

ORDINANCE NO. 12314
(New Series)

MAR 13 1978
O. 78-162

AN ORDINANCE AMENDING CHAPTER VI, ARTICLE 1
OF THE SAN DIEGO MUNICIPAL CODE BY ADDING
DIVISION 21 RELATING TO DEFERRALS FOR LIMITED-
INCOME PROPERTY OWNERS OF PREPARATION COSTS
FOR UNDERGROUNDING OF UTILITIES.

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

Section 1. That Chapter VI, Article 1 of the San Diego
Municipal Code be amended by adding Division 21 to read as follows:

DIVISION 21

ADVANCEMENT AND DEFERRAL FOR LIMITED-INCOME
PROPERTY OWNERS OF PREPARATION COSTS FOR
UNDERGROUNDING OF UTILITIES

SEC. 61.2100 PURPOSE AND INTENT

The purpose and intent of this Division is to provide qualified limited-income property owners with a method for fulfilling their obligation under Section 61.0513 of this Article, to provide all necessary work for continuance of utility service when such services are placed underground. The Council finds and declares that California Public Utilities Commission orders and City ordinance requiring property owners to provide all work and facilities necessary to receive underground service pursuant to the conversion and relocation procedures of the San Diego Underground Utilities Procedural Ordinance and state law often results in financial hardship to limited-income property owners.

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Because of this finding and declaration, the City Council, in the exercise of the Council's charter power to make suitable provision for the aid and support of the poor, determines and declares that it is in the public interest for the City to provide a method for advancement and deferral of payment of these costs for qualified limited-income owners until such time as the property served is transferred or refinanced. The Council further finds and declares that all expenditures and investments made pursuant to this Division are incidental to the accomplishment of the primary purpose of making suitable provision for the aid and support of the poor.

SEC. 61.2101 INCONSISTENCIES WITH STATE LAW

This Division is adopted pursuant to the City's charter powers to make and enforce all ordinances and regulations in respect to municipal affairs. To the extent of any inconsistencies between the provisions of this Division and those of Public Utilities Commission orders or other state laws, the provisions of this Division shall control.

SEC. 61.2102 SCOPE OF PREPARATION COST DEFERRAL

This Division is limited to qualified limited-income owners residing within the City of San Diego and to proceedings provided for by the San Diego Underground Utilities Procedural Ordinance. There are no age restrictions for qualified limited-income owners.

SEC. 61.2103 DEFINITIONS

The meaning of the various terms in this Division, shall be as follows:

a. PREPARATION COSTS shall mean those costs incurred or to be incurred pursuant to San Diego Municipal Code Section 61.0513.

b. UNDERGROUNDED OR UNDERGROUNDING shall mean the placement, construction and maintenance of underground utility services as provided for in Chapter VI, Article I, Division 5, San Diego Municipal Code and under commission order or ruling.

c. COMMISSION shall mean the Public Utilities Commission of the State of California.

d. CITY shall mean The City of San Diego.

e. COUNCIL shall mean the City Council of the City.

f. CITY MANAGER shall mean the City Manager and any officer, department, or division of the City designated by him for the administration of this Division.

g. APPLICANT shall mean the person or persons filing for preparation cost deferral or whose application has been finally approved by the Department.

h. LIEN AGREEMENT has the meaning set forth in Section 61.21.

i. INCOME shall mean all income of any nature from any source derived, including, but not limited to, salaries, wages, dividends, interest, capital gains, rents, income from the operation of a farm or business, income from the sale or exchange of property, gifts, inheritances, Social Security payments, other retirement benefits, welfare benefits, alimony and support payments and any other things of economic value.

j. LIMITED-INCOME OWNER shall mean an owner (1) whose income is within the guidelines for low-income citizens and families set by the United States Department of Housing and Urban Development, Economic Marketing Analysis Division, as adjusted annually for the San Diego Metropolitan Statistical Area and (2) whose net assets do not exceed \$10,000.

k. NET ASSETS shall mean all real and personal property of any character which a limited-income owner owns or has an interest in, including stocks, bonds, and savings accounts but excluding the real property subject to preparation cost deferral.

l. OWNER shall mean the person or persons owning and occupying real property in the City of San Diego which is included in an Underground Utility District of the City and successors in interest or the legally appointed representatives of such person or persons.

m. REFINANCING shall mean any new indebtedness incurred by an owner after delivery to the City of a lien agreement pursuant to this Division and any extension, modification, or additional advances made upon any indebtedness previously incurred by an owner, where such indebtednesses are secured by a mortgage on all or any part of the real property in which the City has a security interest.

n. SECURITY or SECURITY INTEREST has the meaning set forth in Section 61.2108.

o. TRANSFER, when referring to real property, shall mean any sale, exchange, gift, or lease of real property or any interest therein, whether made by the original owner, any

successor in interest or legally appointed representative of the owner or made pursuant to the laws of inheritance and succession.

p. UNDERGROUND UTILITY DISTRICT has that meaning as provided in the Underground Utilities Procedural Ordinance.

