



NORTH BRANCH

—Minnesota—

Kevin Schieber
Mayor

Robert Canada
Councilmember/Acting Mayor

Jeff Goulet
Councilmember

Jim Ibinger
Councilmember

Patrick Meacham
Councilmember

**CITY COUNCIL
WORKSHOP AGENDA
TUESDAY, NOVEMBER 18, 2025 @ 7:00 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

Provides an opportunity for the public to address the Council on items that are not on the Agenda. Please raise your hand to be recognized. Please state your name and address for the record. This section is for the express purpose of addressing concerns of City services and operations. It shall not be used to clarify individual's views for political purposes.

6. STAFF REPORTS

- a. Speed Study review
- b. Flink/400th Transportation Impact Study
- c. Comprehensive Plan/Zoning discussion - Flink Ave Corridor
- d. Budget Discussion

INFO

INFO

INFO

INFO

7. ADJOURNMENT

Since we do not have time to discuss every point presented, it may seem that decisions are preconceived. However, background information is provided to the City Council on each Agenda item in advance from Staff and appointed Commissions; and decisions are based on this information and past experiences. In addition some items may also have been discussed preliminarily at Council Work Sessions. If you are aware of information that has not been discussed, please raise your hand to be recognized. Comments that are pertinent are appreciated. Items requiring excessive time may be continued to another meeting.



Prepared By: Justin Messner, City Engineer
Heidi Hamilton, Senior Project Manager

Presenter: Justin Messner, City Engineer
Heidi Hamilton, Senior Project Manager

Date: November 13, 2025

Board & Commission: City Council

Subject: Speed Limit Policy

Introduction:

The attached Speed Limit Policy provides analysis and guidance for setting speed limits on city streets, in accordance with Minnesota Statutes, MnDOT policies, and engineering best practices.

Background:

Minnesota Statutes (§169.14) allow cities to set speed limits on city streets under their jurisdiction, without requiring an engineering and traffic investigation, provided changes are implemented consistently and signage is installed. The policy aims to improve vehicle and pedestrian safety, especially in developing areas, and to address community concerns about speeding.

Statutory Speed Limits (per Minnesota Law)

- 10 mph in alleys
- 25 mph in residential roadways (if adopted and signed)
- 30 mph in urban districts
- 35 mph in rural residential districts (if adopted and signed)
- 55 mph on other roads unless otherwise posted
- 65–70 mph on interstate highways

National Guidance

NCHRP Report 966 recommends considering context (urban/rural), functional classification, and vulnerable road users. The 85th percentile method is less favored; broader safety and community factors are emphasized.

Existing Conditions

- Roadways in North Branch are under MnDOT, Chisago County, or City jurisdiction.
- Most city streets posted at 30 mph are set by Urban District Statute; higher limits (40–55 mph) are typically set by MnDOT studies.
- Traffic volumes and crash data were collected for analysis.

Public Input

Staff provided public notice and invited participation in an interactive online comment map to assist in identifying further areas of concern. Feedback received was taken into account during the development of the recommendations outlined below.

Funding/Financing:

The proposed improvement cost of implementation would be the cost to purchase new speed limit signs as detailed in Appendix D of the report. Estimated cost for the 16 new signs with posts is \$6,000. Funding for the project is proposed to be provided through the City's Street Fund.

Staff Recommendation:

Based on engineering analysis, statutory authority, and community input, the following speed limit changes are recommended for city-owned roadways (See Appendix D of the report for a map of proposed changes):

- Maintain current speed limits on MnDOT and Chisago County roads.
- Reduce Flink Avenue (north of Sunrise River) from 55 mph to 45 mph.
- Reduce Isanti Trail (west City limit to TH 95) from 55 mph to 40 mph.
- Reduce Falcon Ave (south City limit to 370th St) from 45 mph to 40 mph; add "Reduced Speed Limit Ahead" signage.
- Reduce 360th St and 372nd St (CSAH 30 to Hemingway Ave) from 45 mph to 40 mph.
- Rural Local Unpaved Roads: Set at 45 mph, but only post signs if safety issues are reported.
- Rural Local Residential Unpaved Roads: Set at 35 mph, but only post signs if safety issues are reported.
- Remove conflicting speed limit signs.
- Review curve warning signage and advisory speeds if posted limits are reduced.

Next Steps:

- Policy Adoption: Approve Speed Limit Policy and resolution for changes.
- Implementation: Develop a signing plan; install/remove signs as needed.
- Communication: Inform the community via newsletter articles, social media, press releases, and city meetings.

Attachment: City of North Branch Speed Limit Policy

CERTIFICATION

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly registered professional engineer under the laws of the State of Minnesota.

Mallori Fitzpatrick, P.E.

Date: October 16, 2025

Reg. No. 58640

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- APPENDIX C: Road Link Table
- APPENDIX D: Proposed Speed Limit Changes
- APPENDIX E: Draft Speed Limit Policy Example

Introduction

The purpose of this report is to provide the City of North Branch with analysis and recommendations for determining and setting speed limits within the city based upon guidance from Minnesota Statutes, Minnesota Department of Transportation (MnDOT) policies and guidelines, Minnesota Manual on Uniform Traffic Control Devices (MnMUTCD), and engineering judgement.

The scope of the study includes the following key elements:

- Outlining background information on the current Minnesota speed limit rules.
- Documentation of the existing roadway speed limits and safety conditions.
- Preparation of speed limit recommendations.
- Preparation of a draft Speed Limit Policy.

The following sections outline the city-wide speed limit analysis and recommendations:

Speed Limit Guidelines

Based on Minnesota State Statutes (*Minn. Stat. § 169*), there are several provisions that govern setting or adjusting the statutory speed limits within a local jurisdiction under a variety of circumstances, including:

- A local road authority can request MnDOT to perform an engineering and traffic investigation of a road. However, MnDOT, not the local authority, determines whether to establish a speed zone as well as the safe and reasonable speed limit.
- If MnDOT sets a speed zone for a city street or town road in an “urban district” that is at least a quarter mile long, with structures situated at intervals of less than 100 feet, the city or town can lower the limit to 30 mph.
- In school zones, a city has the authority to reduce the speed limit based on ***Minnesota Statute, Section 169.14, Subd. 5a - Speed Zoning in School Zone***. In school zones the speed limit may be reduced with an engineering and traffic study.
- Subject to various requirements, speed limits can be adjusted on other roadways, including:
 - Park roads (at no less than 15 mph and no more than 20 mph below the surrounding limit, and subject to a MnDOT engineering and traffic study);
 - On streets that have a designated bicycle lane (at no less than 25 mph);
 - In alleys (10 mph);
 - In mobile home parks (at over 10 mph but no more than 30 mph).
- In 2019, the Minnesota Legislature passed new Statutes or added to existing Statutes that impact the City’s authority to set speed limits. The Statutes went into effect August 1, 2019. The Statutes include:
 - ***Minnesota Statute, Section 169.14, Subd. 2.- Speed limits.***
(7) 25 miles per hour in residential roadways if adopted by the road authority having jurisdiction over the residential roadway; and
(8) 35 miles per hour in a rural residential district if adopted by the road authority having jurisdiction over the rural residential district.
(b) A speed limit adopted under paragraph (a), clause (7), is not effective unless the road authority has erected signs designating the speed limit and indicating the beginning and end of the residential roadway on which the speed limit applies.
(c) A speed limit adopted under paragraph (a), clause (8), is not effective unless the road authority has erected signs designating the speed limit and indicating the beginning and end of the rural residential district for the roadway on which the speed limit applies.
 - ***Minnesota Statute, Section 169.14, Subd. 5h - Speed Limits on City Streets.***

A city may establish speed limits for city streets under the city's jurisdiction other than the limits provided in subdivision 2 without conducting an engineering and traffic investigation. This subdivision does not apply to town roads, county highways, or trunk highways in the city. A city that establishes speed limits pursuant to this section must implement speed limit changes in a consistent and understandable manner. The city must erect appropriate signs to display the speed limit. A city that uses the authority under this subdivision must develop procedures to set speed limits based on the city's safety, engineering, and traffic analysis. At a minimum, the safety, engineering, and traffic analysis must consider national urban speed limit guidance and studies, local traffic crashes, and methods to effectively communicate the change to the public.

- **Minnesota Statute, Section 169.011, Subd. 64 - Residential Roadway.**
"Residential roadway" means a city street or town road that is either (1) less than one-half mile in total length, or (2) in an area zoned exclusively for housing that is not a collector or arterial street.

Based on the Minnesota Statutes (Minn. Stat. § 169) the following maximum statutory speed limits apply to streets in the State of Minnesota:

- 10 mph in alleys
- 25 mph on residential roadways
- 30 mph in an urban district
- 35 mph in a rural residential district
- 55 mph in locations other than those specified in this section
- 65 mph on non-interstate expressways and freeways
- 65 mph on interstate highways inside the limits of any urbanized area with a population of greater than 50,000
- 70 mph on interstate highways outside the limits of any urbanized area with a population of greater than 50,000

In addition to the Minnesota State Statutes, the Minnesota Manual on Traffic Control Devices (MnMUTCD) provides guidance on setting and installing speed limits on local city streets. The following are excerpts from the MnMUTCD that apply:

- **MnMUTCD, 2B.13 Speed Limit Sign**

STANDARD:

Speed zones (other than statutory speed limits) shall only be established on the basis of an engineering study that has been performed in accordance with traffic engineering practices. The engineering study shall include an analysis of the current speed distribution of free-flowing vehicles.

The Speed Limit (R2-1) sign shall display the limit established by law, ordinance, regulation, or as adopted by the authorized agency based on the engineering study. The speed limits displayed shall be in multiples of 5 mph.

Speed Limit (R2-1) signs, indicating speed limits for which posting is required by law, shall be located at the points of change from one speed limit to another.

At the downstream end of the section to which a speed limit applies, a Speed Limit sign showing the next speed limit shall be installed. Additional Speed Limit signs shall be installed beyond major intersections and at other locations where it is necessary to remind road users of the speed limit that is applicable.

Speed Limit signs indicating the statutory speed limits shall be installed at entrances to the State and, where appropriate, at jurisdictional boundaries in urban areas.

SUPPORT:

Minnesota Statute 169.14 sets forth the processes to establish speed zones and speed limits on all roadways and alleys in the state.

GUIDANCE:

A Reduced Speed Limit Ahead (W3-5 or W3-5a) sign (see Section 2C.38) should be used to inform road users of a reduced speed zone where the speed limit is being reduced by more than 10 mph, or where engineering judgment indicates the need for advance notice to comply with the posted speed limit ahead.

States and local agencies should conduct engineering studies to reevaluate non-statutory speed limits on segments of their roadways that have undergone significant changes since the last review, such as the addition or elimination of parking or driveways, changes in the number of travel lanes, or changes in the configuration of bicycle lanes.

No more than three speed limits should be displayed on any one Speed Limit sign or assembly.

When a speed limit within a speed zone is posted, it should be within 5 mph of the 85th-percentile speed of free-flowing traffic.

Speed studies for signalized intersection approaches should be taken outside the influence area of the traffic control signal, which is generally considered to be approximately 1/2 mile, to avoid obtaining skewed results for the 85th-percentile speed.

STANDARD:

A Speed Limit sign shall not be used to warn road users of an advisory speed for certain roadway conditions. See Section 2C.8 for use of advisory speed plaques.

OPTION:

Other factors that may be considered when establishing speed limits are the following:

- A. Road characteristics, shoulder condition, grade, alignment, and sight distance;*
- B. The pace speed;*
- C. Roadside development and environment;*
- D. Parking practices and pedestrian activity; and*
- E. Reported crash experience for at least a 12-month period.*

Two types of Speed Limit signs may be used: one to designate passenger car speeds, including any nighttime information or minimum speed limit that might apply; and the other to show any special speed limits for trucks and other vehicles.

A changeable message sign that changes the speed limit for traffic and ambient conditions may be installed provided that the appropriate speed limit is displayed at the proper times.

A changeable message sign that displays to approaching drivers the speed at which they are traveling may be installed in conjunction with a Speed Limit sign.

GUIDANCE:

If a changeable message sign displaying approach speeds is installed, the legend YOUR SPEED XX MPH or such similar legend should be displayed. The color of the changeable message legend should be a yellow legend on a black background or the reverse of these colors.

Existing Conditions

Available data used to determine the appropriate speed limits on local streets was collected from the City of North Branch, Chisago County, and MnDOT including:

- Comprehensive Plans
- Current roadway jurisdiction and functional classification
- Existing roadway speed limits
- Existing and projected traffic volume data
- Current land use and zoning
- Existing and proposed pedestrian network.

A. Roadway System

The existing roadway system in the City of North Branch consists of roadways controlled by the MnDOT (I-35 and TH 95), County (CSAH 14, CSAH 30, CR 67, CR 68, and CR 72), and local city streets. **Table 1** shows the current Jurisdictional Classification from the City's Comprehensive Plan.

The Functional Classification of the roadways within the city includes Principal Arterials, Minor Arterials, Major Collectors, Minor Collectors, and local city streets. The Principal Arterials and Minor Arterials are all either MnDOT or Chisago County roadways. The Major and Minor Collectors include both Chisago County and City roadways. **Table 1** shows the existing Arterial and Collector roadways within the city. **Figure 1** shows the current Functional Classification from the City's Comprehensive Plan.

Table 1- Functional Classification and Jurisdiction by Street

Classification	Jurisdiction	Rural/ Urban
Principal Arterials		
I-35	MnDOT	Rural
Minor Arterials		
TH 95	MnDOT	Urban & Rural
CSAH 14	Chisago County	Rural
CSAH 30 (Forest Boulevard)	Chisago County	Urban & Rural
Major Collectors		
CR 68 (Falcon Avenue)	Chisago County	Rural
Flink Avenue	City of North Branch	Urban & Rural
Isanti Trail	City of North Branch	Rural
Minor Collectors		
Maple Street (Oakview Avenue to Grand Avenue)	City of North Branch	Urban
377 th / 378 th Street (CSAH 30 to Grand Avenue)	City of North Branch	Urban
Grand Avenue (378 th Street to Lincoln Trail)	City of North Branch	Urban
Oak Street (14 th Avenue to Oakview Avenue)	City of North Branch	Urban
Oakview Avenue (Oak Street to TH 95)	City of North Branch	Urban

Existing Average Daily Traffic (ADT) volumes were collected for the roadways in the City of North Branch from the MnDOT Traffic Mapping application tool. The existing daily traffic volumes are from 2017 through 2024. **Figure 2** shows the existing ADT volumes.

B. Existing Traffic Speeds

The existing speed limits on roadways within the City of North Branch are shown in **Appendix A**. The figure includes the location of existing speed zones. The existing speed limits within the city including City, County and State roadways, were set by Minnesota State Statute or a MnDOT speed study. Most of the city roadways that are posted at 30 mph were set by the Urban District Statute. Roadways set at 40 and 45 mph were assumed to be set by a MnDOT speed study.

Figure 1 – Roadway Functional Classification

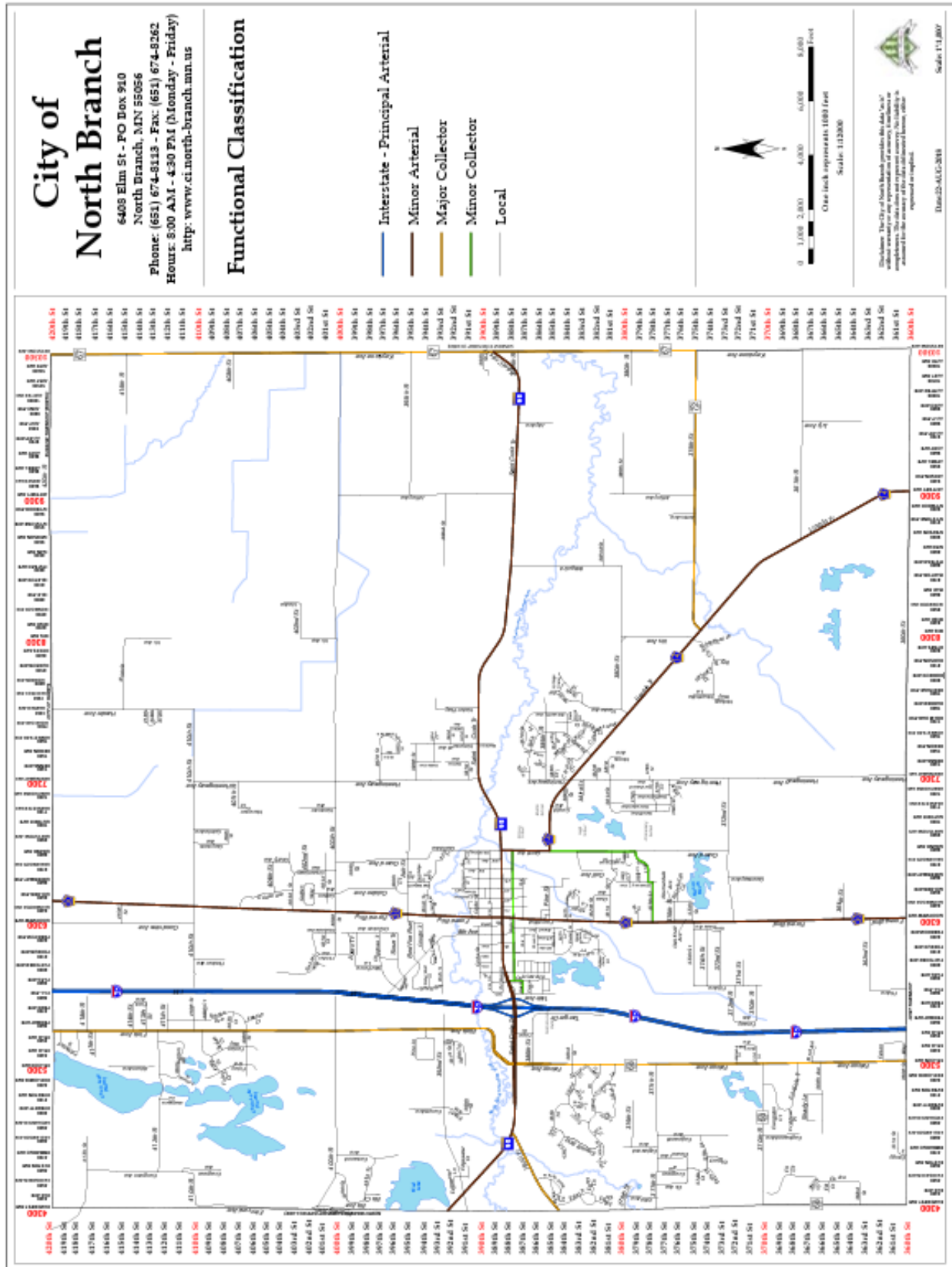
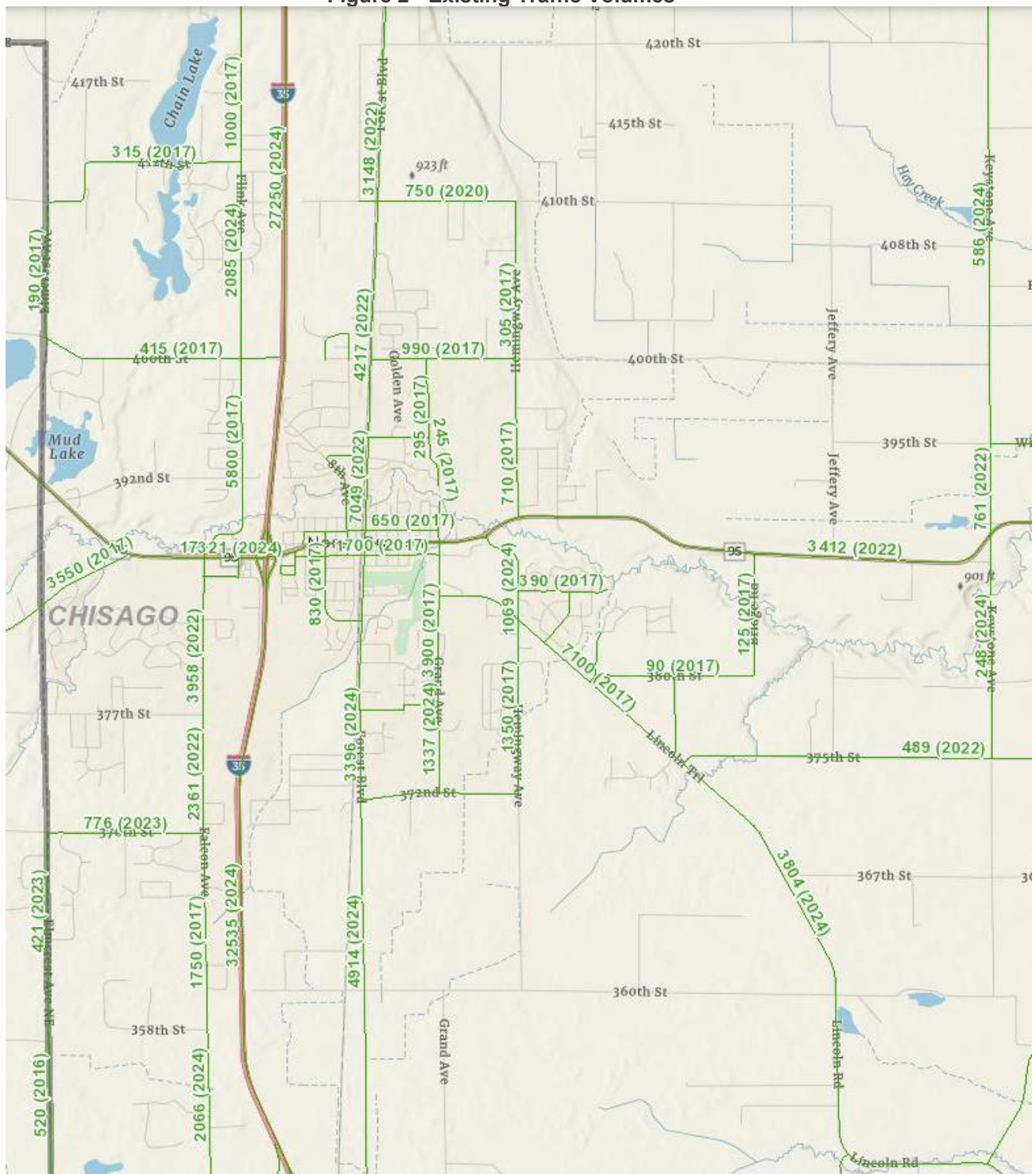


Figure 2 - Existing Traffic Volumes



Speed Study

A. Flink Avenue

A speed study was conducted on Flink Avenue in the City of North Branch. The city has received recent safety concerns about vehicle speeds and the new residential developments near 400th Street. Between TH 95 and the North Branch Sunrise River, Flink Avenue has a posted speed limit of 30-mph. North of the North Branch Sunrise River, Flink Avenue has a posted speed limit of 55-mph. 24-hours of vehicle speeds were collected on Flink Avenue between 395th Street and 399th Street. The data was collected using road tube counters and the 50th and 85th percentile speeds were calculated using this data set.

The speed study was conducted on June 24, 2025 (Tuesday). Vehicle speeds in one-mph increments and daily volumes were collected as part of the study. **Table 2** shows the results of the speed study. The total daily volume was 2,433, split 49% going northbound and 51% going southbound. The southbound speeds were slightly higher than northbound, with 63 mph being the 85th percentile speed and about 73% of southbound vehicles traveling over the speed limit of 55 mph. The northbound 85th percentile speed was 59 mph and about 48% of vehicles were traveling over 55 mph.

Table 2- Speed Study Results

Location	Direction	Daily Directional Volume	Posted Speed Limit	50th %ile Speed (mph)	85th %ile Speed (mph)	% > 55 mph	% > 60 mph
1. Flink Ave, N of 395th St	Northbound	1193	55	55	59	47.5%	7.5%
	Southbound	1240		58	63	72.7%	33.3%

Existing crash data for the Flink Avenue corridor was also collected using the Minnesota Crash Mapping Analysis Tool (MnCMAT2). A five-year (January 2020-December 2024) crash analysis was completed for Flink Avenue between 392nd Street and 406th Street. **Table 3** shows the intersection-related crashes and **Table 4** shows the non-intersection-related crashes on the Flink Avenue corridor.

Table 3- Intersection-related crash data

Intersection	No. Crashes	Crash Rate*	State Average Crash Rate**	Critical Rate***
Flink Ave & 400 th St	1	0.130	.141	0.555
Flink Ave & 392 nd St	2	0.181	.141	0.477

*Intersection crash rates are expressed in crashes per million entering vehicles.
**Statewide Average is from MnDOT 2024 green sheets for a rural through-stop intersection
***Critical crash rates are expressed in crashes per million entering vehicles with 0.995 confidence level.

Table 4- Non-intersection-related crash data

Flink Avenue Segment	No. Crashes	Crash Rate*	State Average Crash Rate**	Critical Rate***
392 nd St – 406 th St	2	0.198	.283	0.764

*Intersection crash rates are expressed in crashes per million entering vehicles.
**Statewide Average is from MnDOT 2024 green sheets for rural two-lane roadways with an AADT between 1,500 and 4,999
***Critical crash rates are expressed in crashes per million entering vehicles with 0.995 confidence level.

Speed Limit Review and Analysis

B. National Guidance

Speeding is now widely recognized as a significant danger to public health and traffic safety. In addition to the aforementioned NHTSA statistics on the gravity of the speeding problem, a variety of national research and guidance exists about the benefits of lowering speed limits and policies and procedures to enact these changes. Minnesota in the past has typically used the 85th percentile speed method as the standard for setting speed limits throughout the state.

National Cooperative Highway Research Program (NCHRP) Report 966 (2021)

This NCHRP report, entitled “Posted Speed Limit Setting Procedure and Tool: User Guide (2021),” provides guidance for transportation professionals to make informed decisions on setting speed limits.¹ It introduces a Speed Limit Setting Procedure and associated Speed Limit Setting Tool. The methodology is intended for use with any roadway type.

The NCHRP Report 966 discusses the shortcoming in the use of the 85th percentile speed method for setting speed limits. The 85th percent method records how fast vehicles travel on a road and then determines the speed that 85 percent of drivers are traveling at or below. The new speed limit is set to the nearest 5 mph increment. This method rests upon an assumption that drivers act in a reasonable and prudent manner. One problem is that drivers may not be aware of all the conditions present within a corridor, and the 85th percentile doesn’t adequately consider the needs of vulnerable road users.

The NCHRP 966 report presents a procedure to calculate a suggested speed limit, a four-step decision-making process for calculating a suggested speed limit, variables used within the decision-making procedure, and an overview of the Speed Limit Setting Tool provided. It includes a literature review and discussion of the relationship between speed limits and crashes, and the debate about setting speed limits.

The speed limit setting procedure recommended includes identifying roadway context (a spectrum ranging from rural to urban core) and roadway type (functional classification ranging from freeways to local streets). The report suggests a matrix of target speeds based on these two factors (**Table 5**).

Table 5: NCHRP 966 Speed Limit Recommendations

Suggested Target Speed by Roadway Context and Type					
Context and Type	Rural	Rural Town	Suburban	Urban	Urban Core
Limited Access Freeway	High 50 mph +	High 50 mph +	High 50 mph +	High 50 mph +	High 50 mph +
Principal Arterial	High 50 mph +	Low to Medium 45 mph -	Medium to High 30 mph +	Low to Medium 45 mph -	Low 25 mph -
Minor Arterial	High 50 mph +	Low to Medium 45 mph -	Medium 30-45 mph	Low to Medium 45 mph -	Low 25 mph -
Collector	Medium 30-45 mph	Low 25 mph -	Medium 30-45 mph	Low 25 mph -	Low 25 mph -
Local	Medium 30-45 mph	Low 25 mph -	Low 25 mph -	Low 25 mph -	Low 25 mph -

Source: NCHRP Research Report 966

<https://www.nap.edu/catalog/26216/posted-speed-limit-setting-procedure-and-tool-user-guide>

<https://apps.trb.org/cmsfeed/TRBNetProjectDisplay.asp?ProjectID=4052>

C. Local Speed Limit Analysis

Several factors shall be considered when evaluating speed limits on the local roadway system including:

Roadway Jurisdiction – Roadways under the jurisdiction of MnDOT or Chisago County would not be eligible for speed limit changes by the city based on the current legislation. However, the city should continue to work with these agencies to evaluate speed limit changes to their roadways if warranted.

Roadway Functional Classification, Surface, and Adjacent Land Use Classification – Roadways were categorized by functional class (collector or local), surface (paved or unpaved), adjacent land use (urban/rural residential, urban commercial, or rural area). Eight classification types were developed for city-owned roadways (shown in **Appendix B**):

- Urban Collector
- Rural Collector
- Urban Local Residential- Paved
- Rural Local Residential- Paved
- Rural Local Residential- Unpaved
- Urban Local Commercial- Paved
- Rural Local- Paved
- Rural Local- Unpaved

Access points – Roadways with a higher number of access points (intersections/driveways) are more likely to have lower speed limits than roadways with fewer access points.

Striping and width – Unstriped, narrow roadways are more likely to have drivers driving at higher speeds than if the roadway was striped with centerline and edgelines. Roadways with curb or without a shoulder are more likely to have lower speeds than roadways with wide shoulders.

New Developments – As areas start developing and rural roadways become more suburban/urban with additional access points and volumes, speed limits should be reevaluated to account for the changing network.

Traffic Volumes – Roadways with higher traffic volumes are more likely to have higher speed limits than roadways with lower traffic volumes. Note: traffic volumes may not be available on local roadways.

Pedestrian Activity – A person is significantly more likely to lose their life or sustain a serious injury as the speed at impact increases. A person hit at 30 mph is three times as likely to be killed than at 20 mph.

Crash History – The most recent five-years of crash data shall be reviewed on a roadway where speed limit concerns have arisen.

Based on these factors and the Minnesota State Statutes, the speed limits in **Table 6** are recommended based on roadway type. A road link table is provided in **Appendix C** that correlates with the map in **Appendix A**. Existing roadways were analyzed to verify if the existing speed limit is justified, based on classification, access points, edgeline striping (or curb), discussion with the City, and other relevant information about the roadway segment (curves, schools, developing areas, recent/future improvements).

Table 6: Speed Limit Recommendations

	Has edgelines (or curb) w/< than 20 access points/ mile	Has edgelines (or curb) w/ 20-30 access points/ mile	Has edgelines (or curb) w/ >30 access points/ mile	No edgelines (or curb) w/< than 20 access points/ mile	No edgelines (or curb) w/> than 20 access points/ mile
Rural Collector	55	45	N/A	N/A	N/A
Rural Local Paved	55	N/A	N/A	40-45	40
Urban Collector	40	40	30	N/A	30
Rural Local Unpaved*	45	N/A	N/A	N/A	N/A
Urban Local Commercial Paved	40	N/A	N/A	N/A	N/A
Rural Local Residential Unpaved*	35	35	35	35	35
Urban Local Residential- Paved	N/A	30	30	N/A	30
Rural Local Residential- Unpaved	N/A	30	30	N/A	30

*Rural Local Unpaved roads to remain unposted unless safety issues have been documented

Note: Engineering judgement to be used when setting speeds in areas transitioning from rural to suburban/urban (developing areas).

