

ORDINANCE NO. _____

**AN ORDINANCE AMENDING NORTHFIELD CITY CODE, CHAPTER 14 –
BUSINESSES, ARTICLE III. - RENTAL HOUSING, AND CHAPTER 34 – LAND
DEVELOPMENT CODE, ARTICLE II. – ZONING DISTRICTS AND USE
REGULATIONS**

THE CITY COUNCIL OF THE CITY OF NORTHFIELD DOES ORDAIN THAT (new material is underlined; deleted material is lined out; sections which are not proposed to be amended are omitted; sections which are only proposed to be re-numbered are only set forth below as to their number and title):

SECTION 1. Northfield Code, Chapter 14 – Businesses, Article III. – Rental Housing, Division 1. – Generally, Section 14-78 – Purpose and scope, Subsection (b) Scope; application to existing rental properties, is hereby amended as follows:

(b) *Scope; application to existing rental properties.*

(1) Except as otherwise specifically provided, the provisions of this article shall apply to all buildings or portions thereof used, designed, or intended to be let for human habitation.

(2) Exceptions. The provisions of this article do not apply to the following:

- a. Homes for the aged.
- b. Licensed in-home residential care facilities.
- c. Hotels and Motels.
- d. College owned dormitories.
- e. Residential college-related facilities in a College Development Zone (CDZ).
- f. Dwelling units which are occupied by the owner as the owner's primary residence and by one or more other persons who are not owners of the dwelling unit.

~~g. Private residences that are occupied by a person or persons related to the owner of the property, as defined herein.~~

~~h. Short term rentals.~~

SECTION 2. Northfield Code, Chapter 14 – Businesses, Article III. – Rental Housing, Division 1. – Generally, Section 14-80 – Definitions, is hereby amended to add the following new definitions alphabetically within the existing list of definitions, as follows:

Short-term rental is any residential property, dwelling, dwelling unit, or a portion thereof that is rented to a transient for less than thirty (30) consecutive calendar days.

Transient is any person who, at their own expense or at the expense of another, exercises occupancy or possession, or is entitled to occupancy or possession, by reason of any rental agreement, concession, permit, right of access, option to purchase, license, time-sharing arrangement, or any other type of agreement for a period of less than thirty (30) consecutive calendar days.

SECTION 3. Northfield Code, Chapter 14 – Businesses, Article III. – Rental Housing, Division 2. – License, Section 14-91 – Application, Subsection (b) Contents of application, is hereby amended as follows:

- (b) Contents of application. The application shall be made on the form provided by the city. ~~Such application for must show compliance with the density requirements of section 14-97, except for an application for a temporary license pursuant to section 14-94.~~

SECTION 4. Northfield Code, Chapter 14 – Businesses, Article III. – Rental Housing, Division 2. – License, Section 14-92 – License types, Table 14.92, is hereby amended as follows:

Sec. 14-92. License types.

~~Four~~ Types of licenses. The city shall issue the four types of licenses listed in table 14-92 based on: (1) application for a permanent or temporary license; (2) the number of units; and (3) the number of property and nuisance code violations found in an inspection per unit. Table 14.92 lists the respective licensing category, licensing period, minimum inspection frequency, required improvement plan, and allowed property and nuisance code violations allowed per inspection per unit.

Licensing Category	Licensing Period	Minimum Inspection Frequency	Required Improvement Plan	Number of Units	Property or Nuisance code violations allowed per inspection per unit
Type I	2 years	1 in 2 years, upon request, or as needed as determined by the city	N/A	1-2	Greater than 1 but not more than 4
				3+	Greater than .75 but not more than 1.5
Type II	1 year	1 per year, upon request, or as needed as determined by the City	Action Plan	1-2	Greater than 4 but less than 8
				3+	Greater than 1.5 but less than 3
Type III	6 months	1 every 6 months, upon request, as specified by the Mitigation Plan, or as needed as determined by the City	Mitigation Plan	1-2	8 or more
				3+	3 or more
<u>Type IV - Temporary</u>	1 year or less	Once per year, upon request, or as needed as determined by the City	N/A	N/A	3 or more

SECTION 5. Northfield Code, Chapter 14 – Businesses, Article III. – Rental Housing, Division 2. – License, Section 14-93 – Issuance, is hereby amended as follows:

Sec. 14-93. Issuance.

