

Chapter 20.01

Deferred Special Assessments

Section 1. The Council may defer the payment of any special assessment on homestead property owned by a person who is 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 property owner as defined herein. The deferment shall be granted upon a certification by the owner on a form prescribed by the county auditor supplemented by the city clerk to establish the qualification of the owner for such deferment. The application shall be made to the Howard Lake City Clerk and shall be renewed each following year upon the filing of a similar application not later than August 31. The council shall either grant or deny the deferment, and if it grants the deferment, it may require the payment of the interest due each year. If the council grants the deferment, the clerk shall notify the county auditor who shall, in accordance with Minnesota Statutes, Section 435.194, record a notice of the deferment with the county recorder setting forth the amount of the assessment.

Section 2. A hardship shall be deemed prima facie to exist when all of the following apply:

- (a) The annual gross income of the applicant and spouse according to their most recent federal income tax return plus their tax exempt income does not exceed the most current calculation for very low income according to the Department of Housing and Urban Development at the time of the application. If no such tax return was made, the applicant shall be required to submit other pertinent information to show that this qualification is met.
- (b) The average annual payment due for all assessments levied against the property exceeds 3% of the applicant's income as thus calculated.
- (c) The special assessments to be deferred exceed \$5,000.00.
- (d) The total assets of the applicant and spouse, exclusive of the homestead, do not exceed \$20,000.00.

Notwithstanding the foregoing provisions of this subdivision, 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 nondiscriminatory manner and shall not give the applicant an unreasonable preference or advantage over other applicants.

Section 3. 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. The option to defer the payment of special assessments shall terminate and all amounts accumulated plus applicable interest shall become due upon the occurrence of any one of the following events:

- (a) The death of the owner when there is no spouse who is eligible for deferment;
- (b) The sale, transfer, or subdivision of all or any part of the property;
- (c) Loss of homestead status on the property;
- (d) Determination by the council for any reason that there would be no hardship to require immediate or partial payment; or
- (e) Failure to file a renewal application within the time prescribed by Section 1.

Upon the occurrence of one of the events specified in Section 4, the council shall terminate the deferment. Thereupon, the city clerk shall notify the county assessor and the county auditor of the termination, including the amounts accumulated on unpaid installments plus applicable interest which shall become due and payable as a result of the termination.