

Northfield Parks & Recreation CIP Study

City of Northfield, MN I December 2022

JLG



. investing in Northfield public places!

NORTHFIELD PLANS – OVERLAPPING OBJECTIVES + PRIORITIES match vision + CIP phasing + available funding NORTHFIELD MINNESOTA

NORTHFIELD CAPITAL IMPROVEMENTS PLAN

Replacement of dated playground equipment to serve a wider age range and address accessibility Riverside Lions (playground 1) \$ 300,000 \$ \$ 200,000 \$ Replacement/rehabilitation of dated park structures (gazebos, pavilions or warming houses) Sectiler (sheltur, toleic repare, ADA) \$ 1,000,000 \$ \$ 1,000,000 \$ Sectiler (sheltur, toleic repare, ADA) \$ 1,000,000 \$ \$ 120,000 \$ Improvements to existing courts, fields and rinks (baseball/softball, soccer, ice) Replace outdoor rink / fights by I ce A rena \$ 350,000 \$ Lighting and other improvements Riverside Lions trail lighting \$ \$ 150,000 \$ Sectiler Parking (of Maintenance \$ 5,000,000 \$ \$ 32,000 \$ \$ 32,000 \$ \$ 32,000 \$ \$ \$ 300,000 \$ \$ \$ 300,000 \$ \$ \$ 300,000 \$ \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ \$ 1,000,000 \$ 1,000	ear 6	6	Year 7	Year 8	Year 9	Year 10	10-yr tota
Riverside Lions (playground 1) \$ 300,000							
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Improvements to existing courts, fields and rinks (baseball/softball, soccer, ice)							
Replace outdoor rink / lights by ice Arevan \$ 350,000							
Lighting and other improvements							
Seedlise Parking tot Maintenance S. 150,000							
Severade Lions trail lighting							
Seacher Parking Lot Maintenance S. 500,000 S. 32,000 S. 32							
Seachier Resolated Score-boards S. 32,000 S. 32,				1	1		
Section replace field lights with LED							
Total investment by year \$ 300,000 \$ \$ 182,000 \$ 1,470,000 \$ 1,032,000 \$ \$ 5 182,000 \$	\$	\$			\$ 32,00		
RIVERFRONT ENHANCEMENT ACTION PLAN PARK IMPROVEMENTS Implement Riverfront Enhancement Action Plan					\$ 150,00		
Implement Riverfront Enhancement Action Plan Bridge Square Phase 1 - Design \$ 300,000 Bridge Square Phase 2 - Construct \$ 4,000,000 Amer Plan Implementation (1) Babacck Plan Implementation (2) \$ 1,117,000 Bridge Square Phase 5 1,000,000 Bridge Square Phase 7 \$ 1,000,000 Bridge Square Phase 1 \$ 1,000,000 Bridge Square Phase 2 \$ 1,000,000 Bridge Square Phase 1 \$ 1,000,000 Bridge Square Phase 1 \$ 1,000,000 Bridge Square Phase 2 \$ 1,000,000 Bridge Square Phase 3 \$ 1,000,000 Bridge Square Phase 3 \$ 1,000,000 Bridge Square Phase 2 \$ 1,000,000 Bridge Square Phase 3 \$ 1,000,000 Bridge Square Phase 3 \$ 1,000,000 Bridge Square Phase 3 \$ 1,000,000 Bridge Square Phase 4 \$ 1,000,000 Bridge Square Phase 5 \$ 1,000,000 Bridge Square Phase 6 \$ 1,000,000 Bridge Square Phase 6 \$ 1,000,000 Bridge Square Phase 6 \$ 1,000,000 Bridge Square Phase 7 \$ 1,000,000 Bridge Square Pha	- \$	- 5	\$ 182,000	\$ -	\$ 182,00	00 \$ -	\$ 3,348,00
Implement Riverfront Enhancement Action Plan							
Bridge Square Phase 1 - Design \$ 300,000 Bridge Square Phase 2 - Construct \$ 4,000,000 America Plan implementation (1) \$ 5,117,000 Babcock Plan implementation (2) \$ 4,210,000 Riverside Lions Pixture Shetter / Restrooms \$ 1,000,000 Riverside Lions Pixture Shet Park Patrooms \$ 1,000,000							
Bridge Square Phase 2 - Construct							
Ames Plan implementation (2) Sabcook Plan implementation (2) Sabcook Plan implementation (2) Sabcook Plan implementation (3) Sab							
Babcook Plan implementation (2)							
Riverside Lions Picnic Shelter/Restrooms \$ 1,000,000 Riverside Lions Splash Pad \$ 1,000,000							
Riverside Lions Splash Pad \$ 1,000,000	210,000	,000					
Riverside Lions Plan Implementation (3) \$ 287.500							
Sechler Phase 1 Implementation (4) \$ 2,500,000							
				\$ 1,405,000			\$ 15,819,50

