/152, 3/135</sup> 15 Marshalltown, Iowa.

**EXPLANATION**

<sup>3/156, 3/153, 3/152, 3/135</sup> 17 This bill authorizes cities to designate an area a  
<sup>3/156, 3/153, 3/152, 3/135</sup> 18 revitalization area if it meets certain criteria and the city  
<sup>3/156, 3/153, 3/152, 3/135</sup> 19 follows certain procedures. Any improvements made to property  
<sup>3/156, 3/153, 3/152, 3/135</sup> 20 within a revitalization area, if they increase the value by  
<sup>3/156, 3/153, 3/152, 3/135</sup> 21 15 percent or 10 percent in the case of residential property,  
<sup>3/156, 3/153, 3/152, 3/135</sup> 22 may be eligible for property tax abatement. There are three  
<sup>3/156, 3/153, 3/152, 3/135</sup> 23 options for this abatement but only residential property can  
<sup>3/156, 3/153, 3/152, 3/135</sup> 24 choose all three options. Option one exempts the value of  
<sup>3/156, 3/153, 3/152, 3/135</sup> 25 the improvements added from property taxes for ten years but  
<sup>3/156, 3/153, 3/152, 3/135</sup> 26 only for residential property. Option two exempts a percent  
<sup>3/156, 3/153, 3/152, 3/135</sup> 27 of the actual value of the improvements added from property  
<sup>3/156, 3/153, 3/152, 3/135</sup> 28 taxes for ten years. This option starts at 80 percent and  
<sup>3/156, 3/153, 3/152, 3/135</sup> 29 declines each year to 20 percent for the last year. Option  
<sup>3/156, 3/153, 3/152, 3/135</sup> 30 three exempts the actual value of the improvements added but  
<sup>3/156, 3/153, 3/152, 3/135</sup> 31 only for three years.

<sup>3/156, 3/153, 3/152, 3/135</sup> 32 Section 7 provides an additional exemption for residential  
<sup>3/156, 3/153, 3/152, 3/135</sup> 33 and agricultural real property in revitalization areas.

<sup>3/156, 3/153, 3/152, 3/135</sup> 34 Section 9 authorizes use of revenue bonds under chapter  
<sup>3/156, 3/153, 3/152, 3/135</sup> 35 419 of the Code for both urban renewal and revitalization

1 area projects.

2     The bill will be effective upon publication.

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FISCAL NOTE  
HOUSE FILE 81

Requested by Representative West  
January 19, 1979

In compliance with a written request, there is submitted a Fiscal Note for H. F. 81, pursuant to Joint Rule 16:

House File 81, An Act relating to property tax exemptions for property on which improvements have been made in a revitalization area of a city and authorizing cities to issue revenue bonds for revitalization and urban renewal areas.

H.F. 81 authorizes cities to designate an area as a revitalization area if it meets certain criteria and the city follows certain procedures. Any improvements made to property within a revitalization area, if they increase the value by 15 percent or 10 percent in the case of residential property, may be eligible for property tax abatement. There are three options for this abatement but only residential property can choose all three options. Option one exempts the value of the improvements added from property taxes for ten years but only for residential property. Option two exempts a percent of the actual value of the improvements added from property taxes for ten years. This option starts at 80 percent and declines each year to 20 percent for the last year. Option three exempts the actual value of the improvements added but only for three years.

There is an additional exemption for residential and agricultural real property in revitalization areas in Section 7.

Section 9 authorizes use of revenue bonds under Chapter 419 of the Code for both urban renewal and revitalization area projects.

The program would have no direct effect on state revenues. Further, the exemption would not result in property valuations which are less than the year preceding the implementation of the program, and thus, would have no direct effect on current property tax rates. The long-range impact of the program would be an increase in the property tax base of various cities. However, a projection of the increase in property values or the resulting impact on property tax rates which may result from the proposal cannot be given.

The proposed expansion of eligibility for revenue bonds would have no effect on state revenues.

Source: Department of Revenue

FILED  
JANUARY 22, 1979

GERRY D. RANKIN  
Legislative Fiscal Bureau

HOUSE FILE 81  
FISCAL NOTE

DATE: MARCH 8, 1979  
REQUESTED BY: SENATOR COMITO

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In compliance with a written request received February 22, 19 79, there is hereby submitted a Fiscal Note for H.F. 81, Amend. S-3176 pursuant to Joint Rule 16. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

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Amendment S-3176 to House File 81

The effect of this amendment cannot be determined due to lack of information.

FILED  
MARCH 8, 1979

BY GERRY RANKIN, DIRECTOR  
LEGISLATIVE FISCAL BUREAU

H-3113

1 Amend House File 81 as follows:

2 1. Page 3, by inserting after line 29 the  
3 following:

4 "7. A second public hearing has been held upon  
5 the receipt by the governing body of a petition signed  
6 by at least ten percent of the owners of record of  
7 real property located within the proposed area and  
8 by at least ten percent of the adults renting real  
9 property located within the proposed area. The  
10 petition must be filed not later than sixty days after  
11 the holding of the first public hearing. Upon receipt  
12 and verification of the petition, the governing body  
13 shall hold a second public hearing, with notice as  
14 provided in subsection four (4) of this section, no  
15 sooner than sixty days nor later than six months after  
16 the first hearing. The governing body does not have  
17 to hold two separate public hearings under subsections  
18 six (6) and seven (7) of this section for the same  
19 area."

H-3113 FILED *Adopted as amended* BY BINA of Scott  
JANUARY 18, 1979 *by 3170 1/24(346)*  
*motion to reconsider p. 346 w/d 1/21(425)* HOUSE FILE 81  
H-3114

1 Amend House File 81 as follows:

2 1. Page 3, lines 1 and 2, by striking the words  
3 and figures ", two (2) or three (3)" and inserting  
4 in lieu thereof the words and figure "or two (2)".

5 2. Page 4, by striking lines 23 through 26.

6 3. Page 4, lines 29 and 30, by striking the words  
7 and figures ", two (2) or three (3)" and inserting  
8 in lieu thereof the words and figure "or two (2)".

9 4. Page 4, line 34, by striking the words and  
10 figures ", two (2) or three (3)" and inserting in  
11 lieu thereof the words and figure "or two (2)".

12 5. Page 6, line 24, by striking the words and  
13 figures ", two (2) or three (3)" and inserting in  
14 lieu thereof the words and figure "or two (2)".

15 6. Page 7, lines 24 and 25, by striking the words  
16 and figures ", two (2) or three (3)" and inserting  
17 in lieu thereof the words and figure "or two (2)".

H-3114 FILED *Placed out of order* BY BINA of Scott  
JANUARY 18, 1979 *with adoption*  
*of 3170 1/24(p. 345)*

H-3117

1 Amend House File 81 as follows:

2 1. By striking everything after the enacting  
3 clause and inserting in lieu thereof the following:

4 "Section 1. NEW SECTION. The governing body of  
5 a city may, by ordinance, designate an area of the  
6 city as a revitalization area, if that area is either  
7 of the following:

8 1. An area in which there is a predominance of  
9 buildings or improvements, whether residential or  
10 nonresidential, which by reason of dilapidation,  
11 deterioration, age, obsolescence, inadequate provision  
12 for ventilation, light, air, sanitation, or open  
13 spaces, high density of population and overcrowding,  
14 the existence of conditions which endanger life or  
15 property by fire and other causes or a combination  
16 of such factors, is conducive to ill health,  
17 transmission of disease, infant mortality, juvenile  
18 delinquency or crime, and which is detrimental to  
19 the public health, safety, or welfare.

20 2. An area which by reason of the presence of  
21 a substantial number of deteriorated or deteriorating  
22 structures, predominance of defective or inadequate  
23 street layout, faulty lot layout in relation to size,  
24 adequacy, accessibility or usefulness, unsanitary  
25 or unsafe conditions, deterioration of site or other  
26 improvements, diversity of ownership, tax or special  
27 assessment delinquency exceeding the actual value  
28 of the land, defective or unusual conditions of title,  
29 or the existence of conditions which endanger life  
30 or property by fire and other causes, or a combination  
31 of such factors, substantially impairs or arrests  
32 the sound growth of a municipality, retards the  
33 provision of housing accommodations or constitutes  
34 an economic or social liability and is a menace to  
35 the public health, safety, or welfare in its present  
36 condition and use.

37 Sec. 2. NEW SECTION. A city may only exercise  
38 the authority conferred upon it in this Act after  
39 the following conditions have been met:

40 1. The governing body has adopted a resolution  
41 finding that the rehabilitation, conservation,  
42 redevelopment, or a combination thereof of the area  
43 is necessary in the interest of the public health,  
44 safety, or welfare of the residents of the city and  
45 the area meets the criteria of section one (1) of  
46 this Act.

47 2. The city has prepared a plan for the designated  
48 revitalization area. The plan shall include:

49 a. A legal description of the real estate forming  
50 the boundaries of the proposed area along with a map

H-3117

1 depicting the existing parcels of real estate and  
2 their use within the proposed area.

3 b. The existing assessed valuation of the real  
4 estate in the area delineating land and improvement  
5 values.

6 c. A list of names and addresses of the owners  
7 of record of real estate within the area.

8 d. The existing zoning classifications and  
9 districts within the area. When the plan involves  
10 specific development projects there shall be an  
11 analysis of the projects which shall include costs  
12 and cost estimates of the projects, a schedule of  
13 the time anticipated for the completion of major  
14 segments as well as the entire project, and evidence  
15 of the arrangement made by both the owner and the  
16 developer for financing the costs of the project.

17 e. Proposals for improving or expanding city  
18 services within the area including but not limited  
19 to transportation facilities, sewage, garbage  
20 collection, street maintenance, park facilities and  
21 police and fire protection.

22 f. A statement specifying whether the  
23 revitalization is applicable to residential, commercial  
24 or industrial property within the designated area  
25 or a combination thereof and whether the revitalization  
26 is for rehabilitation and additions to existing  
27 buildings or new construction or both. The city shall  
28 state how long it is estimated that the area shall  
29 remain a designated revitalization area which time  
30 shall be longer than one year from the date of designa-  
31 tion and shall state any plan by the city to issue  
32 revenue bonds for revitalization projects within the  
33 area.

34 g. The provisions that have been made for the  
35 relocation of persons, including families, business  
36 concerns and others, whom the city anticipates will  
37 be displaced as a result of improvements to be made  
38 in the designated area.

39 3. The city has filed a copy of the plan for the  
40 designated revitalization area with the city  
41 development board at least thirty days before the  
42 scheduled public hearing.

43 4. The city has scheduled a public hearing and  
44 notified all owners of record of real property located  
45 within the proposed area and the city development  
46 board in accordance with section three hundred sixty-  
47 two point three (362.3) of the Code. In addition  
48 to notice by publication, notification shall also  
49 be given by ordinary mail to the last known address  
50 of the owners of record.

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1 5. The public hearing has been held.

2 6. The city development board has approved the  
3 plan for the designated area. However, in lieu of  
4 the board's approval, the city may schedule a second  
5 public hearing with notice as provided in subsection  
6 four (4) of this section no sooner than sixty days  
7 nor later than six months after the first hearing.  
8 At this second hearing, the city may offer an amended  
9 plan or consider the specifics of the board's  
10 objection. After the second public hearing, the city  
11 may by ordinance designate an area a revitalization  
12 area without city development board approval if all  
13 other requirements have been met.

14 7. A second public hearing has been held upon  
15 the receipt by the governing body of a petition signed  
16 by at least ten percent of the owners of record of  
17 real property located within the proposed area and  
18 by at least ten percent of the adults renting real  
19 property located within the proposed area. The  
20 petition must be filed not later than sixty days after  
21 the holding of the first public hearing. Upon receipt  
22 and verification of the petition, the governing body  
23 shall hold a second public hearing, with notice as  
24 provided in subsection four (4) of this section, no  
25 sooner than sixty days nor later than six months after  
26 the first hearing. The governing body does not have  
27 to hold two separate public hearings under subsections  
28 six (6) and seven (7) of this section for the same  
29 area.

30 Sec. 3. NEW SECTION.

31 1. If an area zoned for residential use or  
32 commercial use for residential purposes or mixed  
33 commercial and residential uses is rezoned on or after  
34 the effective date of this Act for any other use,  
35 the city shall not adopt a resolution designating  
36 that area as a part of a revitalization area for at  
37 least five years after the date on which that area  
38 was rezoned.

39 2. After the city designates an area a  
40 revitalization area, the city shall not rezone an  
41 area zoned for residential use or commercial use for  
42 residential purposes or mixed commercial and  
43 residential uses to any other use within that  
44 revitalization area during the time the area remains  
45 designated a revitalization area or for seven years  
46 from the date of the designation as a revitalization  
47 area, whichever time is the lesser.

48 3. The provisions in this section restricting  
49 a city from designating an area a revitalization area  
50 if that area has been rezoned or restricting a city

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1 from rezoning an area within a revitalization area  
2 do not apply to any of the following:

3 a. The rezoning of an area consisting solely of  
4 land on which no structure exists at the time of  
5 rezoning unless structures previously existing on  
6 the land have been removed for the purpose of  
7 qualifying for this exception.

8 b. The rezoning of an area if before the rezoning  
9 the city has entered into agreements with all  
10 developers and the persons and businesses involved  
11 to insure that relocation payments or rent supplements  
12 will be provided as required by section seven (7)  
13 of this Act.

14 c. The rezoning of an area for which an urban  
15 renewal project has been approved pursuant to chapter  
16 four hundred three (403) of the Code.

17 d. The rezoning of an area if the governing body  
18 has provided in its plan that the percentage of real  
19 property, based on land area, located within that  
20 area which will be used for residential use, commercial  
21 use for residential purposes or mixed commercial and  
22 residential use will approximate the percentage of  
23 real property, based on land area, used for those  
24 purposes before the rezoning. This exception shall  
25 apply only to areas rezoned by a two-thirds vote of  
26 the members of the governing board.

27 4. For purposes of this section, zoning for "mixed  
28 commercial and residential uses" means a zoning  
29 classification in which small scale commercial uses  
30 are permitted in an otherwise predominantly residential  
31 environment.

32 Sec. 4. NEW SECTION.

33 1. All qualified real estate is eligible to receive  
34 a one hundred percent exemption from assessment and  
35 taxation on the actual value, not to exceed two hundred  
36 fifty thousand dollars, added to that real estate  
37 by the improvements. The exemption is for a period  
38 of seven years.

39 2. All qualified real estate assessed as commercial  
40 property, consisting of three or more separate living  
41 quarters, with at least seventy-five percent of the  
42 space used for residential purposes, or assessed as  
43 residential property is eligible to receive a partial  
44 exemption from assessment and taxation for a period  
45 of ten years. The amount of the partial exemption  
46 is equal to a percent of the actual value of the  
47 existing buildings and the actual value added by the  
48 improvements made during the time the area was  
49 designated a revitalization area, determined as  
50 follows:

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- 1 a. For the first year, fifty percent.
- 2 b. For the second year, forty-five percent.
- 3 c. For the third year, forty percent.
- 4 d. For the fourth year, thirty-five percent.
- 5 e. For the fifth year, thirty percent.
- 6 f. For the sixth year, twenty-five percent.
- 7 g. For the seventh year, twenty-five percent.
- 8 h. For the eighth year, twenty percent.
- 9 i. For the ninth year, twenty percent.
- 10 j. For the tenth year, fifteen percent.

11 However, the amount of actual value used in  
12 computing the assessed value of the existing buildings  
13 and those improvements shall not be less during the  
14 ten-year exemption period than it was in the year  
15 immediately preceding the year in which an exemption  
16 is first granted.

17 3. The owners of qualified real estate eligible  
18 for the exemption provided in subsection two (2) of  
19 this section shall elect to take either the exemption  
20 provided in subsection one (1) or subsection two (2)  
21 of this section. Once the election has been made  
22 and the exemption granted, the owner is not permitted  
23 to change the method of exemption.

24 4. "Qualified real estate" as used in this Act  
25 means real property, other than land, which is located  
26 in a designated revitalization area and to which  
27 improvements have been added, during the time the  
28 area was so designated, which have increased the  
29 actual value by at least twenty-five percent or at  
30 least fifteen percent in the case of real property  
31 assessed as residential property. "Qualified real  
32 estate" also means land upon which no structure existed  
33 at the start of the new construction, which is located  
34 in a designated revitalization area and upon which  
35 new construction has been added during the time the  
36 area was so designated. "Improvements" as used in  
37 this Act includes rehabilitation and additions to  
38 existing structures as well as new construction on  
39 vacant land or on land with existing structures.

40 Sec. 5. NEW SECTION. A person may submit a  
41 proposal for a construction project to the governing  
42 body of the city to seek prior approval for eligibility  
43 for a tax exemption on the project. The governing  
44 body shall, by resolution, give its prior approval  
45 for a construction project if the project is in  
46 conformance with the plan for revitalization developed  
47 by the city. If the proposal is not approved, the  
48 person may submit an amended proposal for the governing  
49 body to approve or reject.

50 An application shall be filed for each new exemption

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1 claimed. The first application for an exemption shall  
2 be filed by the owner of the property with the  
3 governing body of the city in which the property is  
4 located by February first of the assessment year for  
5 which the exemption is first claimed, but not later  
6 than the year in which all improvements included in  
7 the construction project are first assessed for  
8 taxation. The application shall be made on forms  
9 prescribed by the director of revenue, and shall  
10 contain information pertaining to the nature of the  
11 improvement, its cost, the completion date or estimated  
12 completion date of construction of the improvement,  
13 and other information deemed necessary by the director  
14 of revenue. The governing body of the city shall  
15 approve the application, subject to review by the  
16 local assessor pursuant to section six (6) of this  
17 Act, if the construction project is in conformance  
18 with the plan for revitalization developed by the  
19 city, is located within a designated revitalization  
20 area and the improvements were made during the time  
21 the area was so designated. The governing body of  
22 the city shall forward for review all approved  
23 applications to the appropriate local assessor by  
24 March first of each year with a statement indicating  
25 whether subsection one (1) or subsection two (2) of  
26 section four (4) of this Act would apply. Applications  
27 for exemption for succeeding years on approved projects  
28 shall be filed directly with the local assessor by  
29 March first on claims prescribed by the director of  
30 revenue.

31 Sec. 6. NEW SECTION. The local assessor shall  
32 review each first-year application to determine if  
33 the improvements made increased the actual value of  
34 the qualified real estate by at least twenty-five  
35 percent or at least fifteen percent in the case of  
36 real property assessed as residential property. If  
37 the assessor determines that the actual value of that  
38 real estate has increased by at least twenty-five  
39 percent or at least fifteen percent in the case of  
40 real property assessed as residential property, the  
41 assessor shall proceed to determine the actual value  
42 of the property and certify the valuation determined  
43 pursuant to section four (4) of this Act to the county  
44 auditor at the time of transmitting the assessment  
45 rolls. However, if a new structure is erected on  
46 land upon which no structure existed at the start  
47 of the construction project, the assessor shall proceed  
48 to determine the actual value of the property and  
49 certify the valuation determined pursuant to section  
50 four (4) of this Act to the county auditor at the

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1 time of transmitting the assessment rolls. The  
2 assessor shall notify the applicant of the  
3 determination, and the assessor's decision may be  
4 appealed to the local board of review at the times  
5 specified in section four hundred forty-one point  
6 thirty-seven (441.37) of the Code. If an application  
7 for exemption is denied as a result of failure to  
8 sufficiently increase the value of the real estate  
9 as provided in section four (4) of this Act, the owner  
10 may file a first annual application in a subsequent  
11 year when additional improvements are made to satisfy  
12 requirements of section four (4) of this Act, and  
13 the provisions of section five (5) of this Act shall  
14 apply. For applications for each succeeding year,  
15 the local assessor shall determine the actual value  
16 of the property and certify to the county auditor  
17 the valuation of the property as determined pursuant  
18 to section four (4) of this Act.

19 Sec. 7. NEW SECTION. Upon application to it and  
20 after verification by it, the city shall provide  
21 relocation payments to or with respect to persons,  
22 including families, business concerns and others  
23 displaced as a result of improvements made in a  
24 designated revitalization area. The payments shall  
25 be made for moving expenses and losses of property  
26 for which reimbursement or compensation has not  
27 otherwise been provided. In addition, the city shall  
28 provide rent supplements to families who are forced  
29 to relocate because of improvements made within the  
30 area, if necessary in order to house the family in  
31 decent, safe and sanitary housing and if the family  
32 does not have sufficient means, as determined by the  
33 city, to pay the required rent for such housing and  
34 if reimbursement or compensation has not otherwise  
35 been provided. A rent supplement for a family shall  
36 not continue for more than five years.

37 Sec. 8. NEW SECTION. When in the opinion of the  
38 governing body of a city the desired level of  
39 revitalization has been attained or economic conditions  
40 are such that the continuation of the exemption granted  
41 by this Act would cease to be of benefit to the city,  
42 the governing body may repeal the ordinance  
43 establishing a revitalization area. In such event,  
44 all existing exemptions shall continue until their  
45 expiration.

