



NORTH BRANCH —Minnesota—

Sara Paul
Chair

Dennis Johnson
Vice Chair

Jessica Thelander
Commissioner

Marshall Saunders
Commissioner

Patrick Meachem
Councilmember

Kevin Schieber
Mayor

**ECONOMIC DEVELOPMENT AUTHORITY
REGULAR AGENDA
TUESDAY, AUGUST 19, 2025 @ 3:30 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. AGENDA APPROVAL
 - a. Approve Agenda ACTION
5. PUBLIC COMMENT
6. CONSENT AGENDA
 - a. Approval of August 7, 2025 EDA Minutes ACTION
7. REPORTS
 - a. Chisago County HRA-EDA Update VERBAL UPDATE
 - b. North Branch Area Chamber of Commerce Update VERBAL UPDATE
 - c. North Branch Area Schools Update VERBAL UPDATE
 - d. EDA Executive Director Update VERBAL UPDATE
 - e. Downtown Storefront Facade Program - 6354 Main St ACTION
 - f. License Agreement ACTION
 - g. Comprehensive Plan Update INFO

- | | | |
|----|------------------------|--------|
| h. | Grocery Market Study | ACTION |
| i. | Retail Trade Analysis | ACTION |
| j. | 2026 EDA Budget | INFO |
| k. | EDA Commission Vacancy | ACTION |

8. CLOSED SESSION

- a. Closed meeting pursuant to Minn. Stat. 13D.05, sub. 3 (c) to consider the sale of real property identified as portions of Outlots C and F, Essby Business Park, Outlot A, portions of Essby Business Park 4th Addition Outlot F, Lot 1, Block 1, and Outlot A, Essby Business Park 3rd Addition and Lot 1, Block 2, North Branch Industrial Park, North Branch, Minnesota INFO

9. NEXT MEETING - September 16, 2025 - 3:30 PM

10. ADJOURNMENT

EDA Mission Statement.

To be proactive in maintaining and enhancing the economic viability of North Branch through partnerships, innovation, and strategic action.

EDA Goals:

- Successfully become one of the first communities in the region mentioned as a choice for business location.
- Attract new industries that bring an enhanced tax base, quality jobs, and new capital into the community.
- Support existing businesses and encourage their continued prosperity and growth.
- Address critical systems that influence site location decisions.



Prepared By:

Presenter:

Date: 08/15/2025

Board & Commission: Economic Development Authority

Subject: Approval of August 7, 2025 EDA Minutes

Voting Requirements:

Voting Options Simple Majority



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**ECONOMIC DEVELOPMENT AUTHORITY
REGULAR AGENDA
THURSDAY, AUGUST 7, 2025 @ 3:30 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL OF THE CITY OF NORTH BRANCH IN THE COUNTY OF CHISAGO AND IN THE STATE OF MINNESOTA

REGULAR MEETING

Thursday, August 7, 2025

1. CALL TO ORDER

Chair Sara Paul called the Economic Development Authority meeting to order at 3:30pm.

2. PLEDGE OF ALLEGIANCE

Chair Sara Paul led the Pledge of Allegiance.

3. ROLL CALL

Present: Mayor Kevin Schieber, Commissioner Marshall Saunders, Councilmember Patrick Meacham, Commissioner Sara Paul, Commissioner Dennis Johnson, Commissioner Jessica Thelander

Absent:

Remote:

Others Present:

Notes:

4. AGENDA APPROVAL

a. Approve Agenda

ACTION

RESULT: Passed

MOVER: Dennis Johnson

SECONDER: Jessica Thelander

AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johns
Jessica Thelander

ABSENT:

NOTES:

5. PUBLIC COMMENT

6. CONSENT AGENDA

a. Approval of June 17, 2025 EDA Minutes

ACTION

RESULT: Passed

MOVER: Dennis Johnson

SECONDER: Jessica Thelander

AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johns
Jessica Thelander

ABSENT:

NOTES:

7. MINUTES

8. REPORTS

It was decided not to give any reports at this meeting due to the time constraint of having the Comp Plan steering committee meeting directly after the EDA Meeting.

a. Chisago County HRA-EDA Update

VERBAL
UPDATE

b. North Branch Area Chamber of Commerce Update

VERBAL
UPDATE

c. EDA Executive Director Update

VERBAL
UPDATE

d. North Branch Area Schools Update

VERBAL
UPDATE

e. Comprehensive Plan Update

INFO

f. 2026 EDA Budget

INFO

9. CLOSED SESSION

The EDA meeting was moved into a closed session at 3:36pm.

RESULT:

MOVER: Marshall Saunders

SECONDER: Jessica Thelander

AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johns
Jessica Thelander

ABSENT:

NOTES:

- c. Closed meeting pursuant to Minn. Stat. 13D.05, sub. 3 (c) to consider the sale of real property identified as Lot 1 Block 1, Cherokee Place 3rd Addition, North Branch, Minnesota
- b. Closed meeting pursuant to Minn. Stat. 13D.05, sub. 3 (c) to consider the sale of real property in the Interstate Business Park
- c. Closed meeting pursuant to Minn. Stat. 13D.05, sub. 3 (c) to consider the sale of real property at 37891 Forest Blvd

The meeting was brought back to open meeting at 4:21pm

RESULT: Passed
MOVER: Marshall Saunders
SECONDER: Jessica Thelander
AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johnson, Jessica Thelander
ABSENT:
NOTES:

10. NEXT MEETING - August 19, 2025 - 3:30 PM

11. ADJOURNMENT

The meeting was adjourned at 4:21pm.

RESULT: Passed
MOVER: Dennis Johnson
SECONDER: Jessica Thelander
AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johnson, Jessica Thelander
ABSENT:
NOTES:



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/13/2025

Board & Commission:

Subject: Chisago County HRA-EDA Update

Chisago County HRA-EDA Update

Voting Requirements:



Prepared By: Nathan Sondrol, Community Development Director

Presenter:

Date: 08/13/2025

Board & Commission:

Subject: North Branch Area Chamber of Commerce Update

North Branch Area Chamber of Commerce Update

Voting Requirements:



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/13/2025

Board & Commission:

Subject: North Branch Area Schools Update

North Branch School Update

Voting Requirements:



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/13/2025

Board & Commission:

Subject: EDA Executive Director Update

The EDA Executive Director will provide an update at the meeting

Voting Requirements:



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 07/23/2025

Board & Commission: Economic Development Authority

Subject: Downtown Storefront Facade Program - 6354 Main St

Overview / Background

The Economic Development Authority (EDA) budget for Fiscal Year 2025 included \$75,000, allowing the EDA to establish a Storefront Rehabilitation Grant Program. The funding is intended to help incentivize façade restoration and enhancements by businesses and/or property owners that restore the “historic” existing buildings within the old downtown area. The program funding is set up as technically a 0% forgivable loan over a five (5) year term, with repayment waived 20% each year through the end of the term. At that time, the funding becomes a “grant.” Should the property change hands at any time during the five (5) year timeline, the remaining balance would be due at the time of said transaction. The property owners would be required to agree to either a mortgage or some type of loan security.

The attached policy funds covering 50% of the improvement cost up to \$25,000. This would allow for up to three (3) “grants”. The EDA has discretion to approve a larger funding award to a business, if the project meets the program intent and also meets the program goals with the district, and also supports the vision and goals for the Central Business District / Downtown area. The program establishes guidelines and defines eligible and ineligible improvements for the funding, as well as maintenance requirements.

Funding is intended to restore the storefronts of the existing buildings to their original appearances as they existed at the time of their construction. Given the age of many of the buildings, and historic photos, those storefronts included large floor-to-ceiling windows with recessed doors. Most of the buildings were brick facades.

Although the focus is on restoration of existing buildings, the guidelines can serve as guidance to new buildings and/or restoration of newer buildings. Thus, the EDA has discretion to award funding to update and upgrade non-historic buildings within the district, but are still important to fund such improvements.

There has been interest expressed in the program and an application has been submitted by Chet Morgan from Acoustic Avenue for improvements to their building located at 6354 Main Street. The proposed improvements include masonry repair, painting and signage. The quotes are attached.

Recommended Economic Development Authority Action

To provide input and direction on the application submitted for the proposed façade improvements to building at 6354 Main Street.

Voting Requirements:

Voting Options Simple Majority



NORTH BRANCH FAÇADE IMPROVEMENT FORGIVABLE LOAN PROGRAM

APPLICANT / OWNER INFORMATION

Full Name:	Chester Morgan
Address:	6354 Main St, North Branch, MN 55056
Phone:	763-233-9190
Email:	chet.morgan97@gmail.com

BUSINESS INFORMATION

Name of Business Owner:	Chester Morgan	Same As Applicant
Name of Business:	CM LLC	
Name of DBA:	Acoustic Avenue	

PROPERTY INFORMATION

Site Address:	6354 Main St, North Branch, MN 55056	PID	16.00292.00
Building Status:	☒ Owner Occupied		Tenant Lease
Use Type:	Retail		
Current Land Use:			
Current Zoning:			

FAÇADE IMPROVEMENTS

☐ Full Restoration	☒	☐ Masonry Repairs	☐ General Maintenance	☐ Windows & Doors
☐ Canopy & Awnings	☒	☐ Signage & Lighting	☒ Other: Paint	

PROJECT COST & TIMELINES

PROJECT ESTIMATES <i>(Detailed opinion of probable cost required.)</i>					
Total Project	Eligible Costs	Private Match	Request	Start Date	Completion Date
\$ 20969.81	\$ 20969.81	\$ 10484.91	\$ 10484.90	6 / 19 / 2025	/ /
CITY REVIEW					
Total Project	Eligible Costs	Private Match	Public Match	Grant Maximum	Review Date
\$	\$	\$	\$	\$25,000.00	/ /

ARCHITECT/ CONTRACTOR INFORMATION

Company Name:	
Company Contact:	
Address:	
Phone:	
Email:	

PROJECT SUMMARY

In the space below provide a brief description of the proposed project (attach an additional sheet if necessary).

I am looking for getting signage, masonry, and paint done on the building. Signs include an LED sign and a non lit sign. Masonry includes shoring up a sinking foundation. Paint includes the entire east wall of the outside of the building. All contractor information is in the attached quotes.



NORTH BRANCH FAÇADE IMPROVEMENT FORGIVABLE LOAN PROGRAM

PROGRAM TERMS & CONDITIONS

PROGRAM FUNDING

Matching Grants range from a minimum of \$5,000 to a maximum of \$25,000 per storefront or building. All grants must be matched by the property owner. The Matching Grant will pay for only 50% of the total eligible project costs, up to the \$25,000 grant limit. The approved Matching Grant amount will only be paid by the City upon completion of the work, and a formal written request for payment and final invoice is provided by the Applicant to the City.

TERMS & CONDITIONS

The Matching Grant is structured as a 5-year loan with no payments, with 20% of the loan being forgiven each year for 5 years. If the building is sold before 5 years, the balance of the loan must be repaid by the Applicant.

The City of North Branch has the right to terminate any agreement under the Façade Improvement Matching Grant Program, if an Applicant is found to be in violation of any conditions set forth in these guidelines, or if work is not completed within required timelines. If terminated by the City, the City shall not be obligated to make any payment to the Applicant. If at any point after the project is completed, the Applicant is found to have violated the terms and conditions of the Program or Grant Agreement with the City, the Applicant shall be responsible for repaying 100% of the Matching Grant to the City.

PROGRAM REQUIREMENTS

1. A signed and approved Grant Agreement is required for the applicant to be eligible to receive any funding from the Façade Improvement Matching Grant Program.
2. All work must be done in accordance with all local, state, and federal building codes, the City of North Branch Zoning Code, Downtown Design Guidelines, other applicable Downtown standards, and the rules and regulations for the Façade Improvement Matching Grant Program.
3. Labor costs are only eligible to be covered by the grant if the labor is done by a third party who has no financial interest in the building (i.e. building owners may not receive funds for labor that they completed on the project).
4. All construction must be completed in strict compliance with any approved plans and applicable local, state and federal rules and regulations.
5. All work must be completed within 6 months from the date the grant is approved by the City and any applicable agreements, as required by the City, are executed.
6. The Applicant may not assign the program obligations and/or payment of the Matching Grant to any other party or person.



NORTH BRANCH FAÇADE IMPROVEMENT FORGIVABLE LOAN PROGRAM

ACKNOWLEDGEMENT

APPLICANT STATEMENT

I acknowledge the Program Terms and Conditions, as stated herein, and to the best of my knowledge, all of the applicable materials and documents and information I have submitted are true and correct. I have read the Façade Improvement Matching Grant Program and Terms and Conditions, and understand the rules and regulations as set therein. I agree to hold harmless and indemnify the City, and its officers and employees, for any claims for damage to property or injury to persons which may be occasioned by any activity carried on under the terms of this license.

Applicant Signature

Date

REQUIRED ATTACHMENTS

Financial	Project budget with Opinion of Probable Cost and/or detailed, line-item estimate.
Architectural Drawings	Scaled drawings of proposed façade improvements with color renderings.
Photos	Pictures of current storefront.
Other	Other information as may be required by the City.

Rush City
1325 South Frandsen Avenue
Rush City, MN 55069
(320) 204-5299



CONTRACT

Licensed Contractor	Date
BC765730	2/5/2025
Customer	Phone (Work or Home)
Acoustic Avenue Chet Morgan	(763) 233-9190
Project Location	E-mail
6354 Main Street North Branch, MN 55056	chet.morgan97@gmail.com

PROPOSED PRODUCTS		QTY
1 Year Annual Service Plan		1.0
Permit Package A		1.0
Utilities Protection		1.0
Engineering A		1.0
SettleStop Push Pier		5.0
Lift Procedure		5.0
Concrete Remove & Replace		3.0
Subtotal		\$13,912.01
Discount		\$1,391.20
Contract Price		\$12,520.81

This Contract, along with the Terms and Conditions, the Warranties, the Notice of Cancellation, and the Payment Terms form the contract (the "Contract") between the Customer and Groundworks Minnesota, LLC (the "Contractor").

☒ Customer is responsible for removing all personal items from the work area.	☒ A full perimeter drainage system with sump pump was recommended.
☒ Customer assumes responsibility for damages to hidden or unmarked utility lines.	☒ Customer is aware of warranty and all addenda.
☒ Stabilization is warrantied. Contractor can attempt to lift at Customer's request.	☒ Customer is responsible for providing all necessary electrical outlets.

Acceptance of Contract - The above prices, specifications, conditions, and separate warranty are satisfactory and hereby accepted. You are authorized to do work as specified. Payment will be made as outlined above or in accordance with the attached addendum. Subject to the Terms and Conditions, Contractor shall endeavor to start work within

one hundred fifty (150) days of the date of the Contract and shall endeavor to complete the work within an estimated one hundred twenty (120) days of the start date of the work.

Customer	Contractor
X _____	X _____
X _____	_____
Date	Date
2/5/2025	2/5/2025

Product Specifications

1 Year Annual Service Plan

One year of service is included in this contract. Customer is aware this will be on the anniversary date of install completed. This is not refundable and will transfer to new home owners if house is sold.

Permit Package A

Permit package includes all administration duties and permit fees associated with project.

Utilities Protection

Utilities protection will cover repairs to private utilities damaged during installation (cable, sprinklers, private water lines, private electric lines etc). Repairs limited to damaged area and do not include full line replacement.

Engineering A

Engineering package includes all administration duties, engineering documentation and fees associated with project.

SettleStop Push Pier

Install Foundation Push Pier(s) - Dig hole to expose the footing. Prep the footing for the Push Pier bracket. Install Push Pier bracket. Install collar to reduce skin friction. Install the reinforcement sleeve to support the steel just below the bracket to protect the integrity of the steel from the bending forces. Drive Galvanized steel piers to the necessary depths based on pressure readings. Contractor can attempt lift at the customer's request. Lift is not guaranteed, but stabilization is. Final location of the piers subject to change. Push piers come with a LIFETIME TRANSFERRABLE WARRANTY. See warranty section for full details. Any obstructions or vegetation are the responsibility of the customer unless otherwise specified in this contract. Contractor will take care to remove the vegetation but is not responsible for the life of the vegetation in the work area. Customer understands that if additional soil and/or seed is required, this will be the responsibility of the Customer.

Lift Procedure

Attempt to lift. Stabilization is guaranteed. With any lift, cosmetic damages may occur. Repair of any cosmetic damage is customer responsibility.

Concrete Remove & Replace

Remove and replace concrete in the work area. New concrete will not match existing concrete. Concrete will be left with a broom finish.

Contractor Agrees to

- Remove and replace concrete as necessary in the work area. Customer understands concrete patch will not match existing concrete.
- Guarantees stabilization, will attempt lift per request. Does not guarantee lift or level

Customer agrees to

- Have brick work re-pointed, re-tucked or caulked as desired after installation.
- Move all personal items at least 10 feet from the work area.
- Make final payment to foreman after completion of work.
- Repair any sprinkler systems, grass and/or landscaping that may be damaged during installation. The use of excavators or trenchers may be required..
- Be present for project - Mark any private underground lines (sprinkler systems, exterior lighting, cable etc.) and assumes liability if damage should occur to such lines -

Terms and Conditions

1. **Services.** Groundworks Minnesota, LLC d/b/a Innovative Basement Authority, license no.BC765730, is licensed by the Minnesota Department of Labor and Industry.
This Contract for the services requested by Customer (the "Work") is based primarily upon Customer's description of the project and/or the related problem(s) and is intended to remediate those problem(s). Contractor assumes existing construction generally complies with the relevant building codes. Any drawing(s) attached to the Contract are intended solely for illustration purposes, are not to scale, and do not create any additional representation, warranty, or commitment on the part of Contractor in connection with the Work. Contractor is not responsible for products, services, or conditions not expressly reflected herein, not expressly included in the Contract, and not purchased and paid for by Customer. Start dates and completion deadlines for the Work are approximate and may be affected by events beyond Contractor's control, such as weather, permitting issues, access to the property, etc. Any delay caused by events beyond the control of Contractor shall not constitute abandonment and shall not be included in calculating timeframes for payment and performance. Contractor reserves the right to amend the scope of the Work in order to best address the project and/or problems. Any changes to the scope of Work which change the cost, materials, work to be performed, or estimated completion date must be made in writing, signed by both parties, and paid for before the Work can be performed. Any deviation from the scope of Work set forth in the Contract that results in additional costs, including but not limited to unforeseen site conditions, unusual building construction, changes needed after Contractor's engineering/management review of the signed Contract, and/or special requirements from the county/city/agency, will become an extra charge over and above the contract amount set forth in the Contract. If Customer and Contractor cannot agree on the amount of such additional costs and sign an amendment to the Contract, then Contractor has the option, at its sole discretion, of not proceeding with the Work and canceling the Contract for its convenience. Contractor reserves the right to substitute a product with an equivalent or superior product. The Work will be completed in a workmanlike manner according to the standard practices of the industry, and Contractor will comply with local permitting, inspection, and zoning requirements.
2. **Acceptance of Contract.** By signing the Contract, Customer acknowledges that he/she understands and accepts all terms, the Terms and Conditions and the Warranties, and desires to enter into a contract with Contractor for the completion of the Work. Customer's signature authorizes Contractor to perform the Work as specified in the Contract. The Contract may be withdrawn by Contractor if it is not accepted within thirty (30) days from the date of delivery.
3. **Compensation.** Customer agrees to pay Contractor compensation as set forth in the Contract. Payment must be made in full upon completion of the Work. Failure by Customer to make payments when due shall constitute a breach of the Contract. A service fee of \$25 will be charged for each returned check, and interest at a rate of 8% per year shall be applied to any amounts owed by Customer to Contractor if Customer fails to pay the amounts owed for the Work as agreed.
4. **Insurance.** Contractor represents and warrants that it maintains insurance as set forth in the Contractor's Certificate of Liability Insurance, which can be made available upon request.
5. **Dispute Resolution.**
Dispute Resolution. Contractor and Customer agree that the Contract evidences a transaction involving or affecting interstate commerce and that their agreement to arbitrate, including whether an agreement to arbitrate exists or whether the controversy is subject to an agreement to arbitrate, shall be governed by the Federal Arbitration Act ("FAA"), 9 U.S.C. § 1, et seq. Any claim, dispute, or other matter in controversy arising out of or related to this Contract or breach thereof and/or related to the Work shall be settled by arbitration administered by the American Arbitration Association ("AAA") in accordance with its Construction Industry Arbitration Rules and the FAA in the place where the project is located, unless another location is mutually agreed upon, and judgment on the award rendered by the single arbitrator appointed to decide such proceeding may be entered in accordance with applicable law in any court having jurisdiction thereof. The fee schedule is listed on the AAA website at <http://info.adr.org/constructionfeeschedule/>. For any other issues, the Contract shall be governed by the law of the place where the project is located, excluding that jurisdiction's choice of law rules.
A claim against the Contractor Recovery Fund will be stayed until completion of the mandatory arbitration proceeding.
If Customer elects to initiate arbitration, the arbitrator has the discretion and authority to award such remedies as may be available under applicable law. In any case, each party shall be responsible for its own attorneys' fees.
If payment in full is not made when due, Contractor may recover from Customer all expenses of collection, including attorneys' fees, court costs, court reporter fees, and expert witness fees, in such amount as the arbitrator may adjudge reasonable if Contractor prevails on such payment claim. Except as stated in the preceding sentence, each party shall be responsible for its own attorneys' fees for the arbitration. Contractor is also entitled to recover interest on the unpaid amount from the date due until paid at the rate of 8% per year. EACH PARTY TO THIS CONTRACT FOR ITSELF, ITS SUCCESSORS AND ASSIGNS, WAIVES ALL RIGHTS TO TRIAL BY JURY FOR ANY CLAIM, DISPUTE, OR OTHER MATTER IN CONTROVERSY ARISING OUT OF OR RELATED TO THIS CONTRACT.
6. **Customer's Responsibility.**
 - a. **Cosmetic Repairs.** Unless specifically noted in the Contract, Contractor is not responsible for any cosmetic repairs. Rather, Customer is responsible for any finished carpentry, painting, repointing, electrical work, extending discharge lines, replacement of floor tiles, carpeting, paneling, etc. that may be necessary after Contractor has completed the Work, unless such repairs are specifically identified in the Contract. When trenching or excavation is required, Contractor will backfill and compact soil to the best of its ability; however, Customer may need to add more topsoil at a later date if the excavated area settles. Customer is also responsible for any landscaping, reseeding, and resodding that may be necessary after Contractor has completed the Work.
 - b. **Utilities.** Contractor will call the appropriate utility protection service or damage prevention authority (i.e., 811 or "Miss Utility") to have all public underground utilities located. If Customer lives at a rural address, public lines will only be located to the pole or Customer's property line. Customer is responsible for marking any private lines such as satellite dish cables, propane lines, low voltage lighting wires, sprinkler system lines, security system wires, services to outbuildings and swimming pools, etc. Customer assumes all responsibility for damage caused to hidden, buried, or unmarked fuel/utility/service/private lines. Unless otherwise noted, electrical work is not included in this Contract and problems with electrical connections are the responsibility of Customer.
 - c. **Water Seepage.** Customer agrees to maintain positive drainage away from any wall(s) repaired by wall anchors, foundation piers, and/or carbon fiber strips/reinforcers. In the event of a wall anchor installation, a water management system is recommended to reduce hydrostatic pressure (which increases at greater depths) on the wall(s) and reduce the chance of water seepage into the basement. Water seepage into any area of the basement is NOT covered by the attached Warranties.
 - d. **Access and Personal Property.** Customer shall provide access to the areas where the Work is to be performed and shall furnish utilities of electric and water at no cost to Contractor. Customer shall prepare such areas so that Contractor can begin work, including moving all items at least 10 feet away from areas where Work is to be performed and adequately sealing off living space from work areas. Customer shall remove or protect personal property, inside and outside of the residence, including but not limited to carpets, rugs, shrubs and plants, and Contractor shall not be responsible for said items. In the event that the removals have not been completed by the scheduled start date for Work, Customer shall be assessed a trip fee of \$250. Contractor may offer, but is not required, to assist (i) in the preparation of the Work areas and/or (ii) in the removal and replacement of drywall, paneling, flooring, finish carpentry, wall coverings, or landscaping at a rate of \$40 per man hour.
 - e. **Representations.** Customer warrants that except as described in the request for service, all electrical, plumbing, HVAC, restoration, and handyman services located on the property are in good repair and condition and agrees to indemnify Contractor for any defective conditions that exist prior to or that occur after performance of the Work through no fault of Contractor. Customer is responsible for protecting the components that Contractor provides from future damage and shall follow all instructions provided in maintaining and protecting such components.
7. **On-Site Meetings.** Customer shall meet with Contractor on-site before the Work begins and shall meet with Contractor on-site when the Work is completed and ready for inspection such that Contractor can explain the Work and finalize payment by Customer. Customer shall be responsible for being present on-site during any attempts to lift any part of the structure and/or concrete pavement.
8. **Notice and Contractor's Right to Cure.** Customer shall promptly report, in writing, any problems with the Work to Contractor. If the problem with the Work is attributable to Contractor, Contractor will begin to repair/correct the problem within fourteen (14) days of receipt of written notice and shall complete the repair/correction in a reasonable time.
9. **Assignment.** This Contract will be binding upon the parties hereto and their respective successors and assigns. This Contract is not assignable without the written consent of both parties.
10. **Miscellaneous.** This Contract constitutes the entire agreement of the parties. All prior agreements, whether written or oral, are merged herein and shall be of no force or effect. This Contract shall not be modified except in writing signed by both parties. The waiver by any party of a breach or the failure to enforce any provision of this Contract shall not operate as a continued waiver or agreement or be construed as any other waiver or agreement. The validity, performance, and construction of this Contract shall be governed and interpreted in accordance with the law of the place where the project is located. If any term, condition, or provision of this Contract is found unenforceable by a court of law or equity, this Contract shall be construed as though that term, condition, or provision did not exist, and its unenforceability shall have no effect whatsoever on the rest of this Contract.
11. **Signatures.** This Contract may be executed in any number of counterparts, each of which shall, when executed, be deemed to be an original and all of which shall be deemed to be one and the same instrument. This Contract may be executed by facsimile or electronic signature pages which shall have the same force and effect as original executed signature pages. The person signing below for Customer represents that he/she has authority to act on behalf of the owner(s) of the property described in the Contract.
12. **Limitation of Liability.** IN NO EVENT SHALL CONTRACTOR BE RESPONSIBLE FOR INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF USE OF THE SUBJECT PROPERTY, DAMAGE TO ANY PROPERTY NOT FURNISHED BY CONTRACTOR, ATTORNEYS' FEES, EXPERT FEES AND/OR COSTS.
13. **A) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.**

B) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.

IN WITNESS WHEREOF, Customer and Contractor have caused their duly authorized representatives to execute this Contract as of the date first written above.

Customer

Contractor Groundworks Minnesota, LLC

Name: X_____

Name: _X_____

By: Acoustic Avenue Chet Morgan

By: Logan Jacovetti

Warranties

These Warranties are in effect only after the Work is completed and Customer has paid in full. If payment is not received, these Warranties are null and void. These Warranties are made in lieu of all other warranties, express or implied, and of all other obligations on the part of Contractor to Customer. There are no other oral or written warranties. There are no warranties which extend beyond the descriptions that appear below, including no warranties of express or implied merchantability and no warranties of express or implied fitness for a particular purpose. These Warranties are transferable to future owners of the structure on which the Work is completed. Contractor shall charge a fee of \$240 to complete a system inspection and new owner orientation. All warranty claims must be brought prior to the expiration of the applicable warranty period in order to be valid. Contractor does not warrant products not mentioned herein. Some products may be covered by a separate manufacturer's warranty, and Customer is responsible for compliance with any notice and claim procedure included in such warranties.

