

CITY OF BASS BROOK

ORDINANCE NO. 26

**AN ORDINANCE PROVIDING PROCEDURES FOR DEFERRAL OF SPECIAL ASSESSMENTS
FOR SENIOR CITIZENS AND RETIRED DISABLED HOMEOWNERS**

THE CITY COUNCIL OF BASS BROOK, MINNESOTA ORDAINS:

The Council in and for the City of Bass Brook, Minnesota, does hereby enact an Ordinance known as DEFERRAL OF ASSESSMENTS FOR THE CITY OF BASS BROOK, MINNESOTA.

Section 1. PROVIDING FOR DEFERRAL OF ASSESSMENTS. The City Council of the City of Bass Brook, Minnesota may, at its discretion, defer the payment of any special assessments made after October 11, 1994 for local improvements constructed by the City within the City of Bass Brook when, in its discretion, it determines by a three-fifths vote of the Council that the property upon which said assessment is to be believed is occupied as a homestead by one or more owners of the property who are 65 years of age or older, or retired by reason of permanent and total disability, when payment of the assessment would create a hardship upon the owners thereof.

Section 2. FILING FOR DEFERRED STATUS. An applicant must file an application for deferred status within 30 days of the adoption of the final assessment roll, or by September 15 of the year preceding the year for which deferral is requested, whichever is later, in order to be eligible for the deferral program in the succeeding year. All deferral applications must be made on forms approved by the City Council and submitted to the City of Bass Brook Clerk's Office.

Section 3. CRITERIA FOR DETERMINING WHETHER APPLICANT IS "RETIRED BY REASON OF PERMANENT AND TOTAL DISABILITY". Retirement by reason of permanent and total disability shall be deemed prima facie to exist when the applicant presents a sworn Affidavit by a licensed medical doctor attesting that the applicant is unable to be gainfully employed because of a permanent and total disability.

Section 4. CRITERIA FOR DETERMINING "HARDSHIP". A deferment may not be granted unless it would be a hardship for the applicant to make the payments, irrespective of whether the applicant is applying because (a) the applicant is 65 years of age or older or (b) the applicant is retired by reason of permanent and total disability. A hardship shall be deemed prima facie to exist when all of the following apply:

- (a) The annual gross income of the applicant and the

applicant's spouse, if any, according to their federal income tax return for the preceding year plus their tax exempt income for the preceding year, cannot exceed the amount equal to 200 percent of the most current federal poverty guidelines and schedule for family size, for Itasca County. If no such return was made, the Clerk shall require the applicant to submit other pertinent information to show that this qualification is met.

- (b) The special assessment to be deferred exceeds \$400.00.

Notwithstanding the foregoing, the City Council may consider exceptional and unusual circumstances pertaining to an applicant not covered by the above standards; but any determination shall be made in a non-discriminatory manner and shall not give the applicant an unreasonable preference or advantage over other applicants.

Section 5. INTEREST ON DEFERRED ASSESSMENT. All deferred special assessments shall be subject to and charged interest at the rate equal to the bond interest rate plus two percent (2%) administrative charge to cover administrative fees of the assessment and deferral. If bonds are not issued to support the improvement, the interest rate on the assessment deferral will be set at eight percent (8%) interest or the interest rate established by State Statutes at the time the assessment was levied. Said interest shall be due and payable upon termination of the deferral status.

Section 6. TERMINATION OF RIGHT OF DEFERRED PAYMENT. Deferrals granted hereunder shall terminate and the amount deferred, together with accumulated interest, shall become due upon the occurrence of any of the following events:

- (a) The death of the owner qualified for deferral status, provided that the surviving spouse is otherwise not eligible for the deferred benefits provided hereunder.
- (b) The sale, transfer or subdivision of the property or any part thereof, including sale by contract for deed.
- (c) If the property should for any reason lose its status as the homestead of the applicant.
- (d) If for any reason the City Council shall determine that there would be no hardship to require immediate or partial payment of the deferred assessment.

At the time of the termination of the deferral, the Council may, in its discretion, provide for payment of said deferred sum in installment payments in accordance with the terms of the original assessment.

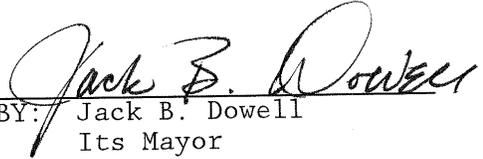
Section 7. EFFECTIVE DATE. This Ordinance shall be in full force and effect after its passage and publication.

Adopted: October 11, 1994

Published: October 26, 1994

Dated this 11th day of October, 1994.

CITY OF BASS BROOK


BY: Jack B. Dowell
Its Mayor

ATTEST:


Diana Skelly, Clerk