

City of Minneapolis Parkland Dedication Ordinance FAQ

The preservation and development of parks, playgrounds, recreational facilities, wetlands, trails, and open space areas within the city are essential to maintaining a healthy and desirable environment for residents, visitors, and persons employed within the city.

What is the Parkland Dedication Ordinance?

- To ensure future parkland is available, the Minneapolis City Council and the Minneapolis Park and Recreation Board jointly passed a revised ordinance allowing land dedication or a fee in lieu of dedication to go into effect January 1, 2014.

Who authorizes the City of Minneapolis to require/obtain a dedication or fee in lieu of dedication for parks?

- Pursuant to Laws of Minnesota 2006, Chapter 269, Laws of Minnesota 2008, Chapter 331, Laws of Minnesota 2008, Chapter 366, Laws of Minnesota 2013, Chapter 85, and other powers granted by law, the City and the Park and Recreation Board are jointly authorized to impose park dedication and/or fees at their discretion.

Why is the Parkland Dedication Ordinance associated with building permits?

- Unlike other local jurisdictions across Minnesota, Minneapolis is a built-out city with very little vacant land available for subdivision. Most of the development in Minneapolis is done through the redevelopment of existing sites. However, this does not remove the need to provide additional park space for the new and additional residents and employees that this redevelopment will bring to the city.

When does the Parkland Dedication Ordinance go into effect?

- January 1, 2014

Who is affected by the Parkland Dedication Ordinance?

- Developers of land within the City of Minneapolis whose projects will include new commercial or industrial construction or additions to existing construction and/or a net increase in the number of residential dwelling units will be subject to the Parkland Dedication Ordinance.
- However, commercial and/or industrial projects of 5,000 square feet or less in size will not be subject to the Parkland Dedication Ordinance.

Will permits purchased before January 1, 2014 be subject to the Parkland Dedication Ordinance?

- Complete permit applications submitted prior to January 1, 2014 will not be subject to the Parkland Dedication Ordinance.

What are the options to fulfill the Parkland Dedication Ordinance?

- There are three options for a development project that triggers the Parkland Dedication Ordinance, they are as follows:
 1. Dedicate to the Minneapolis Park and Recreation Board a reasonable portion of the land for public use for parks, playgrounds, recreational facilities, wetlands, trails or open space as an alternative to paying the park dedication fee.

2. Propose a privately owned park or plaza for public use. This option would need to meet the standards outlined in the ordinance, including a development agreement between the City of Minneapolis, the Minneapolis Park and Recreation Board, and the developer.
3. Pay a fee in lieu of a land dedication.

How much is the Parkland Dedication Fee?

- As of April 1, 2024, for new or additional residential units, the flat rate fee is \$1,948.50 per non-exempt unit.
- As of April 1, 2024, for a new commercial/industrial, all new construction and additions to existing commercial or industrial are calculated at \$259.25 per development employee for that specific use.

Why is the fee different for residential and commercial/industrial use?

- The rate is different to reflect the different need created by the residential uses which is a common practice in parkland dedication ordinances. The adopted Minneapolis ordinance is based on the idea that residential usage is more intense than a commercial or industrial development.

When must the fee be paid?

- At the time the building permit is issued.

Can the Park and Recreation Board decline any proposed land dedication?

- The Park and Recreation Board may decline any such proposed dedication by responding in writing within ten business days and in such case the developer will be required to make a payment-in-lieu of dedication.

How will fees collected in lieu of land dedication be used?

- The fees will be transferred to the Park and Recreation Board of Minneapolis from the City of Minneapolis Department of Community Planning and Economic Development (minus a 5% nonrefundable administrative fee up to a maximum of \$1,000 per project).
- The money will be restricted to the development of new parks, playgrounds, recreational facilities, wetlands, trails, and open space areas within the nexus of where the development occurs (.5 miles).
- Upgrades to existing neighborhood and community parkland, trails, equipment, etc. are considered allowable uses of the Parkland Dedication Fee funds.
- Ongoing operations and maintenance to existing neighborhood and community parkland, trails, equipment, etc. are not considered permitted uses of the Parkland Dedication Fee funds.

Are there refunds if a development is not completed?

- Any refund requests for parkland dedication fees must be made to the Minneapolis Park and Recreation Board.
- The administrative fee (5% of parkland dedication fee up to \$1,000) is not refundable.

What if I want to appeal?

- Any appeal in lieu of dedication must be conducted through the district court process.

Where can I get more detailed information?

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