FIND WAYS TO INTEGRATE PARK IMPROVEMENTS WITH OTHER CITY PROJECTS/BUDGETS SUCH AS STREETS, UTILITIES, SIGNAGE, LIGHTING, PUBLIC ART, RIVER ECOLOGY, AND OTHERS.

VARIOUS PARK + TRAIL FUNDING GRANTS

PARK + TRAIL DEDICATION FEES

LOCAL OPTION SALES TAX

PHILANTHROPIC GIVING

ADVOCACY PARTNER INITIATIVES

VOLUNTEER EVENTS + FUNDRAISERS



NORTHFIELD PROJECT FUNDING — potential sources research
City Staff Initiative begun in April 2025

FOCUS OF THIS PRESENTATION + DISCUSSION

AGGRESSIVELY
PURSUE ALL

CO-FUNDING OPTIONS

Consider revising current Northfield park and trail dedication fees



Section 2: Statute and Case Law

STATUTORY LAW - MINNESOTA STATUTES SECTION 462.358

The enabling legislation permitting municipalities to require parkland dedication or a cash equivalent for park acquisition and development is set forth in Minnesota Statutes Section 462.358 Subd. 2b. and 2c. as follows:

Subd. 2b. Dedication.

- (a) The regulations may require that a reasonable portion of the buildable land, as defined by municipal ordinance, of any proposed subdivision be dedicated to the public or preserved for public use as streets, roads, sewers, electric, gas, and water facilities, storm water drainage and holding areas or ponds and similar utilities and improvements, parks, recreational facilities as defined in section 471.191, playgrounds, trails, wetlands, or open space. The requirement must be imposed by ordinance or under the procedures established in section 462.353, subdivision 4a.
- (b) If a municipality adopts the ordinance or proceeds under section 462.353, subdivision 4a, as required by paragraph (a), the municipality must adopt a capital improvement budget and have a parks and open space plan or have a parks, trails, and open space component in its comprehensive plan subject to the terms and conditions in this paragraph and paragraphs (c) to (i).
- (c) The municipality may choose to accept a cash fee as set by ordinance from the applicant for some or all of the new lots created in the subdivision, based on the average fair market value of the unplatted land for which park fees have not already been paid that is, no later than at the time of final approval or under the city's adopted comprehensive plan, to be served by municipal sanitary sewer and water service or community septic and private well as authorized by state law. For purposes of redevelopment on developed land, the municipality may choose to accept a cash fee based on fair market value of the land no later than the time of final approval.
- (d) In establishing the portion to be dedicated or preserved or the cash fee, the regulations shall give due consideration to the open space, recreational, or common areas and facilities open to the public that the applicant proposes to reserve for the subdivision.



STATE STATUTE – SUMMARY OF KEY TALKING POINTS

- 1. Land Dedication or Fee Requirement
- Cities may require developers to dedicate a reasonable portion of land for public use, such as parks, playgrounds, or open spaces.
- As an alternative, developers may pay a fee in lieu of land dedication.
- 2. Use of Fees
- Fees collected under this provision must be used exclusively for the acquisition, development, or improvement of parks, recreational facilities, playgrounds, trails, wetlands, or open spaces.
- These funds cannot be used for ongoing operation or maintenance.
- 3. Nexus and Proportionality
- There must be a clear connection between the fees or land dedication requirements and the municipal purposes they serve.
- The amount of land or fees required must be proportional to the impact of the proposed development.



