

RESOLUTION NO. 217635 FEB 2 1977

A RESOLUTION ADOPTING A COUNCIL POLICY  
REGARDING THE ASSESSMENT DEFERRAL PROGRAM.  
(COUNCIL POLICY 800-9)

BE IT RESOLVED, by the Council of The City of San Diego,  
as follows:

That a Council Policy entitled "Assessment Deferral  
Program" pertaining to 1911 and 1913 Act projects, be, and it  
is hereby adopted, the form of said Council Policy is on file  
in the office of the City Clerk as Document No. 758210.

BE IT FURTHER RESOLVED, that the City Clerk is hereby  
instructed to add the aforesaid to the Council Policy Manual.

APPROVED: JOHN W. WITT, City Attorney

By   
John K. Riess, Deputy

JKR:lc:830x011.1  
11/15/76  
Or.Dept.:Engr.&Dev.

MICROFILMED

MAY 31 1978

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# CORRECTED COPY

DRAFT COUNCIL POLICY

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Subject

ASSESSMENT DEFERRAL PROGRAM

No. 800-9

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## BACKGROUND

### I. General

As construction and land costs have increased, so have the amount of assessments for street improvements and open space. When the property being assessed is owned by an individual with low income, the payment of the assessment may become a financial hardship.

There is a need for a program permitting these individuals to defer payment of the assessment until the property is transferred or refinanced.

### II. Definitions

Income - includes income from the sale or exchange of property; income from the operation of a farm or business; income from social security annuities and other retirement benefits; income from interest, dividends, capital gains, or rentals; income from welfare or insurance benefits; income from alimony or support payments; and income derived from gifts and inheritances.

Assets - includes stocks, bonds, saving accounts, and any real property owned in addition to the owner's own home and lot. Computation of assets always excludes the value of the home and land occupied by the deferral candidate.

## PURPOSE

To establish a policy regarding the implementation of an assessment deferral program.

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DOCUMENT NO. 758210

FILED FEB 8 1977

OFFICE OF THE CITY CLERK  
SAN DIEGO, CALIFORNIA

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MICROFILMED MAY 31 1978

POLICY

## I. General

It shall be the policy of the City of San Diego to offer an assessment deferral program to qualified low-income property owners.

1. The City will pay the property owner's assessment and in turn will place a lien on the property.
2. The collection of the assessment will be deferred until the property is transferred or refinanced.
3. Interest equal to the bond interest will be charged on a per annum basis.

## II. Eligibility Requirements

All improvement and open space projects are eligible for deferred assessments. The criteria for certification to the assessment deferral program are as follows:

1. The property must be owner-occupied. However, the Council will consider exceptions where some unusual circumstance precludes occupancy by the owner.
2. There are no restrictions as to the age of the property owners.
3. The owner's income must be within the guidelines for low income citizens and families set by the Department of Housing and Urban Development, Economic Marketing Analysis Division, as adjusted annually. (One person - \$5,000; two persons - \$5,600 etc.)
4. The owner's assets must be limited to \$10,000 (this does not include the property being assessed).

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### III. Information to Property Owners

It is the policy of the City to inform each property owner as to the nature and eligibility requirements of the assessment deferral program. Generally, the dissemination of information will consist of an explanation of the program included with the Notice of Public Hearing.

### IV. Funding

The program will provide funding for trust deeds to be recorded against the property in the amount of the approved assessment plus any penalties incurred. The trust deed will bear simple interest at the same rate (currently at approximately 8% per annum) as other assessment bonds issued for the project. This simple rate shall apply for the same term (approximately 10 years) as other bonds issued for the project or until the trust deed is paid in full, whichever is sooner. Trust deeds which remain in effect after the bond life will pay simple interest at a rate commensurate with the interest earned by the City on its long-term deposit accounts (currently at approximately 6% per annum).

Upon sale or refinancing of the property, the City will take appropriate action to recover the principal and accrued interest on the trust deed. All monies thus recovered will be redeposited into the Assessment Deferral Account for reuse.

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**217635**

**MAY 31 1978**

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Passed and adopted by the Council of The City of San Diego on **FEB 2 1977**,  
 by the following vote:

Councilmen	Yeas	Nays	Excused	Absent
Gil Johnson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Maureen F. O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lee Hubbard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floyd L. Morrow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Gade	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joel M. Strobl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jess D. Haro	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Pete Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

**PETE WILSON**  
 Mayor of The City of San Diego, California.

**EDWARD NIELSEN**  
 City Clerk of The City of San Diego, California.

By *Elizabeth Deeg*, Deputy.

(Seal)

Office of the City Clerk, San Diego, California

Resolution Number **217635** Adopted **FEB 2 1977**

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**MAY 31 1978**  
**01482**