46 Sec. 9. NEW SECTION. Residential real estate  
47 located within an area designated as a revitalization  
48 area pursuant to section one (1) of this Act, is not  
49 subject to the additional tax imposed by section four  
50 hundred forty-five point sixty-three (445.63) of the

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1 Code.

2 Sec. 10. Section three hundred sixty-eight point  
3 ten (368.10), unnumbered paragraph one (1), Code 1979,  
4 is amended to read as follows:

5 The board shall conduct studies of city development,  
6 and shall submit an annual report to the governor  
7 and the general assembly. This report shall include  
8 an analysis of all plans for designated revitalization  
9 areas filed with the board pursuant to this Act since  
10 the last annual report.

11 Sec. 11. Section four hundred three point nine  
12 (403.9), Code 1979, is amended by adding the following  
13 new subsection:

14 NEW SUBSECTION. Municipalities may also issue  
15 revenue bonds for projects located within an urban  
16 renewal area or an area designated a revitalization  
17 area pursuant to this Act. These revenue bonds shall  
18 be issued pursuant to the provisions of chapter four  
19 hundred nineteen (419) of the Code and all provisions  
20 of chapter four hundred nineteen (419) of the Code,  
21 to the extent consistent with the provisions of this  
22 chapter in the case of urban renewal areas or of this  
23 Act in the case of revitalization areas, shall apply,  
24 except that:

25 a. The term "project" as defined in section four  
26 hundred nineteen point one (419.1) of the Code includes  
27 land, buildings, or improvements which are suitable  
28 for use as residential property or for the use of  
29 a commercial enterprise or nonprofit organization  
30 which the governing body finds is consistent with  
31 the urban renewal plan or the revitalization plan,  
32 as the case may be.

33 b. Sections four hundred nineteen point eight  
34 (419.8) and four hundred nineteen point fourteen  
35 (419.14) of the Code shall not be construed to limit  
36 the powers of a municipality granted under this chapter  
37 in the case of an urban renewal area or under this  
38 Act in the case of a revitalization area.

39 The power to issue revenue bonds pursuant to this  
40 subsection is in addition to other powers granted  
41 municipalities to aid urban renewal areas and  
42 revitalization areas.

43 Sec. 12. This Act applies to all cities including  
44 special charter cities.

45 Sec. 13. This Act is effective January first  
46 following its enactment."

H-3117 FILED *Last 1/23 (p. 316)*  
JANUARY 19, 1979

BY BINA of Scott  
NORLAND of Worth  
LLOYD-JONES of Johnson  
BRANDT of Black Hawk

HOUSE FILE 81

H-3118

- 1 Amend House File 81 as follows:
- 2 1. Page 8, by striking lines 10 and 11 and by
- 3 inserting in lieu thereof the following: "shall submit
- 4 an annual report to the governor and to such members
- 5 of the general assembly as request it. This report
- 6 shall include an analysis of all plans",
- 7 2. Page 8, by striking line 35.
- 8 3. Page 9, line 1, by striking the word "and" and
- 9 by inserting in lieu thereof the words "b. Section".
- 10 4. Page 9, line 2, by striking the word "do" and
- 11 inserting in lieu thereof the word "does".

H-3118 FILED *A. Adopted; B. withdrawn* BY CONLON of Muscatine  
 JANUARY 19, 1979 *1/21 (p. 413)* HANSON of Delaware

HOUSE FILE 81

H-3119

- 1 Amend House File 81 as follows:
- 2 1. Page 8, line 1, by striking the words "and
- 3 agricultural".
- 4 2. Page 8, line 3, by striking the word "are"
- 5 and inserting in lieu thereof the word "is".

H-3119 FILED *Adopted 1/29 (p. 381)* BY PERKINS of Greene  
 JANUARY 19, 1979

HOUSE FILE 81

H-3120

- 1 Amend House File 81 as follows:
- 2 1. Page 9, by inserting after line 8 the
- 3 following new section:
- 4 "Sec. .It is the intent of the general
- 5 assembly that a significant portion of the funds
- 6 provided through the issuance of revenue bonds by
- 7 the Iowa housing finance authority be made available
- 8 to the owners of residential property for
- 9 rehabilitation of housing located in urban
- 10 revitalization areas designated pursuant to this
- 11 Act. Further, it is the intent of the general
- 12 assembly to encourage the rehabilitation of
- 13 existing residential housing in urban revitalization
- 14 areas, and to discourage needless demolition and
- 15 redevelopment of residential housing."

H-3120 FILED *Adopted as amended by* BY CHIODO of Polk  
 JANUARY 19, 1979 *3162 1/21 (p. 414)*

H-3121

- 1 Amend House File 81 as follows:  
 2 1. Page 8, by inserting after line 14 the following  
 3 section:  
 4 "Sec. \_\_\_\_ . Section four hundred three point seven  
 5 (403.7), Code 1979, is amended by adding the following  
 6 new unnumbered paragraph:  
 7 NEW UNNUMBERED PARAGRAPH. Upon the adoption of  
 8 a plan of revitalization pursuant to sections one  
 9 (1) through seven (7) of this Act, the municipality  
 10 shall not exercise the power of condemnation under  
 11 this chapter to acquire any property located within  
 12 that revitalization area for five years after the  
 13 adoption of the plan of revitalization."

H-3121 FILED *Withdrawn 1/31 (p. 413)* BY CONLON of Muscatine  
 JANUARY 19, 1979

## HOUSE FILE 81

H-3122

- A adopted 1/23 (p. 322)* 1 Amend House File 81 as follows:  
 2 1. Page 3, line 6, by inserting after the word  
 3 "property" the words "of the same classification".  
*B adopted 1/31 (p. 422) as amended by 3169* 4 2. Page 3, line 14, by inserting after the word  
 5 "area" the words ", the tenants living within the  
 6 proposed area".  
 7 3. Page 3, line 18, by inserting after the word  
 8 "record" the words "and to the occupants of known  
 9 rental units located within the proposed area".  
*C 3167 adopted 1/23 (p. 322)* 10 4. Page 4, line 30, by inserting after the word  
 11 "section" the words "or provided in the different  
 12 schedule adopted in the city plan if a different  
 13 schedule has been adopted".  
*D Lost 1/23 (p. 323)* 14 5. Page 5, line 15, by striking the word "at"  
 15 and inserting in lieu thereof the words "for at least  
 16 one year prior to".  
*E Withdrawn 1/23 (p. 323)* 17 6. Page 5, line 22, by striking the words "actual  
 18 value added" and inserting in lieu thereof the words  
 19 "fair market value added to existing structures".  
*C adopted 1/23 (p. 322)* 20 7. Page 6, line 14, by inserting after the word  
 21 "Act" the words "or in the different schedule, if  
 22 one has been adopted,".  
 23 8. Page 6, line 25, by inserting after the word  
 24 "applies" the words "or if a different schedule has  
 25 been adopted, which exemption from that schedule  
 26 applies".  
*D Lost 1/23 (p. 323)* 27 9. Page 7, line 6, by striking the word "at" and  
 28 inserting in lieu thereof the words "for at least  
 29 one year prior to".  
*C adopted 1/23 (p. 322)* 30 10. Page 7, line 25, by inserting after the word  
 31 "Act" the words ", or specified in the different  
 32 schedule if one has been adopted,".  
*B Lost 1/23 (p. 324)* 33 11. Page 7, line 34, by inserting after the word  
 34 "area." the words "An ordinance establishing a  
 35 revitalization area shall automatically be repealed  
 36 ten years from the day the ordinance establishing  
 37 the revitalization area is adopted unless the governing  
 38 body within one year before the end of the ten year  
 39 period adopts a resolution to continue that ordinance."

H-3122 FILED *A, C adopted 1/23* BY CONLON of Muscatine  
 JANUARY 19, 1979 *B - Amended (3169) & adopted 1/31 (p. 422)*

JANUARY 22, 1979

PAGE SIXTEEN

HOUSE FILE 81

H-3129

- 1 Amend House File 81 as follows:
- 2 1. Page 8, line 5, by inserting after the word
- 3 "Code" the words ", if in the case of agricultural
- 4 real estate the change in use is to a use exclusively
- 5 for residential purposes".

H-3129 FILED *Withdrawn 1/29 (p. 382)* BY CHIODO of Polk  
JANUARY 19, 1979

HOUSE FILE 81

H-3131

- 1 Amend House File 81 as follows:
- 2 1. Page 4, line 7, by inserting after the word
- 3 "estate" the words "assessed as residential or
- 4 commercial property".

H-3131 FILED *Lost 1/24 (341)* BY HALL of Linn  
JANUARY 19, 1979

HOUSE FILE 81

H-3132

- 1 Amend House File 81 as follows:
- 2 1. Page 5, line 21, by inserting after the
- 3 word "structures." the words "However, if such
- 4 construction, rehabilitation or additions were
- 5 begun prior to the time the area was so design-
- 6 3/79 nated, the value added by such construction,
- 7 rehabilitation or additions during the time the
- 8 area was so designated shall not constitute an
- 9 increase in value for purposes of qualifying for
- 10 the exemptions listed in this section."

H-3132 FILED *Adopted as amended* BY HALL of Linn  
JANUARY 19, 1979 *by 3179 1/31 (425)*

HOUSE FILE 81

H-3133

- 1 Amend House File 81 as follows:
- 2 1. Page 6, line 30, by striking the word
- 3 "qualified".
- 4 2. Page 6, line 30, by inserting after the
- 5 word "estate" the words ", excluding land,".

H-3133 FILED *Lost 1/25 (p. 362)* BY PAVICH of Pottawattamie  
JANUARY 19, 1979

HOUSE FILE 81

H-3124

1 Amend House File 81 as follows:

A 2 1. Page 5, line 18, by inserting after the word  
3 "designated" the following: "'Qualified real estate"  
4 does not include real estate located in an urban  
5 renewal area designated as such under chapter four  
6 hundred three (403) of the Code after the effective  
7 date of this Act and designated as such within five  
8 years prior to the adoption of the plan for the  
9 revitalization area."

B 10 2. Page 8, by inserting after line 5 the following  
11 sections:

12 "Sec. 8. NEW SECTION. A city may issue revenue  
13 bonds for projects located within an urban  
14 revitalization area. The revenue bonds shall be  
15 issued pursuant to the provisions of chapter four  
16 hundred nineteen (419) of the Code and all provisions  
17 of chapter four hundred nineteen (419) of the Code,  
18 to the extent consistent with the provisions of  
19 sections one (1) through eight (8) of this Act, shall  
20 apply, except that the term "project" as defined in  
21 section four hundred nineteen point one (419.1) of  
22 the Code includes land, buildings, or improvements  
23 which are suitable for use as residential property  
24 or for the use of a commercial enterprise or nonprofit  
25 organization which the governing body finds is  
26 consistent with the urban revitalization plan.

27 The power to issue revenue bonds pursuant to this  
28 section is in addition to other powers granted a city  
29 to aid urban revitalization areas.

A 30 Sec. 9. Section four hundred three point seven  
31 (403.7), Code 1979, is amended by adding the following  
32 new unnumbered paragraph:

33 NEW UNNUMBERED PARAGRAPH. Upon the adoption of  
34 a plan of revitalization pursuant to sections one  
35 (1) through eight (8) of this Act, the municipality  
36 shall not exercise the power of condemnation under  
37 this chapter to acquire any property located within  
38 that revitalization area for five years after the  
39 adoption of the plan of revitalization."

B 40 3. Page 8, by striking lines 15 through page 9,  
41 line 8.

42 4. Amend the title, line 4, by striking the words  
43 "and urban renewal".

HOUSE FILE 81

H-3130

- 1 Amend House File 81 as follows:
- 2 1. Page 1, line 1, by inserting after the word
- 3 "city" the words "or county".
- 4 2. Page 1, line 2, by inserting after the word
- 5 "by" the words "resolution or".
- 6 3. Page 1, line 2, by inserting after the word
- 7 "city" the words "or of the unincorporated area of
- 8 the county".
- 9 4. Page 1, line 29, by inserting after the word
- 10 "city" the words "or county".
- 11 5. Page 2, line 1, by inserting after the word
- 12 "city" the words "or county".
- 13 6. Page 2, line 3, by inserting after the word
- 14 "city" the words "or county".
- 15 7. Page 2, line 4, by inserting after the word
- 16 "area." the words "In the case of a county, the
- 17 designated area shall not include within it any
- 18 incorporated area."
- 19 8. Page 2, line 17, by striking the word "city"
- 20 and inserting in lieu thereof the word "governmental".
- 21 9. Page 2, line 25, by striking the word "city"
- 22 and inserting in lieu thereof the words "governing
- 23 body".
- 24 10. Page 2, line 29, by striking the word "city"
- 25 and inserting in lieu thereof the words "governing
- 26 body".
- 27 11. Page 2, line 33, by striking the word "city"
- 28 and inserting in lieu thereof the words "governing
- 29 body".
- 30 12. Page 3, line 12, by striking the word "city"
- 31 and inserting in lieu thereof the words "governing
- 32 body".
- 33 13. Page 3, line 16, by inserting after the word
- 34 "Code" the words and figure "or in the case of a
- 35 county, in accordance with section six hundred eighteen
- 36 point fourteen (618.14) of the Code".
- 37 14. Page 3, line 30, by striking the word "city"
- 38 and inserting in lieu thereof the words "governing
- 39 body".
- 40 15. Page 3, line 32, by striking the word "city"
- 41 and inserting in lieu thereof the words "governing
- 42 body".
- 43 16. Page 4, line 35, by inserting after the word
- 44 "city" the words "or within the unincorporated area
- 45 of a county".
- 46 17. Page 5, line 1, by inserting after the word
- 47 "city" the words "or county".
- 48 18. Page 5, line 2, by inserting after the word
- 49 "city" the words "or county".
- 50 19. Page 5, line 4, by inserting after the word

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- 1 "city" the words "or unincorporated area of the  
2 county".  
3 20. Page 5, line 25, by inserting after the word  
4 "city" the words "or county".  
5 21. Page 5, line 30, by striking the word "city"  
6 and inserting in lieu thereof the words "governing  
7 body".  
8 22. Page 6, by striking line 4 and inserting in  
9 lieu thereof the words "by February first".  
10 23. Page 6, line 11, by striking the word "city"  
11 and inserting in lieu thereof the words "governing  
12 body".  
13 24. Page 6, line 15, by striking the words "of  
14 the city".  
15 25. Page 6, line 18, by striking the word "city"  
16 and inserting in lieu thereof the words "governing  
17 body".  
18 26. Page 6, line 21, by striking the words "of  
19 the city".  
20 27. Page 7, line 30, by striking the words "of  
21 a city".  
22 28. Page 7, line 33, by inserting after the word  
23 "city" the words "or unincorporated area of the  
24 county".  
25 29. Page 8, by striking line 15 and inserting  
26 in lieu thereof the following:  
27 "Sec. 9. Section four hundred nineteen point two  
28 (419.2),".  
29 30. Page 8, line 17, by striking the words  
30 "Municipalities may also" and inserting in lieu thereof  
31 the word "to".  
32 31. Page 8, line 18, by inserting after the word  
33 "area" the words and figure "pursuant to chapter four  
34 hundred three (403) of the Code".  
35 32. Page 8, line 24, by striking the words "this  
36 chapter" and inserting in lieu thereof the words and  
37 figure "chapter four hundred three (403) of the Code".  
38 33. Page 9, lines 2 and 3, by striking the words  
39 "this chapter" and inserting in lieu thereof the words  
40 and figure "chapter four hundred three (403) of the  
41 Code".  
42 34. Page 9, line 9, by inserting after the word  
43 "all" the words "counties and".  
44 35. Amend the title by striking lines 3 and 4  
45 and inserting in lieu thereof the following: "area  
46 of a city and county and authorizing cities and  
47 counties to issue revenue bonds for revitalization  
48 and urban renewal areas."  
49  
50

BY DAVITT of Warren

*Revised not germane 1/23 (p. 319)*

HOUSE FILE 81

H-3136

1 Amend House File 81 as follows:

2 1. Page 8, by inserting after line 5 the following  
3 new section:

4 "Sec. 8. NEW SECTION. Upon application to it  
5 and after verification by it, the city shall provide  
6 relocation payments to or with respect to persons,  
7 including families, business concerns and others  
8 displaced as a result of improvements made in a  
9 designated revitalization area. The payments shall  
10 be made for moving expenses and losses of property  
11 for which reimbursement or compensation has not  
12 otherwise been provided. For those families who have  
13 resided in the area now designated as a revitalization  
14 area for a period of five or more years, whose head  
15 of household is over sixty years of age, or who have  
16 otherwise been deemed eligible for additional  
17 assistance by the city, the city shall provide rent  
18 supplements subject to the following conditions:

19 1. the family was forced to relocate because of  
20 improvements made within the area,

21 2. a supplement to previous rental payments is  
22 necessary in order to house the family in decent,  
23 safe, and sanitary housing,

24 3. the family does not have sufficient means,  
25 as determined by the city, to pay the required rent  
26 for such housing, and

27 4. a reimbursement or compensation for the family  
28 has not otherwise been provided.

29 A rent supplement for a person or family shall  
30 not continue for more than five years.

31 The state shall reimburse the city in the amount  
32 of fifty percent of the relocation payments and rent  
33 supplements paid directly by the city and not covered  
34 by other sources of revenue."

3155

35 2. Page 8, line 13, by striking the word and  
36 figure "seven (7)" and inserting in lieu thereof the  
37 word and figure "eight (8)".

38 3. Page 8, line 20, by striking the word and  
39 figure "seven (7)" and inserting in lieu thereof the  
40 word and figure "eight (8)".

41 4. Page 8, lines 25 and 26, by striking the word  
42 and figure "seven (7)" and inserting in lieu thereof  
43 the word and figure "eight (8)".

44 5. Page 9, line 4, by striking the word and figure  
45 "seven (7)" and inserting in lieu thereof the word  
46 and figure "eight (8)".

H-3136 FILED *Withdrawn 1/29 (p. 282)* BY  
JANUARY 19, 1979

BRUNER of Story  
RAPP of Black Hawk

H-3125

- 1 Amend House File 81 as follows:
- 2 1. Page 5, line 18, by inserting after the word
- 3 "designated" the following: "'Qualified real estate"
- 4 does not include real estate located in an urban
- 5 renewal area designated as such under chapter four
- 6 hundred three (403) of the Code after the effective
- 7 date of this Act and designated as such within five
- 8 years prior to the adoption of the plan for the
- 9 revitalization area."
- 10 2. Page 8, line 18, by inserting after the word
- 11 "area" the words "designated as such before the
- 12 effective date of this Act".
- 13 3. Page 8, by striking line 35 through page 9,
- 14 line 5 and inserting in lieu thereof the following:
- 15 "b. Section four hundred nineteen point fourteen
- 16 (419.14) of the Code does not limit the powers of
- 17 a municipality granted under this chapter for an urban
- 18 renewal area designated as such before the effective
- 19 date of this Act."

H-3125 FILED *Withdrawn 1/25 (p. 359)* BY CONLON of Muscatine  
 JANUARY 19, 1979 HANSON of Delaware

HOUSE FILE 81

H-3135

- 1 Amend House File 81 as follows:
- 2 1. Page 5, by inserting after line 23 the
- 3 following new section:
- 4 "Sec.        . NEW SECTION.
- 5 Notwithstanding the provisions of this Act
- 6 pertaining to improvements made within urban
- 7 revitalization areas, any additions to residential
- 8 property, regardless of whether that property is
- 9 located within an urban revitalization area, shall
- 10 receive a one hundred (100) percent exemption
- 11 from property taxes for a period not to exceed
- 12 three (3) years."

H-3135 FILED *Revised not germane 1/25 (p. 360)* BY PAVICH of Pottawattamie  
 JANUARY 19, 1979

HOUSE FILE 81

H-3123

- 1 Amend House File 81 as follows:
- 2 1. Page 3, by inserting after line 7 the following
- 3 lettered paragraph:
- 4 "i. A description of any federal, state, local
- 5 or private grant or loan program available for that
- 6 area for residential improvements."

H-3123 FILED *Adopted as amended by 2156* BY BRUNER of Story  
 JANUARY 19, 1979 *3156 1/23 (p. 325)* RAPP of Black Hawk

HOUSE FILE 81

H-3138

1 Amend House File 81 as follows:

2 1. Page 3, by inserting after line 33 the  
3 following new section:

4 "Sec.          NEW SECTION.

5 1. If an area zoned for residential use or  
6 commercial use for residential purposes or mixed  
7 commercial and residential uses is rezoned on or  
8 after the effective date of this Act for commer-  
9 cial or industrial uses, the city shall not adopt  
10 a resolution designating that area as a part of a  
11 revitalization area for at least three years after  
12 the date on which that area was rezoned.