1. Definitions. The term "stabilize," as used in these Warranties, shall mean to make unlikely to give way or fail. The term "horizontal movement", as used in these Warranties shall mean bowing. The term "vertical movement," as used in these Warranties shall mean settlement.
2. Wall Support Systems. Contractor hereby warrants that wall support systems, including wall anchors, carbon fiber strips, and steel I-beam systems, will stop further inward horizontal movement of the wall(s) in the areas where they are installed for the lifetime of the structure from the date of installation. Wall support systems are warranted only to stabilize repaired walls(s), not straighten. Walls that do not have wall support systems installed by Contractor entirely from corner to corner are not warranted. Contractor recommends annual maintenance for wall support systems. The cost of maintenance is not included in this contract, but maintenance is available from Contractor at an additional charge. For carbon fiber strips, contractor does not warrant against: (1) any tipping or leaning at the top of the wall(s) repaired; (2) shearing or sliding at the bottom of the wall(s) repaired. In the rare instance that the repaired wall(s) experience leaning or shearing, steel brackets or other methods can be installed by Contractor at an additional charge.
3. Foundation Push Piers and Foundation Helical Piers. Contractor warrants that the foundation push piers and foundation helical piers will stabilize the affected area(s) against further vertical movement for the lifetime of the structure from the date of installation. Contractor DOES NOT WARRANT TO LIFT ANY STRUCTURE, to close cracks, to render doors and windows operational, or to move walls back to their original position, but will do its best to achieve positive results in this regard, if lift is requested by Customer. Contractor is not responsible for any damages caused by a lifting operation on Customer's foundation. Foundation push piers and foundation helical piers are sold and installed without the benefit of detailed knowledge of the existing foundation construction or subsurface conditions at the site. Contractor reserves the right to conduct a more thorough subsurface investigation, if necessary. Such an investigation may result in additional charges and delays.
4. Steel Columns/Adjustable Screw Jacks/IntelliJack Supports/SettleStop Floor Supports. Contractor warrants that the support system will stabilize the affected area(s) against further vertical movement for a period of two (2) years from the date of installation. This two (2) years warranty against further vertical movement is separate and apart from the manufacturer's warranty of twenty-five (25) years on the product(s). Contractor DOES NOT WARRANT TO LIFT ANY STRUCTURE, to close cracks, to render doors and windows operational, or to move walls back to their original position, but will do its best to achieve positive results in this regard, if lift is requested by Customer. Contractor is not responsible for any damages caused by a lifting operation on Customer's framing. The condition of wood located in crawl spaces can be highly variable and can rapidly deteriorate or move as a result of changes in environmental conditions and/or changes in the building envelope conditions. Contractor is not responsible for wood repair (i.e., joist sistering, beam replacement, sill plate repair, cracking/movement in hardwood flooring or tiles) incidental to changes in environmental conditions and/or changes in the building envelope conditions, unless specifically noted in this Contract. Contractor warrants carpentry work for a period of one (1) year. Steel columns/adjustable screw jacks are sold and installed without the benefit of detailed knowledge of the existing foundation construction or subsurface conditions at the site. Contractor reserves the right to conduct a more thorough subsurface investigation, if necessary. Such an investigation may result in additional charges and delays.
5. Slab Piers. Contractor warrants that the slab piers will stabilize the affected area(s) against further vertical movement for a period of ten (10) years from the date of installation. Contractors DOES NOT WARRANT TO LIFT the slab back to its original position.
6. Water Management. Contractor warrants that if water from the walls or floor wall joint passes through the perimeter of the water management system and into the basement floor, Contractor will provide the additional labor and materials to fix the leak at no additional charge to the Customer. This warranty applies to water management systems along the specific areas where the system is installed. This warranty will be in effect for the lifetime of the structure and may be transferred to future homeowners provided Contractor is notified within thirty (30) days of the real estate transfer. Annual maintenance is strongly recommended for all water management systems, but is not required for the warranty to be in effect. The water management system shall not rust, rot, or corrode for the life of the structure. If the entire perimeter of the basement was not treated, then additional work at an additional charge may be necessary to extend the system or treat other areas or other problems not addressed by this Work. In addition, a pump or power failure is possible; therefore, this warranty is not a guarantee of a dry basement. This warranty shall not apply to condensation, or any system that has been altered in any way, water vapor transmission, concrete discoloration from capillary action, water squirting out of the walls over the system, window well flooding, plumbing leaks, surface water flooding, leaks from chimneys or garages, wall dampness, or efflorescence (white powder) on concrete, masonry or bricks. Contractor is not responsible for frozen discharge lines or water once it is pumped from the structure. Installation of a water management system does not include extending discharge lines more than five (5) feet from the foundation or electrical work, unless specified. Floor cracks are warranted against leakage only with full perimeter water management systems. Primary AC operated sump pumps and DC back-up pumps may be covered under a separate manufacturer's warranty. Systems that drain to daylight cannot be warranted by Contractor if such system does not drain enough water, does not drain water from under the floor, clogs, or freezes. While drainage systems clogging or malfunctioning from iron ochre, iron get, or iron bacteria from the soil are rare, Contractor cannot be responsible for these situations, or for a system that requires cleaning, flushing, or other service as necessary to keep it functioning.
7. Crawl Space Encapsulation. A crawl space encapsulation system will isolate the home from the earth. The humidity level in the air will be lowered, reducing moisture; however, the encapsulation system does not claim to be a mold mitigation system and a dehumidification/air purification system is highly recommended to further reduce mold growth. CrawlSeal has a transferable twenty-five (25) years warranty—there will be no charge for service calls on any tears or holes in the CrawlSeal liner (not caused by abuse or misuse), in the unlikely event this occurs. Wet crawl spaces require a drainage system and a sump pump system to remedy any problems with water below the liner. There will be no charge for Contractor to repair tears or holes in the crawl space encapsulation liner, unless Contractor determines that the tear/hole was caused by abuse or misuse. Sump pumps and crawl space encapsulation systems may be covered under a separate manufacturer's warranty. Installation of a crawl space encapsulation system does not include extending discharge lines more than five (5) feet from the foundation or electrical work, unless specified. Contractor is not responsible for frozen discharge lines, water once it is pumped from the structure, or condensation. The condition of wood located in crawl spaces can be highly variable and can rapidly deteriorate or move as a result of changes in environmental conditions and/or changes in the building envelope conditions. Contractor is not responsible for the repair of pre-existing wood damage unless specifically noted in this Contract.
8. PolyRenewal and Expanding Polyurethane Structural Foam. Contractor represents that expanding polyurethane structural foam will fill voids, but will not necessarily lift Customer's slab to meet any criteria of levelness. Contractor recommends sealing all cracks and joints, and Contractor can do so for an additional charge. Contractor warrants that the area where the slab of concrete was stabilized will not settle more than ¼ inch for a period of five (5) years from the date of installation. If it does, Contractor will provide the labor and materials to re-inject the area at no additional charge to Customer. This Warranty does not include patching or caulking between slabs. Customer is aware that the concrete may not be perfectly level or may not lift at all. Contractor guarantees stabilization, NOT LIFT. Any personal items in the work area are to be removed by the Customer prior to the arrival of the Contractor's crew. This warranty is void if Customer does not maintain grade around slabs and seal joints between slabs.
9. Exclusions. THIS WARRANTY DOES NOT COVER, AND CONTRACTOR SPECIFICALLY DISCLAIMS LIABILITY FOR: (a) any product or system that is altered in any way; (b) exterior waterproofing; (c) system damage caused by Customer's negligence, misuse, abuse, or alteration; (d) damage, issues, and conditions incidental to installation, including dust and dirt; (e) changes to wood framing system; (f) damage to personal property of any type; (g) unmarked utility line breakage; (h) private utilities and lines (e.g., sprinkler, plumbing, discharge lines, etc.); (i) damage caused by unforeseen conditions such as mold, asbestos, or lead based paint; (j) removal and/or disposal of any hazardous materials; (k) failure or delay in performance or damage caused by acts of God (flood, fire, storm, earthquake, methane gas, etc.), acts of civil or military authority, or any other cause outside of Contractor's control; (l) damage beyond Contractor's control caused by dry rot, corrosion, termite infestation, and substandard construction; (m) damage done during a lifting operation; (n) basement water seepage, unless a full perimeter drainage system has been installed; (o) heave or any damage caused by it; and (p) damage caused by lateral movements and forces of hillside creep, land sliding or slumping of fill soils of deep embankments. EXCEPT AS EXPRESSLY SET FORTH, ALL SERVICES, MATERIALS, PARTS AND COMPONENTS PROVIDED BY CONTRACTOR ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, AND CONTRACTOR EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

NOTICE OF CANCELLATION

Enter type of goods or services purchased: X _____

Date of Transaction: X _____

If you do not want the goods or services described above, you may cancel your purchase by mailing or delivering a signed and dated copy of this cancellation notice or any other written notice, or send a telegram to Contractor no later than midnight within three business days from the above date. If you cancel, any payments made by you under the Contract or sale, any property traded in, and any instrument executed by you will be returned within ten business days following receipt by Contractor of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to Contractor at your residence, in substantially as good condition as when received, any goods delivered to you under this Contract or sale; or you may, if you wish, comply with the written instructions of Contractor regarding the return shipment of the goods at Contractor's expense and risk.

If Contractor does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

If you do not want the goods or services described above, you may cancel your purchase by mailing or delivering a signed and dated copy of this cancellation notice or any other written notice, or send a telegram to:

Groundworks Minnesota, LLC at 1325 South Frandsen Avenue, Rush City, MN 55069

not later than midnight of X _____.

I HEREBY CANCEL THIS TRANSACTION.

(Date) _____

(Customer's signature) _____

If after three business days the transaction has not been canceled, then the deposit will be non-refundable.

PAYMENT TERMS

We propose hereby to complete the services indicated in this Contract for the sum of:

Contract Amount	\$12,520.81
Deposit	\$3,756.24
Due Upon Completion	\$8,764.57

Is the project financed? YES _____ NO _____ (Financing must be set up at the time of the signed contract.)

Approval/Account # _____

X _____ (initial) - Customer must be present on final day of install and final walk-through is to be performed with the job foreman.

X _____ (initial) - Balance to be paid in full to foreman on last day of install. (Unless financed)

BUYER'S RIGHT TO CANCEL.

If the Contract was solicited at a location other than the place of business of Contractor, and Customer does not want the goods or services, Customer may cancel this purchase at any time prior to midnight of the third business day after the date of this purchase.

The notice must be mailed or delivered to: Groundworks Minnesota, LLC at 1325 South Frandsen Avenue, Rush City, MN 55069.

If Customer cancels a home solicitation sale during the cancellation period listed in this paragraph of the Contract, Contractor must return any payments made by Customer. If Customer does not cancel the transaction during the cancellation period listed in this paragraph of the Contract, the deposit will be non-refundable. See the attached Notice of Cancellation form for further explanation of this cancellation right.

Customer

Contractor

X _____

_X _____

X _____

—

Date

2/5/2025

Date

2/5/2025



PROPOSAL

250051-01

Date: 02/07/2025

Expires: 02/28/2025

Drawing Numbers:

Project: Acoustic Avenue Channel Letter Project
6354 Main Street
North Branch, MN 55056

Client: Acoustic Avenue
6354 Main Street
North Branch, MN 55056

Contact: Chet Morgan 763-233-9190 chet.morgan97@gmail.com

We are pleased to offer this proposal for the following services at the above location.

Project Description:	Price:	Qty:	Item Total:
Illuminated Channel Letter Sign Fabricate ONE (1) Set of Illuminated Channel Lettering including: • Face-Lit Letters ACOUSTIC AVENU 144" x 18" ◦ 5" Black Aluminum Returns ◦ 1" Black Aluminum Trim ◦ White Acrylic Faces ◦ Premium UL-Listed LED Illumination • Mounting: Raceway Painted to Match Wall Color • 5-Year Warranty: Parts & Labor	3,975.00	1	3,975.00
10' x 5' Flat-Panel Aluminum Composite Sign Fabricate ONE (1) 119" x 59" Aluminum Composite Sign including: Graphics: Full-Color Print and/or Premium Vinyl Graphics Substrate: 3mm Aluminum Composite (ACM) Mounting Style: Exterior wall	979.00	1	979.00
Sign Installation w/ Final Electrical Hookup* Supply all the labor and equipment necessary to install the sign(s) described above. Installation Service generally includes 1-2 professional installers with standard lift truck. • *Final electrical hookup contingent on power being readily accessible within 5-feet of the illuminated sign installation site.	1,475.00	1	1,475.00
Sign Permit Procurement Fee Fee covers the cost to prepare all the necessary documentation required to process the permits for the sign(s) listed above. Fee does not cover the final permit fees charged by the city, which will be added	150.00	1	150.00

Salesperson: Julian Chippendale

Buyer_____Seller_____



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to the final invoice at cost.

Proposal inclusive of all costs *except*: Local Taxes and City Permit Fees

Deposit Rate: 50%	Subtotal:	6,579.00
Deposit: 3,289.50		
	Total:	6,579.00

Company (BMS Signs & Printing) and Customer enter into the following contractual agreement ("Contract") regarding services provided for the Job Number identified above and more specifically described in the Customer-approved Quote provided alongside this Contract, hereafter collectively referred to as "Project", and agree to the following terms and conditions regarding said Project:

STANDARD SPECIFICATIONS: The Project shall be completed in accordance with the sign drawing and elevation specifications corresponding to the Job Number listed above which are approved by Customer ("Standard Specifications"), unless changes to the Standard Specifications are approved by the parties in writing in accordance with the Change Order process described below.

CONTRACT AMOUNT: Customer shall pay Company for the Project as invoiced by Company in the amount and in increments listed above ("Contract Amount"). Unless the Customer agrees to pay the Contract Amount in full, a 50% deposit is required to begin permitting and fabrication with the remaining balance due within 15 days of installation. Time is of the essence with regard to Customer's payment obligation. The Contract Amount applies only to the job referenced above and described in the Customer-approved quote. Void if not accepted within 30 days.

ADDITIONAL WORK: Unless stated as part of the Contract Amount on the reverse side of this Contract, Customer shall pay an additional amount for the Project in the event that: (i) abnormal soil conditions or underground obstructions exist, including, without limitation, existence of solid rock, pipes, underground wires, etc.; (ii) Company must perform services related to obtaining a variance; (iii) Company is required to provide documentation to obtain permits and approvals for the Project other than the Standard Specifications described above, including, without limitation, shop drawings, samples, design layouts and modifications to

Salesperson: Julian Chippendale Buyer_____Seller_____



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architectural site plans; (iv) Company is required to remove free-standing signs or prior signs on a structure located on or near the installation site; (v) Company must obtain permits or approvals; or (vi) Company is requested or required to do any other additional work related to the Project that is not described in the Services section on the reverse side of this Contract. The Customer shall not be obligated to pay for any of the additional work specified in this paragraph unless the Company has received the Customer's advance written agreement to pay for such additional work.

TAXES: Customer agrees to pay all taxes that are due or may become due by Customer or that may be levied upon Company in connection with the Project, including without limitation, all sales, use, and rental taxes levied by any federal, state, county or municipal authority or political subdivision thereof.

LATE FEES: Customer agrees that all amounts not paid by due date stated on invoice sent by Company are subject to a late fee of 18% per annum or the maximum rate allowable by law, and Customer agrees to pay such late fee.

OWNERSHIP OF SIGNAGE PROPERTY: Company shall contribute parts and materials to manufacture the signage related to the Project ("Signage Property"). Customer acknowledges and agrees that all Signage Property is owned by the Company until receipt of final payment for the Project. Customer expressly agrees that title to the Signage Property is retained by Company and in Company's name until Customer's full payment for the Project is received. Customer further agrees that if Customer fails to make payment in full for the Project within 90 days of completion of the Project, then Company, or Company's representative, in its sole discretion, shall have the right, and is hereby authorized and empowered to take and remove the Signage Property from the installation site and resume possession of the Signage Property, wherever found, without any liability for damages or other claim whatsoever, with or without process of law, and without prejudice to further enforcement of any balance of such obligation or expenses remaining due.

OWNERSHIP OF COMPANY DESIGNS: Company may provide Customer with designs and artwork created by the Company in connection with the Project ("Company Designs"). All right, title and interest in and to the Company Designs is owned exclusively, through the world, and in perpetuity by the Company (including all copyrights and patents, derivatives, renewals and extensions thereof). Any and all use of the Company Designs by Customer, its employees or agents is expressly prohibited without the written consent of the Company; and

Salesperson: Julian Chippendale

Buyer_____Seller_____



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such written consent is subject to payment in full for the Project and the Company's design service. Until payment in full is received, the Company shall have the sole and exclusive right to use the Company Designs, in whole or in part, in whatever manner the Company may desire, including without limitation, the right to cut, edit, revise, alter and/or otherwise modify the Company Designs and to freely use, perform, distribute, exhibit and exploit such materials and license others to do so in any and all media now known or hereafter devised and shall have the sole and exclusive right to copyright or patent the Contract Work Product in the Company's name, as the owner and author thereof. PERMITS AND LICENSES: Unless otherwise stated on the reverse side of this Contract, the Company shall obtain all necessary installation permits related to the Project. Customer shall be responsible for maintaining all necessary permits or variances from public authorities.

CHANGE ORDERS: Any changes to the Standard Specifications that are requested by Customer shall be agreed to by the parties in a Client Change Order Contract, which, upon signature by all parties shall be made part of this Contract. Company may, in its sole discretion, stop all work in connection with the Project until the Client Change Order Contract is signed by Customer.

CUSTOMER DELAY: Company shall not be liable for any delay in the performance of this Contract caused by or resulting from Customer's acts, omissions, or delays in its obligations under this Contract.

TERMINATION: In the event that this Contract is terminated by customer, Customer shall pay Company for all work in progress related to the Project up to date of termination plus a cancellation fee of 25% of the total Contract Amount.

LIMITED WARRANTY: ALL SIGNAGE PROPERTY AND SERVICES PROVIDED BY COMPANY IS GUARANTEED FOR A PERIOD OF FIVE YEARS AGAINST ELECTRICAL AND MECHANICAL DEFECTS. The warranty period begins at the date of installation. Expressly excluded from this warranty are acts of God, vandalism, customer modification or defects due to Customer negligence and any other causes beyond the control of the Company. All warranties are void with respect to portions of Project not manufactured, performed or serviced by Company, its employees or agents. The Company recommends the Customer any signage to their business or property insurance policy to cover accidental damages. Lighting components including LED modules, LED power supplies and wiring is backed up by a 5-year manufacturer warranty which the Company passes on to the client. Should any of the aforementioned issues occur within the period covered in the warranty mentioned

Salesperson: Julian Chippendale

Buyer_____Seller_____



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Contact: Chet Morgan 763-233-9190 chet.morgan97@gmail.com

above, the Company will service the aforementioned sign(s) within a timely manner free of charge. Any service required after the aforementioned warranty has expired, will be billed to the Customer in accordance with the materials and labor necessary to complete the job upon the clients request and approval.

DISCLAIMER OF WARRANTIES: THIS CONTRACT IS MADE WITH THE UNDERSTANDING THAT THERE ARE NO EXPRESSED OR IMPLIED WARRANTIES OTHER THAN THOSE CONTAINED IN THIS CONTRACT AND THAT THERE ARE NO WARRANTIES OF ANY KIND, EXPRESSED OR IMPLIED, THAT THE GOODS SHALL BE MERCHANTABLE OR FIT FOR ANY PARTICULAR USE OR PURPOSE OTHER THAN THOSE SPECIFICALLY MENTIONED HEREIN.

FORCE MAJEURE: Company shall not be liable for failure of or delays in the performance of the terms of this Contract resulting from strikes, breakage, fire, labor disputes, unforeseen commercial delays, war, acts of God, or other causes beyond the control of the Company. In addition, the Customer shall not hold the Company responsible, and Company shall not be liable for any damage to landscaping that occurs during installation.

MECHANICS LIEN: Customer acknowledges and agrees that the Company shall provide services and furnish materials and labor to manufacture signage related to the Project and further agrees that such materials or labor is for improvement of real property. Therefore, unless otherwise prohibited by state law, Customer authorizes Company to file a Mechanic's Lien for any amounts due under this Contract. The Customer further agrees to pay Company an administration fee for all costs incurred in filing of a Mechanic's Lien, and further agrees to pay all legal fees and court costs in connection with the enforcement of a Mechanic's Lien.

INDEMNIFICATION: The Customer shall indemnify and hold Company, and its employees and agents harmless from and against any and all claims, damages, losses expenses, including, without limitation, attorneys' fees and court costs arising out of or resulting from the performance of the services, if any claims, damage, loss or expense is caused in whole or in part by any act or omission of the Customer, or Customer's employees or agents.

INDEPENDENT CONTRACTOR STATUS: In this Contract, Company shall be deemed an independent contractor. It is the intention of the parties that: (i) the Company shall specifically not occupy the status of an agent, servant, or employee of the Customer; and (ii) the relationship between the Company and the Customer shall specifically not be that of a partnership, joint venture, or other similar association. During the progress of

Salesperson: Julian Chippendale

Buyer_____Seller_____



PROPOSAL

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performance of the Project, Customer will not, without Company's prior written consent, direct or attempt to direct the employees, agents, or subcontractors involved in performance of services related to the Project or the installation of the Signage Property.

MISCELLANEOUS: The parties hereby agree that: (i) This Contract shall be governed by and construed in accordance with the laws of the State of principal office (Minnesota) without regard to choice of law principles, and Customer hereby irrevocably submits to the jurisdiction of the state and federal courts in such state for all disputes or legal claims arising from this Contract; (ii) In any legal action brought by or against the Company in relation to this Contract, the prevailing party shall be entitled to recover its costs and reasonable attorney fees in addition to any other relief that may be awarded; (iii) If a court should find one or more of the terms of this Contract unenforceable, the remaining terms will nonetheless remain binding on the parties; (iv) This Contract is the complete agreement between the parties regarding the subject matter set forth herein, and this Contract supersedes all previous oral or written agreements regarding this subject matter; (v) This Contract cannot be voided or amended without the written agreement by an officer of the Company; and (vi) Customer shall not make any assignment of this Contract, but the Company may assign this Contract in its sole discretion.

AGREEMENT: If the Terms and Conditions outlined above are agreeable to the Customer ("Buyer"), the Company ("Seller") requests they sign and date below. It is understood that in doing so, the terms and condition of this Contract become legally binding upon both parties.

Salesperson: Julian Chippendale

Buyer's Acceptance _____ Title _____ Date _____

Seller's Acceptance _____ Title _____ Date _____



BMS

612-545-6636 • printbms.com

3125 84th Ln NE, Blaine, MN 55449

PROJECT NAME

Scope of work:

Fabricate

Permit

Installation

PROJECT ADDRESS

Address

6354 Main StNorth Branch,
MN 55056

County

Chisago

CLIENT INFO

NAME

Acoustic Avenue | Chet Morgan

NUMBER

763-233-9190

EMAIL

chet.morgan97@gmail.com

CLIENT INFO

Wind Speed 140 mph
Mean Height 60 ft

These drawings are complied by NEC2017

Wind Code ASCE 7-16 Exposure C Risk Category II
Wind Pressure (WP) 48.19 psf
G Cp =1.40 Total Pressure = WP*SF 67.47 psf

Quality Control and UL certification
All products are subject to quality control
inspection prior to leaving our facility.



Project Schedule

- Mockup
- Revisions
- Full-drawing
- Quote
- Acceptance / Deposit
- Landlord approval
- Permitting
- Fabrication
- Installation

Index

- 1.0 / Cover
- 2.0 / Mockups
- 3.0 / 3D Renderings
- 4.0 / Measurements & Resolution
- 5.0 / Electrical & Equipment

Estimated Installation

01	02	03	04	05	06	07
08	09	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

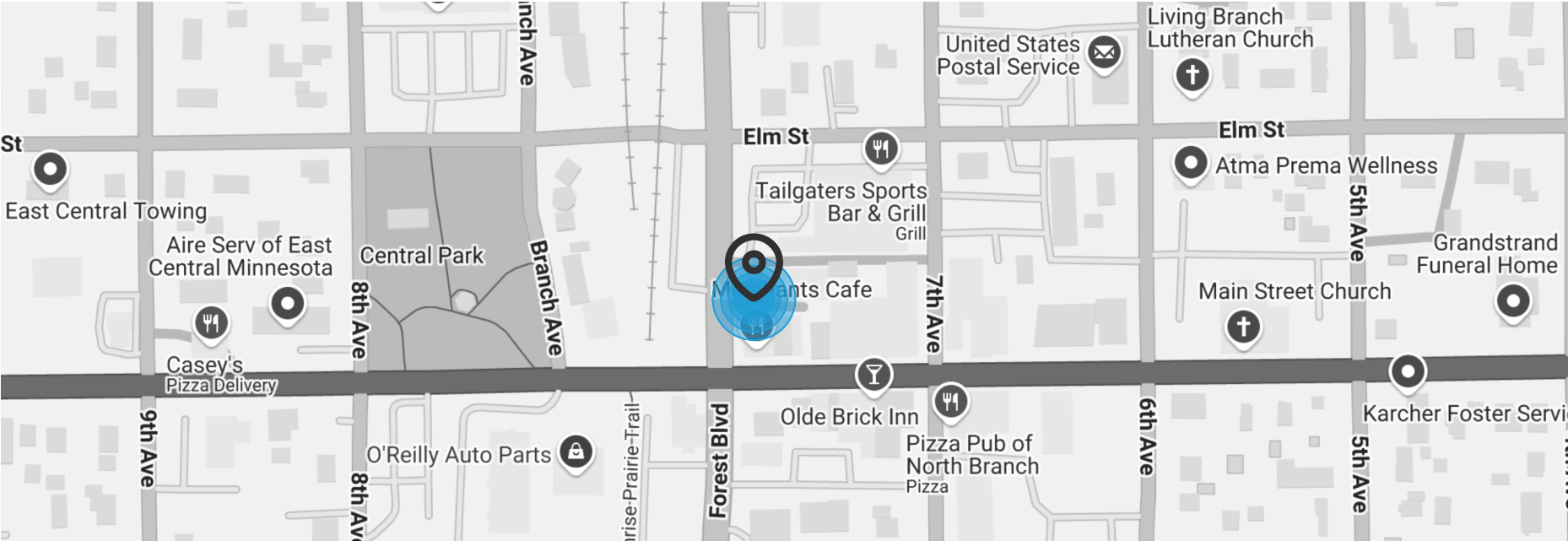
Acoustic Avenue Channel Letter Project

All drawings and documents appearing hereign are the property of BMS Signs & Printing and may not be used, duplicated or disclosed without the written consent from BMS Signs & Printing. All Rights Reserved.

PLEASE REVIEW THIS PROOF CAREFULLY

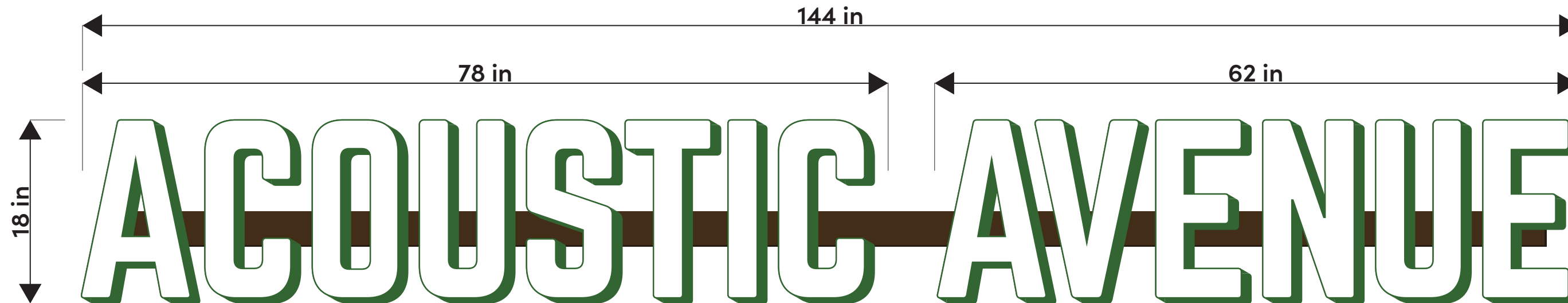
We do our best to make sure things are correctly, but is your responsibility to review all spelling and content for accuracy. BMS Signs & Printing will not be responsible for any errors in spelling, acurracy, or layout after a proof has been approved.

Colors on finished product may vary slightly from electronic proof.



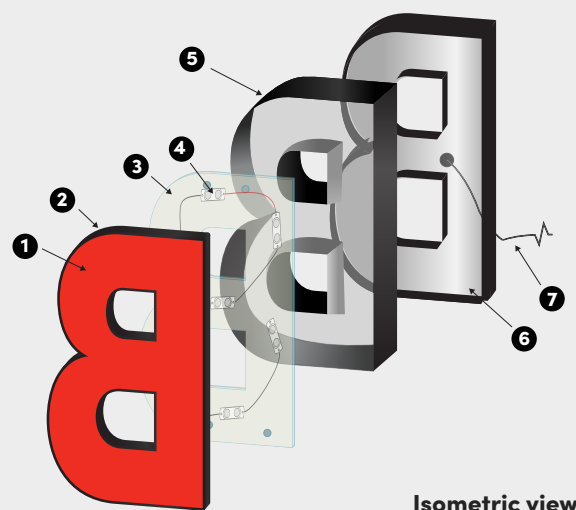






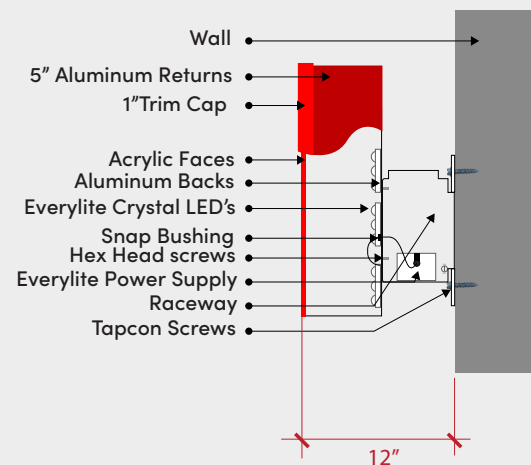
Front lit channel letter sign

- 1 Translucent premium vinyl
- 2 Trimcap
- 3 .177 White acrylic face
- 4 LED illumination
- 5 .040 Aluminum return
- 6 .090" Aluminum backing
- 7 Power supply connection

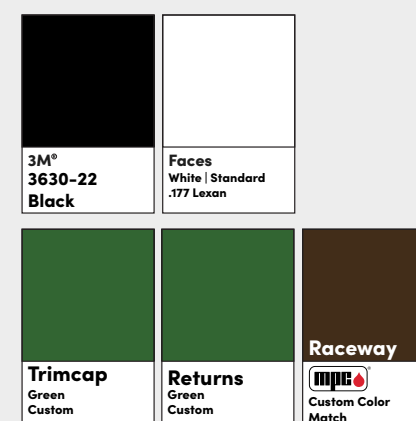


Isometric view

Section details - letters / capsules on raceway



Color specifications



Lighting



True White QM2

CCT/Wavelength: 7100 K
Intensity: 94.1 lm/mod (160 lm/ft)
Efficacy: 118 lm/W





Proposal #1773521

Chet Morgan

chet.morgan97@gmail.com

(763) 233-9190

6354 Main St

North Branch, MN 55056



Proposal # 1773521

Proposal Date 6/18/2025

Proposal Amount \$1,870.00

Job Address 6354 Main St

North Branch, MN 55056

Northland Painting

7013 135th Ave NE

Forest Lake, United States 55025

Phone: (612) 564-8535

Product / Service	Quantity	Price	Subtotal	Tax	Total
Exterior Painting Preparation:	1.00	\$1,870.00 / Ea	\$1,870.00	\$0.00	\$1,870.00

- Hand wash as needed. (Given the state of the masonite siding getting it wet with a pressure washer will cause further damage to areas that can be salvaged, power wash is not recommended)
- Mask, tape, plastic, and use drop clothes as needed
- Scrape all loose and peeling paint
- Fill in any woodpecker holes
- Re-caulk where caulking is missing or failing
- Apply a full coat of primer given the amount of exposed substrate along with going to a dark green color.
- Clean up jobsite upon completion of the project

Application Areas:

- Right Side Siding Wall

Products

- Sherwin Williams Emerald Rain Refresh
- Areas: Siding
- Color: TBD
- Sherwin Williams Pro Block Primer Tint to P6

**It is the client's responsibility to ensure that an exterior water and electrical source is on and easily accessible for the project. Sprinkler systems must be turned off 2 days prior to the project and left off 1 week after the completion of the project. Sanding of the surface is not included unless specified in the estimate*

Subtotal	\$1,870.00
Tax	\$0.00
Total	\$1,870.00

Terms and Conditions

We propose hereby to furnish material and labor - complete in accordance with above specifications.

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to the specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. If either party commences legal action to enforce its rights pursuant to this agreement, the prevailing party in said legal action shall be entitled to recover its reasonable attorney's fees and costs of litigation relating to said legal action, as determined by a court of competent jurisdiction. Client has a (3) day right to cancel without loss of deposit.

Sign And Date To Accept Proposal:

Customer Signature:

Date:

Attachments:

Sign And Date To Accept Proposal:

Customer Signature:

Date:

Attachments:







Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/14/2025

Board & Commission: Economic Development Authority

Subject: License Agreement

The EDA has received an inquiry from a company that is exploring multiple sites for a manufacturing facility. The company has requested to conduct a site evaluation that would allow for access onto the property to conduct activities such as surveying and evaluating physical conditions (e.g., wetlands), taking soil samples and borings, and geotechnical and other inspections, analyses, tests and studies.