5.2.6Parks, Trails, and Open Space Dedication.(A)Purpose, Nexus, and Proportionality(1)Purpose. These requirements are established for the purpose of assisting with the implementation of the Parks, Open Space and Trail System Plan of the City of Northfield by providing for the orderly development of recreation areas and the conservation of natural resources and scenic beauty in the city. The Parks, Open Space and Trail System Plan promotes a balanced and systematic approach to acquiring park and open space resources that include active park facilities, an interconnected trail system, areas of natural and ecological significance emphasizing the Cannon River corridor that is available to residents of the city and the broader region. As a means to accomplish these goals, each developer shall be required to dedicate land, or at the discretion of the city, pay an equivalent cash payment in lieu of land dedication for parks and open space acquisition and development.

(K)Dedication or Cash-in-Lieu of Requirements. The city may elect to accept a cash payment in lieu of land dedication for parks, recreational facilities, playgrounds, trails, wetlands or open space purposes. In such cases the applicant shall be required to make such payment to the city's dedicated park fund based on the Estimated Market Value as indicated in the records of the County Assessor that is equivalent to a land dedication requirement as follows:(1)Residential Development.

CURRENT NORTHFIELD CODE SEEMS TO BE BASED ON ASSESSED RAW LAND VALUE

Dwelling Units per Net Acre	Percent of Land Dedication Equivalent
0 to <u>3.9</u>	16
4.0 to 7.9	13
8.0 or more	10

NORTHFIELD CODE – CURRENT LANGUAGE



City	2019 Residential (Per Unit)	2020 Residential (Per Unit)	2019 Non-Residential	2020 Non-Residentia	
Andover	\$3,415	\$3,475	\$10,246 / Acre or 10% of FMV, whichever is less	\$10,424 / Acre or 10% of FMV, whichever is less	
Apple Valley	\$1,935 - Single Family, \$3,509.69 - Townhouse, \$3,342.50 - Multi	\$1,935 - Single Family, \$3,509.69 - Townhouse, \$3,342.50 - Multi	\$1,272 / 1,000 Sq. Ft Retail, \$1881.50 / 1,000 Sq. Ft Office, \$636.00 / 1,000 Sq. Ft Institutional	\$1,272 / 1,000 Sq. Ft Retail, \$1881.50 / 1,000 Sq. Ft Office, \$636.00 / 1,000 Sq. Ft Institutional	
Blaine	\$4,320	\$4,449	\$8,704 / Acre	\$8,704 / Acre	
Bloomington	\$5,700	\$5,700	\$585 / 1,000 Sq. Ft.	\$585 / 1,000 Sq. Ft.	
Brooklyn Center	\$0 / Acre	\$0 / Acre	\$0	\$0	
Brooklyn Park	\$4,600	\$4,600	\$8,000 / Acre	\$8,000 / Acre	
Burnsville	\$2,717	\$2,717	\$17,500 / Acre	\$17,500 / Acre	
Chanhassen	\$5,800 - Single Family, \$5,000 - Duplex, \$3,800 - Multi	\$5,800 - Single Family, \$5,000 - Duplex, \$3,800 - Multi	\$12,500 / Acre	\$12,500 / Acre	
Champlin	\$4,370	\$4,370	\$8,323 / Acre	\$8,323 / Acre	
Cottage Grove	\$3,400	\$3,400	\$6,000 / Acre	\$6,000 / Acre	
Eagan	\$3,579	\$3,722	\$939 / 1,000 Sq. Ft.	\$977 / 1,000 Sq. Ft.	
Eden Prairie	\$6,500	\$6,500	\$11,500 / Acre	\$11,500 / Acre	
Falcon Heights	8%	8%	10% F M V	10% FMV	
Fridley	\$1,500	\$1,500	\$.023 / SF	\$.023 / SF	
Golden Valley	6%	6%	6% FMV	6% FMV	
Inver Grove Hights	\$2,850	\$2,850	\$7,000 / Acre	\$7,000 / Acre	
Lakeville	Low Density: \$4,294, Medium Density: \$2,922, High Density: \$2,240	Low Density: \$4,509, Medium Density: \$3,068, High Density: \$2,352	\$7,693 / Acre	\$7,693 / Acre	
Little Canada	\$3,500	\$3,500	7% FMV or 10% of Land	7% FMV or 10% of Land	
Maple Grove	\$4,262	\$4,177	\$11,000 / Acre	\$11,000 / Acre	
Maplewood	\$3,540	\$3,540	9% FMV	9% FMV	
Moundsview	\$3,500	\$3,500	10% F M V	10% FMV	
Oakdale	\$2,886	\$2,886	Retail \$467 / 1,000 Sq. Ft., Office: \$534 1,000 Sq. Ft.	Retail \$467 / 1,000 Sq. Ft., Office: \$534 1,000 Sq. Ft.	
Plymouth	\$8,000	\$8,000	\$8,000 / Acre	\$8,000 / Acre	
Richfield	\$0	\$0	\$0	\$0	
Roseville	\$4,000	\$4,000	10% FMV	10% FMV	
Shakopee	\$5,340	\$5,340	\$9,500 / Acre	\$9,500 / Acre	
Shoreview	4%	4%	10% F M V	10% FMV	
St. Louis Park	\$1,500	\$1,500	5% FMV	5% FMV	
Woodbury	\$3,500	\$3,500	\$6,000 / Acre	\$6,000 / Acre	
Average	\$3,319	\$3,329			