13 2. After the city designates an area a revita-  
14 lization area, the city shall not rezone an area  
15 zoned for residential use or commercial use for  
16 residential purposes or mixed commercial and  
17 residential uses to commercial or industrial  
18 uses within that revitalization area during the  
19 time the area remains designated a revitalization  
20 area or for five years from the date of the  
21 designation as a revitalization area, whichever  
22 time is the lesser.

23 3. The provisions in this section restricting  
24 a city from designating an area a revitalization  
25 area if that area has been rezoned or restricting  
26 a city from rezoning an area within a revitali-  
27 zation area do not apply to any of the following:

28 a. The rezoning of an area consisting solely  
29 of land on which no structure exists at the time  
30 of rezoning unless structures previously  
31 existing on the land have been removed for the  
32 purpose of qualifying for this exception.

33 b. The rezoning of an area if before the re-  
34 zoning the city has entered into agreements with  
35 all developers and the persons and businesses  
36 involved to insure that relocation payments or  
37 rent supplements will be provided.

38 c. The rezoning of an area for which an urban  
39 renewal project has been approved pursuant to  
40 chapter four hundred three (403) of the Code.

41 4. For purposes of this section, zoning for  
42 "mixed commercial and residential uses" means a  
43 zoning classification in which small scale  
44 commercial uses are permitted in an otherwise  
45 predominantly residential environment."  
46

HOUSE FILE 81

H-3134

1 Amend House File 81 as follows:  
2 1. Page 3, line 32, by inserting after the word  
3 "hearings." the words:  
4 "However, the plan shall not be approved by the  
5 city and an area shall not be designated an urban  
6 revitalization area if a majority of the qualified  
7 electors within the city, in a referendum held  
8 upon the request of ten (10) percent of the qualified  
9 electors within the city, votes to disapprove the  
10 plan. If the plan is disapproved in this manner,  
11 the plan shall be amended by the city and the procedures  
12 outlined in subsections three (3), four (4), five(5)  
13 and six (6) of this section shall apply."

H-3134 FILED *Lost 1/31 (p. 423)* BY BINA of Scott  
JANUARY 19, 1979

HOUSE FILE 81

H-3137

1 Amend House File 81 as follows:  
2 1. Page 7, by inserting after line 28 the  
3 following new section:  
4 "Sec. . NEW SECTION. RELOCATION PAYMENTS.  
5 Upon application to it and after verification by it,  
6 the city shall provide relocation payments to or  
7 with respect to persons, including families, busi-  
8 *3159-* 9 nesses concerns and others displaced as a result of  
10 improvements made in a designated revitalization  
11 area. The payments shall be made for moving ex-  
12 penses and losses of property for which reimburse-  
13 ment or compensation has not otherwise been  
14 *3159-* 15 provided. In addition, the city shall provide  
16 rent supplements to families who are forced to  
17 *311-* 18 relocate because of improvements made within the  
19 area, if necessary in order to house the family  
20 *3159-* 21 in decent, safe and sanitary housing and if the  
22 family does not have sufficient means, as deter-  
23 mined by the city, to pay the required rent for  
24 such housing and if reimbursement or compensation  
25 has not otherwise been provided. A rent supple-  
26 ment for a person shall not continue for more  
27 than five years.  
28 The city may require persons causing other per-  
29 sons to be displaced to pay the relocation pay-  
30 ments or rent supplements provided in this section  
31 as a condition for receiving tax exemptions under  
this Act. (The state shall reimburse the city in  
the amount of 50% of the relocation payments and  
rent supplements paid directly by the city not  
covered by other sources of revenue.)"

H-3137 FILED *Withdrawn 1/29 (p. 379)* BY BRUNER of Story  
JANUARY 19, 1979 BINA of Scott

HOUSE FILE 81

H-3139

- 1 Amend House File 81 as follows:
- 2 1. Page 1, line 3, by striking the word "either"
- 3 and inserting in lieu thereof the word "any".
- 4 2. Page 1, by inserting after line 28 the following
- 5 numbered paragraph:
- 6 "3. An area in which there is a predominance of
- 7 buildings or improvements which by reason of age,
- 8 history, architecture or significance should be
- 9 preserved or restored to productive use."

H-3139 FILED *Adopted 1/23 (p. 320)*  
JANUARY 22, 1979

BY EVANS of Grundy  
HANSEN of O'Brien

HOUSE FILE 81

H-3140

- 1 Amend amendment H-3137, to House File 81, as
- 2 follows:
- 3 1. Page 1, by striking lines 28 through 31 and
- 4 inserting in lieu thereof the following: "this Act."

H-3140 FILED *Placed out of order 1/29*  
JANUARY 22, 1979

BY SPEAR of Lee

HOUSE FILE 81

H-3143

- 1 Amend House File 81 as follows:
- 2 1. Page 6, line 10, by inserting after the word
- 3 "estimated" the words "or actual".

H-3143 FILED *Adopted 1/25 (p. 362)*  
JANUARY 22, 1979

BY NORLAND of Worth

HOUSE FILE 81

H-3144

- 1 Amend House File 81 as follows:
- 2 1. Page 4, line 8, by inserting after the word
- 3 "exemption" the words ", not to exceed two hundred
- 4 fifty thousand dollars,".
- 5 2. Page 4, line 24, by inserting after the word
- 6 "exemption" the words ", not to exceed two hundred
- 7 fifty thousand dollars,".

H-3144 FILED *Lost 1/24 (p. 342)*  
JANUARY 22, 1979

BY NORLAND of Worth  
BINA of Scott

HOUSE FILE 81

H-3141

1 Amend House File 81 as follows:

2 1. Page 8, by inserting after line 14 the following  
3 section:

4 "Sec. \_\_\_\_\_. Chapter four hundred nineteen (419),  
5 Code 1979, is amended by adding the following new  
6 section:

7 NEW SECTION. Cities may also issue revenue bonds  
8 for projects located within a qualified urban renewal  
9 area or an area designated a revitalization area  
10 pursuant to sections one (1) through seven (7) of  
11 this Act. The revenue bonds shall be issued pursuant  
12 to the provisions of this chapter and all provisions  
13 of this chapter shall apply, except that:

14 1. The term "project" as defined in section four  
15 hundred nineteen point one (419.1) of the Code includes  
16 land, buildings, or improvements which are suitable  
17 for use as residential property or for the use of  
18 a commercial enterprise or nonprofit organization  
19 which the governing body finds is consistent with  
20 the urban renewal plan for a qualified urban renewal  
21 area or the revitalization plan, as the case may be.

22 2. To the extent that a city is authorized to  
23 pay out or contribute to the cost of a project under  
24 chapter four hundred three (403) of the Code in the  
25 case of a qualified urban renewal area or under  
26 sections one (1) through seven (7) of this Act in  
27 the case of a revitalization area, the provisions  
28 of section four hundred nineteen point eight (419.8)  
29 of the Code shall not apply.

30 3. The provisions of section four hundred nineteen  
31 point fourteen (419.14) of the Code shall not apply  
32 to projects within a qualified urban renewal area.

33 The power to issue revenue bonds pursuant to this  
34 section is in addition to other powers granted cities  
35 to aid qualified urban renewal areas and revitalization  
36 areas.

37 The term "qualified urban renewal area" means an  
38 urban renewal area designated as such pursuant to  
39 chapter four hundred three (403) of the Code before  
40 the effective date of this Act."

41 2. Page 8, by striking lines 15 through page 9,  
42 line 8.

H-3141 FILED - *Adopted 1/31 (p. 414)*  
JANUARY 22, 1979

BY WEST of Marshall  
NORLAND of Worth  
HALL of Linn  
CONLON of Muscatine  
HANSON of Delaware

HOUSE FILE 81

H-3142

1 Amend House File 81 as follows:

2 1. Page 3, by inserting after line 7 the following  
3 lettered paragraph:

4 "i. The percent increase in actual value  
5 requirements that shall be used in lieu of the fifteen  
6 and ten percent requirements specified in subsection  
7 six (6) of section three (3) and in section five (5)  
8 of this Act. This percent increase in actual value  
9 requirements shall not be greater than that provided  
10 in this Act and shall be the same requirements  
11 applicable to all existing revitalization areas."

12 2. Page 5, by inserting after line 23 the following  
13 subsection:

14 "7. The fifteen and ten percent increase in actual  
15 value requirements specified in subsection six (6)  
16 of this section shall apply to every revitalization  
17 area within a city unless different percent increases  
18 in actual value requirements are adopted in the city  
19 plan as provided in section two (2) of this Act.  
20 However, a city shall not adopt different requirements  
21 unless every revitalization area within the city has  
22 the same requirements and the requirements do not  
23 provide for a greater percent increase than specified  
24 in subsection six (6) of this section."

25 3. Page 6, line 32, by inserting after the words  
26 "residential property" the words "or the applicable  
27 percent increase requirement adopted by the city under  
28 section two (2) of this Act".

29 4. Page 6, by striking lines 34 through page 7,  
30 line 1 and inserting in lieu thereof the words "estate  
31 has increased by at least the requisite percent, the  
32 assessor shall proceed to determine".

H-3142 FILED *Adopted 1/24 (p. 339)* BY POPE of Polk  
JANUARY 22, 1979

HOUSE FILE 81

H-3148

1 Amend amendment H-3122, to House File 81, as  
2 follows:

3 1. Page 1, by striking lines 7 through 9 and  
4 inserting in lieu thereof the following:

5 "3. Page 3, by striking lines 17 and 18 and  
6 inserting in lieu thereof the following: "shall be  
7 given by ordinary mail to the last known address of  
8 the owners of record who reside outside the proposed  
9 area, and to the "occupants" of city addresses  
10 located within the proposed area."

H-3148 FILED *Withdrawn 1/31 (p. 421)* BY CONLON of Muscatine  
JANUARY 22, 1979

H-3152

1 Amend House File 81 as follows:

2 1. Page 4, line 4, by inserting after the word  
3 "exemption" the words ", or in the case of owner-  
4 occupied residential property a two hundred percent  
5 exemption,".

6 2. Page 4, line 6, by inserting after the word  
7 "years." the words "However, the granting of the two  
8 hundred percent exemption shall not result in the  
9 actual value of the qualified real estate being reduced  
10 below the actual value on which the homestead credit  
11 is computed under section four hundred twenty-five  
12 point one (425.1) of the Code."

13 3. Page 8, by inserting after line 5 the following  
14 section:

15 "Sec. 8. NEW SECTION. Each assessor shall submit  
16 a separate list to the county auditor as a part of  
17 the tax list which is certified pursuant to section  
18 four hundred forty-three point twenty-one (443.21)  
19 of the Code. The separate list shall identify each  
20 parcel of residential property which is owner-occupied,  
21 which has been granted an exemption from taxation  
22 under sections one (1) through eight (8) of this Act  
23 and for which the exemption provided in subsection  
24 one (1) of section three (3) of this Act applies,  
25 the amount of the valuation which is exempted, and  
26 one-third of the amount of the valuation which is  
27 exempted and for which the state will provide  
28 reimbursement. The county auditor shall include the  
29 valuation for which a state reimbursement will be  
30 paid with the valuation of all other property in the  
31 county which will be subject to the property tax prior  
32 to the computation of the levy pursuant to chapter  
33 four hundred forty-four (444) of the Code for each  
34 political subdivision which levies a tax against the  
35 valuation of that property. The county treasurer  
36 shall levy the tax against one-third of the amount  
37 of the valuation of the property which is exempted  
38 under sections one (1) through eight (8) of this Act  
39 and for which the state will provide reimbursement,  
40 such reimbursement shall not exceed six hundred dollars  
41 for any parcel, and shall certify the amount of taxes  
42 due to the treasurer of state who shall issue a warrant  
43 in the amount of taxes due to the county treasurer.  
44 The county treasurer shall apportion the funds received  
45 in the manner required to the respective taxing  
46 districts which might otherwise have levied taxes  
47 against the valuation of the property had it not been  
48 granted an exemption under sections one (1) through  
49 eight (8) of this Act. There is appropriated from  
50 the general fund of the state an amount sufficient

H-3152

- 1 to carry out the provisions of this section."
- 2 4. Page 8, line 13, by striking the word and
- 3 figure "seven (7)" and inserting in lieu thereof the
- 4 word and figure "eight (8)".
- 5 5. Page 8, line 20, by striking the word and
- 6 figure "seven (7)" and inserting in lieu thereof the
- 7 word and figure "eight (8)".
- 8 6. Page 8, lines 25 and 26, by striking the word
- 9 and figure "seven (7)" and inserting in lieu thereof
- 10 the word and figure "eight (8)".
- 11 7. Page 9, line 4, by striking the word and figure
- 12 "seven (7)" and inserting in lieu thereof the word
- 13 and figure "eight (8)".
- 14 8. Amend the title, line 4, by inserting after
- 15 the word "areas" the words "and making an
- 16 appropriation".

H-3152 FILED *Withdrawn 1/24 (p.339)*  
JANUARY 22, 1979

BY NORLAND of Worth  
BINA of Scott  
ANDERSON of Jasper

HOUSE FILE 81

H-3149

- 1 Amend House File 81 as follows:
- 2 1. Page 5, line 14, by inserting after the word
- 3 "property" the words "or which have, in the case of
- 4 land upon which is located more than one building and
- 5 not assessed as residential property, increased the
- 6 actual value of the buildings to which the improvements
- 7 have been made by at least fifteen percent".

H-3149 FILED *Adopted 1/25/79 (p.351)*  
JANUARY 22, 1979

BY WEST of Marshall  
KREWSON of Polk  
CONLON of Muscatine

HOUSE FILE 81

H-3150

- 1 Amend House File 81 as follows:
- 2 1. Page 8, line 1, by striking the words "and
- 3 agricultural".
- 4 2. Page 8, line 3, by striking the word "are"
- 5 and inserting in lieu thereof the word "is".
- 6 3. Page 8, by inserting after line 5 the following
- 7 paragraph:
- 8 "Agricultural real estate located within an area
- 9 designated as a revitalization area pursuant to section
- 10 one (1) of this Act may be exempt from the additional
- 11 tax imposed by section four hundred forty-five point
- 12 sixty-three (445.63) of the Code at the discretion
- 13 of the governing body of the city. However, before
- 14 the governing body may exempt agricultural real estate
- 15 from the imposition of the additional tax, it must
- 16 have present at the public hearing required to be
- 17 held under section two (2) of this Act evidence of
- 18 the waiver of the imposition of the tax and the
- 19 potential amount of the additional taxes that will
- 20 not be collected."

H-3150 FILED *A- Withdrawn B- Adopted*  
JANUARY 22, 1979 *1/29 (p.382)*

BY WEST of Marshall  
KREWSON of Polk

## HOUSE FILE 81

H-3153

1 Amend House File 81 as follows:

2 1. Page 4, line 4, by inserting after the word  
3 "exemption" the words "; or in the case of owner-  
4 occupied residential property a two hundred percent  
5 exemption,".

6 2. Page 4, line 6, by inserting after the word  
7 "years." the words "However, the granting of the two  
8 hundred percent exemption shall not result in the  
9 actual value of the qualified real estate being reduced  
10 below zero."

11 3. Page 8, by inserting after line 5 the following  
12 section:

13 "Sec. 8. NEW SECTION. Each assessor shall submit  
14 a separate list to the county auditor as a part of  
15 the tax list which is certified pursuant to section  
16 four hundred forty-three point twenty-one (443.21)  
17 of the Code. The separate list shall identify each  
18 parcel of residential property which is owner-occupied,  
19 which has been granted an exemption from taxation  
20 under sections one (1) through eight (8) of this Act  
21 and for which the exemption provided in subsection  
22 one (1) of section three (3) of this Act applies,  
23 the amount of the valuation which is exempted, and  
24 one-half of the amount of the valuation which is  
25 exempted and for which the state will provide  
26 reimbursement. The county auditor shall include the  
27 valuation for which a state reimbursement will be  
28 paid with the valuation of all other property in the  
29 county which will be subject to the property tax prior  
30 to the computation of the levy pursuant to chapter  
31 four hundred forty-four (444) of the Code for each  
32 political subdivision which levies a tax against the  
33 valuation of that property. The county treasurer  
34 shall levy the tax against one-half of the amount  
35 of the valuation of the property which is exempted  
36 under sections one (1) through eight (8) of this Act  
37 and for which the state will provide reimbursement,  
38 such reimbursement shall not exceed six hundred dollars  
39 for any parcel, and shall certify the amount of taxes  
40 due to the treasurer of state who shall issue a warrant  
41 in the amount of taxes due to the county treasurer.  
42 The county treasurer shall apportion the funds received  
43 in the manner required to the respective taxing  
44 districts which might otherwise have levied taxes  
45 against the valuation of the property had it not been  
46 granted an exemption under sections one (1) through  
47 eight (8) of this Act. There is appropriated from  
48 the general fund of the state an amount sufficient  
49 to carry out the provisions of this section."

50 4. Page 8, line 13, by striking the word and

H-3153

1 figure "seven (7)" and inserting in lieu thereof the  
2 word and figure "eight (8)".

3 5. Page 8, line 20, by striking the word and  
4 figure "seven (7)" and inserting in lieu thereof the  
5 word and figure "eight (8)".

6 6. Page 8, lines 25 and 26, by striking the word  
7 and figure "seven (7)" and inserting in lieu thereof  
8 the word and figure "eight (8)".

9 7. Page 9, line 4, by striking the word and figure  
10 "seven (7)" and inserting in lieu thereof the word  
11 and figure "eight (8)".

12 8. Amend the title, line 4, by inserting after  
13 the word "areas" the words "and making an  
14 appropriation".

H-3153 FILED *Withdrawn 1/24 (340)*  
JANUARY 22, 1979

BY NORLAND of Worth  
BINA of Scott  
ANDERSON of Jasper

HOUSE FILE 81

H-3155

- 1 Amend amendment H-3136, to House File 81, as
- 2 follows:
- 3 1. Page 1, by striking lines 31 through 34
- 4 and inserting in lieu thereof the following:
- 5 (").

H-3155 FILED *Placed out of order 1/29* BY SPEAR of Lee  
JANUARY 23, 1979 *(p. 282)*

HOUSE FILE 81

H-3159

- 1 Amend the amendment, H-3137, to House File 81 as
- 2 follows:
- 3 1. Page 1, line 8, by inserting after the word
- 4 "concerns" the words ", mobile home owners, including
- 5 the mobile home,".
- 6 2. Page 1, line 14, by inserting after the word
- 7 "families" the words ", including those living in
- 8 mobile homes,".
- 9 3. Page 1, line 17, by inserting after the word
- 10 "housing" the words "or mobile home parks".
- 11 4. Page 1, line 20, by inserting after the word
- 12 "housing" the words "or mobile home park".

H-3159 FILED *Placed out of order 1/29* BY MILLER of Buchanan  
JANUARY 23, 1979

HOUSE FILE 81

H-3162

- 1 Amend amendment H-3120, to page 9 of House File
- 2 81, as follows:
- 3 1. Page 1, by striking lines 4 through 15 and
- 4 inserting in lieu thereof the following:
- 5 "Sec. . It is the intent of the general assembly
- 6 that Iowa Housing Finance Authority shall make an
- 7 allocation of funds subject to availability of single
- 8 family mortgage bond proceeds to be made available to
- 9 or on behalf of owners of single-family residential
- 10 property for mortgage loans on single-family housing
- 11 that is rehabilitated with private funds and is located
- 12 in urban revitalization areas designated pursuant to
- 13 this Act."

H-3162 FILED *Adopted 1/31 (p. 415)* BY CHIODO of Polk  
JANUARY 23, 1979

HOUSE FILE 81

H-3160

1 Amend amendment H-3114, to page 3 of House File  
2 81 as follows:

3 1. Page 1, by striking lines 2 through 17 and  
4 inserting in lieu thereof the following:  
5 "1. Page 3, lines 1 and 2, by striking the words  
6 and figure "or three (3)" and inserting in lieu  
7 thereof the words and figures ", three (3) or four  
8 (4)".

9 2. Page 4, by striking lines 1 through 6 and  
10 inserting in lieu thereof the following: "property  
11 is eligible to receive an exemption from taxation  
12 based on the actual value, not to exceed twenty  
13 thousand dollars, added by the improvements. The  
14 exemption is for a period of ten years. The amount  
15 of the exemption is equal to a percent of the actual  
16 value, not to exceed twenty thousand dollars, added  
17 by the improvements, determined as follows:

- 18 a. For the first year, two hundred percent.
- 19 b. For the second year, two hundred percent.
- 20 c. For the third year, two hundred percent.
- 21 d. For the fourth year, two hundred percent.
- 22 e. For the fifth year, one hundred eighty percent.
- 23 f. For the sixth year, one hundred sixty percent.
- 24 g. For the seventh year, one hundred forty percent.
- 25 h. For the eighth year, one hundred twenty percent.
- 26 i. For the ninth year, one hundred ten percent.
- 27 j. For the tenth year, one hundred percent.