Attached is a license agreement that would allow for access onto the property to conduct the site evaluation.

Requested Action
Approval of the license agreement.

Voting Requirements:

Voting Options Simple Majority

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the “Agreement”) is made this ____ day of _____, 2025, by and between the North Branch Economic Development Authority, a body politic and corporate under the laws of the State of Minnesota, 6408 Elm Street, North Branch, MN 55056 (“Licensor”); and Louisiana-Pacific Corporation, a corporation under the laws of the State of Delaware, 1610 West End Ave., Suite 200, Nashville, TN 37203 (“Licensee”); (collectively the “parties”).

RECITALS:

WHEREAS, Licensor owns certain real property consisting of approximately 120 acres of land within the northeast portion of a parcel generally located at SW 410th Street and Country Road 30, in the City of North Branch (“City”), and depicted in Exhibit A attached hereto (the “Property” or “Licensed Premises”); and

WHEREAS, Licensee is an American building materials manufacturer and supplier of the construction industry, currently considering potential sites for the construction of a new manufacturing location for its business, and is interested in evaluating a potential transaction involving the Licensor’s sale of the Property to Licensee for development of such manufacturing facility (the “project”); and

WHEREAS, prior to negotiating a potential purchase agreement for the Property with Licensor, Licensee desires to undertake some initial site evaluation of the Property, including surveying and evaluating physical conditions (e.g., wetlands), taking soil samples and borings, and performing a geotechnical study and other inspections, analyses, tests and studies (collectively the “work”) in order to assess the Property’s condition and to ascertain the Property’s feasibility for the project thereon; and

WHEREAS, Licensor is willing to permit such work, subject to the conditions contained herein.

NOW, THEREFORE, IT IS AGREED by and between the parties as follows:

1. Grant of License. Licensor hereby grants to Licensee, and Licensee’s employees and agents, permission to use the Licensed Premises for the work stated herein above. The license hereby granted is subject to a Farming Lease Agreement, dated May 15, 2025, and a Residential Lease Agreement, dated January 2, 2025 (collectively the “leases”), on the Property.
2. Term. This Agreement shall commence the date first above written and terminate on December 31, 2025, unless sooner terminated or extended as provided herein (the “Term”). Notwithstanding the foregoing, this Agreement shall terminate at Licensor’s option, upon the failure of Licensee to comply with any material term or condition of this Agreement or Licensee’s violation of a state or federal law or City Code, upon ten (10) days’ notice to Licensee. Licensee shall have ten (10) days from the date of notice to

cure an identified default, provided however, that Licensee cures to the satisfaction of the City Administrator, in which case Licensors shall not be entitled to terminate this Agreement.

3. Exclusive Negotiations. For the Term, Licensors and Licensee agree to exclusively work together on matters related to the negotiation of any agreement(s) deemed necessary or appropriate by the parties for the purchase/sale and development of the Property.
4. Use of Licensed Premises.
 - a. Licensee may use the Licensed Premises only for the work authorized herein.
 - b. Licensee shall notify Licensors at least 72 hours prior to undertaking any work on the Property.
 - c. Licensee, at Licensee's expense, shall repair any damage caused by Licensee to the Property and restore the Property to substantially the same condition as existed on the Property at the inception of this Agreement prior to the end of the Term. Damages shall include any crop damage caused by or attributable to Licensee's work/activities on the Property or adjacent to the Property.
 - d. Licensee shall be responsible and liable for all Licensee's work activities while upon the Property during a Licensee period of use/work.
 - e. Licensee shall obtain all necessary permits as applicable to the work authorized herein.
 - f. Licensee shall keep the Licensed Premises used during a period of use/work in a sanitary condition and clean up the Property of refuse and debris associated with Licensee's work prior to the end of each License period of use during the Term.
 - g. Licensors reserves the right to limit, cancel and or terminate the use of the Property or Licensee's use thereof notwithstanding any provision of this Agreement.
 - h. Except as provided in this Agreement, Licensee shall not intentionally commit or allow to be committed any waste on, destruction of, or damage to, or nuisance on the Property. Should Licensee intentionally commit or allow to be committed any waste on or destruction to the Property, Licensee shall promptly restore the Property to substantially the same condition as existed on the Property at the inception of this Agreement.
 - i. All repair and restoration obligations under this Agreement shall be performed by Licensee to the reasonable satisfaction of the City Administrator and at the expense of Licensee, including all payments for crop damage caused by or attributable to Licensee's work or activities. If Licensors incurs costs for the same, Licensee shall reimburse and pay to Licensors such incurred costs with payment to

be made by Licensee within 30 days from the date of written notice given by Licensors to Licensee of the amount of such costs.

- j. Licensee's use of and work on the Property is subject to and subordinate to the above-referenced leases. Licensee acknowledges that Licensee shall also notify Licensors' tenant of the leases prior to undertaking any work on the Property during a period of use and pay crop damage in accordance with the Farming Lease Agreement directly to Licensee's tenant in the amount of \$350 per acre for any crop damage caused by or attributable to Licensee's work or activities on the Property. Licensee may deliver the notice required under this paragraph by email to Licensors' tenant at the following email address: _____.
 - k. Licensee shall be solely responsible for all costs and expenses of any kind whatsoever associated with or related to Licensee's work and any damage to the Licensed Premises, Property, or adjacent to the Property, which is caused by or is attributable to Licensee as a result of its work within the Property occurring during the Term hereof, including but not limited to crop damage.
5. Licensors Responsibilities. Subject to the Minnesota Government Data Practices Act, within 15 days after the date of Agreement, Licensors shall provide such documentation as are in Licensors' possession (the "Property Documents"), including but not limited to; site or building as-built plans, zoning and entitlements information, reports and invoices related to the physical aspects of the Property, soils, geotech and environmental reports, surveys, title policies, back title report, leases (including without limitation correct and complete copies of the Farming Lease Agreement and the Residential Lease Agreement), timber agreements, dewatering studies, wetlands delineation and Jurisdictional Determinations, archeological and cultural reports, information documenting utilities to the site (electric service, natural gas, wastewater etc.), any governmental approvals related to use (e.g. conditional use permit(s), licenses, etc.), traffic studies, labor studies, statement/transfer package for any association, and Declarations of Covenants, Conditions and Restrictions ("CC&Rs").
6. Property Ownership. During the Term hereof, all incidents of ownership in the Property are held exclusively in Licensors. Licensee shall have nor gain any property interest in the Property by virtue of this Agreement.
7. Assignment or Transfer. Licensee shall have no right to assign its interest in this Agreement without the express prior written consent of Licensors.
8. Right to Enter and Right to Use the Property. Notwithstanding any provision of this Agreement to the contrary, and without compensation to Licensee therefore, Licensors reserves the following rights with respect to the Property, in the Licensors' sole judgment and discretion:
- a. Licensors, its employees and its agents shall have the right to enter the Property at all times for all reasonable purposes, including without limitation, enforcing all

applicable laws, regulations and/or ordinances, keeping the peace, and inspecting, cleaning, sweeping, repairing, altering, or improving the Property.

- b. Nothing in this Agreement shall be interpreted as requiring Licensor to perform any acts independent of the requirements of the other provisions of this Agreement.
 - c. Licensor may order the immediate cessation of any uses or work that exceed the scope of this Agreement or otherwise pose a threat to the life, health, safety or welfare of the public.
 - d. Licensor may order Licensee to correct any use, work or condition to comply with the scope of this Agreement or other applicable standards, conditions, regulations, policies, ordinances, or laws.
 - e. Except as provided in this Agreement, Licensee shall not be permitted to make any alterations to the Property without the express prior written consent of the City Administrator.
9. Covenants to Indemnify and Hold Harmless. Licensee shall indemnify, protect, save, hold harmless and insure Licensor, and its respective officers, directors, employees and members and agents, from and against any and all claims and demands for, or litigation with respect to, all damages, including expenses, reasonable attorneys' fees, and costs of alternative dispute resolution, which may arise out of or be caused by Licensee or its agents, employees, members, guests, customers, or invitees, with respect to Licensee's use of and work on the Property. Licensee shall defend Licensor against the foregoing, or litigation in connection with the foregoing, at Licensee's expense, with counsel reasonably acceptable to Licensor. The indemnification provision of this Paragraph shall not apply to damages or other losses proximately caused by or resulting from the negligence or willful misconduct of Licensor. All indemnification obligations shall survive termination, expiration or cancellation of this Agreement.
10. Waiver and Assumption of Risk. Licensee knows, understands and acknowledges the risks and hazards associated with its use of and work on the Property for those uses/work permitted herein and hereby assumes any and all risks and hazards associated with its uses and work. Licensee understands and acknowledges that the primary purposes of the Property, notwithstanding this Agreement, are as stated herein above and that the Property may require regular maintenance, repairs or other work and uses in Licensor's discretion, including for farming purposes. Licensee hereby irrevocably waives any and all claims against Licensor or any of their officials, employees, or agents, or tenants for any bodily injury (including death), loss or property damage incurred by Licensee as a result of using the Property or any of Licensee's uses or work, and hereby irrevocably releases and discharges Licensor and any of their officials, employees or agents or tenants from any and all such claims of liability related to the Property, or Licensor's maintenance, repair or other work or farming uses conducted within the Property by

Licensor, Licensor's tenant, or any other third party, except those resulting from the negligence or intentional misconduct of Licensor.

11. Insurance. Licensee shall at Licensee's expense maintain in effect bodily injury liability insurance and property damage insurance with limits not less than the maximum liability limits for a municipality as provided in Minnesota Statutes, Section 466.04 or the amount stated in Licensee's insurance certificate, whichever is greater, for purposes of insuring Licensee or any of Licensee's agents, employees, members, guests, customers, or invitees related to this Licensee's uses of and work on the Property under this Agreement. Licensor shall be named as an additional insured. Licensee's insurance policy and certificate shall not be cancelled or its conditions altered in any manner without Ten (10) days prior written notice to Licensor. Upon request, Licensee shall deliver to Licensor certificates of all insurance required, signed by an authorized representative and stating that all provisions of the specified requirements are satisfied. If Licensee fails to maintain a policy of insurance as required for the Term of this Agreement, Licensor may immediately revoke this Agreement, and Licensee shall restore the Property to its preexisting condition or better pursuant to the standards and requirements set forth herein.
12. Default. If Licensee fails to perform any of the provisions of this Agreement, this shall constitute default. Unless Licensee's default is excused by the Licensor or cured by Licensee within ten (10) days of notice from Licensor as provided in paragraph 2 of this Agreement, Licensor may immediately cancel this Agreement or exercise any other rights or remedies available to Licensor under this Agreement or law.
13. Condition of Property. Licensee acknowledges that it has inspected the Property and accepts the same in an "as is" condition. Licensor does not warrant that the Property is suitable for the uses for which Licensee is permitted to use the same under this Agreement.
14. General Terms.
 - a. Voluntary and Knowing Action. The parties, by executing this Agreement, state that they have carefully read this Agreement and understand fully the contents thereof; that in executing this Agreement they voluntarily accept all terms described in this Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.
 - b. Authorized Signatories. The parties each represent and warrant to the other that (1) the persons signing this Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Agreement against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.

- c. Modifications/Amendment. Any alterations, variations, modifications, amendments or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, and signed by authorized representative of the parties.
- d. Notices. The parties' representatives for notification for all purposes are:

LICENSOR:
North Branch Economic Development Authority
Attn: Nathan Sondrol
6408 Elm Street
North Branch, MN 55056
Phone: 651-497-0155
Email: nathans@ci.north-branch.mn.us

LICENSEE:
Louisiana-Pacific Corporation
Attn: Bob Hopkins
1610 West End Ave., Suite 200
Nashville, TN 37203
Phone: 615-986-5600
Email: bob.hopkins@lpcorp.com

All communications, demands, notices, or objections permitted or required to be given or served under this Agreement shall be in writing and shall be deemed to have been duly given or served if delivered in person to the other party or its authorized agent or if deposited in the United States mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, and addressed to the other party to this Agreement, to the address set forth above, or if to a party not a Party to this Agreement, to the address designated by a party to this Agreement in the foregoing manner. Any Party may change its address by giving notice in writing, stating its new address, to any other party as provided in the foregoing manner. Commencing on the 10th day after the giving of such notice, such newly designated address shall be such address for the purpose of all communications, demands, notices, or objections permitted or required to be given or served under this Agreement.

- e. No Partnership, Joint Venture, or Fiduciary Relationship. Nothing contained in this Agreement shall be interpreted as creating a partnership, joint venture, or relationship of principal and agent between the parties.
- f. Records—Availability and Retention. Pursuant to Minn. Stat. § 16C.05, subd. 5, the Licensee agrees that the Licensor, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the Licensee and involve

transactions relating to this Agreement. The Licensee agrees to maintain these records for a period of six years from the date of termination of this Agreement.

- g. Governing Law. This Agreement shall be deemed to have been made and accepted in Chisago County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Agreement without regard to its choice of law or conflict of laws principles.
- h. Data Practices. The parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*
- i. No Waiver. Any party's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Agreement or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that party's right to assert or rely upon the terms and conditions of this Agreement. Any express waiver of a term of this Agreement shall not be binding and effective unless made in writing and properly executed by the waiving party.
- j. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Agreement to the extent of its invalidity or unenforceability, and this Agreement shall be construed and enforced as if the Agreement did not contain that particular provision to the extent of its invalidity or unenforceability.
- k. Entire Agreement. These terms and conditions constitute the entire Agreement between the parties regarding the subject matter hereof superseding all prior agreements and understandings. All discussions and negotiations are deemed merged in this Agreement.
- l. Headings and Captions. Headings and captions contained in this Agreement are for convenience only and are not intended to alter any of the provisions of this Agreement and shall not be used for the interpretation of the validity of the Agreement or any provision hereof.
- m. Survivability. All covenants, indemnities, guarantees, relicenses, representations and warranties by any party or parties, and any undischarged obligations of the Licensor and the Licensee arising prior to the expiration of this Agreement (whether by completion or earlier termination), shall survive such expiration.
- n. Compliance with Laws. The Licensee shall abide by all Federal, State and local laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to this Agreement or to the facilities, programs and staff for which the Licensee is responsible.

- o. Recitals and Exhibits. The recitals and exhibits hereto are made a part hereof and incorporated herein by reference.
- p. Force Majeure. The parties shall each be excused from performance under this Agreement while and to the extent that either of them are unable to perform, for any cause beyond its reasonable control. Such causes shall include, but not be restricted to fire, storm, flood, earthquake, explosion, war, total or partial failure of transportation or delivery facilities, raw materials or supplies, interruption of utilities or power, and any act of government or military authority. In the event either party is rendered unable wholly or in part by force majeure to carry out its obligations under this Agreement then the party affected by force majeure shall give written notice with explanation to the other party immediately.
- q. Cumulative Rights. Except as otherwise expressly stated herein, no right or remedy herein conferred on or reserved to the Licensee or the Licensor is intended to be exclusive of any other right or remedy hereby provided by law, but each shall be cumulative in, and in addition to, every other right or remedy given herein or hereafter existing at law, in equity, or by statute.
- r. Execution. This Agreement may be executed simultaneously in two or more counterparts that, when taken together, shall be deemed an original and constitute one and the same document. The signature of any party to the counterpart shall be deemed a signature to the Agreement, and may be appended to, any other counterpart. Facsimile and email transmissions of executed signature pages shall be deemed as originals and sufficient to bind the executing party.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

LICENSOR:

**NORTH BRANCH ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
Sara Paul, Its Chair

By: _____
Nathan Sondrol, Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF CHISAGO)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Sara Paul as Chair, and by Nathan Sondrol as Executive Director, of the North Branch Economic Development Authority, a body politic and corporate under the laws of the state of Minnesota, Licensor.

Notary Public

LICENSEE:

LOUISIANA-PACIFIC CORPORATION

By: _____
Bob Hopkins, Its Vice President

STATE OF TENNESSEE)
) ss.
COUNTY OF DAVIDSON)

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by _____ as _____ of Louisiana-Pacific Corporation, a corporation
under the laws of the State of Delaware, Licensee.

Notary Public

**LEASEHOLD INTEREST TENANT CONSENT
TO LICENSE AGREEMENT**

The undersigned, as Tenant, has two leasehold interests in the Property in the form of the leases referenced in this Agreement, and the undersigned hereby affirms and consents to the provisions of this Agreement and agrees to be bound by the provisions thereof as the same may apply to that portion of the subject Property upon which the undersigned has the above-referenced leases.

TENANT:

By: _____
Barry Engdahl

STATE OF MINNESOTA)
) ss.
COUNTY OF CHISAGO)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by Barry Engdahl, a single person, Tenant.

Notary Public

EXHIBIT A

Depiction of Licensed Premises

Subject Property will be the Northeast portion (approximately 120 acres) of the 227 acre total site, as approximately depicted below.





Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/14/2025

Board & Commission: Economic Development Authority

Subject: Comprehensive Plan Update

The Council is looking for discussion and input on the Comprehensive Plan from the EDA as specifically as it relates to Economic Development and Housing as well as the rest of the plan. There have been 2 public input engagement meetings and the next steps will be to include to begin working on the vision.

Voting Requirements:

Voting Options Simple Majority

Comprehensive Plan Review tentative dates:

	10-Jun-25	City Council
	3-Jun-25	Planning Commission
	20-May-25	EDA
	2-Jun-25	PTOS
	17-Jun-25	Open House
	24-Jun-25	City Council review of open house
	1-Jul-25	Public Safety Committee review
TBD		Public Works Advisory Committee
	1-Jul-25	Planning Commission
	7-Jul-25	PTOS
	8-Jul-25	Chamber Board Meeting
	10-Jul-25	Comp Plan Steering Committee
	15-Jul-25	EDA
	15-Jul-25	Open House
	22-Jul-25	City Council review of open house
	1-Aug-25	PTOS
	2-Aug-25	Planning Commission
	12-Aug-25	Chamber Board Meeting
	19-Aug-25	EDA
	19-Aug-25	Potential Open House #3 if required or all Council/Commi
	26-Aug-25	City Council first review of final update materials
	2-Sep-25	Planning Commission public hearing on Comp Plan
	16-Sep-25	Council work session
	14-Oct-25	City Council approval of Comp Plan

TBD - Special work groups for specific needs if required

TBD - Steering Committee review meetings

TBD - NB 1st meeting

TBD - Other outside groups need to be identified by Steering Committee

Completed
Completed
Completed
Completed
Completed

.ssioner meeting

Comprehensive Plan Review Feedback - 6/17/2025

Vision:

Small town feel

Keep/add to the vision/values

Strong thriving business community

Inviting business corridor

*How to lower tax base

*City leaders should live in North Branch

* Happy with how North Branch Schools have changed

Parks:

Please have the restrooms open at Central Park during daylight hours. It is needed

Would like to have the warming house manned during the winter months. No one was e

Would love to see walking trails, adult-children exercise stations, dog park, park

Bike trail down Falcon connected to main trail

Maintain Pollinators area

Maintain Trails

Trail system with the new housing to be connected to the paths to school

Transportation:

A re-route of Hwy 95 is absolutely necessary. We need to keep semi and camper traf

Public Safety:

Substation by the waterplant/ecumen for police and fire - Charlie Kloop

Public Safety

EDA:

Promote Small Businesses

Help promote small business

I have been disappointed with the state of the Tanger Mall for 20 years now, Can we

Encourage new businesses to come in that fit our community

Support and encourage existing small businesses/larger business too.

Remember employees can come from the Cities to work and benefit from going away fro

Let's advertise North Branch Tanger Mall need re-vitalizing with events/food trucks

We need to revitalize big box stores. People used to come from everywhere to Tanger

Promote Small Businesses - not in the camp of big box stores as the focus, needs to

Farmer's Market - wouldn't allow sign, restricted on State Hwy 95 (policy decision

We can have it all on I-35, where is the Walgreen's, Aldi, Home Depot. Need more c

Attract industry

Retail businesses - place to spend \$

Restaurants provide attraction and value to residents

Balanced approach to growth, housing growth needs commercial and industry

Sick of the tire businesses

Housing:

concern with senior housing becoming non-senior long term

How to grow without risk of higher taxes to home owners.

Pro senior living

Pro ADUs for seniors/kids/AB&B

Small homes

Too much storage

Links to housing studying to support new families moving to town.

Like to discuss options for ADUs.

As a North Branch Resident, I feel strongly that there should be a policy/code which

HOAs draw energy away from public involvement

Condensed developments

Housing growth is great, but need a community

d for folks of all ages throughout the day - Ben Hedberg
ever there, even on the date posted open - Deb and Steve Schmitt
benches thought Woldridge Park - Sara Wittenbel

ffic away from downtown. It is so dangerout to try to park and to walk and shop.

e please find out how to reinvogoate and fill it up?

om rush hour traffic
s/signage
r Mall. We need the revenue from larger businesses, we need to attract people here
o be blended.
that doesn't support farmers
options and variety to broaden the tax base.

ch allows for ADUs in appropriate areas in North Branch

Doing this would bring in more boutiques and other shopping -Sarah Wittenbel

to shop and work. A tech company would draw people in from the City and they can

travel against traffic. Market what we do have better so people know wh



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/14/2025

Board & Commission: Economic Development Authority

Subject: Grocery Market Study

DBS Group received a proposal to conduct a feasibility analysis for another grocery store in North Branch. DBS group has constructed a dozen grocery stores over the last 4 years, and this is always the first step. Once the study is complete, the info would be shared with the wholesalers for analysis and review. This is where these opportunities can quickly get traction. DBS currently has this process underway in two locations, south and west suburbs of the twin cities.

The cost of the study is \$8,000. DBS group is inquiring the City/EDA would be willing to fund the study. The final report would become the city's data. Attached is the proposal.

Requested Action

DBS group is requesting feedback on if the City/EDA would be willing to fund (\$8,000) the study.

Voting Requirements:

Voting Options

Simple Majority



Statement of Work

Grocery Market Study

March 2025

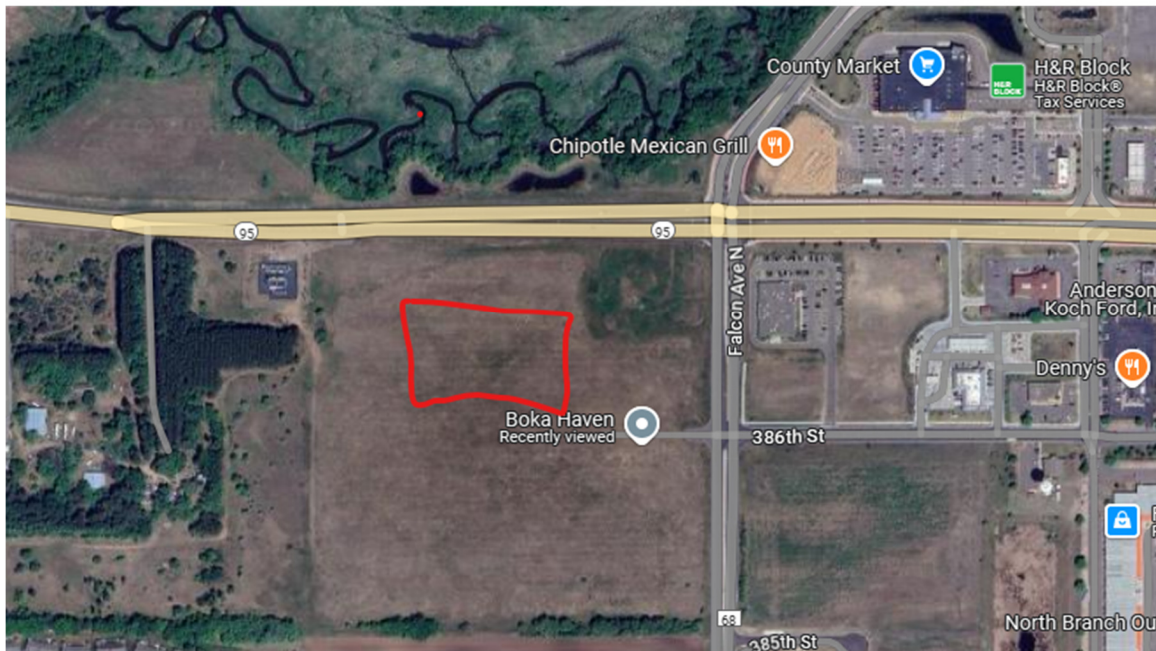
Prepared by
ROIC analytics, LLC
For
DBS Group

Scope of Services

Models & Analytics, ROIC analytics, LLC

The following sets forth the Service(s) to be provided upon your signed acceptance, together with Cost and Timing for each Service.

Services	Cost	Timing***
Grocery Sales Forecasting Field Study. A gravity-based analysis and write up that provides a sales forecast for a site at the SWC of Falcon Ave & Hwy 95 (St Croix Trail) in North Branch, MN. The study will evaluate the sales potential for the site for a format to be determined by the client. Alternate formats can be tested as well. This project includes fieldwork (a visit to the site and surrounding existing grocery stores by an ROIC analytics analyst) and a full written report including an overview of the demographic composition of the trade area, competition, site evaluation, sales forecast and relevant maps. A Zoom presentation of the findings will also be available.	\$8,000 for a write up of one format. If additional formats are written up, the cost will be an additional \$500 per format. (travel costs will be billed separately but will not exceed \$2000)	Estimated delivery date 45 days after the start of fieldwork.
Total	\$8,000	-



Scope of Services and Signatures Page

The total cost for the scheduled Services is due as follows. 100% of the project cost will be billed at the completion of the study. This Scope of Services supersedes all previous contracts except where indicated on the previous pages. Any additional Services will be quoted and/or agreed to and billed separately.

The Services herein are governed by the terms of the Professional Services Master Agreement (PSMA) on file. If no PSMA is on file, the client will be required to agree to the terms of service in writing of this statement of work before any work will begin. Timing is an estimate of project duration only, and the project officially starts after all the client contractual and data obligations are met. If this statement of work includes licensing of products or services not provided directly by ROIC analytics, including software or data, the client will be required to agree to the provider's terms of service.

This proposal is for the client only and should not be shared without the express written consent of ROIC analytics, LLC. This proposal expires 30 days from the date on page one if not signed.

Agreed and Accepted:

City of North Branch, Minnesota

By: _____

Name: _____

Title: _____

Date: _____

ROIC ANALYTICS, LLC

By: _____

Name: _____

Title: _____

Date: _____

Please return signed agreement to ROIC analytics via e-mail to danielle.yanskey@siteseer.com

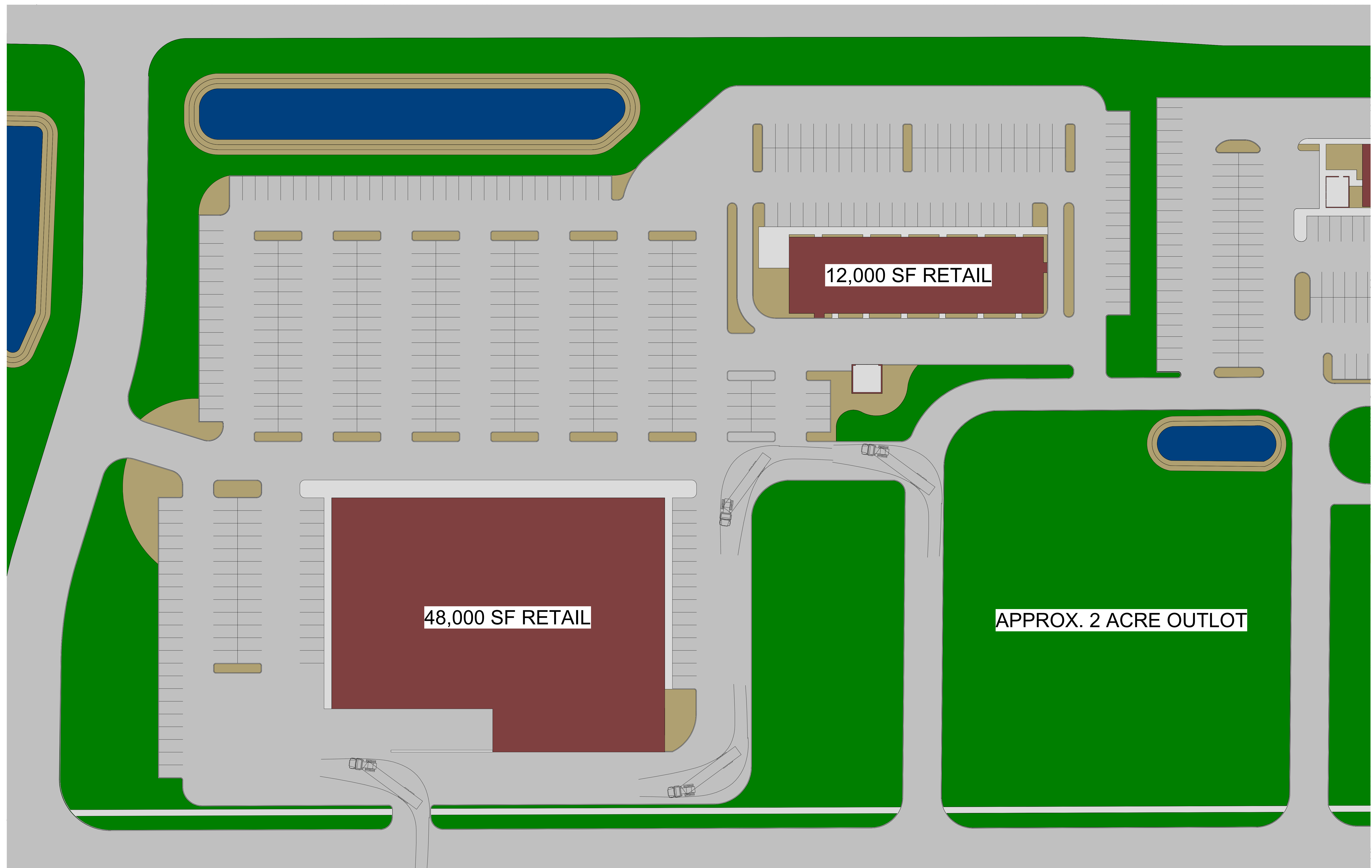
Appendix A: About ROIC analytics

ROIC analytics, LLC provides analytic services and partner solutions to help corporate-owned and franchised chain businesses of all sizes expand confidently, grow sales, and compete more effectively. We empower decision-makers with real-time customer and competitive intelligence, predictive models for accurate site selection and sales forecasting, and powerful and easy to use tools that fit one's needs and budget.

