STRATEGIC PLAN (2018-2020) developing "targets"

August 6, 2018

City Council Work Session

City of Northfield

Goal for "target" development

- Review and clarify the staff development of recommended targets for the Economic Development Authority and Housing Strategic Outcomes.

- Discuss, provide questions or seek alternative information on recommended targets.

Strategic Plan (2018-2020)

Economic Development

A Community That's Economically Thriving

Affordable Housing

A Community Where Everyone Can Afford to Live

Infrastructure

A Community Where Infrastructure Supports Its Objectives

Diversity, Equity & Inclusion

A Community that Welcomes Everyone

Operational Effectiveness

A Community with a Government that Works

Climate Change Impacts

A Community that's Resilient and Sustainable

ECONOMIC DEVELOPMENT
A Community that's Economically Thriving

DESIRED OUTCOME	KEY OUTCOME INDICATOR	TARGET
Expanded commercial & industrial tax base	- Commercial EMV - Industrial EMV	- Commercial and industrial tax value increased *10%* by 2020
Enhanced Tourism	- Lodging and sales tax - Events attendance - Pull Factors	- Increase of *87%* in lodging tax - Increase of *10%* in sales tax-non-Northfield - Increase total pull factor from 0.61 to *0.75 by 2020*
Expanded Downtown	- Downtown Square Footage	- *77,000* additional square feet

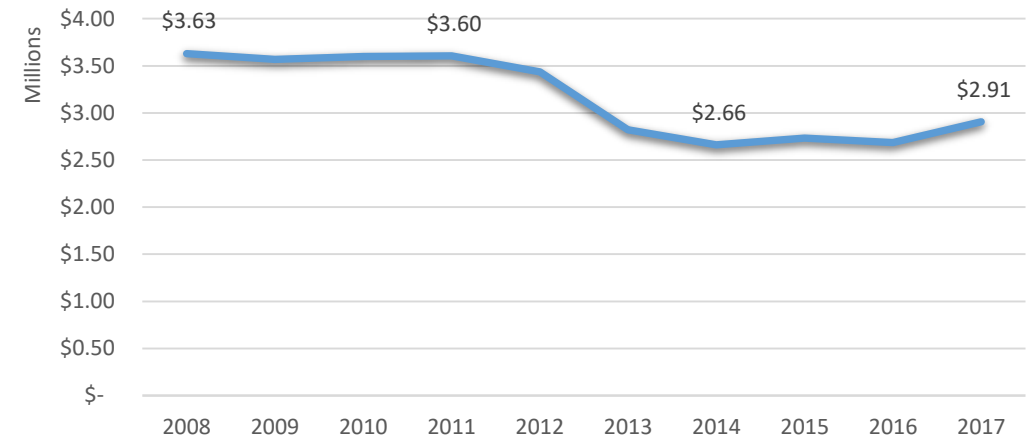# Commercial and industrial tax value: increased 10% by 2020

2018-20 EDA Strategic Plan

- Commercial and Industrial Net Tax Capacity Value increased by 10%
  - $290,750 increase for Commercial
  - $46,118 increase for Industrial
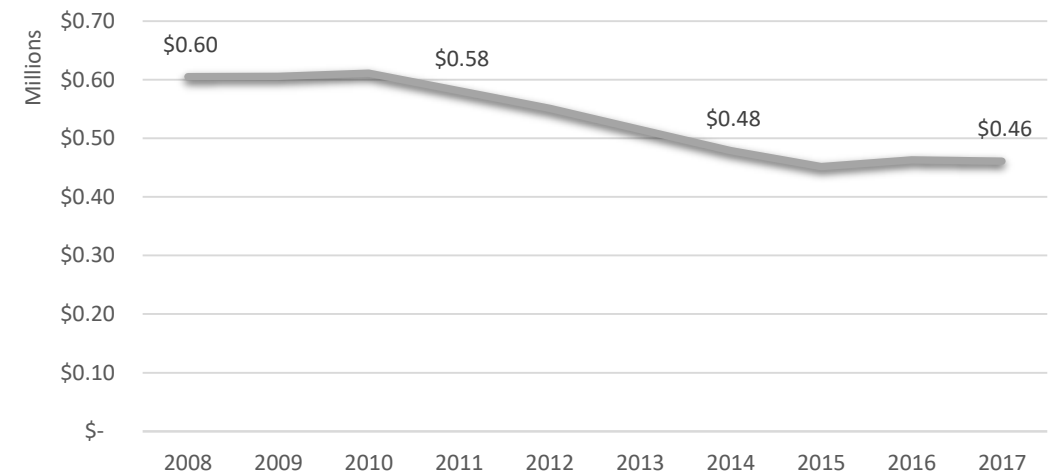
Alternative Targets:

- Tax Capacity value by acreage
- More than 10% goal

Northfield Commercial NET Tax Capacity Values

$3.63 $3.60 $2.66 $2.91

Northfield Industrial NET Tax Capacity Values


$0.60 $0.58 $0.48 $0.46

Increase of *87%* in lodging tax

- Current Lodging Tax
  - $107,088 lodging tax received in 2017
  - Average lodging tax growth of 3% per year since 2007
  - Anticipated new lodging tax collection of approximately $90,000 per year with 80-unit Marriott Fairfield Inn & Suites hotel project.

- Potential Targets:
  - By 2020, 87% growth (+$92,912)
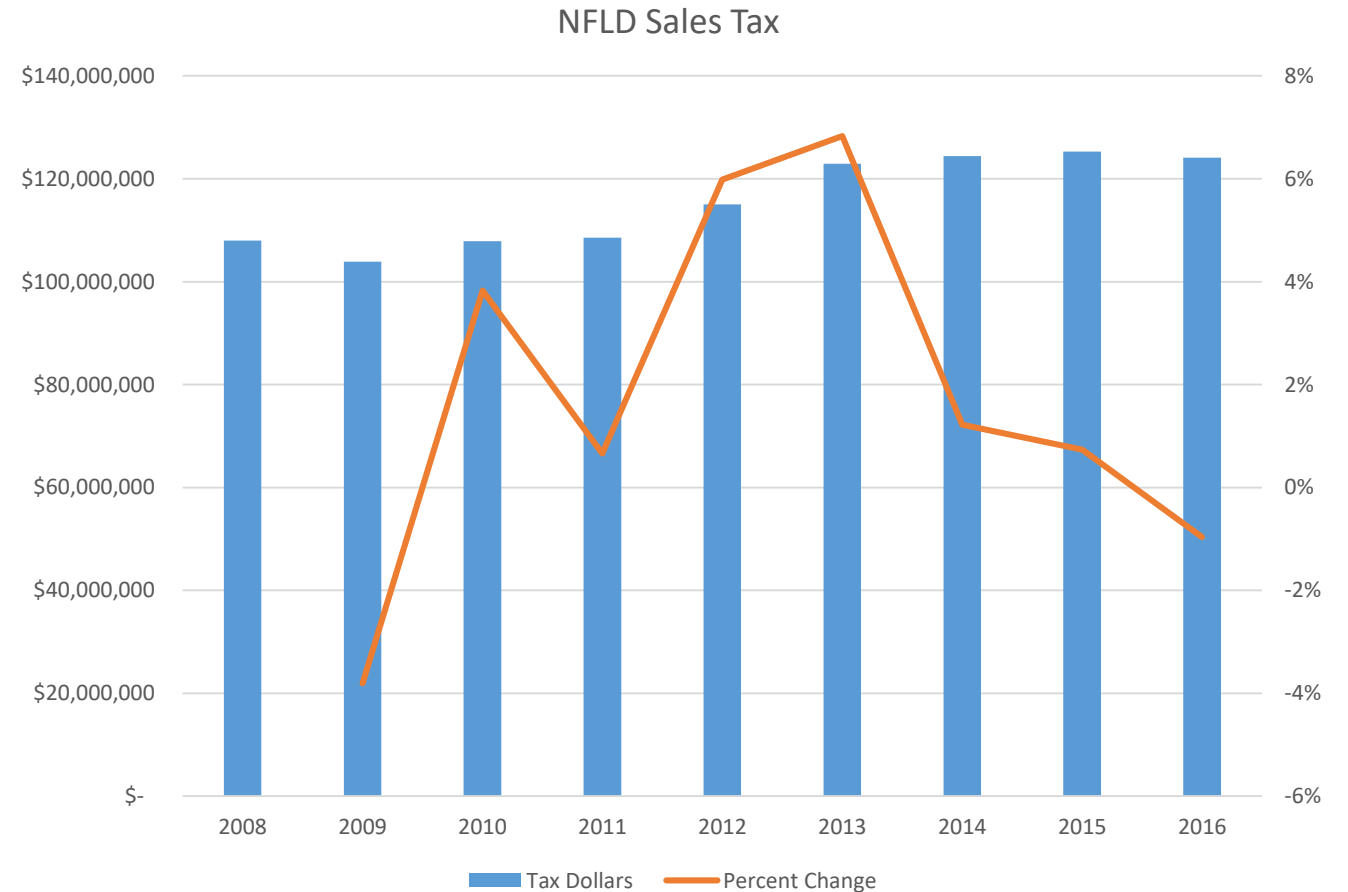 - Consider re-setting target after hotel is operational

