



## HB 1330 City of West Fargo Testimony

**Provided by Roben G. Anderson – Commissioner**

HB 1330 is a proposed bill relating to the preferred methodology when determining special assessments. The City of West Fargo would like to go on record as being **Opposed** to the bill as it pertains to Section 40-23-07.

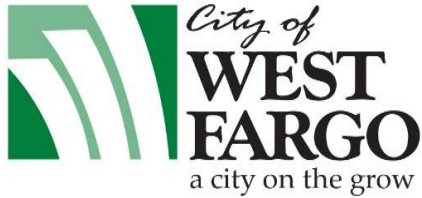
This bill was created in direct response to our Special Assessment Policy that we adopted in 2022. When the policy was adopted by the commission, it was done after more than a year of work by the City Commission, Staff, our Attorney, and members of the Special Assessment Commission. The City of West Fargo found a way to calculate the assessments on special assessment projects to make them more equitable.

One project that spurred this discussion was a project in our core area, along Sheyenne Street. When reviewing the project, discussions were held about the methodology of the assessment. One piece of the project extended into a neighboring residential area and was for a sanitary sewer repair. Any property on one side of the project was to be assessed for this portion of the project on an equivalent unit (EU) basis, which is based on the square footage of the property. Each residential property was going to be assessed at one (1) EU, where a mixed-use building with about 60 apartments and 2 floors of commercial space, would be assessed at about 4.5 EU's (about an acre of property).

The issue with this assessment, is that the sanitary sewer is under higher use from the mixed-use building compared to a residential property that maybe has 2 bathrooms in it. So, this property with 60+ bathrooms going into the sanitary sewer, they would be assessed only at 4.5x the rate that a residential property would be assessed in total, despite having 30x the number of bathrooms. This was determined to not be fair due to residential properties paying a disproportionate share of the assessment, thus driving conversations about changing the policy.

Our policy was changed, and a factor of 0.6 EU is being used and is applied to the total number of dwelling units in apartment and mixed-use buildings. The factor was vetted by our attorney and supported through engineering studies.

In Summary, this bill, if passed and enacted, would increase the amount of special assessments on individual homeowners and make it so that apartment buildings would pay less on a share basis than the average homeowner.



The City of West Fargo has continued work on Special Assessments and are working to make them more equitable and to move away from them as much as possible. This bill, if passed and enacted, will move us, and the State of North Dakota in the wrong direction when it comes to the reform of Special Assessments.

The West Fargo City Commission is asking that you provide a **“Do Not Pass”** recommendation for this bill.

Thank you for your time and consideration.

Bernie Dardis – Commission President

Mark Simmons – Commissioner

Mandy George – Commissioner

Brad Olson – Commissioner

Roben Anderson – Commissioner