

FINANCE COMMITTEE

11-033-O

ORDINANCE NO. _____

AN ORDINANCE MODIFYING CONDITIONS FOR DEFERRAL OF ASSESSMENTS, AMENDING SECTION 45.83 OF THE DULUTH CITY CODE, 1959, AS AMENDED.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That Section 45.83 of the Duluth City Code, 1959, as amended, is hereby amended to read as follows:

Sec. 45-83. Deferral of assessment in certain cases.

Pursuant to authority contained in Minnesota Statutes, Sections 435.193 through 435.195, and in Section 1 of the City Charter, the special assessment board is hereby authorized to defer the payment of special assessments for local improvements made against homestead property owned by persons for whom it would be a hardship to make such payment who are either 65 years of age or older or retired by virtue of a permanent and total disability or who are members of the Minnesota National Guard or other military reserves who are ordered into active military service, as defined by M.S. Section 190.05, subd. 5b or 5c, as stated in such person's military orders. The special assessment board shall establish, and as necessary amend, specific guidelines to cover the exercise of its responsibilities under this Section. The interest rate on such deferred assessments shall be the same as the rate applicable to assessments for the same local improvement paid by installments pursuant to Section 68 of the City Charter.

All amounts deferred, and interest due thereon, shall become due upon the occurrence of any of the following events:

- (a) The death of the owner, provided that the spouse is not otherwise eligible for deferment hereunder;
- (b) The sale, transfer or subdivision of the homestead

property, or any part thereof;

(c) The loss for any reason of homestead status of the benefitting property;

(d) If for any reason the council determines that there would be no hardship to require immediate or partial payment of the amount deferred.

Section 2. This amendment shall apply to all applications for deferral made after August 1, 2011.

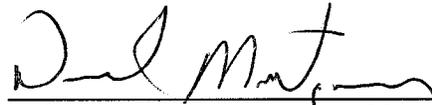
Section 3. That this ordinance shall take effect 30 days after its passage and publication.

Approved:



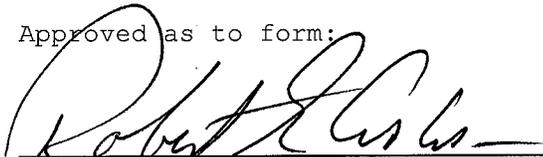
Department Director

Approved for presentation to council:



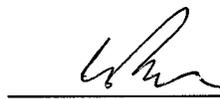
Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

FIN/ATTY REA:dma 08/10/2011

STATEMENT OF PURPOSE: The purpose of this ordinance is to amend the section of the City Code (Section 45-83) which authorizes the City to defer assessments on property owned by persons who are over 65 years of age, are permanently and totally disabled or are active duty with a military reserve organization when payment of the assessment would pose a hardship on such persons. The need for the amendment is to bring the City's deferral practices into conformance with the provisions of State statute which authorizes such deferrals.