



Carbon Reduction Fund

2025 Annual Presentation

April 15, 2026

Carbon Reduction Fund



- Established in 2021

Subd.1 (b) reads:

The City shall use all franchise fee revenue collected pursuant to this Ordinance only for public streets, trails, and climate action projects. No more than eight percent (8.0%) of the annual revenues collected up to a cumulative annual \$100,000 collected, pursuant to Ordinance 1017 and 1018, may be used for climate action projects.

- Franchise Fee Agreement
 - CRF up to 8%, not to Exceed \$100,000

Franchise Fee Allocation Ordinance Update (2025)



- September 23, 2025, the Northfield City Council adopted Ordinance No. 1087

Policy Change (Effective January 1, 2026):

Subd.1 (b) reads: "The City shall use all franchise fee revenue collected pursuant to this Ordinance only for public streets, trails, and climate action projects. No more than eight percent (8.0%) of the annual revenues collected, pursuant to Ordinances 1017 and 1018, may be used for climate action projects."

- Current Franchise Fee Agreement
 - Adjust rates due to lower than expected revenues and to add inflationary increase
 - CRF 8%, No set cap
 - Increase funds needed for Sustainability Coordinator position
- Carbon Reduction Fund projected to receive \$144,000 in 2026

Revenue History



- 2021- \$59,096
- 2022- \$100,000
- 2023- \$94,459
- 2024- \$99,705
- 2025- \$100,000

The Carbon Reduction Fund has collected \$453,260 from Franchise Fee allocations to date.

2025 Expenditures



2025 Expenditures

Professional Services

\$ 757	LHB (Sustainable Building Policy)
\$78,000	Wolf River Electric (NCRC Solar Installation)
\$ 4,530	Guth Electric (Liquor Store LED Light replacement)
\$ 307	City Attorney Services
\$8,600	Carbon Day LLC (EV Charging station cloud renewal 5-year)
\$92,215	Total

Programs & Public Services

\$500	Northfield Earth Day Sponsorship
\$100	Riverwalk Market Fair
\$ 647	Printing & Marketing Material – By All Means Graphic
\$ 155	EQC Programing (October EE Community Program- Food & Material)
\$1,402	Total

Transfer Out

\$17,129	HRA rebate reimbursement – Residential Energy Efficiency
\$17,129	Total
\$110,746.55	Total Expense

2025 Revenue



\$48,000

State Grant & Aid (MN Solar on Public Buildings Grant- NCRC Solar)

\$100,000

Franchise Fee Allocation (8%)

\$148,000

Total Revenue

2026 Budget



EXPENSES			
Other Professional Services	xxx-xxxx-43300		
		\$ 30,000.00	SBP vendor - LHB
		\$ 5,000.00	City Attorney Fees
Programs and Public Services	xxx-xxxx-43309		
		\$ 500.00	Earth Day Event sponsorship
		\$ 20,000.00	Residential Energy Efficiency Rebates (HRA)
		\$ 10,000.00	Business Energy Efficiency Rebate Program (EDA)
		\$ 5,000.00	Zero Waste Education/ Composting Outreach
		\$ 4,000.00	Community Climate Leaders Program (U of M Ext)
		\$ 1,500.00	Supplies & Material
		\$ 4,000.00	FT Sustainability Coordinator (Confrence/Memebership Dues/Milleage Etc)
		\$ 10,000.00	PD EV Charger + Cloud Plan (5 years)
		\$ 15,000.00	Hauberg Woods Natural Lands Management Pilot project
		\$ 105,000.00	

Expenses to Come



- Northfield School District Geothermal Study (\$25,000)
- Solar Rooftop NCRC (\$48,000)
- Electrical Vehicle Fleet & Charging Infrastructure
- Sustainability Coordinator FT
- Geothermal Facility Study

Questions?

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