A map with the proposed speed limit changes is shown in **Appendix D**, and discussed below:

1. Maintain current speed limits on MnDOT and Chisago County roadways.
2. Change the existing 55 MPH speed limit to 45 MPH on Flink Avenue, from north of the Sunrise River to the north City limit.
3. Change the existing 55 MPH speed limit to 40 MPH on Isanti Trail, from the west City limit to TH 95.
4. Change the existing 45 MPH speed limit to 40 MPH on Falcon Ave, from the south City limit to 370th St. Also post a southbound Reduced Speed Limit Ahead sign, north of 370th Street.
5. Change the existing 45 MPH speed limit to 40 MPH on 360th St, from CSAH 30 to Hemingway Avenue.
6. Change the existing 45 MPH speed limit to 40 MPH on 372nd St, from CSAH 30 to Hemingway Avenue.
7. Change all of the existing Rural Local unpaved roads to 45 MPH, but only post speed limit signs if safety issues have been reported.
8. Change all of the existing Rural Local Residential unpaved roads to 35 MPH, but only post speed limit signs if safety issues have been reported.
9. Remove conflicting existing speed limits signs.
10. Review any curve warning signage with posted advisory speeds that may be impacted if posted speed limits are reduced

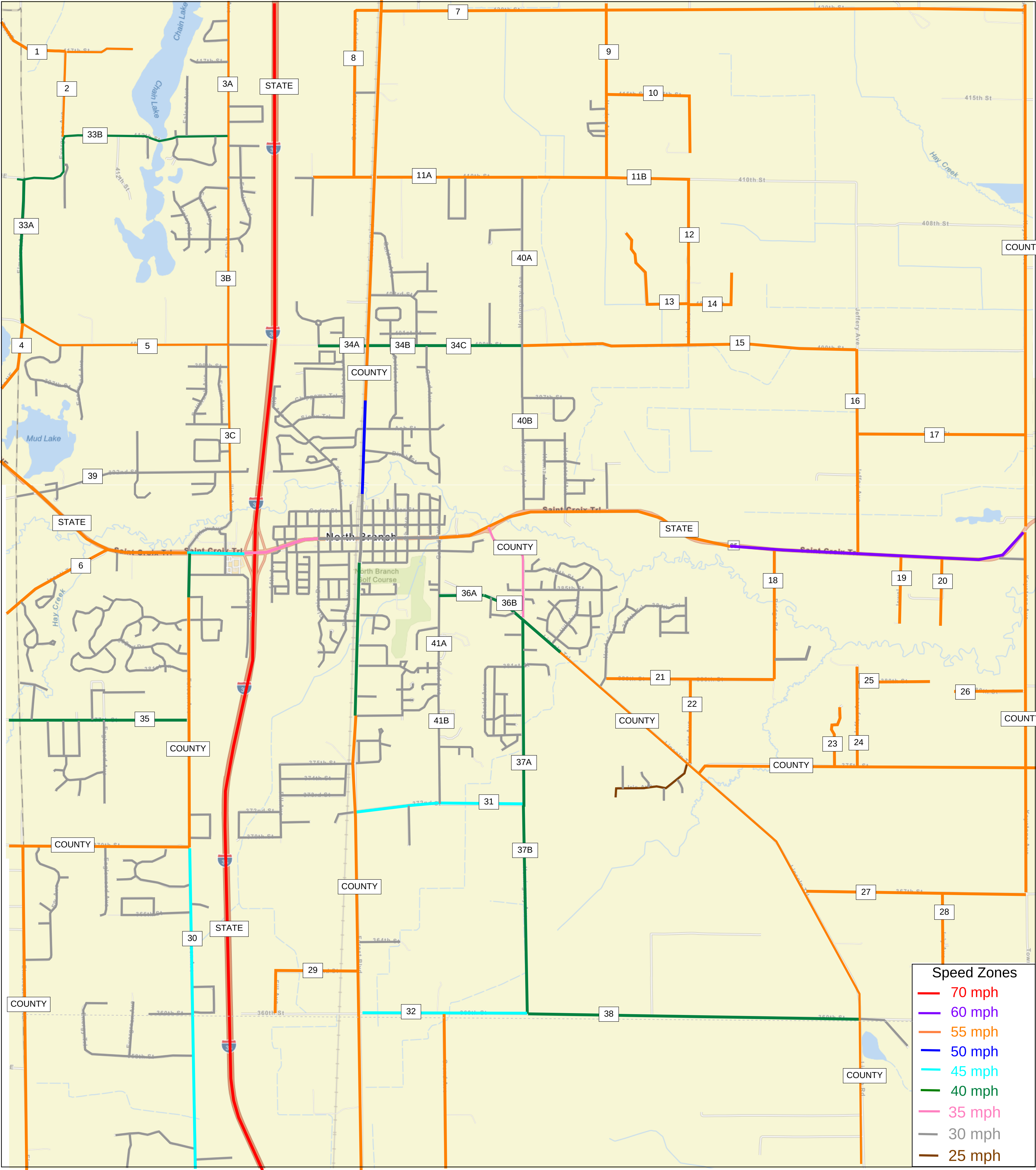
Conclusion / Next Steps

Should the City Council determine that they would be in favor of setting speed limits on local streets based on the study, the following next steps are recommended:

1. Collect information from the public on speeding concerns and other speed limit issues.
 - a. Preparation of maps and website survey (**Note: this step has been completed, and comments have been sent to the City**)
2. Approve a Speed Limit Policy and Resolution adopting speed limit changes on local roadways. (**See Draft Example in Appendix E**)
3. Prepare an implementation signing plan. Remove and/or install signs similar to that shown in **Appendix D** at selected locations throughout the city.
4. Prepare a Communication Plan informing the community on the speed limit changes. At a minimum this would include:
 - a. Preparation of articles and maps in the City Newsletter
 - b. Social Media posts
 - c. Press releases
 - d. Community events and announcements at City meetings

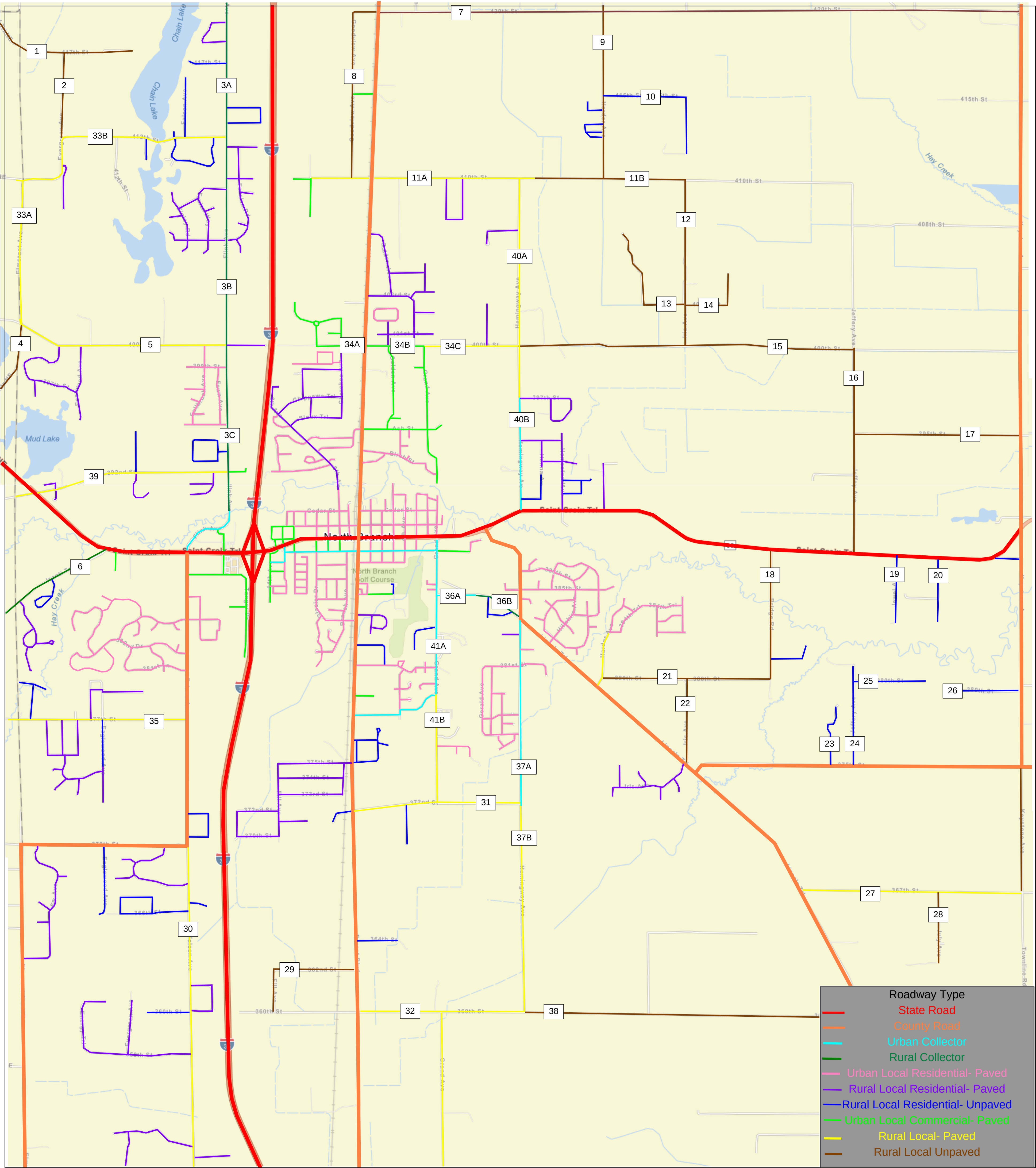
APPENDIX A – EXISTING SPEED LIMITS

Existing Speed Limits



APPENDIX B – ROADWAY CLASSIFICATION MAP

Roadway Classification



APPENDIX C – ROAD LINK TABLE

Link	Road Name	Segment Start	Segment End	Speed		Length (mi)	Roadway Type	Edgelines present (or curb)	Approx # access points	Access points/ mile	Recommended Speed	Update Speed Limit?	Notes
1	417th St	W City Limit	Chain Lake	55	Statutory-unposted	0.5	Rural Local Unpaved	No	4	8.0	45	*NO	*Only post if City wants to due to safety concerns/issues
2	Evergreen Ave	412th St	417th St	55	Statutory-unposted	0.5	Rural Local Unpaved	No	9	18.0	45	*NO	*Only post if City wants to due to safety concerns/issues
3A	Flink Ave	412th St	N City Limit	55	Statutory-posted	0.75	Rural Collector	Yes	18	24.0	45	YES	
3B	Flink Ave	420th St	412th St	55	Statutory-posted	1.25	Rural Collector	Yes	9	7.2	45	*YES	*Area is developing, roundabout going in at 400th next year. Recommend DFB or enforcement.
3C	Flink Ave	N of River	400th St	55	Statutory-unposted	1	Rural Collector	Yes	9	8.0	45	*YES	*Area is developing, roundabout going in at 400th next year. Recommend DFB or enforcement.
4	Hornsbys Ave	W City Limit	400th St	55	Statutory-unposted	0.25	Rural Local Unpaved	No	2	8.0	45	*NO	*Only post if City wants to due to safety concerns/issues
5	400th St	Hornsbys Ave	Flink Ave	55	Statutory-unposted	1.25	Rural Local Paved	Yes	16	12.8	55	NO	
6	Isandl Trl	W City Limit	TH 95	55	Statutory-unposted	0.4	Rural Collector	Yes	7	17.5	40	*YES	City wants to lower when coming into the City
7	420th St	CSAH 30	CR 67	55	Statutory-unposted	3.8	Rural Local Unpaved	No	29	7.6	45	*NO	*Only post if City wants to due to safety concerns/issues
8	420th St/Goodview Ave	410th St	CSAH 30	55	Statutory-unposted	1.14	Rural Local Unpaved	No	11	9.6	45	*NO	*Only post if City wants to due to safety concerns/issues
9	Harder Ave	410th St	420th St	55	Statutory-unposted	1	Rural Local Unpaved	No	14	14.0	45	*NO	*Only post if City wants to due to safety concerns/issues
10	415th St/Iris Ave	Harder Ave	-	55	Statutory-unposted	0.82	Rural Local Residential Unpaved	No	11	13.4	35	*NO	*Only post if City wants to due to safety concerns/issues
11A	410th St	Fletcher Ave	E of Hemingway Ave	55	Statutory-unposted	1.4	Rural Local Paved	Yes	20	14.3	55	NO	
11B	410th St	E of Hemingway Ave	Jeffrey Ave	55	Statutory-unposted	0.82	Rural Local Unpaved	No	2	2.4	45	*NO	*Only post if City wants to due to safety concerns/issues
12	Iris Ave	400th St	410th St	55	Statutory-unposted	1	Rural Local Unpaved	No	3	3.0	45	*NO	*Only post if City wants to due to safety concerns/issues
13	402nd St	W of Iris Ave	Iris Ave	55	Statutory-unposted	0.4	Rural Local Unpaved	No	1	2.5	45	*NO	*Only post if City wants to due to safety concerns/issues
14	402nd St	Iris Ave	E of Iris Ave	55	Statutory-unposted	0.4	Rural Local Unpaved	No	2	5.0	45	*NO	*Only post if City wants to due to safety concerns/issues
15	400th St	Hemingway Ave	Jeffrey Ave	55	Statutory-unposted	2	Rural Local Unpaved	No	11	5.5	45	*NO	*Only post if City wants to due to safety concerns/issues
16	Jeffrey Ave	TH 95	400th St	55	Statutory-unposted	1.23	Rural Local Unpaved	No	3	2.4	45	*NO	*Only post if City wants to due to safety concerns/issues
17	395th St	Jeffrey Ave	CR 67	55	Statutory-unposted	1	Rural Local Unpaved	No	9	9.0	45	*NO	*Only post if City wants to due to safety concerns/issues
18	Bridge Rd	380th St	TH 95	55	Statutory-unposted	0.77	Rural Local Unpaved	No	5	6.5	45	*NO	*Only post if City wants to due to safety concerns/issues
19	Jewel Ase	TH 95	-	55	Statutory-unposted	0.4	Rural Local Residential Unpaved	No	2	5.0	35	*NO	*Only post if City wants to due to safety concerns/issues
20	July Ave	TH 95	-	55	Statutory-unposted	0.4	Rural Local Residential Unpaved	No	3	7.5	35	*NO	*Only post if City wants to due to safety concerns/issues
21	380th St	Harder Ave	Bridge Rd	55	Statutory-unposted	1	Rural Local Unpaved	No	13	13.0	45	*NO	*Only post if City wants to due to safety concerns/issues
22	Iris Ave	CSAH 14	380th St	55	Statutory-unposted	0.5	Rural Local Unpaved	No	6	12.0	45	*NO	*Only post if City wants to due to safety concerns/issues
23	James Ave	375th St	-	55	Statutory-unposted	0.25	Rural Local Residential Unpaved	No	3	12.0	35	*NO	*Only post if City wants to due to safety concerns/issues
24	Jeffrey Ave	375th St	-	55	Statutory-unposted	0.6	Rural Local Residential Unpaved	No	8	13.3	35	*NO	*Only post if City wants to due to safety concerns/issues
25	380th St	Jeffrey Ave	-	55	Statutory-unposted	0.3	Rural Local Residential Unpaved	No	4	13.3	35	*NO	*Only post if City wants to due to safety concerns/issues
26	380th St	CR 67	-	55	Statutory-unposted	0.25	Rural Local Residential Unpaved	No	3	12.0	35	*NO	*Only post if City wants to due to safety concerns/issues
27	367th St	CSAH 14	CR 67	55	Statutory-unposted	1.32	Rural Local Paved	No	23	17.4	40	YES	
28	July Ave	367th St	-	55	Statutory-unposted	0.42	Rural Local Unpaved	No	5	11.9	45	*NO	*Only post if City wants to due to safety concerns/issues
29	362nd St/ Fill Ave	360th St	CSAH 30	55	Statutory-unposted	0.75	Rural Local Unpaved	No	6	8.0	45	*NO	*Only post if City wants to due to safety concerns/issues
30	Falcon Ave	S City Limit	370th St	45	Posted	1	Rural Local Paved	No	25	25.0	40	YES	
31	372nd St	CSAH 30	Hemingway Ave	45	Posted	1	Rural Local Paved	No	20	20.0	40	YES	
32	360th St	CSAH 30	Hemingway Ave	45	Posted	1	Rural Local Paved	No	20	20.0	40	YES	
33A	Elmcrest Ave/410th St	400th St	Evergreen Ave	40	Posted	1.1	Rural Local Paved	No	14	12.7	40-45	NO	Curves on alignment, leave at 40
33B	Evergreen Ave/412th St	410th St	Flink Ave	40	Posted	1.22	Rural Local Paved	No	17	13.9	40-45	NO	Curves on alignment, leave at 40
34A	400th St	Fletcher Ave	CSAH 30	40	Posted	0.28	Urban Local Commercial Paved	Yes	1	3.6	40	NO	
34B	400th St	CSAH 30	Grand Ave	40	Posted	0.33	Urban Local Commercial Paved	Yes	2	6.1	40	NO	
34C	400th St	Grand Ave	Hemingway Ave	55	Statutory-unposted	0.56	Rural Local Paved	Yes	5	8.9	55	NO	
35	377th St	W City Limit	Falcon Ave	40	Posted	1	Rural Local Paved	No	26	26.0	40	NO	
36A	Lincoln Trl	Grand Ave	Gerald Ave	40	Posted	0.3	Urban Collector	Yes	6	20.0	40	NO	School speed zone 25 mph
36B	Lincoln Trl	Gerald Ave	Hemingway Ave	40	Posted	0.22	Rural Collector	Yes	2	9.1	40	NO	Future roundabout at Lincoln and Hemingway (2026), near school area
37A	Hemingway Ave	372nd St	Lincoln Trl	40	Posted	1.1	Urban Collector	Yes	15	13.6	40	NO	
37B	Hemingway Ave	360th St	372nd St	40	Posted	1.25	Rural Local Paved	No	16	12.8	40-45	NO	Just recently paved (July 2025)
38	360th St	Hemingway Ave	Lincoln Trl	40	Posted	2	Rural Local Unpaved	No	17	8.5	45	*NO	Previously reduced, City not to change
39	392nd St	TH 95	Flink Ave	30	Posted	1.17	Rural Local Paved	No	14	12.0	40-45	*NO	City wants to leave at 30, area is developing, sidewalk went in on south side of road
40A	Hemingway Ave	397th St	410th St	30	Posted	1.3	Rural Local Paved	Yes	21	16.2	55	*NO	Previously reduced, City not to change
40B	Hemingway Ave	TH 95	397th St	30	Posted	0.7	Urban Collector	No	36	51.4	30	NO	
41A	Grand Ave	376th St	TH 95	30	Posted	1.22	Urban Collector	Yes	37	30.3	30	NO	School speed zone 20 mph
41B	Grand Ave	372nd St	376th St	30	Posted	0.33	Rural Local Paved	No	7	21.2	30	*NO	*Area is developing, leave at 30

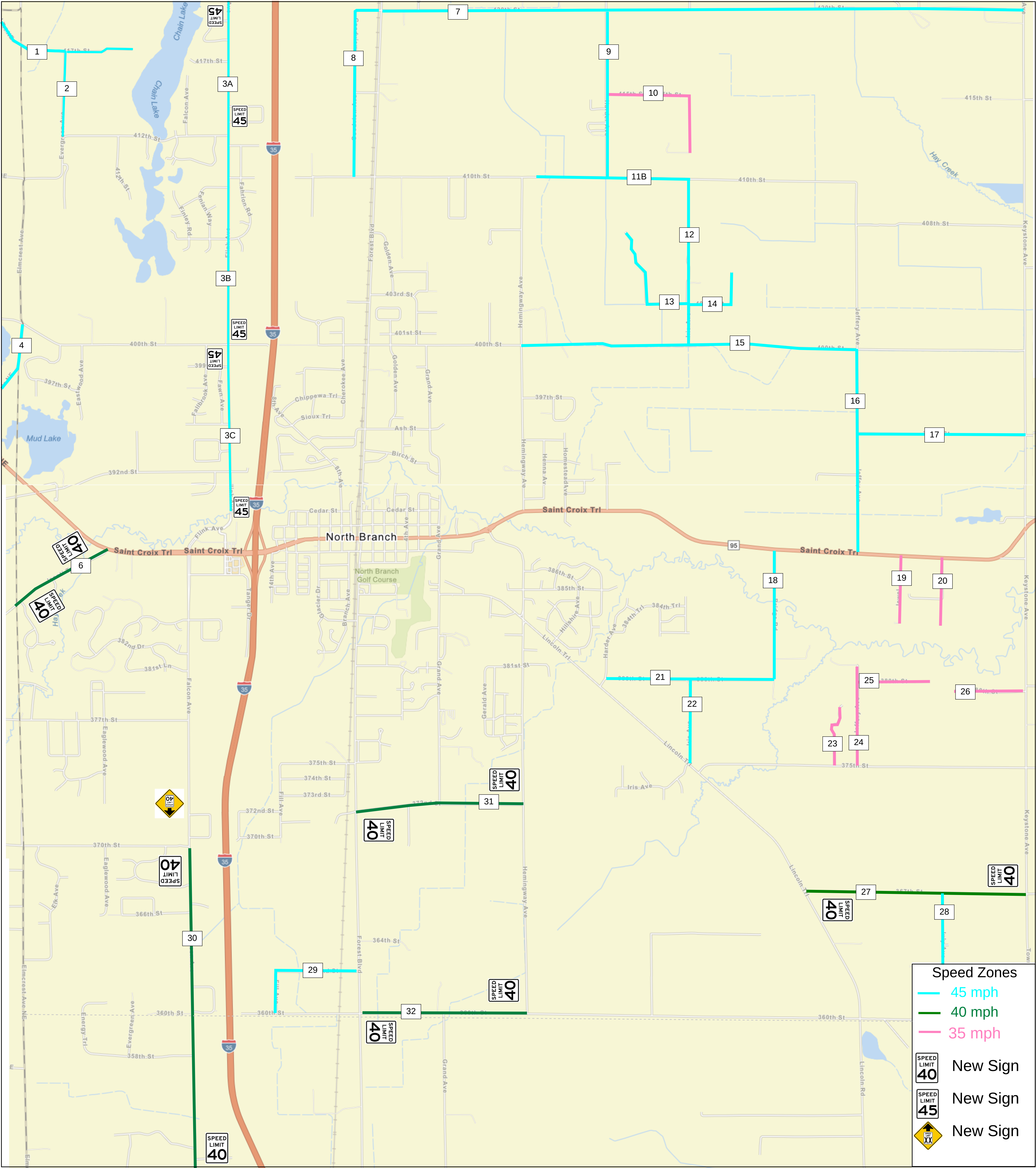
	Has edgelines (or curb) w/ < 20 access points/ mile	Has edgelines (or curb) w/ 20-30 access points/ mile	Has edgelines (or curb) w/ >30 access points/ mile	No edgelines (or curb) w/ < 20 access points/ mile	No edgelines (or curb) w/ > 20 access points/ mile
Rural Collector	55	45	N/A	N/A	N/A
Rural Local Paved	55	N/A	N/A	40-45	40
Urban Collector	40	40		N/A	
Rural Local Unpaved*	45	N/A	N/A	N/A	N/A
Urban Local Commercial Paved	40	N/A	N/A	N/A	N/A
Rural Local Residential Unpaved*	35	35	35	35	35
Urban Local Residential Paved	N/A	30	30	N/A	30
Rural Local Residential Unpaved	N/A	30	30	N/A	30

*Rural Local Unpaved roads to remain unposted unless safety issues have been documented

Note: Engineering judgement to be used when setting speeds in areas transitioning from rural to suburban/urban (developing areas).

APPENDIX D – PROPOSED SPEED LIMIT CHANGES

Proposed Speed Limit Changes



APPENDIX E – DRAFT SPEED LIMIT POLICY EXAMPLE

NORTH BRANCH, MINNESOTA SPEED LIMIT POLICY

PURPOSE / BACKGROUND

This document outlines policies for determining the speed limit on streets owned and maintained by the City of North Branch. This policy is being implemented to establish guidelines on speed limit setting, but also to improve vehicle and pedestrian safety on streets within developing areas in the City.

The City of North Branch will address speed limit related concerns based upon guidelines from Minnesota Statutes, Minnesota Department of Transportation (MnDOT) policies, Minnesota Manual on Uniform Traffic Control Devices (MnMUTCD), and engineering judgement.

Minnesota Statutes Section 169.14 now allows Cities to establish speed limits on City streets under their jurisdiction based on the statutory speed limits listed below:

Minnesota Statutory Speed Limits:

- 10 mph in alleys
- 25 mph in residential roadways if adopted by the road authority having jurisdiction over the residential roadway.
- 30 mph on streets in urban districts
- 35 mph in a rural residential district if adopted by the road authority having jurisdiction over the rural residential district.
- 70 mph on rural interstate highways
- 65 mph on urban interstate highways or expressways
- 55 mph on other roads

Unless the Commissioner of Transportation previously authorized a new speed limit on a specific roadway segment, the existing speed limits on streets within the City of North Branch are consistent with the statutory speed limits listed above.

In 2019, the Minnesota State Legislature passed a Statute granting Cities the authority to establish speed limits for city streets under the city's jurisdiction, without conducting an engineering and traffic investigation. This subdivision does not apply to town roads, county highways, or trunk highways in the city. A city that establishes speed limits pursuant to this section must implement speed limit changes in a consistent and understandable manner. The city must erect appropriate signs to display the speed limit. A city that uses the authority under this subdivision must develop procedures to set speed limits based on the city's safety, engineering, and traffic analysis. At a minimum, the safety, engineering, and traffic analysis must consider national urban speed limit guidance and studies, local traffic crashes, and methods to effectively communicate the change to the public.

Speed limits adopted using the 2019 State Legislation would not be in effect unless the city erects signs designating the speed limit on the streets which the speed limit applies.

North Branch Speed Limit Study

Community Input Map

August 22-September 12, 2025

From August 22 to September 12, 2025, the City of North Branch accepted comments via an online comment map on a speed limit study. The purpose of the study was to analyze current speed limits and look into setting new speed limits based on Minnesota statutes, MnDOT policies, guidelines, and studies. Below are the comments received.

Name	Contact	Comment
Pamela Chesbrough	612-940-0756 pamela_l1972@yahoo.com	3582 381 st
Tom Beltt	218-590-8069 tbeltt@gmail.com	Why is the speed limit on Hemingway Avenue 40 mph when the streets 372nd and 360th that adjoin it to Forest Blvd are at 45 mph? I think much of Hemingway should also be 45 mph.
Tom Beltt	218-590-8069 tbeltt@gmail.com	What is the purpose of the stop signs on 381st Street at the intersection of Clara Avenue? I can understand the need for one on Clara at 381st but there can't possibly be the volume of traffic on either 381st or coming from the 5 homes on Clara Avenue to justify the need for a 3-way stop at that location. Drivers really dislike useless stop signs where no significant cross traffic exists. Those 2 stop signs on 381st are quite possibly the most useless stop signs in North Branch.
Kell		375th street-Kates estates: speed should be 20 miles per hour. 30 is too fast in a neighborhood of kids
Alyssa Cihak	651-621-0898 Alyssa.cihak@outlook.com	Speed limit on neighborhood roads shouldn't be more than 20mph with all of the kids walking around and lack of sidewalks in the neighborhood. County rd 30 should be dropped to 35mph coming south at 400th st as drivers continuously speed up and down county road 30. They pull onto county rd 30 off cougar trl and/ash st and slam on the gas to get to 50mph before it drops to 30mph after Riverwalk park. Also need turn lanes and more patrols on county rd 30 at the intersection of Ash and cougar trl as every time I turn off county rd 30

		onto cougar trl, the idiots behind me pass on the right.
Samuel Martinson	320-496-6995 peanuthil97@gmail.com	Do not raise speed limits. 30mph is plenty
Molly Whelan	218-310-6032 mollykwhelan@gmail.com	Please consider keeping Grand at 20 until well past Sunrise school and controlling the intersections.
Molly Whelan	218-310-6032 mollykwhelan@gmail.com	Please reduce the speed on Maple St. and Grand Ave. to make this intersection safe. People do not stop or look, especially when turning R off Maple St. to go south on Grand Ave. This area is a busy school zone and is not regulated enough.
Sue Herwig	763-242-8175 sueherwig@gmail.com	With the increased traffic due to new development lowering speed limit on Flink Ave makes sense.
Anne Scheel	Anne_scheel@outlook.com	Speed limit is dangerous. Should be 35-40 because of the housing and trail along the road.



**Prepared By: Nathan Sondrol, Community Development Director
Justin Messner, City Engineer**

**Presenter: Nathan Sondrol, Community Development Director
Justin Messner, City Engineer**

Date: November 13, 2025

Board & Commission: City Council

Subject: Flink/400th Transportation Impact Study

Introduction:

The attached transportation impact study provides guidance for future infrastructure planning, development agreement fee determination, grant applications, and right-of-way acquisition in support of anticipated growth and the future I-35/400th interchange.

Background Information:

LGI Homes – Minnesota (Developer) presented a concept plan for the Meadows Ridge Development to the City Council on September 12, 2023 as the continuation of the next phase of the Developer’s ongoing home construction plans in the northwest corner of the City. Meadows Ridge is to the north of the Meadows North and Meadows North Townhomes developments, and specifically located on the northwest corner of Flink Avenue-400th Street intersection.

The Developer submitted applications for a Planned Unit Development and Preliminary Plat along with an Environmental Assessment Worksheet (EAW) and received approvals in November 2024 for the Meadows Ridge development. The approved development included a 336 unit residential development to be completed over 4 phases along with a future 5.27 acre commercial outlot.

The approval of the development included several conditions of approval (*see attached resolution*), including:

- 1) The Developer and City shall partner on an in-depth study to develop a Transportation Plan Study for required transportation improvements to Flink Avenue and 400th Streets, the cost for such improvements, and cost-responsibility for those improvements as required by the Development; the Developer and City shall develop a scope of services

and cost-share agreement prior to Final Plat approval of Phase 1 of the Development; and,

- 2) The Developer, at its own expense, will be responsible for constructing the required improvements to Flink Avenue and 400th Street with future phases of the Meadows Ridge Development as to be described in the Master Development Agreement and agreed with future Subdivision Agreements. Construction of those improvements shall be required with each applicable future phase of the Development, which shall be outlined in each subsequent Subdivision Agreement for each future phase. If agreed by the City, the Developer may pay to the City the lump sum of those identified Development-specific construction costs, as identified by the Transportation Plan Study.

The developer has partnered with the city to develop the attached Transportation Plan Study and has submitted a final plat application for Phase 1 of the Development and is looking to address the cost-share agreement to be included in the development agreement to move forward with Phase 1.

Overview:

The study explains how area charges and assessment rates for future development agreements are set. Table 4 shows how roadway improvement fees are divided by land use, trip generation, and intersection traffic share. This makes sure that development fees are fair, transparent, and directly connected to the infrastructure needs of new growth.

Recommended upgrades for intersections match the planned I-35/400th Street interchange. The analysis finds that about half of local traffic will use 400th Street eastbound to reach the upcoming interchange—signaling community support for regional infrastructure. These improvements reflect the City’s dedication to supporting mobility and economic growth across the region.

By recording local investments and aligning with key regional projects like the I-35/400th Street interchange, the City improves its chances of securing outside funding. The study may also be used in grant applications to demonstrate preparedness, solid planning, and benefits for residents. The analysis, cost data, and infrastructure review improve the City's chances of securing transportation grants like the MnDOT LRIP Program.

It’s assumed the right-of-way for the Flink Ave/400th Street Area will be secured during project platting, cutting down on city expenses. This method streamlines land purchases needed for roadway and drainage work, making development more efficient. Right-of-way requirements are clearly outlined and measured to help with negotiations and official approvals.

Next Steps:

Accept the Transportation Impact Study as the authoritative reference for calculating transportation-related fees within development agreements.

Instruct staff to develop an official fee schedule and establish implementation protocols.

Funding/Financing:

N/A

Voting Requirements:

Voting Options N/A

Attachment: Flink Ave/400th St. Area Transportation Impact Study



NORTH BRANCH

FLINK AVE/400TH ST. AREA TRANSPORTATION IMPACT STUDY NORTH BRANCH, MINNESOTA

September 3, 2025

Prepared for:
City of North Branch
PO Box 910 - 6408 Elm Street
North Branch, MN 55056

WSB PROJECT NO. 028099-000

September 3, 2025

Mr. Nathan Sondrol
Community Development Director
City of North Branch
PO Box 910 - 6408 Elm Street
North Branch, MN 55056

Re: Flink Ave/400th St. Area Transportation Impact Study
WSB Project No.028099-000

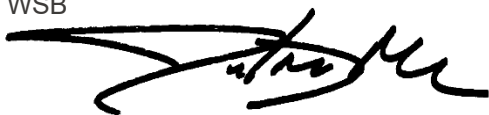
Dear Mr. Sondrol:

This report describes the existing and future area trunk improvements necessary to provide roadway improvements and access for 1,010 acres of mixed and residential development. Developable land areas, roadway project costs, and information used to develop area charges are presented in the study. Costs throughout this report are 2025 dollar values.

If you have questions about the content of this scope of services, please feel to reach out at jmessner@wsbeng.com or 612.388.9652.

Sincerely,

WSB



Justin Messner, PE
City Engineer

Attachments

cc: Matthew Hill, City Administrator



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Letter of Introduction

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- Appendix B - Opinion of Cost
- Appendix C - Trip Generation



Certification Sheet

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly licensed professional engineer under the laws of the State of Minnesota.

Justin G. Messner, PE



Date: September 3, 2025 Lic. No. 45857



Recommendations

The City utilizes this report as a planning tool and guide in developing the Flink Avenue/400th Street Area transportation system impacts and associated assessment rates. This report does not assign specific assessments to properties at this time, however, it is expected that it will be used as a guide as individual projects develop.