SEC. 61.2104 RULES AND REGULATIONS OF CITY MANAGER

The City Manager shall establish rules and regulations for the administration of this Division. Among other things, the rules and regulations may specify the exceptions to the requirement that an applicant be a resident of the real property for which the preparation cost deferral is sought and may set forth the form or contents of applications, information statements, lien agreements, notes, and any other documents necessary or convenient for the administration of this Division; provided, however, that any exception to the requirement that the limited-income owner be an occupant of the real property for which the assessment deferral is sought shall be granted only upon the express consideration and approval of the City Council.

SEC. 61.2105 QUALIFICATION OF LIMITED-INCOME OWNERS

A qualified limited-income owner must meet the following eligibility requirements:

- a. Owner's income must be within the guidelines for limited-income citizens and families set by the United States Department of Housing and Urban Development, Economic Marketing Analysis Division, as adjusted annually for the San Diego Metropolitan Statistical Area.

b. The value of owner's net assets cannot exceed \$10,000.

c. The real property for which preparation cost deferral is sought must be owner-occupied unless otherwise excepted and approved by the City Council.

SEC. 61.2106 WRITTEN EXPLANATION OF PREPARATION COST DEFERRAL PROGRAM

The City Manager shall prepare a written explanation of the preparation cost deferral program in the form of a pamphlet or booklet and shall furnish sufficient copies thereof to the City Clerk for the purpose of mailing.

SEC. 61.2106.1 SAME-PENDING UNDERGROUND UTILITIES PROCEDURAL ORDINANCE PROCEEDINGS

In pending proceedings under the Underground Utilities Procedural Ordinance, the City Clerk shall mail a written explanation of the preparation cost deferral program to all owners within the proposed Underground Utility district. Unless otherwise instructed by the City Manager, the City Clerk shall enclose the explanation with the mailed notice required by Section 61.0511. In anticipation of adoption of a resolution designating an Underground Utility district, the City Manager may instruct the City Clerk to separately mail the explanation in advance of the mailed notice.

SEC. 61.2106.2 SAME-FAILURE TO GIVE OR RECEIVE EXPLANATION

The failure of the City Manager or the City Clerk to distribute or mail written explanations of the preparation cost deferral program or the failure of any owner to receive the explanation shall not affect the validity of any proposed, pending, or completed underground utility ordinance proceedings.

SEC. 61.2107 REQUEST AND APPLICATION FOR PREPARATION
COST DEFERRAL

Each owner interested in obtaining a preparation cost advancement and deferral shall file a request for an application with the City Manager. Among other things, the request shall contain:

- a. Signer's name and mailing address.
- b. A description sufficient to identify the real property for which preparation cost deferral is sought.
- c. A statement that the real property is located in the City of San Diego, is owned by the signer, and is or is not occupied by the signer.
- d. A statement that signer believes he or she is eligible as a qualified limited-income owner and agrees to furnish the City Manager with detailed information concerning signer's eligibility, income, and net assets.
- e. A request for an application for deferral of amounts due to an eligible contractor for property preparation prior to installation of underground service.
- f. A statement that the preparation work is to be performed by a qualified licensed contractor including the name, business address and license number of said contractor.
- g. Signature of applicant.

It upon examination of a filed request it appears that the signer may be a qualified limited-income owner, the City Manager shall furnish the signer of the request with an application for preparation cost deferral. Among other things, the application shall contain information

concerning the applicant's eligibility, income, and net assets in such detail as may be necessary for the City Manager to determine applicant's eligibility as a qualified limited-income owner. The applicant shall complete the application, sign it under penalty of perjury, and file it with the City Manager.