28 However, the granting of the exemption shall not  
29 result in the actual value of the qualified real  
30 estate being reduced below the actual value on which  
31 the homestead credit is computed under section four  
32 hundred twenty-five point one (425.1) of the Code."

33 3. Page 4, by inserting after line 26 the following  
34 subsection:

35 "4. All qualified real estate assessed as  
36 commercial property, consisting of three or more  
37 separate living quarters with at least seventy-five  
38 percent of the space used for residential purposes,  
39 is eligible to receive a one hundred percent exemption  
40 from taxation on the value added by the improvements.  
41 The exemption is for a period of ten years."

42 4. Page 4, line 30, by striking the words and  
43 figure "or three (3)" and inserting in lieu thereof  
44 the words and figures ", three (3) or four (4)".

45 5. Page 4, line 34, by striking the words and  
46 figure "or three (3)" and inserting in lieu thereof  
47 the words and figures ", three (3) or four (4)".

48 6. Page 6, line 24, by striking the words and  
49 figure "or three (3)" and inserting in lieu thereof  
50 the words and figures ", three (3) or four (4)".

H-3160

- 1 7. Page 7, line 25, by striking the words and
- 2 figure "or three (3)" and inserting in lieu thereof
- 3 the words and figures ", three (3) or four (4)".

H-3160 FILED  
 JANUARY 23, 1979

*Placed out of order with  
 adoption of 3170 1/24 (p. 345)*

- BY NORLAND of Worth  
 BINA of Scott  
 ANDERSON of Jasper  
 ARNOULD of Scott  
 AVENSON of Fayette  
 BINNEBOESE of Plymouth  
 BRANDT of Black Hawk  
 BRUNER of Story  
 BYERLY of Polk  
 COCHRAN of Webster  
 CONNORS of Polk  
 CUSACK of Scott  
 DIELEMAN of Marion  
 DOYLE of Woodbury  
 GROTH of Buena Vista  
 HALL of Linn  
 HALVORSON of Webster  
 HORN of Linn  
 HOWELL of Floyd  
 HULLINGER of Decatur  
 JAY of Appanoose  
 O'KANE of Woodbury  
 PATCHETT of Johnson  
 PAVICH of Pottawattamie  
 PERKINS of Greene  
 SHERZAN of Polk  
 SPEAR of Des Moines  
 WALTER of Pottawattamie  
 WELLS of Linn  
 WELSH of Dubuque  
 WOODS of Polk

HOUSE FILE 81

H-3156

- 1 Amend the amendment H-3123 to House File 81 as
- 2 follows:
- 3 1. Page 1, by striking lines 4 through 6 and
- 4 inserting in lieu thereof the following:
- 5 "i. A description of any federal, state or private
- 6 grant or loan program likely to be a source of funding
- 7 for that area for residential improvements and a
- 8 description of any grant or loan program which the
- 9 city has or will have as a source of funding for that
- 10 area for residential improvements."

H-3156 FILED *Adopted 1/23 (p. 225)*  
 JANUARY 23, 1979

BY BRUNER of Story  
 KREWSON of Polk

HOUSE FILE 81

H-3161

1 Amend House File 81 as follows:

2 1. Page 8, by inserting after line 5 the following  
3 sections:

4 "Sec. 8. NEW SECTION. Upon application to it  
5 and after verification by it, the city shall provide  
6 relocation payments to or with respect to any person,  
7 including a family, business concern and others  
8 displaced as a result of improvements made in a  
9 designated revitalization area. The payments shall  
10 be made for moving expenses and losses of property  
11 for which reimbursement or compensation has not  
12 otherwise been provided. The city may require persons  
13 causing other persons to be displaced to pay the  
14 relocation payments provided in this section as a  
15 condition for receiving a tax exemption. The state  
16 shall reimburse the city in the amount of fifty percent  
17 of the relocation payments paid by the city after  
18 receipt by the state treasurer of a certified bill  
19 stating the amount of relocation payments made by  
20 the city.

21 Sec. 9. NEW SECTION. Upon application to it and  
22 after verification by it, the city shall provide rent  
23 supplements for those families who have resided in  
24 the area now designated as a revitalization area for  
25 a period of five or more years, whose head of household  
26 is over sixty years of age, or who have otherwise  
27 been deemed eligible for additional assistance by  
28 the city, subject to the following conditions:

29 1. the family was forced to relocate because of  
30 improvements made within the area,

31 2. a supplement to previous rental payments is  
32 necessary in order to house the family in decent,  
33 safe, and sanitary housing,

34 3. the family does not have sufficient means,  
35 as determined by the city, to pay the required rent  
36 for such housing, and

37 4. a reimbursement or compensation for the family  
38 has not otherwise been provided.

39 A rent supplement for a person or family shall  
40 not continue for more than five years.

41 The city may require persons causing families to  
42 be displaced to pay the rent supplements provided  
43 in this section as a condition of receiving a tax  
44 exemption.

45 The state shall reimburse the city in the amount  
46 of fifty percent of the relocation payments and rent  
47 supplements paid directly by the city and not covered  
48 by other sources of revenue."

49 2. Page 8, line 13, by striking the word and  
50 figure "seven (7)" and inserting in lieu thereof the

H-3161

b 1 word and figure "nine (9)".

2 3. Page 8, line 20, by striking the word and  
3 figure "seven (7)" and inserting in lieu thereof the  
4 word and figure "nine (9)".

5 4. Page 8, lines 25 and 26, by striking the word  
6 and figure "seven (7)" and inserting in lieu thereof  
7 the word and figure "nine (9)".

8 5. Page 9, line 4, by striking the word and figure  
9 "seven (7)" and inserting in lieu thereof the word

10 and figure (nine (9)).

H-3161 FILED  
JANUARY 23, 1979

BY BRUNER of Story  
BINA of Scott  
CUSACK of Scott

A- *Foot* 1/21 (p. 406)  
B- " " (408)

- 2 -

1 Amend House File 81 as follows:

2 1. Page 8, by inserting after line 5 the following  
3 section:

4 "Sec. 8. NEW SECTION. Each assessor shall submit  
5 a separate list to the county auditor as a part of  
6 the tax list which is certified pursuant to section  
7 four hundred forty-three point twenty-one (443.21)  
8 of the Code. The separate list shall identify each  
9 parcel of real property which has been granted an  
10 exemption from taxation under sections one (1) through  
11 eight (8) of this Act, the amount of the valuation  
12 which is exempted, and one-third of the amount of  
13 the valuation which is exempted and for which the  
14 state will provide reimbursement. The county auditor  
15 shall include the valuation for which a state  
16 reimbursement will be paid with the valuation of all  
17 other property in the county which will be subject  
18 to the property tax prior to the computation of the  
19 levy pursuant to chapter four hundred forty-four (444)  
20 of the Code for each political subdivision which  
21 levies a tax against the valuation of that property.  
22 The county treasurer shall levy the tax against one-  
23 third of the amount of the valuation of the property  
24 which is exempted under sections one (1) through eight  
25 (8) of this Act and for which the state will provide  
26 reimbursement and shall certify the amount of taxes  
27 due to the treasurer of state who shall issue a warrant  
28 in the amount of taxes due to the county treasurer.  
29 The county treasurer shall apportion the funds received  
30 in the manner required to the respective taxing  
31 districts which might otherwise have levied taxes  
32 against the valuation of the property had it not been  
33 granted an exemption under sections one (1) through  
34 eight (8) of this Act. There is appropriated from  
35 the general fund of the state an amount sufficient  
36 to carry out the provisions of this section."

37 2. Page 8, line 13, by striking the word and  
38 figure "seven (7)" and inserting in lieu thereof the  
39 word and figure "eight (8)".

40 3. Page 8, line 20, by striking the word and  
41 figure "seven (7)" and inserting in lieu thereof the  
42 word and figure "eight (8)".

43 4. Page 8, lines 25 and 26, by striking the word  
44 and figure "seven (7)" and inserting in lieu thereof  
45 the word and figure "eight (8)".

46 5. Page 9, line 4, by striking the word and figure  
47 "seven (7)" and inserting in lieu thereof the word  
48 and figure "eight (8)".

49 6. Amend the title, line 4, by inserting after  
50 the word "areas" the words "and making an

H-3163

1 appropriation".

H-3163 FILED *Lock 1/31 (p. 410)*  
JANUARY 23, 1979

BY NORLAND of Worth  
BINA of Scott  
BRANDT of Black Hawk  
PAVICH of Pottawattamie  
BRUNER of Story  
BINNEBOESE of Plymouth

HOUSE FILE 81

H-3158

1 Amend House File 81 as follows:

2 1. Page 2, line 32, by inserting after the word  
3 "concerns" the words ", mobile homeowners, including  
4 mobile homes,".

5 2. Page 8, by inserting after line 5 the following  
6 section:

7 "Section 8. NEW SECTION. Upon application to  
8 it and after verification by it, the city shall provide  
9 relocation payments to or with respect to any mobile  
10 homeowner displaced as a result of improvements made  
11 in a designated revitalization area. The payments  
12 shall be made for moving expenses and losses of  
13 property for which reimbursement or compensation has  
14 not otherwise been provided. The city may require  
15 persons causing mobile homeowners to be displaced  
16 to pay the relocation payments provided in this section  
17 as a condition for receiving tax exemptions under  
18 sections one (1) through eight (8) of this Act. The  
19 state shall reimburse the city in the amount of fifty  
20 percent of the relocation payments paid by the city  
21 after receipt by the state treasurer of a certified  
22 bill stating the amount of relocation payments made  
23 by the city."

24 2. Page 8, line 13, by striking the word and  
25 figure "seven (7)" and inserting in lieu thereof the  
26 word and figure "eight (8)".

27 3. Page 8, line 20, by striking the word and  
28 figure "seven (7)" and inserting in lieu thereof the  
29 word and figure "eight (8)".

30 4. Page 8, lines 25 and 26, by striking the word  
31 and figure "seven (7)" and inserting in lieu thereof  
32 the word and figure "eight (8)".

33 5. Page 9, line 4, by striking the word and figure  
34 "seven (7)" and inserting in lieu thereof the word  
35 and figure (eight (8)).

H-3158 FILED *Amended Last 1/31 (p. 416)* BY MILLER of Buchanan  
JANUARY 23, 1979

HOUSE FILE 81

H-3164

1 Amend House File 81 as follows:

2 1. Page 5, line 21, by inserting after the word  
3 "structures." the words "However, new construction on  
4 vacant land assessed as agricultural property shall not  
5 qualify as "improvements" for purposes of this Act."

H-3164 FILED *Adopted as amended by* BY PERKINS of Greene  
JANUARY 23, 1979 *3174 1/29 (p. 380)*

*Motion to Reconsider p. 384*  
*Reconsidered, amended by 3187 & Adopted 1/31 (p. 425)*

H-3170

Amend the amendment H-3113 to House File 81 as follows:

1. Page 1, by striking lines 2 through 19 and inserting in lieu thereof the following:

"1. Page 3, lines 1 and 2, by striking the words and figure "or three (3)" and inserting in lieu thereof the words and figures ", three (3) or four (4)".

2. Page 3, by striking lines 20 through 29 and inserting in lieu thereof the following:

"6. A second public hearing has been held if:

a. The city development board requests, by certified mail, a second public hearing within thirty days after receipt of the minutes of the first public hearing or;

b. The city has received what it deems to be two valid petitions requesting a second public hearing within thirty days after the holding of the first public hearing. One of the petitions shall contain the signatures and current addresses of property owners that represent at least ten percent of the privately-owned property within the designated revitalization area. The other petition shall contain the signatures and current addresses of tenants that represent at least ten percent of the residential rental units within the designated revitalization area. If the city has received two or more such petitions within thirty days after the holding of the first public hearing that were not deemed valid, the petitions shall be forwarded to the city development board which shall either confirm or deny the validity of such petitions within ten days after the receipt of such petitions. If the city development board determines that the city has not recognized valid petitions that would have required a second public hearing, the city shall not adopt the proposed plan without conducting the second public hearing.

At any such second public hearing the city may specifically request those in attendance to indicate the precise nature of desired changes in the proposed plan."

3. Page 4, by striking lines 1 through 6 and inserting in lieu thereof the following: "property is eligible to receive an exemption from taxation based on the actual value, not to exceed twenty thousand dollars, added by the improvements. The exemption is for a period of ten years. The amount of the exemption is equal to a percent of the actual value, not to exceed twenty thousand dollars, added by the improvements, determined as follows:

a. For the first year, two hundred percent.

H-3170

- 1 b. For the second year, two hundred percent.
- 2 c. For the third year, two hundred percent.
- 3 d. For the fourth year, two hundred percent.
- 4 e. For the fifth year, one hundred eighty percent.
- 5 f. For the sixth year, one hundred sixty percent.
- 6 g. For the seventh year, one hundred forty percent.
- 7 h. For the eighth year, one hundred twenty percent.
- 8 i. For the ninth year, one hundred ten percent.
- 9 j. For the tenth year, one hundred percent.

10 However, the granting of the exemption shall not  
 11 result in the actual value of the qualified real  
 12 estate being reduced below the actual value on which  
 13 the homestead credit is computed under section four  
 14 hundred twenty-five point one (425.1) of the Code."

15 4. Page 4, by inserting after line 26 the following  
 16 subsection:

17 "4. All qualified real estate assessed as  
 18 commercial property, consisting of three or more  
 19 separate living quarters with at least seventy-five  
 20 percent of the space used for residential purposes,  
 21 is eligible to receive a one hundred percent exemption  
 22 from taxation on the value added by the improvements.  
 23 The exemption is for a period of ten years."

24 5. Page 4, line 30, by striking the words and  
 25 figure "or three (3)" and inserting in lieu thereof  
 26 the words and figures ", three (3) or four (4)".

27 6. Page 4, line 34, by striking the words and  
 28 figure "or three (3)" and inserting in lieu thereof  
 29 the words and figures ", three (3) or four (4)".

30 7. Page 6, line 24, by striking the words and  
 31 figure "or three (3)" and inserting in lieu thereof  
 32 the words and figures ", three (3) or four (4)".

33 8. Page 7, line 25, by striking the words and  
 34 figure "or three (3)" and inserting in lieu thereof  
 35 the words and figures ", three (3) or four (4)".

- |                       |                        |
|-----------------------|------------------------|
| BY WEST of Marshall   | VAN MAANEN of Mahaska  |
| NORLAND of Worth      | JOCHUM of Dubuque      |
| HARBOR of Mills       | BRUNER of Story        |
| CUSACK of Scott       | O'KANE of Woodbury     |
| KREWSON of Polk       | GROTH of Buena Vista   |
| POPE of Polk          | EVANS of Grundy        |
| LORENZEN of Scott     | CLARK of Cerro Gordo   |
| CLARK of Lee          | MULLINS of Kossuth     |
| THOMPSON of Polk      | McKEAN of Jones        |
| HANSEN of O'Brien     | JOHNSON of Woodbury    |
| EGENES of Story       | POFFENBERGER of Dallas |
| BINA of Scott         | BRANSTAD of Winnebago  |
| WELLS of Linn         | SHIMANEK of Jones      |
| HOWELL of Floyd       | PELTON of Clinton      |
| HIBBS of Johnson      | RITSEMA of Sioux       |
| ANDERSON of Audubon   | COREY of Louisa        |
| AVENSON of Fayette    | HOLT of Clay           |
| DE GROOT of Lyon      | LURA of Marshall       |
| LAGESCHULTE of Bremer | JOHNSON of Howard      |
| DIEMER of Black Hawk  | MENKE of O'Brien       |
|                       | LIND of Black Hawk     |

H-3170

BY SPEAR of Lee  
 WELSH of Dubuque  
 ANDERSON of Jasper  
 WALTER of Pottawattamie  
 CONNORS of Polk  
 MILLER of Buchanan  
 PAVICH of Pottawattamie  
 HINKHOUSE of Cedar  
 BINNEBOESE of Plymouth  
 JAY of Appanoose  
 WELDEN of Hardin  
 JOHNSON of Linn  
 MAULSBY of Calhoun  
 CRAWFORD of Story  
 CRABB of Crawford  
 SMALLEY of Polk  
 PELLETT of Cass  
 HOFFMANN of Muscatine  
 KIRKENSLAGER of Des Moines

DIELEMAN of Marion  
 LONERGAN of Boone  
 BRANDT of Black Hawk  
 HALL of Linn  
 HALVORSON of Webster  
 OXLEY of Linn  
 HORN of Linn  
 COCHRAN of Webster  
 JESSE of Polk  
 BYERLY of Polk  
 HULLINGER Of Decatur  
 CHIODO of Polk  
 WOODS of Polk  
 ARNOULD of Scott  
 CONNOLLY of Dubuque  
 PATCHETT of Johnson  
 TOFTE of Winneshiek  
 HALVORSON of Clayton  
 HUMMEL of Benton  
 DAGGETT of Taylor  
 LARSEN of Wapello  
 CONLON of Muscatine  
 HANSON of Delaware

H-3170 FILED, ADOPTED (p.344)

JANUARY 24, 1979

*Notice to reconsider p.346 w/d 1/31 (p.425)*

HOUSE FILE 81

H-3169

1 Amend amendment H-3122, to page 3 of House File  
 2 81, as follows:  
 3 1. Page 1, by striking lines 7 through 9 and  
 4 inserting in lieu thereof the following:  
 5 "3. Page 3, line 18, by inserting after the word  
 6 "record." the following: "The city shall also send  
 7 notice by ordinary mail addressed to the "occupants"  
 8 of city addresses located within the proposed area,  
 9 unless the city council, by reason of lack of a reason-  
 10 ably current and complete address list, or for other  
 11 good cause, shall have waived such notice. Notwith-  
 12 standing the provisions of section three hundred sixty-  
 13 two point three (362.3), Code 1979, such notice shall  
 14 be given by the fourteenth day prior to the public  
 15 hearing."

H-3169 FILED, *Adopted 1/31 (p.422)*  
 JANUARY 24, 1979

BY CONLON of Muscatine  
 POPE of Polk  
 SHIMANEK of Jones  
 BINA of Scott  
 WEST of Marshall  
 NORLAND of Worth  
 KREWSON of Polk  
 HANSON of Delaware

HOUSE FILE 81

H-3165

- 1 Amend amendment H-3161, to House File 81, as
- 2 follows:
- 3 1. Page 1, by striking lines 15 through 20
- 4 and inserting in lieu thereof the words
- 5 "condition for receiving a tax exemption."

H-3165 FILED *Lost 1/31 (p. 405)* BY SPEAR of Lee  
JANUARY 24, 1979

HOUSE FILE 81

H-3166

- 1 Amend amendment H-3161, to House File 81, as
- 2 follows:
- 3 1. Page 1, by striking lines 45 through 48
- 4 and inserting in lieu thereof the following:
- 5 (").

H-3166 FILED - *Lost 1/31 (p. 407)* BY SPEAR of Lee  
JANUARY 24, 1979

HOUSE FILE 81

H-3167

- 1 Amend amendment H-3122 B to House File 81 as
- 2 follows:
- 3 1. Page 1, line 9 by inserting after the word "area."
- 4 the words "Notwithstanding the provisions of section
- 5 362.3 Code 1979, such notice shall be given by the
- 6 fourteenth day prior to the public hearing."

H-3167 FILED *Withdrawn 1/31 (p. 422)* BY BINA of Scott  
JANUARY 24, 1979

HOUSE FILE 81

H-3168

- 1 Amend the amendment, H-3158, to House File 81 as
- 2 follows:
- 3 1. Page 1, line 12, by inserting after the word
- 4 "expenses" the words "to a location within the state"

H-3168 *Withdrawn 1/31 (p. 415)* BY MILLER of Buchanan  
JANUARY 24, 1979

H-3171

1 project, or such action promotes the public purposes  
2 of such area or project, and shall be construed to  
3 limit only that action by a public official,  
4 commissioner, or employee which directly or  
5 specifically affects property in which such official,  
6 commissioner, or employee has an interest or in which  
7 an employer of such official, commissioner, or employee  
8 has an interest. Any violation of the provisions  
9 of this section shall constitute misconduct in office,  
10 but no ordinance or resolution of a city, board or  
11 commission shall be invalid by reason of votes cast  
12 in violation of the standards of this section unless  
13 such votes were decisive in the passage of such  
14 ordinance or resolution."

H-3171 FILED  
JANUARY 24, 1979

BY CUSACK of Scott  
BINA of Scott

A - Amended. Lost 1/31 (p. 420)  
B - Lost (p. 421)

HOUSE FILE 81

H-3178

1 Amend amendment H-3161, to page 8 of House File  
2 81, as follows:  
3 1. Page 1, line 3, by striking the word "sections"  
4 and inserting in lieu thereof the word "section".  
5 2. Page 1, by inserting after line 20 the  
6 following:  
7 "2. Page 8, by inserting after line 5 the follow-  
8 ing section:"  
9 3. Page 1, by striking line 49 through page 2  
10 line 10.

