

## **8.06 SUSTAINABLE BUILDING POLICY**

### **COMMUNITY DEVELOPMENT**

**Enabling Legislation:** R2022-001

**Date Adopted:** 01/04/22

**Revised:** 05/21/24

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#### **VISION AND PURPOSE**

The Northfield community is dedicated to building a sustainable environment where current and future generations benefit from climate and community resiliency as reflected in the City's Climate Action Plan. In particular, the City recognizes the risks of climate change and has set a goal of being a carbon free city by 2040. Since the built environment is a significant contributor to Northfield's carbon footprint, it is important that new developments are built to minimize emissions and environmental impact during construction as well as the operation of buildings. For developments that seek City funding incentives, it is reasonable that they meet set sustainability requirements in service to those goals. As such, the City of Northfield adopts the following Sustainable Building Policy.

#### **DEFINITIONS**

FOR THE PURPOSES OF THIS POLICY, the following words and phrases shall have the following meanings:

- "Coordinator" means the Sustainability Coordinator or their designee.
- "Developer" means the entity, whether public or private, that undertakes New Construction or Major Renovation projects, and to whom the provisions of this policy apply.
- "Facilities" means physical buildings or structures either conditioned or non-conditioned including but not limited to offices, retail stores, parking garages, maintenance buildings, warehouses, apartments, townhomes, single family homes, schools, and park recreational buildings.
- "Financial Assistance" means funds provided for New Construction or Major Renovations projects provided by agreement from the City of Northfield, Northfield Economic Development Authority (EDA), and/or the Northfield Housing and Redevelopment Authority (HRA), including:
  - Tax Increment Financing (TIF)
  - HRA grants and loans, including forgivable loans.
  - EDA grants and loans, including forgivable loans
  - Land write-downs
  - Bonds

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- Tax abatement
- Low-income housing tax credits
- MIF
- Conduit-bond financing
- Other funds requiring approval by the City of Northfield, Northfield EDA, and/or Northfield HRA

Notwithstanding the above, Financial Assistance does not include environmental remediation pass-through funds, including but not limited to, Department of Employment and Economic Development (DEED) Cleanup and Investigation Grants.

- “Financial Tier 1” means any combination of Financial Assistance totaling between \$150,000 and \$300,000.
- –“Financial Tier 2” means any combination of Financial Assistance totaling more than \$300,000
- “Major Renovation Project” means renovation work performed on an existing building or portion thereof consisting of at least 10,000 square feet for non-municipal buildings and 2,500 square feet for municipal buildings, and requiring installation of new mechanical, ventilation, or cooling systems, or the replacement of such systems.
- “New Construction Project” means the planning, design, construction and commissioning of a new building, or an addition of at least 10,000 square feet to an existing building if such addition requires installation of new mechanical, ventilation, or cooling systems.
- “Sustainable Building Rating System” means any of the following:
  - LEED; minimum Silver Certified
  - State of Minnesota B3 Guidelines; Certified Compliant
  - Green Communities; Certified
  - MN Green Communities, if receiving MN Housing funds
  - Parksmart (formerly Green Garage Certification); minimum Silver Certified
  - Equivalent substitute standards may be used at the discretion of the Coordinator.

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“Northfield Green Requirement” (NGR) means specific measurable standards that New Construction and Major Renovations must meet regardless of sustainable rating system, and which are to be communicated by the Coordinator to the applicant.

Beginning March 3, 2026, and continuing through an interim period pending a future revision of the Sustainable Building Policy, the Sustainability Coordinator may approve alternative compliance methods, updated modeling standards, or equivalent performance pathways when strict application of the Northfield Green Requirements would prevent implementation of the policy’s intent. The NGR includes the following ~~and cannot be altered without Council approval:~~

1. Predicted greenhouse gas emissions: Calculated based on predicted energy use, as ascertained through the sustainability rating system modeling, using utility emissions factors and reported to the City in metric tons of CO<sub>2</sub>e
2. Energy efficiency standard: Projects must comply with one of the listed standards for the appropriate sector:
  - a) For residential New Construction and Major Renovation projects:
    1. US Department of Energy Zero Energy Ready Homes or higher within the US Department of Energy’s family of standards or;
    2. Passive House Institute US (PHIUS) or;
    3. Passive House standard.
  - b) For all commercial New Construction and Major Renovation projects:
    1. Sustainable Buildings 2030 standard through design and operation with a payback period of 15 years or;
    2. Demonstrate an improvement of 50% in the proposed building performance rating compared with the baseline building performance rating. Calculate the baseline building performance according to ANSI/ASHRAE/IESNA Standard 90.1–2010, Appendix G using a simulation model.

3. Renewable energy standard

- a) Conduct economic and technical evaluation of providing 2% of building energy load with on-site renewables;
- b) Install if cost-effective using the B3 Levelized Cost of Energy Analysis.

**DIRECTIVES**

This policy applies to all of the following new construction and major renovation projects:

- Facilities owned or operated by the City of Northfield or the HRA.
- Facilities of which the City or HRA are, or will become, the sole tenant.
- Facilities within the City of Northfield receiving Financial Assistance given the following:
  - Financial Tier 1 – must comply with the policy, unless the applicant can prove that it is not feasible to comply. Facilities must approach design in a good faith attempt to comply with the policy and complete pro forma to prove when not feasible to comply.
  - Financial Tier 2 – must comply with the policy

This policy applies to projects with development applications received after the policy adoption date.

**THE POLICY**

- New Construction or Major Renovations to which this Policy applies are required to be certified under an eligible Sustainable Building Rating System at the listed rating level and must meet the standards set forth in the NGR. Applicable versions of Sustainable Rating Systems and NGR standards include the most recent or current iteration of a rating system in existence at the time of Financial Assistance application.
- For any projects to which this Policy applies, compliance must be a condition of receipt of Financial Assistance.



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- Buildings will not advance to the next stage of construction or operation, including necessary permit issuance or certificates of occupancy, without demonstrated, ongoing compliance with this Policy.