

**CHAPTER 7.****PUBLIC AND PRIVATE UTILITIES****715. SPECIAL ASSESSMENT DEFERMENT**

**Section 715.01. Purpose of Deferment.** The city council hereby finds that there is a need to establish a procedure permitting deferment of special assessments pursuant to Minnesota Statutes Sections 435.193-435.195 in cases where immediate payment thereof would create a hardship for qualifying elderly or disabled homeowners. To be eligible to apply for a deferment, a person must be the owner of homestead property and be 65 years of age or older or retired by virtue of a permanent and total disability, and it must be a hardship to make the assessment payments. For this purpose, a permanent and total disability is a medically verified condition which is permanent and which totally prevents the individual from working at an occupation that affords the person an income.

**Section 715.03. Application.** Application for deferred assessment shall be made to the city administrator upon forms prescribed by Hennepin County and by the city and shall contain true statements of such information as is requested thereon. Application for deferment of assessments beginning in any year shall be made by September 15 of the preceding year.

**Section 715.05. Approval of Deferment.** The city administrator shall recommend approval or disapproval of each application on the basis of whether payment of the assessment would constitute a hardship. No person shall be deemed to have a hardship unless his or her income, as determined by the applicant's most recent federal or state income tax return, is no more than 60 percent of the median income for the Minneapolis-St. Paul metropolitan area, as determined by the United States Department of Housing and Urban Development, adjusted for family size, and the average annual payment for all assessments on the property exceeds 1-1/2 percent of the applicant's adjusted gross income. For this purpose, the average annual payment of assessments shall be the aggregate of all assessments levied against the property, excluding interest, divided by the term of years of each assessment. No person shall be considered to have a hardship if he or she participates in the Minnesota senior citizen property tax deferral program. Following receipt of the city administrator's recommendation, the city council shall act upon each application.

**Section 715.07. Interest.** Interest at the rate determined by the city council at the time the assessment is established, shall continue to accrue upon any principal amount of special assessment which may be deferred until the same is paid.

**Section 715.09. Termination.** The deferment shall terminate and all principal amounts accumulated plus accrued interest shall become due upon occurrence of any of the following: death of the owner, provided the surviving spouse is not eligible for deferment; sale, transfer or subdivision of the property or any part thereof; loss of homestead status for the property; or determination by the city council that a hardship no longer exists.

**Section 715.11. Funding.** The city council may annually transfer to the appropriate bond

repayment funds from the general fund, amounts equal to the deferred assessments, including principal and interest. The council may levy for such amounts to reimburse the general fund, in addition to all other levies. The general fund shall be reimbursed for such transfer upon payment of the deferred assessments, including principal and interest.

**Section 715.13. Violations.** It shall be unlawful for any person, firm or corporation to erect, construct, enlarge, alter, repair, improve, convert, use or occupy any building or structure subject to these regulations without having paid the deferred connection charges as required by ordinance.

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**Amendment History of this Section**

*October 3, 2006 (Ord. 416). Amended Section 715 relating to special assessment deferrals.*