

JAN 25 1995

HOUSE FILE 76
BY BELL

ECONOMIC DEVELOPMENT

(COMPANION TO LSB 1346SS
BY BLACK)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to establishing a linked investment program for
2 speculative building development.

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

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HF 76

1 Section 1. NEW SECTION. 12.53 SPECULATIVE BUILDING DE-
2 VELOPMENT.

3 1. The treasurer of state shall establish a speculative
4 building development linked investment loan program to
5 increase the availability of lower cost funds for the
6 development of new or improved buildings built and owned by
7 local nonprofit development corporations to facilitate
8 economic development in the state.

9 2. For the purposes of this section, "nonprofit
10 development corporation" means a corporation organized under
11 chapter 504A for the purpose of encouraging or assisting
12 business or industrial development. The governing body of the
13 city or county where the property for the speculative building
14 is to be located shall adopt a resolution certifying to the
15 treasurer of state that the nonprofit development corporation
16 is qualified to participate in the speculative building
17 development linked investment loan program.

18 3. A linked investment loan shall only be approved in con-
19 nection with a loan application from a nonprofit development
20 corporation for the purchase of land or an existing building,
21 the improvement of an existing building, or the construction
22 of a new building and related property improvements.

23 4. The maximum size of a building development linked
24 investment loan is two hundred fifty thousand dollars per
25 borrower.

26 EXPLANATION

27 This bill establishes a linked investment program for non-
28 profit development corporations to increase the availability
29 of new or improved buildings for business and industrial
30 economic development. The bill sets the maximum loan at
31 \$250,000 and provides that the city or county in which the
32 property for a speculative building is located certify that
33 the nonprofit development corporation is qualified to
34 participate in the program.

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