ROIC analytics offers our clients:

- Experience. Your project team members are all seasoned professionals with proven experience delivering results. We understand the “science” of retail analytics and continually develop the “art” necessary to make it effective in the real world. All of our professional services staff members honed their craft as senior-level analysts and management at major retailers including Albertsons before joining our team as consultants. Since then we have worked with Fortune 100 corporations and the smallest startups across all classes of retail and service. When we aren’t helping our clients expand their business, we are found walking the aisles of our clients’ stores and competition in markets across the country. We live retail analytics.
- Partnership. We understand the risks involved in trusting an outside company to assist with important strategic and tactical decisions. We take your need for confidentiality seriously and work closely with you throughout our relationship to ensure that you are in control and your executive team is empowered to make better decisions.
- Proven Solutions. Analytics is all we do. We leverage the best tools available for retail research as well as build our own software and models from the ground up to ensure that your results are accurate as possible and flexible to your unique requirements. We partner with software companies that share our values.
- Trusted Data. Our data sources are the same ones trusted by the nation’s top retailers. When needed, we supplement this data with intelligence gathered in the field to ensure our research is based on accurate and up-to-date facts.
- Commitment. Most of our business comes from word of mouth and recommendations from our existing clients. Many of our clients have been with us for years and look to us first when a new challenge comes their way. We appreciate this loyalty and try to never take it for granted. We believe in continuously earning your business.

NORTH BRANCH DEVELOPMENT



1 SITE PLAN
A-001 1" = 30'-0"

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KEY PLAN





Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/14/2025

Board & Commission: Economic Development Authority

Subject: Retail Trade Analysis

The EDA has discussed . Staff contacted the U of M Extension office to provide info on their ability to provide support on conducting a Retail Trade Analysis (RTA) of the North Branch Area.

The U of M extension office noted that they have the ability to provide support to conduct the RTA and provide a customized report for the North Branch area. Attached is a sample of a report that was completed for Little Canada.

Benefits of a retail trade analysis would include:

- Understand your community's actual retail sales potential
- Learn which retailers attract shoppers to — and away from — your town
- Explore your community's retail opportunities
- Know your town's pull factor — what it means, and why it matters

A retail trade analysis helps strengthen your local marketplace by:

- Providing accurate local sales data
- Helping your community plan for business expansion or recruitment
- Comparing your community sales data to others
- Assessing the strengths and opportunities of your local businesses

Requested Action

To provide direction on pursuing a retail trade analysis with the U of MN extension office.

Voting Requirements:

Voting Options Simple Majority



2022 Retail Trade Analysis: Little Canada and Ramsey County

A Tool Used to Measure the Economic Health of the Local Retail Economy

Authored by Kathryn Leys, University of Minnesota Extension Educator



2022 Retail Trade Analysis: Little Canada and Ramsey County

A Tool Used to Measure the Economic Health of the Local Retail Economy

May 22, 2024

Authored by Kathryn Leys, University of Minnesota Extension Educator

Report Reviewers:

Michael Darger, Extension Specialist, University of Minnesota Department of Community Development, Community Economics

Partners/Sponsors:



The City of Little Canada



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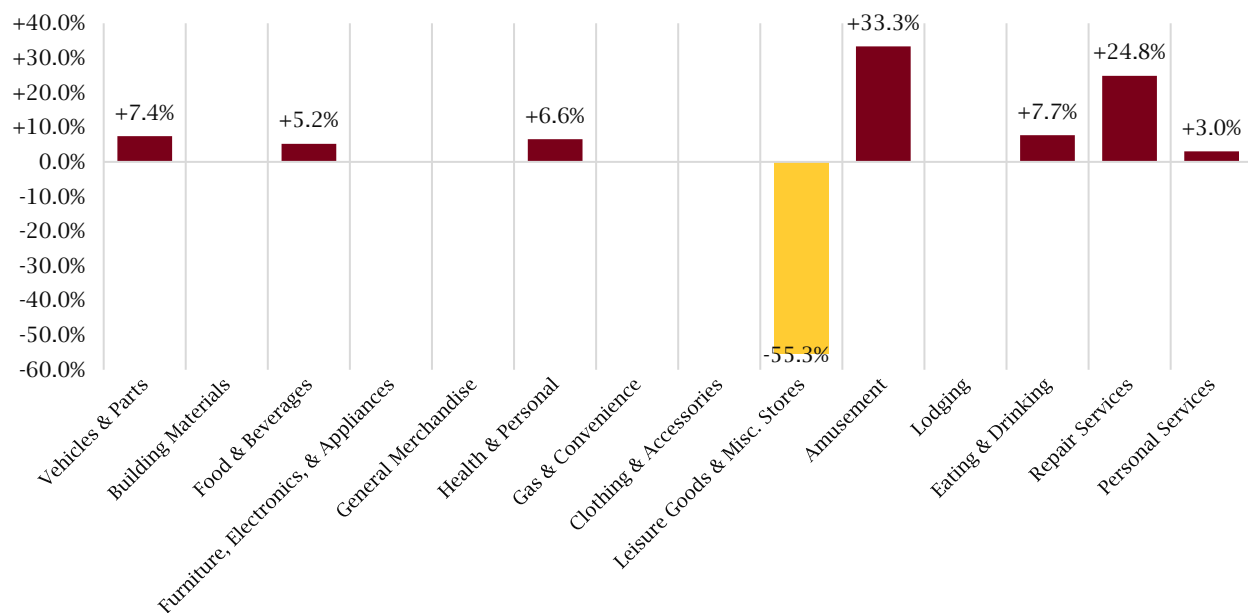
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Executive Summary

Overall Trends

The Minnesota Department of Revenue releases sales tax information each spring for the year that ended about 15 months earlier. The latest information indicates that Little Canada's taxable retail and service sales decreased by -15.9% between 2021 and 2022 to \$130.8 million. Furniture, Electronics, & Appliances stores are the largest contributor of taxable sales in Little Canada's economy. This category, which is new in 2022 and combines the previous categories of Furniture and Electronics, accounted for \$27.6 million in taxable sales in 2022. The largest increase in dollar sales was in the category of Repair Services, which increased by \$2.1 million in total sales from 2021 to 2022. One category saw a decrease in sales between 2021 and 2022. This category was Leisure Goods & Miscellaneous Stores, which decreased by \$32.6 million. It's important to keep in mind that the Miscellaneous Stores category includes sales for categories with fewer than four stores in a community. Therefore, it may not be the best category to use when trying to understand long-term trends. For instance, in 2021, the categories of Furniture and Electronics were suppressed, resulting in their sales being included in the Miscellaneous Stores category. However, with the creation of the new category of Furniture, Electronics, and Appliance Stores in 2022, the data was no longer suppressed, which could have contributed to the significant decrease in sales in the Miscellaneous Stores category. Figure 1 shows the percentage changes in taxable sales in all categories.

Figure 1: Taxable Sales Changes by Category

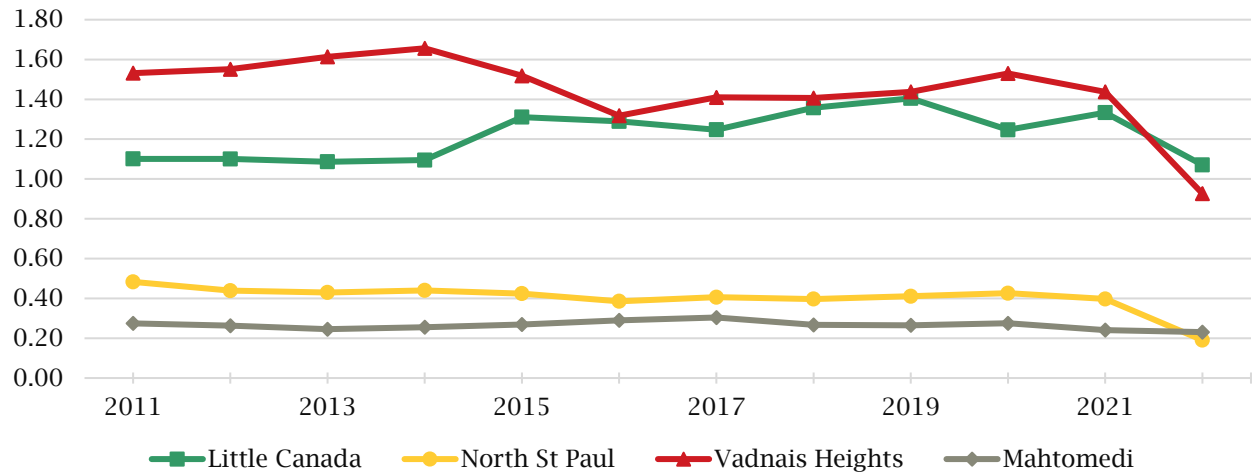


Pull Factor Comparisons with Other Area Cities

There are several ways to measure performance other than dollars of sales. Economists expect cities with larger populations to have more sales since their potential customer base is larger. A way to compensate for that in a retail trade analysis is to measure the pull factor. Little Canada's pull factor was 1.07 in 2022. The city's per capita taxable sales in 2022 were estimated to be \$12,300, about \$700 higher than the county's per capita taxable sales and about \$800 higher than the state average of \$11,500. A full comparison of per capita spending, including in different merchandise categories can be found on page 31.

Figure 2 shows the pull factor of Little Canada compared to the pull factor of three nearby cities over time.

Figure 2: Overall Pull Factors for Nearby Cities Over Time



Comparing Little Canada's Performance to Similar Minnesota Cities

Figure 3, shown below, provides information on taxable sales by merchandise category. 'Expected sales' is a standard to which actual performance is compared. In calculating expected sales, population, income, and typical 'pulling power' characteristics are taken into account. The following table calculates pulling power using a similar city list based on population + or - 20% of Little Canada's, including communities like St Peter, North Branch, Detroit Lakes, and Little Falls. For a longer list of included cities, see page 19. Expected sales can be used as a guideline or 'par value' in analyzing retail strength. The Trade Area's Estimated Customer Gain (or Loss) shows the difference between the number of people that would be expected to be customers in Little Canada and the estimated number of customers, based on per capita spending.

Figure 3: Actual vs Expected Taxable Sales for Selected Merchandise Categories

Merchandise Category	Expected Sales (millions)	Actual Sales (millions)	Variance As % of Expected	Trade Area's Estimated Customer Gain (or Loss)
Vehicles & Parts	\$10.38	\$6.74	-35.1%	-3,736
Building Materials	\$42.41	#N/A	#N/A	#N/A
Food & Beverages	\$10.60	\$3.37	-68.2%	-7,249
Furniture, Electronics, & Appliances	\$9.46	\$27.59	191.7%	20,383
General Merchandise	\$70.23	#N/A	#N/A	#N/A
Health & Personal	\$2.20	\$1.34	-39.0%	-4,152
Gas & Convenience	\$6.57	#N/A	#N/A	#N/A
Clothing & Accessories	\$2.91	#N/A	#N/A	#N/A
Leisure Goods & Miscellaneous Stores	\$8.11	\$26.34	224.6%	23,884
Amusement	\$1.07	\$2.05	91.9%	9,773
Lodging	\$9.15	#N/A	#N/A	#N/A
Eating & Drinking	\$28.68	\$26.72	-6.8%	-727
Repair Services	\$4.29	\$10.71	149.4%	15,881
Personal Services	\$0.96	\$13.03	1262.4%	134,222
Total Taxable Retail & Services*	\$106.42	\$130.78	22.9%	2,435

*All retail and service categories are included in total sales, including some categories not shown. Therefore, the merchandise groups shown here generally will not sum to total sales.

The Bottom Line

Little Canada has been increasing its retail strength since 2011, and with a pull factor of 1.07 in 2022, it draws in more sales than anticipated for its size. When compared with other Minnesota communities, Little Canada performs well, bringing in 22.9% more sales than expected. Some business categories, such as Personal Services and Leisure Goods & Misc. Stores establishments are bringing customers into the community to shop. Opportunities exist, however, to capture more spending locally since local consumers also appear to shop outside the community for other goods and services (e.g., Food & Beverages). Some categories, such as Eating & Drinking, are strong yet underperform in expected sales when compared to other communities of similar size. The following report details how various retail categories have changed since 2011. Individual businesses can see how they have performed compared to the broader community. This report is also useful for identifying opportunities to provide new or expanded goods and services.

Retail Trade Overview

Total Taxable and Gross Retail Sales

The table below presents gross and taxable retail and services sales for Little Canada from 2011 through 2022. Without inflation adjustments, taxable sales in Little Canada increased 10.5 percent from 2016 to 2022, while the number of firms fell 11.6 percent. Statewide, taxable sales increased 32.6 percent over the same time period and the number of firms fell 3.7 percent. The per capita sales and pull factor data in this table are based on taxable sales, the more verified sales measure.

Overview of Retail/Services Sales Over Time

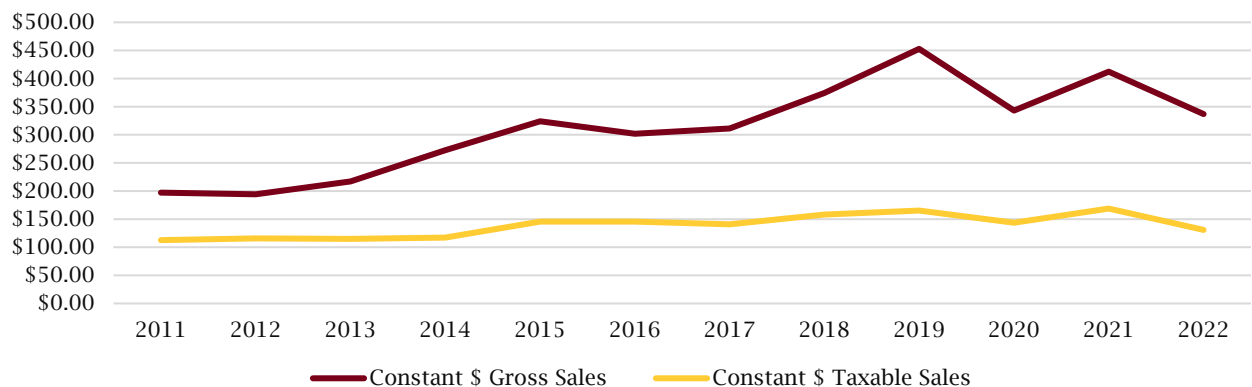
Year	Estimated Population	Current Dollars		Constant 2022 Dollars		Number of Firms	Per Capita Sales	Pull Factor
		Gross Sales* (\$millions)	Taxable Sales (\$millions)	Gross Sales* (\$millions)	Taxable Sales (\$millions)			
2011	9,839	\$151.26	\$86.48	\$196.98	\$112.63	196	\$8,790	1.10
2012	9,987	\$152.21	\$90.68	\$194.14	\$115.66	193	\$9,080	1.10
2013	9,962	\$175.30	\$92.73	\$216.96	\$114.77	205	\$9,308	1.09
2014	9,912	\$220.22	\$94.75	\$272.45	\$117.22	199	\$9,559	1.09
2015	9,941	\$260.81	\$117.13	\$324.01	\$145.51	205	\$11,782	1.31
2016	10,101	\$245.34	\$118.37	\$301.84	\$145.63	199	\$11,719	1.29
2017	10,120	\$258.23	\$116.90	\$311.08	\$140.83	198	\$11,551	1.25
2018	10,386	\$318.74	\$134.47	\$374.44	\$157.97	185	\$12,947	1.36
2019	10,580	\$391.84	\$142.97	\$452.78	\$165.21	180	\$13,513	1.40
2020	10,819	\$300.50	\$125.67	\$343.07	\$143.47	179	\$11,615	1.25
2021	10,766	\$380.06	\$155.58	\$412.23	\$168.75	187	\$14,451	1.33
2022	10,632	\$336.88	\$130.78	\$336.88	\$130.78	176	\$12,301	1.07
7 yr Change '16 to '22	5.3%	37.3%	10.5%	11.6%	-10.2%	-11.6%	5.0%	-17.0%
3 yr Change '19 to '22	-1.7%	12.1%	4.1%	-1.8%	-8.8%	-1.7%	5.9%	-14.1%

* Gross sales figures are self-reported by firms and not audited by the Dept. of Revenue for accuracy.

Retail Sales in Constant Dollars

The table above also presents sales data in constant 2022 dollars. These figures have been adjusted for inflation to reflect their value in 2022. For example, in 2011, taxable sales in Little Canada totaled \$86.48 million, an amount worth \$112.63 million in 2022 dollars. In constant dollars, gross sales grew 11.6 percent between 2016 and 2022. Constant dollar taxable sales decreased -10.2 percent over the same time period.

Figure 4: Retail and Service Sales in Constant Dollars Over Time

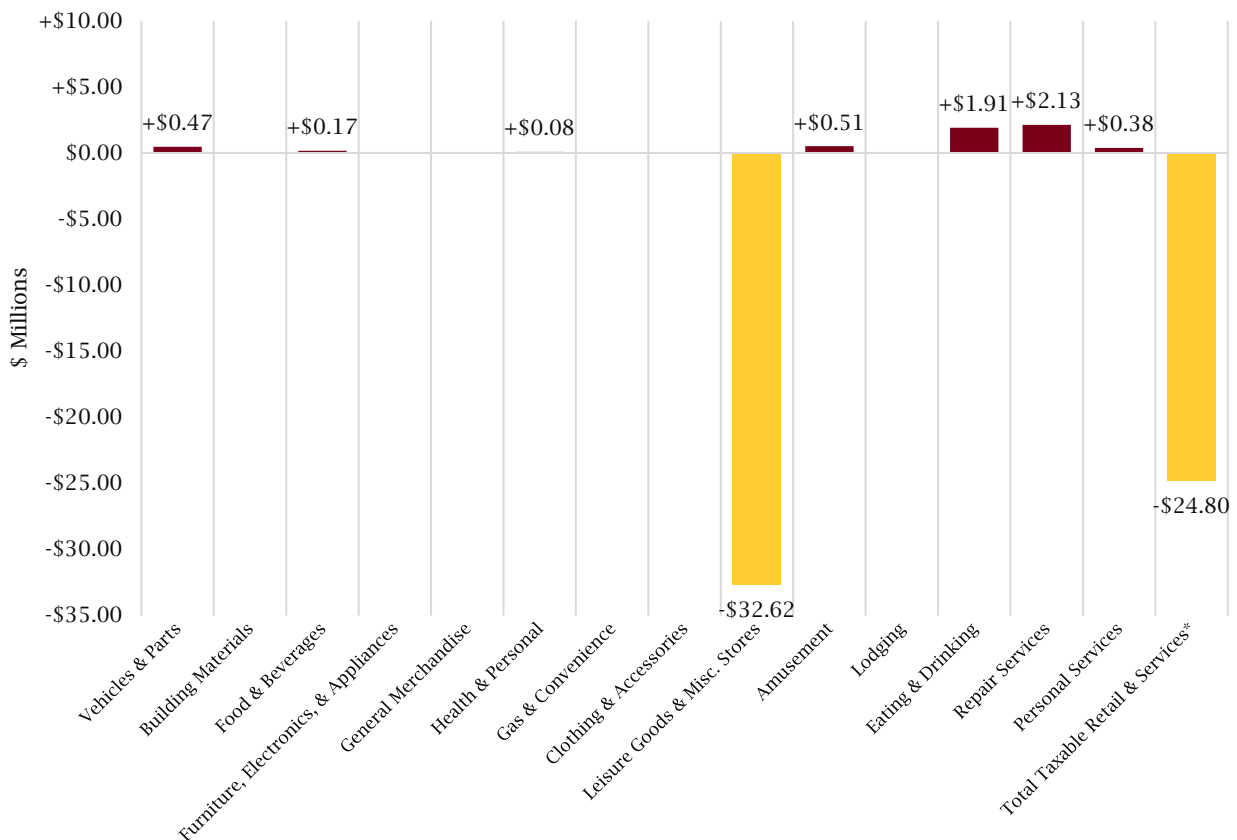


Summary of Changes in Little Canada's Taxable Sales, 2021 to 2022

Merchandise Category	Taxable Sales 2021	Taxable Sales 2022	Dollar Change	Percent Change
Vehicles & Parts	\$6,269,835	\$6,735,666	+\$465,831	+7.43%
Building Materials	\$13,809,014	#N/A	#N/A	#N/A
Food & Beverages	\$3,205,594	\$3,371,794	+\$166,200	+5.18%
Furniture, Electronics, & Appliances	#N/A	\$27,585,809	#N/A	#N/A
General Merchandise	#N/A	#N/A	#N/A	#N/A
Health & Personal	\$1,257,865	\$1,340,491	+\$82,626	+6.57%
Gas & Convenience	\$11,173,407	#N/A	#N/A	#N/A
Clothing & Accessories	#N/A	#N/A	#N/A	#N/A
Leisure Goods & Miscellaneous Stores	\$58,959,110	\$26,343,156	-\$32,615,954	-55.32%
Amusement	\$1,540,340	\$2,053,685	+\$513,345	+33.33%
Lodging	#N/A	#N/A	#N/A	#N/A
Eating & Drinking	\$24,805,190	\$26,716,557	+\$1,911,367	+7.71%
Repair Services	\$8,577,692	\$10,706,555	+\$2,128,863	+24.82%
Personal Services	\$12,643,595	\$13,027,955	+\$384,360	+3.04%
Total Taxable Retail & Services*	\$155,581,081	\$130,784,947	-\$24,796,134	-15.94%

*All retail and service categories are included in total sales, including some categories not shown. Therefore, the merchandise groups shown here generally will not sum to total sales.

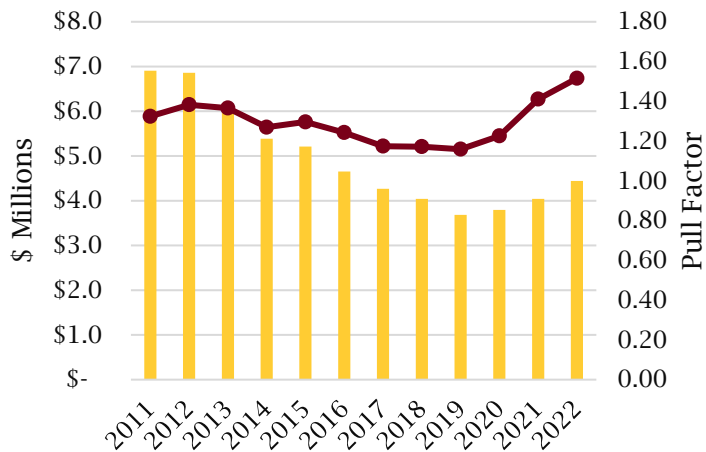
Taxable Sales Changes in Millions by Merchandise Category, 2021 to 2022



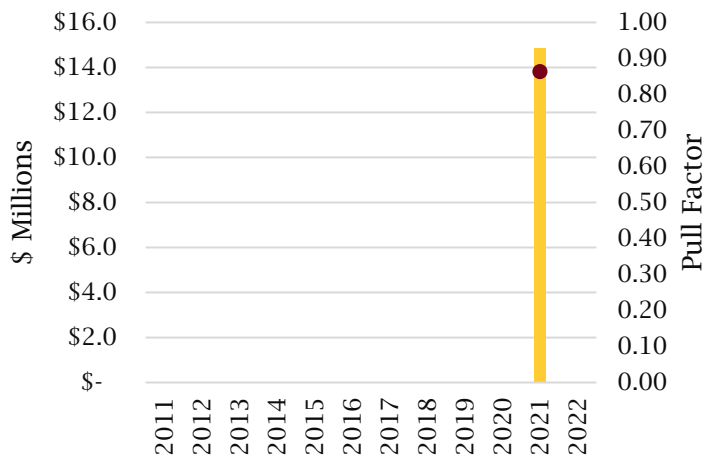
Recent Trends By Merchandise Category

■ Pull Factor — \$ Millions

Vehicles & Parts



Building Materials



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

N/A = Suppressed Data if Fewer than 4 Establishment

5.2% of Little Canada's taxable sales in 2022

Sales per capita are \$0,634

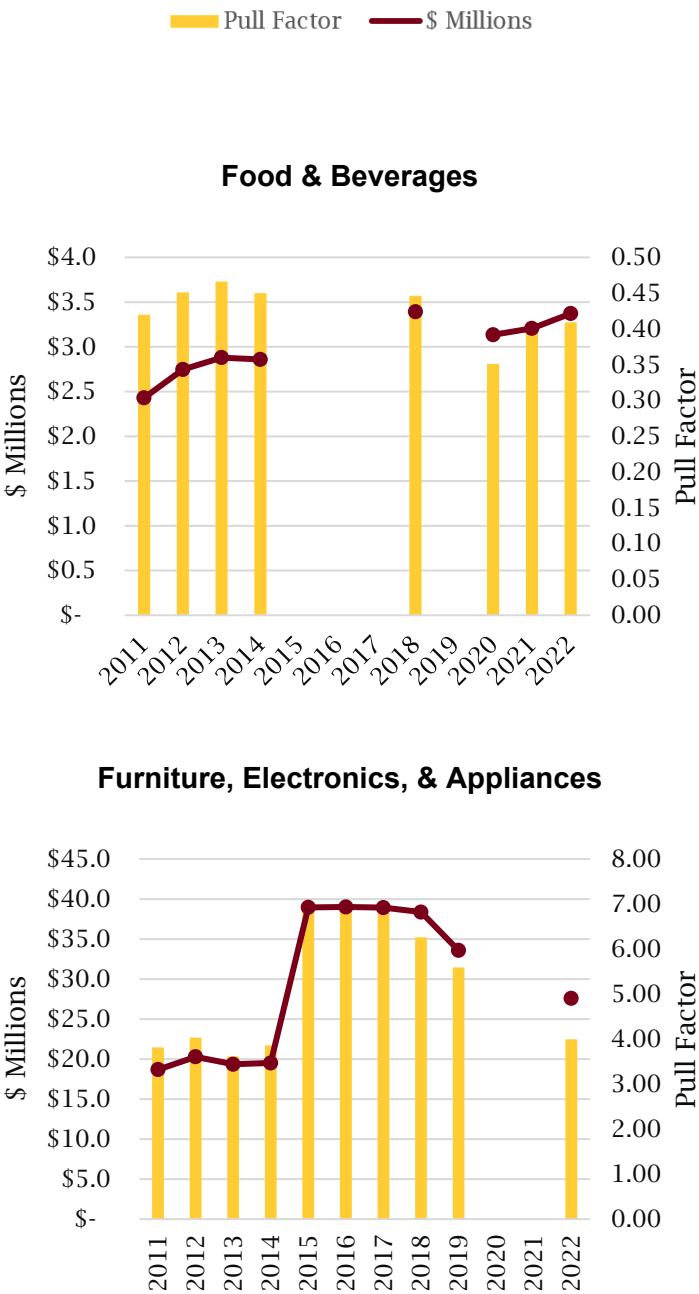
Stores in the Motor Vehicle and Parts Dealers subsector retail motor vehicles and parts from fixed point-of-sale locations. This can include automobiles, campers, RV's, boats, out-board motors, sailboats, snowmobiles, motorcycles, and all-terrain vehicles. On-road vehicle sellers do not collect sales tax but rather Motor Vehicle Tax. Sales tax is collected on boats, snowmobiles, dirt bikes, ATVs, and parts.

#N/A

#N/A

Stores in the Building Material and Garden Equipment and Supplies Dealers subsector retail new building material and garden equipment and supplies. This includes home improvement centers and stores that sell paint, wallpaper, ceramic tile, fencing, windows, roofing, siding, hardware, and plumbing.

Recent Trends By Merchandise Category



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

N/A = Suppressed Data if Fewer than 4 Establishments

2.6% of Little Canada's taxable sales in 2022

Sales per capita are \$0,317

Stores in the Food and Beverage Stores subsector usually retail food and beverages merchandise from fixed point-of-sale locations. This can include grocery stores, liquor stores, bakeries, candy shops, butcher stores, meat markets, and produce markets.

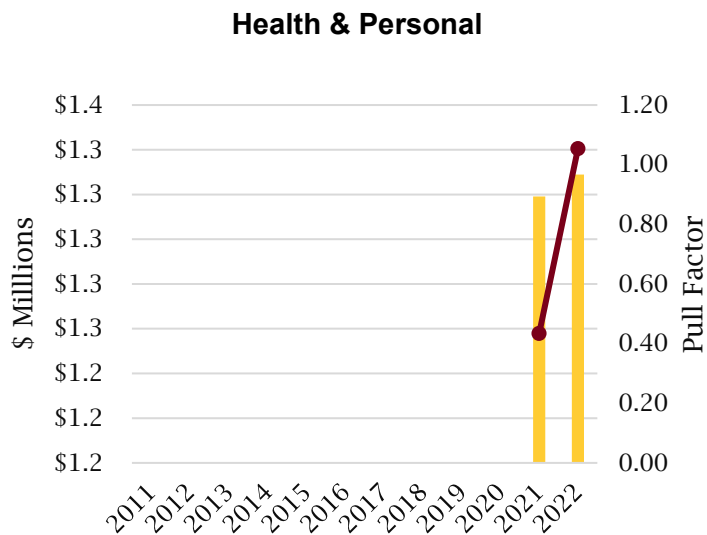
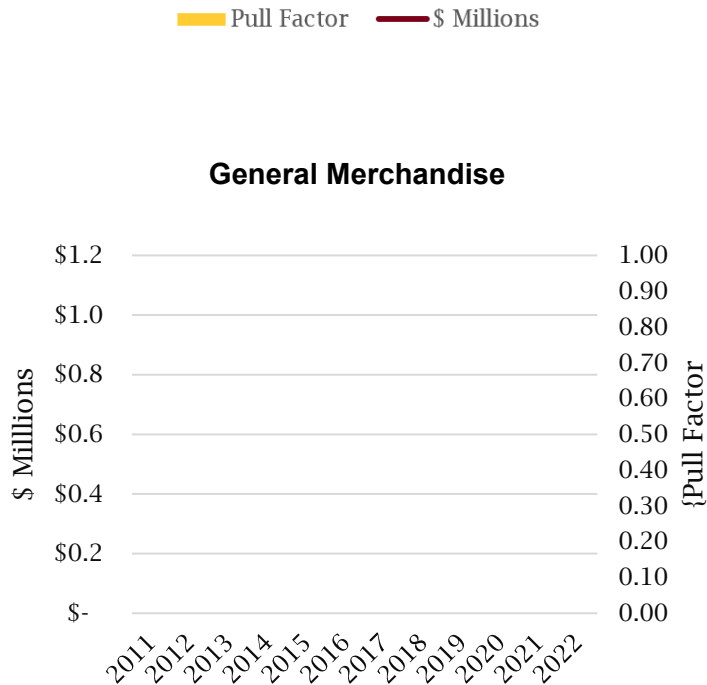
21.1% of Little Canada's taxable sales in 2022

Sales per capita are \$2,595

Store in the Furniture, Electronics, & Appliances subsector usually retail new furniture, home furnishings, household appliances, home audio and video equipment, audio and video recordings, cameras, computers and related goods.

