



House Political Subdivisions
Chairperson and Committee Members

HB 1419 Concerns

The Downtown Business Association of Bismarck represents over 200 members with 9,000 employees in North Dakota's second largest employment district.

Our Board of Directors have been closely watching the City of Bismarck and their Special Assessment Task Force and study. We have quite a few concerns regarding HB 1419. This bill would allow cities to replace a special assessment with a street utility fee. It would give cities new authority to create a city-wide fee, however:

- There is no official property owner protest option in this fee-system as there are in current similar special assessments. Going from required protest periods to none all at once is likely to cause concern for property owners.
- The matrix of factors the city could use to assess the fee are dependent on how up to date their records are or generalized systems like trip-generator which can be unreliable and not based on true use.
- ITE Trip Generator used by the City of Bismarck's consultant, is a model that should not be used in a Downtown or any mixed-use neighborhood and may only apply to single-use commercial areas if at all. *(Alternative 5- Tiered Fixed Fee)*
- The factors used by the City of Bismarck's consultant as an example of a possible fee-- shows 300% increases in monthly fees over average for Downtown commercial office and multi-family apartment units. *(Alternative 5- Tiered Fixed Fee)*
- The City of Bismarck's study example also included existing specials being added to the fee, regardless if a property owner had paid theirs off. *(Alternative 5- Tiered Fixed Fee)*

While HB 1419 allows cities to access a new fee tool, the details around property owner input, lack of sophisticated data sets, and guardrails to ensure this fee would be applied thoughtfully are scant at this point. It's our recommendation that this committee consider these concerns as possible amendments to this bill to protect property owner's rights.

A handwritten signature in black ink, appearing to read "Kate Herzog", is positioned above the typed name.

Kate Herzog, COO
Chief Operating Officer
Downtowners Bismarck