SEC. 61.2107.1 SAME--APPROVAL OR DENIAL OF APPLICATION

The City Manager shall promptly investigate and review all filed applications for preparation cost deferrals. The City Manager may require applicant to furnish such additional information as may be necessary to determine whether applicant is a qualified limited-income owner. Upon completion of the investigation and review, the City Manager shall either deny or give preliminary approval to the application. Final approval of the application shall be given by the City Manager only upon applicant's furnishing the City with the security required by Section 61.2108.

SEC. 61.2107.2 SAME

The City Manager shall not approve any application for preparation cost deferral unless the preparation work is done by a qualified licensed contractor. For the purposes of this Division "qualified licensed contractor" shall mean any person approved by the City Engineer prior to the commencement of work.

SEC. 61.2107.3 SAME

City Engineer shall establish and make available copies of standards for determination of "qualified licensed contractor."

SEC. 61.2108 SECURITY FOR PREPARATION COST DEFERRAL

Before giving final approval to any application for preparation cost deferral, the City Manager shall obtain security for all amounts paid by the City pursuant to this Division. Said security shall consist of an agreement between the limited-income property owner and the City that the City shall have a lien upon the property of the owner for all amounts advanced under this Division. Said lien agreement shall have provisions regarding repayment of amounts advanced by the City at either

- a. specific times or
- b. in accordance with the provisions of Section 61.2111.

SEC. 61.2110 CASH PAYMENT OF PREPARATION COSTS

The City Manager, for and on behalf of the City, may pay all preparation costs necessary to receive installation of underground utility services upon any applicant's real property. Expenditures made for the purpose of paying preparation costs shall be paid from the appropriate Federal Revenue Sharing Funds available to the City pursuant to Federal law.

SEC. 61.2111 REPAYMENT OF AMOUNTS ADVANCED

When an owner has been advanced preparation costs and a lien agreement has been executed, said amount shall come due and be paid

- a. upon transfer of the property;
- b. upon determination that the owner no longer qualifies for deferral;
- c. upon refinancing of the property.

A property owner may remove the lien at any time by payment of the amount advanced to the City Manager. All payments received by the City Manager shall be deposited in the General Fund.

The City Manager shall deliver to the owner a receipted statement showing the full amount of the advancement, the amount of payment made, and the balance, if any, remaining unpaid on the date of payment.

Upon full payment, the City Manager shall cancel the note and discharge the lien.

SEC. 61.2112 INTEREST

The note shall be in a principal amount equal to the preparation cost paid by the City for the limited-income owner.

The principal amount of the note shall bear simple annual interest at a rate equal to the average annual interest rate earned by the City on its long-term investments.

The entire unpaid principal amount of the note, together with all interest due thereon, shall become immediately due and payable to the City upon and before any transfer or refinancing affecting the real property described in the lien agreement.

SEC. 61.2113 SUPERVISION OF PREPARATION COST DEFERRALS BY CITY MANAGER

The City Manager shall provide continuing supervision of all finally approved applications for preparation cost deferral, all lien agreements furnished to the City pursuant

to such applications, the payment to the City of all amounts due thereunder, the financial transactions of owners affecting the lien agreements, and owner's continuing eligibility as a qualified limited-income owner.

SEC. 61.2113.1 SAME--RECORDATION OF LIENS

Upon final approval of any application and execution of the lien agreement, the City Manager shall immediately record the lien with the County Recorder of San Diego County.

SEC. 61.2113.2 SAME--RECORDS

The City Manager shall keep and maintain records showing all finally approved applications for preparation cost deferral, all lien agreements, all payments made and all defaults.

The City Manager shall establish and maintain a system for supervision of all payments due the City.

Insofar as practicable, the system shall disclose all proposed, pending, or completed transfers or refinancing of any real property in which the City has a security interest.

SEC. 61.2113.3 SAME--ANNUAL REVIEW OF STATUS OF SECURITIES APPLICANTS

Not less than once a year, the City Manager shall review all finally approved applications, the security furnished the City pursuant thereto, and the financial transactions and condition of applicant. For that purpose, the City Manager may require the applicant, either orally or in writing, to furnish information given under penalty of perjury concerning:

a. Any proposed, pending, or completed transfers or refinancing affecting the real property in which the City has a security interest.

b. Applicant's continuing eligibility as a qualified limited-income owner.

The failure or refusal of applicant to furnish such information shall be deemed an event of default, upon the occurrence of which the City may enforce its security interest.