The following existing parcels are included in the study: Flink Avenue/400th Street Area Study Properties

110012710	110038230	110087367	110087422	110087472	110087532	110087591	110087643
110012901	110038231	110087368	110087423	110087473	110087533	110087592	110087644
110012902	110038232	110087369	110087424	110087474	110087534	110087593	110087645
110012903	110038233	110087370	110087425	110087475	110087535	110087594	110087646
110012910	110038234	110087371	110087426	110087476	110087536	110087595	110087647
110012920	110038235	110087372	110087427	110087477	110087537	110087597	110087648
110012930	110038236	110087373	110087428	110087478	110087538	110087598	110087649
110013200	110038237	110087374	110087429	110087479	110087539	110087599	110087650
110013210	110038238	110087375	110087430	110087480	110087540	110087601	110087651
110013300	110038239	110087376	110087431	110087481	110087541	110087602	110087652
110013410	110038240	110087377	110087432	110087482	110087551	110087603	110087653
110013420	110038241	110087378	110087433	110087483	110087552	110087604	110087654
110013430	110038300	110087379	110087434	110087484	110087553	110087605	110087655
110013500	110087330	110087380	110087435	110087485	110087554	110087606	110087656
110013550	110087331	110087381	110087436	110087486	110087555	110087607	110087657
110013551	110087332	110087382	110087437	110087487	110087556	110087608	110087658
110013552	110087333	110087383	110087438	110087488	110087557	110087609	110087659
110013553	110087334	110087384	110087439	110087489	110087558	110087610	110087660
110013554	110087335	110087385	110087440	110087490	110087559	110087611	110087661
110014210	110087336	110087386	110087441	110087501	110087560	110087612	110087662
110014220	110087337	110087387	110087442	110087502	110087561	110087613	110087663
110014230	110087338	110087388	110087443	110087503	110087562	110087614	110087664
110014240	110087339	110087389	110087444	110087504	110087563	110087615	110087665
110014250	110087340	110087390	110087445	110087505	110087564	110087616	110087666
110014260	110087341	110087391	110087446	110087506	110087565	110087617	110087667
110014300	110087342	110087392	110087447	110087507	110087566	110087618	110087668
110036410	110087343	110087393	110087448	110087508	110087567	110087619	110087669
110036500	110087344	110087394	110087449	110087509	110087568	110087620	110087670
110037400	110087345	110087396	110087450	110087510	110087569	110087621	110087671
110037410	110087346	110087401	110087451	110087511	110087570	110087622	110087672
110037500	110087347	110087402	110087452	110087512	110087571	110087623	110087673
110037710	110087348	110087403	110087453	110087513	110087572	110087624	110013600
110038150	110087349	110087404	110087454	110087514	110087573	110087625	110036400
110038151	110087350	110087405	110087455	110087515	110087574	110087626	
110038152	110087351	110087406	110087456	110087516	110087575	110087627	
110038153	110087352	110087407	110087457	110087517	110087576	110087628	
110038154	110087353	110087408	110087458	110087518	110087577	110087629	
110038155	110087354	110087409	110087459	110087519	110087578	110087630	
110038156	110087355	110087410	110087460	110087520	110087579	110087631	
110038157	110087356	110087411	110087461	110087521	110087580	110087632	
110038158	110087357	110087412	110087462	110087522	110087581	110087633	
110038221	110087358	110087413	110087463	110087523	110087582	110087634	
110038222	110087359	110087414	110087464	110087524	110087583	110087635	



110038223	110087360	110087415	110087465	110087525	110087584	110087636
110038224	110087361	110087416	110087466	110087526	110087585	110087637
110038225	110087362	110087417	110087467	110087527	110087586	110087638
110038226	110087363	110087418	110087468	110087528	110087587	110087639
110038227	110087364	110087419	110087469	110087529	110087588	110087640
110038228	110087365	110087420	110087470	110087530	110087589	110087641
110038229	110087366	110087421	110087471	110087531	110087590	110087642

Area Description

The Flink Avenue/400th Street Study Area is shown in Figures 1 and 2. The study area is generally bounded by I-35 on the east, 406th Street on the north, Hornsby Drive/ Elmcrest Avenue on the west, and 395th Street on the south. The study intersection of Flink Avenue and 400th Street is to be analyzed due to impacts of the area. The total study area is 1,010 acres and contains 882 acres of developable land. This study generally follows the Council approved 2018 Comprehensive Plan. Table 1 and Figure 1 represent land uses consistent with the Comprehensive Plan. The rural residential and agriculture land will develop into mixed use and residential. Table 1 summarizes the future land use areas.

Table 1. Future Land Use Areas

Travel Shed Area	Land Use	Acres	Wetlands/Lakes	Developable Acres
1	Rural Residential	311.39	100.99	210.40
2	Single Family Residential	154.91	12.29	142.62
3	Single Family Residential	79.38	14.42	64.96
4	Single Family/ Medium Density Residential/ Business	119.00	0.00	119.00
5	Medium Density Residential/ Business	39.55	0.00	39.55
6	Business	66.72	0.00	66.72
7	Medium Density Residential/ Business	60.20	0.00	60.20
8	Single Family Residential	178.92	0.00	178.92
Total		1010.07	127.70	882.37

Trip Generation

The Flink Avenue/400th Street Study Area was split up into eight (8) travel shed areas within the study boundary. Trips for each proposed travel shed area were developed using the *ITE Trip Generation Manual, 11th edition*, based on land use and size of developable acres. Single-Family Detached Housing (ITE Code 210) was used for LUR-1, and LUR-2 residential land uses. LUR-1 assumes 3.5 houses per acre and LUR-2 assumes 6 houses per acre. A combination of Strip Retail Plaza <40k (ITE Code 822) and General Office Building (ITE Code 710) were used for LUB commercial land use. A 0.15 Floor Area Ratio (FAR) was assumed for the LUB land uses. The traffic studies as part of the Meadows Ridge EAW and Meadows North EAW were also used to generate trips in areas 3, 4, and 7. Estimated daily, AM peak hour, and PM peak hour trips per area are shown in Figure 2 and Table 2 for full build-out of the study

boundary. See Appendix C for a breakdown of trips per parcel in each travel shed area. Trips were then allocated along the network based on distribution percentages shown in previous traffic studies, with some being rerouted to account for a future interchange at I-35 and 400th Street. With the full build out of the study area and a future interchange near the study area, it was anticipated that the Flink Avenue and 400th Street intersection will require improvements. Daily and peak hour volumes were calculated for the intersection based on trips allocated to the intersection per area and outside of the study boundary. The number of trips per area and percentage of daily intersection traffic is shown in Table 2. Forecasted average daily traffic (ADT) and peak hour turning movement counts at Flink Avenue and 400th Street are shown in Figure 3. A single-lane roundabout is expected to operate at an acceptable level of service until 70%-75% of the area is built out. The intersection shall be monitored before full build-out of this area to determine if a northbound and westbound right-turn lane are needed in the future.

Table 2 - Trip Generation per Travel Shed Area

Travel Shed Area	Land Use	Daily Trips			AM Peak Hr			PM Peak Hr		
		in	out	total	in	out	total	in	out	total
1	Rural Residential	193	194	387	7	22	29	25	14	39
2	Single Family Residential	2555	2555	5110	95	285	380	321	188	509
3	Single Family Residential	481	481	962	18	53	71	60	36	96
4	Single Family/ Medium Density Residential/ Business	3324	3324	6648	115	215	330	332	254	586
5	Medium Density Residential/ Business	2196	2197	4393	163	108	271	271	271	542
6	Business	2363	2363	4726	583	79	662	107	521	628
7	Medium Density Residential/ Business	2380	2381	4761	123	204	327	219	171	390
8	Single Family Residential	2951	2952	5903	110	329	439	370	218	588

Street & Drainage Improvements

Roadway improvements included in the study area include the construction of a roundabout at Flink Ave & 400th Street as shown in Figure 4. Improvement costs are based on a single-lane roundabout with associated drainage improvements and detailed in Appendix B. As previously mentioned, future developing areas that would contribute to increased traffic and therefore the need for roadway improvements have been split into travel sheds based on use that is consistent with the City's comprehensive plan. Trip generation splits for each travel shed are shown in Table 3. Assumed general trip distribution for the area included: 5% to the west on 400th Street, 50% to the east on 400th Street (to future interchange with I-35), 5% to the north on Flink Avenue, and 40% to the south on Flink Avenue.

**Table 3 - Trip Generation at the Flink Ave/400th St Intersection per Travel Shed Area**

Travel Shed Area	Land Use	AM Peak Hr Trips	PM Peak Hr Trips	Daily Trips	% of Intersection Traffic
1	Rural Residential	23	31	302	1.1%
2	Single Family Residential	295	394	3962	14.5%
3	Single Family Residential	68	91	914	3.4%
4	Single Family/ Medium Density Residential/ Business	298	528	5984	21.9%
5	Medium Density Residential/ Business	237	427	3648	13.4%
6	Business	149	140	1062	3.9%
7	Medium Density Residential/ Business	206	239	2920	10.7%
8	Single Family Residential	341	456	4575	16.8%
Outside Travel Shed Area		310	470	3900	14.3%
Total		1927	2776	27267	100.0%

Right of Way

It is assumed that all Flink Ave/400th Street Study Area right of way will be dedicated through the project platting and there will be no long-term direct city costs.

Summary

Table 4 provides a summary of the assessable roadway improvement area charges developed in this study.

Table 4 - Area Charge Summary (2025-dollar values)

Travel Shed Area	Land Use	Total Project Cost	Developable Acres	% of Intersection Traffic	Area Charge	Cost/Sq Ft
1	Rural Residential	\$1,795,580	210.40	1.1%	\$19,887.23	\$0.0022
2	Single Family Residential		142.62	14.5%	\$260,904.68	\$0.0420
3	Single Family Residential		64.96	3.4%	\$60,188.51	\$0.0213
4	Single Family/ Medium Density Residential/ Business		119.00	21.9%	\$394,056.95	\$0.0760
5	Medium Density Residential/ Business		39.55	13.4%	\$240,227.23	\$0.1394
6	Business		66.72	3.9%	\$69,934.57	\$0.0241
7	Medium Density Residential/ Business		60.20	10.7%	\$192,287.15	\$0.0733
8	Single Family Residential		178.92	16.8%	\$301,271.81	\$0.0387
Outside Travel Shed Area			N/A	14.3%	\$256,821.87	N/A
Total			882.37	100.0%	\$1,795,580.00	



Appendix A

Figures

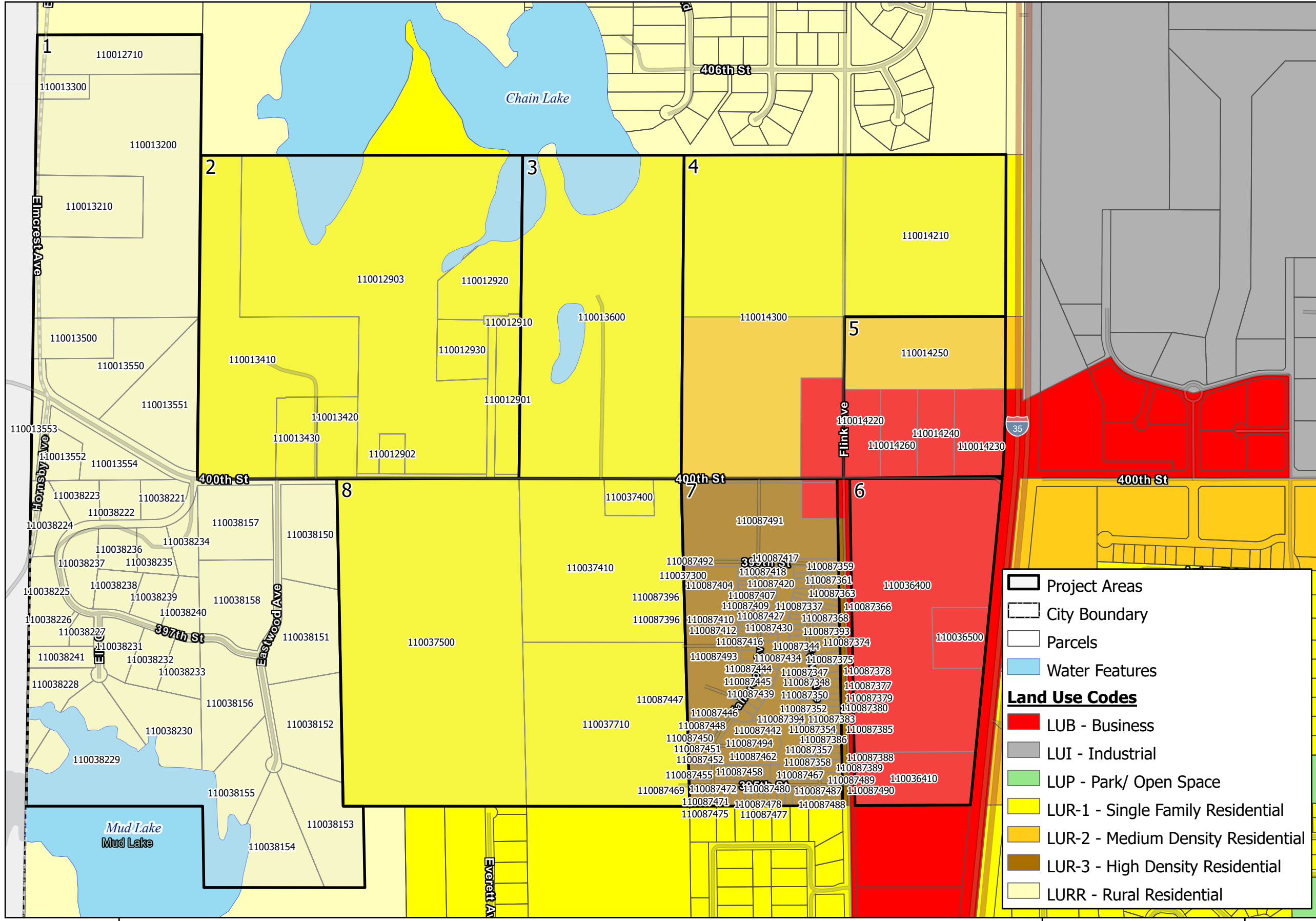
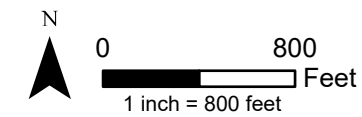


Figure 1 - Land Use Map
Flink Ave/400th St. Area Transportation Impact Study
North Branch, MN



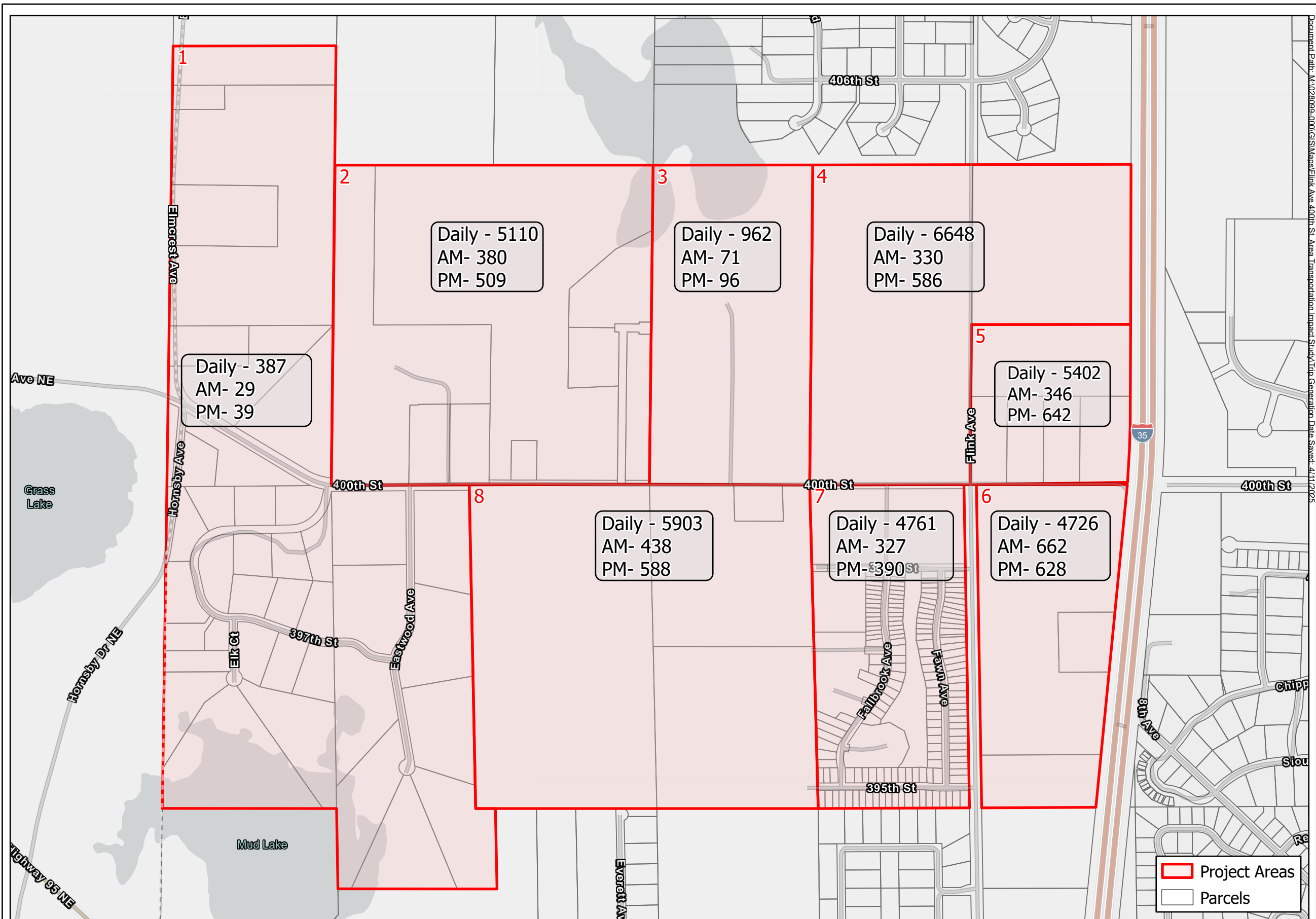
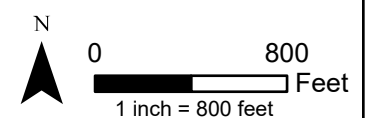


Figure 2 - Trip Generation

Flink Ave/400th St. Area Transportation Impact Study
North Branch, MN



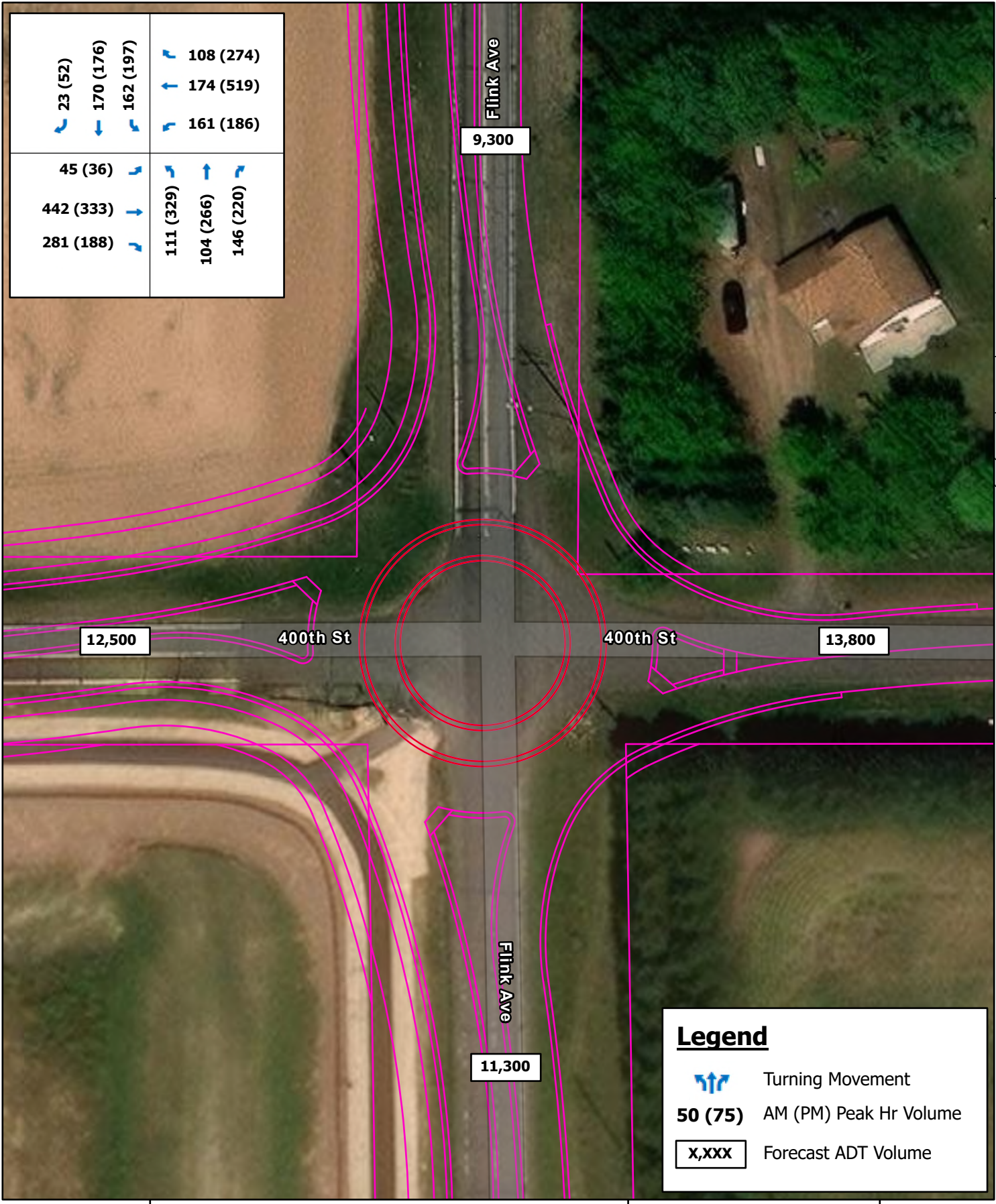
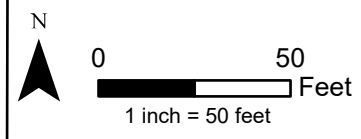
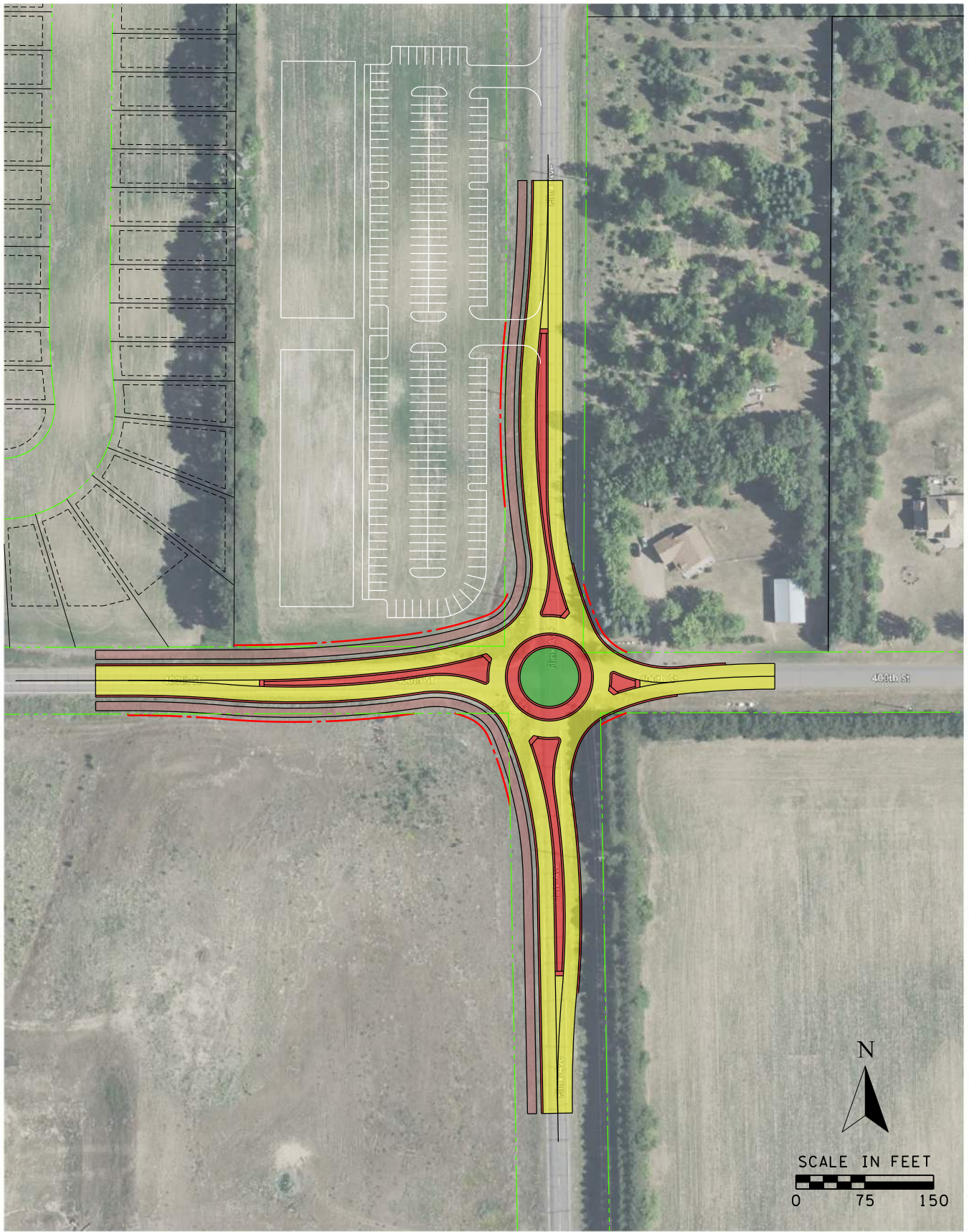


Figure 3

Daily Forecast and Peak Hour Volumes

Flink Ave/400th St. Area Transportation Impact Study
North Branch, MN





400th Street at Flink Avenue Improvements

City of North Branch, Minnesota

Figure 4
Project Layout



Appendix B

Opinion of Probable Cost

OPINION OF PROBABLE COST

WSB Project: 400th Street and Flink Avenue

Project Location: City of North Branch

WSB Project No.: 028099-000

Date: 4/11/2025

Item No.	Description	Unit	Unit Price		
				Estimated Quantity	Estimated Cost
2021.501	MOBILIZATION	LUMP SUM	\$62,500.00	1	\$62,500.00
2101.502	CLEARING	EACH	\$300.00	15	\$4,500.00
2101.502	GRUBBING	EACH	\$300.00	15	\$4,500.00
2104.503	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN FT	\$3.00	200	\$600.00
2104.504	REMOVE BITUMINOUS PAVEMENT	SQ YD	\$2.50	6200	\$15,500.00
2106.507	EXCAVATION - COMMON	CU YD	\$16.00	2400	\$38,400.00
2106.507	EXCAVATION - SUBGRADE	CU YD	\$16.00	4400	\$70,400.00
2106.507	SELECT GRANULAR EMBANKMENT (CV)	CU YD	\$32.00	4400	\$140,800.00
2106.507	COMMON EMBANKMENT (CV)	CU YD	\$10.00	1200	\$12,000.00
2211.507	AGGREGATE BASE (CV) CLASS 5	CU YD	\$32.00	2300	\$73,600.00
2360.509	TYPE SP 12.5 NON WEARING COURSE MIXTURE (3,B)	TON	\$80.00	1350	\$108,000.00
2360.509	TYPE SP 12.5 WEARING COURSE MIXTURE (3;C)	TON	\$85.00	1750	\$148,750.00
2501.502	18" RC PIPE APRON	EACH	\$1,000.00	4.0	\$4,000.00
2503.503	15" RC PIPE SEWER DESIGN 3006 CLASS V	LIN FT	\$60.00	450	\$27,000.00
2503.503	18" RC PIPE SEWER DESIGN 3006 CLASS V	LIN FT	\$65.00	160	\$10,400.00
2506.502	CASTING ASSEMBLY	EACH	\$1,100.00	15	\$16,500.00
2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020	LIN FT	\$500.00	120	\$60,000.00
2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 60-4020	LIN FT	\$750.00	60.0	\$45,000.00
2521.518	4" CONCRETE WALK	SQ FT	\$5.50	7500	\$41,250.00
2521.518	6" CONCRETE WALK	SQ FT	\$8.00	750	\$6,000.00
2521.518	7" CONCRETE WALK	SQ FT	\$15.00	3100	\$46,500.00
2521.518	3" BITUMINOUS WALK	SQ FT	\$3.00	18000	\$54,000.00
2531.503	CONCRETE CURB AND GUTTER DESIGN B624	LIN FT	\$25.00	4400	\$110,000.00
2531.503	CONCRETE CURB AND GUTTER DESIGN R424	LIN FT	\$36.00	305	\$10,980.00
2545.502	LIGHTING UNIT TYPE 9-30	EACH	\$3,500.00	12	\$42,000.00
2545.502	LIGHT FOUNDATION DESIGN E	EACH	\$1,200.00	12	\$14,400.00
2545.502	SERVICE CABINET -TYPE L1	EACH	\$6,000.00	1	\$6,000.00
2545.502	SERVICE EQUIPMENT	EACH	\$1,500.00	1	\$1,500.00
2545.502	EQUIPMENT PAD B	EACH	\$1,200.00	1	\$1,200.00
2545.503	1.5" NON-METALLIC CONDUIT	LIN FT	\$4.50	1200	\$5,400.00
2545.503	UNDERGROUND WIRE 1/C 8 AWG	LIN FT	\$1.50	3600	\$5,400.00
2563.601	TRAFFIC CONTROL	LUMP SUM	\$25,000.00	1	\$25,000.00
2564.518	SIGN PANELS TYPE C	SQ FT	\$15.00	350	\$5,250.00
2573.503	SILT FENCE, TYPE MS	LIN FT	\$2.00	4500	\$9,000.00
2574.508	FERTILIZER TYPE 3	POUND	\$1.00	1500	\$1,500.00
2575.505	SEEDING	ACRE	\$1,500.00	1	\$1,500.00
2575.508	SEED MIXTURE 25-121	POUND	\$5.00	600	\$3,000.00
2575.508	HYDRAULIC STABILIZED FIBER MATRIX	POUND	\$1.50	2000	\$3,000.00
2582.503	24" SOLID LINE MULTI-COMPONENT GROUND IN	LIN FT	\$24.00	200	\$4,800.00
2582.503	4" DOUBLE SOLID LINE MULTI-COMPONENT GROUND IN	LIN FT	\$4.00	800	\$3,200.00
2582.503	4" SOLID LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	\$2.00	1200	\$2,400.00
2582.503	12" DOTTED LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	\$30.00	120	\$3,600.00
2582.518	CROSSWALK PREFORM THERMOPLASTIC GROUND IN	SQ FT	\$15.00	350	\$5,250.00
ROADWAY TOTAL					\$1,254,580.00
10% CONTINGENCY					\$126,000.00
ROADWAY CONSTRUCTION TOTAL					\$1,380,580.00
INDIRECT COSTS (30%)					\$415,000.00
PROJECT TOTAL					\$1,795,580.00



Appendix C

Trip Generation

Table C.1 Area 1 Trips per Parcel

Land Use Code	Land Use Desc	Parcel ID	Acres	Daily Trip Gen	AM Peak Trip Gen	PM Peak Trip Gen
LURR	Single Family Homes	110038234	2.53	9.44	0.707	0.951
		110038233	2.89	9.44	0.707	0.951
		110038157	8.5	9.44	0.707	0.951
		110038226	1.8	9.44	0.707	0.951
		110013300	2	9.44	0.707	0.951
		110038152	9.52	9.44	0.707	0.951
		110013550	10.38	9.44	0.707	0.951
		110038236	2.5	9.44	0.707	0.951
		110038224	2.5	9.44	0.707	0.951
		110013200	49.25	9.44	0.707	0.951
		110038300	41.98	9.44	0.707	0.951
		110038223	2.5	9.44	0.707	0.951
		110038235	2.5	9.44	0.707	0.951
		110038229	18.79	9.44	0.707	0.951
		110038239	2.5	9.44	0.707	0.951
		110038238	2.51	9.44	0.707	0.951
		110038237	3.37	9.44	0.707	0.951
		110013551	12.05	9.44	0.707	0.951
		110013500	5	9.44	0.707	0.951
		110038230	9.68	9.44	0.707	0.951
		110038241	2.16	9.44	0.707	0.951
		110038150	8.56	9.44	0.707	0.951
		110038225	3.07	9.44	0.707	0.951
		110013552	2.51	9.44	0.707	0.951
		110038232	2.79	9.44	0.707	0.951
		110012710	10	9.44	0.707	0.951
		110038222	2.5	9.44	0.707	0.951
		110013554	5	9.44	0.707	0.951
		110038240	2.5	9.44	0.707	0.951
		110038227	1.07	9.44	0.707	0.951
		110038154	9.96	9.44	0.707	0.951
		110038231	2.91	9.44	0.707	0.951
		110038153	9.93	9.44	0.707	0.951
		110038221	2.5	9.44	0.707	0.951
		110038228	4.8	9.44	0.707	0.951
		110038155	9.55	9.44	0.707	0.951
		110038151	9.33	9.44	0.707	0.951
		110013210	10.16	9.44	0.707	0.951
		110038158	9.01	9.44	0.707	0.951
		110013553	1.07	9.44	0.707	0.951
		110038156	9.26	9.44	0.707	0.951
		Total	311.4	387	29	39

Table C.2 Area 2 Trips per Parcel

Land Use Code	Land Use Desc	Parcel ID	Acres	Daily Trip Gen	AM Peak Trip Gen	PM Peak Trip Gen	Estimated Homes (3.5/acre)
LUR-1	Single Family Homes	110012902	1.57	47	4	5	5
		110012920	8.91	292	22	29	31
		110013420	5	170	13	17	18
		110012910	2.43	85	6	8	9
		110037410	37.44	1235	92	123	131
		110013430	4.99	160	12	16	17
		110012930	4.63	151	11	15	16
		110012903	84.44	2791	207	278	296
		110012901	5.5	179	13	18	19
		Total	154.9	5110	380	509	542

Table C.3 Area 3 Trips per Parcel

Land Use Code	Land Use Desc	Parcel ID	Acres	Daily Trip Gen	AM Peak Trip Gen	PM Peak Trip Gen
LUR-1	Single Family Home	110013600	79.38	962	71	96
		Total	79.4	962	71	96

Table C.4 Area 4 Trips per Parcel

Land Use Code	Land Use Desc	Parcel ID	Acres	Daily Trip Gen	AM Peak Trip Gen	PM Peak Trip Gen
LUR-1/LUR-2/ LUB	Single Family Home	110014300	79.51	5252	226	447
LUR-1	Single Family Home	110014210	39.49	1396	104	139
		Total	119.0	6648	330	586