NFLD Lodging Tax
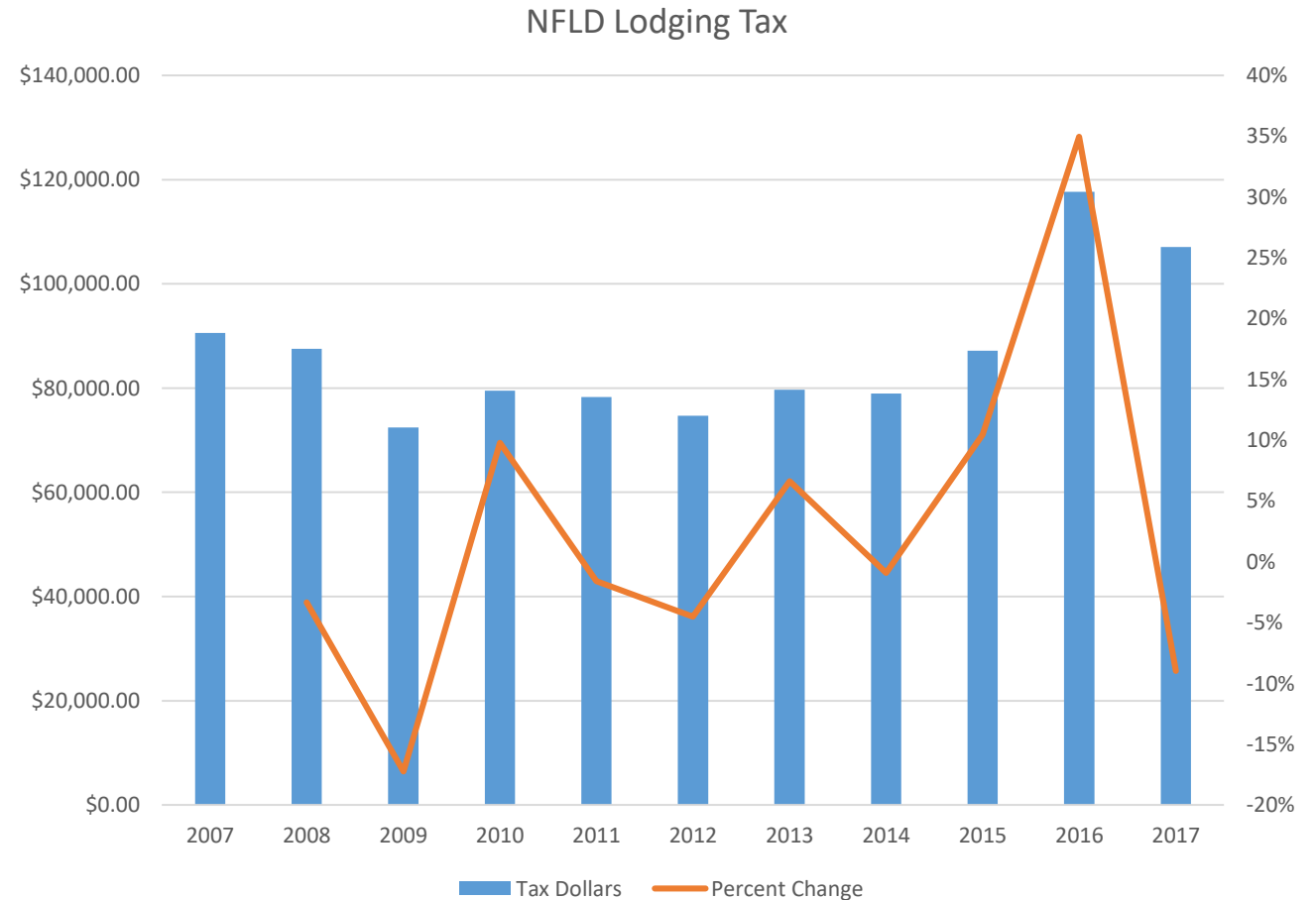
Increase of *10%* in sales tax-non-Northfield