This is a new category in 2022 and combines the previous categories of Furniture and Electronics.

Recent Trends By Merchandise Category



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

N/A = Suppressed Data if Fewer than 4 Establishments

#N/A

#N/A

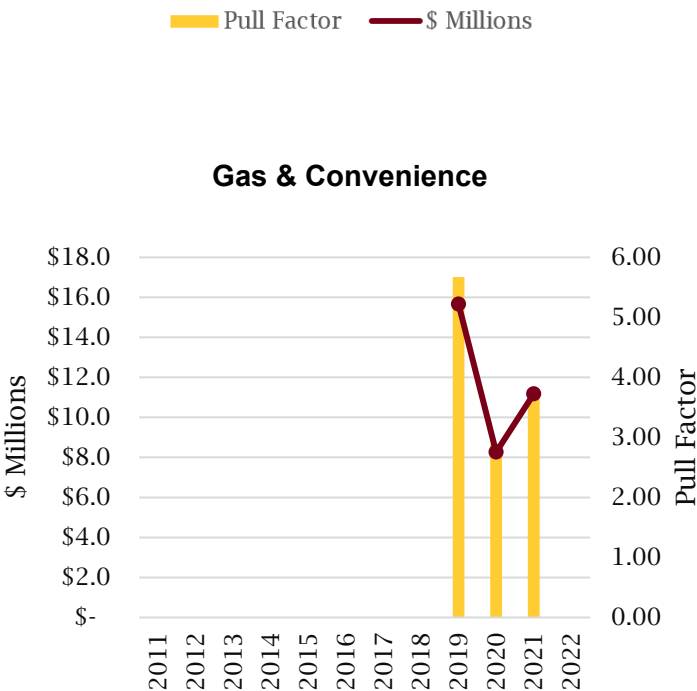
Stores in the General Merchandise subsector retail new general merchandise and are unique in that they have the equipment and staff capable of retailing a large variety of goods from a single location. This includes department stores, superstores, dollar stores, and variety stores.

1.0% of Little Canada's taxable sales in 2022

Sales per capita are \$126

Stores in the Health and Personal Care Stores subsector retail health and personal care merchandise from fixed point-of-sale locations. This includes drug stores, health supplement stores, hearing aid stores, optical goods stores, cosmetic stores, medical supply stores, etc.

Recent Trends By Merchandise Category



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

N/A = Suppressed Data if Fewer than 4 Establishments

#N/A

#N/A

Stores in the Gasoline Stations subsector group establishments retailing automotive fuels (e.g., gasoline, diesel fuel, gasohol) and automotive oils and retailing these products in combination with convenience store items. This includes truck stops, C-stores, marine service stations, and ordinary gas stations that sell automotive supplies.

#N/A

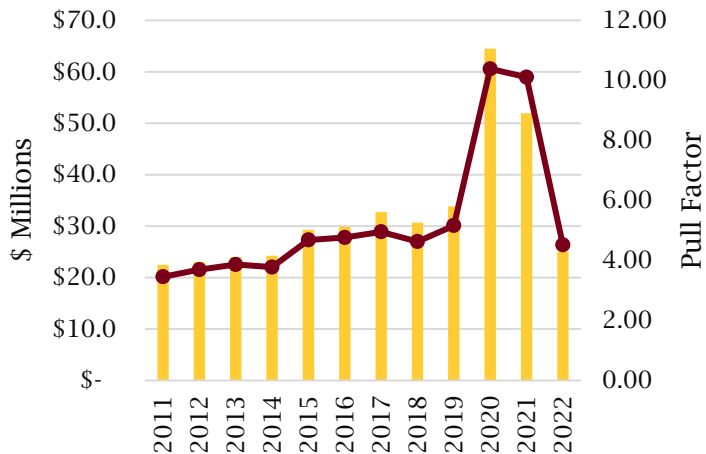
#N/A

Stores in the Clothing and Clothing Accessories Stores subsector retailing new clothing and clothing accessories. Besides clothing stores, it includes shops that sell jewelry, shoes, luggage, handbags, wigs, ties, bridal gowns, furs, uniforms, T-shirts, baby clothing, swimsuits, and lingerie.

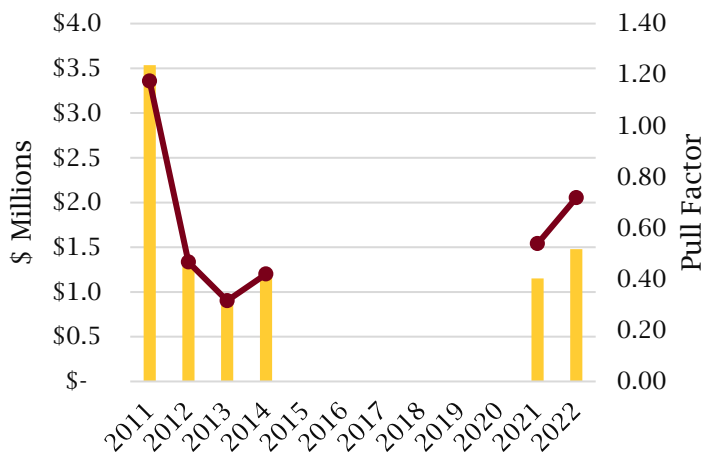
Recent Trends By Merchandise Category

Pull Factor \$ Millions

Leisure Goods & Miscellaneous Stores



Amusement



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

N/A = Suppressed Data if Fewer than 4 Establishments

20.1% of Little Canada's taxable sales in 2022

Sales per capita are \$2478

Establishments such as florists, used merchandise stores, and pet and pet supply stores as well as other store retailers. Leisure Goods stores, which retailing and providing expertise on use of sporting equipment or other specific leisure activities, such as needlework and musical instruments, are included in this category as of 2022.

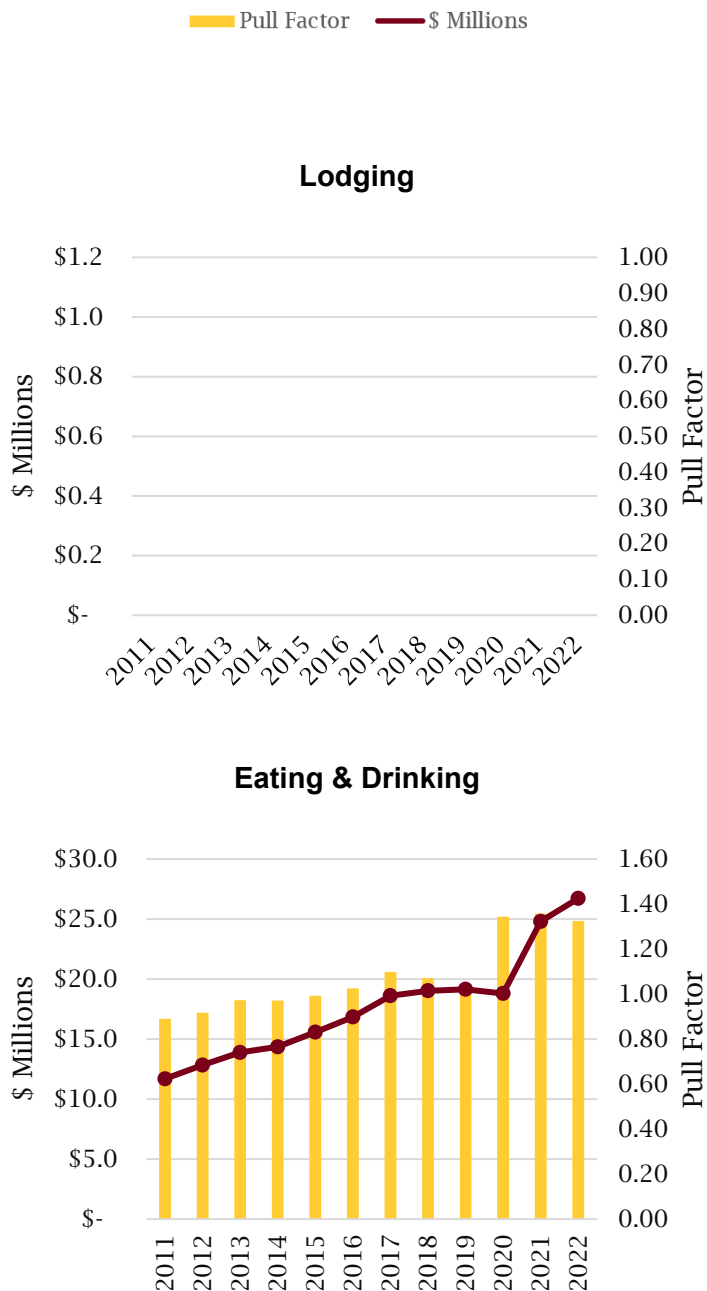
Also, if a community had fewer than 4 stores in any category, it was included in this category. This may cause unrealistically high Pull Factors.

1.6% of Little Canada's taxable sales in 2022

Sales per capita are \$193

Establishments include casinos, bowling lanes, water parks, amusement parks, arcades, bingo halls, golf courses, ski slopes, marinas, dance or fitness centers, recreational clubs, ice rinks, swimming pools, roller rinks, and the like.

Recent Trends By Merchandise Category



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

N/A = Suppressed Data if Fewer than 4 Establishments

#N/A

#N/A

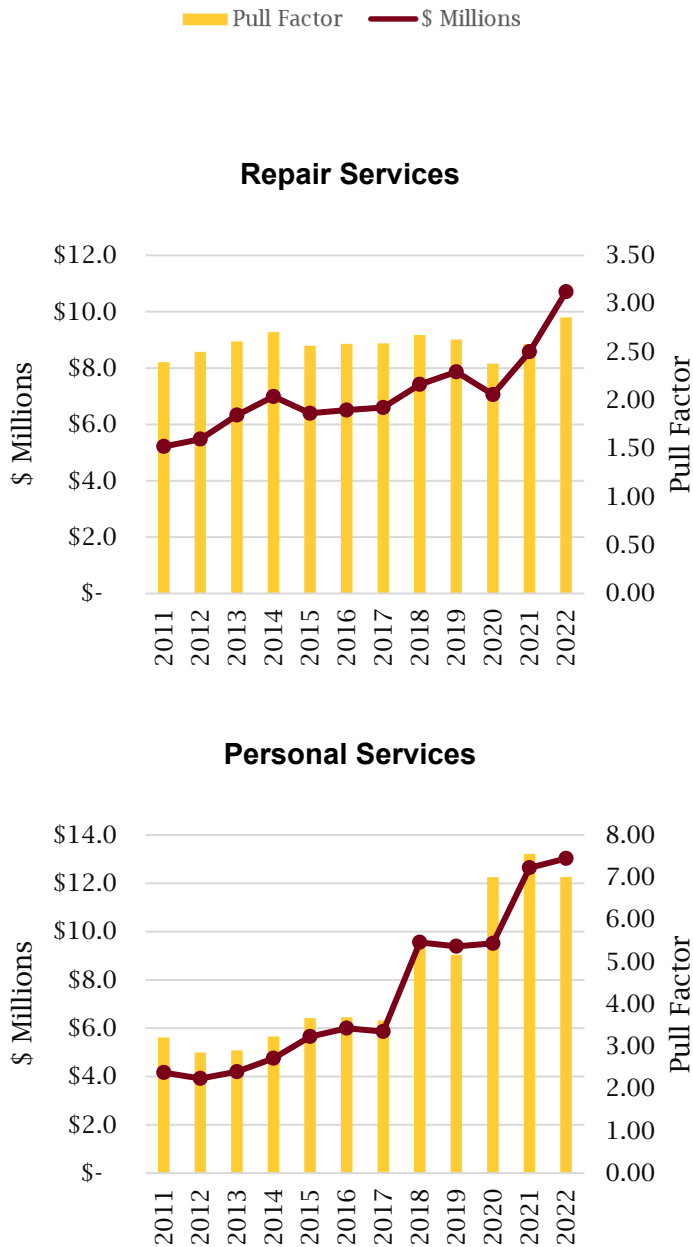
These businesses provide lodging or short-term accommodations for travelers, vacationers, and others. Included are hotels, motels, lodges, bed & breakfasts, short-term rentals (Airbnb, VRBO etc.), campgrounds, fraternities, boarding houses, and dormitories.

20.4% of Little Canada's taxable sales in 2022

Sales per capita are \$2,513

These businesses sell food at full-service or limited-service establishments. It includes cafeterias, bagel shops, ice cream parlors, snack bars, food service contractors, caterers, lunch wagons, and street vendors. It also includes bars, taverns, and nightclubs.

Recent Trends By Merchandise Category



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

N/A = Suppressed Data if Fewer than 4 Establishments

8.2% of Little Canada's taxable sales in 2022

Sales per capita are \$1007

*The Repair and Maintenance subsector restore machinery, equipment, and other products to working order. It does **not** include plumbers & electricians. It does include repairs to autos, cameras, radios, televisions, computers, copiers, appliances, lawn mowers, specialized equipment, small engines, furniture, shoes, guns, etc.*

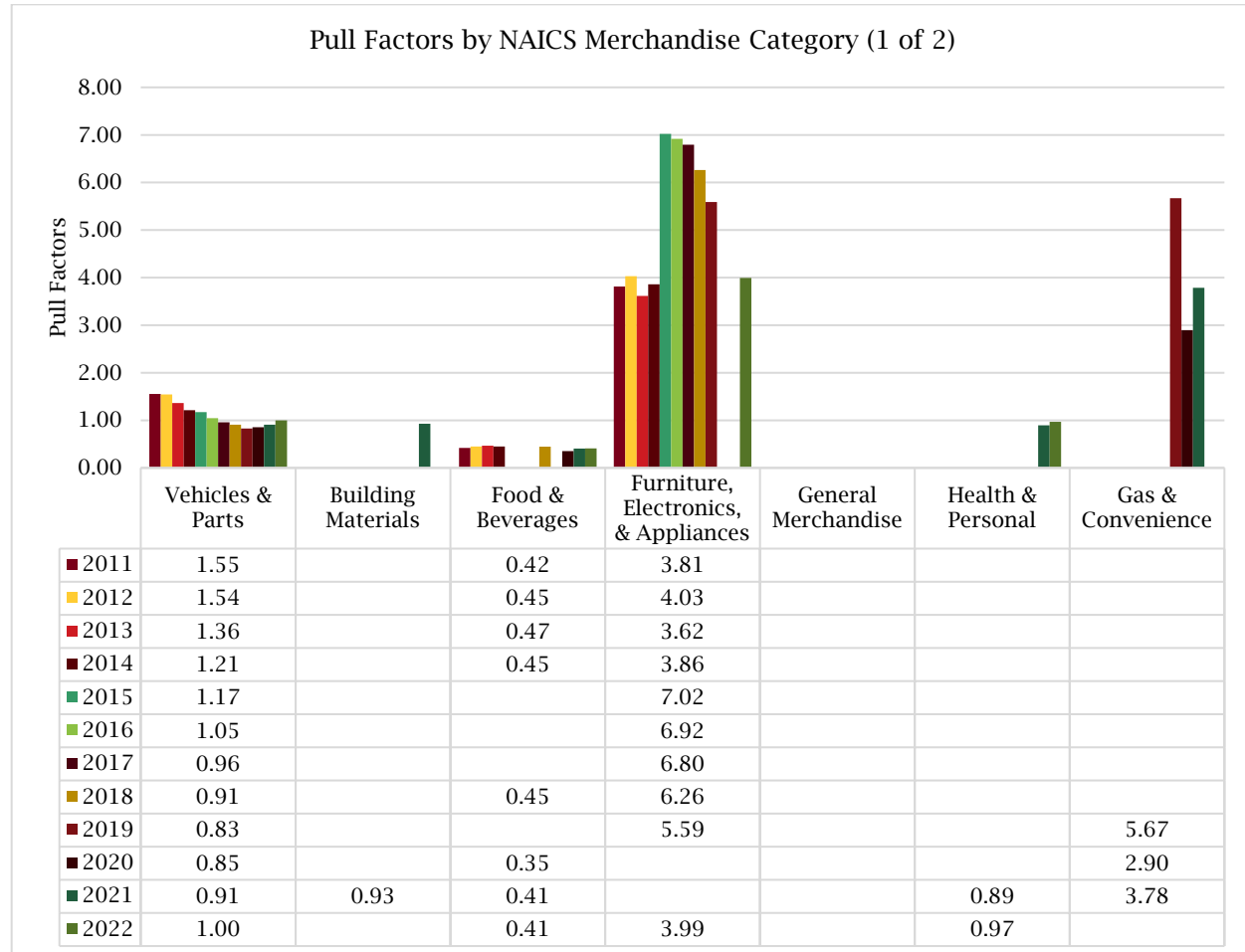
10.0% of Little Canada's taxable sales in 2022

Sales per capita are \$1225

Services performed include: personal care services; barber shops & beauty parlors; death care services; laundry and drycleaning services; and a wide range of other personal services, such as pet care (except veterinary) services, photofinishing services, temporary parking services, and dating services.

Recent Trends By Merchandise Category: Little Canada

The following tables and charts depict pull factors in Marshall from 2011 to 2022 by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of change over time because they account for changes in population and state-wide industry trends.



NAICS Category Descriptions

Motor Vehicles & Parts: Establishments that sell new & used autos, boats, motorcycles, golf carts, RV's, campers, snowmobiles, trailers, tires, and parts.

Building Materials: Establishments that sell lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden centers.

Food & Beverage: Grocery stores, deli's, bakery, & butcher shops that sell food to be prepared at home. Liquor stores.

***Furniture, Electronics, & Appliances:** Stores that sell retail new furniture, home furnishings, household appliances, home audio and video equipment, audio and video recordings, cameras, and computers.

General Merchandise: Establishments that sell a mixed line of goods. Examples are department stores, supercenters, and dollar stores.

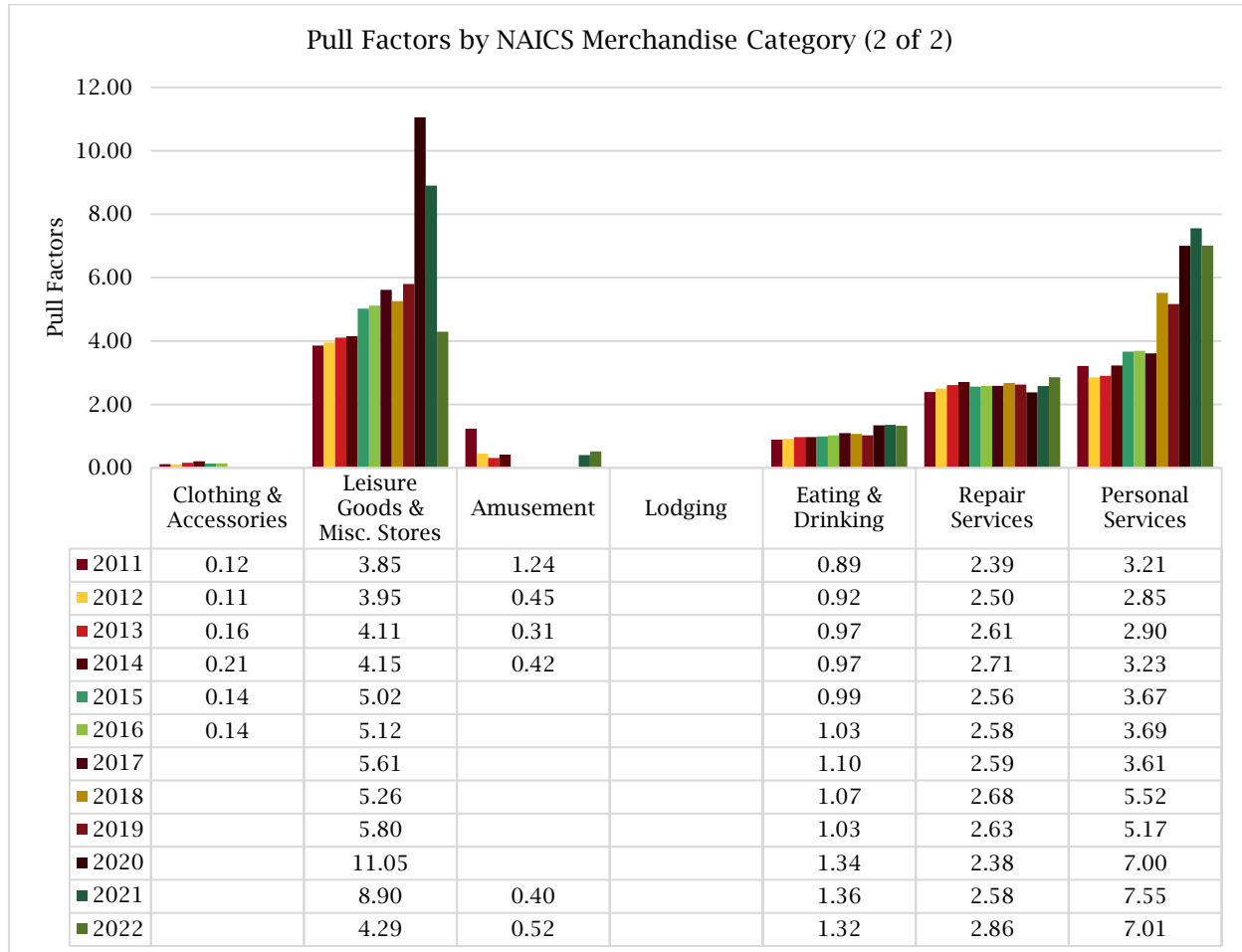
Health & Personal: Pharmacies, food supplements, vision supplies, cosmetics, & hearing aid stores.

Gas Stations/Convenience Store: Retailers that sell fuel along with convenience store items.

* Modified category in 2022 – Because data from both the Furniture and Electronics categories was suppresses in 2020 and 2021, data is unavailable for those years.

Recent Trends By Merchandise Category: Little Canada

The following tables and charts depict pull factors in Marshall from 2011 to 2022 by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of change over time because they account for changes in population and state-wide industry trends.



NAICS Category Descriptions

Clothing & Accessories: Establishments that sell new clothing, clothing accessories, jewelry, shoes, luggage, handbags, wigs, ties, bridal gowns, furs, uniforms, T-shirts, baby clothing, swimsuits, and lingerie.

***Leisure Goods & Misc. Stores:** Stores not covered in other categories such as florists, office supplies, pets, antiques, tobacco, art, used merchandise, and hobby stores. (see Suppressed Data in Cautions section)

Amusement: Establishments such as golf courses, bowling lanes, marinas, amusement parks, water parks, shooting ranges, pool halls, horseback riding, ballrooms, health club facilities, ski hills, and casinos.

Lodging: Seasonal resorts, hotels, boarding houses, bed & breakfast, campgrounds, and RV parks.

Eating & Drinking: Restaurants, donut shops, coffee house, cafeteria, caterers, taverns, and nightclubs.

Repair: Businesses that return items to working order. Examples: cars, lawnmowers, small engines, knives, shoes, computers, furniture, and appliances.

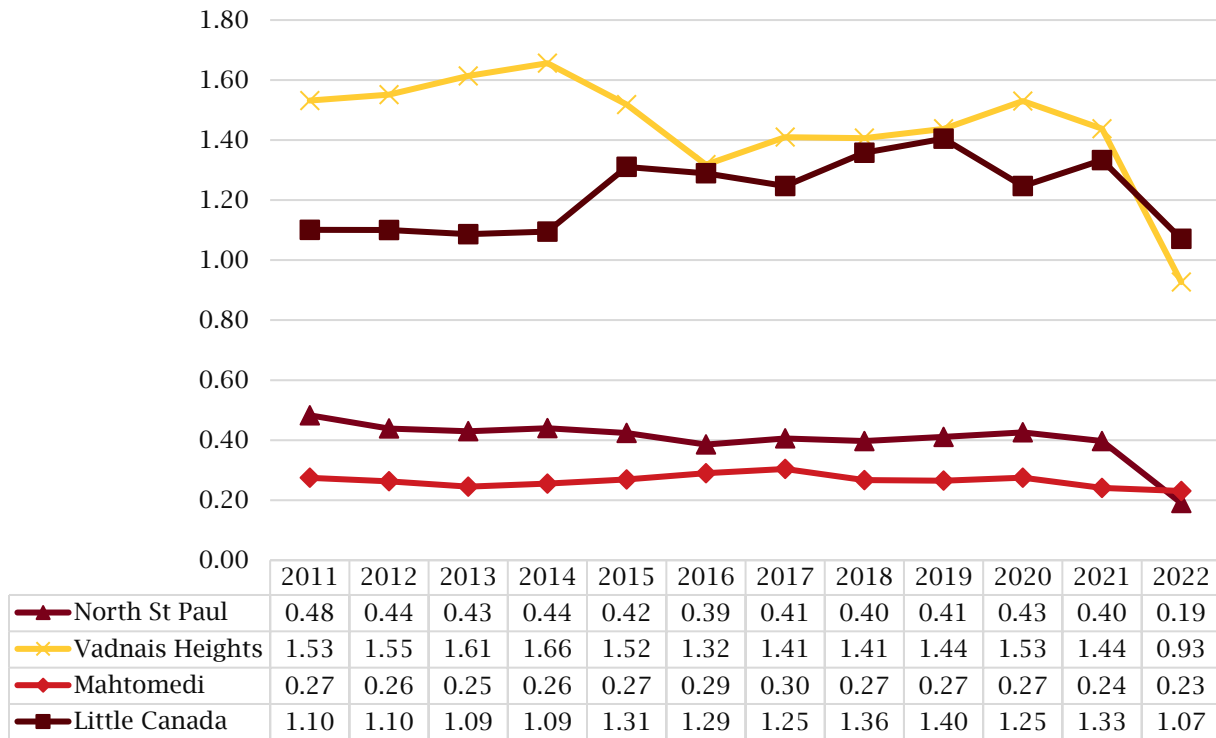
Personal Services: Businesses that perform services like barber shops & beauty parlors; death care services; laundry and drycleaning services, and pet care (except veterinary) services.

* Modified category in 2022

Comparison with Competing Centers

Information about competing trade centers can provide a useful means of comparison when assessing a community's retail trade sector. Comparison towns were selected based on geographic proximity, relative size, and availability of data. Some caution is warranted in the interpretation of these comparisons, however, as retail sales data is provided for only a limited number of towns and cities.

Comparison of Pull Factors of Competing Centers Over Time



Comparison with Competing Trade Centers

Town	Population	Gross Sales (\$millions)	Taxable Sales (\$millions)	Number of Firms	Per Capita Taxable Sales	Pull Factor (Taxable Sales)
Little Canada	10,632	\$336.88	\$130.78	176	12,301	1.07
North St Paul	12,486	\$78.62	\$27.33	130	2,189	0.19
Vadnais Heights	13,270	\$689.80	\$141.31	192	10,649	0.93
Mahtomedi	8,055	\$60.09	\$21.36	107	2,651	0.23

Community Trade Area Analysis: Little Canada

The following table provides information on retail sales by merchandise category. Expected sales is a standard to which actual performance is compared. When calculating expected sales, population and income characteristics, as well as the typical pulling power of similar rural communities are taken into account. Expected sales can be used as a guideline or "par value" in analyzing retail strength.

Deviations from these norms can be analyzed to first judge whether they should be considered relevant. If the differences appear to be significant (whether in dollar amounts or relatively with percentages), additional consideration is merited. Categories with undesirable performance may be further examined for potential corrective action. It is also important to determine whether or not the situation is relatively uncontrollable due to external or extenuating circumstances. In cases of favorable differences from expectations, positive aspects can be identified and built upon.