Table C.5 Area 5 Trips per Parcel

Land Use Code	Land Use Desc	Parcel ID	Acres	Daily Trip Gen	AM Peak Trip Gen	PM Peak Trip Gen	SF (assumed FAR 15%)
LUB	Commercial	110014240	5	1779	77	215	32670
		110014260	5	1779	77	215	32670
		110014230	6.79	481	67	64	44366
		110014220	5	354	50	47	32670
LUR-2	Single Family Homes	110014250	17.76	1009	75	101	107
		Total	39.6	5402	346	642	142483

Table C.6 Area 6 Trips per Parcel

Land Use Code	Land Use Desc	Parcel ID	Acres	Daily Trip Gen	AM Peak Trip Gen	PM Peak Trip Gen	SF (assumed FAR 15%)	KSF
LUB	Commercial	110036400	52.16	3694	518	491	340813	340.813
		110036410	9.58	679	95	90	62596	62.596
		110036500	4.98	353	49	47	32539	32.539
		Total	66.7	4726	662	628	435948	436

Table C.7 Area 7 Trips per Parcel

Land Use Code	Land Use Desc	Parcel ID	Acres	Daily Trip Gen	AM Peak Trip Gen	PM Peak Trip Gen
LUR3/ LUB	Single Family Homes/ Toen Homes/ Apartments/ Assisted Living/ Gas Station	110087330	0.18	8.56	0.636	0.831
		110087331	0.12	8.56	0.636	0.831
		110087332	0.12	8.56	0.636	0.831
		110087333	0.14	8.56	0.636	0.831
		110087334	0.14	8.56	0.636	0.831
		110087335	0.13	8.56	0.636	0.831
		110087336	0.13	8.56	0.636	0.831
		110087337	0.13	8.56	0.636	0.831
		110087338	0.13	8.56	0.636	0.831
		110087339	0.13	8.56	0.636	0.831
		110087340	0.13	8.56	0.636	0.831
		110087341	0.13	8.56	0.636	0.831
		110087342	0.15	8.56	0.636	0.831
		110087343	0.22	8.56	0.636	0.831
		110087344	0.19	8.56	0.636	0.831
		110087345	0.19	8.56	0.636	0.831
		110087346	0.19	8.56	0.636	0.831
		110087347	0.19	8.56	0.636	0.831
		110087348	0.19	8.56	0.636	0.831
		110087349	0.18	8.56	0.636	0.831
		110087350	0.18	8.56	0.636	0.831
		110087351	0.18	8.56	0.636	0.831
		110087352	0.18	8.56	0.636	0.831
		110087353	0.18	8.56	0.636	0.831
		110087354	0.18	8.56	0.636	0.831
		110087355	0.19	8.56	0.636	0.831
		110087356	0.19	8.56	0.636	0.831
		110087357	0.18	8.56	0.636	0.831
		110087358	0.19	8.56	0.636	0.831
		110087359	0.21	8.56	0.636	0.831
		110087360	0.16	8.56	0.636	0.831
		110087361	0.16	8.56	0.636	0.831
		110087362	0.17	8.56	0.636	0.831
		110087363	0.18	8.56	0.636	0.831
		110087364	0.18	8.56	0.636	0.831
		110087365	0.19	8.56	0.636	0.831
		110087366	0.19	8.56	0.636	0.831
		110087367	0.19	8.56	0.636	0.831
		110087368	0.2	8.56	0.636	0.831
		110087369	0.2	8.56	0.636	0.831
		110087370	0.25	8.56	0.636	0.831
		110087371	0.26	8.56	0.636	0.831
		110087372	0.25	8.56	0.636	0.831
		110087373	0.29	8.56	0.636	0.831
		110087374	0.23	8.56	0.636	0.831
		110087375	0.22	8.56	0.636	0.831
		110087376	0.21	8.56	0.636	0.831
		110087377	0.21	8.56	0.636	0.831
		110087378	0.24	8.56	0.636	0.831
		110087379	0.19	8.56	0.636	0.831
		110087380	0.19	8.56	0.636	0.831
		110087381	0.19	8.56	0.636	0.831
		110087382	0.19	8.56	0.636	0.831
		110087383	0.19	8.56	0.636	0.831
		110087384	0.19	8.56	0.636	0.831
		110087385	0.23	8.56	0.636	0.831
		110087386	0.2	8.56	0.636	0.831
		110087387	0.2	8.56	0.636	0.831
		110087388	0.19	8.56	0.636	0.831
		110087389	0.19	8.56	0.636	0.831
		110087390	0.19	8.56	0.636	0.831
		110087391	0.19	8.56	0.636	0.831
		110087392	0.25	8.56	0.636	0.831
		110087393	0.1	8.56	0.636	0.831
		110087394	6.32			
		110087396	5			
		110087401	0.15	8.56	0.636	0.831
		110087402	0.12	8.56	0.636	0.831
		110087403	0.12	8.56	0.636	0.831
		110087404	0.11	8.56	0.636	0.831
		110087405	0.11	8.56	0.636	0.831
		110087406	0.11	8.56	0.636	0.831
		110087407	0.11	8.56	0.636	0.831
		110087408	0.1	8.56	0.636	0.831
		110087409	0.1	8.56	0.636	0.831
		110087410	0.1	8.56	0.636	0.831
		110087411	0.1	8.56	0.636	0.831
		110087412	0.11	8.56	0.636	0.831
		110087413	0.11	8.56	0.636	0.831
		110087414	0.11	8.56	0.636	0.831
		110087415	0.11	8.56	0.636	0.831

LUR3/ LUB	Single Family Homes/ Toen Homes/ Apartments/ Assisted Living/ Gas Station	110087416	0.2	8.56	0.636	0.831
		110087417	0.13	8.56	0.636	0.831
		110087418	0.1	8.56	0.636	0.831
		110087419	0.1	8.56	0.636	0.831
		110087420	0.1	8.56	0.636	0.831
		110087421	0.1	8.56	0.636	0.831
		110087422	0.1	8.56	0.636	0.831
		110087423	0.11	8.56	0.636	0.831
		110087424	0.11	8.56	0.636	0.831
		110087425	0.11	8.56	0.636	0.831
		110087426	0.1	8.56	0.636	0.831
		110087427	0.1	8.56	0.636	0.831
		110087428	0.1	8.56	0.636	0.831
		110087429	0.1	8.56	0.636	0.831
		110087430	0.1	8.56	0.636	0.831
		110087431	0.1	8.56	0.636	0.831
		110087432	0.15	8.56	0.636	0.831
		110087433	0.23	8.56	0.636	0.831
		110087434	0.18	8.56	0.636	0.831
		110087435	0.19	8.56	0.636	0.831
		110087436	0.2	8.56	0.636	0.831
		110087437	0.2	8.56	0.636	0.831
		110087438	0.19	8.56	0.636	0.831
		110087439	0.18	8.56	0.636	0.831
		110087440	0.18	8.56	0.636	0.831
		110087441	0.18	8.56	0.636	0.831
		110087442	0.25	8.56	0.636	0.831
		110087443	0.24	8.56	0.636	0.831
		110087444	0.23	8.56	0.636	0.831
		110087445	0.33	8.56	0.636	0.831
		110087446	0.2	8.56	0.636	0.831
		110087447	0.44	8.56	0.636	0.831
		110087448	0.38	8.56	0.636	0.831
		110087449	0.32	8.56	0.636	0.831
		110087450	0.33	8.56	0.636	0.831
		110087451	0.27	8.56	0.636	0.831
		110087452	0.25	8.56	0.636	0.831
		110087453	0.19	8.56	0.636	0.831
		110087454	0.15	8.56	0.636	0.831
		110087455	0.15	8.56	0.636	0.831
		110087456	0.22	8.56	0.636	0.831
		110087457	0.18	8.56	0.636	0.831
		110087458	0.15	8.56	0.636	0.831
		110087459	0.19	8.56	0.636	0.831
		110087460	0.18	8.56	0.636	0.831
		110087461	0.18	8.56	0.636	0.831
		110087462	0.15	8.56	0.636	0.831
		110087463	0.18	8.56	0.636	0.831
		110087464	0.16	8.56	0.636	0.831
		110087465	0.16	8.56	0.636	0.831
		110087466	0.18	8.56	0.636	0.831
		110087467	0.15	8.56	0.636	0.831
		110087468	0.22	8.56	0.636	0.831
		110087469	0.2	8.56	0.636	0.831
		110087470	0.21	8.56	0.636	0.831
		110087471	0.18	8.56	0.636	0.831
		110087472	0.18	8.56	0.636	0.831
		110087473	0.21	8.56	0.636	0.831
		110087474	0.18	8.56	0.636	0.831
		110087475	0.18	8.56	0.636	0.831
		110087476	0.21	8.56	0.636	0.831
		110087477	0.18	8.56	0.636	0.831
		110087478	0.18	8.56	0.636	0.831
		110087479	0.18	8.56	0.636	0.831
		110087480	0.18	8.56	0.636	0.831
		110087481	0.18	8.56	0.636	0.831
		110087482	0.23	8.56	0.636	0.831
		110087483	0.2	8.56	0.636	0.831
		110087484	0.18	8.56	0.636	0.831
		110087485	0.17	8.56	0.636	0.831
		110087486	0.2	8.56	0.636	0.831
		110087487	0.17	8.56	0.636	0.831
		110087488	0.17	8.56	0.636	0.831
		110087489	0.2	8.56	0.636	0.831
		110087490	0.25	8.56	0.636	0.831
		110087501	0.18	8.56	0.636	0.831
		110087502	0.1	8.56	0.636	0.831
		110087503	0.1	8.56	0.636	0.831
		110087504	0.1	8.56	0.636	0.831
		110087505	0.1	8.56	0.636	0.831
		110087506	0.1	8.56	0.636	0.831

LUR3/ LUB	Single Family Homes/ Toen Homes/ Apartments/ Assisted Living/ Gas Station	110087507	0.1	8.56	0.636	0.831
		110087508	0.1	8.56	0.636	0.831
		110087509	0.1	8.56	0.636	0.831
		110087510	0.1	8.56	0.636	0.831
		110087511	0.22	8.56	0.636	0.831
		110087512	0.22	8.56	0.636	0.831
		110087513	0.22	8.56	0.636	0.831
		110087514	0.22	8.56	0.636	0.831
		110087515	0.22	8.56	0.636	0.831
		110087516	0.23	8.56	0.636	0.831
		110087517	0.26	8.56	0.636	0.831
		110087518	0.21	8.56	0.636	0.831
		110087519	0.28	8.56	0.636	0.831
		110087520	0.26	8.56	0.636	0.831
		110087521	0.29	8.56	0.636	0.831
		110087522	0.4	8.56	0.636	0.831
		110087523	0.27	8.56	0.636	0.831
		110087524	0.37	8.56	0.636	0.831
		110087525	0.28	8.56	0.636	0.831
		110087526	0.19	8.56	0.636	0.831
		110087527	0.24	8.56	0.636	0.831
		110087528	0.33	8.56	0.636	0.831
		110087529	0.26	8.56	0.636	0.831
		110087530	0.25	8.56	0.636	0.831
		110087531	0.21	8.56	0.636	0.831
		110087532	0.26	8.56	0.636	0.831
		110087533	0.26	8.56	0.636	0.831
		110087534	0.26	8.56	0.636	0.831
		110087535	0.28	8.56	0.636	0.831
		110087536	0.19	8.56	0.636	0.831
		110087537	0.19	8.56	0.636	0.831
		110087538	0.18	8.56	0.636	0.831
		110087539	0.18	8.56	0.636	0.831
		110087540	0.23	8.56	0.636	0.831
		110087541	0.11	8.56	0.636	0.831
		110087551	0.05	11.77	0.91	0.82
		110087552	0.05	11.77	0.91	0.82
		110087553	0.05	11.77	0.91	0.82
		110087554	0.05	11.77	0.91	0.82
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		110087556	0.05	11.77	0.91	0.82
		110087557	0.05	11.77	0.91	0.82
		110087558	0.05	11.77	0.91	0.82
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		110087562	0.05	11.77	0.91	0.82
		110087563	0.05	11.77	0.91	0.82
		110087564	0.05	11.77	0.91	0.82
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		110087566	0.05	11.77	0.91	0.82
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		110087568	0.05	11.77	0.91	0.82
		110087569	0.05	11.77	0.91	0.82
		110087570	0.05	11.77	0.91	0.82
		110087571	0.05	11.77	0.91	0.82
		110087572	0.05	11.77	0.91	0.82
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		110087577	0.05	11.77	0.91	0.82
		110087578	0.05	11.77	0.91	0.82
		110087579	0.05	11.77	0.91	0.82
		110087580	0.05	11.77	0.91	0.82
		110087581	0.05	11.77	0.91	0.82
		110087582	0.05	11.77	0.91	0.82
		110087583	0.05	11.77	0.91	0.82
		110087584	0.05	11.77	0.91	0.82
		110087585	0.05	11.77	0.91	0.82
		110087586	0.05	11.77	0.91	0.82
		110087587	0.05	11.77	0.91	0.82
		110087588	0.05	11.77	0.91	0.82
		110087589	0.05	11.77	0.91	0.82
		110087590	0.05	11.77	0.91	0.82
		110087591	0.05	11.77	0.91	0.82
		110087592	0.05	11.77	0.91	0.82
		110087593	0.05	11.77	0.91	0.82
		110087594	0.05	11.77	0.91	0.82
		110087595	3.38			
		110087597	0.63			

LUR3/ LUB	Single Family Homes/ Toen Homes/ Apartments/ Assisted Living/ Gas Station	110087598	1.08			
		110087599	1.94	2054	125	140
		110087601	0.06	7.22	0.528	0.722
		110087602	0.05	7.22	0.528	0.722
		110087603	0.05	7.22	0.528	0.722
		110087604	0.05	7.22	0.528	0.722
		110087605	0.05	7.22	0.528	0.722
		110087606	0.05	7.22	0.528	0.722
		110087607	0.05	7.22	0.528	0.722
		110087608	0.05	7.22	0.528	0.722
		110087609	0.05	7.22	0.528	0.722
		110087610	0.05	7.22	0.528	0.722
		110087611	0.05	7.22	0.528	0.722
		110087612	0.05	7.22	0.528	0.722
		110087613	0.05	7.22	0.528	0.722
		110087614	0.05	7.22	0.528	0.722
		110087615	0.05	7.22	0.528	0.722
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		110087617	0.05	7.22	0.528	0.722
		110087618	0.05	7.22	0.528	0.722
		110087619	0.05	7.22	0.528	0.722
		110087620	0.05	7.22	0.528	0.722
		110087621	0.05	7.22	0.528	0.722
		110087622	0.05	7.22	0.528	0.722
		110087623	0.05	7.22	0.528	0.722
		110087624	0.05	7.22	0.528	0.722
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		110087628	0.05	7.22	0.528	0.722
		110087629	0.05	7.22	0.528	0.722
		110087630	0.05	7.22	0.528	0.722
		110087631	0.05	7.22	0.528	0.722
		110087632	0.05	7.22	0.528	0.722
		110087633	0.05	7.22	0.528	0.722
		110087634	0.05	7.22	0.528	0.722
		110087635	0.05	7.22	0.528	0.722
		110087636	0.05	7.22	0.528	0.722
		110087637	0.05	7.22	0.528	0.722
		110087638	0.05	7.22	0.528	0.722
		110087639	0.05	7.22	0.528	0.722
		110087640	0.05	7.22	0.528	0.722
		110087641	0.05	7.22	0.528	0.722
		110087642	0.05	7.22	0.528	0.722
		110087643	0.05	7.22	0.528	0.722
		110087644	0.05	7.22	0.528	0.722
		110087645	0.05	7.22	0.528	0.722
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		110087650	0.05	7.22	0.528	0.722
		110087651	0.05	7.22	0.528	0.722
		110087652	0.05	7.22	0.528	0.722
		110087653	0.05	7.22	0.528	0.722
		110087654	0.05	7.22	0.528	0.722
		110087655	0.05	7.22	0.528	0.722
		110087656	0.05	7.22	0.528	0.722
		110087657	0.05	7.22	0.528	0.722
		110087658	0.05	7.22	0.528	0.722
		110087659	0.05	7.22	0.528	0.722
		110087660	0.05	7.22	0.528	0.722
		110087661	0.05	7.22	0.528	0.722
		110087662	0.05	7.22	0.528	0.722
		110087663	0.05	7.22	0.528	0.722
		110087664	0.05	7.22	0.528	0.722
		110087665	0.05	7.22	0.528	0.722
		110087666	0.05	7.22	0.528	0.722
		110087667	0.05	7.22	0.528	0.722
		110087668	0.05	7.22	0.528	0.722
		110087669	0.05	7.22	0.528	0.722
		110087670	0.05	7.22	0.528	0.722
		110087671	0.05	7.22	0.528	0.722
		110087672	0.05	7.22	0.528	0.722
		Total	60.2	4761	327	390

Table C.8 Area 8 Trips per Parcel

Land Use Code	Land Use Desc	Parcel ID	Acres	Daily Trip Gen	AM Peak Trip Gen	PM Peak Trip Gen	Estimated Homes (3.5/acre)
LUR-1	Single Family Homes	110013410	44.66	1471	109	147	156
		110037400	2.76	94	7	9	10
		110037500	90.99	2999	223	299	318
		110037710	40.51	1339	99	133	142
		Total	178.9	5903	438	588	626

STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-117-2024

A RESOLUTION APPROVING THE PRELIMINARY PLAT FOR MEADOWS RIDGE

WHEREAS, LGI Homes Minnesota, LLC (“Applicant”) has submitted an application for a Preliminary Plat approval for the Meadows Ridge in the City of North Branch, Minnesota; and

WHEREAS,

the property is legally described as follows:

Parcel 1: The West Half of the Southwest Quarter, Section 8, Township 35, Range 21, Chisago County Minnesota

Parcel 2: The Northeast Quarter of the Southwest Quarter of Section 8, Township 35, Range 21, Chisago County Minnesota, except that part thereof heretofore deeded to the State of Minnesota for highway purposes; and

WHEREAS, the property subject to the Plat is a 119.00-acre vacant parcel, generally located at north of 400th Street and west of I-35 (PIN: 11.00142.10 & 11.00143.00) (“Subject Property”); and,

WHEREAS, the Plat proposes to create 336 single family lots and seven outlots for public access, drainage and open space with the exception of Outlot D which is a 5.27 acre parcel designated for future commercial development, and associated right of way, and

WHEREAS, the Subject Property is guided for LUR-1 Single-Family Residential, LUR-2 Medium-Density Residential and LUB Business per the 2018 Comprehensive Plan (“Land Use”), and zoned a combination of R-1 Single-Family Residential, R-2 Medium-Density Residential, and B Business District; and,

WHEREAS, pursuant to Minnesota Statute §462.357 the Planning Commission (“Commission”) held a Public Hearing (“Hearing”) on July 9, 2024 to consider and receive public comment regarding the proposed Plat; and,

WHEREAS, notice of the Hearing was posted, published in the City’s official newspaper, and mailed to any and all owners of affected properties, as required by State Statute; and,

WHEREAS, There was public comment provided; and

WHEREAS, following the Hearing, the Commission found the Plat satisfies all Land Use and Zoning standards and City platting requirements, and unanimously recommended approval of the Plat for Meadows Ridge subject to conditions.

BE IT FURTHER RESOLVED, that the following conditions of the Conditional Use Permit shall be met:

1. The Developer and City shall partner on an in-depth study to develop a Transportation Plan Study for required transportation improvements to Flink Avenue and 400th Streets, the cost for such improvements, and cost-responsibility for those

improvements as required by the Development; the Developer and City shall develop a scope of services and cost-share agreement prior to Final Plat approval of Phase 1 of the Development; and,

2. The Developer, at its own expense, will be responsible for constructing the required improvements to Flink Avenue and 400th Street with future phases of the Meadows Ridge Development as to be described in the Master Development Agreement and agreed with future Subdivision Agreements. Construction of those improvements shall be required with each applicable future phase of the Development, which shall be outlined in each subsequent Subdivision Agreement for each future phase. If agreed by the City, the Developer may pay to the City the lump sum of those identified Development-specific construction costs, as identified by the Transportation Plan Study.
 3. The applicant will submit final grading and drainage plans for final City Engineer and Public works and obtain city approval prior to issuance of a grading permit.
 4. The applicant shall submit final utility plans for each phase of development prior to commencement of any utility installation activity subject to city staff review and approval.
 5. The applicant is responsible for all required permitting associated with site grading, utility installation and building construction prior to commencement of any specific activity occurring.
 6. The applicant dedicate Outlots A, B C E, F, G to the City prior to issuance of a building permit within the associated development phase.
 7. The applicant shall submit park dedication fee for the development at the time of exceeding the approved number of credits approved through the park credit utilization agreement from the Meadows North developments to the city prior to release of the corresponding final plat for recording.
 8. The applicant shall submit a final plat for approval within 1 year of the preliminary plat approval or receive an extension approved by the City Council.
 9. The applicant submit a Letter of Credit or cash for 125% of the utility installation cost, the site grading cost and the proposed landscaping that will be required prior to initiation of each phase of construction.
10. Title work for the Plat shall be provided to and conform to any requirements resulting from City staff and the City Attorney's review of the title work and plat opinion.
11. Owner shall enter into and execute a Development Agreement with the City governing the Development in conjunction with City approvals of which said Development Agreement shall outline the terms and conditions and financial obligations of the Owner for the Development as stated below.
12. Owner shall pay to the City all applicable fees and expenses incurred by the City as related to the Development.
13. Except as otherwise expressly authorized by City resolution or ordinance, all aspects of the Development shall comply with all applicable state laws and city codes, ordinance, and regulations.
14. The applicant is required to obtain site plan approval for the commercial site prior to construction. A sign indicating this is a commercial site shall be posted on the site to notify future property owners in the neighborhood.
15. The applicant shall install a sign at each of the deadend roads indicating that the road is intended to be extended for future development.

16. Access to the commercial site is restricted to one curbcut from Flink and one from 400th Street.
17. The applicant shall dedicate standard drainage and utility easement on each residential lot and over all public stormwater ponds and designated wetlands.
18. The applicant shall install an opaque fence along the northeast property line including Outlot G, Lots 1-15, Block 10, and Lot 1, Block 11 prior to receiving a certificate of occupancy for any of the listed lots.
19. The applicant shall install temporary turn-arounds each end of Street G2, which will be removed at the applicants expense upon extension of the road to the north or to the south. The applicant may make a cash deposit that will be held by the City for removal of and restoration of the turn-around area prior to final plat approval of the last project phase.
20. The applicant shall provide mitigation on site to reduce the impact of noise from the interstate, which would include an increase in the proposed berm height, increased landscaping, installation of a fence, or a combination of all three along the eastern property line (lots 1-30, Block 11). The revised plans are subject to City staff review and approval prior to receiving any permits for the Block 11 properties.
21. The applicant will record against the title for all lots along the eastern property line, lots 1-30, Block 11 that the City, County and State will not install a sound wall along I-35 in this area.
22. The applicant increase the number of trees to two (2) within the rear yards of properties adjacent to the future commercial site; Lots 15-30 Block 3.
23. The required setbacks for the residential units are:

	Lot			Setbacks				Height/ft
	Width/ft	Depth/ft	Area/sf	Front/fs	Side/ft	Street/ft	Rear/ft	
R1	80	100	12,000	30	6	30	30	35
R1 Shoreland	75		15,000	30	6	30	30	35
Lots that have their rear lot adjacent to roadways Flink Ave, 400 th Street, or I- 35			4,667	25	6	20	50	35
All other PUD lots except above			4,667	25	6	20	30	35

BE IT FURTHER RESOLVED, thatThe Developer, at its own expense, will be responsible for

constructing the required improvements to Flink Avenue and 400th Street with future phases of the Meadows Ridge Development as to be described in the Master Development Agreement and agreed with future Subdivision Agreements. Construction of those improvements shall be required with each applicable future phase of the Development, which shall be outlined in each subsequent Subdivision Agreement for each future phase. If agreed by the City, the Developer may pay to the City the lump sum of those identified Development-specific construction costs, as identified by the Transportation Plan Study.



Prepared By: Ryan Saltis, City Planner, Nathan Sondrol, Community Development Director

Presenter: Ryan Saltis, City Planner, Nathan Sondrol, Community Development Director

Date: 11/06/2025

Board & Commission: City Council

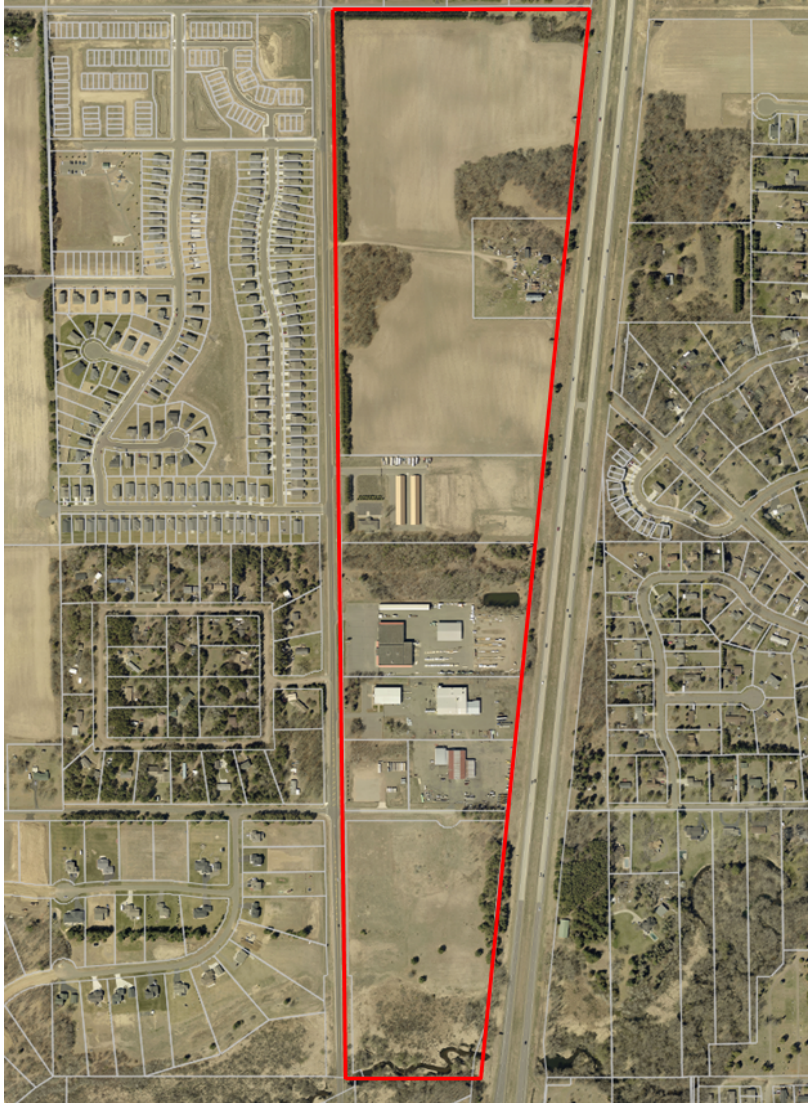
Subject: Comprehensive Plan/Zoning discussion - Flink Ave Corridor

Background:

While the city is in the process of updating the Comprehensive Plan, it is important to identify areas for potential development and consider surrounding uses to ensure that the uses make sense where they are located. There have been inquiries from both residents and business owners questioning whether certain uses along the east side of Flink Ave (fronting I-35) are better suited for Industrial or Commercial purposes. The idea of having this area as a flex zone has been brought to the attention of city staff.

This corridor in question is currently zoned B-Business and is similarly guided as LUB-Land Use Business in the Comprehensive Plan. The corridor has been guided and zoned commercial dating back to 1978, with the exception of a 6-acre parcel located approximately 350' north of 392nd St. This parcel was zoned and guided Industrial until 2009, when the land use designation was amended to commercial. The zoning remained Industrial and was amended to "B" Business in 2022. These parcels were rezoned to B-Business from B-3 Regional Business in 2018 as part of the previous Comprehensive Plan Amendment. Several businesses in this corridor are industrial in purpose when considering the current definitions and uses. These businesses have obtained Conditional Use Permits for outdoor storage/parking and overall operations were acceptable at the time of approval under previous zoning designations.

General Area Map:



Analysis:

Pros to Flex Zones:

A flex zone would offer a range of economic and planning benefits that support adaptability, growth, and efficient land use.

Key advantages of flex zones are provided below:

1. Encourages Business Flexibility and Growth
2. Attracts a Diverse Range of Employers
3. Promotes Efficient Use of Land and Infrastructure
4. Supports Redevelopment and Adaptive Reuse
5. Expands the City's Tax Base
6. Enhances Local Employment Opportunities

7. Encourages Innovation

A Flex Zone provides an area where both industrial and commercial uses can coexist, offering adaptability and long-term economic benefits. By allowing a wider range of business types, Flex Zones help communities respond to changing market demands, attract diverse employers, and promote redevelopment of underused properties. This mix of uses makes more efficient use of public infrastructure, supports job creation across various industries, and strengthens the city's tax base. Overall, a Flex Zone encourages growth, innovation, and flexibility—creating a thriving, future-ready business environment.

Cons to Flex Zones:

While Flex Zones offer many benefits, they can also present some challenges and potential drawbacks that cities need to manage through planning and design standards.

Disadvantages to flex zones are provided below:

1. Land Use Conflicts
2. Infrastructure Strain
3. Uncertain Development Patterns
4. Design and Aesthetic Challenges
5. Market Imbalance
6. Regulatory Complexity

While Flex Zones offer versatility and economic opportunity, they can also create planning and operational challenges. Allowing both industrial and commercial uses in the same area may lead to conflicts between heavier industrial activities and customer-oriented businesses, such as noise, traffic, or aesthetic concerns. The broad range of permitted uses can make it difficult to predict development patterns or ensure consistent design quality. Additionally, differing infrastructure demands and the potential for one use type to dominate may limit the intended diversity and balance of the area. Without clear performance and design standards, Flex Zones can become difficult to manage and may not achieve their full potential as vibrant, mixed-use employment areas.

Specific to this corridor along Flink Ave in particular, challenges exist including compatibility of uses and surrounding area development. High Density Development to the west of Flink Ave (Meadows North Neighborhood) brings an increase in traffic and more residences in general to the area. By having more housing in the immediate area, the city must be mindful of how surrounding uses are guided in order to mitigate issues of noise, odor, traffic, design standards and other nuisances. The City's Use Chart is attached to this report to identify permitted and conditional uses in each zoning district. This chart is essential when examining the possibilities of how land can be developed in the future.

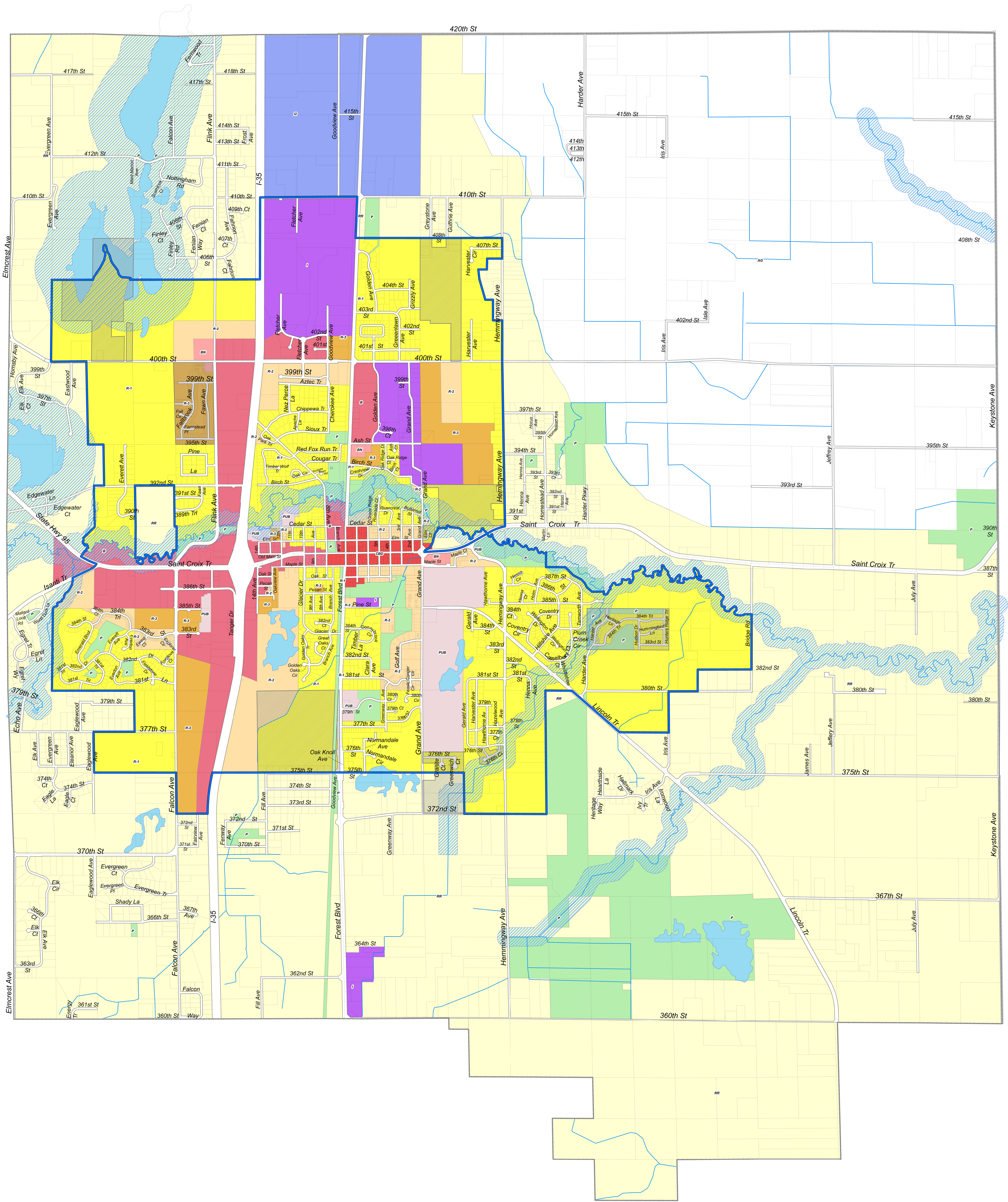
The City conducted a rental housing study in 2024 and one of the recommendations of the study included the consideration of mixed-use zoning for housing and commercial uses within this corridor. See attached.