SEC. 61.2113.4 SAME--DEFAULT BY OWNERS

If an applicant ceases to be a qualified limited-income owner or fails or refuses to make payments to the City when due, or if, in the opinion of the City Manager, it appears probable that such payments will not be made when due, the City Manager shall report such matters to the Council, together with his recommendations. Thereupon the Council may instruct the City Manager to make further efforts to collect amounts due, authorize the City Manager to compromise or write off all or any part of the amounts due, or order the City Manager to refer the matters to the City Attorney for enforcement of the City's security.

SEC. 61.2113.5 ENFORCEMENT OF SECURITY BY CITY ATTORNEY

Upon receipt from the City Manager of notice of actual or probable default upon a lien agreement executed for the City, the City Attorney shall undertake such legal action as may be necessary to protect the interests of the City.


It, in the opinion of the City Attorney, all or part of the amounts due the City are uncollectible or the estimated

costs and expenses of collection would exceed the amount of the probable recovery, the City Attorney shall so report to the Council, together with his recommendations. Thereupon, the Council may instruct the City Attorney to further prosecute enforcement of the security or authorize the City Attorney to compromise or write off all or any part of the amounts due.

Section 2. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: JOHN W. WITT, City Attorney

By


C. M. Fitzpatrick
Senior Chief Deputy

CMF:v1
12/5/77

12314

Passed and adopted by the Council of The City of San Diego on MAR 13 1978,
 by the following vote:

Councilmen	Yeas	Nays	Excused	Absent
Bill Mitchell	<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"/>
Bill Lowery	<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"/>
Fred Schnaubelt	<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"/>
Larry Stirling	<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.

CHARLES G. ABDELNOUR
 City Clerk of The City of San Diego, California.

(Seal)

By Allyn D. Newitt, Deputy.

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

FEB 27 1978, and on MAR 13 1978

~~I FURTHER CERTIFY that said ordinance was read in full prior to its final passage.~~

I FURTHER CERTIFY that the reading of said ordinance in full was dispensed with by a vote of not less than a majority of the members elected to the Council, and that there was available for the consideration of each member of the Council and the public prior to the day of its passage a written or printed copy of said ordinance.

CHARLES G. ABDELNOUR
 City Clerk of The City of San Diego, California.

(Seal)

By Allyn D. Newitt, Deputy.

FILE
 1978 FEB 16 11 06 17
 SAN DIEGO, CALIF.

Office of the City Clerk, San Diego, California

Ordinance Number 12314 Adopted MAR 13 1978

ATTORNEY(S)

San Diego, City of
12th Floor, City Admin. Bldg.
202 C St.
San Diego, Ca 92101
Attn: Allyn D. Nevitt

CERTIFICATE OF PUBLICATION

No. 12314

IN THE MATTER OF

DEFERRALS FOR LIMITED-INCOME
PROPERTY OWNERS

ORDINANCE NO. 12314

(See Serial)

AN ORDINANCE AMENDING CHAPTER VI, ARTICLE I OF THE SAN DIEGO MUNICIPAL CODE BY ADDING DIVISION 21 RELATING TO DEFERRALS FOR LIMITED-INCOME PROPERTY OWNERS OF PREPARATION COSTS FOR UNDERGROUNDING OF UTILITIES.

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

Section 1: That Chapter VI, Article I of the San Diego Municipal Code be amended by adding Division 21 to read as follows:

DIVISION 21

ADVANCEMENT AND DEFERRAL FOR LIMITED-INCOME PROPERTY OWNERS OF PREPARATION COSTS FOR UNDERGROUNDING OF UTILITIES

SEC. 61.2100 PURPOSE AND INTENT

The purpose and intent of this Division is to provide qualified limited-income property owners with a method for fulfilling their obligation under Section 61.0513 of this Article, to provide all necessary work for continuance of utility service when such service are placed underground. The Council finds and declares that California Public Utilities Commission orders and City ordinances requiring property owners to provide all work and facilities necessary to restore underground service pursuant to the commission and ratemaking procedures of the San Diego Underground Utilities Procedural Ordinance and state law often results in financial hardship to limited-income property owners.

Because of this finding and declaration, the City Council, in the exercise of the Council's charter power to make suitable provision for the aid and support of the poor, determines and declares that it is in the public interest for the City to provide a method for advancement and deferral of payment of these costs for qualified limited-income owners until such time as the property served is transferred or refinanced. The Council further finds and declares that all expenditures and investments made pursuant to this Division are incidental to the accomplishment of the primary purpose of making suitable provision for the aid and support of the poor.

