Date: 1/28/2021 House Bill No. 1222

COMMITTEE: Political Subdivisions CHAIRMAN: Representative Dockter

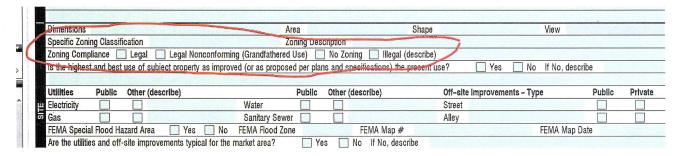
FROM: Kevin Ternes, CAE, ND CG-2003, Licensed Real Estate Appraiser

Subject: House Bill 1222 concerning those residential buildings that are non-conforming as it relates to the zoning district, they are in.

Chairman Dockter and Honorable Representatives: Thank you for allowing me to present testimony on this bill. As a former city assessor, current private real estate appraiser, homeowner and fellow taxpayer, I would offer some concerns and questions about the bill.

I do understand the goal here of protecting a homeowner's property rights, but also share concern for other members of the neighborhood also. Hopefully a good zoning ordinance protects the rights and enjoyment of those property rights of *all* the residents of a particular neighborhood.

Below is a portion of a residential appraisal form lenders require that I suspect is where the issue is coming from:



If I could, I would offer the following for the committee to ponder:

- 1. I do not recall a time in 29 years of city service where this had been an issue that couldn't be handled with local solutions. Small towns especially would welcome new and safe construction.
- 2. If the reason for this bill is to satisfy banking and underwriting rules, regarding that I have visited with 2 long time lenders in Minot who have told me they each have seen this issue come up only once, and there were other remedies including local lenders.
- 3. Would the state be inserting itself in an issue that local boards who understand all the issues, characteristics of the particular neighborhood and past issues with a particular property be more suitable for addressing with a zone change if there is a financing issue or might there be considerable reasons why a zone change or allowing a re-build is not productive for the rest of the neighbors and their property values?
- 4. Regarding part 6) in each of the 3 Sections, if I received an insurance payment for my loss, and am denied by zoning in hiring a contractor to come and rebuild the structure to another non-conforming use, won't I be paid twice for the same building?

Thank you for your consideration and the opportunity to testify.