The City does not currently have a specific flex or mixed-use zoning district, however the city does allow for Planned Unit Developments.

If the Council gives direction to further explore flex zoning in the area, or other areas in the community, a more extensive process would be required including public engagement and public hearings. Staff is asking direction from the City Council during the workshop whether to pursue the potential rezoning/reguiding of this corridor, or other areas in the community, or if it is acceptable remaining as a B-Business Zoning District.

Voting Requirements:

Voting Options	Simple Majority
-----------------------	------------------------



Zoning Map

- Urban Service Area Boundary
- PUD - Planned Unit Development Overlay
- SL - Shoreland Overlay District
- Zoning
 - AG - Agricultural
 - B - Business
 - BN - Business Neighborhood
 - CBD - Central Business District
 - I - Industrial
 - I2 Heavy Industrial
 - P - Park/Open Space
 - PUB - Public/Semi-Public
 - R-1 Single Family Residential
 - R-2 - Medium Density Residential
 - R-3 - High Density Residential
 - RR - Rural Residential
 - RightOfWayOLD



Disclaimer: The City of North Branch provides this data "as is" without warranty or any representation of accuracy, timeliness or completeness. The data does not represent a survey. No liability is assumed for the accuracy of the data delineated herein, either expressed or implied.

March 2024

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
A. RESIDENTIAL USES															
Household Living															
Dwelling, Single-Family			P	P		P	P								
Dwelling, Single-Family (Prior to December 31, 2022)										P					
Dwelling, Two-Family (Duplex) & Triplex				P	P					P					
Dwelling, Twin Homes			P	P	P										
Dwelling, Quad & Townhome				P	P										
Dwelling, Multi-Family (3 to 6 units)				P	P					P					
Dwelling, Multi-Family (7 to 16 units)					P					P					
Dwelling, Apartments					P					P	P				
Dwelling, Apartments Above Commercial										P	P	P			
Dwelling, Prefabricated Home				C	C										
Household Living															
Boarding Home/Foster Children (6 or fewer persons)			P	P	P	P	P								
Senior Community, Independent or Assisted Living					C					P	P				
Care Facility (6 or fewer disabled persons)	State License		P	P	P	P	P								
Care Facility (7 to 16 disabled persons)	State License				C										

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
B. PUBLIC, INSTITUTIONAL & CIVIC															
Community & Cultural Facilities															
Cemetery, Columbarium, Mausoleum			P	P	P	P	P	P			C				
Government Building			P	P	P	P	P	P	P	P	P	P	P	P	
Campground							C								
Park & Playground Facilities			P	P	P	P	P	P	P	P	P	P	P	P	
Recreation Complex, Public (Indoor) ¹	See Footnotes							P	P	P	P	P	P	P	
Recreation Complex, Public (Outdoor) ²	See Footnotes		P	P	P	P	P	P	P	P	P	P			
Religious Institutions & Assembly			C	C	C	C	C	C				P			
Religious Institutions & Assembly (Prior to 08/08/2022)										P					
Transit Facility, Maintenance													C	C	
Transit Facility, Commuter Station								C			C	C	C		
Educational Facilities															
School, Elementary, Middle, High (Private/Charter)								P		P	P	P			
School, Elementary, Middle, High (Public)			P	P	P			P							
College, Community, Technical & University								P		P	P				
Utilities															
Electric Power Substation			P	P	P	P	P	P	P	P	P	P	P	P	
Wind Power Generation						C	C	C					C	C	
Solar Power Generation	Solar Farms	\$66-980				P	P	P					C	C	
Water & Wastewater Treatment Facilities, Wells & Lift Station			P	P	P	P	P	P	P	P	P	P	P	P	

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
C. AGRICULTURAL															
Agriculture Production & Livestock															
Agriculture, Community Garden								P	P						
Agriculture, Crop Production			P			P	P	P					P	P	
Agriculture, Livestock Operation		§6-80-§6-82				P	P								
Agronomy Services ³	See Footnotes										P		P	P	
Animal Kennel, Commercial	City License	§6-40				P	P						P	P	
Animal Kennel, Private	City License	§6-40				P	P								
Equestrian Facilities						C	C								
Farm Winery	City License						P				C	C	C	C	
Nursery, Production & Wholesale (Commercial)						C	P						P	P	

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
D. COMMERCIAL															
Adult															
Adult Uses		§18-222-§18-234											C	C	
Alcoholic Beverage & Production															
Brew Pub										P	P	P			
Brewery, Production										P	P	P	P	P	
Brewery, Taproom										P	P	P	C	C	
Distillery, Production										P	P	P	P	P	
Distillery, Tasting Room										P	P	P	C	C	
Communications															
Tower, Wireless Communication		§66-935				C	C	C		C	C	C	C	C	
Tower, Broadcast Transmission		§66-935				C	C	C		C	C	C	C	C	
Food & Entertainment															
Convention & Events Center										P	P	P			
Entertainment Center, Indoor ⁴	See Footnotes									P	P	P			
Restaurant ⁵	See Footnotes									P	P	P			
Specialty Eatery ⁶	See Footnotes									P	P	P			
Health Care															
Clinic, Dental										P	P	P			
Clinic, Health & Wellness ⁷	See Footnotes									P	P	P			
Clinic, Medical										P	P	P			
Hospital & Medical Campus										P	P	P			
Lodging															
Bed & Breakfast Inn						I	I			I	I	I			

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
D. COMMERCIAL															
Other															
Gun Range, Indoor													P	P	
Self-Storage, Indoor/Climate Controlled Facility											P	P	P	P	
Self-Storage, Mini/Non-Climate Controlled Facility	Min 1.5 Acres											P	P	P	
Small Recycling Collection Center	Comply w/Std	§66-571									P				
Research & Development Facility											P		P	P	
Personal & Professional Services															
Animal Care, Veterinary Services										P	P	P			
Animal Care, Grooming & Boarding										P	P	P			
Assembly & Repair, Personal Products										P	P	P			
Banks & Financial Institutions										P	P	P			
Barbershop, Beauty & Nail Salon										P	P	P			
Body Art, Piercing & Tattooing										P	P	P			
Catering & Commercial/Commissary Kitchen										P	P	P	P		
Cleaning Services ⁸	See Footnotes									C	C	C	P	P	
Check Cashing & Payday Loans										P	P	P			
Daycare, Care Centers (Children & Adults)								P		P	P	P			
Dry Cleaning, Drop-Off/Pick-Up										P	P	P			
Fitness & Health Club										P	P	P			
Funeral Services ⁹	See Footnotes									P	P				
Greenhouse, Retail						C	P	P		P	P	P	C	C	
Jewelry Repair & Sales										P	P	P			
Laundromat, Self-Service										P	P	P			
Massage, Therapeutic	City License	§18-240-§18-244								P	P	P			
Offices & Office Building										P	P	P			
Recreation Complex, Commercial (Indoor)											P		P		
Retail Sales															
Artisanal Products w/Studio										P	P	P			
Bakery, Small w/Retail										P	P	P			
Club or Lodge (Private)										P	P	P			
Grocery Store										P	P	P			
Medical Equipment & Sales										P	P	P			
Pawn Broker & Shops											C				
Pet Stores w/ Grooming & Boarding										P	P	P			
Pharmacy										P	P	P			
Printing & Copying Center										P	P	P			
Retail, Other										P	P	P			
Tobacco Shop										P	P	P			
Showrooms for Special Trade w/Warehousing											P	P	P	P	

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
D. COMMERCIAL															
Retail Sales															
Artisanal Products w/Studio										P	P	P			
Bakery, Small w/Retail										P	P	P			
Club or Lodge (Private)										P	P	P			
Grocery Store										P	P	P			
Medical Equipment & Sales										P	P	P			
Pawn Broker & Shops											C				
Pet Stores w/ Grooming & Boarding										P	P	P			
Pharmacy										P	P	P			
Printing & Copying Center										P	P	P			
Retail, Other										P	P	P			
Tobacco Shop										P	P	P			
Showrooms for Special Trade w/Warehousing											P	P	P	P	
Vehicles & Equipment															
Automotive, Dealership ¹⁰	See Footnotes	\$66-8									P				
Automotive, Fuel & Convenience		\$66-8								P	P	P			
Automobile, Rental											P		P		
Automobile, Service Station ¹¹	See Footnotes	\$66-8								C	P				
Car Wash, Self-Service											P	P			
Car Wash, Tunnel & Full-Service											P	P			
Recreational Vehicles, Dealership ¹⁰	See Footnotes										P				
Equipment Repair, Sales & Service											P		P	P	
Heavy Truck, Repair, Sales & Service ¹²	See Footnotes										P		P	P	

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
E. INDUSTRIAL															
Industrial Service															
Auction House													P	P	
Bulk Bakery Products, Wholesale													P	P	
Contractor Business w/Shop & Storage Yard													C	C	
Data Center											P		P	P	
Lumber Yard											C		C	C	
Machine & Metal Shops													P	P	
Recycling Collection & Processing													C	C	
Salvage Yard	County License						C							C	
Towing Facilities														C	
Transfer Facility													C	C	
Upholstery Shop										P	P	P	P	P	
Yard Waste Composting	City License	\$ 18-300					C	P							

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
E. INDUSTRIAL															
Manufacturing, Warehousing & Wholesale															
Fabrication, Processing & Packaging													P	P	
Manufacturing													P	P	
Warehouse w/Retail ¹³													P	P	
Warehouse & Distribution													P	P	
Wholesale													P	P	
Mining															
Mineral Extraction (Mining)						C	C	C					C	C	
Transportation															
Helipad													P	P	
Terminal, Trucking & Freight Transfer													C	C	

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
F. ACCESSORY USES															
Permitted Accessory Uses															
Accessory Structure, Agriculture Building							P								
Accessory Structure, Detached Residential Garage ¹⁴	See Footnotes		P	P	P	P	P				P				
Accessory Structure, Pool House ¹⁴	See Footnotes		P	P	P	P	P				P				
Accessory Structure w/Plumbing						C	C	P							
Boat House, Piers & Docks			P	P	P	P	P	P	P						
Fences, Screening & Landscaping			P	P	P	P	P	P	P	P	P	P	P	P	
Swimming Pools (Residential)			P	P	P	P	P			P	P				
Tennis Courts (Residential)			P	P	P	P	P			P	P				
Special Approval Required															
Home Occupation	City License	§66-942	I	I	I	I	I								
Home Occupation - Daycare, In-Home Child Care	State License	§66-942	I	I	I	I	I								
Fuel Storage, Above Ground +400 Gallons (Liquid/Gas)	MPCA License						P	P			C		C	C	
Outdoor Storage, Display ¹⁵										C	C	C	C	C	
Outdoor Storage, Equipment & Materials ¹⁵													C	C	
Solar, Community Energy & Private			P	P	P	P	P	P	P	P	P	P	P	P	

Footnotes

See City Code §66-8 Definitions for description and detail of each use listed above.

- ¹ Recreation Complex - Indoor (Public). Community & recreation centers, ice arenas, domed sports structures, aquatic facilities, etc.
- ² Recreation Complex - Outdoor (Public). Includes athletic fields, sport courts, aquatic facilities, golf courses, etc.
- ³ Agronomy Services. Soil preparation and testing; farm management; crop services; fertilizer blending, bagging and sales; grain drying; seed cleaning feed grinding and mixing; feed delivery; and other similar services.
- ⁴ Entertainment Center, Indoor. Includes arcades, bowling alleys, billiards, climbing walls, indoor ropes/obstacles courses, movie theaters, etc.
- ⁵ Restaurant. Casual, fast casual, QSR, etc. Table service and/or drive thru.
- ⁶ Special Eatery. Café, bistro, ghost kitchen, coffee house, ice cream parlour, etc. Table service and/or drive thru.
- ⁷ Clinic - Health & Wellness. Chiropractic, physical therapy, mental health, addiction services, speciality care, etc.
- ⁸ Cleaning Services. Carpet, residential, emergency response, janitorial, etc.
- ⁹ Funeral Services. Funeral home including mortuary and cremation services.
- ¹⁰ Dealership, Automotive & Recreational Vehicles. Only adjacent to I-35 & Hwy 95. Includes sales, repair and service; excludes storage unless for sales or service.
- ¹¹ Automobile - Service Station. Quick lube, tire sales & repair, general repair, bodywork, car wash, etc.
- ¹² Heavy Truck - Repair, Sales & Service. Only adjacent to I-35 & Hwy 95; excludes storage unless for sales or service.
- ¹³ Warehouse w/Retail. Retail use is only allowed if accessory to principal warehouse use.
- ¹⁴ Accessory Structure - Detached Garage & Pool House. Only permitted with apartment developments.
- ¹⁵ Outdoor Storage - Display / Equipment & Materials. Outdoor storage area limited to 20% of the building or tenant space floor area, if multi-tenant building.

CITY OF NORTH BRANCH - ZONING DISTRICTS - USE TABLE

§ _____. Uses Not Within Zoning Districts. Permitted Uses are intended as broad categories. Any uses not listed as Permitted (P) or by Condition (C) shall be considered prohibited. The Planning Director shall determine whether a proposed use is the same or similar to uses listed and/or the meet the intent of the zoning district. The City Council, under advisement of the Planning Commission, may conduct a study to determine changes to allowable uses in any Zoning District, and applicable conditions and standards relating to said use, if applicable.

City of North Branch

6408 Elm St - PO Box 910

North Branch, MN 55056

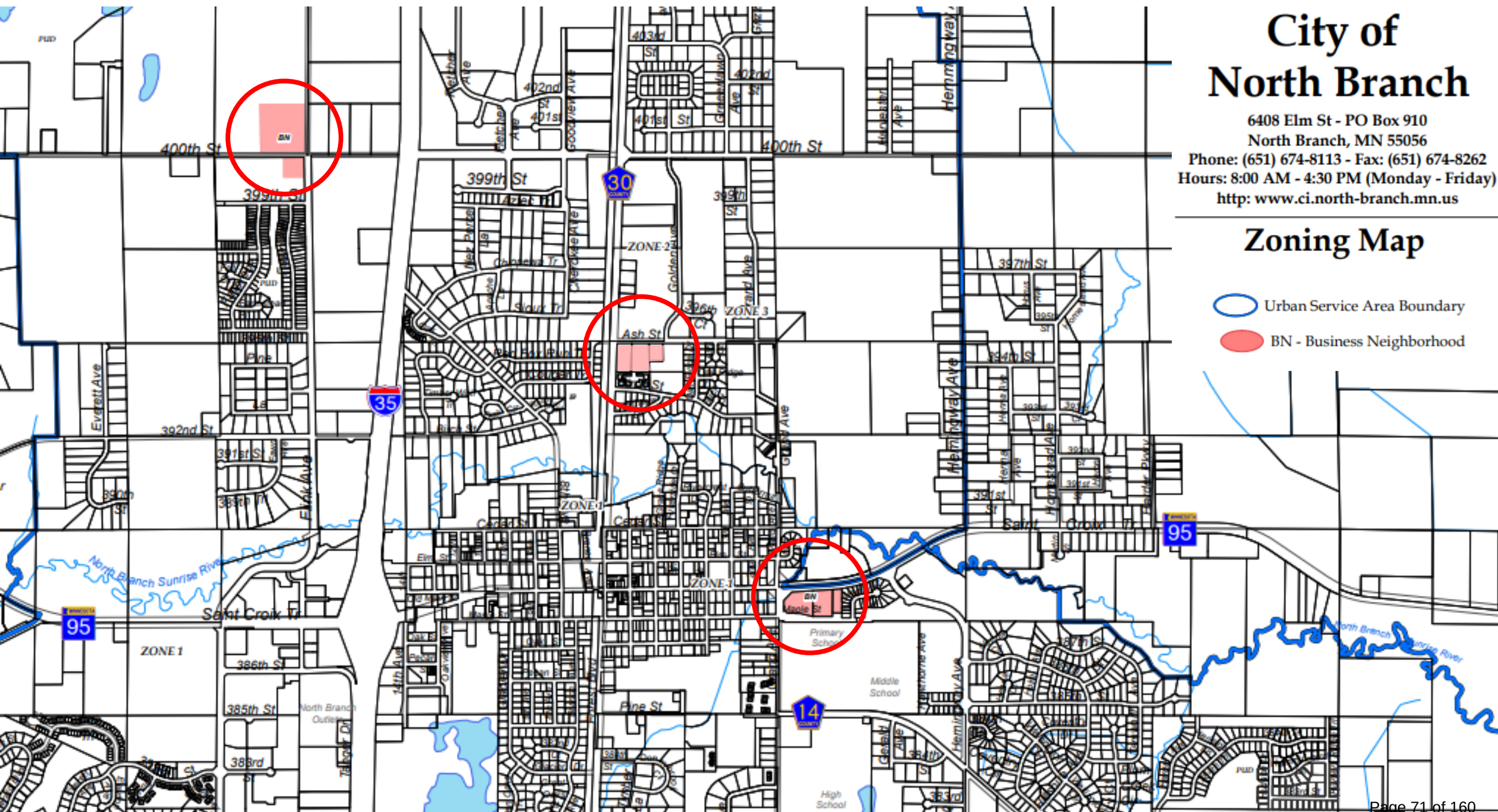
Phone: (651) 674-8113 - Fax: (651) 674-8262

Hours: 8:00 AM - 4:30 PM (Monday - Friday)

<http://www.ci.north-branch.mn.us>

Zoning Map

-  Urban Service Area Boundary
-  BN - Business Neighborhood





Comprehensive Rental Housing Study & Needs Analysis Executive Report

July 2024

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Executive Summary

The population growth in North Branch has surpassed the increase in available housing units, creating a shortfall expected to persist until at least 2030. This dynamic is driving up rental prices, making it difficult for many current residents to afford rent. This may lead to migration out of the city and a reduction in growth as people are priced out of the market and forced to consider moving out of North Branch. This shortage has ripple effects, impacting tax revenues and tax liability for public service delivery to be carried by existing community members.

Analyzing the rental market reveals a mismatch between available housing options and residents' needs and incomes, particularly for larger units suitable for growing families. While there has been some housing supply growth, it has not kept pace with demand, leading to a diminishing surplus. This imbalance is further exacerbated by demographic trends, such as the aging population's need for age-friendly housing options and the challenges younger individuals face in securing mortgages due to financial constraints from educational or other types of debt.

To address the housing challenges in North Branch, it's crucial to consider policies and programs catering to residents and potential newcomers. Here are some key points:

1. **Retaining Younger Generations:** Encourage younger individuals (including those under 18) to stay in North Branch after completing their education. Providing viable employment opportunities and creating a supportive environment can help retain this demographic.
2. **Motivating Seniors to Transition:** Seniors (aged 65+) can be motivated to transition into lower-maintenance housing and assisted living options. This frees up housing stock for young families (under 40 years old).
3. **Preventing Migration:** Develop programs that retain and attract residents. Preventing migration out of the city is essential for sustained growth.
4. **Balancing Local and Newcomer Needs:** While meeting residents' needs is crucial, consider accommodating newcomers. An exclusive focus on existing residents could lead to a stagnant housing market.
5. **Avoiding Housing Moratoriums:** Slowing housing growth directly or indirectly could worsen the supply challenge. A housing moratorium might backfire by increasing existing housing prices and reducing affordability for locals.

Additionally, disparities in housing status exist among different racial demographics, highlighting the importance of equitable access to housing. Education, while valued, can also impact housing choices, as higher educational debt can hinder individuals' ability to qualify and thus afford suitable housing. Despite a relatively healthy median household income in North Branch, there is still a need to ensure that rental options align with local incomes to prevent the displacement of lower-income residents. Addressing the housing shortage and ensuring attainable housing options for residents with different incomes, backgrounds, and abilities is crucial for North Branch's future sustainability. Ultimate solutions must consider

demographic trends and income disparities and ensure everyone can access the housing they need.

Valuable local input was sought via public input, stakeholder interviews, and a survey. Information about the study and housing needs was available through articles, websites, and social media materials. In addition, community conversation and steering committee workshops were conducted to gather input from residents, stakeholders, and experts. Feedback was sought on various aspects of the rental market, housing preferences, and community development.

Key findings from the engagement process included:

- **Insufficient Housing Supply:** Ensuring housing availability for future growth and accommodating diverse age groups (under 18, 25-29, and seniors aged 65+) is crucial.
- **Barriers to Suitable Residences:** Challenges include costs, insufficient bedroom options, and unavailability due to low vacancies.
- **Attainable Housing Options:** There's a desire for more or less costly housing, especially for seniors and young individuals entering the market.
- **Location Importance:** Emphasizing proximity to amenities and employment areas.
- **Challenges:** High utility costs, property taxes, and rental conditions (maintenance issues and lack of amenities).

Overall, the engagement process fostered community involvement to ensure that the study's recommendations aligned with the needs and preferences of North Branch residents.

Housing Demand Context

Potential Market Reach

Generally, most home seekers in the United States are willing to commute up to 30 minutes to attain housing. In North Branch, more than 50 % of residents commute more than 30 minutes. When a half-hour drive time band is placed from the center of the city of North Branch's core, as shown below, it reaches over 217,500 people with major population centers such as Blaine (71,739 population), Forest Lake (21,013 population), and Lino Lakes (21,399 population). If the city prioritized attracting residential developers using the strategies outlined in this housing study and providing housing for just 0.93 % of residents within a half-hour commuting distance, matching the area's population growth rate, it could potentially draw 2,023 new residents to North Branch. This influx would represent a 17.65 % increase in the current population, equating to 749 new households. Individuals aged 35-39 and 55-59 comprise the largest demographic segments in this region, most likely to seek North Branch as their new community.

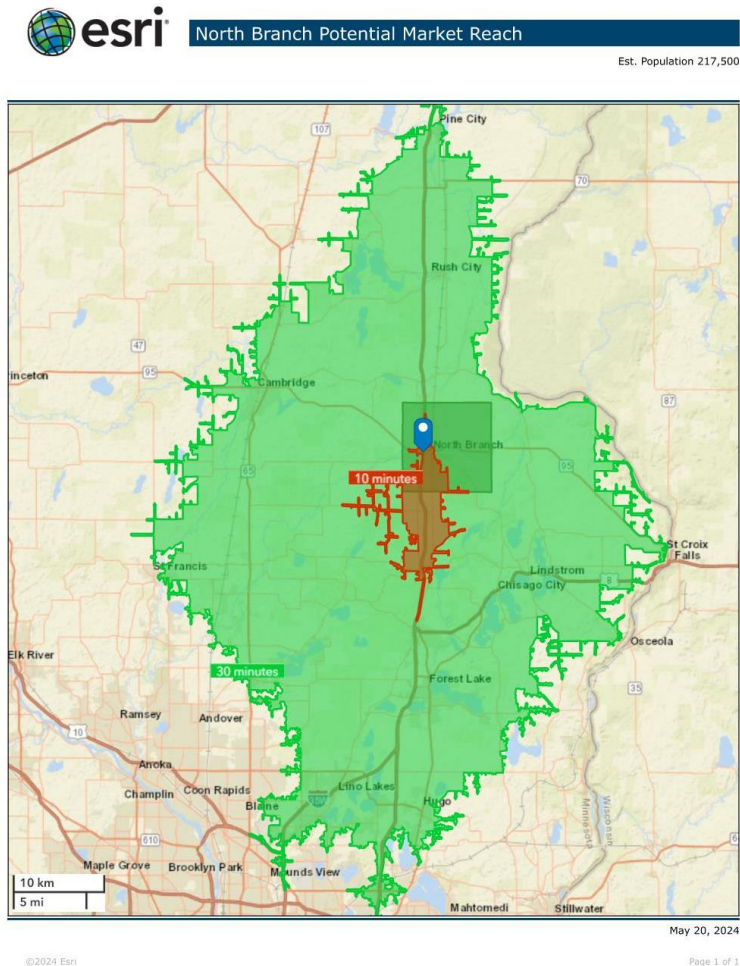


Figure 1: Map of North Branch Potential Market Reach

The relationship between housing choices and community well-being is interconnected. In the 35-39 age group, individuals often transition to purchasing their second homes, favoring larger

properties after selling their starter homes. Conversely, those aged 55-59, end-career workers or early retirees, tend to gravitate toward smaller homes with reduced maintenance requirements. These trends emphasize how housing availability directly impacts the local workforce, affecting employee availability and, in turn, local businesses. Indeed, housing plays a fundamental role in the overall success of a community.

Tables 1 and 2 recommend housing units and types for both ownership and rental based on the income distribution of the city's population. Scenario A proposes a 1.89% growth rate, assuming a continuation of the current growth. Scenario B projects a more accelerated growth rate at 2.49%, similar to the rate experienced in North Branch from 2000-2010. In comparison, from 2000 to 2022, Minnesota had an average annual population growth rate of 0.72%¹. These projections are up to 2030.

Each table also utilizes the U.S. Department of Housing and Urban Development formula for determining the economic sustainability of a housing payment or rent based on Annual Median Income. For example, "Incentivized Housing" is what someone earning 50% to 80% of the \$39,127 annual median income in North Branch would spend if contributing 30% of their income to their housing. To increase the usefulness of these projections, we have defined the cost break points at which housing would need to be priced in the community to meet economic demands based on the current population's income distribution.

¹ <https://mn.gov/admin/demography/data-by-topic/population-data/our-estimates/>
North Branch Rental Housing Study

Table 1: Ownership Homes Quantity Recommendation

	Price Point	Scenario A: Recommended Units at 1.89 % growth	Scenario B: Recommended Units at 2.49 % growth	Recommended If rentals increased to 30% of total housing ²	
Single Family (detached)					
Incentivized, 50 %-80 % AMI (\$489-\$783/month)	\$65,777 - \$104,407	65	89	46	62
Workforce Housing, 80 %-120 % AMI (\$783-\$1,174/month)	\$104,407 - \$163,117	72	96	50	67
Middle Income and Above, 120 %+ AMI (\$1,174/month)	\$163,117+	362	479	253	333
Sub-total		499	664	349	462
Active Adult/ Independent Living					
Incentivized, 50%-80% AMI (\$489-\$783/month)	\$65,777 - \$104,407	21	28	14	20
Workforce Housing, 80%-120% AMI (\$783-\$1,174/month)	\$104,407 - \$163,117	22	30	14	21
Middle Income and Above, 120%+ AMI (\$1,174/month)	\$163,117+	112	149	78	104
Sub-total		155	207	106	145
Total Ownership Units		654	871	455	607
Plus, .93 % potential Market outreach		641	641	524	524
Total potential demand for ownership housing		1,295	1,512	989	1,131

² Currently, the housing stock is only 14.5 % rentals. This column examines the total recommended housing units if this proportion were to increase to 30 %.

Table 2: Rental Housing Quantity Recommendations

	Price Point	Scenario A: Recommended Units at 1.89 % growth	Scenario B: Recommended Units at 2.49 % growth	Recommended If rentals increased to 30% of total housing ³	
				1.89% Growth	2.49% Growth
Multi-family Housing					
Incentivized, 50%-80% AMI	\$489-\$783/ month	13	18	17	24
Workforce Housing, 80%- 120%AMI	\$783-\$1,174/ month	14	18	18	24
Middle Income and Above, 120%+ AMI	\$1,174/mont h	36	47	47	61
Sub-total		63	83	82	109
Townhomes, Condos, Cottages, Duplex, and Attached Units					
Middle Income and Above, 120%+ AMI	\$1,174/mont h	36	47	47	61
Sub-total		36	47	47	61
Specialty Housing (ADA) Rental Units					
Middle Income and Above, 120%+ AMI	\$1,174/mont h	36	47	47	61
Sub-total		36	47	47	61
Light Care		5	7	7	9
Assisted Living (Special Care with Medical Assistance)		7	11	9	14
Sub-total		12	18	16	23
Total Rental Units					
Plus, .93 % potential Market outreach					
Total potential demand for Rental Housing					
		111	148	145	195
		109	109	225	225
		220	257	370	420

³ Currently, the housing stock is only 14.5 % rentals. This collum examines the total recommended housing units if this proportion were to increase to 30 %.

Final Strategies Pursued

The following recommendations were pursued through a multi-faceted approach, drawing on data analysis, public input, and stakeholder interviews to tailor strategies to the specific needs of North Branch. Note the recommendations in this report apply to subdivisions, PUD's and any other housing development:

Recommendation 1: Establish a Housing and Redevelopment Authority for the City of North Branch.

Creating a Housing and Redevelopment Authority (HRA) would dedicate resources and efforts to resolve the city's housing needs. This initiative will require research into the benefits and logistics of creating such an authority, considering factors like building programs and partnerships with housing organizations, budget funding sources, governance structure, and potential legal frameworks. As a starting point, an HRA manager and grant writer (shared with other city functions) could be a skeleton staff member to test this recommendation.

Recommendation 2: Establish a rental licensing and inspection program.

This initiative involves designing and implementing a program to regulate and ensure the quality and safety of rental properties in North Branch. Data analysis and input indicate the need for increased life-safety improvements and updated conditions, which can be achieved through inspection and licensing. Several national codes define acceptable standards for rental properties and can help guide this type of program, such as adopting the ICC (International Code Council) Property Maintenance Code.

Recommendation 3: Create or support programs to transition rental tenants into home ownership.

Such programs can help tenants qualify for rental assistance or even home ownership, deposits/down payments, and credit scores. The HRA could develop and support this type of programming.

Recommendation 4: Facilitate zoning code changes to accommodate new housing units.

This recommendation involves reviewing and potentially revising the city's land use and zoning regulations to encourage the development of new housing units. The housing map created (see Housing Map-1) can be used to inform where to maximize suitable densities and locations.

Recommendation 5: Attract and encourage construction that adds housing units with three or more bedrooms.

Data analysis justifies the need for housing units with three or more bedrooms. The key will be to attract developers with proven experience in providing these types of homes with the design features needed/in demand. However, the cost of unit construction will need to be low enough to make these units attainable for the range of incomes in the community.

Recommendation 6: Incentivize the development of rental properties in North Branch that offer more options for temporary and shorter-term leases.

This recommendation involves designing incentives, such as financial assistance programs (i.e., grants or forgivable loans), to encourage landlords to offer more flexible leasing options. Data analysis and public input indicate a demand for temporary or shorter-term leases (less than 12 months) in the rental market, such as month-to-month or weekly rental options.

Recommendation 7: Incentivize the upkeep and upgrade of existing rental properties and naturally occurring attainable housing (NOAH).

It is critical to support landlords in maintaining or upgrading their properties. Develop programs that can offset costs (grants or low-interest loans), provide free labor such as partnering with apprentice outlets, or provide technical assistance for renovations. Such programs may also include and benefit owner-occupied housing that meets certain affordability criteria.

Background and Demographics

Historical Origins and Relevance to Housing

Founding

Established as a Township in 1861, North Branch has witnessed a dichotomy in its development. The tension between rural and urban development persisted for 40 years after its founding. By 1901, the original 36 square mile township was bifurcated into two entities due to this political tension regarding the town's future. The Township of Branch encompassed the 35 square miles surrounding the core downtown area, where the residents who desired a more rural community could flourish. The remaining one square mile, where the downtown core of the old township exists today, became incorporated into the City of North Branch. Over the first half of the 20th Century, the newly formed City of North Branch underwent moderate urbanization, resulting in today's older housing stock, with 11.7 % of all current housing units constructed before 1969. In contrast, the former Branch Township, later known as Branch Village, maintained its rural, agricultural character for most of the last century, experiencing sparse development and sustaining a notably lower population.



Figure 2: Historical Society

Table 3: Housing Units Construction

Before 1969	11.7%
1970-1999	56.1%
2000-2020	31.5%
2020-2024	(data unavailable%)

I-35 Completion to Consolidation

In 1969, the completion of Interstate-35—a 1,569-mile north-south highway stretching from Duluth to Laredo, TX—intersected with Minnesota Highway 95 in the City of North Branch. This intersection significantly altered the growth trajectories of both cities: the branch and the North Branch. The strategic positioning of North Branch along this transportation corridor led to a population surge in both North Branch and Branch. Between 1970 and 1999, more than 56 % of North Branch's housing stock was constructed. The expansion of both areas ultimately prompted the consolidation of the two municipalities in 1994, marking their reunification for the first time in 93 years.

Post-1994 Consolidation

The City of North Branch experienced strong growth trends from 2000 to 2010, with a 26.2% increase in population. From 2000-2020, the remaining 31.5% of the current housing stock was constructed, reflecting the continued growth of the population. Despite the nationwide decrease in housing unit development due to the

2008 housing crisis and the hindrance caused by the Coronavirus Pandemic, North Branch's population continues to grow at an average rate of 1.89% annually. The historical trend of growth and development in North Branch has typically seen housing unit growth aligned with population growth. Nevertheless, this pattern is shifting, with less housing being built and insufficient supply for the current growth rate.