Option to consider: Parkland Dedication Ordinance

Goal 1h below encourages the city to explore adoption of a Parkland Dedication Ordinance. This concept was introduced in the 2020 Parks and Trails System Master Plan. Excerpts from that recommendation are included below.

Why a Parkland Dedication Ordinance?

A Parkland Dedication Ordinance can provide much needed capital funding for parks and open space. Upon adoption of such an ordinance, a city may require that a reasonable portion of any proposed subdivision be dedicated to the public or preserved for conservation purposes or for public use as parks, playgrounds, trails, wetlands, or open space, and that the city may alternatively accept an equivalent amount in cash.

In order to continue to provide residents of Owatonna with park and recreation, it is recommended that the City explore using park dedication land or fee equivalents. When land develops with residential homes, there will be a need for park land to accommodate these new residents. It should be noted that this funding source only works if new developments are occurring in Owatonna as the fees cannot be used to replace or maintain existing facilities.

The 2020 Parks and Trails System Master Plan included examples from comparable communities, which is excerpted below for ideas on how this ordinance may be administered.

CITY	POPUL- ATION	PARK DEDICATION FEE / LAND DEDICATION FEE OR BOTH	PARK DEDICATION FEE	LAND DEDICATION AMOUNT	ADDITIONAL NOTES
Bemidji	15,366	Yes, both	Cash in lieu equivalent based upon fair market value.	Residential = 1 acre per 25 units, Nonresidential = 4% of gross area, Mixed Use = 4% of gross area	No wetlands, floodplains, drainage ways. Some private rec land may receive 20% credit
Faribault	23,750	Yes, both	Cash in lieu equivalent based upon fair market value.	Residential = 7%; Commercial = 4%; Industrial = 4%, other 7%	No wetlands, ponding, drainage-ways.
New Ulm	13,238	Yes, both	\$340 per lot/unit (R1/R2); \$1,040 per lot, \$340 per unit (R3); \$265- \$2,185 (COMM/IND)	675 sf per unit (R1,R2,R3)	Land must not be drainage-way, floodplain or ponding. Land must be grading with 6" topsoil and seeded prior to dedication.
Northfield	20,084	Yes, both	Cash in lieu must be equivalent to land dedication costs. Commercial = 5% of land area; Industrial = 2% of gross area for trails only; 0-3.9 units/acre = 16%; 4-7.9 units/acre = 13%; 8+ units/acre = 10%	Commercial = 5% of land area; Industrial = 2% of gross area for trails only; 0-3.9 units/acre = 12% of net land area; 4-7.9 units/acre = 9% of net land area; 8+ units/acre = 6% of net land area	Commercial sites can be waived if affordable housing, tax revenue or greater benefit to the City. Land must be suitable, no steep slope, above OHW, graded and 4" topsoil.
Waseca	8,978	Yes, both	Residential = \$420/unit; Multi-Family = \$250-300/unit	Residential = 8-14%; Multifamily=20-45%, Mobile Homes = 13%	Fees are based upon \$15,000 per acre assumed land costs. Land must be graded and suitable 50% for fields, less than 2% grade.
Willmar	19,628	Yes, both	Cash in lieu equivalent based upon fair market value.	Residential = 7%; Commercial = 4%; Industrial = 4%, other 7%	City may waive if affordable housing or greater benefit to city. Private open space credit up to 25%.
Owatonna	25,794	No			

