

SAC Committee Meeting
Wednesday, February 11, 2026
Fargo Parks Sports Center
Island Park Conference Room

Present: Dominic Fischer, Rusty Papachek, Tyler Kirchner, Dave Bietz, Broc Lietz, Susan Faus, John Gunkelman

Overall Purpose

- The group is working to create a special assessment benefit framework for park amenities in Fargo.
- This is required because North Dakota Century Code, clarified by Grand Forks litigation, now requires that any special assessment district:
 - Prove a benefit to the benefiting area, and
 - That benefit must exceed the construction cost,
 - And the benefit determination must be done by an independent committee (the SAC group), not by the entity doing the project.

Why This Committee Exists

- Historically, the Park District has not done a benefit determination as part of their process.
- For park projects, the city attorney recommended the Park Board must have its own special assessment committee to establish benefit because the Park Board is the entity creating the park assessment district. After consultation from the park district attorney we learned the process to establish our own committee.
- The city developed a tangible/intangible benefit framework for infrastructure (sewer, water, storm, paving, trails, crossings, lighting) that:
 - Normalizes benefit per lot based on a standard lot size and occupancy.
 - Uses examples like: the cost of a private septic system (~\$40k) as a tangible benchmark vs. municipal sewer.
- The parks side wants to build a similar framework for park amenities.

Key Concepts Discussed

1. Tangible vs. Intangible Benefit

- Tangible benefit (for a homeowner):
 - “What would it cost me to get a similar function myself if the park amenity didn’t exist?”
 - Examples:
 - Playground / “play elements”: Backyard playset from Target/Walmart (~\$1k) versus Rainbow system (~\$20–25k+).
 - Trails: A treadmill or cost (time, vehicle cost) to travel to a farther park.
 - Shelters / multi-use facilities: Rental cost of a building or shelter for family gatherings, events, etc.
- Intangible benefit:
 - Drawn from NRPA’s “seven dimensions of well-being”:

- Social, physical, intellectual, environmental, emotional, economic, cultural.
- Applied to each amenity type:
 - Health and wellness, reduced medical costs.
 - Property value increases for homes near parks.
 - Quality of life, social connection, neighborhood identity.
 - Environmental benefits of trees, grass, open space.

2. Normalization / How to Make It Systematic

- The parks team has already:
 - Analyzed ~15 existing developers' agreements and normalized by:
 - Acreage, number of residents, lot types, number of trees, etc.
 - Average building value in developments (~\$125M total in sample).
 - Used city and NRPA statistics (e.g., average residents per unit, 2.1 in some zones; property value uplift near parks).
- The goal:
 - Create a standard per-lot benefit framework, not project-by-project improvisation.
 - Then apply to each new park project by:
 1. Listing the amenities in that project (play elements, trails, trees/landscaping, open space, shelters, multi-use facilities).
 2. Applying the pre-defined tangible + intangible benefit values per amenity, scaled appropriately (e.g., per lot, per acre, per resident, per linear foot of trail).

3. Amenity Categories for Parks

The draft categories the parks staff proposed (all subject to committee input):

1. Play elements (broader than just "playgrounds")
2. Trails (to be broken down more granularly, per Dominic's suggestion):
 - Asphalt multi-use paths
 - Gravel trails
 - Single-track / nature trails
3. Trees and landscaping
4. Park and open space
5. Shelters (e.g., 20'x20' open-air, seating 12–16 people)
6. Multi-use facilities (e.g., warming house + rentable community room for an outdoor rink complex)

For each category, the committee must:

- Define tangible benefit examples (e.g., cost of equivalent backyard playset, building rental, treadmill vs. walking trail).
- Define intangible dimensions (health, social, environmental, economic, etc.).
- Decide a normalized value basis (per lot / per acre / per resident / per linear foot, etc.).

4. Per-Lot vs. Per-Development Logic

- Committee members (especially Rusty and John) repeatedly stressed it must boil down to a per-lot benefit:
 - The city standardized per lot (80 ft frontage, 12,000 sq ft lot).
 - This allows the same framework to be used on:
 - Small developments (like Madeline’s Meadows) and
 - Larger ones (like Selkirk) simply by multiplying by number of lots.
- Tension points:
 - Different housing types (single-family vs. apartments vs. townhomes) and densities complicate “per household” benefit.
 - Some homes have higher proximity/value to the park (e.g., backing directly onto the park) than others.
 - Committee wants a system that is defensible and explainable to homeowners who ask: “How did you come up with these numbers?”

5. Property Value & Economic Benefits

- Dominic emphasized:
 - Tangible benefit should include property value uplift from being near a park.
 - Also travel cost avoided (e.g., not needing to drive 5 miles to another park).
- Parks staff:
 - Have seen national stats indicating property values can increase 10–20% near parks (parks suggested using a conservative ~10% assumption on total building value).
 - Will pull documented statistics (NRPA, etc.) on:
 - Economic impact of parks,
 - Value of trees and landscaping (some research shows very high lifetime environmental/economic value of a single mature tree),
 - Health cost savings associated with physical activity access.

