

RESOLUTION NO. 3207

A RESOLUTION ESTABLISHING A CITY DEFERRED ASSESSMENT PROGRAM AS AN ALTERNATIVE METHOD OF FINANCING LOCAL IMPROVEMENT ASSESSMENTS BY PROPERTY OWNERS.

WHEREAS, a "City Deferred Assessment Account" would be established in the amount of \$50,000 and funded from the Bancroft Bond Redemption Fund - Administration Activity to assist those households that meet the qualifications as shown on Exhibit A.

WHEREAS, the City Deferred Assessment Program would assist property owners that were ineligible for the State Senior Citizen Deferred Assessment Program, the Oregon Community Development Block Grant (OCDBG), or any other available financial assistance program;

WHEREAS, the State Senior Citizens Special Assessment Deferral Program does not serve property owners who are less than 62 years of age and have an annual income greater than \$17,500.00 (ORS 311.706);

WHEREAS, the Community Development Block Grant does not assist "median income" households as shown on Exhibit A page 2 or households outside the North Albany Health Hazard Area;

WHEREAS, there are several City improvement projects where construction is nearly complete;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Albany adopt and establish a City Deferred Assessment Program as outlined in Exhibit A.


BE IT FURTHER RESOLVED that the City of Albany authorizes the Finance Director to interpret the definition of income (Exhibit A page 3) on behalf of the City for those homeowners who require financial assistance for payment of local improvement assessments.

DATED THIS 28th DAY OF October, 1992.



Mayor

ATTEST:



Deputy City Recorder

CITY OF ALBANY DEFERRED ASSESSMENT POLICY

Purpose: To provide a City Deferred Assessment Program as an alternative method of financing local improvement assessments for property owners making written application annually.

The City will establish a "City Deferred Assessment Account" in the amount of \$50,000, with an additional \$50,000 to be added per year, to pay approved deferred applications. This amount will be funded from the Bancroft Bond Redemption Fund - Administration Activity. Payments received from benefitted property owners will be added back to the City Deferred Assessment Account and made available for future approved applications.

Property owners applying for the City's Deferred Assessment Program must be ineligible for the State Senior Citizen Deferred Assessment Program, the Oregon Community Development Block Grant (OCDBG), or any other available financial assistance program.

The program has three available options which are based on household income. Income is defined by Oregon law (ORS 310.630). The program allows property owners with household income defined as (1) "low income" - to defer the assessment for 10 years at 6% interest, (2) "moderate income" - to make interest only payments for 10 years at 6%, and (3) "median income" - to pay interest only payments for 10 years at 9% interest.

Applications for the City's Deferred Assessment Program, up to the \$50,000 account balance, shall be determined based on the estimated total of property and interest payments over a 12 month period. If more than \$50,000 in applications are received, priority will be given first to "low income", then to "moderate income" and finally the "median income" applicants.

To qualify for the City Deferred Assessment Program:

1. You must have a recorded deed to the property or be purchasing the property under a recorded sales contract. You are not eligible if you have only a life estate interest in the property.
2. You must live on the property (except for an individual required to be absent by reason of health).
3. Household income (taxable and nontaxable) for the preceding year will be compared to the current Oregon Community Development Block Grant program definitions of "low income" and "moderate income" (Code 24 of Federal Regulations (CFR) Part 570.3). A "median income" category has been added by the City to extend the program to additional property owners. A table is attached which reflects the income guidelines.
4. There are no age limitations.

FY 1992 INCOME GUIDELINES - LINN COUNTY:

<u>Household Size</u>	<u>Low Income</u>	<u>Moderate Income</u>	<u>Median Income</u>
One person	0 - \$11,400	\$11,401-\$18,200	\$18,201-\$22,800
Two persons	0 - \$13,000	\$13,001-\$20,800	\$20,801-\$26,000
Three persons	0 - \$14,600	\$14,601-\$23,400	\$23,401-\$29,250
Four persons	0 - \$16,250	\$16,251-\$26,000	\$26,001-\$32,500
Five persons	0 - \$17,550	\$17,551-\$28,100	\$28,101-\$35,125
Six persons	0 - \$18,850	\$18,851-\$30,150	\$30,151-\$37,700
Seven persons	0 - \$20,150	\$20,151-\$32,250	\$32,251-\$40,313
Eight persons	0 - \$21,450	\$21,451-\$34,300	\$34,301-\$42,900

FY 1992 INCOME GUIDELINES - BENTON COUNTY:

<u>Household Size</u>	<u>Low Income</u>	<u>Moderate Income</u>	<u>Median Income</u>
One person	0 - \$12,950	\$12,951-\$20,700	\$20,701-\$25,875
Two persons	0 - \$14,800	\$14,801-\$23,700	\$23,701-\$29,625
Three persons	0 - \$16,650	\$16,651-\$26,650	\$26,651-\$33,313
Four persons	0 - \$18,500	\$18,501-\$29,600	\$29,601-\$37,000
Five persons	0 - \$20,000	\$20,001-\$31,950	\$31,951-\$39,938
Six persons	0 - \$21,450	\$21,451-\$34,350	\$34,351-\$42,938
Seven persons	0 - \$22,950	\$22,951-\$36,700	\$36,701-\$45,875
Eight persons	0 - \$24,400	\$24,401-\$39,050	\$39,051-\$48,813

Low income = annual income below 50% of the County median income.

Moderate income = annual income below 80% of the County median income.

Median income = annual income between 80% and 100% of the County median income.

To apply: the property owner must submit an income verification application, a copy of their federal income tax return from the preceding year and a signed installment application. If the applicant wants to continue the deferral, they must submit an application or a copy of their federal income tax return prior to June 30. In the event that the property changes ownership, the deferred assessment, plus interest, would become due immediately. City Deferred Assessments are not transferable.