Figure 3: North Branch Economic Development Authority

Present-Day Trends

As land and building costs rise, developers face increased loans, investments, and risk, leading them to prioritize client-driven projects over speculative ones. The population stagnates when housing development caters solely to those purchasing market-rate single-family homes. Despite high demand from prospective residents, limiting rental or owned housing production exacerbates the issue. In North Branch's current market climate, home and land prices have surged, impacting both renters and homeowners. Due to higher demand and rising costs, long-standing tenants may be priced out, and homeowners may find it challenging to sell and relocate without losing equity. The following report will explore the data indicating these trends and the urgency of the current housing market concerns.

Key Points:

- The historical origins and relevance to housing in North Branch reflect its development and impact on current housing conditions.
- Historically, the area's housing market evolved alongside its economic and demographic shifts, with historical events shaping the housing landscape. As the city grew, so did its housing needs, influenced by various factors such as migration patterns, economic changes, and policy developments.
- Understanding these origins is crucial for addressing contemporary housing challenges, as past decisions and developments set the foundation for the current housing situation.
- Economic conditions are causing less housing to be built but not changing the housing demand growth. The document highlights significant demographic and economic factors impacting housing in North Branch. It emphasizes the challenges posed by a growing population, including an aging demographic needing suitable housing and younger individuals facing obstacles in homeownership due to education debt. The analysis acknowledges disparities in housing access and affordability across different races and ethnicities, underlining the necessity for equitable housing solutions. While generally high, education levels contribute to financial constraints impacting housing

affordability due to associated debt. Despite a decent median household income, there's a concern over ensuring that housing remains attainable for lower-income residents, pointing to a broader issue of income and wealth distribution affecting housing stability and access. Addressing these issues is crucial for providing inclusive, sustainable housing options that cater to the diverse needs of its current residents.

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Current Demographics and Conditions

Population and Households

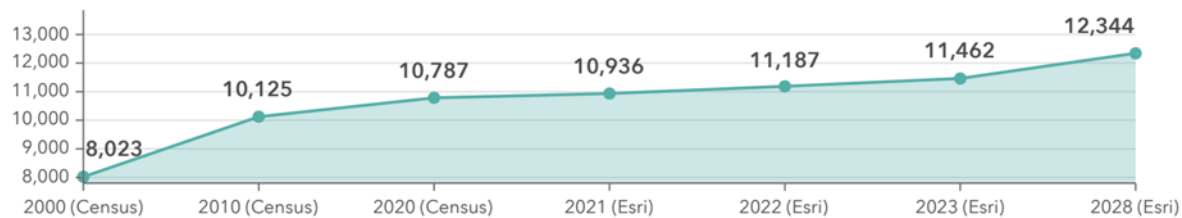


Figure 4: Source: <https://links.esri.com/esri-demographics/united-states>

The population growth in North Branch has outpaced the availability of housing units, leading to a shortfall projected to persist until at least 2030. As a result, sale and rental prices have risen, making it difficult for some existing and prospective residents to afford housing. This situation may naturally reduce the growth rate and possibly even the population, as rental costs exceed what existing and potential residents can manage.

The impact extends beyond housing affordability. The City of North Branch's basic local government services are funded through property taxes, and with fewer constituents, the tax burden falls on a smaller base. The city has already increased taxes to cover service costs, highlighting the need to balance tax burdens while maintaining essential services. Density helps to reduce the cost of city services, such as sewer and water, easing these burdens.

Furthermore, employers may hesitate to expand or relocate to an area without adequate housing for their workforce. In today's market, businesses follow rooftops. The housing shortage creates a negative economic cascade that proper planning and investments can help mitigate.

Assessing the rental market entails considering the average household size to match available rental housing options and residents' housing needs. The average household size of 2.70 in 2023 (the state average is 2.4 people) indicates that multi-bedroom housing units align more closely with population requirements than single-bedroom or efficiency options.

Average Household Size

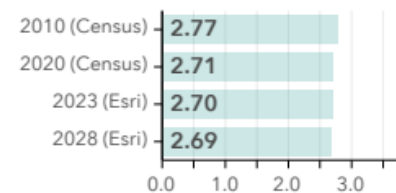


Table 4: Census Housing by Size

People	Percentage Own	Percentage Rent
7+		
Person	1.6%	1.4%
6-Person	2.6%	2.4%
5-Person	8.1%	3.6%
4-Person	16.7%	9.9%
3-Person	17.2%	12.9%
2-Person	36.9%	22.7%
1-Person	17.0%	47.0%

However, 70 % of rental households in North Branch are inhabited by one or two individuals. The apartment/multi-family housing type traditionally provides smaller units, yet the rental housing stock needs to be more conducive to the population and growth pattern North Branch is experiencing. The primary groups moving to the city tend to have younger families

requiring more space. For these families, a three-bedroom rental unit is most suited if they cannot afford a home in the current market.

Key Points:

Proactive housing development is essential to meet demand, prevent economic losses, and maintain a balanced market.

1. Compound Annual Growth Rates (CAGR) for Households and Housing Units:
 - Between 2000 and 2020, the CAGR for households was 1.68%, while for housing units, it was 1.73%.
 - This indicates that the housing supply generally kept pace with demand during this period.
2. Recent Shift in Demand and Supply:
 - Over the last four years, demand has outpaced supply.
 - This suggests that the housing market is experiencing increased demand, potentially due to population growth or other factors.
3. Anticipatory Housing Development:
 - Prospective residents cannot live in North Branch if housing isn't built in anticipation of buyers or tenants.
 - Without such development, people may seek employment and contribute taxes elsewhere, leading to long-term economic losses for the city.
4. Balancing Growth and Immediate Needs:
 - If housing unit growth doesn't outpace household growth, excess supply in the rental market will diminish.
 - Eventually, the housing stock may no longer have surplus capacity to accommodate immediate demand.
 - Balancing construction timing with immediate needs is crucial to ensure the market meets the community's current requirements.



Figure 5: Source Community Change Snapshot North Branch, MN by Esri (2023)

By not providing adequate housing options, the City of North Branch:

- Lacks sufficient housing options for the existing young generations to remain in the community.

- Lacks available senior housing types from independent living to assisted living to full care facilities as existing residents age and families look to bring aging parents closer to family.
- Lacks the variety of transition housing options to accommodate empty nesters and seniors to remain in their homes due to housing prices and lack of available and desired options.

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Age

The city's age profile is pivotal in determining people's housing needs. The population distribution remains consistent proportionally across age bands, ranging from 5.5% to 8.0% until age 65. Notably, the 25-29 age group comprises the largest portion of the population. This suggests a growing age bracket of individuals at a prime stage of life who are typically starting families, thereby signaling the need for first-time home buyer programs, starter homes, entry-level pricing with multiple bedrooms, and child/pet-friendly features.

Meanwhile, 12.2% of the population, 65 and older, require "age-friendly" housing options. These accommodations should feature single-level living, step-free entries, and attached garages to cater to the needs of aging residents. As individuals age, maintaining exterior spaces and larger living spaces becomes increasingly challenging, prompting a demand for third-party maintenance services and floor plans with smaller square footage.

Race and Ethnicity

The majority of residents in North Branch are white. While 85.6% of housing in North Branch is owner-occupied versus 14.4% are rentals, this is not true across all racial demographics. Housing status is weighted more heavily towards renting for non-whites. Hispanic residents comprise 3.7% of the population in the city but half. Ensuring equitable access to housing is crucial for fostering an inclusive community that accommodates the needs of its demographic.

Education

Education is highly valued in North Branch, but this prioritization has implications for rental housing. Higher education often leaves students with significant debt, which can affect their ability to purchase homes or rent due to reduced credit scores and borrowing potential. While education typically correlates with higher income levels, resulting in increased earning potential, the accompanying higher income-driven payments can still hinder individuals in these circumstances from transitioning into more suitable housing options, especially as they enter their middle-age years or the beginning of their professional lives (this aligns with the 25-29 cohort mentioned above).

Age Profile: 5 Year Increments



Figure 6: Age Profile

Hispanic Home Ownership

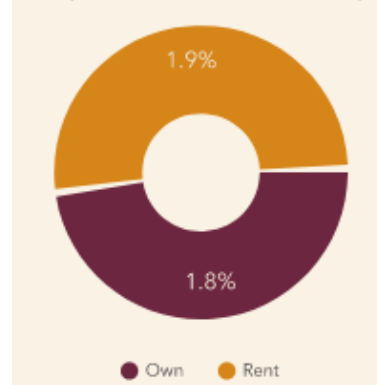


Figure 7: Source Housing Market Characteristics by Esri (2023)

Income and Wealth

North Branch's median per capita income is \$39,127 annually, while household income averages \$87,900. Although the household income is adequate to afford the median gross rent of \$1,345 or the purchase of a medium-priced home valued at \$265,900, individuals earning the per capita income (\$39,127) may need help finding attainable rental options within their budget, especially if single. Households with two or more people have better purchasing power. Singles may have to seek shared homes or room rentals to afford housing. Consequently, if rentals are not aligned with local incomes, these individuals may be compelled to seek housing outside the community or those with higher incomes from the outside may displace locals.

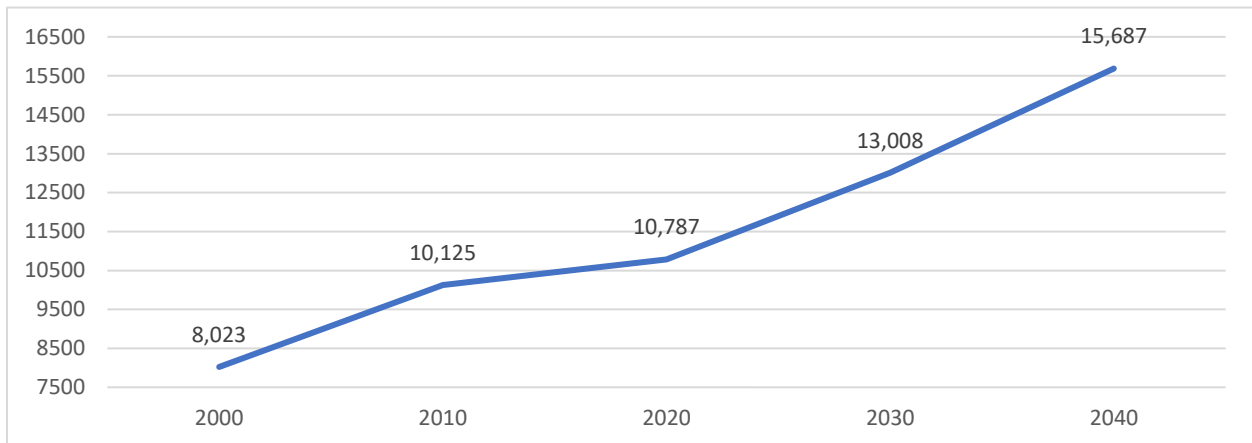
Key Points:

- A growing population that includes an aging demographic needing suitable housing and younger individuals facing obstacles in homeownership due to education debt.
- The analysis acknowledges disparities in housing access and affordability across different races and ethnicities, underlining the necessity for equitable housing solutions.
- Education levels, while generally high, contribute to financial constraints impacting housing affordability due to associated debt.
- Despite a decent median household income, there's concern over ensuring that housing remains attainable for lower-income and single residents. This points to a broader issue of income and wealth distribution affecting housing stability and access.
- Addressing these issues is crucial for providing inclusive, sustainable housing options that cater to the diverse needs of North Branch's population.

Scenario-Based Population Projections

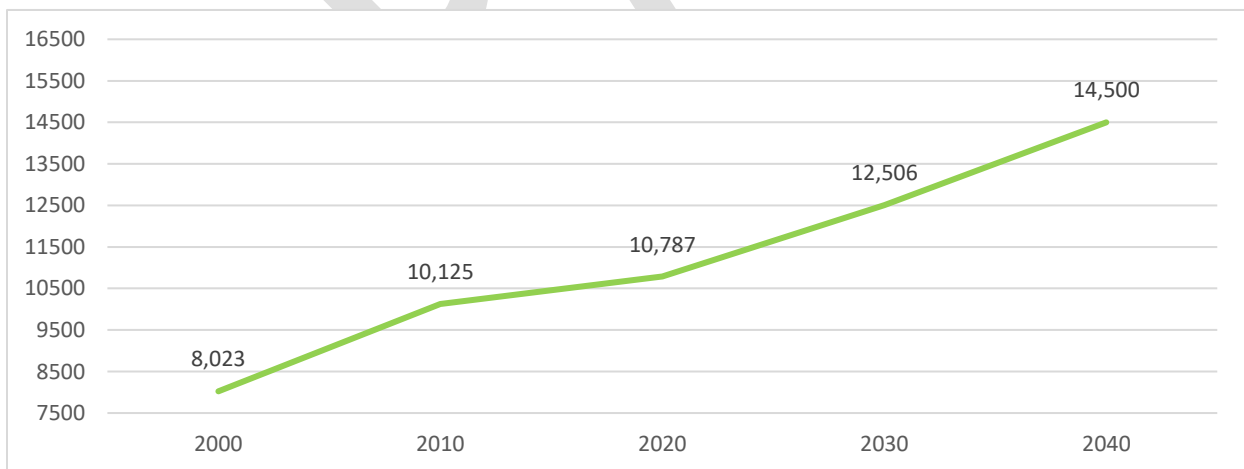
As North Branch experiences growth, it prompts a need for adaptation within the housing market. Several scenarios are possible based on different assumptions, which lead to various outcomes. The following scenarios consider five different potential market behaviors and outcomes.

Scenario 1: 2040 Projections (current rate)



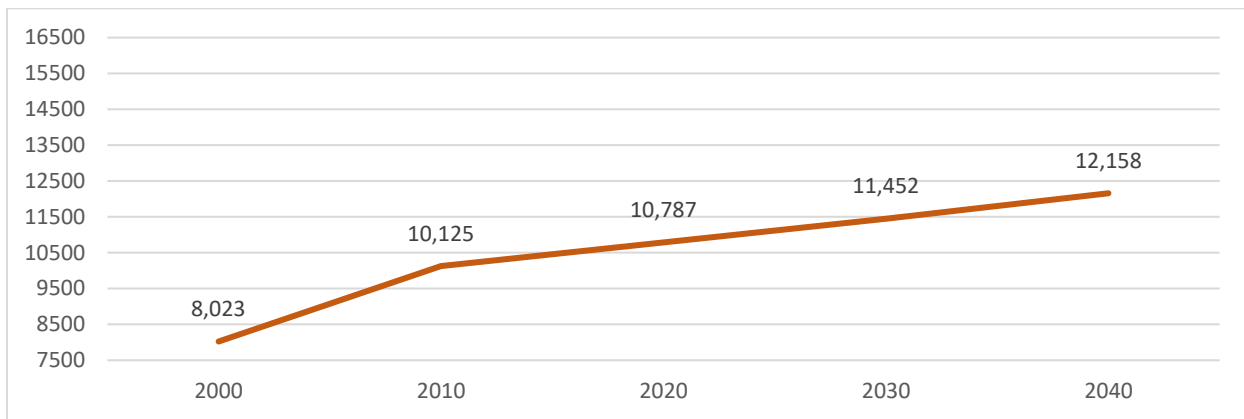
This scenario assumes a continuation of the current 1.89 % compounding annual growth rate after 2020 through 2040 and no changes to the community's growth trends.

Scenario 2: 2040 Projections (2000-2040 rate)



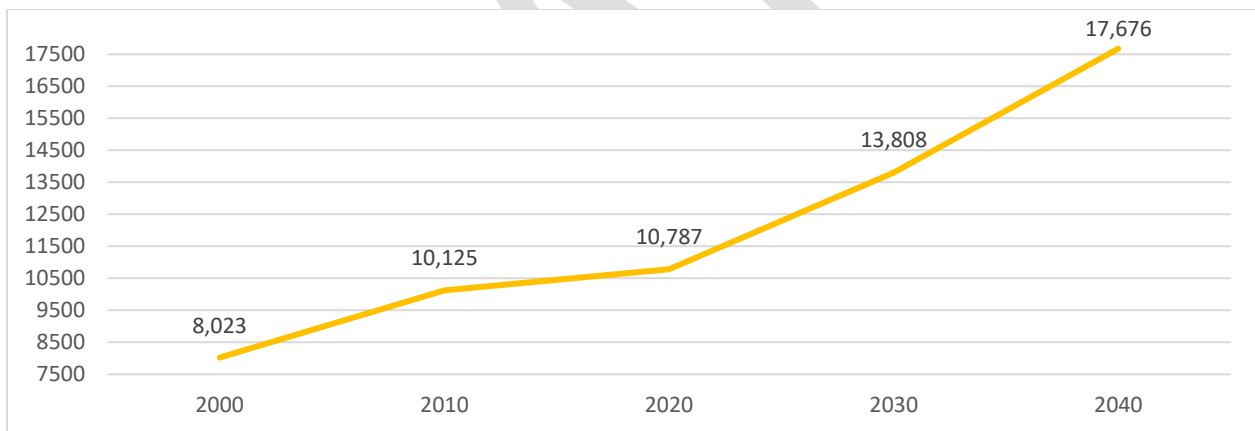
This scenario takes a more conservative stance on community growth, assuming it will match the annual growth rate over the century's first two decades. Ultimately, this growth rate would be lower than the city's current post-COVID growth trends.

Scenario 3: 2040 Projection (State growth rate 0.6%)



This scenario accounts for the North Branch slowing to the same growth rate as the State of Minnesota from 2020-2023, which is 0.6 % annually. North Branch is not likely to curtail its growth to this low a level; this rate sets a baseline for the minimum level of growth that can be anticipated, though trends have never been this slow for the City's development.

Scenario 4: 2040 Projections (2.5% growth rate)



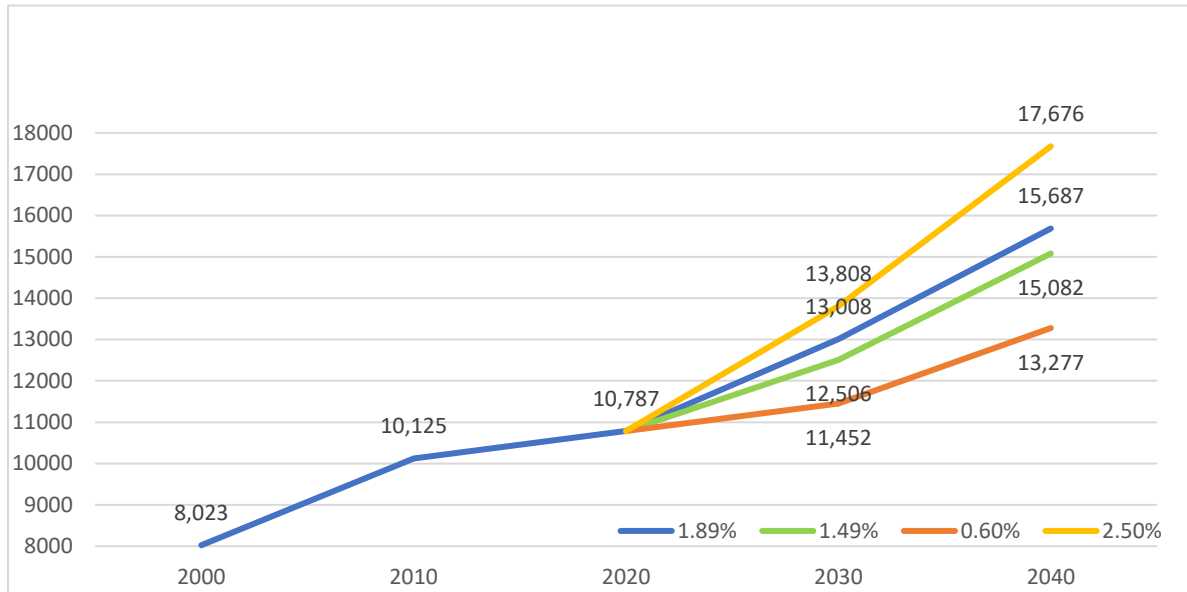
The fourth scenario depicts a growth rate of 2.5 %, which was seen from 2000 to 2010. If these rates were matched in the next two decades, North Branch would experience growth that would significantly outpace its current rate of housing development and require more housing to be developed faster to meet the demand.

Each of the previous scenarios projects growth at reasonable rates for the city based on historical trends. Applying these trends to the current population data creates parameters to estimate where the population will fall at each given time interval.

The annual growth rate for housing units in the city is 1.73 %. Generally, this rate needs to be higher than the population growth rate to avoid a housing crisis and help control increasing costs to the existing population. The population is outpacing housing development in half of the scenarios, including North Branch's current growth rate. The rate of housing unit development

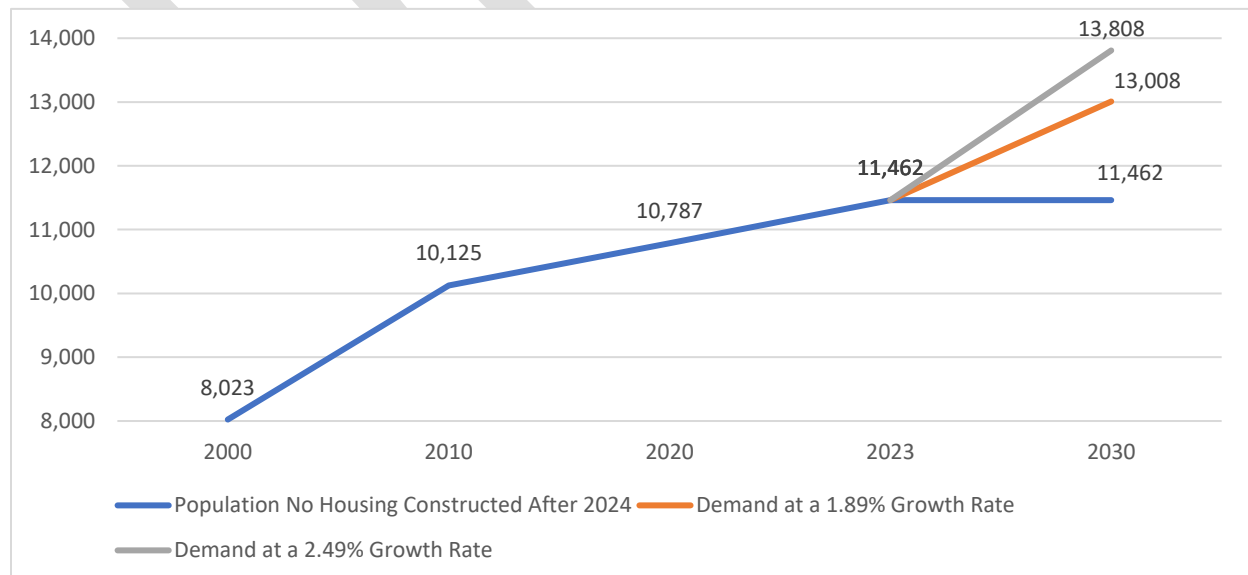
and population will slow to equilibrium as prices increase to match supply availability and eventually reduce demand as potential residents find less expensive substitutes for living in the city. Each of the following graphs demonstrates this effect on the rental housing market.

Scenarios 1-4: North Branch Growth



The last scenario is a no-growth scenario that limits or prohibits the production of new multi-family housing units. Displaying this trend through 2030 also indicates that market demand still drives people to wish to move into the city at the same rates as they previously had. The difference is that the housing stock is stagnant, meaning the only way to move in is to take the vacancy of an existing resident.

Scenario 5: No Growth Vs. Housing Demand



This pent-up demand from a pause in new housing supply production would cause a 573 to 869 housing unit shortage by 2030, as these would be the needed units to accommodate the 1,546 to 2,346 people who would otherwise move into the city. This would accelerate the current rise in housing prices and lease costs. However, it could also signal to developers and future residents that they are unwelcome in the community, hindering potential growth. In this scenario, when supply exceeds demand, buyers or renters have more choices, which puts pressure on sellers or landlords to offer competitive prices. When demand outstrips supply, buyers or renters may have to pay more due to limited options.

Key Points:

- North Branch is experiencing rapid population growth that has consumed the available housing supply, leading to a significant shortfall projected to continue until at least 2030.
- This imbalance has increased rental prices, making it increasingly difficult for many residents to find attainable housing.
- This trend is straining current residents and the local economy, as the increased cost of living impacts the overall cost of public services and the ability of businesses to sustain and find local workforce over the long term.

Current Employment Trends and Conditions

Resident Employment: Service Jobs

Due to the typically lower wages in the service industry, many residents in North Branch may find renting to be their only viable housing option. However, even in this case, these individuals may need help to secure a rental unit within the city at a market rate or lower cost.



14.5%
Services

Table 5: Service Occupations Share of Total Jobs

Job	Percent
Health Support	4.8%
Building Maintenance	3.5%
Food Preparation	3.4%
Personal Care	1.6%
Protective Service	1.2%

Resident Employment: Blue Collar Jobs



29.7%
Blue Collar

Blue-collar industries tend to yield higher earnings than service sector wages, allowing a single earner to afford a rental home in the City of North Branch and sometimes afford to buy a home.

Table 6: Blue Collar Jobs in North Branch

Job	Percent
Production	10.8%
Transportation/ Moving	7.8%
Construction/Extraction	7.0%
Maintenance/Repair	4.1%
Farm/fish/forestry	0.1%

Resident Employment: White Collar Jobs

White-collar jobs in the North Branch do not guarantee high earning potential, as prevailing wages in these fields may not always be sufficient. For instance, teachers are considered white-collar workers but earn wages that are too low to afford a home in the city. Consequently, many workers in these sectors may need help securing rental accommodation at the current market rates or finding housing in other communities.

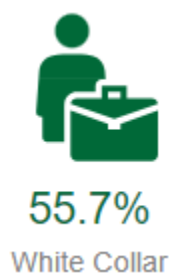


Table 5: White Collar Jobs in North Branch.

Job	Percent
Management	9.8%
Business/Financial	2.8%
Computer/Mathematical	1.7%
Architecture/Engineer	1.3%
Life/Social Sciences	1.0%
Social Service	3.2%
Legal	2.4%
Education/Library	8.2%
Arts/Entertainment/Rec	0.9%
Health Practices	5.1%
Sales	8.3%
Office/Admin	11.2%

The following table demonstrates how wages in North Branch for different careers would fair against market-rate housing costs.

Table 6: North Branch wages against market-rate housing costs.

Occupation	% of North Branch Residents	Median Income Hourly / Annual		Home Value Worker Can Afford*	Can workers afford a Median Home of \$265,903?	Monthly Rent Worker Can Afford	Can workers afford an Average Rent of \$1,345
Retail	13.3 %	\$16.26	\$33,821	\$147,666	No	\$930	No
Manufacturing	15.6 %	\$22.26	\$46,300	\$188,449	No	\$1,283	No
Education	8.7 %	\$25.34	\$52,707	\$223,280	No	\$1,449	Yes
Construction	10.6 %	\$29.51	\$61,381	\$267,500	Yes	\$1,688	Yes

Commuting Patterns

The distribution of commute times clarifies that there are mainly two types of commuters: those working within the immediate 25-minute range of their homes and those working in the Twin Cities metro area 45-59 minutes away. There is a need to keep residents close to work and minimize the cost burdens of extensive driving (i.e., time, gas, insurance, maintenance, etc.). Most home seekers in the United States are willing to commute up to 30 minutes to attain housing. In North Branch, more than 50 % of residents commute more than 30 minutes. Using that commute shed factor, there are 217,528 people within 30 minutes from North Branch. This suggests to developers that many potential tenants are within 30 minutes of North Branch.

Table 7: Commute Time Minutes

People	Percentage Own
7+ Person	1.6%
6-Person	2.6%
5-Person	8.1%
4-Person	16.7%
3-Person	17.2%
2-Person	36.9%
1-Person	17.0%

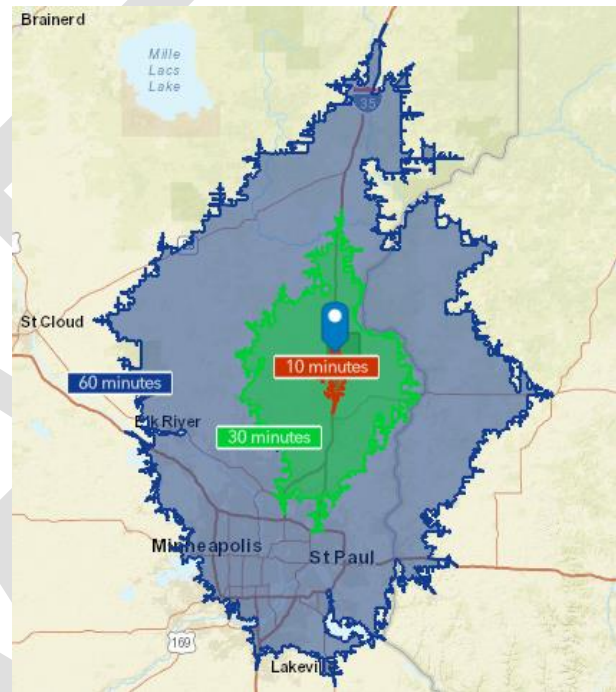


Figure 8: Commute Time Map

Economic Development

The primary determinant of what type of housing a person can attain is directly tied to their earnings, thus employment. It is essential to understand a community's economic development landscape and the effect their employment has on the local housing market. When there is a disconnect between the wages present in the prevailing industries in the community and the housing price, it leads to the displacement of residents or longer commutes, which impacts quality of life. Residents will either leave the city for housing that is attainable on their budgets to keep their jobs or take longer commutes for higher-paying jobs. The table on the next page represents the largest employers in the City of North Branch. These employers have a significant stake in the availability of housing that their employees can attain in the community to increase the viability of retention and recruitment efforts. Working with

employers to provide adequate housing or housing bonuses for the workforce could provide more solutions than any entity tackling this issue alone.

Table 8: Employers and employees in North Branch.

Largest Employers in North Branch	# of Employees
North Branch School District Education	340
Andersen Windows Manufacturing	248
Stepp Manufacturing	67
Peterson Mill	55
Zinpro	55
Branch Manufacturing	52

Job Growth Projections

The annual job growth rate in North Branch is 0.175%, equivalent to around 20 jobs per year. However, job growth could slow down without sufficient housing to accommodate workers. Existing and potential employers consider the availability and suitability of housing when evaluating expansion or relocation.

While there's an opportunity to attract businesses to the community's business park and create jobs, forming partnerships with employers to identify specific housing needs is critical. Otherwise, it may hinder business recruitment and impact the local economy. North Branch can transition from a bedroom community to its employment epicenter if adequate housing is provided. The following projections anticipate relatively little change in the North Branch economy at the current job growth rates unless housing is provided.

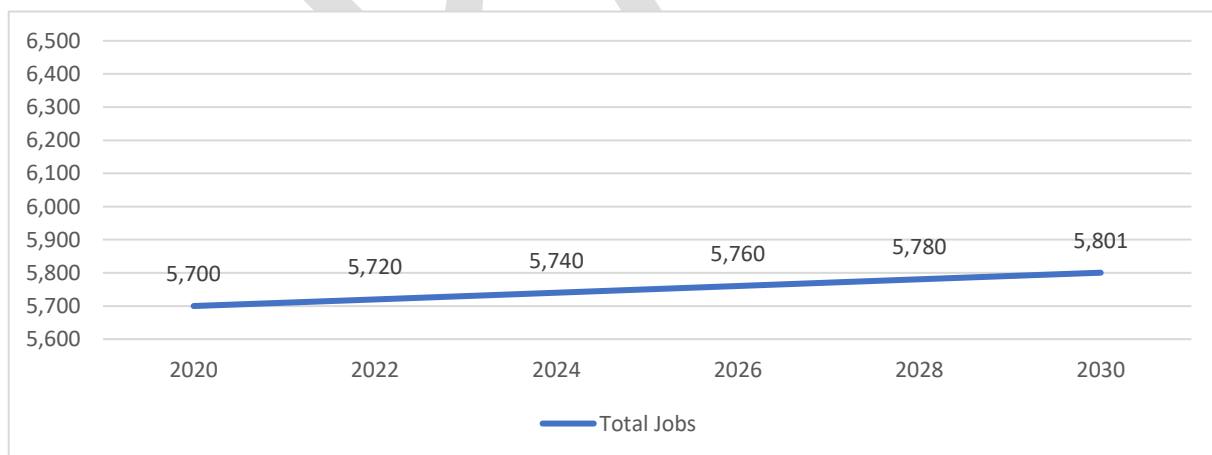


Figure 9: Total Jobs in North Branch

Wage Analysis

An analysis of various wages sheds light on what housing people can afford. North Branch's single median income of \$39,127 encompasses diverse roles, from personal caregivers earning \$17.45/hr. to those working in senior living facilities. Unfortunately, personal care employees

often earn less than the annual median income, making homeownership or renting economically unsustainable even if these jobs are in high demand due to the projected growth of this age group. The standard for affordability is the Annual Median Income (AMI), with the US Department of Housing and Urban Development (HUD) defining affordable housing as costing 30% or less of the AMI. Housing falling below 80% and 120% of AMI is generally termed 'Workforce Housing,' whether naturally occurring or incentivized. In North Branch, an affordable rental home costs approximately \$978.18 per month at the annual median income level. The following are key insights stemming from the local wage analysis:

- 51.5 % of North Branch residents lack the income to secure a rental at the market rate of \$1,345.
- 74.7 % of North Branch residents lack the income to purchase a median-value home at \$265,903.
- Market rate rentals are \$171.19 higher than the highest cost workforce housing at 120 % of AMI or \$1,173.81/month.