COMPARATIVE RESEARCH OF NEARBY CITIES



	Units	Unit Type	Unit Price Total	Notes		-	
rk Dedication and Trail Development							
Park Dedication							
Commercial Industrial		per acre per acre	\$5,100 \$4,375	\$0 \$0			
Trail Development		per acre	\$1,300	\$0			
btotal Park and Trail Development				\$0			
ater and Sewer Fees				40			
	$\overline{}$		67.242	do			
Water Trunk (Connection)		per acre	\$7,343	\$0			
Water (Lateral Benefit)		per acre	\$7,781	\$0			
Sanitary Sewer Trunk (Connection)		Ramsey					
Sanitary Sewer (Lateral Benefit)	2024 Resi	dential Fee Calculato	r				
btotal Water and Sewer Fees				Units	Unit Type	Unit Price Total	Notes
ormwater Management Fees	Park D	edication and Trail De	evelopment				
Stormwater Management	Pa	ark Dedication			nov unit	Ė4 500	\$ 0
btotal Stormwater Management		0-12 Units per acre; o 12-19 Units per acre;	or		per unit per unit 	\$4,500 \$4,163.00	\$0 7.5% Density Bonus
ee Removal Restitution		20+ Units per acre; or Assisted Living	r		per unit per acre	\$3,825 \$5,100	\$0 15% Density Bonus \$0
Restitition	Tr	ail Development					
ee Removal Resititution Subtotal		Residentail			per unit	\$1,500	\$0
AND TOTAL FOR DEVELOPMENT FEES	Subtot	al Park and Trail Devel	lopment				\$0
reties and Inspection Fees - Calculated at time o	Water	and Sewer Fees					
Performance Surety (returned when complete)	w	ater Trunk (Connection))		per unit	\$ 2, 00 9	\$0
Engineering Inspection Fee	w	ater (Lateral Benefit)			per unit	\$ 6,954	\$0
Engineering inspection ree	Sa	nitary Sewer Trunk (Co	nnection)		per unit	\$ 1,349	\$0
	Sa	ınitary Sewer (Lateral Be	enefit)		per unit	\$5,418	\$0
	Subtot	al Water and Sewer Fed	es				\$0
wer Accessibility Charges (SAC) & Water Access	Storm	water Management Fe	es				
Accessibility Charge (WAC) Accessibility Charge (SAC)*	Ste	ormwater Management			per unit	\$ 534	\$0
Subject to Metropolitan Council Environmental S	Subtot	al Stormwater Manage	ement				\$0
RAND TOTAL FOR SAC & WAC	Street	Signs					
		reet Signs			per sign	\$265	\$0
					per sign	4203	
		Sign Subtotal					\$0
		emoval Restitution					
	Re	estitition			inches removed	\$125	\$0 inches beyond 300% preserva threshold
	Tree R	emoval Resititution Sui	btotal				\$0
	GRAN	D TOTAL FOR DEVEI	LOPMENT FEES				\$0
	Suretie	es and Inspection Fees					
	Pe	erformance Surety (retur	rned when complete)		cost of improvement	125%	\$0 Cash or Letter of Credit
	En	ngineering Inspection Fe	e		cost of improvement	5%	\$0 Cash Escrow
	Sewer	Accessibility Charges ((SAC) & Water Access	ibility Charges (WAC) - Collected with I	Building Permit	
		Accessibility Charge (per SAC Unit	\$1,481	\$0 Collected with Building Permi
		Accessibility Charge (SAC)	1 1	per SAC Unit	\$2,485	\$0 Collected with Building Permi