- (a) *Initial issuance.* The building official shall issue a license for the building after an application has been completed pursuant to section 14-91 (a) and an inspection of each unit pursuant to section 14-956, the building official finds that the units meet or exceed the minimum requirements set forth by this article.
- (b) *Determining license category.* License categories are based on property and nuisance code violations found during the initial, renewal, owner-requested, or complaint-based inspections, as listed in table 14.92. Each inspection shall serve as a verification of the category of license issued to the property. Based on the outcome of any inspection, a property may move from a lower-numbered category of license to a higher numbered category.
- (c) *Contents of license.* A rental license shall show the date of license issuance, the maximum occupancy for which the unit is approved, the category of license issued, the type of improvement plan if one is required as part of the license category, the term of the license, and the expiration date of the license.
- (d) *Nontransferable.* Licenses issued pursuant to this article are nontransferable.
- (e) *Sale of property.* When a licensed rental property is sold, the new owner shall apply for a new rental license in the name of the new owner within 30 days of closing on the sale. The property may be required to be re-inspected prior to issuance of the license, in the discretion of the building official. If the property is not re-inspected, the new property owner shall be issued a Type II license unless the unit was subject to an improvement plan. If the property was subject to an improvement plan, the new owner shall be issued a Type III or Type IV license, respectively, until such time as the new owner can show compliance with the improvement plan. If a new license is not issued within 60 days of closing on the sale of the property, or a longer period as allowed in writing by the building official, the property shall cease being rented and shall not be rented again until a new rental license is issued.
- (f) *Renewal.* A rental housing license shall expire at the end of the respective license period listed in table 14.92. A renewal license shall be applied for at least 30 days prior to expiration of the existing license. A late fee in an amount established by resolution of the city council from time to time will be charged for renewal license applications that are not applied for at least 30 days prior to expiration of the existing license. The property shall not be occupied by a tenant after expiration of a license, provided that the building official may issue a temporary renewal license not to exceed two months in duration if the building official deems it appropriate to allow continued occupancy pending issuance of a renewal license. A temporary renewal license shall expire on the stated date and the property shall not continue to be occupied by a tenant unless a full renewal license has been issued by that date.

SECTION 6. Northfield Code, Chapter 14 – Businesses, Article III. – Rental Housing, Division 2. – License, Section 14-94 – Temporary rental license, is hereby amended as follows:

Sec. 14-94. Temporary rental license.

~~Notwithstanding section 14-97, t~~The building official may issue a temporary rental license under the following conditions:

- (1) The property owner seeking a temporary rental license must submit a written application on the form provided by the city.
- (2) In the written application filed with the building official, the property owner must state that one or more of the following circumstances does currently or will within the next 30 days apply to the property owner:
 - a. The property owner is currently taking, or will be taking, an extended leave of absence from the property owner's place of employment for a duration of six months or more where the property owner or the property owner's family do not reside at the property; or
 - b. The property owner is involved in a bankruptcy or foreclosure proceeding directly involving the property and property owner; or
 - c. The property owner (i) is currently or will become unemployed, or (ii) has or will have a change in employment status resulting in a loss of income or in the relocation of the property owner more than 20 miles away from the city; or
 - d. The property is being or will be actively listed or offered for sale to the public by the property owner.
- (3) Notwithstanding anything to the contrary in this section, the temporary rental license may be issued for a period not to exceed 12 months, provided however, that upon written request/application of the property owner to the building official a one-time extension of the temporary rental license may be issued by the building official for a period not to exceed an additional 12 months. The extension shall not be issued by the building official if the rental property has been the subject of five or more police calls or has had three or more nuisance or property maintenance violations issued against the property in the first 12-month temporary rental period. The temporary rental license period extension is subject to issuance of a new temporary rental license by the building official, following the property's passage of city rental inspection and payment of the required license fee.
- (4) Subject to subsection (3) above, the temporary rental license shall terminate immediately upon closing of a sale of the property to a bona fide purchaser or at the end of a bona fide lease agreement, but the rental occupancy may not exceed the temporary rental license expiration date.
- (5) A property may be issued a temporary rental license and extension as provide for in this section only one time within a five-year period.
- (6) The property shall at all times comply with applicable city and state rental housing requirements, property maintenance requirements, and all other laws and ordinances applicable to the property.
- (7) The fees for the 12-month temporary rental license and any extension thereof as provided in this section shall be the same as the regular rental license with no prorating for the difference in any rental duration.

SECTION 7. Northfield Code, Chapter 14 – Businesses, Article III. – Rental Housing, Division 2. – License, Section 14-95, is hereby amended as follows to add a new section entitled “Short-term rental”, and renumber the sections that follow:

Sec. 14-95. Short-term rental.

In addition to the other requirements contained in this article, the following requirements apply to short-term rentals.

