



# Special Service District

Adequacy of Petition Presentation

# What is an SSD?



“a defined area within the city where special services are rendered and the costs of the special services are paid from revenues collected from service charges imposed within that area.”

- Governed by MN Statute 428A.01-10
- Often used by downtowns to coordinate services like snow, trash, parking, public art, and many other things
- Either proportionate fees or assessments for services rendered, often saving money for building owners

# Why an SSD?



- Consistent services
- Formal organizational structure
- Cost savings
- Less time spent by building owners coordinating core services individually

# Why an SSD in Northfield



- Sidewalk snow removal services are often expensive and inconsistent
- Lots of redundant trash dumpsters; lots of truck traffic
- These needs were identified in many places, including:
  - Connecting Business and Community Survey
  - Surveys from 2020 conducted by NDCC
  - "Anecdotal" collected by staff and stakeholders for many years

# Comprehensive Plan Alignment



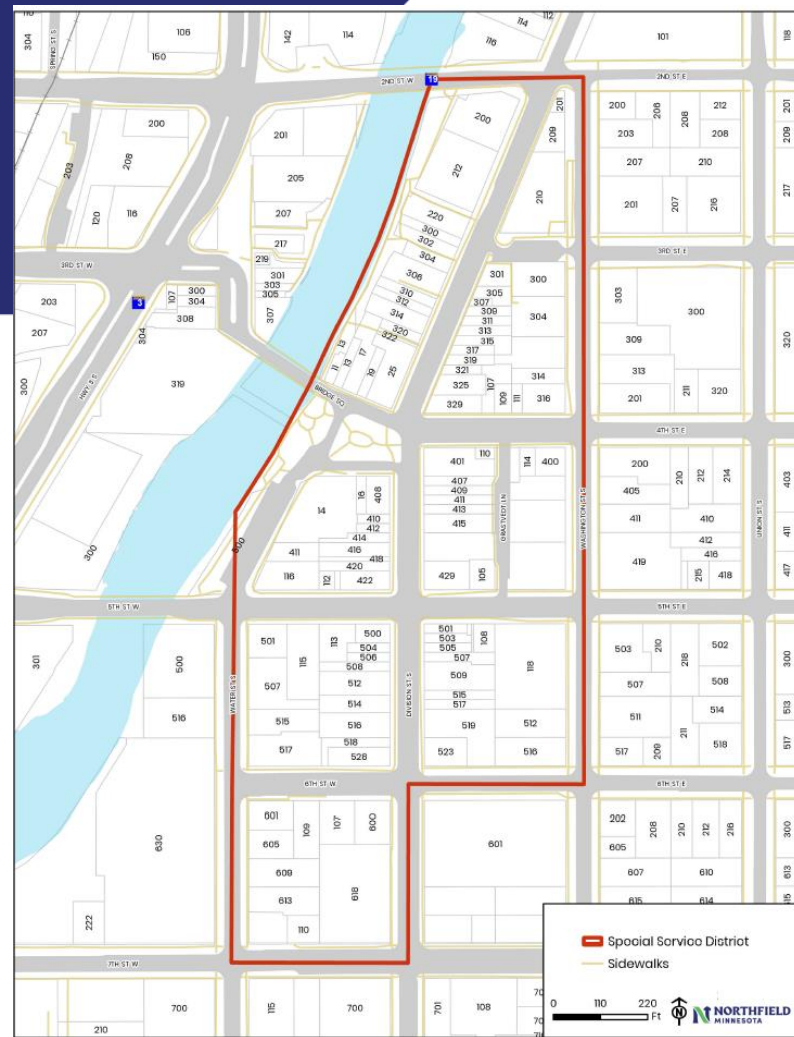
Northfield 2045 Comprehensive Plan's Sustainable Economic Future, Strategy 1:  
Strengthening Northfield's Downtown Core Action #7:

“Consider creating a special service district to support a comprehensive and coordinated approach to refuse and recycling collection, snow and ice removal, street trees and municipal landscaping, parks and parklets, and on-and off- street public parking.”

Also aligns with the vision in the adopted Riverfront Enhancement Action Plan

# Proposed District

- Includes much of the Division St. pedestrian area
- Brainstormed by the Friends of Downtown Northfield
- Includes 136 distinct parcels owned by **73** distinct entities
  - (the average #/owner = 1.6)



# Building on Preexisting Work



- The Northfield Downtown Development Corporation (NDDC) conducted a 2020 survey with 21 downtown building owner respondents broadly supporting consistent sidewalk snow removal, slightly less but relevant support for refuse removal
- The Friends of Downtown Northfield continued engaging building owners in 2023
- 14 *Connecting Business and Community* participants (out of 52) were BOTH downtown building and businesses owners; vast majority voiced support for an SSD

# Engagement Opportunities



- Friends of Downtown Northfield hosted open informational sessions on May 21st, June 4th, June 15th
- About 25 building owners (~35% of total owners of record) attended
- FODN reached more than 2/3 of the district in the petitioning efforts directly



# Petition



## COORDINATED SNOW AND TRASH REMOVAL

IN THE MATTER OF THE PETITION OF CERTAIN PROPERTY OWNERS FOR A HEARING TO ESTABLISH A SPECIAL SERVICE DISTRICT AND IMPOSE A SERVICE CHARGE UNDER MINN. STAT. CHAPTER 428A

TO THE CITY COUNCIL OF THE CITY OF NORTHFIELD, MINNESOTA:

We, the undersigned owner(s) of property, that would be subject to the service charge in the proposed Special Service District No. 1 for the area on the map attached hereto as Exhibit A, hereby request the City Council to conduct a public hearing for establishment of the District, and the imposition of service charges pursuant to Minn. Stat. 428A.01-101:

Owner(s) \_\_\_\_\_

(Print Name)

(Print Name)

Address(es): \_\_\_\_\_

PID No(s): \_\_\_\_\_

Owner(s): \_\_\_\_\_

(Signature)

(Signature)

## COORDINATED SNOW AND TRASH REMOVAL



Exhibit A

# Petitions



- City Clerk received 47 petitions
- Some property owners own multiple properties
- 3 petitions were determined invalid
- By statute, requirements to consider establishing a district are *not* based on the number of participating parcels, building owners, or business owners.

# Statute Requirements



- Petition is valid if:
  - 25% of the **land area of property subject to the service charge in the district**
- And EITHER
  - Owners of 25% or more of the **net tax capacity of property**
  - Owners, individuals, and business organizations subject to 25% or more of a proposed service charge based on other than net tax capacity

Source: MN Statute 428A.08

# The Validated Petitions Represent



- 32.1% of the land area (statute requires 25%)
- 56.2% of net tax capacity (statute requires 25%)
- Verification provided by the Finance Department and the City Clerk's office based on data directly from Rice County staff

# Steps to Establish an SSD



- **Building owners petition the city**
- City drafts ordinance to establish the district
  - Includes a public hearing
  - Opportunity to challenge
- Once ordinance establishes district, a resolution must be drafted and approved to set assessments for the district
  - Includes a public hearing and challenge opportunity
  - Six months maximum between ordinance adoption and resolution

# Building Owners Feedback



- Concern over perpetual district, preference for having the district re-petitioned
- Limiting the scope of services
- Fee for service instead of assessment to property tax
- These details are not up for vote now, but are apart of the ordinance and resolution process to come

# Timeline



- **September 9 – Resolution Declaring Adequacy of Petition**
- October 7 – Public Hearing and 1st reading of ordinance
- October 21 – 2nd Reading of Ordinance and Adoption
- December 5 – Ordinance in effect (45 days after 10/21)