Current Sales tax

- $124,111,586 sales tax in 2016
- Average annual sales tax growth of 1.8% since 2008

Potential Targets by 2020

- 5% growth (+ $6,205,579)
- 6% growth (+ $7,446,695)
- 7.5% growth (+ $9,308,368)
- 10% growth (+12,411,159)

NFLD Sales Tax

Tax Dollars   Percent Change

Increase Total Pull Factor to *0.75*

Current Pull Factor

- 2014 Northfield Pull Factor: 0.61
- 2016 Pull Factor: Available in 2018

Recommended Target:

- Target Pull Factor 0.75 ($10 Million new taxable sales)

Comparison with Competing Trade Centers, 2014

Town	Population	Gross Sales ($millions)	Taxable Sales ($millions)	Number of Firms	Per Capita Taxable Sales	Pull Factor (Taxable Sales)
Northfield	20,313	$541.58	$108.82	371	$5,357	0.61
Faribault	23,631	$497.53	$176.97	422	$7,489	0.85
Farmington	22,386	$164.21	$76.44	242	$3,415	0.39
Red Wing	16,505	$627.91	$189.09	407	$11,457	1.31

Pull Factors
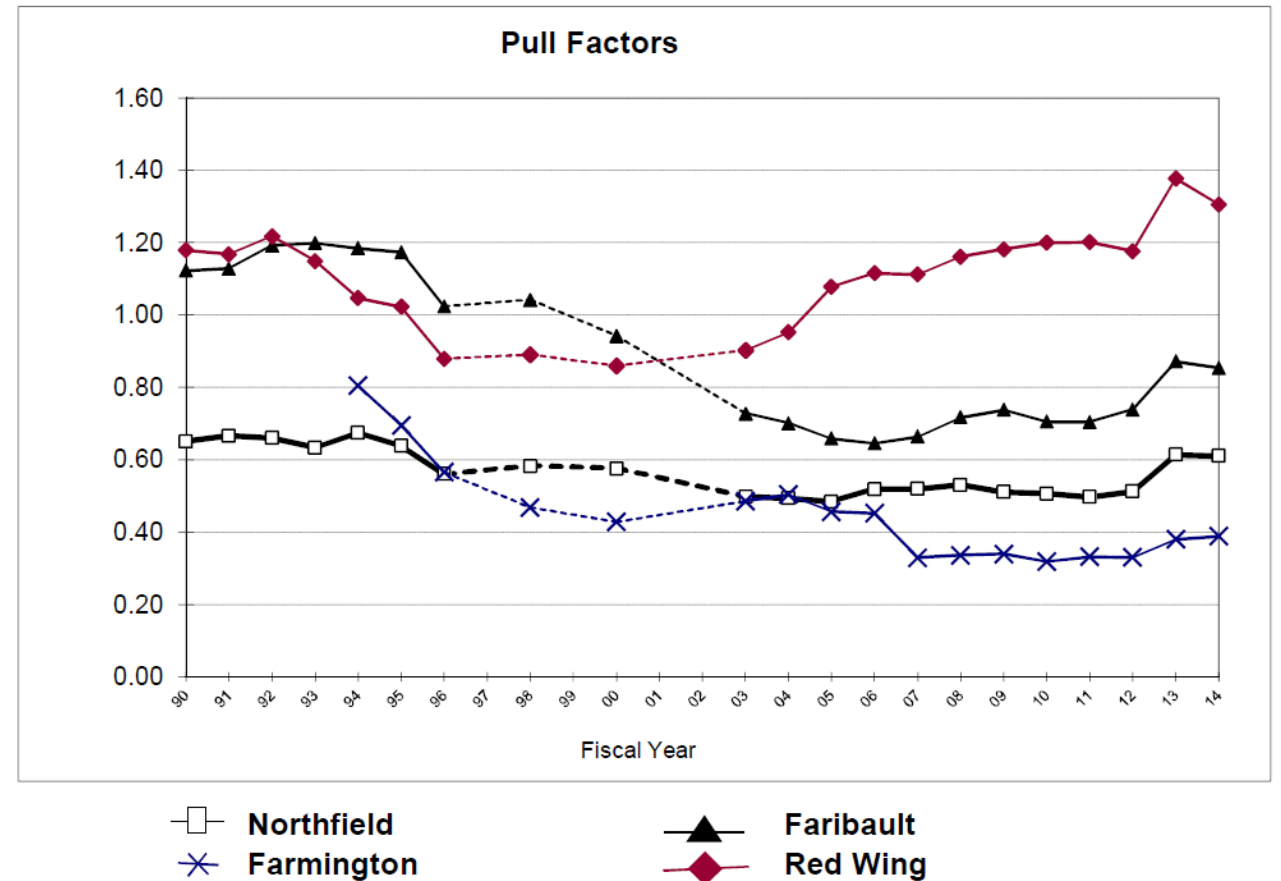
Downtown SF: *77,000* Additional Square Feet

