

# Northfield Sustainable Building Policy

Version 2 – 9/15/2021

## Achieving Sustainability in the Built Environment

Cities throughout Minnesota seek to improve public health, environmental justice, and environmental and economic sustainability. Many cities are taking advantage of building-related strategies to reduce carbon emissions and waste, protect natural resources, and mitigate stormwater runoff. With a sustainable building policy, cities can use public financing and their authority over land use to make meaningful progress toward achieving their sustainability goals.

*To support our climate action plan goals and building investment, the City of Northfield is proposing a sustainable building policy.*

Leveraging financial incentives, a sustainable building policy establishes minimum sustainability criteria that go beyond existing state code for new construction and redevelopment. Included sustainability criteria typically target reducing pollution and conserving resources. This policy would be voluntary for developments not seeking financial incentives.

## What are the Benefits?

- Ensures new construction is on the forefront of efficient building construction.
- Improves Northfield's building stock with healthy and sustainable buildings.
- Creates demand for sustainability in the property market.
- Supports Northfield's Climate Action Plan goal to achieve 100% carbon-free electricity by 2030 and being a 100% carbon-free community by 2040.

## Proposed Policy Details

### Policy Triggers

New construction and redevelopment projects that receive at least \$150,000 in funding from the following funding sources will trigger the policy:

- Tax Increment Financing (TIF)
- Housing & Redevelopment Authority Loans
- Economic Development Authority Loans
- Land Write-downs
- Bonds
- Conduit Financing
- Other City of Northfield funding

In addition to receiving at least \$150,000, interior renovations and new additions must also be 10,000 square feet or larger, and include the replacement of the mechanical, ventilation or cooling systems to trigger the policy.

### Funding Tiers

Policy triggers are structured into two tiers:

- *Tier 1:* Projects receiving \$150,00–\$300,00 in funding from a combination of the eligible funding sources will be asked to provide a proforma demonstrating the infeasibility of adopting a rating system if they are unable to follow the policy.
- *Tier 2:* Projects receiving more than \$300,000 in funding from a combination of the eligible funding sources will be required to follow the policy.

### Sustainable Rating Systems

Developers can select from the following third-party rating systems to adhere to the policy:

- LEED
- B3 Guidelines
- Green Communities
- Park Smart
- Other rating systems as approved

### Northfield Green Requirement

In addition to building to a sustainable rating system, projects will be asked to:

- Meet SB 2030 Energy Standard; for 1-3-unit buildings, meet DOE's Zero Energy Ready Homes.
- Evaluate feasibility of sourcing 2% of energy with on-site renewable energy. Install if cost-effective by B3 guidance.

## Proposed Policy Framework

The proposed sustainable building policy would apply to projects that receive funding from the City of Northfield, Housing & Redevelopment Authority and Economic Development Authority. Compliance with the policy would be based on the amount of funding received and size of the project (additions and renovations only). The policy would be structured to give developers the power to choose their preferred third-party rating system based on building type, as well as their expertise and experience.

## Joining Sustainability Leaders

Northfield will be joining the cities of Duluth, Maplewood, Minneapolis, Saint Paul, St. Louis Park, and Rochester who all have a formal sustainable building policy, along with another city that is in the process of creating its own policy. The cities of Saint Paul and St. Louis Park have been implementing their policies for more than 10 years, providing multiple local examples of successful policy implementation.

## Technical Assistance for Implementation

### Hennepin County Efficient Buildings

Collaborative provides cities with a platform of shared resources to lower costs and exchange best practices. Hennepin County is currently undergoing a competitive RFP process to hire a vendor to provide education, technical resources, and compliance assistance. Upon policy passage and joint powers agreement approval, the City of Northfield and developers will have access to the selected vendor. It is important to the City that the appropriate technical resources are available for successful sustainable building construction.