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ECONOMIC DEVELOPMENT

HOUSE FILE 2349
BY WARNSTADT, REYNOLDS-KNIGHT,
FALLON, HOLVECK, KREIMAN,
DOTZLER, and WITT

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

A BILL FOR

1 An Act relating to creating a main street investments loan
2 program for the preservation of historical buildings within
3 central business districts and making an appropriation.

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

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HF 2349

1 Section 1. NEW SECTION. 15E.201 MAIN STREET INVESTMENTS
2 LOAN PROGRAM.

3 The department shall adopt rules to establish a main street
4 investments loan program to increase the availability of lower
5 cost funds to stimulate building restorations or
6 rehabilitations of historic buildings within the central
7 business district of a city which is approved as a certified
8 local government pursuant to section 303.16. The rules shall
9 include the following conditions:

10 1. Investment loans shall be limited to projects for a
11 building restoration or rehabilitation located in the central
12 business district whose boundaries are the same as the main
13 street or rural main street or central business district of a
14 city which is a certified local government project area.

15 2. Eligible borrowers are limited to the property owner,
16 contract purchaser of record, or long-term lessee.

17 3. Loan applications under this program shall be for the
18 restoration or rehabilitation of buildings which are eligible
19 or nominated or listed on the national register of historic
20 places. Public buildings are excluded.

21 4. The maximum loan amount under the main street
22 investments loan program is fifty thousand dollars per
23 project.

24 Sec. 2. NEW SECTION. 15E.202 APPLICATION PROCESS.

25 Applicants shall be approved as a certified local
26 government by the department of cultural affairs under the
27 provisions of section 303.16 prior to submitting applications
28 to the department for loans under the main street investments
29 loan program. The department of economic development shall
30 adopt rules pursuant to chapter 17A, in consultation with the
31 department of cultural affairs, to require applicants to do
32 the following:

33 1. Show evidence of preliminary design assistance.

34 2. Show evidence of preliminary design review approval
35 from the local design review committee.

1 3. Submit project plans and specifications prepared by a
2 design professional with historic preservation experience.

3 Sec. 3. APPROPRIATION. There is appropriated from the
4 rebuild Iowa infrastructure fund to the department of economic
5 development for the fiscal year beginning July 1, 1998, and
6 ending June 30, 1999, the following amount, or so much thereof
7 as is necessary, to be used for the purpose designated:

8 For the main street investments loan program established in
9 section 15E.201:

10 \$ 500,000

11 Notwithstanding section 8.33, the unencumbered or
12 unobligated moneys remaining on June 30 of the fiscal year
13 from the moneys appropriated in this section may be expended
14 during the following fiscal year for the same purpose.

15 EXPLANATION

16 This bill establishes a main street investments loan
17 program in the department of economic development to provide
18 low-cost loans for the restoration of historic buildings
19 within the central business districts of cities. Loans are
20 limited to property owners, contract purchasers, or long-term
21 lessees. The department shall not loan more than \$50,000 per
22 project.

23 To be eligible for the loan, applicants must be a certified
24 local government and submit to the department project plans
25 prepared by a professional with historic preservation
26 experience.

27 The bill appropriates \$500,000 to the department of
28 economic development for the 1998-1999 fiscal year for the
29 loan program.

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