- (a) Purpose and requirements. The City recognizes that short-term rentals provide an opportunity for residents to use their property to generate supplemental income; and, when properly managed, short-term rentals have a minimal impact on surrounding properties. When not properly managed, short-term rentals have the capacity to generate noise, traffic, and trash beyond what is typically present in a residential neighborhood, creating a nuisance. These issues can be especially acute when the owner of the property does not reside in the home. To promote the health, safety, and general welfare of the community, the City facilitates and regulates the use of residential properties for short-term rentals by:
- (1) Requiring the licensure of short-term rentals and compliance of short-term rentals with the requirements of this article.
 - (2) Establishing standards pertaining to noise, occupancy, sanitation, and parking for short-term rentals. Short-term rental operations shall conform to all existing standards listed in Minnesota Statutes and Rules, and this city code including but not limited to with regards to noise, occupancy, sanitation, and parking.
 - (3) Restricting licensure to only the following zoning districts set forth in chapter 34 of this code, Table 2.7-1: Permitted Principal Uses.
- (b) License required. No property shall be used as a short-term rental without a license issued by the City. The procedure for receiving a license shall be as follows:
- (1) Application for a license shall be made pursuant to section 14-91 and issued pursuant to the requirements of this article.
 - (2) An applicant is limited to a maximum of 10 licenses to own and operate short-term rental units within city limits. A separate license under this article is required for each short-term rental unit on a parcel.
- (c) Standards. The following standards apply to all short-term rentals:
- (1) Listings advertising the property’s availability for rent must state the license number, maximum occupancy permitted by the license, and the maximum number of vehicles that may be parked overnight on the property.
 - (2) An appropriate number of waste containers must be present to accommodate the amount of trash generated by the short-term rental. Waste may not be stored outside of approved containers. All waste containers must be stored outside of public view, except on day of collection.
 - (3) Between 10:00 p.m. and 7:00 a.m. no more than the maximum number of overnight guests stipulated in the license may be present on the property.

- (4) Between 10:00 p.m. and 7:00 a.m. parking is limited to the maximum number of vehicles stipulated in the license. At no time may vehicles be parked on grass or so as to obstruct access to neighboring residences, the public right-of-way, or emergency vehicle access.
 - (5) The owner, agent, representative or manager of a short-term rental operation shall designate and provide information to the city, and each renter for a point of contact that would be available 24 hours a day, seven days a week to respond to issues, which may arise regarding the short-term rental. An owner or manager must be able to physically respond to a complaint within three hours of being notified of the problem.
 - (6) Every short-term rental unit shall have a conspicuously placed informational placard in the unit that clearly identifies the names of the license holder and management entity, along with the license number and pertinent information such as the physical address and emergency contact phone numbers. Information shall also be clearly posted regarding use of water, sewer, septic systems and waste disposal.
 - (7) To remain in compliance with the requirements of this section, the operator of a short-term rental shall be at all times be in compliance article II of chapter 74 of this code with regard to lodging taxes, including but not limited to all reporting and payment requirements. Failure to comply with article II of chapter 74 of this code shall constitute grounds for non-renewal, suspension, or revocation of a short-term rental license to which such lodging tax applies.
- (d) Prohibitions. The following prohibitions apply to short-term-rentals:
- (1) No short-term rentals are allowed in recreational vehicles.
 - (2) No short-term rentals are allowed in any accessory structure, except an accessory dwelling unit meeting the requirements of this code.
 - (3) No license shall be issued for a short-term rental, which would be located within 350 feet of a separate structure containing one or more short-term rental units in any residential zoning district in which short-term rentals are permitted. This clause shall not be interpreted as prohibiting multiple short-term rental units within a single structure.
 - (4) The total number of licenses issued to any person or related entities pursuant to this article shall not exceed 10 across all permitted zoning districts in the city. The city reserves the right to deny a renewal application if the short-term rental was not rented for at least one day in each quarter during the one-year period preceding the date on which the licensee's application for renewal was submitted to the city.

Sec. 14-9~~5~~6. - Inspection.

Sec. 14-9~~6~~7. - Fees.

SECTION 7. Northfield Code, Chapter 14 – Businesses, Article III. – Rental Housing, Division 2. – License, Section 14-97 – Limitation on rental properties in low density neighborhoods, is hereby repealed as follows:

~~Sec. 14-97. – Limitation on rental properties in low density neighborhoods~~

~~In R-1 and R-2 districts in the city, no more than 20 percent of the houses on a single block shall be granted rental housing licenses. For purposes of this section, the word house shall mean a single~~

~~structure containing one or more rental units. A single block shall be defined as the houses on both sides of a street between successive intersecting streets or between other such boundaries including college campus boundaries, railroad rights-of-way, corporate limit lines, or physical features such as rivers, outcroppings, ponds or lakes. Corner houses shall be included in the count of houses on a single block, regardless of which way they face or on what street they are addressed (corner houses may be counted as part of more than one single block).~~

~~(1) Exception. This limitation shall not apply to rental properties which are validly licensed as of the date of adoption of this article, including properties which have been sold and re-licensed as provided in section 14-92, although they will be counted among the 20 percent of allowable rental houses on a single block for purposes of determining whether new licenses may be issued.~~