H-3178 FILED, ADOPTED (p. 383)  
JANUARY 29, 1979

BY BRUNER of Story

HOUSE FILE 81

H-3179

1 Amend the amendment, H-3132, to page 5 of House  
2 File 81, as follows:  
3 1. Page 1, by striking lines 2 through 10, and  
4 by inserting in lieu thereof the following:  
5 "1. Page 5, line 21, by inserting after the word  
6 "structures." the words "However, if such construction,  
7 rehabilitation or additions were begun prior to January  
8 29, 1979, or one year prior to the adoption by the  
9 city of a plan of urban revitalization pursuant to  
10 section two (2) of this Act, whichever occurs later, the  
11 value added by such construction, rehabilitation or  
12 additions shall not constitute an increase in value  
13 for purposes of qualifying for the exemptions listed  
14 in this section."

H-3179 FILED adopted 1/31 (p. 424)  
JANUARY 29, 1979

BY WEST of Marshall  
KREWSON of Polk  
HALL of Linn  
CONLON of Muscatine  
JOHNSON of Linn

HOUSE FILE 81

H-3176

1 Amend House File 81 as follows:

2 1. Page 8, by inserting after line 5 the  
 3 following section:

3189 - 3 "Sec. \_\_\_\_ . NEW SECTION. Upon application to it  
 3185 - 5 and after verification by it, the city shall provide  
 6 relocation payments to or with respect to any  
 7 individual who has resided within the area desig-  
 8 nated a revitalization area for one year or longer  
 9 and who is displaced as a result of improvements  
 10 made in a designated revitalization area. The  
 11 payments shall be made for moving expenses within  
 12 the city, losses of property for which reimburse-  
 13 ment or compensation has not otherwise been provided  
 3189 > 14 and one month's rent."

H-3176 FILED *Amended by 3185 and Lost* BY JOCHUM of Dubuque  
 JANUARY 25, 1979 *1/31 (p. 411)*

HOUSE FILE 81

H-3177

1 Amend amendment H-3161 to House File 81 as  
 2 follows:

A 3 1. Page 1, line 10, by inserting after the word  
 4 "expenses" the words "to a location no more than  
 5 fifty miles outside the state".

β 6 2. Page 1, line 23, by inserting after the word  
 7 "those" the words "persons and".

8 3. Page 1, line 25, by inserting after the word  
 9 "years," the words "which person or".

10 4. Page 1, line 29, by inserting after the word  
 11 "the" the words "person or".

12 5. Page 1, line 32, by inserting after the word  
 13 "the" the words "person or".

14 6. Page 1, line 34, by inserting after the word  
 15 "the" the words "person or".

16 7. Page 1, line 37, by inserting after the word  
 17 "the" the words "person or".

18 8. Page 1, line 41, by inserting after the word  
 19 "causing" the words "persons or".

H-3177 FILED *A-Lost 1/31 (405)* BY ARNOULD of Scott  
 JANUARY 25, 1979 *3 " (407)* BRUNER of Story

HOUSE FILE 81

H-3173

- 1 Amend amendment H-3158, to page 2 of House File
- 2 81, as follows:
- 3 1. Page 1, line 12, by inserting after the
- 4 word "expenses" the words "to a location no more
- 5 than fifty miles outside of the state".

H-3173 FILED *adopted 1/31 (p. 416)* BY MILLER of Buchanan  
JANUARY 25, 1979

HOUSE FILE 81

H-3174

- 1 Amend H-3164 to page 5 of House File 81 as
- 2 follows:
- 3 1. Line 4, by striking the word "vacant".

H-3174 FILED *adopted 1/29 (p. 380)* BY PERKINS of Greene  
JANUARY 25, 1979

HOUSE FILE 81

H-3171

1 Amend House File 81 as follows:

2 1. Page 3, by inserting after line 7 the following  
3 subsection:

4 "\_\_\_\_. The city has filed with and received approval  
5 of a copy of the proposed plan for the designated  
6 revitalization area with the city planning commission.  
3194- 7 If the commission does not approve or object to the  
8 plan by notifying the city within thirty days of  
2193- 9 receipt of the plan, the commission shall have deemed  
10 to have approved the plan. If the commission objects  
11 within the required thirty days, the city can override  
12 the objections and the plan will be considered approved  
13 by a three-fourths vote of the authorized number of  
14 members of the governing body in favor of overriding.

15 The procedures outlined in subsections three (3)  
16 through eleven (11) of section three hundred eighty-  
17 six point three (386.3) of the Code shall apply to  
18 this subsection in the same manner as if the term  
3192 { 19 "district" as used in those subsections referred to  
20 the proposed plan."

21 2. Page 8, by inserting after line 5 the following  
22 section:

23 "Sec. 8. NEW SECTION. No public official or  
24 employee of a city or board or commission which has  
25 authority to declare an area a revitalization area,  
26 to approve a plan for a revitalization area or to  
27 issue revenue bonds for a project within a  
28 revitalization area shall voluntarily acquire any  
29 personal interest, as hereinafter defined, whether  
30 direct or indirect, in a revitalization area or  
31 project, or in any property included or planned to  
32 be included in any revitalization area or project  
33 or in any contract or proposed contract in connection  
34 with such area or project. Where such acquisition  
35 is not voluntary, the interest acquired shall be  
36 immediately disclosed in writing to the governing  
37 body, and such disclosure shall be entered upon the  
38 minutes of the governing body. If any such official,  
39 commissioner or employee presently owns or controls,  
40 or has owned or controlled within the preceding two  
41 years, any interest, as hereinafter defined, whether  
42 direct or indirect, in any property which he or she  
43 knows is included or planned to be included in a  
44 revitalization area or project, he or she shall  
45 immediately disclose this fact in writing to the  
46 governing body, and such disclosure shall be entered  
47 upon the minutes of the governing body; and any such  
48 official, commissioner or employee shall not  
49 participate in any action by the city or board or  
50 commission affecting such property. For the purposes

H-3171

1 of this section the following definitions and standards  
2 of construction shall apply:

3 1. "Action affecting such property" shall include  
4 only that action directly and specifically affecting  
5 such property as a separate property but shall not  
6 include any action, any benefits of which accrue to  
7 the public generally, or which affects all or a  
8 substantial portion of the properties included or  
9 planned to be included in such area or project.

10 2. Employment by a public body, its agencies,  
11 or institutions or by any other person having such  
12 an interest shall not be deemed an interest by such  
13 employee or of any ownership or control by such  
14 employee of interests of his or her employer. Such  
15 an employee may participate in a revitalization area  
16 or project so long as any benefits of such  
17 participation accrue to the public generally, such  
18 participation affects all or a substantial portion  
19 of the properties included or planned to be included  
20 in such area or a project, or such participation  
21 promotes the public purposes of such area or project,  
22 and shall limit only that participation by an employee  
23 which directly or specifically affects property in  
24 which an employer of an employee has an interest.

25 3. The word "participation" shall be deemed not  
26 to include discussion or debate preliminary to a vote  
27 of a governing body, board or commission upon proposed  
28 ordinances, plans or resolutions relating to such  
29 area or project or any abstention from such a vote.

30 4. The designation of a bank or trust company  
31 as depository, paying agent, or agent for investment  
32 of funds shall not be deemed a matter of interest  
33 or personal interest.

34 5. Stock ownership in a corporation having such  
35 an interest shall not be deemed an indicia of an  
36 interest or of ownership or control by the person  
37 owning such stocks when less than five percent of  
38 the outstanding stock of the corporation is owned  
39 or controlled directly or indirectly by such person.

40 6. The word "action" shall not be deemed to include  
41 resolutions advisory to the governing body, board  
42 or commission by any citizens group, board, body,  
43 or commission designated to serve a purely advisory  
44 approving or recommending function.

45 7. The limitations of this section shall be  
46 construed to permit action by a public official,  
47 commissioner, or employee where any benefits of such  
48 action accrue to the public generally, such action  
49 affects all or a substantial portion of the properties  
50 included or planned to be included in such area or

## HOUSE FILE 81

H-3192

- 1 Amend amendment H-3171, to page 3 of House File
- 2 81, as follows:
- 3 1. Page 1, by striking lines 15 through 20.

H-3192 FILED, ADOPTED (*p 419*) BY CUSACK of Scott  
 JANUARY 31, 1979

## HOUSE FILE 81

H-3193

- 1 Amend amendment H-3171, to page 3 of House File
- 2 81, as follows:
- 3 1. Page 1, line 9, by striking the word "have"
- 4 and inserting in lieu thereof the word "be".

H-3193 FILED, ADOPTED (*p 419*) BY SPEAR of Lee  
 JANUARY 31, 1979

## HOUSE FILE 81

H-3194

- 1 Amend amendment H-3171, to page 3 of House File
- 2 81, as follows:
- 3 1. Page 1, line 6, by inserting after the word
- 4 "commission" the words "in those communities which
- 5 have planning commissions".

H-3194 FILED, ADOPTED (*p 419*) BY CUSACK of Scott  
 JANUARY 31, 1979

## HOUSE FILE 81

H-3189

- 1 Amend amendment H-3176, to page 8 of House File
- 2 81, as follows:
- 3 1. Page 1, line 3, by striking the word "section"
- 4 and inserting in lieu thereof the word "sections".
- 5 2. Page 1, by inserting after line 14 the
- 6 following:
- 7 "2. Page 8, by inserting after line 5 the following:
- 8 "Sec. . Section four hundred forty-two point
- 9 thirteen (442.13), subsection five (5), Code 1979, is
- 10 amended by adding the following new lettered paragraph:
- 11 \_\_\_\_\_. Unusual decrease in enrollment due to dis-
- 12 placement of residents of an area designated an urban
- 13 revitalization area pursuant to the provisions of this
- 14 Act."."

H-3189 FILED *Revised not germane 1/31* BY HORN of Linn  
 JANUARY 31, 1979 (*p. 411*)

HOUSE CLIP SHEET

THURSDAY, FEBRUARY 1, 1979

HOUSE FILE 81

H-3185

- 1 Amend the amendment, H-3176, to page 8 of House
- 2 File 81 as follows:
- 3 1. Page 1, line 5 by inserting after the word
- 4 "provide" the word "for".

H-3185 FILED - *Adopted 1/21 (p. 411)* BY CONLON of Muscatine  
JANUARY 31, 1979

HOUSE FILE 81

H-3186

- 1 Amend amendment H-3158, to page 2 of House File
- 2 81, as follows:
- 3 1. Page 1, by striking lines 18 through 23 and
- 4 inserting in lieu thereof the following: "sections
- 5 one (1) through eight (8) of this Act."

H-3186 FILED *Loss 1/31 (p. 416)* BY SPEAR of Lee  
JANUARY 31, 1979

HOUSE FILE 81

H-3187

- 1 Amend the amendment, H-3164, as amended, to House
- 2 File 81, as follows:
- 3 1. Page 1, by inserting after line 1 the following:
- 4 "1. Page 2, line 22, by inserting after the word
- 5 "residential," the word "agricultural,"."
- 6 2. Page 1, line 5, by inserting after the word
- 7 "Act" the words "unless the governing body of the
- 8 city has presented justification at a public hearing
- 9 held pursuant to section two (2) of this Act for the
- 10 revitalization of land assessed as agricultural
- 11 property by means of new construction. Such justification
- 12 shall demonstrate, in addition to the other requirements
- 13 of this Act, that the improvements on land assessed as
- 14 agricultural land will utilize the minimum amount of
- 15 agricultural land necessary to accomplish the
- 16 revitalization of the other classes of property within
- 17 the urban revitalization area".
- 18 3. By renumbering the amendment to conform with
- 19 this amendment.

H-3187 FILED *Adopted 1/31 (p. 425)* BY EVANS of Grundy  
JANUARY 31, 1979 PERKINS of Greene

House File 81

Ways and Means  
Reading, Chairperson  
Comito  
Rush

*2/6/79*  
*Pass per 2/27*  
*2/27 (p. 585)*

HOUSE FILE 81

By COMMITTEE ON WAYS AND MEANS  
(As Amended and Passed by the House)

*2/28 Do Pass 3/2*

House File 81  
Cities  
Reading, Chairperson  
Briles  
Coleman

Passed House, Date 4-18-79 (p. 1614) Passed Senate, Date 3-9-79 (p. 717)

Vote: Ayes 73 Nays 17 Vote: Ayes 42 Nays 0

Approved May 10, 1979  
*motion to reconsider 2/9 (p. 718) withdrawn 2/12 (741)*

### A BILL FOR

1 An Act relating to property tax exemptions for property on  
2 which improvements have been made in a revitalization  
3 area of a city and authorizing cities to issue revenue  
4 bonds for revitalization and urban renewal areas.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments \_\_\_\_\_

1 Section 1. NEW SECTION. The governing body of a city  
2 may, by ordinance, designate an area of the city as a  
3 revitalization area, if that area is any of the following:

4 1. An area in which there is a predominance of buildings  
5 or improvements, whether residential or nonresidential, which  
6 by reason of dilapidation, deterioration, obsolescence,  
7 inadequate provision for ventilation, light, air, sanitation,  
8 or open spaces, high density of population and overcrowding,  
9 the existence of conditions which endanger life or property  
10 by fire and other causes or a combination of such factors,  
11 is conducive to ill health, transmission of disease, infant  
12 mortality, juvenile delinquency or crime, and which is  
13 detrimental to the public health, safety, or welfare.

14 2. An area which by reason of the presence of a substan-  
15 tial number of deteriorated or deteriorating structures,  
16 predominance of defective or inadequate street layout,  
17 incompatible land use relationships, faulty lot layout in  
18 relation to size, adequacy, accessibility or usefulness,  
19 unsanitary or unsafe conditions, deterioration of site or  
20 other improvements, diversity of ownership, tax or special  
21 assessment delinquency exceeding the actual value of the land,  
22 defective or unusual conditions of title, or the existence  
23 of conditions which endanger life or property by fire and  
24 other causes, or a combination of such factors, substantially  
25 impairs or arrests the sound growth of a municipality, retards  
26 the provision of housing accommodations or constitutes an  
27 economic or social liability and is a menace to the public  
28 health, safety, or welfare in its present condition and use.

29 3. An area in which there is a predominance of buildings  
30 or improvements which by reason of age, history, architecture  
31 or significance should be preserved or restored to productive  
32 use.

33 Sec. 2. NEW SECTION. A city may only exercise the  
34 authority conferred upon it in this Act after the following  
35 conditions have been met:

1 1. The governing body has adopted a resolution finding  
2 that the rehabilitation, conservation, redevelopment, or a  
3 combination thereof of the area is necessary in the interest  
4 of the public health, safety, or welfare of the residents  
5 of the city and the area meets the criteria of section one  
6 (1) of this Act.

7 2. The city has prepared a proposed plan for the designated  
8 revitalization area. The proposed plan shall include all  
9 of the following:

10 a. A legal description of the real estate forming the  
11 boundaries of the proposed area along with a map depicting  
12 the existing parcels of real estate.

13 b. The existing assessed valuation of the real estate  
14 in the proposed area, listing the land and building values  
15 separately.

16 c. A list of names and addresses of the owners of record  
17 of real estate within the area.

18 d. The existing zoning classifications and district  
19 boundaries and the existing and proposed land uses within  
20 the area.

21 e. Any proposals for improving or expanding city services  
22 within the area including but not limited to transportation  
23 facilities, sewage, garbage collection, street maintenance,  
24 park facilities and police and fire protection.

25 f. A statement specifying whether the revitalization is  
26 applicable to residential, agricultural, commercial or  
27 industrial property within the designated area or a combination  
28 thereof and whether the revitalization is for rehabilitation  
29 and additions to existing buildings or new construction or  
30 both. The city shall state how long it is estimated that  
31 the area shall remain a designated revitalization area which  
32 time shall be longer than one year from the date of designation  
33 and shall state any plan by the city to issue revenue bonds  
34 for revitalization projects within the area.

35 g. The provisions that have been made for the relocation

1 of persons, including families, business concerns and others,  
2 whom the city anticipates will be displaced as a result of  
3 improvements to be made in the designated area.

4 h. Any tax exemption schedule that shall be used in lieu  
5 of the schedule set out in subsection one (1), two (2), three  
6 (3) or four (4) of section three (3) of this Act. This  
7 schedule shall not allow a greater exemption, but may allow  
8 a smaller exemption, than allowed in the schedule specified  
9 in the corresponding subsection of section three (3) of this  
10 Act and shall be the same schedule used for all property of  
11 the same classification located in an existing revitalization  
12 area.

13 i. The percent increase in actual value requirements that  
14 shall be used in lieu of the fifteen and ten percent  
15 requirements specified in subsection seven (7) of section  
16 three (3) and in section five (5) of this Act. This percent  
17 increase in actual value requirements shall not be greater  
18 than that provided in this Act and shall be the same  
19 requirements applicable to all existing revitalization areas.

20 j. A description of any federal, state or private grant  
21 or loan program likely to be a source of funding for that  
22 area for residential improvements and a description of any  
23 grant or loan program which the city has or will have as a  
24 source of funding for that area for residential improvements.

25 3. The city has filed a copy of the proposed plan for  
26 the designated revitalization area with the city development  
27 board by the fourteenth day before the scheduled public  
28 hearing.

29 4. The city has scheduled a public hearing and notified  
30 all owners of record of real property located within the  
31 proposed area, the tenants living within the proposed area  
32 and the city development board in accordance with section  
33 three hundred sixty-two point three (362.3) of the Code.  
34 In addition to notice by publication, notification shall also  
35 be given by ordinary mail to the last known address of the

1 owners of record. The city shall also send notice by ordinary  
2 mail addressed to the "occupants" of city addresses located  
3 within the proposed area, unless the city council, by reason  
4 of lack of a reasonably current and complete address list,  
5 or for other good cause, shall have waived such notice.  
6 Notwithstanding the provisions of section three hundred sixty-  
7 two point three (362.3), Code 1979, such notice shall be given  
3127-8 by the fourteenth day prior to the public hearing.

9 5. The public hearing has been held.

10 6. A second public hearing has been held if:

11 a. The city development board requests, by certified mail,  
12 a second public hearing within thirty days after receipt of  
13 the minutes of the first public hearing or;

3127 13

14 b. The city has received what it deems to be two valid  
15 petitions requesting a second public hearing within thirty  
16 days after the holding of the first public hearing. One of  
17 the petitions shall contain the signatures and current  
18 addresses of property owners that represent at least ten  
19 percent of the privately-owned property within the designated  
20 revitalization area. The other petition shall contain the  
21 signatures and current addresses of tenants that represent  
22 at least ten percent of the residential rental units within  
23 the designated revitalization area. If the city has received  
24 two or more such petitions within thirty days after the holding  
25 of the first public hearing that were not deemed valid, the  
26 petitions shall be forwarded to the city development board  
27 which shall either confirm or deny the validity of such  
28 petitions within ten days after the receipt of such petitions.  
29 If the city development board determines that the city has  
30 not recognized valid petitions that would have required a  
31 second public hearing, the city shall not adopt the proposed  
32 plan without conducting the second public hearing.

3127  
and 32

33 At any such second public hearing the city may specifically  
34 request those in attendance to indicate the precise nature  
35 of desired changes in the proposed plan.

1 7. The city has adopted the proposed or amended plan,  
2 as the case may be, for the revitalization area after the  
3167-3 requisite number of hearings. The city may subsequently amend  
4 this plan by following the procedures in this section.

3182-5 Sec. 3. NEW SECTION.

6 1. All qualified real estate assessed as residential  
7 property is eligible to receive an exemption from taxation  
314-8 based on the actual value, not to exceed twenty thousand  
9 dollars, added by the improvements. The exemption is for  
10 a period of ten years. The amount of the exemption is equal  
214-11 to a percent of the actual value, not to exceed twenty thousand  
12 dollars, added by the improvements, determined as follows:

- 13 a. For the first year, two hundred percent.
- 14 b. For the second year, two hundred percent.
- 15 c. For the third year, two hundred percent.
- 16 d. For the fourth year, two hundred percent.
- 17 e. For the fifth year, one hundred eighty percent.
- 18 f. For the sixth year, one hundred sixty percent.
- 19 g. For the seventh year, one hundred forty percent.
- 20 h. For the eighth year, one hundred twenty percent.
- 21 i. For the ninth year, one hundred ten percent.
- 22 j. For the tenth year, one hundred percent.

3108-23 However, the granting of the exemption shall not result in  
24 the actual value of the qualified real estate being reduced  
25 below the actual value on which the homestead credit is  
26 computed under section four hundred twenty-five point one  
27 (425.1) of the Code.

28 2. All qualified real estate is eligible to receive a  
29 partial exemption from taxation on the actual value added  
30 by the improvements. The exemption is for a period of ten  
31 years. The amount of the partial exemption is equal to a  
32 percent of the actual value added by the improvements,  
3108-33 determined as follows:

- 34 a. For the first year, eighty percent.
- 35 b. For the second year, seventy percent.