Trade Area Analysis by Merchandise Category, 2022

Merchandise Category	Expected Sales (\$millions)	Actual Sales (\$millions)	Variance Between Actual & Expected		Trade Area Pop. Gain or Loss	Number of Firms	Percent of Total Sales
			In Dollars (millions)	As % of Expected			
Vehicles & Parts	\$10.38	\$6.74	-\$3.65	-35.1%	-3,736	6	5.2%
Building Materials	\$42.41	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Food & Beverages	\$10.60	\$3.37	-\$7.23	-68.2%	-7,249	5	2.6%
Furniture, Electronics, & Appliances	\$9.46	\$27.59	+\$18.13	+191.7%	+20,383	4	21.1%
General Merchandise	\$70.23	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Health & Personal	\$2.20	\$1.34	-\$0.86	-39.0%	-4,152	6	1.0%
Gas & Convenience	\$6.57	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Clothing & Accessories	\$2.91	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Leisure Goods & Misc. Stores	\$8.11	\$26.34	+\$18.23	+224.6%	+23,884	28	20.1%
Amusement	\$1.07	\$2.05	+\$0.98	+91.9%	+9,773	5	1.6%
Lodging	\$9.15	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Eating & Drinking	\$28.68	\$26.72	-\$1.96	-6.8%	-727	32	20.4%
Repair Services	\$4.29	\$10.71	+\$6.41	+149.4%	+15,881	23	8.2%
Personal Services	\$0.96	\$13.03	+\$12.07	+1262.4%	+134,222	19	10.0%
Total Taxable Retail & Services*	\$106.42	\$130.78	+\$24.37	+22.9%	#N/A	176	100.0%

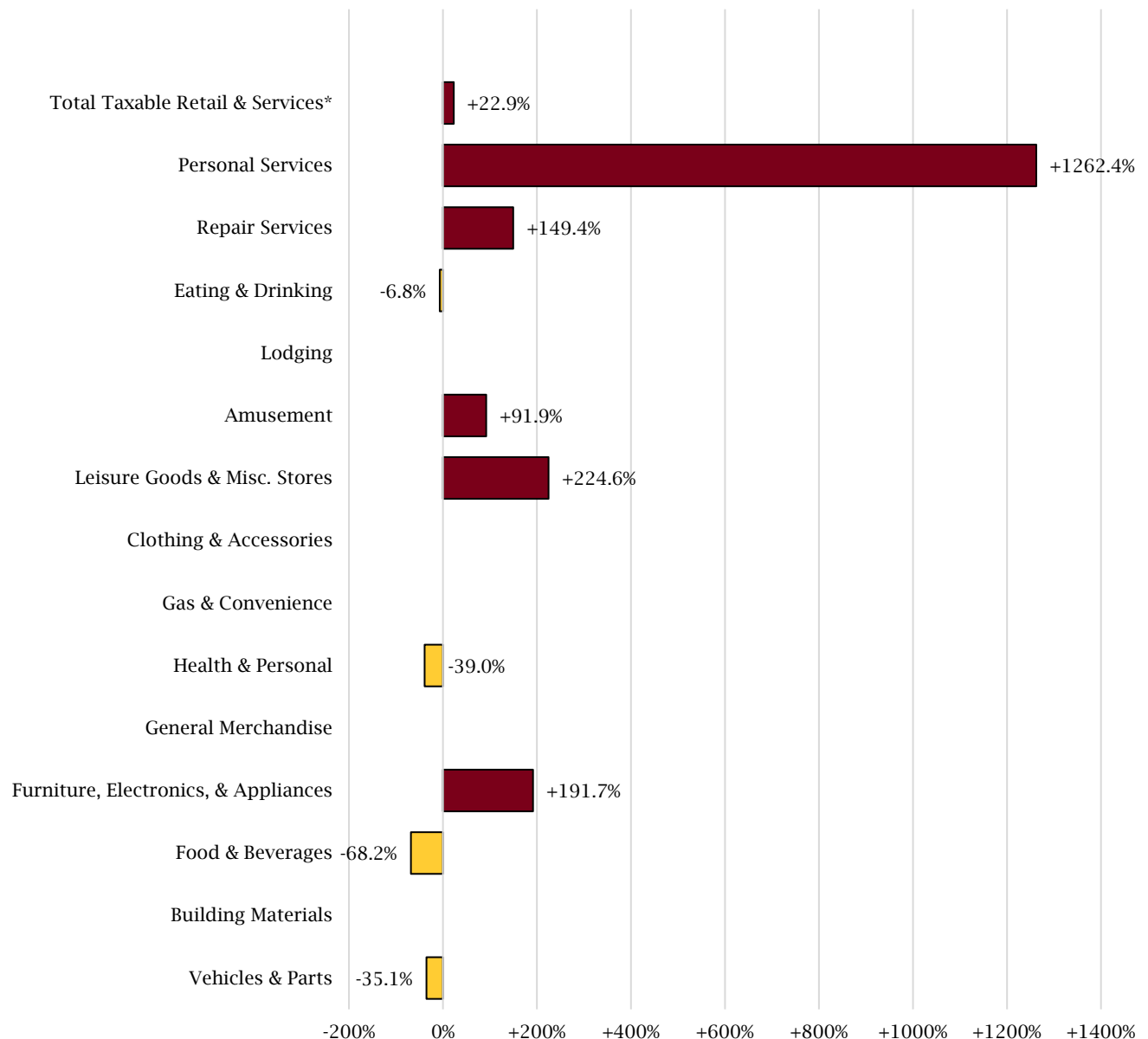
*All retail and service categories are included in total sales, including some categories not shown. Therefore, the merchandise groups shown here generally will not sum to total sales.

Summary of Little Canada's Retail Trade Analysis, 2022

The chart below depicts the percentage amount of Little Canada's actual sales were above or below expected sales in 2022 by merchandise group. Of the 9 merchandise categories with reported data, sales in 6 of the categories were above what would be expected based on the performance in similar-sized cities in Minnesota. The strongest merchandise group by this standard is the Personal Services category, which has a 1262.4 percent surplus. Overall, Little Canada had a retail sales surplus of 22.9 percent in 2022.

It is important to note that variations in a city's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers, management, marketing, and transportation patterns are just a few factors that can cause the retail sales of a particular city to deviate substantially from expected sales. It is important that decision makers consider these influences when constructing policies, plans, or projects.

Percentage of Taxable Sales Above or Below Expected Sales by Merchandise Category

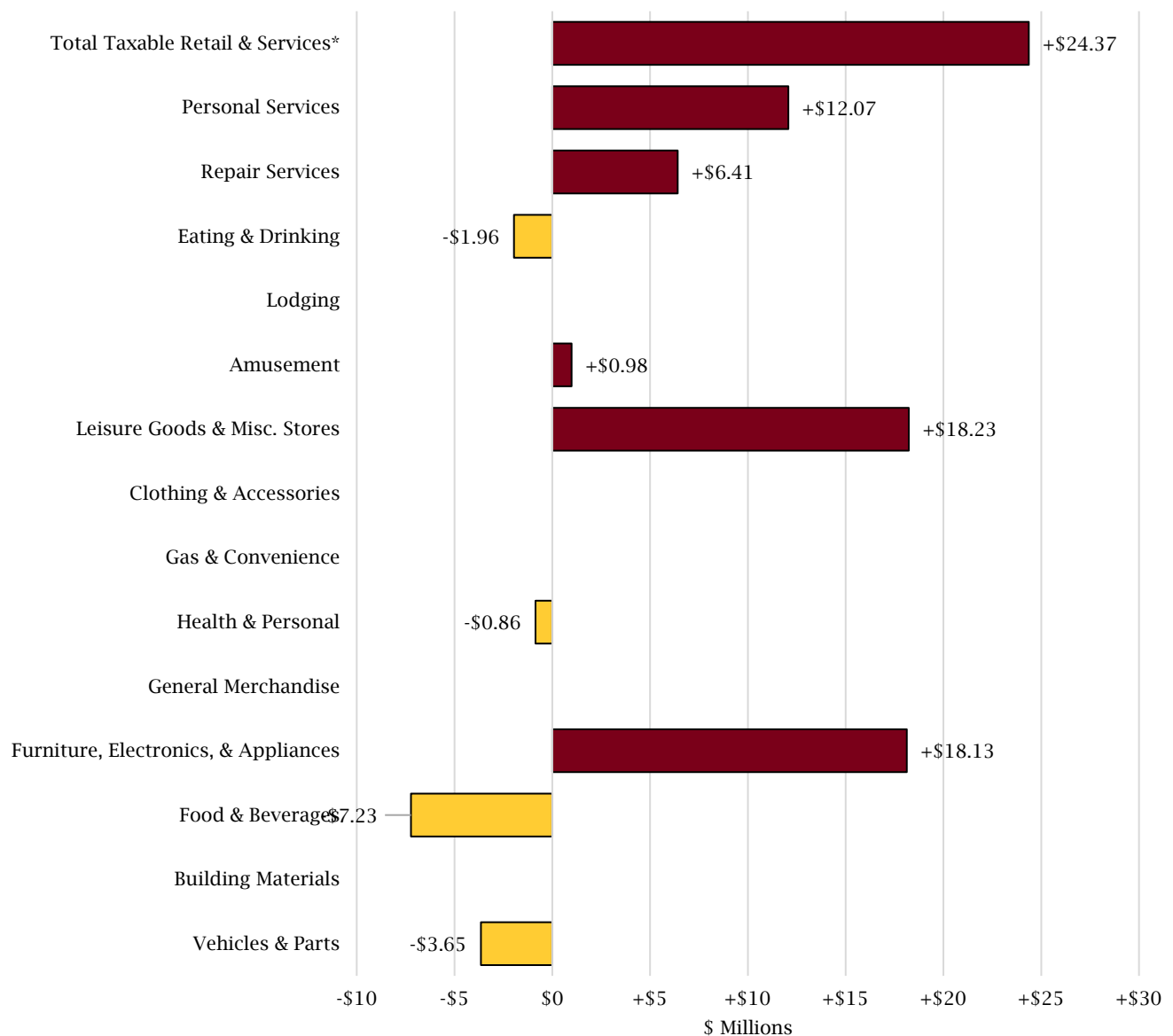


Summary of Little Canada's Retail Trade Analysis, 2022

The chart below depicts the dollar amount of Little Canada's actual sales that were above or below expected sales in 2022 by merchandise group. Of the 9 merchandise categories with reported data, sales in 6 of the categories were above what would be expected based on the performance in similar-sized cities in Minnesota. The strongest merchandise group by this standard is the Personal Services category, which has a \$24.37 million surplus. Overall, Little Canada had a retail surplus of \$24.4 million in 2022.

It is important to note that variations in a city's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers, management, marketing, and transportation patterns are just a few factors that can cause the retail sales of a particular city to deviate substantially from expected sales. It is important that decision makers consider these influences when constructing policies, plans, or projects.

Millions of \$ of Taxable Sales Above or Below Expected Sales by Merchandise Category



Comparison of Pull Factors by Merchandise Category: Pull Factor

2022 Index of "Pulling Power"

Cities with Populations Between

8,500 and 12,800 (Range: +/- ~ 20% Population of Little Canada)

City	Pull Factors	(13 Cities)															
	Population	Vehicles & Parts	Building Materials	Food & Beverages	Furniture, Electronics, & Appliances	General Merchandise	Health & Personal	Gas & Convenience	Clothing & Accessories	Leisure Goods & Misc. Stores	Amusement	Lodging	Eating & Drinking	Repair Services	Personal Services	Total Taxable Retail & Services*	
	St Peter	12,590	0.37	0.46	1.27												0.50
	Big Lake	12,492	0.32	0.81	1.21												0.43
	North St Paul	12,486															0.19
	East Bethel	11,961	4.64		0.47	0.02		0.84			0.28			1.27			0.48
	North Branch	11,756	1.42	2.67	1.12	1.71	1.01	2.61		0.48	0.09		1.14	0.69			0.92
	Mendota Heights	11,658															0.32
	Grand Rapids	11,346	3.95	4.51	2.28	2.26	4.24	1.51	3.13	1.01	1.34	0.29	2.21	1.77	1.85	0.31	2.22
	Little Canada	10,632	1.00		0.41	3.99	0.97				4.29		1.32				1.07
	Fairmont	10,549	1.78	0.92	1.08	0.81	2.44	2.39	1.65	0.23	0.59	0.32	1.81	1.52	1.00	0.25	1.13
	Cambridge	10,541	0.66		1.71	0.40		2.11	9.45		2.48		1.39				1.59
	Hermantown	10,320	4.63	6.46		2.08	7.65		2.72		0.67			2.51			2.70
	Detroit Lakes	10,119	4.50	7.02	2.08	0.86	3.71	1.70	2.37	1.51	1.15	0.17	2.38	2.05	2.75	0.81	2.45
	Arden Hills	9,682			0.91												0.67
	Waseca	9,306	0.46		0.64	0.24		1.67			0.34			0.58			0.37
	Mound	9,284	0.11		0.89												0.27
	East Grand Forks	9,206	1.42	0.40	0.84		0.05		0.02								0.50
	Little Falls	9,153	0.68		2.01	1.28		0.93	1.96		0.23	0.21	1.27	0.62			1.13
	Oak Grove	9,102	0.06														0.15
	St Anthony	9,060	0.56		2.45		2.92				0.27		1.63				0.58
	Thief River Falls	9,058	1.26	1.07	1.79	0.98	3.71	0.01	0.75	0.66	0.68	0.40	1.04	1.17	0.62	0.47	1.17
	Unadjusted Average*		1.64	2.99	1.37	1.46	5.33	1.69	2.12	1.78	1.41	0.29	2.30	1.52	1.22	0.55	0.93

* Raw averages; not adjusted for special circumstances. For example, in cities with a college student population that is large relative to overall population, these pull factors may understate the relative strength of the retail sector. While college students are counted as part of the city population, in general, they spend less than other city residents in many retail categories. Most pull factor outliers were eliminated when calculating typical pull factors used in the expected sales formula.

Comparison of Pull Factors by Merchandise Category: Rank

2022 Index of "Pulling Power"

Cities Outside the Seven-County Metro Area with Populations Between

8,500 and 12,800 (Range: +/- ~ 20% Population of Little Canada)

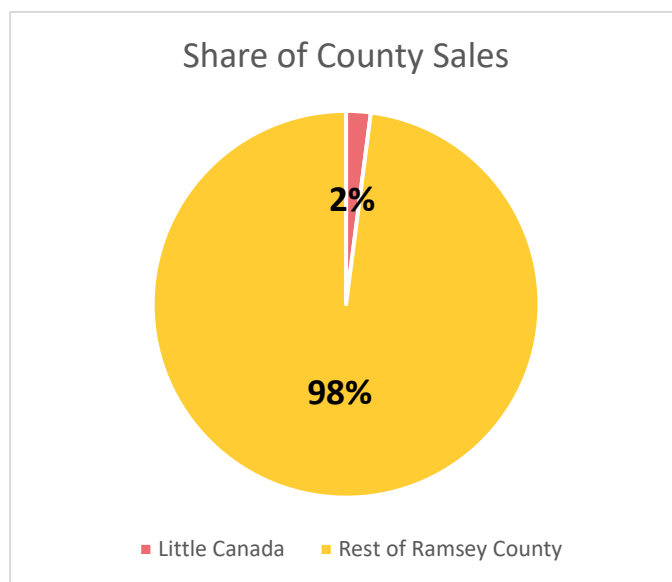
Rankings (13 Cities)

City	Population	Vehicles & Parts	Building Materials	Food & Beverages	Furniture, Electronics, & Appliances	General Merchandise	Health & Personal	Gas & Convenience	Clothing & Accessories	Leisure Goods & Misc. Stores	Amusement	Lodging	Eating & Drinking	Repair Services	Personal Services	Total Taxable Retail & Services*
St Peter	#1	#15	#9	#8												#13
Big Lake	#2	#16	#8	#9												#16
North St Paul	#3															#20
East Bethel	#4	#1		#16	#12			#10			#7			#4		#15
North Branch	#5	#7	#5	#10	#4		#7	#4		#8	#10		#10	#7		#10
Mendota Heights	#6															#18
Grand Rapids	#7	#4	#3	#2	#2	#3	#6	#2	#3	#4	#5	#3	#2	#3	#4	#3
Little Canada	#8	#10		#17	#1		#8			#1			#7			#8
Fairmont	#9	#5	#7	#11	#9	#6	#2	#9	#5	#7	#4	#4	#4	#6	#5	#6
Cambridge	#10	#12		#6	#10		#3	#1		#2			#6			#4
Hermantown	#11	#2	#2		#3	#1		#3			#1			#2		#1
Detroit Lakes	#12	#3	#1	#3	#8	#4	#4	#5	#2	#5	#9	#1	#1	#1	#1	#2
Arden Hills	#13			#12												#11
Waseca	#14	#14		#15	#11			#8			#3			#10		#17
Mound	#15	#17		#13												#19
East Grand Forks	#16	#8	#10	#14		#7			#6							#14
Little Falls	#17	#11		#4	#6		#9	#7		#10	#8		#8	#8		#7
Oak Grove	#18	#18														#21
St Anthony	#19	#13		#1			#1			#9			#3			#12
Thief River Falls	#20	#9	#6	#5	#7	#5	#10	#11	#4	#6	#2	#5	#9	#9	#3	#5

Little Canada and Ramsey County, Comparison, 2022

It is important to review retail performance for the entire county and not just the city in isolation. For example, it is common for county seat towns to have above-average retail performance while the county overall has a leakage of sales. This is usually because the county seat city doesn't have the critical mass of retail to attract purchases by everyone in the county. By analyzing county data, city business officials can develop strategies to recapture some sales being lost to other cities. For counties that have a local option sales tax, the analysis of county sales is extremely important since lost sales are lost tax dollars. A thorough analysis of county sales can help county officials develop more meaningful economic development plans aimed at recapturing lost sales.

The table below shows retail sales and number of firms by merchandise category for Little Canada and Ramsey County in 2022. Little Canada accounted for 2 percent of the county's sales and 2 percent of the county's firms.



City's Share of County's Retail and Service Taxable Sales in 2022

Merchandise Category	Little Canada		Ramsey County		City's Share of County Total	
	Taxable Sales (\$millions)	Number of Firms	Taxable Sales (\$millions)	Number of Firms	Sales	Firms
Vehicles & Parts	\$6.74	6	\$275.27	134	2.4%	4.5%
Building Materials	\$0.00	0	\$328.90	85	0.0%	0.0%
Food & Beverages	\$3.37	5	\$456.39	420	0.7%	1.2%
Furniture, Electronics, & Appliances	\$27.59	4	\$613.65	214	4.5%	1.9%
General Merchandise	\$0.00	0	\$482.62	68	0.0%	0.0%
Health & Personal	\$1.34	6	\$95.97	213	1.4%	2.8%
Gas & Convenience	\$0.00	0	\$87.06	105	0.0%	0.0%
Clothing & Accessories	\$0.00	0	\$105.31	276	0.0%	0.0%
Leisure Goods & Misc. Stores	\$26.34	28	\$336.52	929	7.8%	3.0%
Amusement	\$2.05	5	\$859.67	163	0.2%	3.1%
Lodging	\$0.00	0	\$132.91	61	0.0%	0.0%
Eating & Drinking	\$26.72	32	\$1,216.74	1240	2.2%	2.6%
Repair Services	\$10.71	23	\$184.87	456	5.8%	5.0%
Personal Services	\$13.03	19	\$188.45	692	6.9%	2.7%
Total Taxable Retail & Services*	\$130.78	176	\$6,367.08	9359	2.1%	1.9%

Ramsey County Retail Trade Overview

Total Taxable and Gross Retail Sales

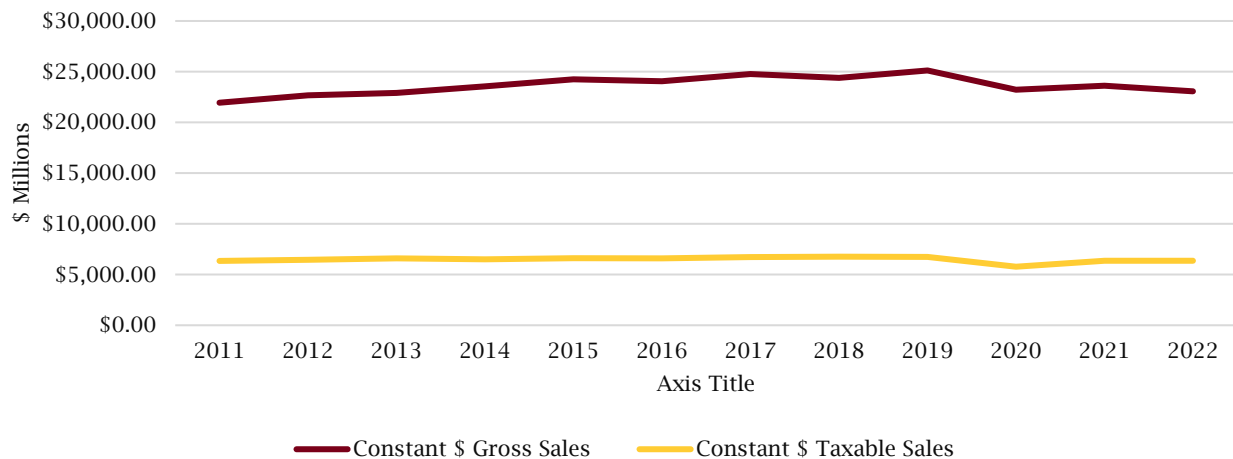
The table below presents gross and taxable retail and services sales for Ramsey County from 2011 through 2022. Without inflation adjustments, taxable sales in Ramsey County increased 18.7 percent from 2016 to 2022, while the number of firms fell 8.3 percent. Statewide, taxable sales increased 32.6 percent over the same time period and the number of firms fell 3.7 percent. The per capita sales and pull factor data in this table are based on taxable sales, the more verified sales measure.

Year	Estimated Population	Current Dollars		Constant 2022 Dollars		Number of Firms	Per Capita Sales	Pull Factor
		Gross Sales* (\$millions)	Taxable Sales (\$millions)	Gross Sales* (\$millions)	Taxable Sales (\$millions)			
2011	510,810	\$16,849.48	\$4,876.88	\$21,943.42	\$6,351.25	9504	\$9,547.34	1.20
2012	517,399	\$17,773.71	\$5,056.48	\$22,669.66	\$6,449.34	9622	\$9,772.88	1.18
2013	525,146	\$18,508.05	\$5,330.59	\$22,906.93	\$6,597.53	9864	\$10,150.67	1.18
2014	529,506	\$19,036.52	\$5,257.04	\$23,551.97	\$6,504.00	10018	\$9,928.19	1.14
2015	533,677	\$19,517.47	\$5,319.14	\$24,247.09	\$6,608.11	10033	\$9,966.96	1.11
2016	540,653	\$19,561.36	\$5,362.42	\$24,066.35	\$6,597.39	10203	\$9,918.41	1.09
2017	546,317	\$20,558.90	\$5,579.36	\$24,767.23	\$6,721.43	10122	\$10,212.67	1.10
2018	552,232	\$20,757.00	\$5,757.33	\$24,384.13	\$6,763.38	10326	\$10,425.56	1.09
2019	558,248	\$21,741.21	\$5,834.18	\$25,122.69	\$6,741.59	10112	\$10,450.87	1.09
2020	552,352	\$20,344.08	\$5,056.65	\$23,226.18	\$5,773.02	9484	\$9,154.77	0.98
2021	553,229	\$21,772.36	\$5,862.44	\$23,615.30	\$6,358.68	9469	\$10,596.78	0.98
2022	551,195	\$23,066.65	\$6,367.08	\$23,066.65	\$6,367.08	9359	\$11,551.41	1.01
7 yr Change '16 to '22	1.9%	17.9%	18.7%	-4.2%	-3.5%	-8.3%	16.5%	-7.9%
3 yr Change '19 to '22	-0.2%	13.4%	25.9%	-0.7%	10.3%	-1.3%	26.2%	2.3%

*Gross sales figures are self-reported by firms and not audited by the Department of Revenue for accuracy

Retail Sales in Constant Dollars

The table also presents sales data in constant 2022 dollars. These figures have been adjusted for inflation to reflect their value in 2022. For example, in 2011, taxable sales in Ramsey County totaled \$4876.88 million, an amount worth \$6351.25 million in 2022 dollars. In constant dollars, gross sales fell -4.2 percent between 2016 and 2022. Constant dollar taxable sales decreased -3.5 percent over the same time period.

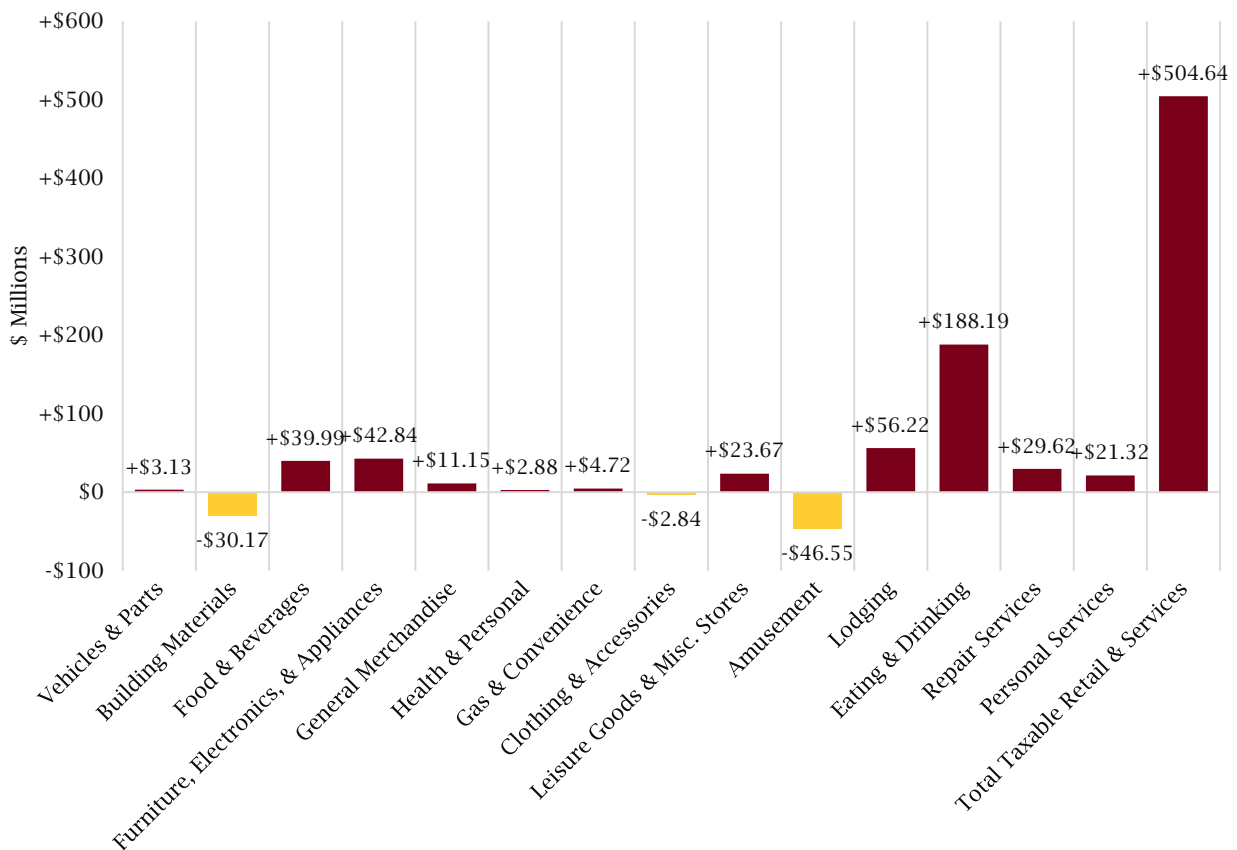


Summary of Changes in Ramsey County's Taxable Sales, 2021 to 2022

Merchandise Category	Taxable Sales 2021	Taxable Sales 2022	Dollar Change	Percent Change
Vehicles & Parts	\$272,144,666	\$275,273,655	+\$3,128,989	+1.15%
Building Materials	\$359,064,490	\$328,895,001	-\$30,169,489	-8.40%
Food & Beverages	\$416,402,725	\$456,388,067	+\$39,985,342	+9.60%
Furniture, Electronics, & Appliances	\$570,810,858	\$613,651,573	+\$42,840,715	+7.51%
General Merchandise	\$471,467,471	\$482,615,874	+\$11,148,403	+2.36%
Health & Personal	\$93,082,610	\$95,966,729	+\$2,884,119	+3.10%
Gas & Convenience	\$82,342,762	\$87,058,123	+\$4,715,361	+5.73%
Clothing & Accessories	\$108,148,659	\$105,308,049	-\$2,840,610	-2.63%
Leisure Goods & Misc. Stores	\$312,848,482	\$336,519,627	+\$23,671,145	+7.57%
Amusement	\$906,221,435	\$859,666,738	-\$46,554,697	-5.14%
Lodging	\$76,692,082	\$132,908,220	+\$56,216,138	+73.30%
Eating & Drinking	\$1,028,553,631	\$1,216,740,671	+\$188,187,040	+18.30%
Repair Services	\$155,254,664	\$184,871,438	+\$29,616,774	+19.08%
Personal Services	\$167,130,539	\$188,453,353	+\$21,322,814	+12.76%
Total Taxable Retail & Services	\$5,862,443,854	\$6,367,081,054	+\$504,637,200	+8.61%

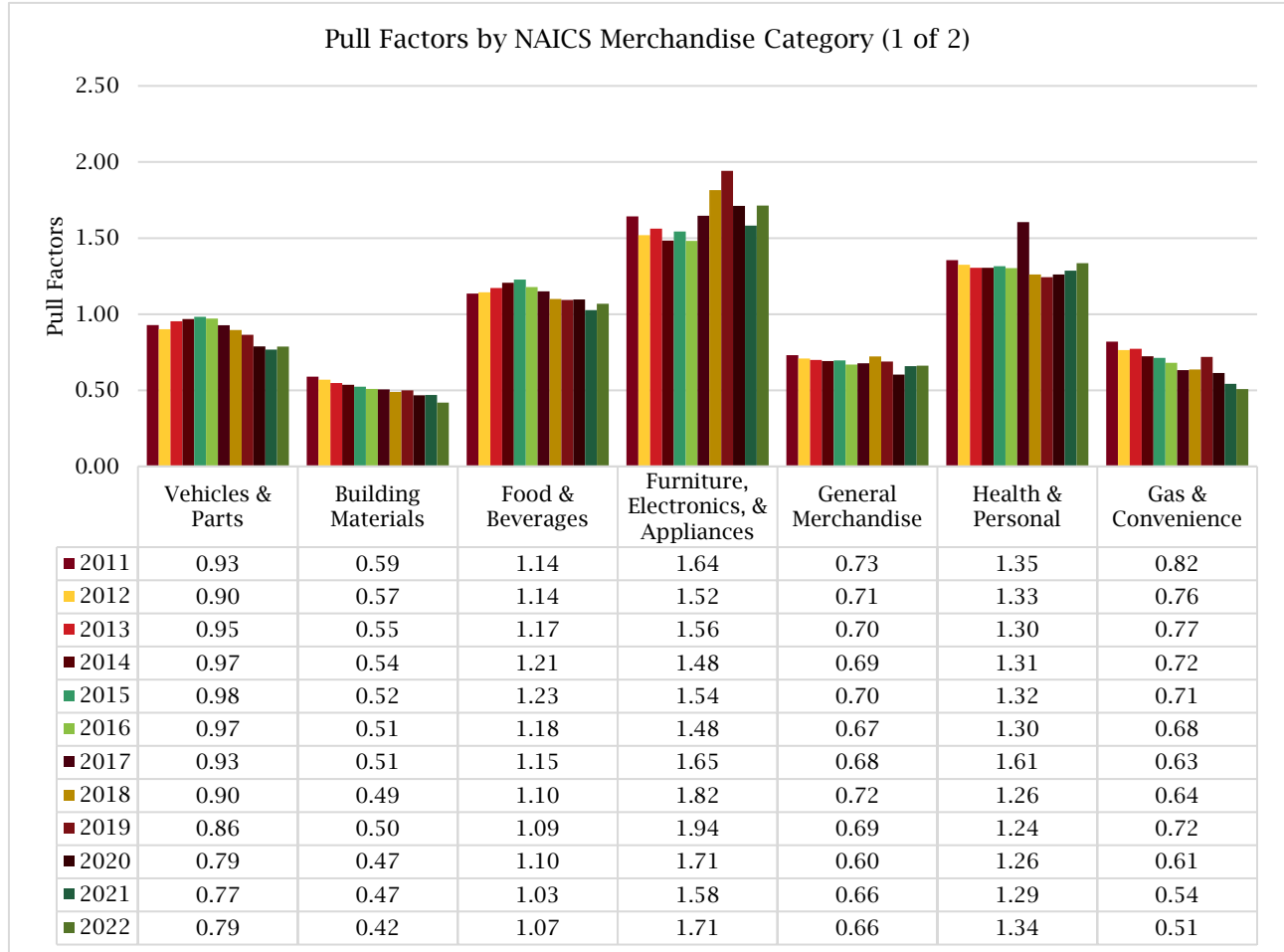
*Figures not adjusted for inflation

Taxable Sales Changes by Merchandise Category, 2021 to 2022



Recent Trends By Merchandise Category: Ramsey County

The following tables and charts depict pull factors in Ramsey County from 2011 to 2022 by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of change over time because they account for changes in population and state-wide industry trends.