SEC. 61.2101 INCONSISTENCIES WITH STATE LAW

This division is adopted pursuant to the City's charter power to make and enforce all ordinances and regulations in respect to municipal affairs. To the extent of any inconsistencies between the provisions of this Division and those of Public Utilities Commission orders or other state laws, the provisions of this Division shall control.

SEC. 61.2102 SCOPE OF PREPARATION COST DEFERRAL

This Division is limited to qualified limited-income owners residing within the City of San Diego and to payments provided for by the San Diego Underground Utilities Procedural Ordinance. There are no age restrictions for qualified limited-income owners.

I, **PATRICIA M. SPAULDING**, am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the San Diego Daily Transcript, a newspaper of general circulation, printed and published daily, except Saturdays and Sundays, in the City of San Diego, County of San Diego, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of San Diego, State of California, under the date of January 23, 1909, Decree No. 14594; and the

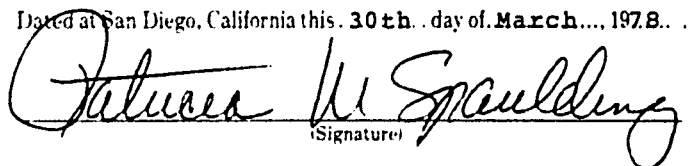
ORDINANCE NO. 12314

is a true and correct copy of which the annexed is a printed copy and was published in said newspaper on the following date(s), to-wit:

March 27, 1978

I certify under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California this 30th day of March, 1978.


(Signature)

DEFINITIONS
The meaning of the terms used in this Ordinance shall be as follows:

1. PREPARATION COSTS shall mean those costs incurred by the applicant in the design and construction of the proposed project.

2. UNDERGROUND OR UNDERGROUNDING shall mean the placement, construction and maintenance of underground services as provided for in Chapter VII, Article I, Division 2, San Diego Municipal Code and under commission order or ruling.

3. COUNCIL shall mean the Public Utilities Commission of the State of California.

4. CITY shall mean The City of San Diego.

5. COUNCIL shall mean the City Council of the City.

6. CITY MANAGER shall mean the City Manager and any department, or division of the City designated by him for the administration of this Division.

7. APPLICANT shall mean the person or persons whose preparation cost deferred or whose application has been finally approved by the Department.

8. LEASE AGREEMENT shall mean the agreement set forth in Section 21.21.

9. INCOME shall mean all income of any nature from any source derived, including, but not limited to, salaries, wages, dividends, interest, rental payments, income from the operation of a business, business, social security, pension, or property, including, but not limited to, annuity and interest payments, and income from any source of economic value.

10. LIMITED-INCOME OWNER shall mean an owner of real property within the guidelines for low-income citizens and tenants by the United States Department of Housing and Urban Development, Economic Marketing Administration, as defined currently by the San Diego Metropolitan Statistical Area and in which no other person owns 50%.

11. NET ASSETS shall mean all real and personal property of any character which a limited-income owner owns or has an interest in, less the amount of all debts and charges against such property, subject to provisions of law.

12. OWNER shall mean the person or persons who own or possess real property in the City of San Diego which is subject to the Underground Utility Division of the City and includes in kind, the legally appointed representatives of such person or persons.

13. REMAINING shall mean any new subdivisions located on a corner after delivery to the City of a new agreement entered into by the Division and any extension, modification, or additional agreement that would affect subdivisions previously reserved by an owner, whose net income and net assets are covered by a mortgage on all or any part of the real property in which the City has a security interest.

14. SECURITY OF THE CITY GOVERNMENT shall mean the security of the City of San Diego.

15. TRANSFER shall mean any conveyance of real property, including, but not limited to, sale, mortgage, gift, or lease of real property, or any interest therein, whether made by the original owner, or any successor, or any legally appointed representative of the owner or owners, at any level of inheritance and succession.

16. UNDERGROUND UTILITY DISTRICT shall mean the district provided in the Underground Utilities Procedural Ordinance.

SEC. 21.204. RULES AND REGULATIONS OF CITY MANAGER
The City Manager shall establish rules and regulations for the administration of this Division. Among other things, the rules and regulations may specify the conditions in the Department that the applicant may apply for the preparation cost deferred program and the date of its receipt and may set forth the form of application, including, but not limited to, the form of application, and other documents, and may set forth the conditions of the program provided, however, that any rule or regulation shall not be so restrictive as to prevent the applicant from applying for which the preparation cost deferred program is available, or shall prevent the applicant from applying for which the preparation cost deferred program is available, or shall prevent the applicant from applying for which the preparation cost deferred program is available.