Downtown Square Footage

- Increase new downtown buildings by <u>77,000 SF</u> by 2020
- Examples:
  - Marriott Hotel: 61,088 SF
  - Municipal Liquor Store: 8-10,000 SF
  - Retail Development: 2-4,000 SF
  - Multi-Family Housing: 50-60,000 SF

Alternatives:

- More than 77,000 SF goal (EDA Recommended)
- Establish Total Tax Per Acre goal
- Additional car/bike parking goal

AFFORDABLE HOUSING

A Community Where Everyone Can Afford to Live

DESIRED OUTCOME	KEY OUTCOME INDICATOR	TARGET
Grow & maintain affordable housing	- Affordable units - Workforce units	# *40 total* units by 2020
More senior units	Senior unit inventory	# *16* affordable senior units
Expanded supportive & emergency housing	- Supportive & emergency housing units	# *8* new units

Workforce & Affordable Workforce Housing

Workforce Housing

- Households earning up to 120 percent of area median income (AMI)

As defined by the Department of Housing & Urban Development (HUD).

Affordable Housing

- Households earning less than 80 percent of AMI

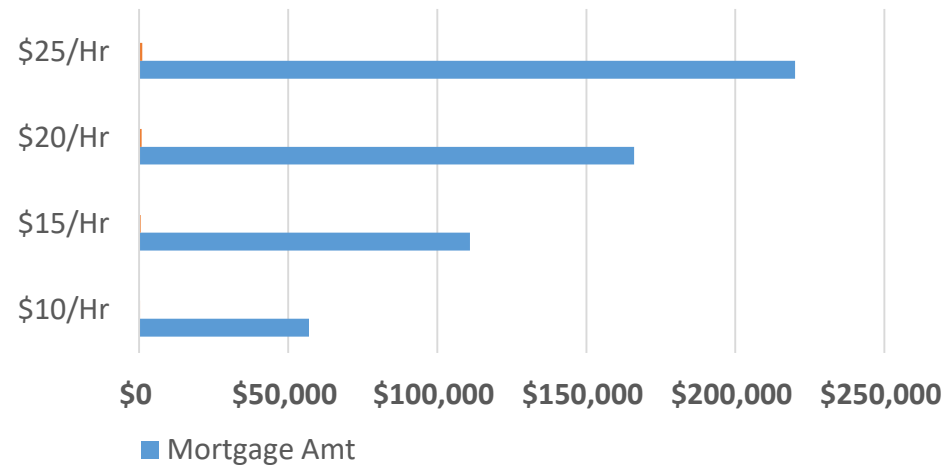*As defined for eligibility to most HUD assistance programs.*

Goal:

- ***Add 120 workforce housing units by 2020***
- ***33% of new workforce housing to be affordable***
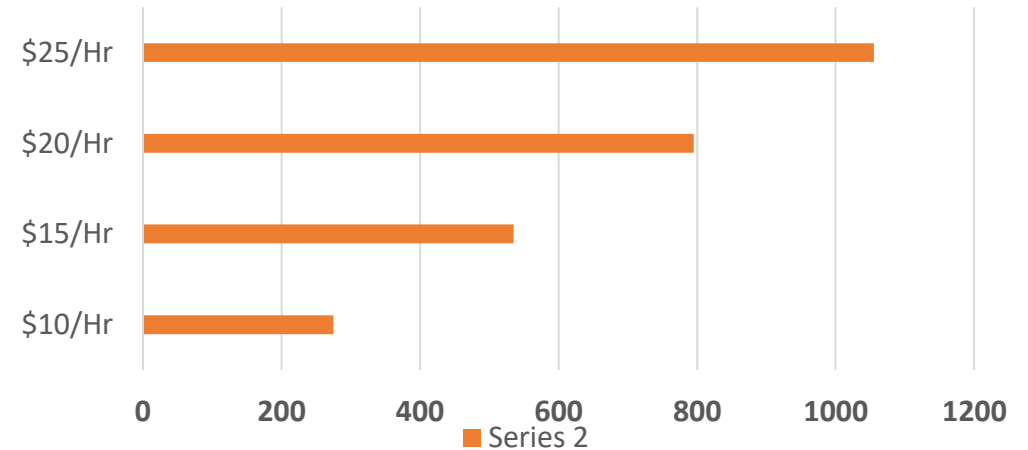
60% of US workers make $20/Hour or Less

US Department of Labor Statistics

Affordable

Mortgage

$25/Hr	▮ (~$225,000)
$20/Hr	▮ (~$165,000)
$15/Hr	▮ (~$110,000)
$10/Hr	▮ (~$60,000)

Axis: $0 $50,000 $100,000 $150,000 $200,000 $250,000

■ Mortgage Amt

Monthly Rent

$25/Hr	▮ (~1050)
$20/Hr	▮ (~800)
$15/Hr	▮ (~540)
$10/Hr	▮ (~270)

Axis: 0 200 400 600 800 1000 1200

■ Series 2

Senior Housing

Housing designed for seniors 55+ suitable for the needs of an aging population

Housing Types

- Independent Living – market rate and affordable
- Assisted Living
- Memory Care

Affordable - Affordable as defined by HUD=80% of AMI or less

Goal:

- ***Add 177 senior housing units by December 2020.***
- ***9% of new senior housing to be affordable***

Expanded supportive & emergency housing

Supportive housing is an evidence-based housing intervention that combines non-time-limited affordable housing assistance with wrap-around supportive services for people experiencing homelessness, as well as other people with disabilities. —*US Dept. of Housing & Urban Development*

Goal:

Add 8 new units of supportive & emergency housing by 2020.

DIVERSITY, EQUITY, INCLUSION
A Community that Welcomes Everyone

DESIRED OUTCOME	KEY OUTCOME INDICATOR	TARGET
Increased transit options for all	- Existing routes - Surveys - Ridership	# ___ new routes for underserved ___ new rides created
Staff and volunteers reflect community	Staffing statistics Census data Board & Commission statistics	Increase from 3.7% to 11.2% by 2020 for board and commissions. Increase from 3.0% to 10% by 2020 for employees.
Improved access to City services for all demographics	- Surveys - Access statistics	=/>75% of stakeholders say meets or exceeds

Staff and volunteers reflect community

- Human Rights Commission Strategic Planning 5-10-18.
  - By 2020, have advisory boards & commissions reflect 50% of the racial diversity within the city.
  - This would be 5.6% of advisory board and commission members.
- Currently have approximately 161 advisory board and commission members. Of that, we have not completed the estimate but think we may have somewhere around 6 total, or 3.7%.
- Census 2010 for Northfield has 11.2% people of color.
  - Working to verify this is current with census data
- An alternative goal would be to reduce the goal to be lower amounts similar to HRC goals. for people of color (18 of 161 at a minimum, an increase of 12 new members).

INFRASTRUCTURE
A Community Where Infrastructure Supports Its Objectives

DESIRED OUTCOME	KEY OUTCOME INDICATOR	TARGET
Improved Infrastructure systems	- Existing routes - Surveys - Ridership	___ new routes for underserved ___ new rides created
Resolution of major facility projects	Project timelines – each project	Fire Station 1/1/19 Liquor Store – ~~1/1/18~~ site acquired 6/1/19 Arena build/no build 6/1/18
Increased satisfaction with high speed internet	Internet speed measurements	=/> 10% increase in citizen satisfaction with internet services

Remaining Targets

- Climate Change Impacts – targets to be developed with climate action plan work

- Operational Effectiveness – under review

- Others – under review