- 1 c. For the third year, sixty percent.
- 2 d. For the fourth year, fifty percent.
- 3 e. For the fifth year, forty percent.
- 4 f. For the sixth year, forty percent.
- 5 g. For the seventh year, thirty percent.
- 6 h. For the eighth year, thirty percent.
- 7 i. For the ninth year, twenty percent.
- 8 j. For the tenth year, twenty percent.

9 3. All qualified real estate is eligible to receive a  
 10 one hundred percent exemption from taxation on the actual  
 11 value added by the improvements. The exemption is for a  
 12 period of three years.

13 4. All qualified real estate assessed as commercial  
 14 property, consisting of three or more separate living quarters  
 15 with at least seventy-five percent of the space used for  
 16 residential purposes, is eligible to receive a one hundred  
 17 percent exemption from taxation on the value added by the  
 18 improvements. The exemption is for a period of ten years.

19 5. The owners of qualified real estate eligible for the  
 20 exemption provided in this section shall elect to take the  
 21 applicable exemption provided in subsection one (1), two (2),  
 22 three (3) or four (4) of this section or provided in the  
 23 different schedule adopted in the city plan if a different  
 24 schedule has been adopted. Once the election has been made  
 25 and the exemption granted, the owner is not permitted to  
 26 change the method of exemption.

27 6. The tax exemption schedule specified in subsection  
 28 one (1), two (2), three (3) or four (4) of this section shall  
 29 apply to every revitalization area within a city unless a  
 30 different schedule is adopted in the city plan as provided  
 31 in section two (2) of this Act. However, a city shall not  
 32 adopt a different schedule unless every revitalization area  
 33 within the city has the same schedule applied to it and the  
 34 schedule adopted does not provide for a larger tax exemption  
 35 in a particular year than is provided for that year in the

1 schedule specified in the corresponding subsection of this  
2 section.

3 7. "Qualified real estate" as used in this Act means real  
4 property, other than land, which is located in a designated  
5 revitalization area and to which improvements have been added,  
6 during the time the area was so designated, which have  
3141-7 increased the actual value by at least fifteen percent, or  
8 at least ten percent in the case of real property assessed  
9 as residential property or which have, in the case of land  
10 upon which is located more than one building and not assessed  
11 as residential property, increased the actual value of the  
12 buildings to which the improvements have been made by at least  
13 fifteen percent. "Qualified real estate" also means land  
14 upon which no structure existed at the start of the new  
15 construction, which is located in a designated revitalization  
16 area and upon which new construction has been added during  
17 the time the area was so designated. "Improvements" as used  
18 in this Act includes rehabilitation and additions to existing  
19 structures as well as new construction on vacant land or on  
20 land with existing structures. However, new construction  
21 on land assessed as agricultural property shall not qualify  
22 as "improvements" for purposes of this Act unless the governing  
23 body of the city has presented justification at a public  
24 hearing held pursuant to section two (2) of this Act for the  
25 revitalization of land assessed as agricultural property by  
26 means of new construction. Such justification shall  
27 demonstrate, in addition to the other requirements of this  
28 Act, that the improvements on land assessed as agricultural  
29 land will utilize the minimum amount of agricultural land  
30 necessary to accomplish the revitalization of the other classes  
31 of property within the urban revitalization area. However,  
3191-32 if such construction, rehabilitation or additions were begun  
33 prior to January 29, 1979, or one year prior to the adoption  
3184  
3197 34 by the city of a plan of urban revitalization pursuant to  
35 section two (2) of this Act, whichever occurs later, the value

3/91  
1 added by such construction, rehabilitation or additions shall  
2 not constitute an increase in value for purposes of qualifying  
3 for the exemptions listed in this section. "Actual value  
4 added by the improvements" as used in this Act means the  
5 actual value added as of the first year for which the exemption  
6 was received.

3/83  
7 8. The fifteen and ten percent increase in actual value  
8 requirements specified in subsection seven (7) of this section  
9 shall apply to every revitalization area within a city unless  
10 different percent increases in actual value requirements are  
11 adopted in the city plan as provided in section two (2) of  
12 this Act. However, a city shall not adopt different  
13 requirements unless every revitalization area within the city  
14 has the same requirements and the requirements do not provide  
15 for a greater percent increase than specified in subsection  
16 seven (7) of this section.

17 Sec. 4. NEW SECTION. A person may submit a proposal for  
18 an improvement project to the governing body of the city to  
19 receive prior approval for eligibility for a tax exemption  
20 on the project. The governing body shall, by resolution,  
21 give its prior approval for an improvement project if the  
22 project is in conformance with the plan for revitalization  
23 developed by the city. Such prior approval shall not entitle  
24 the owner to exemption from taxation until the improvements  
25 have been completed and found to be qualified real estate;  
26 however, if the proposal is not approved, the person may  
27 submit an amended proposal for the governing body to approve  
28 or reject.

29 An application shall be filed for each new exemption  
30 claimed. The first application for an exemption shall be  
31 filed by the owner of the property with the governing body  
32 of the city in which the property is located by February first  
33 of the assessment year for which the exemption is first  
34 claimed, but not later than the year in which all improvements  
35 included in the project are first assessed for taxation.

1 The application shall contain, but not be limited to, the  
2 following information: the nature of the improvement, its  
3 cost, the estimated or actual date of completion, the tenants  
4 that occupied the owner's building on the date the city adopted  
5 the resolution referred to in subsection one (1) of section  
6 two (2) of this Act, and which exemption in section three  
7 (3) of this Act or in the different schedule, if one has been  
8 adopted, will be elected.

9 The governing body of the city shall approve the applica-  
10 tion, subject to review by the local assessor pursuant to  
11 section five (5) of this Act, if the project is in conformance  
12 with the plan for revitalization developed by the city, is  
13 located within a designated revitalization area and if the  
14 improvements were made during the time the area was so

3174-15 designated. The governing body of the city shall forward  
16 for review all approved applications to the appropriate local  
17 assessor by March first of each year with a statement  
18 indicating whether subsection one (1), two (2), three (3)  
3176-19 or four (4) of section three (3) of this Act applies or if  
2177-20 a different schedule has been adopted, which exemption from  
21 that schedule applies. Applications for exemption for  
22 succeeding years on approved projects shall not be required.

23 Sec. 5. NEW SECTION. The local assessor shall review  
3119-24 each first-year application to determine if the improvements  
25 made increased the actual value of the qualified real estate  
26 by at least fifteen percent or at least ten percent in the  
27 case of real property assessed as residential property or  
3183-28 the applicable percent increase requirement adopted by the  
3176-29 city under section two (2) of this Act. If the assessor  
30 determines that the actual value of that real estate has  
31 increased by at least the requisite percent, the assessor  
32 shall proceed to determine the actual value of the property  
33 and certify the valuation determined pursuant to section three  
34 (3) of this Act to the county auditor at the time of  
35 transmitting the assessment rolls. However, if a new structure

1 is erected on land upon which no structure existed at the  
 2 start of the new construction, the assessor shall proceed  
 3 to determine the actual value of the property and certify  
 4 the valuation determined pursuant to section three (3) of  
 5 this Act to the county auditor at the time of transmitting  
 6 the assessment rolls. The assessor shall notify the applicant  
 7 of the determination, and the assessor's decision may be  
 8 appealed to the local board of review at the times specified  
 9 in section four hundred forty-one point thirty-seven (441.37)  
 10 of the Code. If an application for exemption is denied as  
 11 a result of failure to sufficiently increase the value of  
 12 the real estate as provided in section three (3) of this Act,  
 13 the owner may file a first annual application in a subsequent  
 14 year when additional improvements are made to satisfy  
 15 requirements of section three (3) of this Act, and the  
 16 provisions of section four (4) of this Act shall apply. After  
 17 the tax exemption is granted, the local assessor shall continue  
 18 to grant the tax exemption, after annual physical review by  
 19 the assessor, for the time period specified in subsection  
 20 one (1), two (2), three (3) or four (4) of section three (3)  
 21 of this Act, or specified in the different schedule if one  
 22 has been adopted, under which the exemption was granted.  
 23 The tax exemptions for the succeeding years shall be granted  
 24 without the taxpayer having to file an application for the  
 25 succeeding years.

3176  
 26 Sec. 6. NEW SECTION. When in the opinion of the governing  
 27 body of a city the desired level of revitalization has been  
 28 attained or economic conditions are such that the continuation  
 29 of the exemption granted by this Act would cease to be of  
 30 benefit to the city, the governing body may repeal the  
 31 ordinance establishing a revitalization area. In that event,  
 32 all existing exemptions shall continue until their expiration.

3161  
 33 Sec. 7. NEW SECTION. Residential real estate located  
 34 within an area designated as a revitalization area pursuant  
 35 to section one (1) of this Act, is not subject to the

1 additional tax imposed by section four hundred forty-five  
2 point sixty-three (445.63) of the Code.

3 Agricultural real estate located within an area designated  
4 as a revitalization area pursuant to section one (1) of this  
5 Act may be exempt from the additional tax imposed by section  
6 four hundred forty-five point sixty-three (445.63) of the  
7 Code at the discretion of the governing body of the city.  
8 However, before the governing body may exempt agricultural  
9 real estate from the imposition of the additional tax, it  
10 must have present at the public hearing required to be held  
11 under section two (2) of this Act evidence of the waiver of  
12 the imposition of the tax and the potential amount of the  
13 additional taxes that will not be collected.

3173 >

14 Sec. 8. Section three hundred sixty-eight point ten  
15 (368.10), unnumbered paragraph one (1), Code 1979, is amended  
16 to read as follows:

17 The board shall conduct studies of city development, and  
18 shall submit an annual report to the governor and to such  
19 members of the general assembly as request it. This report  
20 shall include an analysis of all plans for designated  
21 revitalization areas filed with the board pursuant to sections  
22 one (1) through seven (7) of this Act since the last annual  
23 report.

24 Sec. 9. Chapter four hundred nineteen (419), Code 1979,  
25 is amended by adding the following new section:

26 NEW SECTION. Cities may also issue revenue bonds for  
27 projects located within a qualified urban renewal area or  
28 an area designated a revitalization area pursuant to sections  
29 one (1) through seven (7) of this Act. The revenue bonds  
30 shall be issued pursuant to the provisions of this chapter  
31 and all provisions of this chapter shall apply, except that:

32 1. The term "project" as defined in section four hundred  
33 nineteen point one (419.1) of the Code includes land,  
34 buildings, or improvements which are suitable for use as  
35 residential property or for the use of a commercial enterprise

1 or nonprofit organization which the governing body finds is  
2 consistent with the urban renewal plan for a qualified urban  
3 renewal area or the revitalization plan, as the case may be.

4 2. To the extent that a city is authorized to pay out  
5 or contribute to the cost of a project under chapter four  
6 hundred three (403) of the Code in the case of a qualified  
7 urban renewal area or under sections one (1) through seven  
8 (7) of this Act in the case of a revitalization area, the  
9 provisions of section four hundred nineteen point eight (419.8)  
10 of the Code shall not apply.

11 3. The provisions of section four hundred nineteen point  
12 fourteen (419.14) of the Code shall not apply to projects  
13 within a qualified urban renewal area.

14 The power to issue revenue bonds pursuant to this section  
15 is in addition to other powers granted cities to aid qualified  
16 urban renewal areas and revitalization areas.

17 The term "qualified urban renewal area" means an urban  
18 renewal area designated as such pursuant to chapter four  
19 hundred three (403) of the Code before the effective date  
20 of this Act.

3206 >

21 Sec. 10. It is the intent of the general assembly that  
22 Iowa Housing Finance Authority shall make an allocation of  
23 funds subject to availability of single family mortgage bond  
24 proceeds to be made available to or on behalf of owners of  
25 single-family residential property for mortgage loans on  
26 single-family housing that is rehabilitated with private funds  
27 and is located in urban revitalization areas designated  
28 pursuant to this Act.

29 Sec. 11. This Act applies to all cities including special  
30 charter cities.

3188

31 Sec. 12. This Act, being deemed of immediate importance,  
32 shall take effect from and after its publication in The Decorah  
33 Journal, a newspaper published in Decorah, Iowa, and in the  
34 Marshalltown Times-Republican, a newspaper published in  
35 Marshalltown, Iowa.

S-3127

1 Amend House File 81 as passed and reprinted by  
 2 the House as follows:  
 3 1. Page 4, line 2, by striking the word  
 4 ""occupants"" and inserting in lieu thereof the word  
 5 "occupants".

6 2. Page 4, line 8, by striking the word  
 7 "fourteenth" and inserting in lieu thereof the word  
 8 "thirtieth".

9 3. Page 4, by striking lines 14 through 32 and  
 10 inserting in lieu thereof the following:  
 11 "b. The city has received within thirty days after  
 12 the holding of the first public hearing a valid  
 13 petition requesting a second public hearing containing  
 14 the signatures and current addresses of property  
 15 owners that represent at least ten percent of the  
 16 privately-owned property within the designated  
 17 revitalization area or;

18 c. The city has received within thirty days after  
 19 the holding of the first public hearing a valid  
 20 petition requesting a second public hearing containing  
 21 the signatures and current addresses of tenants that  
 22 represent at least ten percent of the residential  
 23 units within the designated revitalization area."

24 4. Page 10, by inserting after line 25 the  
 25 following:

26 "Sec. \_\_\_\_ . NEW SECTION. Upon application to it  
 27 and after verification by it, the city shall require  
 28 compensation be paid to a qualified tenant whose  
 29 displacement is due to action on the part of a property  
 30 owner to qualify for the benefits under this Act.  
 31 However, the city may require the persons causing  
 32 the qualified tenant to be displaced to pay the  
 33 relocation payments as a condition for receiving a  
 34 tax exemption under section three (3) of this Act.  
 35 "Compensation" as used in this Act shall constitute  
 36 an amount equal to at least one month's rent of that  
 37 qualified tenant's dwelling unit. "Qualified tenant"  
 38 as used in this Act shall mean the legal occupant  
 39 of a residential dwelling unit which is located within  
 40 a designated revitalization area and who has occupied  
 41 the same dwelling unit continuously since one year  
 42 prior to the city's adoption of the plan pursuant  
 43 to section two (2) of this Act."

44 5. By renumbering as required by this amendment.

S-3127 FILED  
 FEBRUARY 28, 1979

BY COMMITTEE ON WAYS & MEANS  
 ROLF V. CRAFT, CHAIRPERSON

*H. - Adopted 3/8 (p. 697)*

*A - Lost 3/8 (697)*

*B - Adopted as amended by 3185 B + 3/9 (p. 700)*

*Reconsidered 3185 B withdrawn;*

*D - Adopted 3/9 (p. 717) per 3190*

*318  
315  
3190  
3189  
3190  
3163  
3170  
3186  
3190*

HOUSE FILE 81

S-3108

- 1 | Amend House File 81 as passed and reprinted by  
2 the House as follows: |  
3 | 1. Page 5, by striking lines 11 through 22 and  
4 inserting in lieu thereof the words "to one hundred  
5 fifteen percent of the actual value, not to exceed  
6 twenty thousand dollars, added by the improvements."  
7 | 2. Page 5, line 31, by striking the word "a" and  
8 inserting in lieu thereof the words "fifty percent  
9 of the actual value added by the improvements."  
10 | 3. Page 5, by striking lines 32 through page 6,  
11 line 8.

S-3108 FILED *Out of order 3/9 (p. 713)* BY RICHARD F. DRAKE  
FEBRUARY 20, 1979 BASS VAN GILST

HOUSE FILE 81

S-3119

- 1 | Amend House File 81 as follows:  
2 | 1. Page 9, line 24, by inserting after the word  
3 "application" the words "by making a physical review  
4 of the property,".  
5 | 2. Page 10, lines 18 and 19, by striking the words  
6 *3175* ", after annual physical review by the assessor,".

S-3119 FILED *Adopted as amended by* BY RICHARD F. DRAKE  
FEBRUARY 26, 1979 *3178 3/9 (p. 714)* BASS VAN GILST

HOUSE FILE 81

S-3161

1 Amend House File 81 as passed and reprinted by  
2 the House as follows:

3 1. Page 10, by inserting after line 32 the  
4 following:

5 "Notwithstanding any provisions of this Act, the  
6 governing body of a city shall not grant a new tax  
7 exemption pursuant to this Act three years after the  
8 effective date of this Act. All tax exemptions  
9 existing three years after the effective date of this  
10 Act shall continue until their expiration."

3168  
S-3161 FILED  
MARCH 7, 1979

BY NORMAN RODGERS  
JOHN N. NYSTROM  
BASS VAN GILST  
JAMES BRILES  
CLOYD ROBINSON  
JAMES GALLAGHER  
JACK W. HESTER

HOUSE FILE 81

S-3163

1 Amend the amendment S-3127 to House File 81 as  
2 passed and reprinted by the House as follows:

3 1. Page 1, by striking lines 26 through 43 and  
4 inserting in lieu thereof the following:

5 "Sec. \_\_\_\_ . NEW SECTION. Upon application to it  
6 and after verification by it, the city shall provide  
7 relocation payments to or with respect to persons,  
8 including families, business concerns and others  
9 displaced as a result of improvements made in a  
10 designated revitalization area. The payments shall  
11 be made for moving expenses and losses of property  
12 for which reimbursement or compensation has not  
13 otherwise been provided. In addition, the city shall  
14 provide rent supplements to families who are forced  
15 to relocate because of improvements made within the  
16 area, if necessary in order to house the family in  
17 decent, safe and sanitary housing and if the family  
18 does not have sufficient means, as determined by the  
19 city, to pay the required rent for such housing and  
20 if reimbursement or compensation has not otherwise  
21 been provided. A rent supplement for a person shall  
22 not continue for more than five years.

23 The city may require persons causing other persons  
24 to be displaced to pay the relocation payments or  
25 rent supplements provided in this section as a  
26 condition for receiving tax exemptions under this  
27 Act."

S-3163 FILED  
MARCH 7, 1979

BY NORMAN RODGERS

HOUSE FILE 81

S-3141

1 Amend House File 81 as passed and reprinted by  
2 the House as follows:

3 1. Page 5, lines 8 and 9, by striking the words  
4 ", not to exceed twenty thousand dollars,".

5 2. Page 5, lines 11 and 12, by striking the words  
6 ", not to exceed twenty thousand dollars,".

3174 7 3. Page 5, line 23, by inserting after the word  
8 "However," the following: "the amount of the actual  
9 value added by the improvements which shall be used  
10 to compute the exemption shall not exceed twenty  
3174 11 thousand dollars and".

12 4. Page 6, line 17, by inserting after the words  
13 "on the" the word "actual".

14 5. Page 7, line 7, by inserting after the word  
15 "least" the following: "the percent specified in  
16 the plan adopted by the city pursuant to section two  
17 (2) of this Act or if no percent is specified then  
18 by at least".

S-3141 FILED *Adopted as amended by*  
MARCH 5, 1979 *3174A 3/9 (p. 713)*

BY DAVID M. READINGER

HOUSE FILE 81

S-3173

1 Amend House File 81 as passed and reprinted by  
2 the House as follows:

3 1. Page 3, by inserting after line 24 the following  
4 subsection:

5 " \_\_\_\_ . The city has filed with and received approval  
6 of a copy of the proposed plan for the designated  
7 revitalization area with the city planning commission  
8 in those communities which have planning commissions.  
9 If the commission does not approve or object to the  
10 plan by notifying the city within thirty days of  
11 receipt of the plan, the commission shall be deemed  
12 to have approved the plan. If the commission objects  
13 within the required thirty days, the city can override  
14 the objections and the plan will be considered approved  
15 by a three-fourths vote of the authorized number of  
16 members of the governing body in favor of overriding.

17 The procedures outlined in subsections three (3)  
18 through eleven (11) of section three hundred eighty-  
19 six point three (386.3) of the Code shall apply to  
20 this subsection in the same manner as if the term  
21 "district" as used in those subsections referred to  
22 the proposed plan."

23 2. Page 11, by inserting after line 13 the  
24 following section:

25 "Sec. \_\_\_\_ . NEW SECTION. No public official or  
26 employee of a city or board or commission which has  
27 authority to declare an area a revitalization area,  
28 to approve a plan for a revitalization area or to  
29 issue revenue bonds for a project within a  
30 revitalization area shall voluntarily acquire any  
31 personal interest, as hereinafter defined, whether  
32 direct or indirect, in a revitalization area or  
33 project, or in any property included or planned to  
34 be included in any revitalization area or project  
35 or in any contract or proposed contract in connection  
36 with such area or project. Where such acquisition  
37 is not voluntary, the interest acquired shall be  
38 immediately disclosed in writing to the governing  
39 body, and such disclosure shall be entered upon the  
40 minutes of the governing body. If any such official,  
41 commissioner or employee presently owns or controls,  
42 or has owned or controlled within the preceding two  
43 years, any interest, as hereinafter defined, whether  
44 direct or indirect, in any property which he or she  
45 knows is included or planned to be included in a  
46 revitalization area or project, he or she shall  
47 immediately disclose this fact in writing to the  
48 governing body, and such disclosure shall be entered  
49 upon the minutes of the governing body; and any such  
50 official, commissioner or employee shall not

S-3173

PAGE 2

1 participate in any action by the city or board or  
2 commission affecting such property. For the purposes  
3 of this section the following definitions and standards  
4 of construction shall apply:

5 1. "Action affecting such property" shall include  
6 only that action directly and specifically affecting  
7 such property as a separate property but shall not  
8 include any action, any benefits of which accrue to  
9 the public generally, or which affects all or a  
10 substantial portion of the properties included or  
11 planned to be included in such area or project.