SEC. 21.205. QUALIFICATION OF LIMITED-INCOME OWNERS
A limited-income owner shall mean the following:

1. Owner's income shall be within the guidelines for low-income citizens and tenants set by the United States Department of Housing and Urban Development, Economic Marketing Administration, as defined currently by the San Diego Metropolitan Statistical Area and in which no other person owns 50%.

2. The value of owner's net assets shall not exceed the amount set forth in Section 21.21.

3. The real property in which the owner owns an interest shall be approved by the City Council.

SEC. 21.206. WRITTEN EXPLANATION OF PREPARATION COST DEFERRAL PROGRAM
The City Manager shall prepare a written explanation of the preparation cost deferred program in the form of a pamphlet or booklet and shall furnish a copy thereof to the City Clerk for the City of San Diego.

SEC. 21.207. PROCEDURES FOR UNDERGROUND UTILITIES
The City Manager shall establish the Underground Utilities Procedural Ordinance, the City Clerk shall post a written explanation of the preparation cost deferred program in all current editions of the Underground Utilities Procedural Ordinance.

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City Manager, the City Clerk shall examine the application and all other notices received by Section 61.2111. In anticipation of adoption of a resolution designating an Underground Utility District, the City Manager may instruct the City Clerk to separately mail the application to persons of the notified notices.

SEC. 61.2107. SAME - FAILURE TO GIVE OR RECEIVE EXPLANATION

The failure of the City Manager or the City Clerk to distribute and written explanation of the preparation cost deferral program to the failure of any owner to receive the explanation shall not affect the validity of any proposed, pending, or completed underground utility advance proceedings.

SEC. 61.2107.1 REQUEST AND APPLICATION FOR PREPARATION COST DEFERRAL

Each owner interested in obtaining a preparation cost deferral must and deferral shall file a request for an application with the City Manager. Among other things, the request shall contain:

- a. Signer's name and mailing address.
- b. A description sufficient to identify the real property in which preparation cost deferral is sought to be located in the City of San Diego, is owned by the signer, and is or is not encumbered by a lien.
- c. A statement that the signer believes he or she is eligible to be a qualified limited-income owner and agrees to furnish the City Manager with detailed information concerning signer's eligibility, income, and net assets.
- d. A request for an application for deferral of amounts due to an eligible contractor for property preparation prior to installation of underground service.
- e. A statement that the preparation work is to be performed by a qualified licensed contractor including the name, business address and license number of said contractor.
- f. Signatures of applicant. If upon examination of a signed request it appears that the signer may be a qualified limited-income owner, the City Manager shall furnish the signer of the request with an application for preparation cost deferral. Among other things, the application shall contain information concerning the applicant's eligibility, income, and net assets in such detail as may be necessary for the City Manager to determine applicant's eligibility as a qualified limited-income owner. The applicant shall complete the application, sign it under penalty of perjury, and file it with the City Manager.

SEC. 61.2107.2 SAME - APPROVAL OR DENIAL OF APPLICATION

The City Manager shall promptly investigate and review all applications for preparation cost deferrals. The City Manager may require applicant to furnish such additional information as may be necessary to determine whether applicant is a qualified limited-income owner. Upon completion of the investigation and review, the City Manager shall either deny or give preliminary approval to the application. Final approval of the application shall be given by the City Manager only upon applicant's furnishing the City with the amount required by Section 61.2108.

SEC. 61.2107.3 SAME

The City Manager shall not approve any application for preparation cost deferral unless the preparation work is done by a qualified licensed contractor. For the purposes of this Division "qualified licensed contractor" shall mean any person approved by the City Engineer prior to the commencement of work.

SEC. 61.2108. SAME

City Manager shall examine and approve or disapprove applications for deferral of preparation cost deferrals.

City Manager shall examine and approve or disapprove applications for deferral of preparation cost deferrals. In accordance with the provisions of Section 61.2111, the City Manager, for and on behalf of the City, may pay all preparation costs necessary to remove installation of underground utility services upon any applicant's real property. Expenditures made for the purpose of paying preparation costs shall be paid from the amount of Federal Interest Bearing Funds available to the City.

