



SEWER AVAILABILITY CHARGE (SAC) POLICY

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Economic Development Authority of Maple Grove
Economic Development Department
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I. INTRODUCTION

Through the Metropolitan Council, a one-time fee is required when a residence or business connects to the regional wastewater (sewer) system for the first time. Additional SAC charges also occur when a business grows or the use of a spaces changes and subsequently creates a higher potential demand on the system. The Metropolitan Council charges SAC to local governments, who pass it on to business or property owners during permitting. Total SAC charges per business are charged in units determined based on the maximum wastewater flow created by activities at the location.

In certain instances, community-wide credits may be available for use throughout the City of Maple Grove. As redevelopment occurs within the City, in certain circumstances there will be opportunity for certain excess credits to be claimed and designated as community-wide.

II. PURPOSE AND OBJECTIVES

- A. The purpose of this policy is to establish the policies and procedures related to the collection and use of community-wide SAC credits to aid in the recruitment and retention of small businesses within the City.
- B. The objective of this policy to aid small businesses choosing to locate with the City or the expansion of a current business with the City through the reduction in total SAC fees required.

III. COLLECTION OF COMMUNITY-WIDE CREDITS

As defined in the Metropolitan Council’s Sewer Availability Charge Procedure Manual, local governments have the ability to retain excess net credits upon redevelopment of a property or when a new use occurs within a property. SAC credits eligible to become community-wide credits include only those previously paid for. Grandfathered credits shall remain site-specific.

- A. Excess credits shall be designated and retained as community-wide only in occasions which the new end-user has been identified. Community-wide credits must be claimed on the SAC-A form at the time of permit issuance for the new use. If they are not claimed on that form, the credits shall become site-specific and will remain with the site for a period of five (5) years.
- B. The collection of credits shall be only excess credits following the determination of SAC credits needed for the new use. If the existing credits on the parcel are below or equal to what is needed for the new use, the City shall not collect any community-wide credits.
- C. The City will maintain record of community-wide credits. This includes maintaining record of community-wide credits available and record of businesses which have benefitted from this program. Records shall be kept within the Community and

Economic Development department.

IV. USAGE OF COMMUNITY-WIDE CREDITS

The usage of community-wide credits shall be used to attract and retain new small businesses within the community.

A. Eligible Business Types

Eligible business types who may apply for community-wide credits include retail, food and beverage-based business, entertainment businesses, and manufacturing.

Additional use types shall be considered at the sole discretion of the City Council and/or Economic Development Authority, or their designee. Eligible businesses must be either opening a new business within the City or be expanding existing operations which requires additional SAC.

B. Demonstrated Need

Any applicant for this program must provide proof of a demonstrated need of assistance through this program.

C. Timing of Applicants

Applications for this program shall only be accepted prior to the issuance of a building permit. Applications shall not be accepted for reimbursement of previously paid-for credits.

D. Maximum Credits Allowed Per Application

The maximum number of credits that any one applicant may apply for administratively shall be limited to no more than five (5) credits or 80% of the total number of credits needed, whichever is smaller. Additional credits above the maximum as defined above, shall only be granted upon approval by the Economic Development Authority for businesses with significant SAC credit needs. Under no circumstance shall the total number of credits given to one applicant exceed ten (10) credits. Potential applicants should consult with City staff prior to application to determine availability of credits.

V. GENERAL TERMS AND CONDITIONS

A. The Economic Development Authority and its representatives reserve the right to determine and limit the amount of SAC credits that are applied for by any one applicant. This is to allow for the maximum utilization and benefit of credits available. Nothing herein shall imply or suggest that the EDA is under any obligation to provide incentives to any applicant.

B. The EDA or City may charge a fee for requests under this policy, and these fees will be adopted annually during the fee schedule review.

C. Any applicant who is not in good standing with the EDA or City, in regard to licenses, fees, or other specific charges, will not be considered for this program.

D. Requests specific to utilization of this program for residential purposes are not eligible and will not be considered.

E. Community-wide credits may not always be available. If credits are not available, applications shall not be accepted.

- F. Information contained in the application for assistance will become a matter of public record with the exception of those items protected under Minn. Stat. 13.591.
- G. An officer of the City will not have a personal financial interest or personally benefit financially from the business to be assisted. Minn. Stat. 471.87 and 471.88 provide guidance on conflict of interest.
- H. The City of Maple Grove and the EDA reserve and retain the right to deny any application for credits. All SAC Credit recipients shall be required to indemnify the City of Maple Grove, the Economic Development Authority of Maple Grove, and any officers acting on their behalf.

VI. APPLICATION PROCESS

All applications for credits through this program will be accepted on a first-come, first-served basis. Upon submission of an application, City of Maple Grove staff will review the application to ensure complete information is provided. If additional information is needed, staff will request the needed information. Applications for up to five (5) credits shall be processed and are eligible to be approved administratively by the City Administrator and Economic Development Manager. Applications which seek above the five (5) credit maximum shall only be approved by the Economic Development Authority.