12 2. Employment by a public body, its agencies,  
13 or institutions or by any other person having such  
14 an interest shall not be deemed an interest by such  
15 employee or of any ownership or control by such  
16 employee of interests of his or her employer. Such  
17 an employee may participate in a revitalization area  
18 or project so long as any benefits of such  
19 participation accrue to the public generally, such  
20 participation affects all or a substantial portion  
21 of the properties included or planned to be included  
22 in such area or a project, or such participation  
23 promotes the public purposes of such area or project,  
24 and shall limit only that participation by an employee  
25 which directly or specifically affects property in  
26 which an employer of an employee has an interest.

27 3. The word "participation" shall be deemed not  
28 to include discussion or debate preliminary to a vote  
29 of a governing body, board or commission upon proposed  
30 ordinances, plans or resolutions relating to such  
31 area or project or any abstention from such a vote.

32 4. The designation of a bank or trust company  
33 as depository, paying agent, or agent for investment  
34 of funds shall not be deemed a matter of interest  
35 or personal interest.

36 5. Stock ownership in a corporation having such  
37 an interest shall not be deemed an indicia of an  
38 interest or of ownership or control by the person  
39 owning such stocks when less than five percent of  
40 the outstanding stock of the corporation is owned  
41 or controlled directly or indirectly by such person.

42 6. The word "action" shall not be deemed to include  
43 resolutions advisory to the governing body, board  
44 or commission by any citizens group, board, body,  
45 or commission designated to serve a purely advisory  
46 approving or recommending function.

47 7. The limitations of this section shall be  
48 construed to permit action by a public official,  
49 commissioner, or employee where any benefits of such  
50 action accrue to the public generally, such action

S-3173

PAGE 3

1 affects all or a substantial portion of the properties  
 2 included or planned to be included in such area or  
 3 project, or such action promotes the public purposes  
 4 of such area or project, and shall be construed to  
 5 limit only that action by a public official,  
 6 commissioner, or employee which directly or  
 7 specifically affects property in which such official,  
 8 commissioner, or employee has an interest or in which  
 9 an employer of such official, commissioner, or employee  
 10 has an interest. Any violation of the provisions  
 11 of this section shall constitute misconduct in office,  
 12 but no ordinance or resolution of a city, board or  
 13 commission shall be invalid by reason of votes cast  
 14 in violation of the standards of this section unless  
 15 such votes were decisive in the passage of such  
 16 ordinance or resolution."

17 3. By renumbering as required by this amendment.

S-3173 FILED *Withdrawn 2/9 (p. 712)* BY PATRICK J. DELUHERY  
MARCH 8, 1979

HOUSE FILE 81

S-3168

1 Amend the amendment S-3161 to House File 81 as  
 2 passed and reprinted by the House as follows:  
 3 1. Page 1, line 7, by striking the word "three"  
 4 and inserting in lieu thereof the word "five".  
 5 2. Page 1, line 9, by striking the word "three"  
 6 and inserting in lieu thereof the word "five".

S-3168 FILED *Adopted 2/9 (p. 714)* BY PATRICK J. DELUHERY  
MARCH 8, 1979

HOUSE FILE 81

S-3169

1 Amend House File 81 as passed and reprinted by  
 2 the House as follows:  
 3 1. Page 5, line 3, by inserting after the word  
 4 "hearings." the following: "However, the plan shall  
 5 not be approved by the city and an area shall not  
 6 be designated an urban revitalization area if a  
 7 majority of the qualified electors within the city,  
 8 in a referendum held upon the request of ten percent  
 9 of the qualified electors within the city, votes to  
 10 disapprove the plan. If the plan is disapproved in  
 11 this manner, the plan shall be amended by the city  
 12 and the procedures outlined in subsection three (3),  
 13 four (4), five (5) and six (6) of this section shall  
 14 apply."

S-3169 FILED *Withdrawn 2/9 (p. 712)* BY PATRICK J. DELUHERY  
MARCH 8, 1979

HOUSE FILE 81

S-3170

1 Amend the amendment S-3127 to House File 81 as  
2 passed and reprinted by the House as follows:

3 1. Page 1, by striking lines 26 through 43 and  
4 inserting in lieu thereof the following:

5 "Sec. \_\_\_\_ . NEW SECTION. Upon application to it  
6 and after verification by it, the city shall provide  
7 relocation payments to or with respect to any person,  
8 including a family, business concern and others  
9 displaced as a result of improvements made in a  
10 designated revitalization area. The payments shall  
11 be made for moving expenses and losses of property  
12 for which reimbursement or compensation has not  
13 otherwise been provided. The city may require persons  
14 causing other persons to be displaced to pay the  
15 relocation payments provided in this section as a  
16 condition for receiving a tax exemption. The state  
17 shall reimburse the city in the amount of fifty percent  
18 of the relocation payments paid by the city after  
19 receipt by the state treasurer of a certified bill  
20 stating the amount of relocation payments made by  
21 the city.

22 Sec. \_\_\_\_ . NEW SECTION. Upon application to it  
23 and after verification by it, the city shall provide  
24 rent supplements for those families who have resided  
25 in the area now designated as a revitalization area  
26 for a period of five or more years, whose head of  
27 household is over sixty years of age, or who have  
28 otherwise been deemed eligible for additional  
29 assistance by the city, subject to the following  
30 conditions:

31 1. the family was forced to relocate because of  
32 improvements made within the area,

33 2. a supplement to previous rental payments is  
34 necessary in order to house the family in decent,  
35 safe, and sanitary housing,

36 3. the family does not have sufficient means,  
37 as determined by the city, to pay the required rent  
38 for such housing, and

39 4. a reimbursement or compensation for the family  
40 has not otherwise been provided.

41 A rent supplement for a person or family shall  
42 not continue for more than five years.

43 The state shall reimburse the city in the amount  
44 of fifty percent of the rent supplements paid directly  
45 by the city and not covered by other sources of  
46 revenue."

S-3170 FILED  
MARCH 8, 1979

DIV A - LOST (p. 699)  
DIV B - WITHDRAWN (p. 700)

BY PATRICK J. DELUHERY

HOUSE FILE 81

S-3176

1 Amend House File 81 as passed and reprinted by  
2 the House as follows:

3 1. Page 6, by inserting after line 18 the following  
4 subsection:

5 "5. All real estate, excluding land, located  
6 within a city and assessed as residential or  
7 agricultural property is eligible to receive a one  
8 hundred percent exemption from taxation on the actual  
9 value added by the improvements to a residential  
10 dwelling. The exemption is for a period of five  
11 years. To receive the exemption from taxation the  
12 real estate, excluding land, must:

13 a. Not be located in an area designated by the  
14 city a revitalization area. -

15 b. Consist of a residential dwelling whose basic  
16 structure was erected at least twenty years before  
17 the completion of the improvement to the dwelling  
18 for which the tax exemption is sought.

19 c. Increase in actual value because of the improve-  
20 ment by at least ten percent.

21 For purposes of the tax exemptions provided in  
22 this Act, real estate receiving a tax exemption under  
23 this subsection shall be considered located within  
24 a revitalization area."

25 2. Page 6, line 26, by inserting after the word  
26 "exemption." the words "The owner of real estate  
27 granted an exemption under subsection five (5) of  
28 this section is not permitted to change the method  
29 of exemption if subsequently the city designates an  
30 area which includes the owner's real estate as a  
31 revitalization area but the designation of such an  
32 area does not terminate the owner's tax exemption."

33 3. Page 9, line 15, by inserting after the word  
34 "designated" the words "or in the case of an applica-  
35 tion for the tax exemption provided under subsection  
36 five (5) of section three (3) of this Act, if the  
37 real estate is not located within an area designated  
38 by the city as a revitalization area".

39 4. Page 9, line 19, by striking the words and  
40 figure "or four (4)" and inserting in lieu thereof  
41 the words and figures ", four (4) or five (5)".

42 5. Page 9, line 29, by inserting after the word  
43 "Act" the words "or in the case of an application  
44 for exemption under subsection five (5) of section  
45 three (3) of this Act, the improvements increased  
46 the actual value of the real estate, excluding land,  
47 by at least ten percent".

48 6. Page 10, line 20, by striking the words and  
49 figure "or four (4)" and inserting in lieu thereof  
50 the words and figures ", four (4) or five (5)".

S-3176  
Page 2

1 7. By renumbering as required by this amendment.

S-3176 FILED *Out of order*  
MARCH 8, 1979 *3/9 (p. 713)*

BY RICHARD COMITO  
STEPHEN W. BIENIUS  
ARTHUR L. GRATIAS  
JOHN W. JENSEN  
SUE YENGER  
MERLIN D. HULSE  
CLARENCE CARNEY  
BERL E. PRIEBE  
C. JOSEPH COLEMAN  
CHARLES P. MILLER  
NORMAN G. RODGERS  
RAY TAYLOR  
JOE BROWN  
CLOYD E. ROBINSON  
BOB RUSH

TOM SLATER  
ROBERT M. CARR  
IRVIN L. BERGMAN  
JAMES V. GALLAGHER  
LOWELL L. JUNKINS  
WILLIAM D. PALMER  
C.W. HUTCHINS  
NORMAN J. GOODWIN  
JOHN SCOTT  
ALVIN V. MILLER  
FORREST V. SCHWENGELS  
ARNE WALDSTEIN  
DALE TIEDEN

S-3176 FILED  
MARCH 8, 1979

HOUSE FILE 81

S-3174

- A
- 1 Amend the Readinger amendment, S-3141, to House
  - 2 File 81 as amended, passed and reprinted by the House
  - 3 as follows:
  - 4 1. Page 1, by inserting after line 6 the following:
  - 5 "\_\_\_\_". Page 5, by striking lines 13 through 22
  - 6 and inserting in lieu thereof the following: "one
  - 7 hundred fifteen percent of the value added by the
  - 8 improvements.""
  - 9 2. Page 1, by inserting after line 11 the
  - 10 following:
  - 11 "\_\_\_\_. Page 5, line 31, by striking the word "a"
  - 12 and inserting in lieu thereof the words "fifty percent
  - 13 of the actual value added by the improvements."
  - 14 \_\_\_\_\_. Page 5, by striking line 32 through page
  - 15 6, line 8."

S-3174 FILED  
MARCH 8, 1979

BY RICHARD F. DRAKE  
BASS VAN GILST

*A. Adopted; B. Withdrawn 3/9 (p. 713)*

HOUSE FILE 81

S-3182

1 Amend House File 81 as passed and reprinted by  
2 the House as follows:  
3 1. Page 5, by inserting after line 4 the following  
4 new section:

5 "Sec. \_\_\_\_ . NEW SECTION.

6 1. If an area zoned for residential use or  
7 commercial use for residential purposes or mixed  
8 commercial and residential uses is rezoned on or after  
9 the effective date of this Act for commercial or  
10 industrial uses, the city shall not adopt a resolution  
11 designating that area as a part of a revitalization  
12 area for at least three years after the date on which  
13 that area was rezoned.

14 2. After the city designates an area a  
15 revitalization area, the city shall not rezone an  
16 area zoned for residential use or commercial use for  
17 residential purposes or mixed commercial and  
18 residential uses to commercial or industrial uses  
19 within that revitalization area during the time the  
20 area remains designated a revitalization area or for  
21 five years from the date of the designation as a  
22 revitalization area, whichever time is the lesser.

23 3. The provisions in this section restricting  
24 a city from designating an area a revitalization area  
25 if that area has been rezoned or restricting a city  
26 from rezoning an area within a revitalization area  
27 do not apply to any of the following:

28 a. The rezoning of an area consisting solely of  
29 land on which no structure exists at the time of  
30 rezoning unless structures previously existing on  
31 the land have been removed for the purpose of  
32 qualifying for this exception.

33 b. The rezoning of an area if before the rezoning  
34 the city has entered into agreements with all  
35 developers and the persons and businesses involved  
36 to insure that relocation payments or rent supplements  
37 will be provided.

38 c. The rezoning of an area for which an urban  
39 renewal project has been approved pursuant to chapter  
40 four hundred three (403) of the Code.

41 4. For purposes of this section, zoning for "mixed  
42 commercial and residential uses" means a zoning  
43 classification in which small scale commercial uses  
44 are permitted in an otherwise predominantly residential  
45 environment."

46 2. By renumbering as required by this amendment.

S-3182 FILED *Withdrawn 3/8*  
MARCH 8, 1979 (*p. 712*)

BY PATRICK J. DELUHERY

HOUSE FILE 81

S-3177

- 1 Amend House File 81 as passed and reprinted by  
2 the House as follows:  
3 1. Page 3, lines 5 and 6, by striking the words  
4 and figures ", three (3) or four (4)" and inserting  
5 in lieu thereof the words and figure "or three (3)".  
6 2. Page 5, by striking lines 7 through 27 and  
7 inserting in lieu thereof the words "property or  
8 assessed as commercial property, consisting of three  
9 or more separate living quarters with at least seventy-  
10 five percent of the space used for residential  
11 purposes, is eligible to receive a one hundred percent  
12 exemption from taxation on the actual value added  
13 by the improvements. The exemption is for a period  
14 of ten years."  
15 3. Page 6, by striking lines 13 through 18.  
16 4. Page 6, lines 21 and 22, by striking the words  
17 and figures ", three (3) or four (4)" and inserting  
18 in lieu thereof the words and figure "or three (3)".  
19 5. Page 6, line 28, by striking the words and  
20 figures ", three (3) or four (4)" and inserting in  
21 lieu thereof the words and figure "or three (3)".  
22 6. Page 9, lines 18 and 19, by striking the words  
23 and figures ", three (3) or four (4)" and inserting  
24 in lieu thereof the words and figure "or three (3)".  
25 7. Page 10, line 20, by striking the words and  
26 figures ", three (3) or four (4)" and inserting in  
27 lieu thereof the words and figure "or three (3)".  
28 8. By renumbering as required by this amendment.

S-3177 FILED *Withdrawn 3/9 (p. 713)* BY NORMAN RODGERS  
MARCH 8, 1979

HOUSE FILE 81

S-3178

- 1 Amend the amendment S-3119 to House File 81 as  
2 passed and reprinted by the House as follows:  
3 1. Page 1, by striking lines 5 and 6 and inserting  
4 in lieu thereof the following:  
5 "2. Page 10, line 18, by striking the words "after  
6 annual" and inserting in lieu thereof the words "with  
7 periodic"."

S-3178 FILED *Adopted 3/9 (p. 714)* BY NORMAN RODGERS  
MARCH 8, 1979

SENATE 5  
MARCH 12, 1979

HOUSE FILE 81

S-3197

- 1 Amend House File 81 as passed and reprinted by
- 2 the House as follows:
- 3 1. Page 7, line 33, by striking the words "prior
- 4 to January 29, 1979, or" and inserting in lieu thereof
- 5 the words "more than".
- 6 2. Page 7, line 35, by striking the words
- 7 "whichever occurs later,".

S-3197 FILED & LOST (p. 717)  
MARCH 9, 1979

BY EDGAR H. HOLDEN

SENATE 2  
MARCH 12, 1979

HOUSE FILE 81

S-3191

- 1 Amend House File 81 as passed and reprinted by
- 2 the House as follows:
- 3 1. Page 7, line 32, by striking the words ",
- 4 rehabilitation or additions".
- 5 2. Page 8, line 1, by striking the words ",
- 6 rehabilitation or additions".
- 7 3. Page 8, line 3, by inserting after the word
- 8 "section." the following: "However, in the case of
- 9 projects involving rehabilitation or additions to
- 10 existing buildings begun subsequent to July 1, 1978,
- 11 the value added by the rehabilitation or additions
- 12 shall constitute an increase in value for purposes
- 13 of qualifying for the exemptions listed in this
- 14 section".

S-3191 FILED & LOST (p. 716)  
MARCH 9, 1979

BY EDGAR H. HOLDEN

S-3183

- 1 Amend House File 81 as passed and reprinted by  
 2 the House as follows:  
 ( 3 1. Page 3, by striking lines 13 through 19.  
 4 2. Page 8, by striking lines 7 through 16.  
 5 3. Page 9, lines 27, 28 and 29, by striking the  
 6 following: "or the applicable percent increase  
 7 requirement adopted by the city under section two  
 8 (2) of this Act".  
 9 4. By renumbering as required by this amendment.

S-3183 FILED *Lost 3/9 (p. 711)*  
 MARCH 8, 1979

BY NORMAN RODGERS

## HOUSE FILE 81

S-3184

- 1 Amend House File 81 as passed and reprinted by  
 2 the House as follows:  
 3 1. Page 7, by striking lines 33, 34 and 35 and  
 4 inserting in lieu thereof the words "more than one  
 5 year prior to the effective date of this Act, the  
 6 value".

S-3184 FILED *Withdrawn 3/9 (p. 713)*  
 ( MARCH 8, 1979

BY EDGAR H. HOLDEN

## HOUSE FILE 81

S-3185

- 1 Amend the Committee on Ways and Means amendment,  
 2 S-3127, to House File 81 as amended, passed and  
 3 reprinted by the House as follows:  
 A 4 1. Page 1, line 27 by striking the word "shall"  
 5 and inserting in lieu thereof the word "may".  
 B 6 2. Page 1, line 28 by inserting after the word  
 7 "compensation" the words "for actual relocation  
 8 expenses".

S-3185 FILED  
 MARCH 8, 1979

BY DICK RAMSEY

DIV A - LOST *(p. 700)*DIV B - ADOPTED *(p. 699)*

HOUSE FILE 81

S-3206

1 Amend House File 81, as passed and reprinted by  
2 the House, as follows:

3 1. Page 12, by inserting after line 20 the fol-  
4 lowing sections:

5 "Sec. \_\_\_\_\_. Section four hundred forty-two point  
6 two (442.2), subsection one (1), Code 1979, is amended  
7 to read as follows:

8 1. Each school district shall cause to be levied  
9 each year, for the school general fund, a foundation  
10 property tax at a rate of five dollars and forty cents  
11 per thousand dollars of assessed valuation on all  
12 taxable property in the district, or an adjusted  
13 foundation property tax at a rate determined under  
14 subsection five (5) of this section, whichever is  
15 applicable. For the purpose of this chapter, a school  
16 district is defined as a school corporation organized  
17 under chapter 274.

18 Sec. \_\_\_\_\_. Section four hundred forty-two point  
19 two (442.2), Code 1979, is amended by adding the  
20 following new subsection:

21 NEW SUBSECTION. 5. The adjusted foundation  
22 property tax is used for a school district in which  
23 there is a reduction in assessed valuation of taxable  
24 property because of the exemption from taxation of  
25 the value of property improvements under section three  
26 (3) of this Act. The adjusted foundation property  
27 tax rate is equal to five dollars and forty cents  
28 per thousand dollars of assessed valuation times the  
29 real assessed value of taxable property in the district  
30 divided by the assessed value of the taxable property  
31 in the district. For purposes of this subsection,  
32 "real assessed value of taxable property in the  
33 district" means the total value of all taxable property  
34 in the district without subtracting the exemption  
35 provided under section three (3) of this Act."

36 2. By numbering and renumbering sections as  
37 necessary.

S-3206 FILED  
MARCH 12, 1979

BY RICHARD R. RAMSEY

SENATE CLIP SHEET

MARCH 12, 1979

HOUSE FILE 81

S-3188

- 1 Amend House File 81 as amended, passed, and  
2 reprinted by the House as follows:  
3 1. Page 12, by striking lines 31 through 35.

S-3188 FILED & ADOPTED (p. 716)  
MARCH 9, 1979

BY ARTHUR A. SMALL

HOUSE FILE 81

S-3189

- 1 Amend the Committee on Ways and Means amendment  
2 S-3127 as follows:  
3 1. Page 1, line 28, by inserting after the word  
4 "compensation" the words "of at least one month's  
5 rent and may require compensation of actual reloca-  
6 tion expenses".  
7 2. Page 1, line 32, by inserting after the  
8 word "pay" the words "all or a part of".  
9 3. Page 1, by striking lines 35 through 37 and  
10 inserting in lieu thereof the words "'Qualified  
11 tenant'".

S-3189 FILED & WITHDRAWN (p. 717)  
MARCH 9, 1979

BY DICK RAMSEY  
ARTHUR SMALL, JR.