NAICS Category Descriptions

Motor Vehicles & Parts: Establishments that sell new & used autos, boats, motorcycles, golf carts, RV's, campers, snowmobiles, trailers, tires, and parts.

Building Materials: Establishments that sell lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden centers.

Food & Beverage: Grocery stores, deli's, bakery, & butcher shops that sell food to be prepared at home. Liquor stores.

***Furniture, Electronics, & Appliances:** Stores that sell retail new furniture, home furnishings, household appliances, home audio and video equipment, audio and video recordings, cameras, and computers.

General Merchandise: Establishments that sell a mixed line of goods. Examples are department stores, supercenters, and dollar stores.

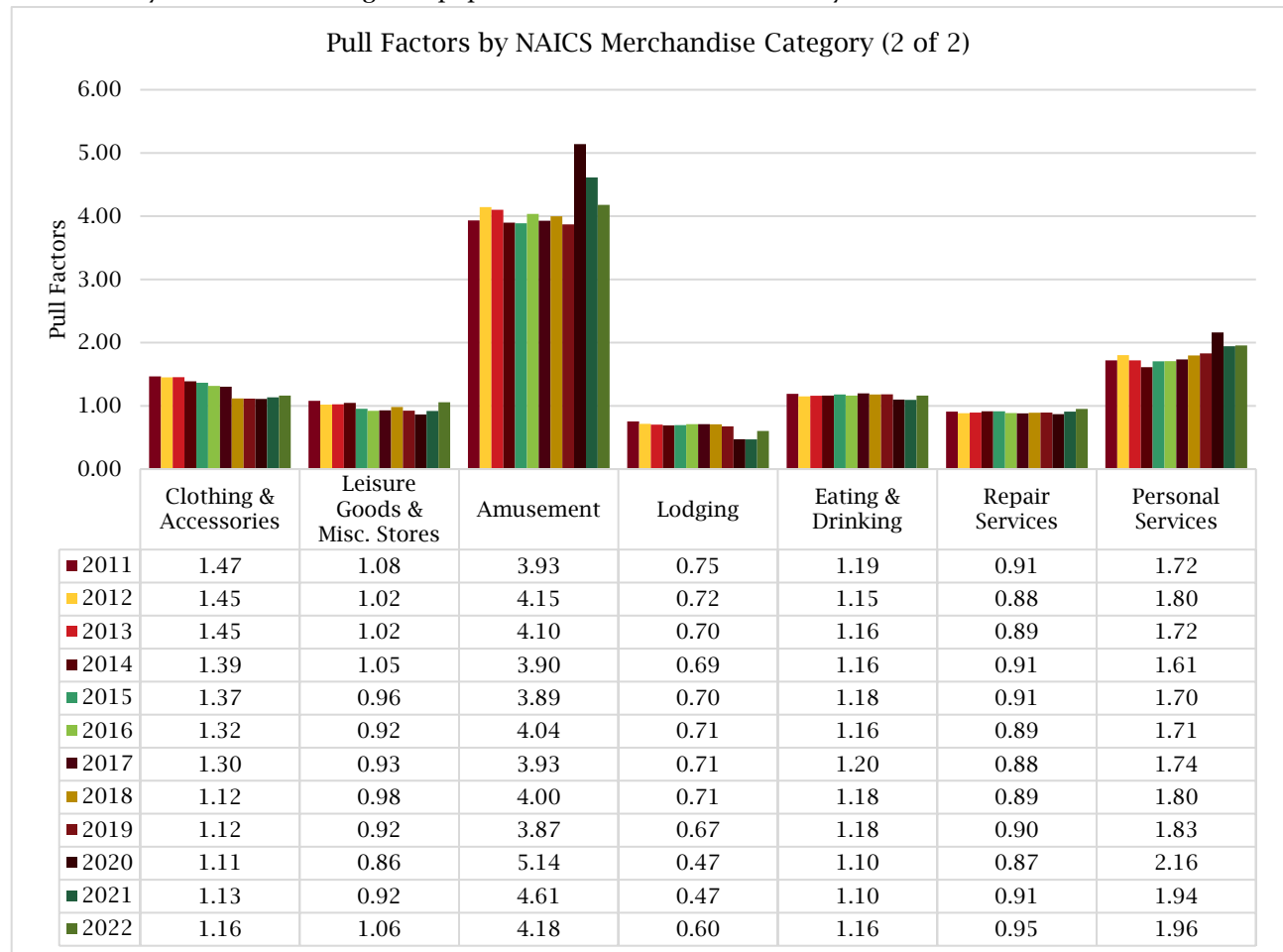
Health & Personal: Pharmacies, food supplements, vision supplies, cosmetics, & hearing aid stores.

Gas Stations/Convenience Store: Retailers that sell fuel along with convenience store items.

* Modified category in 2022

Recent Trends By Merchandise Category: Ramsey County

The following tables and charts depict pull factors in Ramsey County from 2011 to 2022 by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of change over time because they account for changes in population and state-wide industry trends.



NAICS Category Descriptions

Clothing & Accessories: Establishments that sell new clothing, clothing accessories, jewelry, shoes, luggage, handbags, wigs, ties, bridal gowns, furs, uniforms, T-shirts, baby clothing, swimsuits, and lingerie.

***Leisure Goods & Misc. Stores:** Stores not covered in other categories such as florists, office supplies, pets, antiques, tobacco, art, used merchandise, and hobby stores. (see Suppressed Data in Cautions section)

Amusement: Establishments such as golf courses, bowling lanes, marinas, amusement parks, water parks, shooting ranges, pool halls, horseback riding, ballrooms, health club facilities, ski hills, and casinos.

Lodging: Seasonal resorts, hotels, boarding houses, bed & breakfast, campgrounds, and RV parks.

Eating & Drinking: Restaurants, donut shops, coffee house, cafeteria, caterers, taverns, and nightclubs.

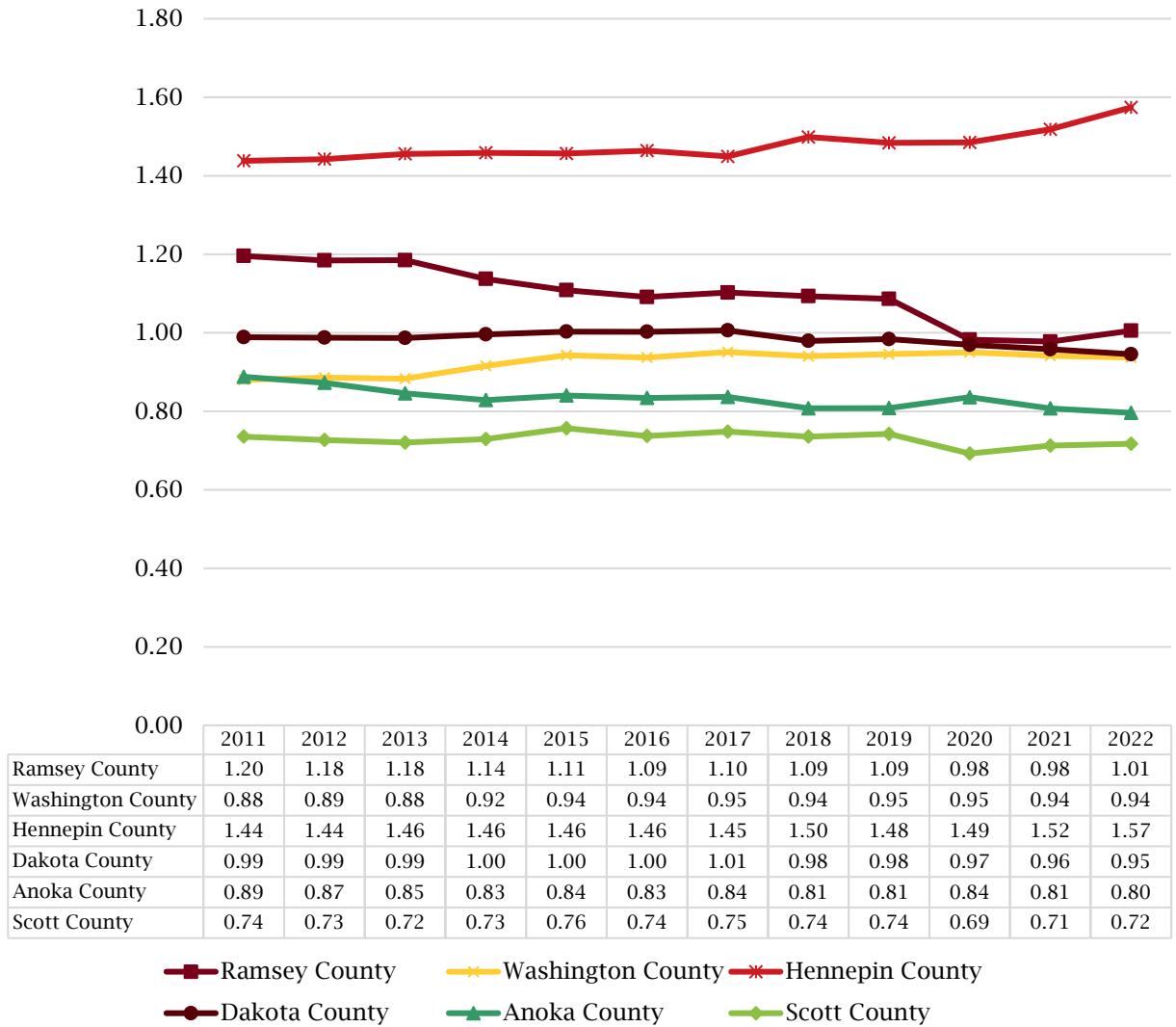
Repair: Businesses that return items to working order. Examples: cars, lawnmowers, small engines, knives, shoes, computers, furniture, and appliances.

Personal Services: Businesses that perform services like barber shops & beauty parlors; death care services; laundry and drycleaning services, and pet care (except veterinary) services.

* Modified category in 2022

Comparison with Neighboring Counties

Comparison of Pull Factors Over Time



Comparison with Neighboring Counties, 2022

Town	Population	Gross Sales (\$millions)	Taxable Sales (\$millions)	Number of Firms	Per Capita Taxable Sales	Pull Factor (Taxable Sales)
Ramsey County	551,195	\$23,066.65	\$6,367.08	9,359	\$11,551.41	1.01
Washington County	274,589	\$8,022.93	\$2,956.20	4,640	\$10,765.89	0.94
Hennepin County	1,293,651	\$64,852.55	\$23,396.10	26,376	\$18,085.33	1.57
Dakota County	444,985	\$15,740.16	\$4,833.67	7,314	\$10,862.55	0.95
Anoka County	368,280	\$8,674.04	\$3,368.24	5,750	\$9,145.86	0.80
Scott County	154,395	\$3,541.14	\$1,272.40	2,435	\$8,241.23	0.72

Trade Area Analysis of Retail Sales: Ramsey County

The following table provides information on retail sales by merchandise category. Potential sales is a standard to which actual performance is compared. When calculating potential sales, population and income characteristics are taken into account. Potential sales can be used as a guideline or "par value" when analyzing retail strength.

Deviations from these norms can be analyzed to first judge whether they should be considered relevant. If the differences appear to be significant (whether in dollar amounts or relatively with percentages), additional consideration is merited. Categories with undesirable performance may be further examined for potential corrective action. It is also important to determine whether or not the situation is relatively uncontrollable due to external or extenuating circumstances. In cases of favorable differences from expectations, positive aspects can be identified and built upon.

Trade Area Analysis by Merchandise Category, 2022

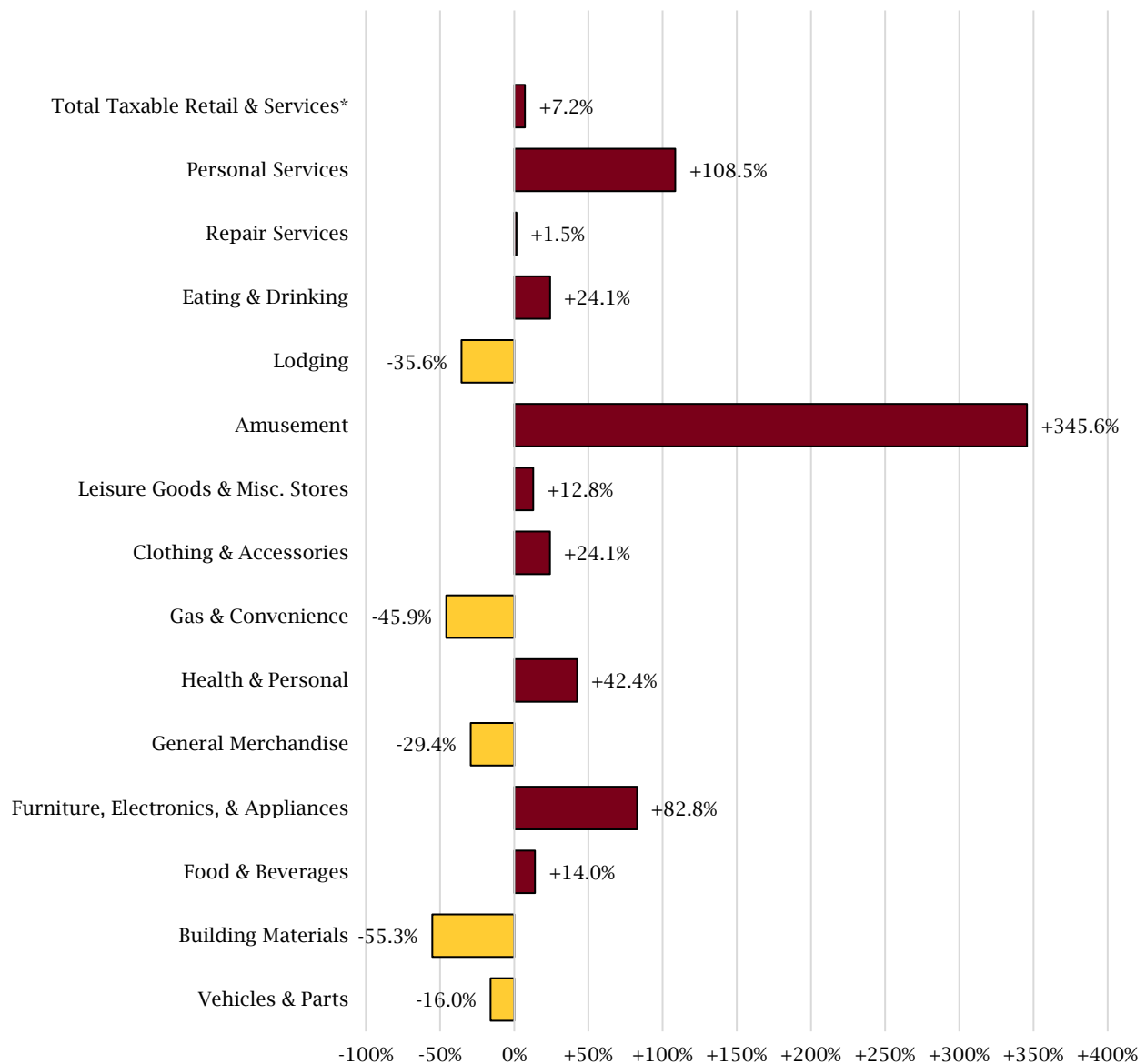
Merchandise Category	Expected Sales (\$millions)	Actual Sales (\$millions)	Variance Between Actual & Expected		Trade Area Pop. Gain or Loss	Number of Firms	Percent of Total Sales
			In Dollars (millions)	As % of Expected			
Vehicles & Parts	\$327.64	\$275.27	-\$52.37	-16.0%	-88,096	134	4.3%
Building Materials	\$735.03	\$328.90	-\$406.13	-55.3%	-304,557	85	5.2%
Food & Beverages	\$400.44	\$456.39	+\$55.95	+14.0%	77,007	420	7.2%
Furniture, Electronics, & Appliances	\$335.73	\$613.65	+\$277.92	+82.8%	456,286	214	9.6%
General Merchandise	\$683.29	\$482.62	-\$200.68	-29.4%	-161,881	68	7.6%
Health & Personal	\$67.40	\$95.97	+\$28.57	+42.4%	233,659	213	1.5%
Gas & Convenience	\$160.78	\$87.06	-\$73.72	-45.9%	-252,739	105	1.4%
Clothing & Accessories	\$84.85	\$105.31	+\$20.45	+24.1%	132,861	276	1.7%
Leisure Goods & Misc. Stores	\$298.30	\$336.52	+\$38.22	+12.8%	70,613	929	5.3%
Amusement	\$192.93	\$859.67	+\$666.74	+345.6%	1,904,907	163	13.5%
Lodging	\$206.30	\$132.91	-\$73.39	-35.6%	-196,084	61	2.1%
Eating & Drinking	\$980.26	\$1,216.74	+\$236.48	+24.1%	132,975	1240	19.1%
Repair Services	\$182.09	\$184.87	+\$2.78	+1.5%	8,424	456	2.9%
Personal Services	\$90.36	\$188.45	+\$98.09	+108.5%	598,307	692	3.0%
Total Taxable Retail & Services*	\$5,937.92	\$6,367.08	+\$429.16	+7.2%	39,837	9359	100.0%

Retail Trade Performance in Percentages: Ramsey County

The chart below depicts the percentage amount of Ramsey County's actual sales that were above or below potential sales in 2022 by merchandise group. Of the 14 merchandise categories with reported data, sales in 10 of the categories were above what would be potential sales, based on the county's population and income characteristics, as well as statewide spending patterns. The strongest merchandise group by this standard is the Amusement category, which has a 345.6 percent surplus. Overall, Ramsey County had a retail sales surplus of 7.2 percent in 2022.

It is important to note that variations in a county's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers and transportation patterns, as well as the individual retailer's management and marketing, can cause the retail sales of a particular county to deviate substantially from potential sales. It is important that decision-makers consider these influences when constructing policies, plans, or projects.

Percentage Above or Below Potential Sales, 2022

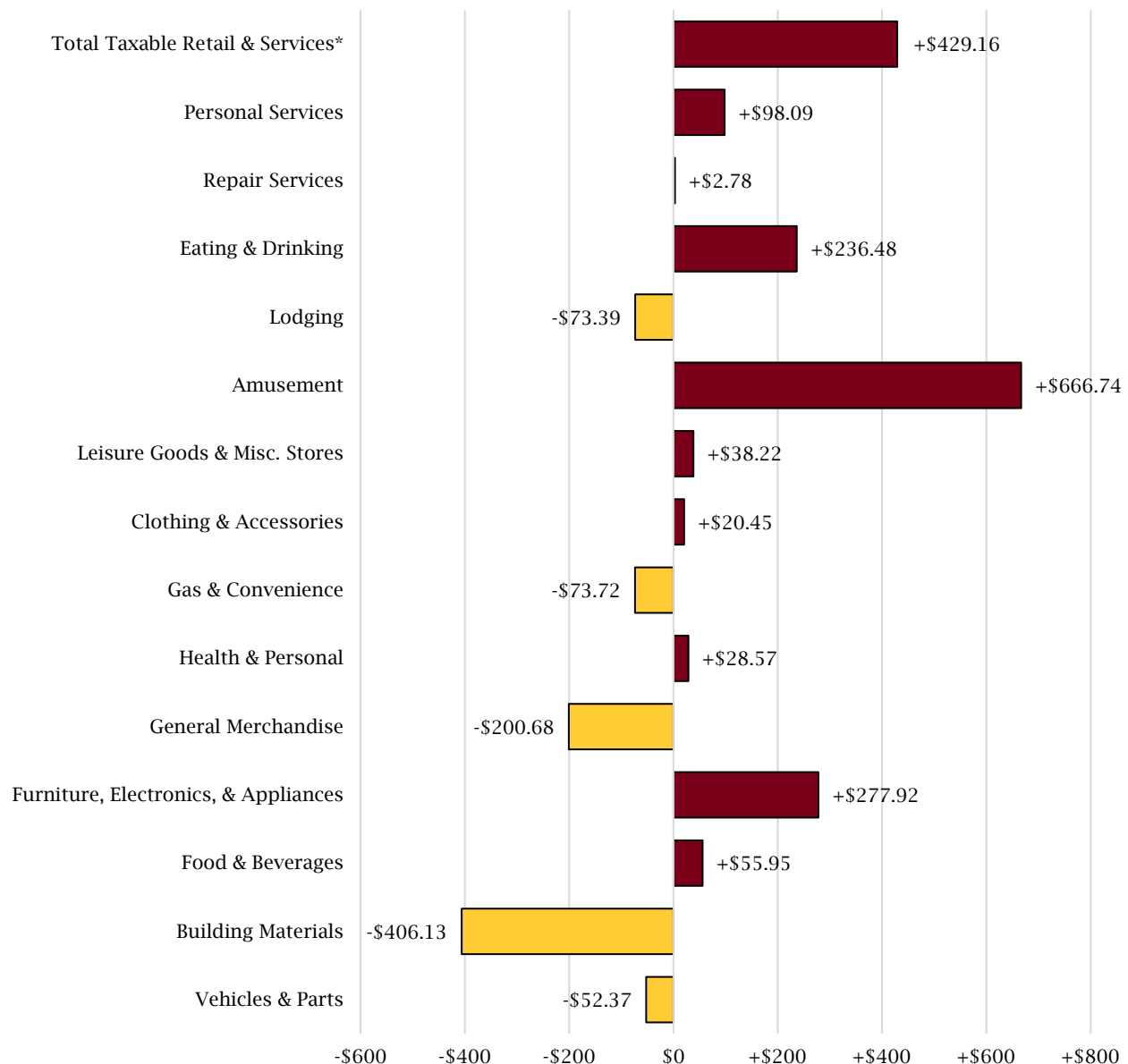


Retail Trade Performance in Dollars: Ramsey County

The chart below depicts the dollar amount of Ramsey County's actual sales that were above or below potential sales in 2022 by merchandise group. Of the 14 merchandise categories with reported data, sales in 10 of the categories were above calculated potential. The strongest merchandise group by this standard is the Amusement category, which has a \$666.74 million surplus. Overall, Ramsey County had a retail surplus of \$429.2 million in 2022.

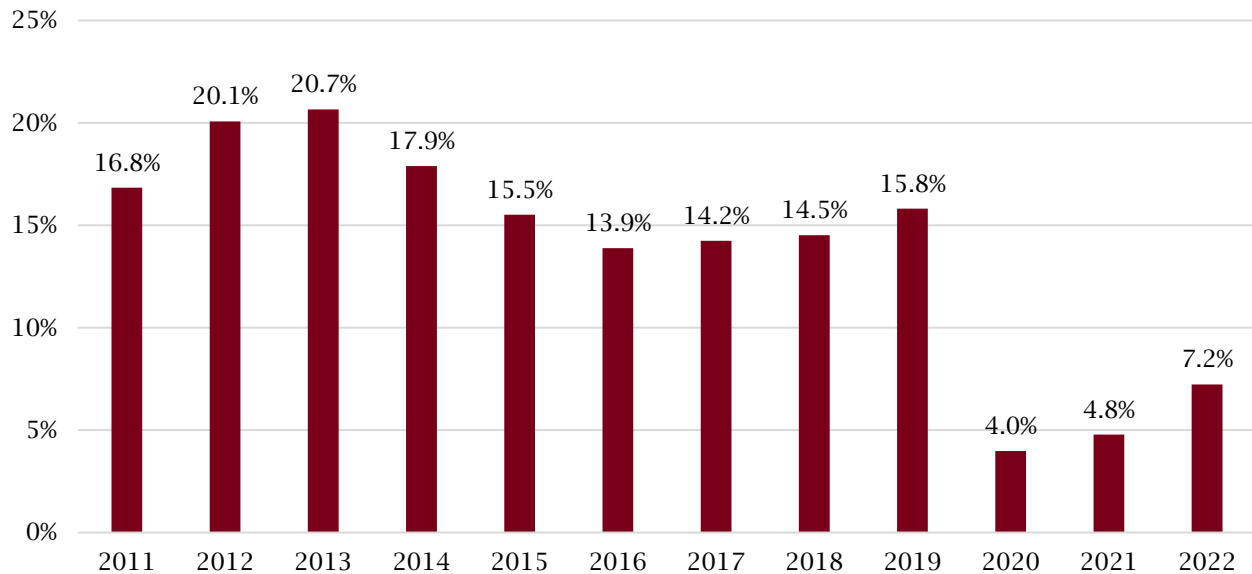
It is important to note that variations in a county's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers and transportation patterns, as well as the individual retailer's management and marketing, can cause the retail sales of a particular county to deviate substantially from potential sales. It is important that decision-makers consider these influences when constructing policies, plans, or projects.

Millions of \$ Above or Below Potential Sales, 2022



Retail Trade Surplus or Leakage: Ramsey County

County Surplus or Leakage as a Percentage of Potential



Fiscal Year	Population Estimate	Index of Income	Potential Sales (in millions)	Actual Sales (in millions)	Surplus or Leakage (in millions)	Surplus or Leakage as % of Potential	Trade Area Population Gain or Loss
2011	510,810	1.02	\$4,174.2	\$4,876.9	+\$702.7	16.8%	85,993
2012	517,399	0.99	\$4,211.2	\$5,056.5	+\$845.3	20.1%	103,853
2013	525,146	0.98	\$4,418.0	\$5,330.6	+\$912.6	20.7%	108,481
2014	529,506	0.96	\$4,459.2	\$5,257.0	+\$797.8	17.9%	94,739
2015	533,677	0.96	\$4,604.7	\$5,319.1	+\$714.4	15.5%	82,798
2016	540,653	0.96	\$4,708.8	\$5,362.4	+\$653.7	13.9%	75,051
2017	546,317	0.97	\$4,883.9	\$5,579.4	+\$695.5	14.2%	77,799
2018	552,232	0.95	\$5,027.4	\$5,757.3	+\$730.0	14.5%	80,183
2019	558,248	0.94	\$5,037.7	\$5,834.2	+\$796.5	15.8%	88,266
2020	552,352	0.94	\$4,863.1	\$5,056.7	+\$193.6	4.0%	21,985
2021	553,229	0.93	\$5,594.9	\$5,862.4	+\$267.6	4.8%	26,459
2022	551,195	0.94	\$5,937.9	\$6,367.1	+\$429.2	7.2%	39,837

Minnesota Per Capita Retail Sales and Threshold Levels

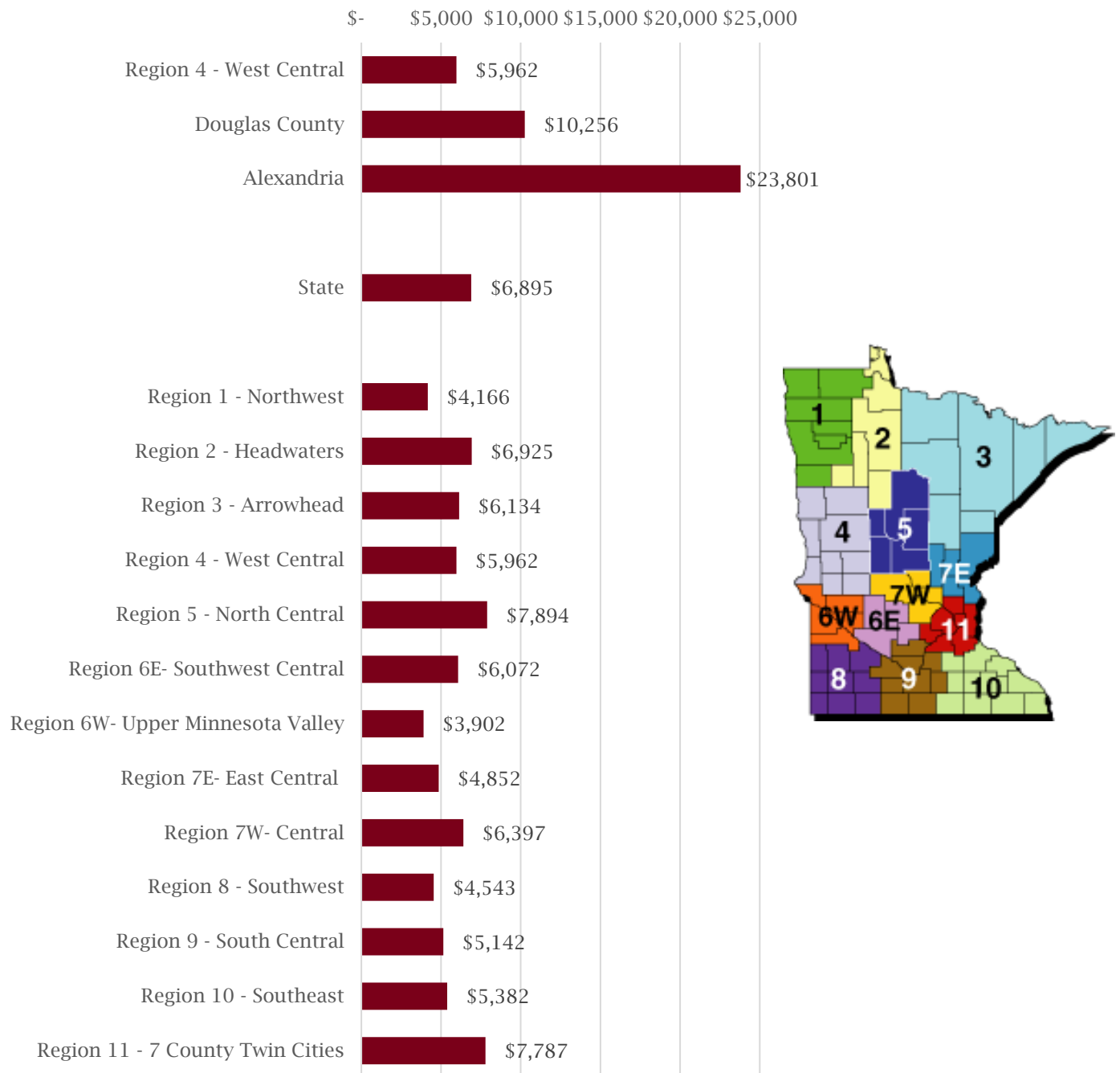
for Selected Goods and Services, 2022

Threshold level refers to the number of people per business, which can be used as a general guide for determining the critical mass necessary to support a business. These are broad averages for the state as a whole and do not reflect differences in income, tourism, agglomeration, establishment, etc. Further, business counts are based on the number of sales tax returns filed and are converted to full-time equivalents. Multiplying people per business by sales per capita yields average sales per firm. In addition to state averages, averages for the non-Metropolitan regions were calculated by excluding the seven-county Minneapolis-St. Paul Metropolitan region.

