

March 22, 2021

Dear Political Subdivisions Committee:

I am writing in opposition of HB 1419 relating to the authority of cities and counties to levy an infrastructure fee in lieu of special assessments.

While the intent of this bill to solve an evolving annual issue is unique, it does have a severe impact on those properties whom had specials assessed against their properties over the years and have paid them off. For example, take a property that is over 30 years old, having been assessed at least twice, and now the special assessments are paid off. The majority of homeowners in newer homes, 2007-present, initially had charges between \$25-40 thousand dollars passed on by the developer and then assessed by the City of Bismarck.

HB 1419, in its present format, punishes older existing properties whom have paid off those special assessments over the years by rolling in newer outstanding debt issued for infrastructure improvement. If you look at properties in NW or NE Bismarck, you will find specials remaining to be \$30 thousand dollars each. If you roll these debt obligations into the pool, these same owners would only pay \$5000 over the next ten years instead of the initial assessment of perhaps \$40 thousand. What a bargain for them!

Section 7- Paragraph 40-23-21. Use of collections of subsequent assessments.

It appears that it does not prohibit the city from using funds acquired to pay off **NEW** home construction assessments.

I would like to see the bill text changed so that any properties with an outstanding balance cannot be placed into this revolving pool until their assessments are paid in full. That would be equitable and would serve as a foundational piece of legislation. If this cannot be done, then I ask that the committee to reject the bill in its entirety.

Thank You

Darwin Reinhardt

Bismarck, ND