Table 9: Table of Resident Occupations and Maximum Cost of Housing Attainable

Occupation	Resident %	Income		% of AMI	Max. Rent Budget	Max. Home Purchase Price	Difference Between Budget and Median Cost		Housing Attainability	
		Hourly	Annual				Rented	Owned	Rent	Own
Office/Admin	11.2 %	\$22.25	\$46,280.00	118 %	\$1,285	\$200,000	(\$59)	(\$65,903)	No	No
Production	10.8 %	\$22.26	\$46,300.80	118 %	\$1,286	\$200,000	(\$58)	(\$65,903)	No	No
Management	9.8 %	\$45.02	\$93,641.60	239 %	\$2,601	\$405,203	\$1,256	\$139,300	Yes	Yes
Sales	8.3 %	\$16.26	\$33,820.80	86 %	\$939	\$145,000	(\$405)	(\$120,903)	No	No
Education /Library	8.2 %	\$25.34	\$52,707.20	134 %	\$1,464	\$221,288	\$119	(\$44,615)	Yes	No
Transportation	7.8 %	\$19.42	\$40,393.60	103 %	\$1,122	\$178,598	(\$222)	(\$87,305)	No	No
Construction /Extraction	7.0 %	\$29.51	\$61,380.80	156 %	\$1,705	\$261,876	\$360	(\$4,027)	Yes	No
Health Practices	5.1 %	\$40.05	\$83,304.00	212 %	\$2,314	\$360,084	\$969	\$94,181	Yes	Yes
Health Support	4.8 %	\$17.90	\$37,232.00	95 %	\$1,034	\$160,000	(\$310)	(\$105,903)	No	No
Maintenance/ Repair	4.1 %	\$24.88	\$51,750.40	132 %	\$1,437	\$217,727	\$92	(\$48,176)	Yes	No
Building Maintenance	3.5 %	\$18.03	\$37,502.40	95 %	\$1,041	\$164,714	(\$303)	(\$101,189)	No	No
Food Preparation	3.4 %	\$14.99	\$31,179.20	79 %	\$866	\$134,837	(\$478)	(\$131,066)	No	No
Social Service	3.2 %	\$25.76	\$53,580.80	136 %	\$1,488	\$226,200	\$143	(\$39,703)	Yes	No
Business /Financial	2.8 %	\$33.54	\$69,763.20	178 %	\$1,937	\$298,058	\$592	\$32,155	Yes	Yes
Legal	2.4 %	\$35.76	\$74,380.80	190 %	\$2,066	\$319,398	\$721	\$53,495	Yes	Yes
Computer /Mathematical	1.7 %	\$38.36	\$79,788.80	203 %	\$2,216	\$343,679	\$871	\$77,776	Yes	Yes
Personal Care	1.6 %	\$17.45	\$36,296.00	92 %	\$1,008	\$159,139	(\$336)	(\$106,764)	No	No
Architecture /Engineer	1.3 %	\$38.62	\$80,329.60	205 %	\$2,231	\$346,522	\$886	\$80,619	Yes	Yes
Protective Service	1.2 %	\$29.98	\$62,358.40	159 %	\$1,732	\$280,000	\$387	\$14,097	Yes	Yes
Life/Social Sciences	1.0 %	\$33.22	\$69,097.60	176 %	\$1,919	\$300,000	\$574	\$34,097	Yes	Yes
Arts/Rec/ Entertainment	0.9 %	\$26.15	\$54,392.00	139 %	\$1,510	\$244,494	\$165	(\$21,409)	Yes	No
Farm/Fish /Forestry	0.1 %	\$22.00	\$45,760.00	116 %	\$1,271	\$200,000	(\$73)	(\$65,903)	No	No

Addressing North Branch's housing affordability crisis requires a multifaceted approach considering rental and homeownership dynamics. The situation highlights a critical issue faced by many communities: housing affordability. When a significant portion of the population cannot afford to buy homes, it has far-reaching consequences for both renters and homeowners. Rental housing often serves as a stepping stone toward permanent homeownership. However, if 74.7% of the community cannot afford to buy a home in North Branch based on their annual income, this creates a barrier to homeownership. As a result,

renters may remain in rental properties for longer periods, reducing rental turnover. Reduced rental turnover can increase demand for rental units unless new housing developments are created. Meanwhile, over 85% of North Branch residents are homeowners. These homeowners may be reluctant to sell their properties due to the high cost of re-entering the market. Consequently, this scarcity of available homes affects the real estate market volume and drives up prices.

The interplay between rental affordability, homeownership, and market dynamics creates a negative feedback loop. Renters are most vulnerable to price variability from insufficient supply. As housing prices rise, affordability decreases, leading to further challenges for renters and potential homebuyers. In the non-residential sector, businesses considering North Branch as a location must navigate the rental market when recruiting and retaining employees. Access to affordable housing is crucial for attracting talent. Additionally, local labor can fill new positions, even with slightly higher unemployment rates, provided housing options are feasible for relocating employees.

Housing Market Inventory

North Branch faces housing challenges driven by high demand, limited supply, and competitive market conditions. Although it looks like a lot of housing is being built, more housing is needed to meet demand, especially housing for various life stages and price points. Key points to address affordability and housing availability are based on 2023 data:

1. Occupancy Rate and Home Sales:
 - There are 4,365 housing units in North Branch, with a high occupancy rate of 96%.
 - Over the past 12 months, 264 home sales have been closed, representing a 13.3% increase compared to the same period in 2023.
 - These sales accounted for 6.1% of all homes changing hands in the town last year.
2. Market Activity and Time on the Market:
 - A property's average time on the market is 39 days, nearly a 50% increase from the previous year.
 - The short duration indicates a heated market with properties moving quickly.
3. Scarcity of Housing Supply:
 - The rapid turnover of properties suggests a scarcity of available housing supply.
 - As homes enter the market, they are swiftly purchased, leaving limited options for buyers.
4. Rental Market Implications:
 - This scarcity affects the rental market as well.
 - Those who can afford to move from rentals to permanent homes may choose to stay in rentals longer due to the competitive housing market.
 - Approximately 746 rental-occupied housing units exist in North Branch, with an average tenancy of 8 years (leases beginning in 2016).

- These units seldom become vacant for new tenants.

Implications

The implications of the Demographics Analysis section of this study are divided into two main categories:

- Population growing challenges.
- Economic disparities

The critical statistics under these themes illustrate a need to approach housing from multiple perspectives. There is no single root cause of North Branch's current market conditions and its effects on the city's current and future residents.

Population Growing Challenges

- The population of North Branch in 2030 is projected to be between 13,000 and 14,000, which equates to an increase of 1,500 to 2,500 people from the present-day population.
- To meet this need, approximately 556 to 926 new housing units, both rentals and owner-occupied units, will be required.

Economic Disparities

Examining the ESRI data and performing quick calculations delivers the following facts.

- The median single income in the City of North Branch is \$39,127, and the median rent in the rental market is \$1,343/month, which is 137.3% AMI.
- Based on our wage analysis, 51.5% of people in North Branch cannot afford a rental in the city alone. Further, 74.7% cannot afford to buy a median-valued home in the city alone.
- Approximately 85% of the city's homes are owner-occupied. This high percentage indicates a strong preference for homeownership within the community.
- Residents often choose to retain their homes even beyond where the home meets their needs because selling and re-entering the housing market can be financially challenging for most incomes in the city.

In summary, the combination of high owner-occupancy rates and affordability concerns creates a situation where residents hold onto their homes, affecting housing turnover and availability.

Based on data projections, the housing market faces several challenges in the coming years. The key points are:

1. Existing Home Sales and Mortgage Rates:
 - Existing home sales fell to a 28-year low in 2023.
 - However, as mortgage rates decline, existing home sales are expected to rebound gradually.
 - Home prices have held onto their gains due to a lack of supply.

- As lending rates fall and more homes are listed for sale, true price discovery will occur.⁴
- 2. Newly Built Homes:
 - Sales of newly built homes will maintain an elevated market share.
 - Builders can buy down mortgage rates, and there's pent-up housing demand.
 - This trend is likely to continue <https://realestate.usnews.com/real-estate/housing-market-index/articles/housing-market-predictions-for-the-next-5-years>⁵.
- 3. Rental Market:
 - Rents are expected to stabilize due to added supply.
 - They will more closely track inflation rates⁶.
- 4. Market Dynamics:
 - The housing market will face challenges due to demographic shifts.
 - Gen Z maturing will impact housing starts.
 - The expansion of artificial intelligence and other factors will influence real estate trends.
- 5. Long-Term Outlook:
 - By 2030, the average price of a single-family home in the U.S. could reach \$382,000⁷.
 - If current trends continue, market conditions will increase lease prices, leading to vacancies as tenants are priced out, ultimately displacing economically disadvantaged residents from the community.

In summary, while the housing supply struggles with population growth, market dynamics and affordability issues will shape the housing landscape over the next decade. Developers, buyers, and renters must adapt to these changing conditions.

Currently, realtors and developers are noticing these important trends and market movements:

1. Homes Selling Despite Rental Need:
 - Homes are still selling despite the need for rental housing due to various factors, such as demand from buyers seeking homeownership and investment opportunities.
 - Buyers are likely individuals or families who prioritize homeownership over renting or see potential value in investing in property.
 - Developers continue building homes because buyers demand to purchase rather than rent.

⁴ <https://realestate.usnews.com/real-estate/housing-market-index/articles/housing-market-predictions-for-the-next-5-years>

⁵ <https://realestate.usnews.com/real-estate/housing-market-index/articles/housing-market-predictions-for-the-next-5-years>

⁶ <https://realestate.usnews.com/real-estate/housing-market-index/articles/housing-market-predictions-for-the-next-5-years>

⁷ <https://www.cnbc.com/select/how-much-will-a-home-in-the-us-cost-by-2030/>

2. Interest in Building Subdivisions:
 - Developers may still be interested in building subdivisions due to demand from buyers looking for single-family homes.
 - Subdivisions offer developers opportunities to meet the demand for larger homes with more space, particularly from younger families leaving suburbs for more attainable housing options.
3. Lack of Interest from Apartment Developers:
 - Apartment developers may not be interested in building apartments in North Branch due to various factors, such as perceived market demand, zoning regulations, or infrastructure limitations.
 - Developers may prioritize areas with higher rental housing demand or where they see better potential returns on investment.
4. Advising Clients to Drive Until They Qualify:
 - Clients are advised to drive until they qualify for the housing they want. In many cases, this is now White Bear or Hugo housing, a change in the last decade because these areas offer more attainable housing options than North Branch.
 - The cost of housing in North Branch may be comparatively higher, leading clients to seek more attainable options in neighboring areas.
5. Migration Patterns:
 - Younger families are leaving suburbs for areas where they can find larger houses at a lower cost, potentially contributing to the demand for single-family homes in North Branch.
 - People leaving cities to start families elsewhere may be attracted to areas like North Branch, where they can afford the size of the house they desire compared to more expensive urban areas.

Housing Analysis

Existing Rental Housing Conditions & Operational Costs

The average apartment size in North Branch is 720 square feet, with a typical cost of \$965 as of November 2023. While these smaller units are efficient for some residents, they may not meet the needs of families requiring two- or three-bedroom apartments, which are scarce in the rental market. The tight rental market in North Branch sometimes results in zero or only one rental listing available. This scarcity makes rental conditions somewhat irrelevant, as prospective tenants cannot move into nonexistent units. Additionally, the existing rental housing that is income-restricted housing further limits availability, impacting average rental costs.

Rental Housing Market Analysis

Analysis

In North Branch, the current inventory of rental properties consists of 746 units, but only ten are available for lease. With a vacancy rate of 1.3%, the market is exceptionally tight. Typically, a low vacancy rate in a local rental housing market is around 5%, indicating a shortage of units to meet existing demand.

North Branch experiences a natural monopoly, with all nine available rental units concentrated in a single complex. Consequently, prices can increase without restraint until they align with alternative housing options in neighboring communities like Forest Lake and Cambridge. For context, the average rents in Cambridge and Forest Lake stand at \$1,176 and \$1,273, respectively, compared to North Branch's average of \$965. However, this average is influenced by the 22% of rental units in North Branch that are income-limited. Despite this, there's room for significant price increases before other housing options become more economically attractive to consumers, especially considering that the average non-incentivized unit price already exceeds that of neighboring communities. For further details, you can find a summary of rental units and buildings in Appendix A.

Senior Housing Market Analysis

Senior housing options vary, and affordability remains a critical consideration for older adults. Senior housing encompasses various options tailored to individuals aged 55 and older. Some of these include:

1. Assisted Living:
 - In assisted living facilities, medical staff are available around the clock.
 - Residents receive assistance with daily tasks while maintaining some independence.
2. Independent Living:
 - Independent living communities cater to fully self-sufficient seniors.
 - Medical supervision is not provided, allowing residents to live independently.

3. Naturally Occurring Housing:

- Certain existing housing types naturally suit seniors, such as townhomes, condos, and single-level apartments.
- However, affordability can be challenging for seniors on fixed incomes, especially if their current home no longer meets their physical needs.

Senior Housing Inventory in North Branch

Based on North Branch's demographics, approximately 12.2% of the city's residents are over 65 years old, totaling 1,403 people. These seniors have specific housing needs that their current homes may or may not continue to meet as they age. The population of Americans over 65 is growing rapidly, with an expected 47% increase in this age group between 2022 and 2050 (equivalent to a 1.4% annual growth rate). If this trend continues in North Branch until 2030, the city will likely face a significant shortage of optimal housing options for its senior residents. Anecdotally, a noticeable trend of seniors relocating to places like Cambridge has occurred due to more affordable housing options unavailable in the North Branch market.

Table 10: Senior Housing Inventory

Name	# Units	Type	Cost	Unit Size Range	Status
Ecumen North Branch	119	Assisted Living	The local average assisted living costs are \$3042 - \$3260.	569-886 Sq Ft	Open
Encore Assisted Living and Memory Care	30	Assisted Living		-	Open
Boka Haven	*	Assisted Living		-	Opening July 2024
Heritage Court Apts	32	Independent Living 55+ Income Limited	\$529-\$917	958 Sq Ft	Open
Uptown Maple Commons	33	Independent Living/ Incentivized Housing	-	-	Open
Northern Oaks	12	Independent Living 55+	\$885 - \$1,015	594 Sq Ft	Open
Total	224*				

For-sale housing market analysis

Based on North Branch's annual median income for individuals (\$39,127), the monthly payment considered affordable at the following price points, assuming a 20% downpayment at a 7.0% interest rate are:

- 50 % - 80 % of AMI = home purchase price of \$65,777 - \$104,407
- 80 % - 120 % of AMI = home purchase price of \$104,407 - \$163,117
- 120+ of AMI = home purchase price of \$163,117+

As of June 2024, seventy-eight (78) properties, homes intended for home ownership, are on the market in North Branch; a few empty lots are listed under the \$65,000 price point. Only one (1) home on the market would carry a payment sustainable on an income under 120 % of AMI; it is listed at \$154,900. The home is a 1,011 sq. ft. craftsman's home built in 1901 that needs significant repairs.

Considering the household annual median income of \$87,900 for North Branch, the price points change to the following, assuming a 20% downpayment at a 7.0% interest rate:

- 50 % - 80 % of AMI = home purchase price of \$195,946 - \$301,792
- 80 % - 120 % of AMI = home purchase price of \$301,792 - \$457,573
- 120+ of AMI = home purchase price of \$457,573

The current market in North Branch contains twelve (12) homes that could be purchased under the 80 % AMI threshold for household income. While this stock will likely be off the market in less than two months, as has been typical in North Branch, it is prudent to look at the costs of unbuilt lots of land that could allow for the construction of a home at a price point under the threshold for the 50 % to 80 % of AMI. Eight (8) vacant lots, ranging from \$64,999 - \$199,000, would allow for building new homes if the construction cost was under \$236,793 - \$102,792. While there are other lots above \$200,000, building a home for less than \$100,000 is unlikely based on current new construction/traditional costs, so these are not considered. Non-traditional construction, such as cargo container homes, or smaller square footage homes, such as tiny homes or factory-built homes, may make these lots viable. North Branch faces a complex housing landscape, balancing affordability, construction timelines, and market dynamics. In summary:

Workforce Homes:

- There are currently 38 homes meant for homeownership on the market priced between 80% and 120% of the area median income (AMI).
- Of these, six are not under construction but are available for sale.
- Only 13 homes are available above 120% of the AMI.

Challenges:

- The available-for-sale housing supply primarily consists of newer buildings and custom constructions.
- Delays between purchase and occupancy create additional expenses and obstacles for residents.
- Even if prospective buyers want to move in immediately, the market favors new buildings tailored to customer specifications.
- This situation necessitates additional rentals for temporary residences.

Niche and Renting:

- Due to building times and limited inventory, some residents may need to rent until homes are constructed.

- Cost barriers for land make it challenging to build homes at 50% of AMI.
- Feasibility increases at 80% of AMI, but subsidies are necessary for profitable housing below 80% of AMI.

Pending Rental Development

Throughout the housing study, interviews were conducted with various developers, property managers, and stakeholders involved in rental housing construction. These conversations provided valuable insights into the community's growth. However, concerning development trends emerged from these conversations. In summary, the key points made were:

- **Incentivized Housing:**
 - There's a clear need for housing catering to low-income individuals (50% to 80% of the Area Median Income) and workforce housing (80% to 120% of AMI).
 - Unfortunately, willing developers are scarce in providing such housing options.
 - Instead, developers lean toward market-rate housing, which doesn't align with North Branch's needs.
 - The challenge lies in producing units below the market rate despite developer interest in profitable market-rate projects.
- **Local Government and Minor Frustrations:**
 - Local government doesn't pose significant barriers to new development.
 - Minor frustrations for developers include adding and expanding garage facilities.
 - Enhancing amenities can enhance the existing market's quality and appeal.
- **Senior Housing Demand:**
 - Aging residents create a growing demand for specialized senior housing units.
 - Meeting their needs and desires is crucial.
- **Lack of Imminent Developments:**
 - Existing developers/builders in North Branch's housing market lack plans for additional units.
 - Urgency in increasing housing production is needed to avoid exacerbating supply shortages.
- **Impact on Education and Labor:**
 - Educators, a significant industry in North Branch, face challenges due to the housing shortage.
 - Absence of available rentals hinders talent recruitment.
 - Students' connections with local employers affect future local labor.

Target Markets

Consumer behaviors reinforce the understanding of the rental housing market dynamics in North Branch, pointing to the need for housing solutions that cater to the diverse needs of its residents in the following way:

Demographic Segmentation:

- The text introduces three distinct consumer segments within the North Branch: Up and Coming Families, Middleburg, and Front Porches. This segmentation aligns with previous facts regarding the diversity of residents and their varying housing needs.

Consumer Preferences and Behaviors:

- Each consumer segment exhibits unique preferences and behaviors that impact the rental housing market. For example:
 - Up and Coming Families prefer suburban living and homeownership but may initially rely on rental housing.
 - Middleburg families prioritize family-building and require housing suitable for larger families.
 - Front Porches residents, consisting of smaller families and single households, heavily rely on rental housing due to income constraints.

Implications for Rental Housing Market:

- Many residents, especially those fitting the consumer behavioral characteristics outlined, are active participants in rental and housing markets. They may seek to transition from rental to permanent housing as their families grow or their financial situations improve.
- The influx of people into the North Branch has outpaced the growth in available housing units, indicating a high demand for rental and permanent housing.

Population Growth and Housing Demand:

- The demographic characteristics of these consumer segments, particularly their youthfulness and growing families, contribute to increasing population growth rates and housing demand pressures.
- The population growth and housing demand challenges in North Branch are partly due to a shortage of available housing units.

Demand Analysis

Rental Housing Economic Theory

Balancing housing supply and demand is crucial for sustainable growth and community prosperity. Key points to highlight:

1. Supply and Demand Equilibrium:
 - Like any economy, the housing market seeks equilibrium between supply and demand.
 - However, from a government perspective, reaching this equilibrium isn't ideal for housing.
 - If supply equals demand, population growth and tax base expansion stagnate.
2. Rental Housing Market Dynamics:

- When all housing units are occupied, demand pressure drives up rental prices.
 - Existing tenants may be priced out, and new occupants struggle to afford rent.
 - Waitlists for new units persist, but former tenants still seek affordable leases elsewhere.
3. Benefits of Slightly Exceeding Demand:
- A slight housing supply surplus benefits the local government.
 - Attracting new citizens and retaining existing ones is possible with stable rent prices.
 - This supports future population growth and tax base expansion without tax rate adjustments.
4. Developing Ahead of Demand:
- Constructing housing units proactively alleviates market pressure.
 - It ensures people can afford to stay in North Branch while saving for home purchases.

Forecasting Current Market Conditions

We can estimate the expected market supply and demand at certain intervals by understanding the growth rates for housing units and population and the average household size. In North Branch, the present state of the rental housing market is based on:

- Population Growth Rate = 1.89 %
- Housing Unit Growth Rate = 1.73 %
- Average Household Size = 2.70
- Population in 2020 = 10,787
- Total Housing Units in 2020 = 4,090

The current growth scenario will produce an ever-tightening market where prices increase as the available rental supply dwindles. By 2030, there will be a 37-unit surplus of all housing in the city, including rentals. Assuming development occurs proportionally between owned and rental housing units at the same rates of ownership and rental status, it is anticipated that this could yield a total surplus of 5 rental units. The implications are that employers may not find the housing conditions appealing to their workforce. North Branch is an attractive community, and people want to move here, evidenced by the continued growth rate, the growing student population in our schools, and developers continuing to build homes. However, this may slow down due to rising costs.

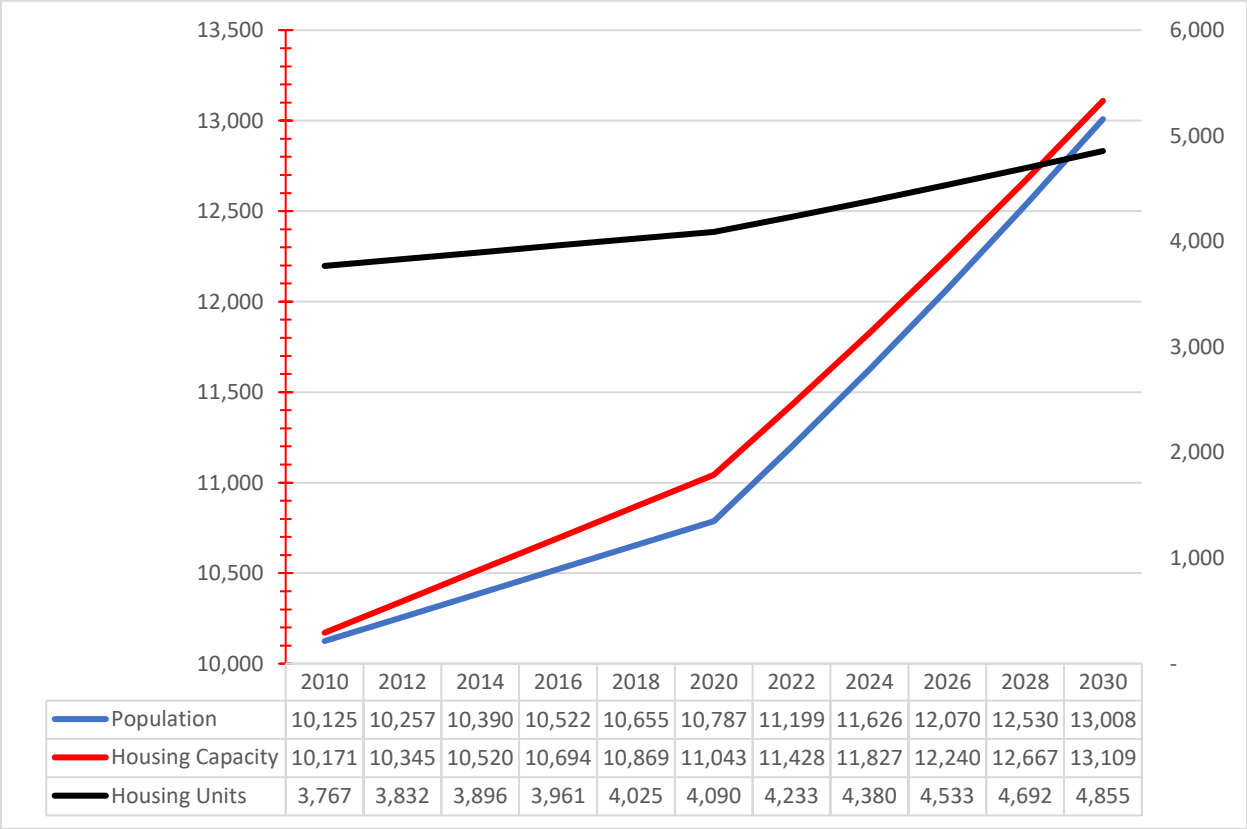


Figure 10: Housing Capacity of North Branch, Projected to 2030 (1.89% population growth).

Forecasting Market Conditions Based on 2000-2010 Growth Trend

The City of North Branch experienced 26.2% growth over the 2000-2010 decade. If the above assumptions remained constant for the current housing units, population, and housing unit production rate, the population growth rate would increase to 2.49% annually, slightly less than during the 2000s. If North Branch were to experience 2.49% annual growth, it would cause a general housing shortage of 254 units by 2030. This would have a significant effect on the city's pricing and growth. Assuming this shortage is proportional to the community's

ownership and rental distribution, that would still mean a 37-unit shortage of rental housing units.

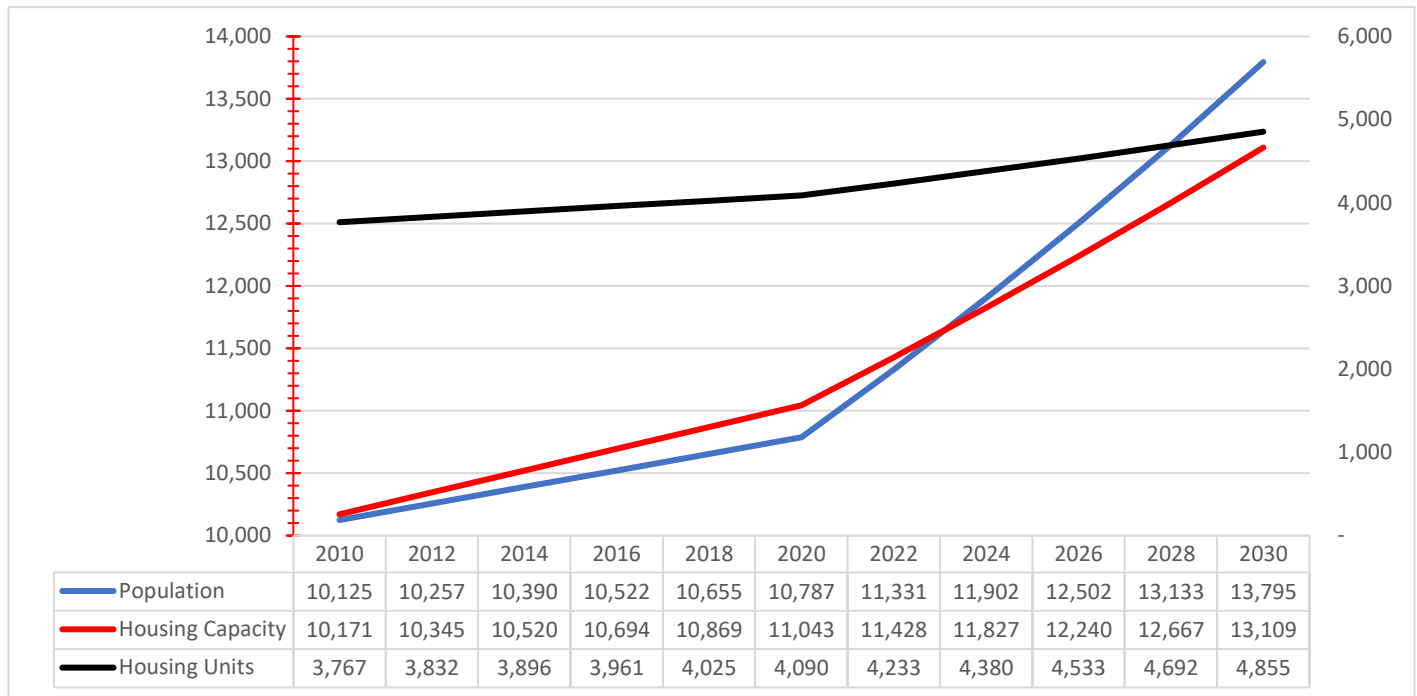


Figure 11: Housing Capacity of North Branch, Projected to 2030 (2.49% population growth).

Residential Building Permit Analysis

Upon review of the permitting data from 2020-2023, the average construction cost for a new single-family home has decreased by \$15,000. This indicates a recovery in the housing market and a decrease in inflation that should be reflected in lower housing costs. However, there is no evidence of housing prices decreasing, which indicates the housing supply is still lower than demand, resulting in greater consumer costs and higher developer profits. These trends contribute to the unavailability of ownership housing for residents; there may be a solution through non-traditional housing options referenced in the for-sale market analysis.

Table 7: North Branch Housing Construction Permitting Data 2020-2023

Year	Housing Units Constructed	Total Cost of All Projects	Cost per Unit Built
2023	98	\$ 15,566,448.00	\$ 158,841.31
2022	64	\$ 11,968,017.00	\$ 187,000.27
2021	102	\$ 16,768,813.00	\$ 164,400.13
2020	113	\$ 19,660,923.00	\$ 173,990.47

Zoning Analysis

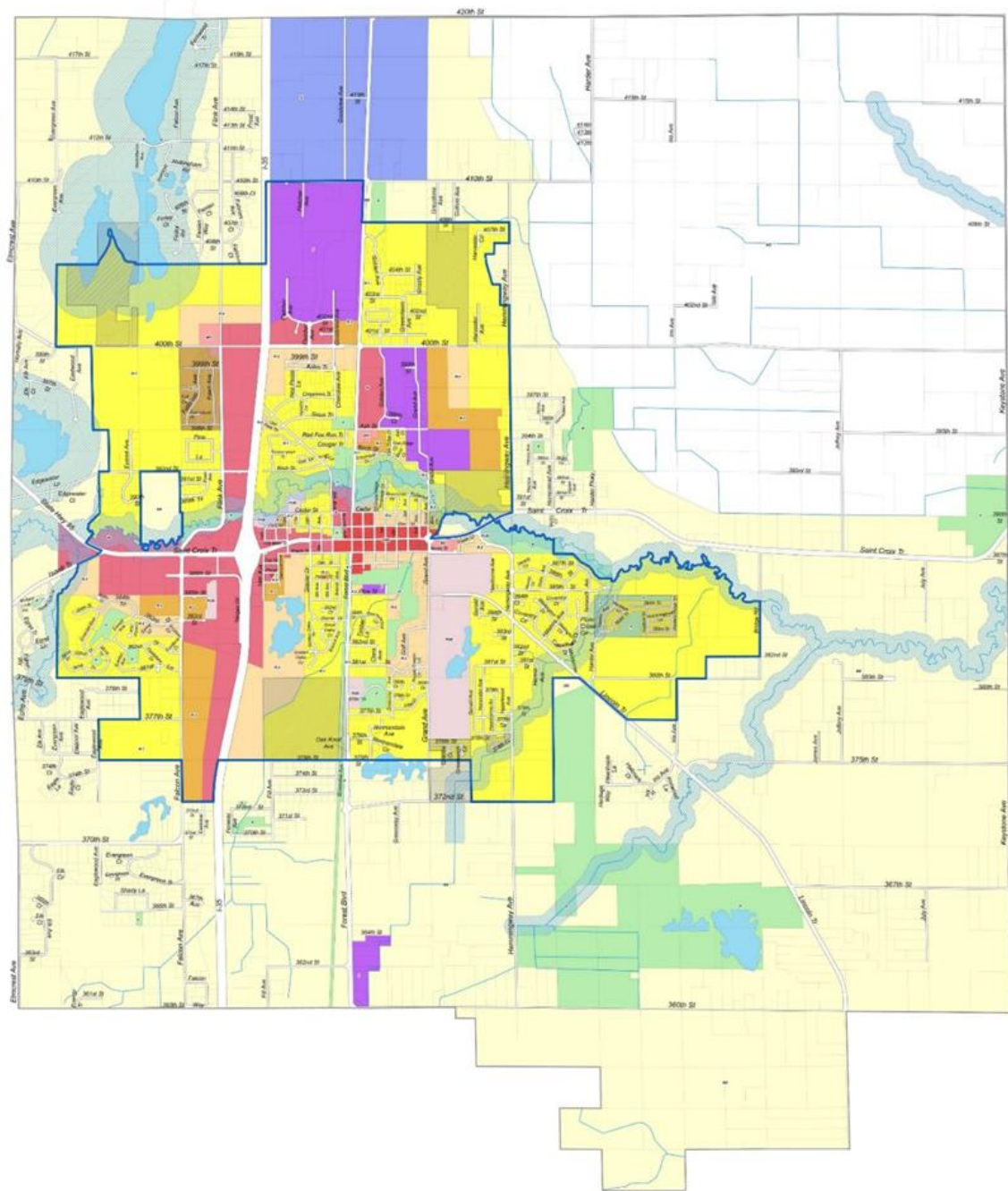
Service Areas

The City of North Branch is divided into an urban service area and a rural service area. The urban service area encompasses the city's core east from the intersection of I-35 and Highway 95 to Hemingway, plus another mile west of I-35, and north to south from 410th to 372nd streets. The central defining feature of the urban service area is sewer service, which is essential to multi-family development. The rest of the North Branch is in the rural service area, which lacks municipal sanitary sewer services. However, it is not impossible to expand sewer infrastructure if growth necessitates it. While in the rural service area, the city's northeastern quadrant is dedicated to agricultural uses. This area is undeveloped due to the soil not being conducive to residential or commercial development. The current Comprehensive Plan and Zoning code calls for a significant reduction in the rural service area, which has yet to be implemented fully.

