

CHAPTER 1144**URBAN RENEWAL AREA REVENUE USE***H.F. 2327*

AN ACT relating to the use of certain revenues obtained from the transfer of property or taxes imposed in urban renewal areas for economic development purposes and providing an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 403.8, Code 1987, is amended by adding the following new subsection:
NEW SUBSECTION. 5. Proceeds received by a municipality from the sale, lease, or other transfer of real property or an interest in real property acquired by it in an urban renewal area may be used by the municipality for economic development purposes outside the urban renewal area.

Sec. 2. Section 403.19, subsection 3, Code 1987, is amended to read as follows:

3. The portion of taxes mentioned in subsection 2 of this section and the special fund into which they shall be paid, may be irrevocably pledged by a municipality for the payment of the principal and interest on loans, advances, bonds issued under the authority of section 403.9, subsection 1, or indebtedness, incurred by a municipality to finance or refinance, in whole or in part, the urban renewal project. The portion of taxes mentioned in subsection 2 of this section may be pledged to pay the indebtedness of a municipality for a water supply and distribution system outside of the urban renewal area and the transfer is approved by each of the local taxing jurisdictions affected by the transfer.

Sec. 3. This Act is repealed effective December 31, 1989.

Sec. 4. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved May 2, 1988

CHAPTER 1145**TITLE GUARANTY AND HOUSING FINANCE PROGRAMS***H.F. 2407*

AN ACT relating to the Iowa housing finance authority, by modifying the title guaranty program requirements that participation fees be charged, that lenders be participants, that persons or lenders not receive a portion of the charge for title guaranty, and that financial institutions disclose the availability of the program, and by expanding the purposes of and renaming the commitment cost fund.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 220.40, Code 1987, is amended to read as follows:

220.40 COMMITMENT COSTS HOUSING PROGRAM FUND.

A ~~commitment costs~~ housing program fund is created within the treasurer of state's office. The moneys shall be used by the authority ~~to~~ and are appropriated for the following purposes:

1. To cover initial commitment costs of authority bond issues and loans in order to facilitate and ensure equal access across the state to funds for programs for first time home buyers.
2. For the homeless grant program under section 220.100, subsection 2, paragraph "a".