HOUSE FILE 81

S-3190

- 1 Amend the Committee on Ways and Means amendment  
2 S-3127 to House File 81 as amended, passed and  
3 reprinted by the House as follows:  
4 1. Page 1, line 28, by inserting after the word  
5 "compensation" the words "of at least one month's  
6 rent and may require compensation of actual reloca-  
7 tion expenses".  
8 2. Page 1, line 32, by inserting after the  
9 word "pay" the words "all or a part of".  
10 3. Page 1, by striking lines 35 through 37 and  
11 inserting in lieu thereof the words "'Qualified  
12 tenant'".

S-3190 FILED & ADOPTED (p. 717)  
MARCH 9, 1979

BY DICK RAMSEY  
ARTHUR SMALL, JR.

SENATE AMENDMENT TO  
HOUSE FILE 81

H-3381

1 Amend House File 81 as amended, passed and reprinted  
2 by the House as follows:

3 1. Page 4, line 8, by striking the word  
4 "fourteenth" and inserting in lieu thereof the word  
5 "thirtieth".

6 2. Page 4, by striking lines 14 through 32 and  
7 inserting in lieu thereof the following:

8 "b. The city has received within thirty days after  
9 the holding of the first public hearing a valid  
10 petition requesting a second public hearing containing  
11 the signatures and current addresses of property  
12 owners that represent at least ten percent of the  
13 privately-owned property within the designated  
14 revitalization area or;

15 c. The city has received within thirty days after  
16 the holding of the first public hearing a valid  
17 petition requesting a second public hearing containing  
18 the signatures and current addresses of tenants that  
19 represent at least ten percent of the residential  
20 units within the designated revitalization area."

21 3. Page 5, lines 8 and 9, by striking the words  
22 ", not to exceed twenty thousand dollars,".

23 4. Page 5, lines 11 and 12, by striking the words  
24 ", not to exceed twenty thousand dollars,".

25 5. Page 5, by striking lines 13 through 22 and  
26 inserting in lieu thereof the following: "one hundred  
27 fifteen percent of the value added by the  
28 improvements."

29 6. Page 5, line 23, by inserting after the word  
30 "However," the following: "the amount of the actual  
31 value added by the improvements which shall be used  
32 to compute the exemption shall not exceed twenty  
33 thousand dollars and".

34 7. Page 6, line 17, by inserting after the words  
35 "on the" the word "actual".

36 8. Page 7, line 7, by inserting after the word  
37 "least" the following: "the percent specified in  
38 the plan adopted by the city pursuant to section two  
39 (2) of this Act or if no percent is specified then  
40 by at least".

41 9. Page 9, line 24, by inserting after the word  
42 "application" the words "by making a physical review  
43 of the property,".

44 10. Page 10, line 18, by striking the words "after  
45 annual" and inserting in lieu thereof the words "with  
46 periodic".

47 11. Page 10, by inserting after line 25 the  
48 following:

49 "Sec. \_\_\_\_ . NEW SECTION. Upon application to it  
50 and after verification by it, the city shall require

Page two  
H-3381

2753 1 compensation of at least one month's rent and may  
2 require compensation of actual relocation expenses  
3 be paid to a qualified tenant whose displacement is  
4 due to action on the part of a property owner to  
5 qualify for the benefits under this Act. However,  
6 the city may require the persons causing the qualified  
7 tenant to be displaced to pay all or a part of the  
8 relocation payments as a condition for receiving a  
9 tax exemption under section three (3) of this Act.  
10 "Qualified tenant" as used in this Act shall mean  
11 the legal occupant of a residential dwelling unit  
12 which is located within a designated revitalization  
13 area and who has occupied the same dwelling unit  
14 continuously since one year prior to the city's  
15 adoption of the plan pursuant to section two (2) of  
16 this Act."  
17 12. Page 12, by striking lines 31 through 35.  
18 13. Renumbering as required by this amendment.

H-3381 FILED  
MARCH 13, 1979

*House concurred 4/18 53-27 (p. 1613)*

HOUSE FILE 81

H-3753

- 1 Amend the Senate amendment H-3381, to House
- 2 File 81, as passed by the House and reprinted, as
- 3 follows:
- 4 1. Page 2, by striking lines 1 and 2 and
- 5 inserting in lieu thereof the following: "compensa-
- 6 tion of at least one month's rent and actual reloca-
- 7 tion expenses to".

H-3753 FILED *Lost 4/18 (p. 1613)*  
APRIL 5, 1979

BY BINA of Scott

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HOUSE FILE 81

H-3833

- 1 Amend the Senate amendment, H-3381, to House File
- 2 81 as amended, passed and reprinted by the House as
- 3 follows:
- 4 1. Page 1, by striking lines 25 through 28.

H-3833 FILED *Lost 4/18 (p. 1611)*  
APRIL 10, 1979

BY NORLAND of Worth  
BINA of Scott  
CUSACK of Scott

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HOUSE FILE 81

H-3909

- 1 Amend the Senate amendment, H-3381, to House File
- 2 81 as amended, passed and reprinted by the House as
- 3 follows:
- 4 1. Page 1, line 27, by striking the word "fifteen".

H-3909 FILED *Lost 4/18 (p. 1612)*  
APRIL 12, 1979

BY SCHNEKLOTH of Scott  
BENNETT of Ida

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HOUSE FILE 81

AN ACT

RELATING TO PROPERTY TAX EXEMPTIONS FOR PROPERTY ON WHICH IMPROVEMENTS HAVE BEEN MADE IN A REVITALIZATION AREA OF A CITY AND AUTHORIZING CITIES TO ISSUE REVENUE BONDS FOR REVITALIZATION AND URBAN RENEWAL AREAS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. The governing body of a city may, by ordinance, designate an area of the city as a revitalization area, if that area is any of the following:

1. An area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, the existence of conditions which endanger life or property by fire and other causes or a combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime, and which is detrimental to the public health, safety, or welfare.

2. An area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, incompatible land use relationships, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the actual value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or a combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards

the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, or welfare in its present condition and use.

3. An area in which there is a predominance of buildings or improvements which by reason of age, history, architecture or significance should be preserved or restored to productive use.

Sec. 2. NEW SECTION. A city may only exercise the authority conferred upon it in this Act after the following conditions have been met:

1. The governing body has adopted a resolution finding that the rehabilitation, conservation, redevelopment, or a combination thereof of the area is necessary in the interest of the public health, safety, or welfare of the residents of the city and the area meets the criteria of section one (1) of this Act.

2. The city has prepared a proposed plan for the designated revitalization area. The proposed plan shall include all of the following:

a. A legal description of the real estate forming the boundaries of the proposed area along with a map depicting the existing parcels of real estate.

b. The existing assessed valuation of the real estate in the proposed area, listing the land and building values separately.

c. A list of names and addresses of the owners of record of real estate within the area.

d. The existing zoning classifications and district boundaries and the existing and proposed land uses within the area.

e. Any proposals for improving or expanding city services within the area including but not limited to transportation facilities, sewage, garbage collection, street maintenance, park facilities and police and fire protection.

f. A statement specifying whether the revitalization is applicable to residential, agricultural, commercial or industrial property within the designated area or a combination thereof and whether the revitalization is for rehabilitation and additions to existing buildings or new construction or both. The city shall state how long it is estimated that the area shall remain a designated revitalization area which time shall be longer than one year from the date of designation and shall state any plan by the city to issue revenue bonds for revitalization projects within the area.

g. The provisions that have been made for the relocation of persons, including families, business concerns and others, whom the city anticipates will be displaced as a result of improvements to be made in the designated area.

h. Any tax exemption schedule that shall be used in lieu of the schedule set out in subsection one (1), two (2), three (3) or four (4) of section three (3) of this Act. This schedule shall not allow a greater exemption, but may allow a smaller exemption, than allowed in the schedule specified in the corresponding subsection of section three (3) of this Act and shall be the same schedule used for all property of the same classification located in an existing revitalization area.

i. The percent increase in actual value requirements that shall be used in lieu of the fifteen and ten percent requirements specified in subsection seven (7) of section three (3) and in section five (5) of this Act. This percent increase in actual value requirements shall not be greater than that provided in this Act and shall be the same requirements applicable to all existing revitalization areas.

j. A description of any federal, state or private grant or loan program likely to be a source of funding for that area for residential improvements and a description of any grant or loan program which the city has or will have as a source of funding for that area for residential improvements.

3. The city has filed a copy of the proposed plan for the designated revitalization area with the city development board by the fourteenth day before the scheduled public hearing.

4. The city has scheduled a public hearing and notified all owners of record of real property located within the proposed area, the tenants living within the proposed area and the city development board in accordance with section three hundred sixty-two point three (362.3) of the Code. In addition to notice by publication, notification shall also be given by ordinary mail to the last known address of the owners of record. The city shall also send notice by ordinary mail addressed to the "occupants" of city addresses located within the proposed area, unless the city council, by reason of lack of a reasonably current and complete address list, or for other good cause, shall have waived such notice. Notwithstanding the provisions of section three hundred sixty-two point three (362.3), Code 1979, such notice shall be given by the thirtieth day prior to the public hearing.

5. The public hearing has been held.

6. A second public hearing has been held if:

a. The city development board requests, by certified mail, a second public hearing within thirty days after receipt of the minutes of the first public hearing or;

b. The city has received within thirty days after the holding of the first public hearing a valid petition requesting a second public hearing containing the signatures and current addresses of property owners that represent at least ten percent of the privately-owned property within the designated revitalization area or;

c. The city has received within thirty days after the holding of the first public hearing a valid petition requesting a second public hearing containing the signatures and current addresses of tenants that represent at least ten percent of the residential units within the designated revitalization area.

At any such second public hearing the city may specifically request those in attendance to indicate the precise nature of desired changes in the proposed plan.

7. The city has adopted the proposed or amended plan, as the case may be, for the revitalization area after the requisite number of hearings. The city may subsequently amend this plan by following the procedures in this section.

Sec. 3. NEW SECTION.

1. All qualified real estate assessed as residential property is eligible to receive an exemption from taxation based on the actual value added by the improvements. The exemption is for a period of ten years. The amount of the exemption is equal to a percent of the actual value added by the improvements, determined as follows: one hundred fifteen percent of the value added by the improvements. However, the amount of the actual value added by the improvements which shall be used to compute the exemption shall not exceed twenty thousand dollars and the granting of the exemption shall not result in the actual value of the qualified real estate being reduced below the actual value on which the homestead credit is computed under section four hundred twenty-five point one (425.1) of the Code.

2. All qualified real estate is eligible to receive a partial exemption from taxation on the actual value added by the improvements. The exemption is for a period of ten years. The amount of the partial exemption is equal to a percent of the actual value added by the improvements, determined as follows:

- a. For the first year, eighty percent.
- b. For the second year, seventy percent.
- c. For the third year, sixty percent.
- d. For the fourth year, fifty percent.
- e. For the fifth year, forty percent.
- f. For the sixth year, forty percent.

g. For the seventh year, thirty percent.

h. For the eighth year, thirty percent.

i. For the ninth year, twenty percent.

j. For the tenth year, twenty percent.

3. All qualified real estate is eligible to receive a one hundred percent exemption from taxation on the actual value added by the improvements. The exemption is for a period of three years.

4. All qualified real estate assessed as commercial property, consisting of three or more separate living quarters with at least seventy-five percent of the space used for residential purposes, is eligible to receive a one hundred percent exemption from taxation on the actual value added by the improvements. The exemption is for a period of ten years.

5. The owners of qualified real estate eligible for the exemption provided in this section shall elect to take the applicable exemption provided in subsection one (1), two (2), three (3) or four (4) of this section or provided in the different schedule adopted in the city plan if a different schedule has been adopted. Once the election has been made and the exemption granted, the owner is not permitted to change the method of exemption.

6. The tax exemption schedule specified in subsection one (1), two (2), three (3) or four (4) of this section shall apply to every revitalization area within a city unless a different schedule is adopted in the city plan as provided in section two (2) of this Act. However, a city shall not adopt a different schedule unless every revitalization area within the city has the same schedule applied to it and the schedule adopted does not provide for a larger tax exemption in a particular year than is provided for that year in the schedule specified in the corresponding subsection of this section.

7. "Qualified real estate" as used in this Act means real property, other than land, which is located in a designated revitalization area and to which improvements have been added, during the time the area was so designated, which have increased the actual value by at least the percent specified in the plan adopted by the city pursuant to section two (2) of this Act or if no percent is specified then by at least fifteen percent, or at least ten percent in the case of real property assessed as residential property or which have, in the case of land upon which is located more than one building and not assessed as residential property, increased the actual value of the buildings to which the improvements have been made by at least fifteen percent. "Qualified real estate" also means land upon which no structure existed at the start of the new construction, which is located in a designated revitalization area and upon which new construction has been added during the time the area was so designated.

"Improvements" as used in this Act includes rehabilitation and additions to existing structures as well as new construction on vacant land or on land with existing structures. However, new construction on land assessed as agricultural property shall not qualify as "improvements" for purposes of this Act unless the governing body of the city has presented justification at a public hearing held pursuant to section two (2) of this Act for the revitalization of land assessed as agricultural property by means of new construction. Such justification shall demonstrate, in addition to the other requirements of this Act, that the improvements on land assessed as agricultural land will utilize the minimum amount of agricultural land necessary to accomplish the revitalization of the other classes of property within the urban revitalization area. However, if such construction, rehabilitation or additions were begun prior to January 29, 1979, or one year prior to the adoption by the city of a plan of urban revitalization pursuant to section two (2) of this

Act, whichever occurs later, the value added by such construction, rehabilitation or additions shall not constitute an increase in value for purposes of qualifying for the exemptions listed in this section. "Actual value added by the improvements" as used in this Act means the actual value added as of the first year for which the exemption was received.

8. The fifteen and ten percent increase in actual value requirements specified in subsection seven (7) of this section shall apply to every revitalization area within a city unless different percent increases in actual value requirements are adopted in the city plan as provided in section two (2) of this Act. However, a city shall not adopt different requirements unless every revitalization area within the city has the same requirements and the requirements do not provide for a greater percent increase than specified in subsection seven (7) of this section.

Sec. 4. NEW SECTION. A person may submit a proposal for an improvement project to the governing body of the city to receive prior approval for eligibility for a tax exemption on the project. The governing body shall, by resolution, give its prior approval for an improvement project if the project is in conformance with the plan for revitalization developed by the city. Such prior approval shall not entitle the owner to exemption from taxation until the improvements have been completed and found to be qualified real estate; however, if the proposal is not approved, the person may submit an amended proposal for the governing body to approve or reject.

An application shall be filed for each new exemption claimed. The first application for an exemption shall be filed by the owner of the property with the governing body of the city in which the property is located by February first of the assessment year for which the exemption is first claimed, but not later than the year in which all improvements

included in the project are first assessed for taxation. The application shall contain, but not be limited to, the following information: the nature of the improvement, its cost, the estimated or actual date of completion, the tenants that occupied the owner's building on the date the city adopted the resolution referred to in subsection one (1) of section two (2) of this Act, and which exemption in section three (3) of this Act or in the different schedule, if one has been adopted, will be elected.

The governing body of the city shall approve the application, subject to review by the local assessor pursuant to section five (5) of this Act, if the project is in conformance with the plan for revitalization developed by the city, is located within a designated revitalization area and if the improvements were made during the time the area was so designated. The governing body of the city shall forward for review all approved applications to the appropriate local assessor by March first of each year with a statement indicating whether subsection one (1), two (2), three (3) or four (4) of section three (3) of this Act applies or if a different schedule has been adopted, which exemption from that schedule applies. Applications for exemption for succeeding years on approved projects shall not be required.

Sec. 5. NEW SECTION. The local assessor shall review each first-year application by making a physical review of the property, to determine if the improvements made increased the actual value of the qualified real estate by at least fifteen percent or at least ten percent in the case of real property assessed as residential property or the applicable percent increase requirement adopted by the city under section two (2) of this Act. If the assessor determines that the actual value of that real estate has increased by at least the requisite percent, the assessor shall proceed to determine the actual value of the property and certify the valuation determined pursuant to section three (3) of this Act to the

county auditor at the time of transmitting the assessment rolls. However, if a new structure is erected on land upon which no structure existed at the start of the new construction, the assessor shall proceed to determine the actual value of the property and certify the valuation determined pursuant to section three (3) of this Act to the county auditor at the time of transmitting the assessment rolls. The assessor shall notify the applicant of the determination, and the assessor's decision may be appealed to the local board of review at the times specified in section four hundred forty-one point thirty-seven (441.37) of the Code. If an application for exemption is denied as a result of failure to sufficiently increase the value of the real estate as provided in section three (3) of this Act, the owner may file a first annual application in a subsequent year when additional improvements are made to satisfy requirements of section three (3) of this Act, and the provisions of section four (4) of this Act shall apply. After the tax exemption is granted, the local assessor shall continue to grant the tax exemption, with periodic physical review by the assessor, for the time period specified in subsection one (1), two (2), three (3) or four (4) of section three (3) of this Act, or specified in the different schedule if one has been adopted, under which the exemption was granted. The tax exemptions for the succeeding years shall be granted without the taxpayer having to file an application for the succeeding years.

Sec. 6. NEW SECTION. Upon application to it and after verification by it, the city shall require compensation of at least one month's rent and may require compensation of actual relocation expenses be paid to a qualified tenant whose displacement is due to action on the part of a property owner to qualify for the benefits under this Act. However, the city may require the persons causing the qualified tenant to be displaced to pay all or a part of the relocation payments as a condition for receiving a tax exemption under section

three (3) of this Act. "Qualified tenant" as used in this Act shall mean the legal occupant of a residential dwelling unit which is located within a designated revitalization area and who has occupied the same dwelling unit continuously since one year prior to the city's adoption of the plan pursuant to section two (2) of this Act.

Sec. 7. NEW SECTION. When in the opinion of the governing body of a city the desired level of revitalization has been attained or economic conditions are such that the continuation of the exemption granted by this Act would cease to be of benefit to the city, the governing body may repeal the ordinance establishing a revitalization area. In that event, all existing exemptions shall continue until their expiration.

Sec. 8. NEW SECTION. Residential real estate located within an area designated as a revitalization area pursuant to section one (1) of this Act, is not subject to the additional tax imposed by section four hundred forty-five point sixty-three (445.63) of the Code.

Agricultural real estate located within an area designated as a revitalization area pursuant to section one (1) of this Act may be exempt from the additional tax imposed by section four hundred forty-five point sixty-three (445.63) of the Code at the discretion of the governing body of the city. However, before the governing body may exempt agricultural real estate from the imposition of the additional tax, it must have present at the public hearing required to be held under section two (2) of this Act evidence of the waiver of the imposition of the tax and the potential amount of the additional taxes that will not be collected.

Sec. 9. Section three hundred sixty-eight point ten (368.10), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

The board shall conduct studies of city development, and shall submit an annual report to the governor and to such members of the general assembly as request it. This report

shall include an analysis of all plans for designated revitalization areas filed with the board pursuant to sections one (1) through seven (7) of this Act since the last annual report.

Sec. 10. Chapter four hundred nineteen (419), Code 1979, is amended by adding the following new section:

NEW SECTION. Cities may also issue revenue bonds for projects located within a qualified urban renewal area or an area designated a revitalization area pursuant to sections one (1) through seven (7) of this Act. The revenue bonds shall be issued pursuant to the provisions of this chapter and all provisions of this chapter shall apply, except that:

1. The term "project" as defined in section four hundred nineteen point one (419.1) of the Code includes land, buildings, or improvements which are suitable for use as residential property or for the use of a commercial enterprise or nonprofit organization which the governing body finds is consistent with the urban renewal plan for a qualified urban renewal area or the revitalization plan, as the case may be.

2. To the extent that a city is authorized to pay out or contribute to the cost of a project under chapter four hundred three (403) of the Code in the case of a qualified urban renewal area or under sections one (1) through seven (7) of this Act in the case of a revitalization area, the provisions of section four hundred nineteen point eight (419.8) of the Code shall not apply.

3. The provisions of section four hundred nineteen point fourteen (419.14) of the Code shall not apply to projects within a qualified urban renewal area.

The power to issue revenue bonds pursuant to this section is in addition to other powers granted cities to aid qualified urban renewal areas and revitalization areas.

The term "qualified urban renewal area" means an urban renewal area designated as such pursuant to chapter four hundred three (403) of the Code before the effective date of this Act.

Sec. 11. It is the intent of the general assembly that Iowa Housing Finance Authority shall make an allocation of funds subject to availability of single-family mortgage bond proceeds to be made available to or on behalf of owners of single-family residential property for mortgage loans on single-family housing that is rehabilitated with private funds and is located in urban revitalization areas designated pursuant to this Act.

Sec. 12. This Act applies to all cities including special charter cities.

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FLOYD H. MILLEN  
Speaker of the House

---

TERRY E. BRANSTAD  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 81, Sixty-eighth General Assembly.

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DAVID L. WRAY  
Chief Clerk of the House

Approved May 10, 1979

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ROBERT D. RAY  
Governor