

FEB 1 2000
LOCAL GOVERNMENT

HOUSE FILE 2127
BY GIPP

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

A BILL FOR

1 An Act relating to the inclusion of territory in urban renewal
2 areas.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2127

1 Section 1. Section 403.5, subsection 5, Code Supplement
2 1999, is amended to read as follows:

3 5. An urban renewal plan may be modified at any time;
4 Provided, provided that, if modified after the lease or sale
5 by the municipality of real property in the urban renewal
6 project area, such modification may be conditioned upon such
7 approval of the owner, lessee, or successor in interest as the
8 municipality may deem advisable, and in any event such
9 modification shall be subject to such rights at law or in
10 equity as a lessee or purchaser, or a lessee's or purchaser's
11 successor or successors in interest, may be entitled to
12 assert. The municipality shall comply with the notification
13 and consultation process provided in this section prior to the
14 approval of any amendment or modification to an adopted urban
15 renewal plan if such amendment or modification provides for
16 refunding bonds or refinancing resulting in an increase in
17 debt service or provides for the issuance of bonds or other
18 indebtedness, to be funded primarily in the manner provided in
19 section 403.19. An urban renewal plan shall not be amended to
20 add territory to an urban renewal area.

21 Sec. 2. Section 403.5, Code Supplement 1999, is amended by
22 adding the following new subsection:

23 NEW SUBSECTION. 8. The urban renewal area covered by the
24 plan shall be composed of contiguous territory as compact as
25 practicable. Parcels included in an urban renewal area may
26 share a boundary with the right-of-way of a primary highway,
27 secondary road, or street, but such highway, road, or street
28 shall not be included as a means of connecting two or more
29 noncontiguous parcels.

30 Sec. 3. Section 403.19, subsection 1, paragraph b, Code
31 1999, is amended by striking the paragraph.

32 Sec. 4. APPLICABILITY. Section 2 of this Act applies to
33 urban renewal areas established on or after the effective date
34 of this Act. Sections 1 and 3 of this Act apply to urban
35 renewal plans establishing urban renewal areas, which plans

1 were adopted before, on, or after the effective date of this
2 Act.

3 EXPLANATION

4 This bill prohibits a municipality from modifying an urban
5 renewal plan to add territory to an urban renewal area. This
6 portion of the bill applies to urban renewal plans adopted
7 before, on, or after the effective date of the bill.

8 The bill also requires that an urban renewal area be
9 composed of contiguous territory and be compact in size.
10 Parcels in an urban renewal area may border on the right-of-
11 way of a highway, road, or street but the highway, road, or
12 street cannot be used to connect two noncontiguous parcels.
13 This portion of the bill applies to urban renewal areas
14 established on or after the effective date of the bill.

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