COMPARATIVE RESEARCH OF NEARBY CITIES



DEVELOPER REACTION TO PARK DEDICATION FEES

The reaction from developers to park dedication fees is mixed; while some developers accept them as a cost of doing business, others challenge them as an unfair regulation that harms project feasibility and housing affordability. Reasons for developers' opposition include:

Financial burden and higher costs: Park fees are an additional expense that can make a project less profitable and sometimes even unfeasible. This is especially true for projects in high-cost, built-out cities, where fees are layered onto already-high land and construction costs.

Questionable "nexus" to the specific development: Some developers object that their project creates no new demand for parks and that the fees are an arbitrary tax. This has led to court challenges, arguing that fees are only proper when there is a "direct link" between the subdivision and the need for more parks.

Erosion of housing affordability: Developers argue that park fees, along with other impact fees, add to the cost of new housing and are ultimately passed on to the buyer or renter. This can increase the price of new homes and reduce affordability.

Slowing or stalling development: Faced with additional costs and reduced profitability, some developers may postpone or cancel projects, which can hurt local economic growth and worsen housing shortages.

Unclear spending and proportionality: Developers sometimes challenge how fees are calculated and where the money is spent. Legal precedents, including some from the U.S. Supreme Court, mandate that fees be "roughly proportional" to the development's impact. However, some developers argue that municipalities often fail to make these individualized determinations, instead using a one-size-fits-all formula.

SUMMARY OF DEVELOPER REACTION

NORTHFIELD MINNESOTA

TO ADDRESS DEVELOPER CONCERNS, CITIES HAVE EXPLORED ALTERNATIVE ARRANGEMENTS:

Donating land instead of cash: Some ordinances allow developers to dedicate a portion of their land to the city for park use instead of paying a fee. This is often an option for large suburban subdivisions but less common in dense, urban infill projects where available land is scarce.

On-site private parks with public access: In some cases, developers can receive credit toward their park fee by providing publicly accessible open space on their private property. This can take the form of plazas or green spaces.

Flexible fee structures: Cities have made some concessions by adjusting fee calculations based on property type, density, or location. For example, some cities have lower fees for downtown high-density developments or for certain affordable housing projects.

Targeted spending zones: Some regulations ensure that fees collected from a specific development must be spent on parks in the same geographic area. This provides a more direct link between a developer's contribution and a nearby community benefit.

It is important to note that developers' objections are often in conflict with city planners and park boards, who view these fees as an essential tool to ensure that new development is accompanied by the necessary public infrastructure. From a city's perspective, park fees are a way to fund growth responsibly; provide crucial funding for infrastructure improvements; and reflect increased demand for quality public space to serve a growing population.



STAFF RECOMMENDATIONS:

Staff supports a recommendation to City Council to modify the Land Development Code [Section 5.2.6 Parks, Trails, and Open Space Dedication] changing the calculation for residential and nonresidential park and trail dedication fees.

Staff recommends a combined park and trail dedication fee for residential development per the following calculation:

Total Northfield park acreage **564** divided by total city population **26,500** [includes colleges] = .0213 Acres of parkland per person

Multiplied by average persons per household unit 2.4 = .05 Acres per household unit

Multiplied by fair market value of vacant land \$54,700 = Park and Trail Dedication Fee per household unit \$2,735

... adjusted to \$2,500 per unit as a reasonable place to start with this amended approach to park and trail dedication fees.

[Note: fair market value is an average based on Rice County property values listed for these Northfield properties: Bluffview, Harvest Hills, Festler Farms, MnDot Site, Northwest Quadrant]

Staff recommends a combined park and trail dedication fee for nonresidential development per the following calculation: A flat fee of \$10,000 per acre or 10% of fair market value – whichever is less.

The Planning Commission and City Council will review rates annually and consider additional increases as appropriate.