6. Project Examples: Madeline’s Meadows & Selkirk

- Madeline’s Meadows:
 - Developer’s early estimate for park construction was ~\$743k–800k.
 - Small park (~2.3 acres), planned as a “tot” park with 2–5 year old play equipment.
 - Close to other, larger neighborhood parks with 5–12 year old playgrounds, but the developer still wanted this local play element.
 - Park property was deeded to the Park District before a developer’s agreement was finalized—described as “out of order” and a problem they’re now trying to correct.
 - Assessment approach:
 - City has already calculated benefiting parcels and prepared per-lot cost examples (20-year assessment).
 - Residents will get a letter showing design, total cost, and annual cost per lot.
 - Residents can protest by square footage; if protests hit 50%+ by benefited area, the project fails.
 - If project is protested out:

- Park District options:
 - Minimal development (grade, drainage, seed grass) and maintain as simple open green space with costs covered in the operating budget (no assessment).
 - Potentially re-engage the developer and residents to re-scope a lower-cost alternative.
 - Use the committee's benefit framework again on a revised plan.
- Selkirk:
 - Another pending project where the framework will be applied.
 - Will ultimately be easier because the Park District can work earlier with developers so assessments and expectations are clear up front.

7. Relationship with City & Other Jurisdictions

- City of Fargo:
 - Provides the template and experience from their special assessment committee.
 - Has a benefit table for infrastructure (with very high total benefit values per lot when all items are added).
 - Has agreed to help run the technical protest/assessment mechanics (software, calculations) on current park projects.
- Grand Forks:
 - Their litigation and benefit framework were used as a starting point by Fargo.
- West Fargo & Horace:
 - West Fargo has a different model: city negotiates with developers for land/cash in lieu primarily on behalf of the Park District.
 - Horace is described as having major special assessment issues and is generally used as a cautionary example.
- The Park District also coordinates closely with:
 - Fargo Public Schools (monthly tri-agency meetings with city and school),
 - Considers school siting and shared use when siting and designing parks (e.g., Claire Barton, Centennial, Rocking Horse Farms, Covey Ranch, Brookstone example where cash in lieu was taken and used to enhance Covey Ranch park).

8. Political & Communication Concerns

- Committee is very aware that:
 - Homeowners already feel burdened by city special assessments.
 - A park assessment on top may be politically sensitive, especially where:
 - Park land was already taken,
 - Residents may not have realized the extent of future park assessments.
- Desired outcome:
 - A transparent, defensible benefit document:
 - Clearly lists the tangible and intangible benefits by amenity.
 - Uses credible statistics and industry benchmarks.

- Can be shown to residents who ask: “How did you come up with this?”
- And a process where, for future developments, the expected park assessment is clear at the time of lot purchase (integrated into lot pricing and disclosures).

Next Steps / Action Items

1. Parks staff (Tyler’s team) to provide data & resources:
 - National / NRPA stats on:
 - Property value uplift near parks,
 - Health and wellness impact,
 - Environmental and economic benefits of trees, landscaping, and open space.
 - Typical per-acre or per-unit quantities:
 - Average number and size of trees per acre,
 - Typical trail/sidewalk standards,
 - Typical play equipment configurations and costs,
 - Shelter rental rates and sizes.
 - Example of the city’s special assessment notice showing total vs. annual cost to residents.
2. Create a shared working space:
 - A shared Excel or “whiteboard” style file for:
 - Brainstorming tangible and intangible benefit items by amenity.
 - Recording proposed dollar values or percentage uplifts per amenity.
 - Housing research links and assumptions.
3. Committee homework:
 - Members to:
 - Think through “what would you do at your own house if you didn’t have this park amenity?” for each category.
 - Suggest starting dollar ranges (e.g., for play systems, trails, shelters) from the homeowner’s perspective.
 - Propose how to handle density and lot type differences (e.g., apartments vs. single-family).
4. Refinement & follow-up meeting:
 - Parks staff will:
 - Populate the shared resource with research and preliminary numbers.
 - Committee will:
 - Review, edit, and debate initial values.
 - They’ll reconvene in ~1.5–2 weeks (not next week, but the following) to:
 - Start turning brainstormed ideas into a formal per-lot benefit table.
 - Then test it against Madeline’s Meadows and Selkirk to see if it satisfies the statutory requirement that benefits exceed project cost.

Notes from Dominic:

Property value increases by item

Health benefit by item

Cost of the land

Traffic calming – safety – deductible \$500

Cost of driving –

Tree value

A few NOTES: **Property Value Increase:** Homes located near parks and playgrounds typically command higher prices, increasing the local tax base. A 500-foot proximity to a park can increase residential property values, with studies showing that, for example, Seattle's park system added over \$80 million in total property value to surrounding homes.

- **Property Tax Revenue:** The enhanced property value translates into higher tax revenue for local governments. In one study, this resulted in an additional \$6.95 million in annual property tax revenue for a city.
- **Individual Property Impact:** A neighborhood playground can add significantly to the value of nearby homes, with one study finding an increase of A\$20,000 to A\$32,000 (roughly 4.6% to 6.4%) for properties within 300 meters.
- **Recreational Value (Consumer Surplus):** The value of using a public playground or park, compared to paying for private recreation, is high. In New York City, the estimated annual recreational use value of parks is \$9.1 billion, or roughly \$17 per visit in "consumer surplus".
- **Health Cost Savings:** Accessible playgrounds reduce physical inactivity, which contributes to lower healthcare costs. Increased physical activity in parks has been linked to significant public health savings—over \$64 million annually in Seattle, for instance.
- **Reduced Infrastructure Costs:** Parks provide a tangible, cost-effective method for managing stormwater. For example, the [Cleveland Metroparks](#) provide an estimated \$20.4 million in annual stormwater management value, reducing the need for expensive, traditional "gray" infrastructure.