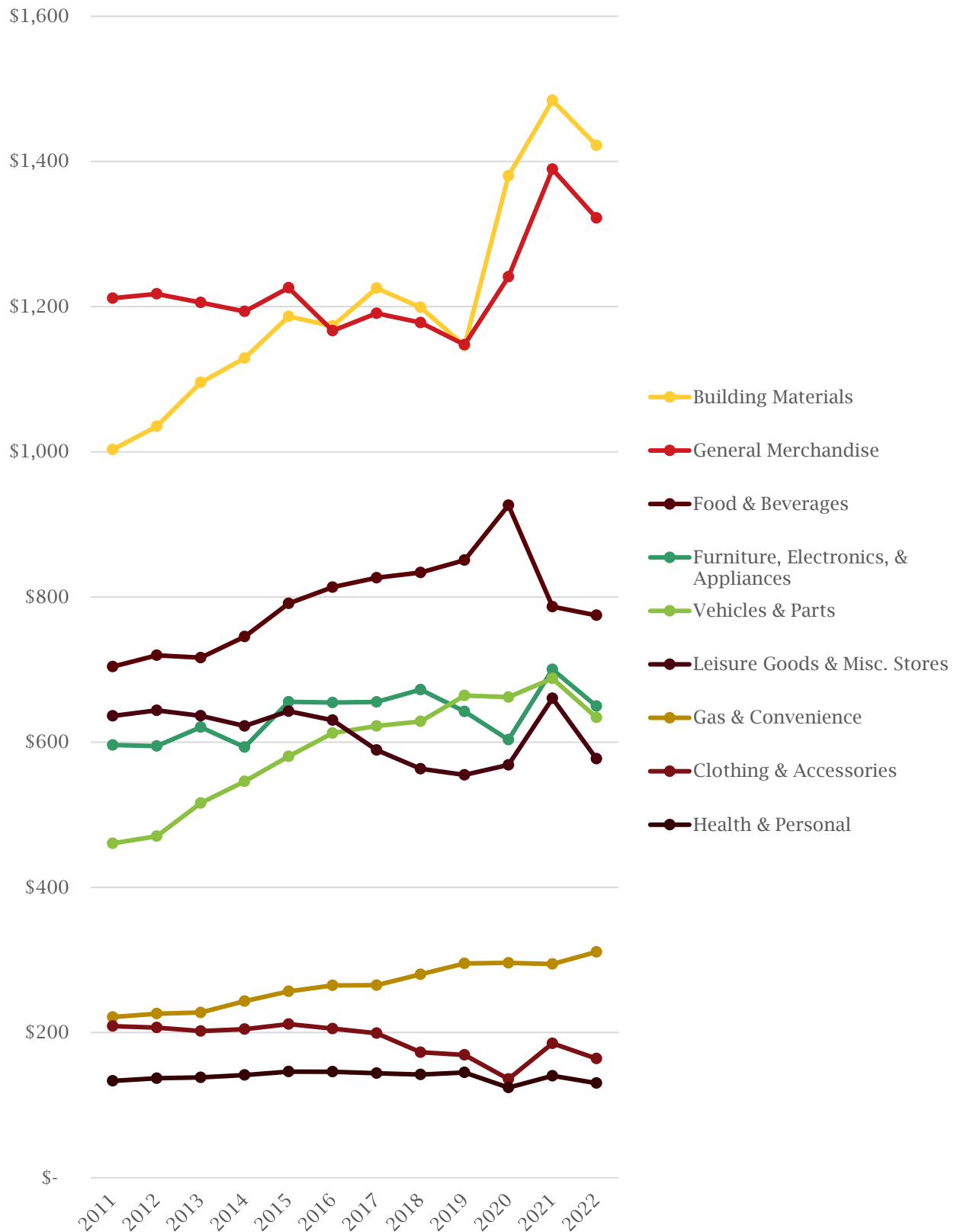
Business Activity / Store Type		People Per Business		Sales Per Capita	
NAICS		State	Non-Metro	State	Non-Metro Little Canada
RETAIL TRADE					
441	Vehicles, Parts	2,247.01	1,619.74	\$633.96	\$694.15 \$633.53
444	Building Materials	3,223.21	2,141.89	\$1,422.21	\$1,651.16 \$0.00
445	Food and Beverage Stores	1,422.00	1,239.67	\$774.82	\$698.89 \$317.14
449	Furniture, Electronics, and Appliances	2,173.76	2,140.13	\$649.61	\$358.29 \$2,594.60
454	Non Store Retailers	1,316.49	1,242.62	\$909.29	\$67.78 \$432.63
455	General Merchandise	4,980.06	3,802.25	\$1,322.12	\$1,249.11 \$0.00
456	Health and Personal Stores	3,122.59	3,627.49	\$130.41	\$82.03 \$126.08
457	Gas/Convenience Stores	2,875.01	1,869.73	\$311.10	\$447.77 \$0.00
458	Clothing and Accessory Stores	1,965.37	2,300.83	\$164.19	\$91.11 \$0.00
459	Leisure Goods and Miscellaneous Merchandise	501.93	427.18	\$577.19	\$459.59 \$2,477.72
454	Non-store Retail	1,316.49	1,242.62	\$909.29	\$67.78 \$432.63
	<i>Retail Total</i>			\$7,804.19	\$5,867.67 \$7,014.34
INFORMATION					
512	Movie & Recording Industry	13,555.54	34,270.24	\$25.99	\$13.05
513	Publishing Industry	13,813.74	25,787.50	\$4.41	\$2.56
516	Broadcasting and Content Providers	138,137.36	651,134.50	\$34.25	\$0.45
517	Telecommunications	12,036.87	14,714.90	\$137.86	\$108.50
518	Data Processing	23,680.69	100,174.54	\$13.58	\$0.57
519	Web Search Portals and Other Services	9,449.14	11,947.42	\$47.57	\$32.64
FINANCE AND INSURANCE					
522	Credit Intermediation	11,816.23	9,903.19	\$25.36	\$8.38
523	Securities, Commodities	21,174.34	81,391.81	\$1.62	\$0.23
524	Insurance Carriers	14,991.65	31,762.66	\$0.69	\$0.60
525	Funds, Trusts	386,784.60		\$0.01	\$0.00
REAL ESTATE AND RENTAL AND LEASING					
531	Real Estate	2,234.03	2,652.28	\$42.82	\$39.39
532	Rental, Leasing Services	3,995.71	3,736.78	\$198.51	\$82.82
533	Lessors Nonfinancial Assets	725,221.13		\$0.16	\$0.00
PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES					
541	Prof, Scientific, Technical Services	578.33	824.74	\$220.34	\$111.15
551	Mgmt. Of Companies	39,467.82	104,181.52	\$14.80	\$12.83
ADMINISTRATIVE & SUPPORT; WASTE MGMT & REMEDIATION SVCS					
561	Admin, Support Services	581.92	575.46	\$374.69	\$223.68
562	Waste Mgmt., Remediation	16,206.06	12,893.75	\$15.54	\$7.39
EDUCATIONAL SVCS; HEALTH & SOCIAL ASSISTANCE					
611	Educational Services	4,288.08	4,832.17	\$16.85	\$13.68
621	Health - Ambulatory Care	1,004.29	1,210.85	\$26.43	\$26.86
622	Health - Hospitals	111,572.48	153,208.12	\$9.71	\$5.03
623	Health - Nursing, Residential Care	11,864.56	11,838.81	\$2.11	\$1.95
624	Health - Social Assistance	14,432.26	21,886.87	\$2.60	\$2.42
ARTS, ENTERTAINMENT & RECREATION					
711	Performing Art, Spectator Sports	1,790.67	2,036.39	\$91.21	\$17.36
712	Museums, Historical Sites	60,435.09	56,620.39	\$5.71	\$1.09
713	Amusement, Gambling Recr	2,507.25	2,044.38	\$373.29	\$166.37
ACCOMMODATION & FOOD SERVICES					
721	Accommodation	2,508.33	1,421.69	\$399.17	\$411.51
722	Food Services, Drinking Places	485.58	477.90	\$1,896.71	\$1,430.86
OTHER SERVICES					
811	Repair, Maintenance	754.75	540.81	\$352.33	\$384.42
812	Personal, Laundry Service	647.16	595.32	\$174.85	\$68.53
813	Religious, Civic, Professional Orgs	3,053.56	2,487.62	\$33.46	\$36.56
814	Private Households	148,763.31		\$0.32	\$0.00
921	Exec., Legisla., Other Govt	9,079.45	5,337.17	\$51.36	\$64.33
TOTAL RETAIL AND SERVICES				\$12,398.53	\$9,142.88

Compare Per Capita Spending in the Community to the Region: Little Canada & Ramsey County

Earlier in this report, we compared communities using a combination of retail sector and service sectors. The information on this page shows per capita spending only at businesses in the retail trade and does not include the service sector. The retail trade sector includes the following: building materials, motor vehicles and parts, clothing, food stores, electronics, convenience stores, leisure goods, health store, furniture, general merchandise, non-store retail, and miscellaneous stores.



Minnesota Taxable Sales Per Capita, 2011 to 2022



Appendix: Data Sources and Definitions

The University of Minnesota Extension has developed this retail trade analysis program to assist in the economic development of Minnesota towns and cities. These reports are available for all Minnesota counties, for most cities above 5,000 populations and for a few cities smaller than 5,000 population. The retail sector of each jurisdiction can be evaluated by comparing its trends to those of other similar jurisdictions. Business people and economic development officials can use measures such as pull factors and leakages to determine the need and feasibility of new retail businesses.

Data Sources

Most of the data in the analysis are based on annual reports of Minnesota retail and use tax, published by the Minnesota Department of Revenue. The Department of Revenue published an annual report of sales and use tax by jurisdiction until 1996, at which time the reports were released biannually due to budget constraints. This analysis uses the available reports from 1990-1996, 1998, 2000, and 2003 through 2012. The reports interpolate data for the years in which data are not available. See <https://www.revenue.state.mn.us/sales-and-use-tax-statistics-and-annual-reports>. The income data in this report are obtained from reports by Bureau of Economic Analysis (BEA). (See http://www.bea.gov/iTable/index_regional.cfm) Population data after 2009 are derived from the state demographic center. (See <http://mn.gov/admin/demography/data-by-topic/population-data/our-estimates/index.jsp>)

Sales and use tax permit holders file returns and remit taxes on a monthly, quarterly or annual basis. Large businesses such as discount department stores whose tax is more than \$500 per month are required to file on a monthly basis, while medium-sized businesses whose sales tax collections are less than \$500 per month, are required to file on a quarterly basis and small businesses with sales tax collections less than \$100 per month would most likely file on an annual basis.

Definition of Terms

Gross Sales

Gross sales include taxable sales and exempt sales for businesses holding sales and use tax permits. This is the most inclusive indicator of business activity for the reporting jurisdictions but it can be misleading when used in comparisons. At times commodity items (like gasoline) that are not taxable can have large price variations, creating huge swings in gross sales.

Taxable Sales

Taxable sales are the amount of sales subject to sales tax. Taxable sales exclude exempt items, items sold for resale, items sold for exempt purposes and items sold to exempt organizations. For more information on what is taxed in Minnesota, see "Minnesota Sales and Use Tax Business Guide" available on the web at <https://www.revenue.state.mn.us/guide/minnesota-sales-and-use-tax-business-guide>

Current and Constant Dollar Sales

Current dollar (or "nominal dollar") sales are sales as reported by the state. No adjustment has been made for price inflation. In general this measure of sales is not satisfactory for comparisons over long periods of time since it does not account for changes in population, inflation, or the state's economy. Constant dollar (or "real dollar") sales reflect changes in price inflation by adjusting current dollar sales with the Consumer Price Index (CPI). Constant dollar sales indicate the real sales level with respect to a base year. This is a more realistic method of evaluating sales over time than current dollar comparisons, but still does not take into consideration changes in population or changes in the state's economy.

Number of Businesses

The number of sales and use tax permit holders who filed one or more tax returns for the year are reported as the number of businesses.

Reporting Period

The reporting periods though 2005 in this report are calendar years. For example, the sales reported for the year 2000 are for the period, January 1, 2000 to December 31, 2000. The Sales and Use Tax Statistics reports for 2006 and 2007 use a slightly different methodology than in previous years. Rather than basing the report on the year in which sales were made (as was true in earlier reports), the 2006 and 2007 reports were based on when returns were processed. Starting in 2008, the reports are again based on the calendar year when the sales occurred.

Per Capita Sales

Per capita (or “per person”) sales are calculated by dividing current dollar sales by the population estimate. In areas where population is subject to substantial change, this is a more satisfactory measure of sales activity than sales alone. However, it still does not reflect changes in the state economy.

Number of Businesses

The number of sales and use tax permit holders who filed one or more tax returns for the year are reported as the number of businesses.

Pull Factor

The pull factor was developed by Dr. Ken Stone, an economist from Iowa State University Extension Service, to provide a precise measure of sales activity in a locality. It is derived by dividing the per capita current dollar sales of a city or county by the per capita sales for the state. For example, if a city's per capita sales are \$20,000 per year and the state per capita sales are \$10,000 per year, the pull factor is 2.0 ($\$20,000 \div \$10,000$). The interpretation is that the city is selling to 200 percent of the city population. Worth noting that local consumption patterns or local average prices may skew pull factors. As example, a city may not have enough people willing to buy \$35 steak dinners to support restaurants that typically carry expensive selections.

Pull factors are good measures of sales activity because they reflect changes in population, inflation, and the state economy. Pull factors are available through the University of Minnesota Extension for total taxable sales for all cities with reported sales (generally, cities with a population of 5,000 or more) since 1990. The pull factors listed in this report are not adjusted for differing income levels in different communities; they are simply the ratio of local per person sales to the state average. Income levels are accounted for in the expected sales and potential sales formulas, described below.

Typical Pull Factor

The typical pull factor is a pull factor that represents the “norm” for cities within a population group. It is an average for cities within a population group excluding some of the outliers in the group.

Personal Income

Personal income is defined as the income received by, or on behalf of, all the residents of the county (state) from all sources. Personal income is the estimated sum of wage and salary earnings, supplements to wages and salaries (e.g., contributions to retirement funds, health plans, life insurance policies), proprietors' income, rental income, personal dividend income, personal interest income, and personal current transfer receipts to persons (e.g. receipts of Social Security, disability, worker's compensation, Medicare/Medicaid, food stamps, etc.) less contributions for government social insurance (e.g. Social Security, Medicare).

Index of Income

This index provides a measure of income, relative to the state, which is calculated by dividing local per capita income by state per capita income. The base is 1.00. For example, an index of income of 1.20 indicates that per capita income in the area is 20 percent above the state average.

Expected Sales

Expected sales are a retail performance benchmark. It is an estimate of the sales level a city would achieve if it were performing on par with Minnesota cities of a similar size. In addition to population and income variables, expected sales incorporate the typical strength of comparable communities via the typical pull factor. Expected sales are the product of city population, state per capita sales, the index of income and the typical pull factor. For example, if a city has a population of 5,000, the state per capita sales are \$9,000, the typical pull factor is 1.30, and the index of income is 1.03, expected sales are approximately \$60 million per year ($5,000 \times \$9,000 \times 1.30 \times 1.03$). This provides a means of comparing what is expected for a city of a certain size to what is actually happening.

Potential Sales

Potential sales are an estimate of the amount of money that is spent on retail goods and services by residents of a county. It is the product of county population, state per capita sales and the index of income. The potential sales concept for counties is similar to the expected sales calculations for cities. However, potential sales do not utilize a measure of average pulling power (like the typical pull factor that is used in the expected sales equation). Since a county is a relatively large region within which retail business takes place, counties are compared without adjustments for trade area size.

Variance between Actual and Expected Sales (Surplus or Leakage)

The variance between actual and expected sales is how much retail sales differ from the "norm" (i.e., the amount above or below the standard established by the expected sales formula). When actual sales exceed expected sales, we say the city has a "surplus" of retail sales. When actual sales fall short of expected sales, we say the city has a retail sales "leakage". The set of similarly-sized cities in Minnesota is the peer group to which the comparison is being made. Discrepancies between expected and actual sales occur for a variety of reasons.

Trade Area Population Gain or Loss

The trade area population gain or loss translates the percentage amount of surplus or leakage of retail sales into an estimate of the number of customers gained or lost in the trade area. It is calculated by multiplying the percent surplus or leakage by the population estimate for the city or county. For example, if a city with 10,000 residents had a retail sales surplus of 20%, the trade area population gain would be 2,000. Adding this number to the city's population gives an estimate of the population size of the city's trade area.

Calculating Expected Sales Using Comparisons with Other Rural Cities

Beginning in the middle of 2013, Retail Trade Analysis reports for cities outside of the 7-county Twin Cities area contained new Rural Community Trade Area Analysis pages. The earlier paragraph of how Expected Sales are calculated explained that a typical pull factor of similar-sized cities was used in the formula. These new pages for rural communities only use similar cities that meet the following three criteria: 1) within approximately 30% of similar population; 2) located outside of the 7-county metro area; 3) have a similar location on the trade-center hierarchy scale. Cities with a similar trade center hierarchy have a history of similar total taxable retail and service sales. This

method will keep the pull factors from metro cities like Mendota Heights and Little Canada being used in calculations for rural cities like Fairmont and Grand Rapids. More information on trade center hierarchy can be found in the article Trade-Center Hierarchy in Greater Minnesota authored by Craig and Schwartau at <http://www.cura.umn.edu/publications/catalog/reporter-41-3-4-2>. This article noted there was little relative movement in any one city's hierarchy ranking with just a few exceptions where dramatic economic changes occurred.

Cautions

Gross Sales

Gross sales are a comprehensive measure of business activity, but readers should be aware that the numbers in this report are self-reported by holders of sales and use tax reports. Furthermore, the gross sales are not audited by the State of Minnesota. It is believed that the gross sales figures are generally reliable, but there is the possibility of distortions, especially in smaller cities where misreporting may have occurred.

Misclassification

Holders of sales and use tax permits select the North American Industry Classification System (NAICS) category that best fits their business. Regardless of who makes this classification, errors are occasionally made. Also, sometimes a business will start out as one type of business, but may evolve over time to a considerably different type of business. Misclassifications can distort sales among business categories, especially in smaller cities. For example, a furniture store that is classified as a general merchandise store, will under-report the sales in the furniture store category and over-report the sales in the general merchandise category.

Suppressed Data

The sales data for merchandise categories that have less than four reporting firms are not reported. This is a measure taken by most states to protect the confidentiality of sales tax permit holders. The sales for suppressed retail categories are placed into the miscellaneous category and are included in total sales. The sales for suppressed service categories are placed into the NAICS 999 category and are not included in total sales.

Consolidated Reporting

Vendors doing business at more than one location in Minnesota have the option of filing a separate return for each location or filing one consolidated return for all locations. The consolidated return shows, for each business establishment, the sales made, tax due and location by city and county.

Data for the establishments of consolidated filers are combined with data for single-location filers to produce the figures in this report. Occasionally consolidated reports may not be properly deconstructed and all the sales for a company may be reported for one city. Whenever misreporting is discovered, contacts are made by the Minnesota Revenue Department to clarify the situation.

Changes between 2000 and 2003

For fiscal year 2003, the Minnesota Department of Revenue implemented two major changes to improve their reporting of sales and use tax data. First, they adopted a geo-coding system, which accurately identifies the location of all business reporting sales and use tax to the state rather than relying on the businesses' postal addresses. One effect of this change is a movement of sales between neighboring cities (and in some cases, counties) in the year 2003. Thus, in several of the suburbs of Minneapolis and St. Paul and in cities such as Hermantown, which is adjacent to Duluth, the data show large increases in retail sales between 2000 and 2003, a substantial portion of which

is due to the re-coding of business location and not to actual growth in sales.

The second change implemented by the Department of Revenue in 2003 was a shift from the Standard Industrial Classification system (SIC codes) to the 2002 North American Industry Classification System (NAICS codes). This switch does affect the comparability of the data series prior to 2000 with that of 2003 (and beyond), especially for merchandise categories. Overall retail and services sales are highly comparable over time. In many cases, the merchandise categories for the data prior to 2003 are very closely related to the new categories. For example, approximately 97% of the 2003 statewide sales in the general merchandise category were accounted for by firms also classified as general merchandise under the SIC system. In other cases, the correspondence is less straightforward. For example, only 56% of 2003 statewide sales in the Food and Beverage store category were accounted for by firms classified as Food Stores under the older classification system; 41% of 2003 Food store sales were accounted for by firms previously categorized as Miscellaneous Retail.

The 2002 NAICS system does provide greater detail and introduces some new sectors, such as Retail Electronics. Over time, these changes will improve the information available for retail trade analysis.



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/15/2025

Board & Commission: Economic Development Authority

Subject: 2026 EDA Budget

Attached is the DRAFT preliminary 2026 EDA budget along with the current debt schedule for Industrial Park.

Recommended EDA Action

City staff are looking for discussion and direction from the EDA.

Voting Requirements:

None.

EDA Fund

2026 Revenue and Expenditure Budget

Description	2024 Actual		2025 YTD		
EDA Revenue	2023 Actual	(Unaudited)	2025 Adopted	Actual	2026 Proposed
Current Ad Valorem Taxes	\$ (164,530)	\$ (560,111)	\$ (561,045)	\$ -	\$ (617,543)
Delinquent Ad Valorem Taxes	(1,741)	-	-	-	-
Application Fees	(1,000)	-	-	-	-
Mkt Value Credit	(812)	(1,185)	-	-	-
Other Revenues	-	-	(4,066)	-	-
Interest Earnings	-	(3,936)	-	-	(200)
Other Rents and Royalties	(3,600)	(3,600)	(3,600)	-	(63,600)
Transfer From Other Fund	-	(185,000)	(185,000)	-	(185,000)
Total Revenue	\$ (171,683)	\$ (753,832)	\$ (753,711)	\$ -	\$ (866,343)

Description	2024 Actual		2025 YTD		
EDA Expenditures	2023 Actual	(Unaudited)	2025 Adopted	Actual	2026 Proposed
Employees Wages & Salaries	\$ 117,208	\$ 51,415	\$ 77,990	\$ -	\$ 95,675
PERA	6,881	3,544	5,850	-	7,175
FICA and Medicare	7,228	3,883	5,966	-	7,319
Employer Paid Health	5,439	2,680	14,038	-	18,325
Worker s Comp Insurance	-	-	750	-	750
Operating Supplies	-	941	200	-	500
Professional Svcs	13,457	53,142	-	-	15,000
Auditing and Acct g Services	1,486	(404)	1,000	-	1,054
Engineering Fees	7,695	9,199	10,000	-	10,000
Attorneys Fees	14,250	18,250	10,000	-	10,000
Travel Expenses	30	75	2,500	-	1,100
Conference & Training	263	20	1,735	-	1,700
Meeting Expense	-	307	-	-	-
Marketing	4,281	1,181	5,200	-	5,200
Legal Notices Publishing	-	-	120	-	120
General Notices	-	-	-	-	-
Insurance	880	1,157	960	-	1,200
CBD Improvement Fund	-	-	75,000	-	75,000
Dues and Subscriptions	985	1,520	895	-	2,300
Recording Fees	56	-	-	-	-
PropTaxes/ Assessments	858	-	29,375	-	-
Transfer Out	-	341,579	364,000	-	345,000
Total Expenditures	\$ 180,998	\$ 488,488	\$ 605,579	\$ -	\$ 597,418

Professional Services

Acct 50300

What	Cost	Qty	Total
Market Analysis	15,000.00	1	15,000.00

15,000.00**Travel Expenses**

Acct 50331

What	Cost	Qty	Total
EDAM Conference Hotel (2 nights)	300.00	2	600.00
EDAM Conference Mileage (220 miles @ 2025 Standard Rate)	0.70	220	154.00
General Other Meeting Mileage	0.70	400	280.00

1,100.00**Conference & Training**

Acct 50332

What	Cost	Qty	Total
EDAM Winter or Summer Conference	400.00	1	400.00
Ehlers Conference	300.00	1	300.00
MNCAR Expo	500.00	1	500.00
			500.00

1,700.00**Marketing**

Acct 50343

What	Cost	Qty	Total
NBACC Bronze Sponsor	699.00	1	699.00
NBACC Golf Tourney Hole Sponsorship	350.00	1	350.00
NB Beautification Flower Basket	125.00	1	125.00
Old Highway 61 Coalition	200.00	1	200.00
MNCAR Expo Sponsor (Tote Bag or Expo Booth)	1,200.00	1	1,200.00
General Marketing	2,626.00	1	2,626.00

5,200.00**Dues and Subscriptions**

Acct 50433

What	Cost	Qty	Total
EDAM	\$ 320.00	1	320.00
MNCAR Membership	\$ 325.00	1	325.00
ECDP	\$ 900.00	1	900.00

NBACC Chamber Luncheons (Annual fee and meeting fee)	\$	740.00	1	740.00
				<u>2,300.00</u>

DEBT SCHEDULE

Fund 387 - Taxable Refunding Lease Revenue Fund
2017 EDA

YEAR	PRINCIPAL	INTEREST	PAYMENT	BALANCE
2026	280,000.00	61,016.00	341,016.00	1,490,000.00
2027	290,000.00	50,981.50	340,981.50	1,200,000.00
2028	300,000.00	40,300.00	340,300.00	900,000.00
2029	310,000.00	28,951.50	338,951.50	590,000.00
2030	315,000.00	17,012.75	332,012.75	275,000.00
2031	275,000.00	5,458.75	280,458.75	-

DEBT SCHEDULE

Fund 476 - Industrial Park/ESSBY Fund

County Lease Purchase

YEAR	PRINCIPAL	INTEREST	PAYMENT	BALANCE
2026	153,256.00		153,256.00	-



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 07/21/2025

Board & Commission: Economic Development Authority

Subject: EDA Commission Vacancy

Background

There is 1 current opening on the Economic Development Authority (EDA).
This is an existing term that expires on December 31, 2025.

There have been 2 applications (attached) received for the position:

Betty Howson
Cassie Keocher

The process for commission appointments has been for the commission to review and interview candidates and make a recommendation to the City Council.

Requested Action

To provide a recommendation to the City Council on an appointment to the EDA.

Voting Requirements:

Voting Options Simple Majority



City of North Branch Application for Advisory Boards/Commissions

Board/Commission Applying For (please note that some boards/commissions may have special requirements for membership): ☐ Parks, Trails and Open Spaces Commission ☐ Planning Commission

☒ Economic Development Authority ☐ Water and Light Commission

Name: Betty Howson email: [REDACTED]

Address: [REDACTED]

Phone: [REDACTED] How long have you lived in North Branch? 32 years

Occupation and Employer (name and address): PCA - St. Michael

Retired

Education and Professional Experience: Some college - foster care 2 yrs.

Civic, Volunteer and Community Activities: Lions Club

Previous Public Experience (Elected or Appointed): _____

Please briefly describe the aspects of your experience that you believe qualify you for the board or commission selected and explain why you would like to serve on that board or commission (if additional space is needed, you can attach a one page supplement):

I live here and want to help our city prosper.

What issues do you believe the board or commission should consider: City growth.
New Businesses

Date: 07-14-2025

Applicant Signature

Betty Howson

Please return to: City of North Branch, Attn: City Administrator, 6408 Elm Street,
PO Box 910, North Branch, MN 55056 or via email to: renaef@ci.north-branch.mn.us

651-674-8113

www.ci.northbranch.mn.us

Under Minnesota law, some of the information requested above is public information, which must be provided to anyone who requests it. Some of it is classified as private information, which is not generally available to the public. All of the information will be used by the City Council in determining whether you should be appointed to a board or commission. Therefore the information will be reviewed at a city council meeting open to the public and will be part of the official record for that meeting and available to anyone. Only the information provided will be considered and failure to provide the requested information may result in your not being considered for appointment.



City of North Branch Application for Advisory Boards/Commissions

Board/Commission Applying For (please note that some boards/commissions may have special requirements for membership): ☐ Parks, Trails and Open Spaces Commission ☐ Planning Commission
☒ Economic Development Authority

Name: Cassandra (Cassie) Keocher email: [REDACTED]

Address: [REDACTED]

Phone: [REDACTED] How long have you lived in North Branch? 20+ years

Occupation and Employer (name and address): Human Resource Manager at Lakes Region EMS located at
40245 Fletcher ave NE North Branch MN 55056

Education and Professional Experience: I have my bachelors degree in Business and Human Resource Management, and I am starting my Masters degree in Organizational and Leadership Development in the fall. My professional background has focused on the various aspects within Human Resources

Civic, Volunteer and Community Activities: I have been actively involved in the community throughout life, but most recently my time has been spent with our youth, helping in the school, coaching, and serving as the President of the Board of Directors for our 501c3- Youth Wrestling program.

Previous Public Experience (Elected or Appointed): I do not have previous experience as an elected or appointed public official.

Please briefly describe the aspects of your experience that you believe qualify you for the board or commission selected and explain why you would like to serve on that board or commission (if additional space is needed, you can attach a one page supplement):

As an HR professional, I bring a strong understanding of what businesses need to attract, retain, and develop talent. I've worked across industries and know the challenges organizations face—from recruitment and workforce development to employee retention and culture. Economic growth depends on a strong workforce, and I can offer insight into how we support both employers and employees to build a thriving local economy. I'm skilled in evaluating organizational and community needs and would bring a people-focused business perspective to the EDA's work.

What issues do you believe the board or commission should consider: An important question for the board to consider is: Who do we want to attract and retain in terms of people and businesses? With a clear picture of that, we can better assess how well we are currently meeting their needs and where we can align our strategy to create intentional, forward thinking towards long-term goals/vision.

Date: _____ Applicant Signature _____

Please return to: City of North Branch, Attn: Interim City Administrator, 6408 Elm
Street, PO Box 910, North Branch, MN 55056 or via email to: jasonz@ci.north-branch.mn.us
651-674-8113 www.ci.northbranch.mn.us

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Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/14/2025

Board & Commission: Economic Development Authority

Subject: Closed meeting pursuant to Minn. Stat. 13D.05, sub. 3 (c) to consider the sale of real property identified as portions of Outlots C and F, Essby Business Park, Outlot A, portions of Essby Business Park 4th Addition Outlot F, Lot 1, Block 1, and Outlot A, Essby Business Park 3rd Addition and Lot 1, Block 2, North Branch Industrial Park, North Branch, Minnesota

Voting Requirements:

Voting Options Simple Majority