SEC. 61.2110. CASH PAYMENT OF PREPARATION COSTS

The City Manager, for and on behalf of the City, may pay all preparation costs necessary to remove installation of underground utility services upon any applicant's real property. Expenditures made for the purpose of paying preparation costs shall be paid from the amount of Federal Interest Bearing Funds available to the City.

SEC. 61.2111. REPAYMENT OF AMOUNTS ADVANCED

When an owner has been advanced preparation costs and a lien agreement has been executed, said amount shall come due and be paid upon transfer of the property.

A property owner may remove the lien at any time by payment of the amount advanced to the City Manager. All payments received by the City Manager shall be deposited in the General Fund.

The City Manager shall deliver to the owner a receipt stating the full amount of the advancement, the amount of payments made, and the balance if any, remaining unpaid on the date of payment.

Upon full payment, the City Manager shall cancel the lien and discharge the lien.

SEC. 61.2112. INTEREST

The rate shall be in a principal amount equal to the preparation cost paid by the City for the limited-income owner.

The principal amount of the note shall bear simple annual interest at a rate equal to the average annual interest rate earned by the City on its long-term investments.

The entire unpaid principal amount of the note, together with all interest thereon, shall become immediately due and payable to the City upon and before any transfer or relinquishing of the real property encumbered by the lien agreement.

SEC. 61.2113. SUPERVISION BY CITY MANAGER

The City Manager shall provide continuing supervision of all finally approved applications for preparation cost deferral. All payments furnished to the City pursuant to such applications, the payment to the City of all amounts due thereunder, the financial condition of owners affecting the lien agreements, and owner's continuing eligibility as a qualified limited-income owner.

SEC. 61.2114. SAME - RECORDATION OF LIENS

Upon final approval of any application and execution of the lien agreement, the City Manager shall immediately record the lien with the County Recorder of San Diego County.

SEC. 61.2115. SAME - RECORDS

The City Manager shall keep and maintain records showing all finally approved applications for preparation cost deferral. All lien agreements, all payments made and all defaults.

The City Manager shall establish and maintain a system for supervision of all payments due the City.

Insofar as practicable, the system shall document all proposed, pending, or completed transfers or relinquishments of real property, in which the City has a security interest.

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...has been then every year, the City Manager shall, upon all land approved applications, the security furnished the City pursuant thereto, and the financial statements and conditions of applicant. For that purpose, the City Manager may require the applicant, either orally or in writing, to furnish information given under penalty of perjury concerning:

1. Any proposed, pending, or completed litigation involving abstracting the real property in which the City has a security interest;
2. Applicant's continuing capability to a certain...

The failure or refusal of applicant to furnish such information shall be deemed an event of default, upon the occurrence of which the City may enforce its security interest.

SEC. 61.514: SAME - DEFAULT BY OWNERS

If an applicant should be a venditor, limited-income owner or fails or refuses to make payments to the City within six (6) months of the date of the City Manager's demand, the City Manager shall report such failure to the Council, together with the vendor's last report with respect to the amount due. Thereupon, the Council may instruct the City Manager to make further efforts to collect amounts due, authorize the City Manager to commence an action to collect all or any part of the amount due, or order the City Manager to refer the matters to the City Attorney for enforcement of the City's security.

SEC. 61.515: ENFORCEMENT OF SECURITY BY CITY ATTORNEY

Upon receipt from the City Manager, in person or mail, of such notice of default upon a first agreement mortgage for the City, the City Attorney shall undertake such legal action as may be necessary to protect the interest of the City.

If, in the opinion of the City Attorney, all or part of the amount due the City on a mortgage or the proceeds thereof and expenses of collection equal or exceed the amount of the probable recovery, the City Attorney shall so report to the Council, together with his reasons therefor. Thereupon, the Council may instruct the City Attorney to commence enforcement of the security or authorize the City Attorney to commence or write off all or any part of the amount due.

Section 2. This ordinance shall take effect and be in force on the day it is passed and after its passage shall be in force on the day it is published on February 27, 1978.

Enacted and adopted by the Council of The City of San Diego on March 2, 1978.

CERTIFICATED BY:
JOHN WILSON,
Mayor of The City of San Diego, California.
CHARLES G. ABDELNOUR,
City Clerk of The City of San Diego, California.
By ALLEN D. NEVITT, Deputy

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