SECTION 8. Northfield Code, Chapter 34 – Land Development Code, Article II. – Zoning Districts and Use Regulations, Division 2.7 – Permitted Principal Uses, Table 2.7-1: Permitted Principal Uses, is hereby amended, as follows (categories, columns and rows not otherwise included herein are intentionally omitted and remain in said table):

Table 2.7-1: Permitted Principal Uses

Use Category and Use Type *Fixed-Boundary Zoning District P = Permitted Use C = Conditional Use PE = Pre-Existing Use [#] Reference to Notes at Bottom of the Table	Base Zoning Districts									Special Base Zoning Districts				Floating Zoning Districts	Use-Specific Standards in Section :
	R1	R2 [1]	R3 [1]	R4	N1 [1]	N2	C1 [3]	C2 [4]	I1	A-S	CD-S [2]	PB-S	PI-S	NC-F	
	Residential Use Category														
Bed & Breakfast Establishments	P	P	P	—	P	P	P	—	—	P	P	—	—	—	2.9.3
Dwelling, Multi-Family (Apartment Building with nine or more units)	PE	P	P	—	P	P	P	P	—	—	P	—	—	—	2.9.15(A)(2)
Dwelling, Multi-Family (Apartment House with four to eight units)	PE	P	P	—	P	P	P	P	—	—	P	—	—	P[6]	2.9.15(A)(3)
Dwelling, Multi-Family (Rowhouse)	—	P	P	—	P	P	—	P	—	—	P	—	—	P[6]	2.9.15(A)(4)

Dwelling, Single-Family, Two-Family, Three-Family	P	P	P	—	P	P	PE	—	—	P	P	—	—	P		
Live-Work	—	—	—	—	—	P	P	P	—	—	P	—	—	—	2.9.11	
Live-Work /Rowhouse	—	—	—	—	—	P	P	P	—	—	P	—	—	—	2.9.11	
Manufactured Home Park	—	C	C	P	C	C	C	—	—	—	—	—	—	—	2.9.13	
Mixed Use Commercial/Residential							P	P							2.9.12	
<u>Short-Term Rental</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>—</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>—</u>	<u>P</u>	<u>P</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>P</u>	<u>ch. 14</u>

- NOTES:
- [1] Fixed-Boundary Zoning District
- [2] College-related uses are permitted uses in the IDA portion of the CD-S district and in parts of the PTA that adjoin all districts except residential and commercial districts. College-related uses are conditional uses in parts of the PTA adjacent to residential and commercial districts.
- [3] Within the C1 District commercial uses are required on the ground floor, and any residential uses shall be located behind or above the commercial use.
- ~~[4] Within the C2 District, miniature golf facilities are allowed as a Permitted Use.~~
- [5] The property at 320 3rd Street E. designated as PE may be used for any college-related use other than residential. Any college-related PE in the R1 district that is subject to a conditional use permit must continue to meet the conditions of the conditional use permit unless otherwise approved by the City. Other college-related uses in existence in the R1 district prior to the effective date of this code, unless designated as PE, are nonconforming uses in the R1 district.
- [6] Within the NC-F district, N2 specific use standards apply to multi-family (apartment house with four to eight units) and (rowhouse - up to eight units) and not the underlying zoning district.

SECTION 9. Northfield Code, Chapter 34 – Land Development Code, Article II. – Zoning Districts and Use Regulations, Division 2.8 – Use Definitions, Section 2.8.4 – Commercial Use Category, is hereby amended to add the following new definition alphabetically within the existing list of definitions, and re-letter the definitions that follow:

- (II) Short-term rental. Any residential property, dwelling unit, or a portion thereof that is rented to a transient for less than thirty (30) consecutive days.
- (~~II~~J) **Theaters.** A building or part of a building devoted to showing motion pictures, or for dramatic, dance, musical, or other live performances.
- (~~II~~KK) **Vehicle, Boat or Recreational Sales and Service.** Facilities where new or used boats, trailers, and recreational vehicles, in operational condition, are sold or leased to customers.
- (~~II~~LLL) **Vehicle, Motor Sales and Rental.** Facilities where new or used vehicles, in operational condition, are sold, leased, or rented to customers.

SECTION 10: This Ordinance shall take effect 30 days after publication.

Passed by the City Council of the City of Northfield, Minnesota, this ____ day of _____ 2025.

ATTEST:

City Clerk

Mayor

First Reading	
Second Reading	
Date of Publication	
Date Ordinance takes effect	

VOTE: ___ ZWEIFEL ___ BEUMER ___ DAHLEN ___ HOLMES
 ___ NESS ___ PETERSON WHITE ___ SOKUP