

STAFF REPORT
City of Lancaster

CC 14
06/24/14
MVB

Date: June 24, 2014

To: Mayor Parris and City Council Members

From: Allison E. Burns, City Attorney

Subject: **Judicial Foreclosures of Delinquent Special Assessments in Assessment District 92-101**

Recommendation:

Adopt **Resolution No. 14-33**, ordering judicial foreclosure of delinquent special assessments in Assessment District 92-101.

Background:

In 1992, the City conducted proceedings under the Improvement Bond Act and the Municipal Improvement Act to create Assessment District No. 92-101 (“AD 92-101”). Those proceedings resulted in the City’s issuance of bonds and levy of special assessments to pay principal and interest on the bonds for the Assessment District. The special assessments are collected in bi-annual installments which become delinquent on December 10 and April 10 of each tax year.

Pursuant to the trust indenture regarding the bonds issued for the Assessment District, the City has covenanted to bondholders to commence judicial foreclosure proceedings against properties within the Assessment District for which special assessments are delinquent. Pursuant to the Improvement Bond Act, judicial foreclosure proceedings cannot be initiated until the City has adopted a resolution authorizing the commencement of such actions. Resolution No. 14-33 authorizes the initiation of foreclosure proceedings against the properties located in AD 92-101, respectively, which have been reported as delinquent with respect to the payment of special assessments.

It is, therefore, recommended that the City adopt the resolution authorizing the commencement of judicial foreclosure actions in Assessment District No. 92-101.

Attachment:

Resolution No. 14-33