

Policy for Special Assessment Deferral for Homestead Property Owned by Senior Citizens, Active Military, and People with Disabilities

The City of Plymouth will consider deferring special assessments on homestead property which would place a financial hardship on the owner if the owner is at least 65 years old, a member of the military ordered to active service, or retired due to a total and permanent disability. This policy is in accordance with Minnesota Statutes section 435.193-195.

A hardship will be deemed to exist under the following conditions:

I. Senior Citizen

- A. The property is the homestead of the owner.
- B. The owner is at least 65 years of age.
- C. The owner has a household gross income of less than 50% of the median family income for Hennepin County in accordance with the US Department of Housing and Urban Development (HUD) Very Low-Income Limits (VLIL) in the year before the application for deferral is made. The income limit is based on the number of members in the household and will be updated annually based on HUD guidelines.

OR

II. Permanent and Total Disability

- A. The property is the homestead of the owner.
- B. The owner had a household gross income which meets the limit detailed in I-C above.
- C. The owner is retired due to a permanent and total disability which must include one of the following:
 - 1. Certified as legally blind in both eyes.
 - 2. Loss of both arms at the shoulder.
 - 3. Loss of both legs so close to the hips that no effective artificial limbs can be used.
 - 4. Complete and permanent paralysis.

5. Total and permanent loss of mental facilities.
6. Any other injury which prevents the owner from working and earning an income that exceeds the limit set forth in I-C above.

OR

III. Active Military Persons

- A. The property is the homestead of the owner.
- B. The owner has a household gross income which meets the limit detailed in I-C above.
- C. The owner is a member of the Minnesota National Guard or other military reserves who is ordered into active military service, as defined in Minnesota Statute 190.05, subdivision 5b or 5c, as stated in the person's military orders.

IV. Administration of Deferment Program

- A. The City Council will review the income limit for this program when it reviews the income guidelines for the Housing and Redevelopment Home Improvement Grant Program. This review usually occurs in early August.
- B. Applications for this program are available from the City. An application for deferral may be submitted at any point during the term of the assessment and must be submitted annually for each year that a deferral is requested. Applications must be submitted before October 31 in order to implement the deferment program for the following year.
- C. Applicants must supply the information required on the application and any supplementary documentation necessary to establish and verify the following:
 1. The legal description and property identification number.
 2. The street address.
 3. That it is homestead property of one acre or less. The only exception is for those parcels that are five acres or less and which may not be subdivided without additional public improvements.
 4. The description of the improvement.
 5. The home of the homestead owner-occupant.
 6. For applications made under section I of this policy, that the owner-occupant is over 65 years old.

7. For applications made under section II of this policy, that the property owner retired because of permanent and total disability as defined in this policy.
 8. For applications made under section III of this policy, that the owner has been ordered into active military service.
 9. That paying the special assessment on the ordinary schedule constitutes a hardship as defined in this policy.
- D. Simple interest will accrue for the term of the deferral on any principal of the special assessment which is deferred.
- E. The Finance Director will determine whether an applicant is eligible based upon this policy and state law.

State Statutes provide that the deferment is terminated and all accumulated amounts plus applicable interest become due upon any of the following events:

- The death of the owner (if the spouse is not otherwise eligible for the deferment);
 - The sale, transfer, or subdivision of any part of the property;
 - Loss of homestead status of the property; or,
 - Determination by the council that requiring immediate or partial payment would impose no hardship.
1. Occasionally an individual will exceed the income guidelines in a given year. If the individual has previously qualified under the income guidelines and has received the senior citizen deferral, the deferral will continue without interruption if the total annual income is not more than 150% of the income guidelines.
 2. If an individual exceeds the above income guideline test, the Finance Director shall request additional financial information to determine if a hardship continues to exist. The individual shall provide information on total assets.
- F. The maximum length of time that an assessment may be deferred under this policy is 30 years from the date of the original levy, at which point the assessment will become due, unless otherwise approved by the Finance Director and/or the City Engineer.

- G. The Finance Director will maintain special assessment deferral records and will update the City Council on deferments approved under this policy as applicable.

Res. No. 2025-274, October 28, 2025

(Supersedes Res. No. 2000-540, November 14, 2000; 94-523, September 12, 1994; Res. No.93-669, October 18, 1993; Res. No. 92-608, October 5, 1992; Res. No. 91-815, December 16, 1991; Res. No. 90-620, September 24, 1990; Res. No. 89-735, November 6, 1989; Res. No. 85-875, October 21, 1985; Res. No. 83-675, December 5, 1983; Res. No. 82-567, October 18, 1982; Res. No. 81-521, August 17, 1981; Res. No. 80-862, November 17, 1980)