Table 11: Sec 66-170 Establishment of Zoning Districts

AG	Agriculture
B	Business
BN	Business Neighborhood
CBD	Central Business District
I	Industrial
I2	Heavy Industrial
P	Park/Open Space
PUB	Public-Semi Public
R-1	Low Density Residential
R-2	Medium Density Residential
R-3	High Density Residential
RR	Rural Residential

Zoning Map



Zoning Map



Disclaimer: The City of North Branch provides this data "as is" without warranty or any representation of accuracy, timeliness or completeness. The data does not represent a survey. No liability is assumed for the accuracy of the data delineated herein, either expressed or implied.
March 2024

Source: [Layout1 \(revize.com\)](https://www.layout1.com/)

The North Branch Comprehensive Plan and Zoning Code locate higher residential uses adjacent to commercial activity centers at major intersections and along main transportation corridors. The Comprehensive Plan was updated in 2018 and defined the Future Land Uses (p22-23) as follows:

Table 12: Summary of Future Land Use - Source: [https://cms4files1.revize.com/northbranch/2018 %20North %20Branch %20Comp %20Plan.pdf](https://cms4files1.revize.com/northbranch/2018%20North%20Branch%20Comp%20Plan.pdf)

Summary of Future Land Use		
Future Land Use by Designation	Gross Acreage*	Net % of City
Agriculture (Ag)	5,271.4	22.9%
Rural Residential (RR)	9,992.6	43.3%
Low Density Residential (R1)	3,492.5	15.1%
Medium Density Residential (R2)	577.2	2.5%
High Density Residential (R3)	330.8	1.4%
Central Business District (CBD)	71.4	.3%
General Business District (B)	802.2	3.5%
Industrial District (I)	1,123.7	4.9%
*Gross acres determined by GIS mapping data do not include public and institutional areas separately defined under the proposed land use map.		

The following future land use categories allow residential dwellings:

Rural Residential corresponds to the RR-Rural Residential Zoning District. Land used in this category includes hobby farms and homes on large lots. The area is outside the designated Urban Service Area and is served by wells and individual septic systems. Individual lots must be a minimum size of one acre buildable. This is the lowest density in the **residential development** land use category.

Low-density residential corresponds to the R1-Single Family Zoning District. In this category, the land use is single-family detached homes served by municipal utilities. The density is limited to up to **4 dwelling units per acre**.

Medium-density residential corresponds to R2-Medium-Density Zoning Districts and typically consists of single-family homes on smaller lot sizes, townhomes, duplexes, and small-scale apartment and condo buildings served by municipal utilities. The density is limited to **6 dwelling units per acre**.

High-density residential corresponds to the R3-High-Density Residential Zoning District. This land use category consists of multiple families' attached vertically oriented housing, more commonly called apartments and condominiums, and served by municipal utilities. The density is set at **more than six dwelling units per acre up to 18 units per acre**.

Agriculture corresponds to the AG-Agriculture Zoning District and typically has a strong agricultural heritage. Single-family homes are present and are an accessory to the commercial operations of farms. Non-agricultural uses will be limited, and densities targeted in this category will be no more than **one dwelling unit per 10 acres**.

The Central Business District corresponds to the CBD-Central Business District Zoning District. Although several single-family homes currently exist in the Central Business District, new residential development should be part of a mixed-use plan with a balance of housing and commercial uses within a single building or complex. Single-family homes should be replaced with mixed-use structures as these homes become vacant or no longer suitable for residences. **No density is specified.**

Commercial / B - Business While there is general opposition to reducing commercial space in the city, the designated Commercial properties behind those located on transportation corridors are candidates for mixed-use and high-density residential uses.

Infrastructure Analysis

When presented with the housing map and its recommendations, the city engineer cited no “major issues with the proposed mixed-use locations in comparison to the existing comprehensive sanitary sewer and water plans.” However, it was also noted that the existing system will require expansion to meet the comprehensive plan objectives, which are less aggressive than the growth models used in this study. Most locations identified as opportunities for mixed-use development are ready in areas where the existing comprehensive plan proposed medium- and High-density residential or business development. The City Engineer recognized there were three areas where most of the suggestions were located and noted the following capacity-related information:

The area North of TH95:

“Much of the sewer and water system north of TH 95 is set up to handle the projected flows, and the proposed change to mixed-use will have little impact on that. A 20-inch water main is in place down Flink Ave, and an 18" sanitary sewer and 6" force main is available to serve future development, so there are no concerns about capacity in this area.”

Area west of I35 & south of TH95:

“The water supply should be fine in this location; however, trunk water and sanitary service need to be extended south of the Tanger Outlet Mall area (see water system figure below). Sanitary sewer improvements will be necessary for growth in the area regardless of land use. Improvements are also needed for lift station pump upsizing at the Tanger and Mystic lift stations. The 30" trunk sewer downstream has plenty of capacity.”

Area east of I35 & south of TH95:

“Trunk water and sanitary extensions will be necessary for growth in the area regardless of land use. Water access is available from the south terminus of 14th Ave, and looping to the west side of I-35 and the east side of Forest Boulevard would likely be necessary (see water system figure below). Sanitary sewer improvements will be necessary for growth in the area regardless of land use. Improvements needed would be trunk sewer extensions and lift station pump upsizing.”

Engagement

The City of North Branch sought public input as part of a comprehensive study to assess multi-family, workforce, and senior rental housing needs and plan for future development that aligns with those needs. The purpose of this study is to recommend immediate, short-term (up to 2030), and long-term (beyond 2030) approaches to meeting current and future rental housing needs, including:

- Quantitative metrics of a variety of rental property types.
- Analysis of the specific types of rental units the community demands, ranging from compact studios to more spacious three-bedroom options.
- In-depth exploration of the rental prices per unit to foster a comprehensive understanding of the local housing market.

- Highlighting the most immediate rental housing needs while projecting both short-term and long-term demands, ensuring a forward-looking and proactive focus.

The engagement conducted was framed around four guiding goals.

1. Ensure that project information is made available to the public clearly and effectively, especially regarding the type and need for rental housing.
2. Gather meaningful feedback from stakeholders to develop a community-supported rental housing study.
3. Ensure that stakeholder questions and concerns are heard and addressed.
4. Document what we heard and how that information was used in completing the study.

Summary of Engagement Strategies

Phase One

We created a series of outreach tools, including articles, a website, and social media materials for the steering committee to approve and get the word out about the study. These materials included access to a summary of existing community conditions to give every engaged party an accurate context for their views. During this period, a survey was conducted to get a broad view of the public sentiments on a few questions that are key to understanding rental housing in North Branch. Additionally, the city hosted a community conversation to inform and solicit more in-depth feedback from engaged community members on the housing market in the city.

Phase Two

After gathering this input from the public, we compiled data, conducted stakeholder interviews, and conducted focus groups to refine the study's perspectives on various aspects of the rental market. At this stage, the study analysis and recommendation are drafted, building on the responses from the public in phase one.

Phase Three

After the steering committee presents a draft document to the City of North Branch, it is published for public comment on the study. At this point, any revisions needed due to public sentiments or concerns will be addressed before presenting a finalized draft to the city.

Community Conversation

On March 21, 2024, a community meeting was held at North Branch Area High School for citizens to learn more about the state of the rental market in their community. In addition, this meeting allowed the public to interact with their leaders, such as the mayor, councilmembers, and the project steering committee, on where rentals could be located and what would be most beneficial to the community. The discussion with the public centered on three key questions.

Question 1: What does North Branch need?

While the responses varied, the group agreed, "It is obvious there is a housing crisis based on the market demand." This was followed up with an anecdote about a recent sale on the market

in less than a week, with seven offers for a 700-square-foot home sold at more than \$220,000. While not explicitly related to housing, the following things were discussed as missing from the city in a broader sense:

- A community center.
- Good restaurants.
- Attainable groceries in the city
- A plan for business development
- Urgent care and more medical service options
- More sense of community
- More businesses
- Activities for youth near housing
- Lower taxes or more tax base
- Nice sit-down restaurants that are attainable, family restaurants

Specifically, attendees noted that most people visit Cambridge for attainable grocery stores. While they recognize a supermarket in town as expensive, many people, especially seniors or those with fixed incomes, do not go there.

Question 2: What kind of housing do they want?

As the conversation turned to this topic, it became clear that there was a public misconception about attainable and workforce housing. Developing public knowledge of this topic may improve public perception of workforce housing geared toward 80-120 % of the annual median income. The public disfavored the term *affordable* and favored *attainable* housing but expected it to be market-driven and unincentivized, which may be challenging in the current market. Other thoughts that were brought up included:

- Innovative housing types, like the modular home community in Northfield. They liked this because the units were single-family homes that were attainable, energy-efficient, innovative, and owner-occupied.
- Housing that allows people to build wealth so that they can buy a house and move up to higher housing as they have families.
- Design is critical to making development acceptable to the community.
- Step-down housing is appropriate for seniors who want their own space but smaller; they don't want to do or can't do all the maintenance.

Question 3: Where should the housing go?

When the facilitated activity posed the question of where to place rental housing in the city in the future, the attending community members and the public came to the following conclusions:

- Housing with many bedrooms should not go by the railroad.
- Housing with families should be near the school for easy access for parents who drive kids to/from school and for kids who can walk and bike.

- Senior housing should go near health care, grocery stores, services,
- There should be workforce housing near the industrial park so workers can easily access jobs.

The primary site where people wanted to avoid seeing multi-family housing development was the lot where the old school building had been downtown. This 2.4-acre site has been the subject of community controversy for numerous years, and development there would further enflame these controversies.

Final thought: What role should the city play in the housing market?

As the community members left, they were asked to leave their final answers to this question on notes before they left. The following were the prevailing opinions of the group:

- A city provides planning and infrastructure behind the market but lets the market drive growth.
- Senior housing is OK. Any other government-supportive housing needs design control and should not be shifted to a different housing type.
- In decision-making, we should include local businesses, especially our largest businesses, and what their employees say about their housing needs.
- Ensure housing meets all the needs of new homeowners, move-ups, and seniors; even renters go through the stages of new renter, large rental, and senior rental.

Housing Expert Interviews

During the analysis of the rental housing market in the city of North Branch, we conducted interviews with the following stakeholders:

- Laird J. Mork – Property Owner
- Bruce Vanderwalk – Property Manager and Owner
- Katie Harris – Willow Grove Lp – Property Manager and Owner
- Peggy Splittstoser – Splittstoser Apartments – Property Manager
- Chisago County Housing and Redevelopment Authority – Representatives
- North Branch Area School District – Representatives from the Administration

Each interviewee was asked a series of questions on rental housing and development. These questions were the following:

1. What is your role or connection to rental housing? Are you a banker, realtor, landlord, developer, etc.?
2. What are your overall thoughts on how easy or difficult it is to develop rental housing in North Branch?
3. When undertaking rental housing development projects, have you encountered any specific challenges or limitations imposed by the existing city environment, regulations, procedures, or approvals? For example, Taxes, schooling, or employment?
4. In your experience, how would you better modernize the current development standards or approvals to attract rental housing development in North Branch?

5. What kind of support would you need to help build rental housing in North Branch?
Examples: reduced utility rates, funding for remodeling existing stock or building new units, and other financing.
6. What is your opinion on the types of housing units needed and preferred locations?
7. What rental housing projects would you like to see yourself developing in North Branch?
8. What is the outlook of the workforce in North Branch?

Findings:

- Developers did not recognize significant problems in developing housing; however, they did see a large demand for housing.
- Employers noted that there is a major need for housing because of the cost being so high.
- No policies were requested to help add development, but there was a clear recognition that more housing would not hurt their business.
- Developers are not encouraged to build in this finance market.

Survey Data Analysis

The city allows the community to participate by sharing thoughts via a survey. In total, 62 participants responded throughout March 2024, sharing their public opinion on critical questions related to housing and rental housing in the City of North Branch. This data is presented in this section through graphs. However, the wealth of insight gained from the additional commentary offered in the survey was invaluable to crafting recommendations in this study. The results of all engagement activities tended to reflect the results of this survey.

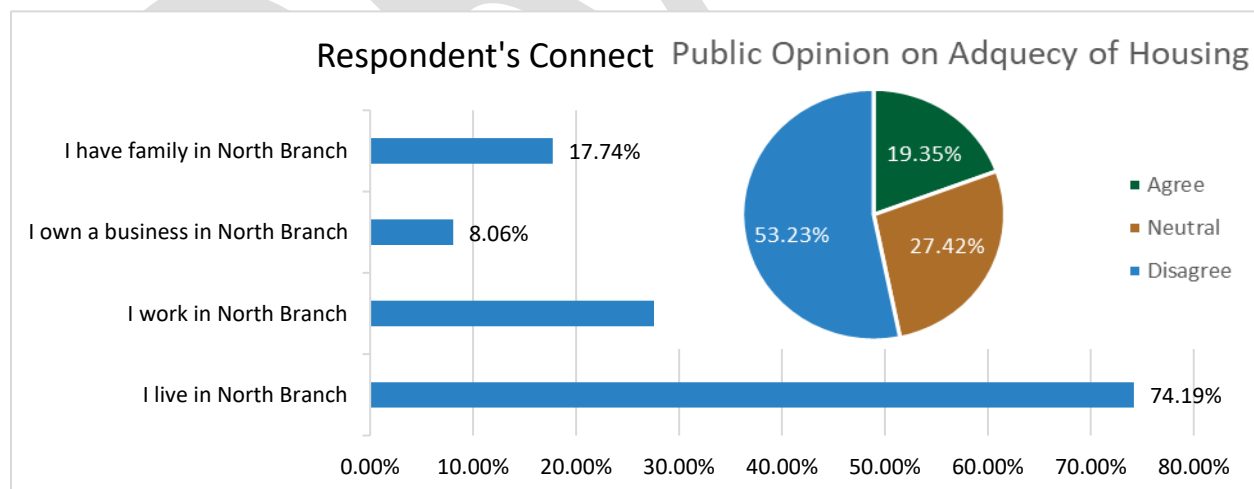


Figure 12: Public Opinion on Adequacy of Housing

From the first two questions, it became clear that the respondents were split on whether an adequate supply of quality housing choices was available.

When considering the top three issues related to rental housing in North Branch, cost and insufficient housing stand out as top concerns.

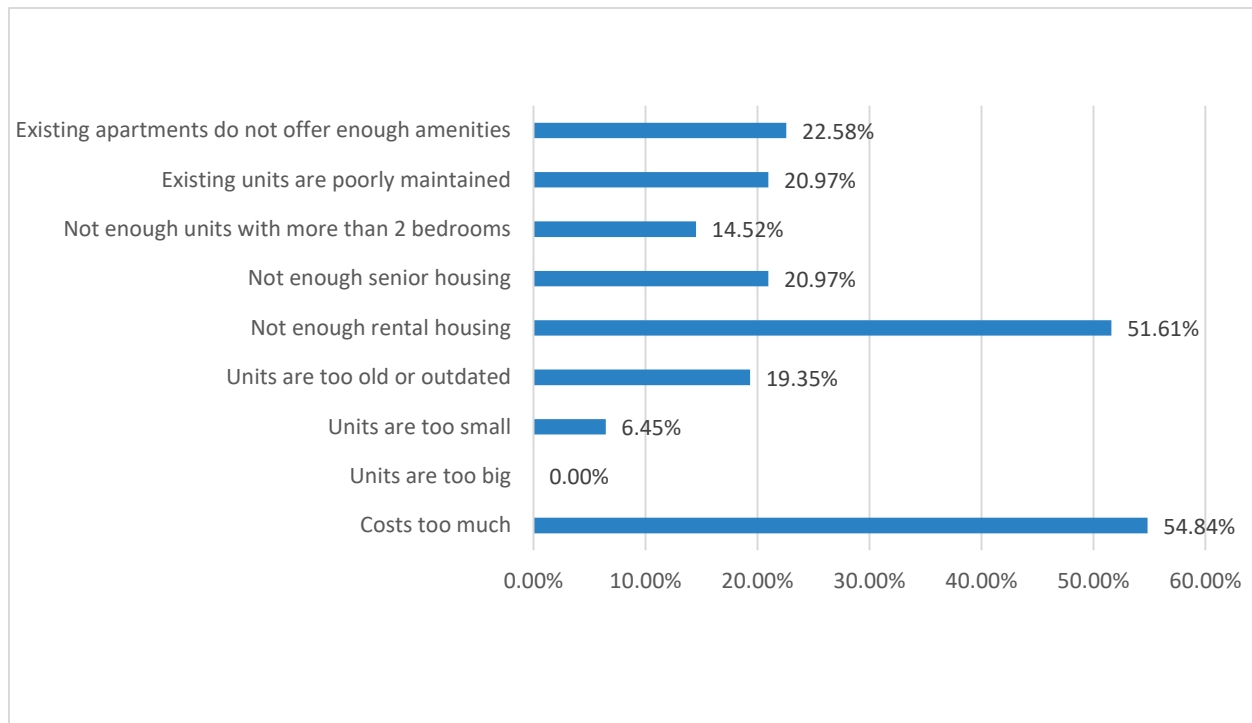


Figure 13: Top 3 Issues with North Branch Rental Housing

In addition, 24 respondents shared specific concerns. In general, open comments share:

- Concerns about the lack of wheelchair accessible/disability-friendly units and difficulty qualifying for income-based housing.
- There are mixed opinions on the need for rental housing. Some feel there are already enough options, but others call for more Incentivized and attainable housing.
- There is a desire for better support for mental health needs in existing apartment complexes and dissatisfaction with the quality of some rental properties.
- It calls for more diverse businesses and amenities instead of more rental housing, emphasizing entry-level homeownership opportunities and housing for veterans.
- Challenges regarding the high cost of homeownership and rental prices, particularly for retirees and low-income individuals

Respondents expressed a range of barriers to finding suitable residences in the North Branch. In addition to the answer choices provided, respondents expressed difficulty paying the high cost of utilities and property taxes, accessibility, and lack of public transportation. More than 71 % of respondents know someone currently looking for housing or rental housing, particularly for apartment and townhome rentals. There is an expressed need for attainable options.

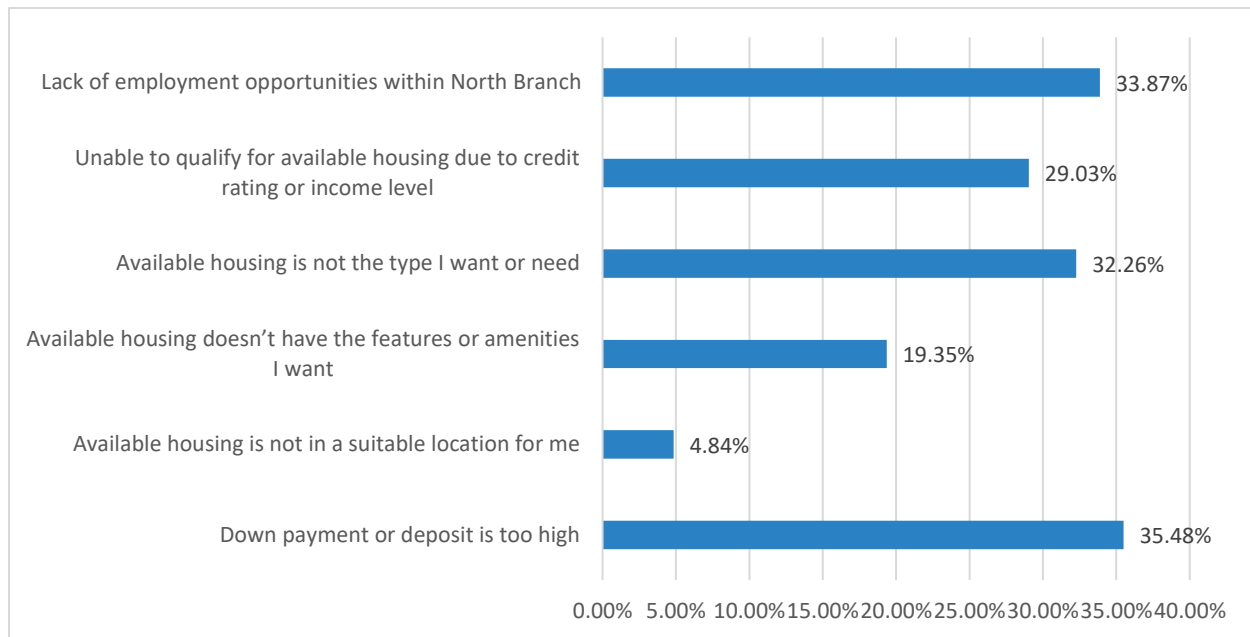


Figure 14: Barriers to Finding Suitable Housing Experienced in North Branch.

Respondents are evenly split when considering the best apartments or medium-density housing locations, with nearby shopping/dining and employment areas rising to the top. Regarding senior rental housing, respondents would like locations near shopping/dining and parks/recreational opportunities, as reflected in the following three graphs.

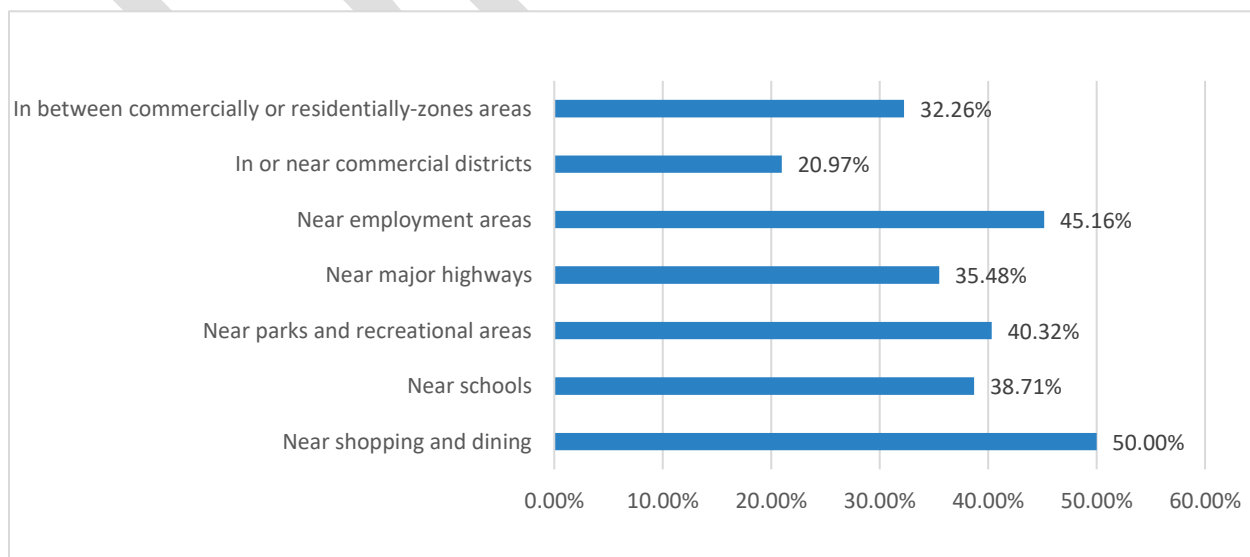


Figure 15: Public Preference for the Location of Apartment Housing in North Branch.

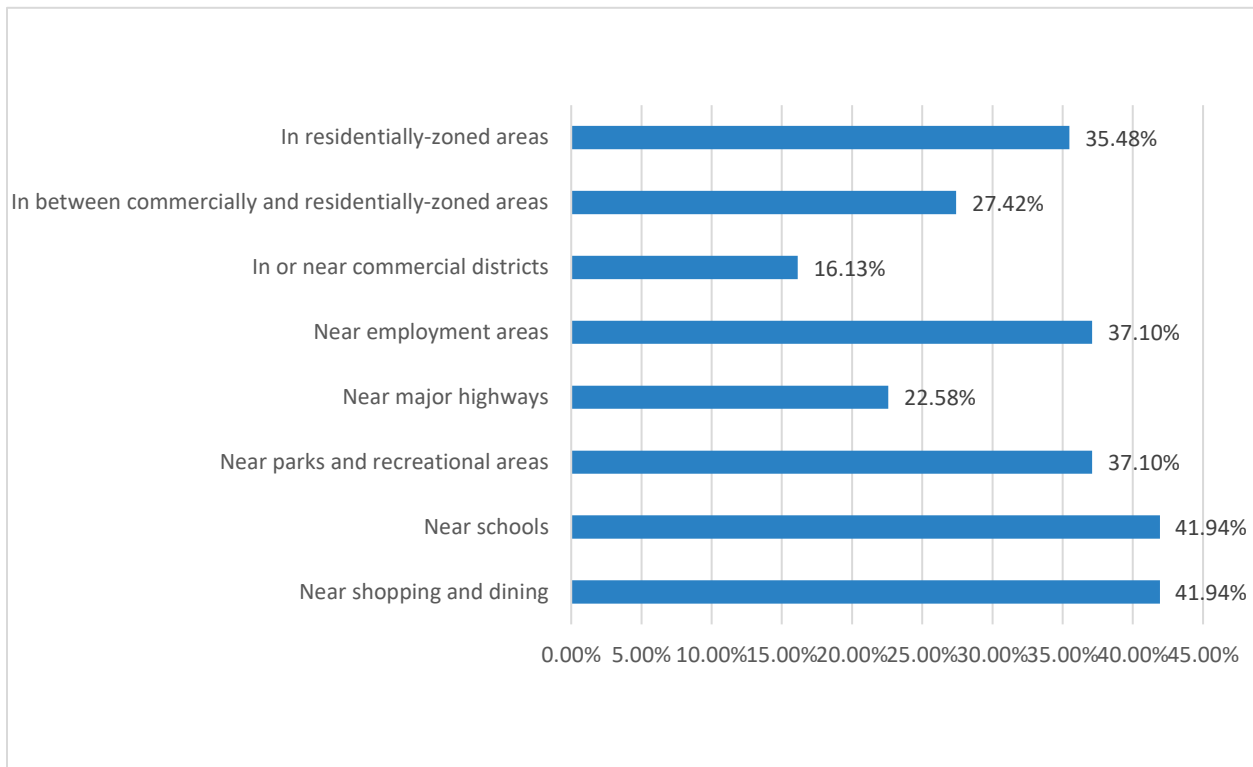


Figure 16: Public Preference for the Location of Medium -Density Housing in North Branch

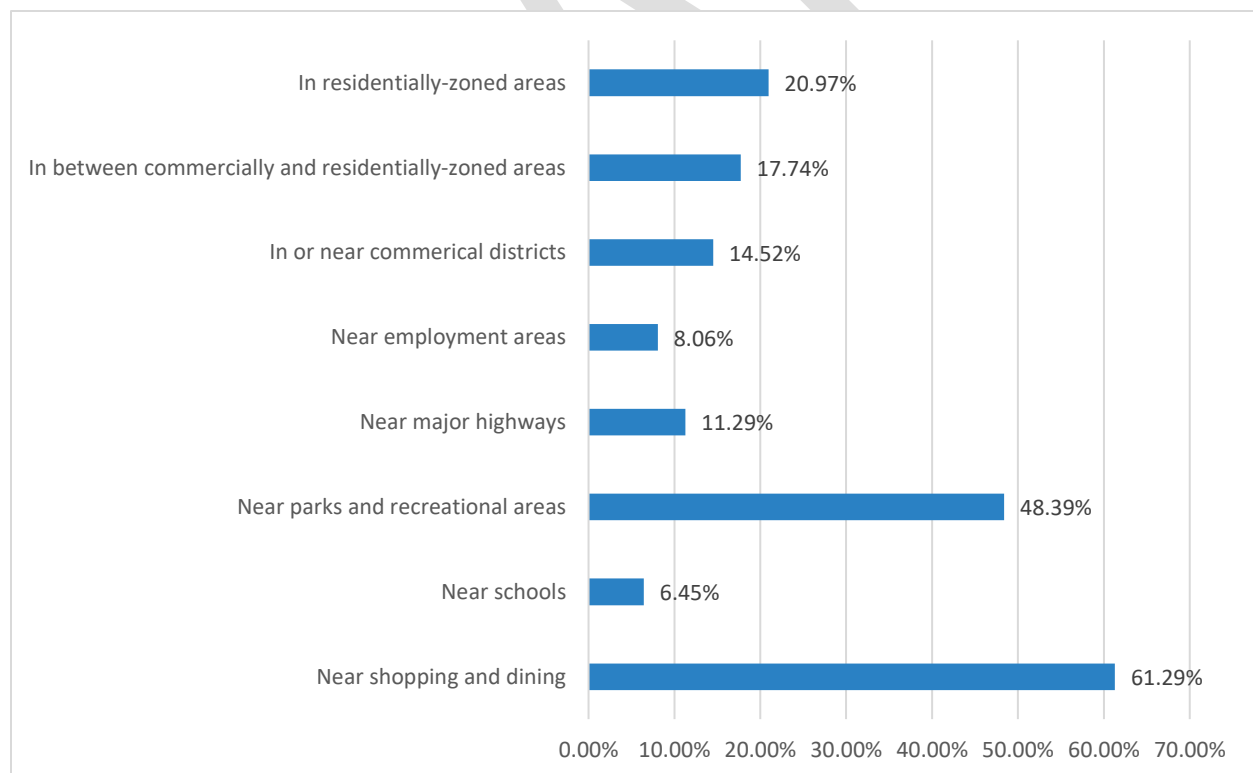


Figure 17: Public Preference for the Location of Senior Housing Units in North Branch

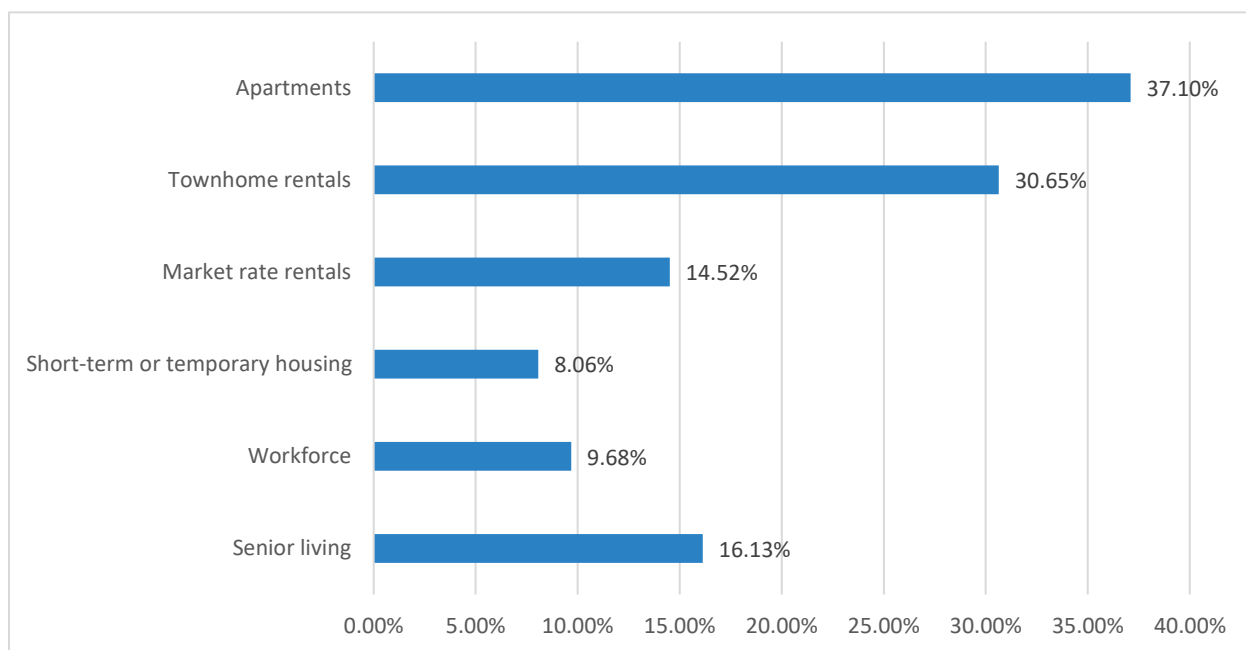


Figure 18: Rental Preferences of Rental Housing Seekers in North Branch.

Respondents shared 22 additional comments about rental housing in North Branch, including:

1. **Mixed experiences with housing affordability:** While some express gratitude for qualifying for loans and owning homes, others struggle with high rents, taxes, and utility costs, making it difficult to save for homeownership.
2. **Concerns about rental conditions and costs:** Renters report annual rent increases without corresponding improvements in maintenance or repairs, while others find it challenging to afford rentals due to low incomes.
3. **Desire for diverse housing options:** Residents call for more attainable rental housing, particularly for seniors, and suggest alternatives like tiny home villages or senior townhomes.
4. **Criticism of utility costs and taxes:** Many residents express dissatisfaction with high water utility and property taxes, suggesting they must be addressed before focusing on housing expansion.

When envisioning the community's future, Suggestions included integrating retail and housing developments, improving rental design and amenities, and balancing low-income and higher-end housing to attract businesses and maintain a visually appealing cityscape.

Strategies and Recommendations

Recommendation 1: Establish a Housing & Redevelopment Authority.

Strategies

Organizing and executing all housing-related policies and redevelopment efforts under one agency allows for specialized attention to key issues that time limitations prevent existing city staff from addressing effectively. A Housing and Redevelopment Authority (HRA) maintains subject matter experts on staff who can monitor existing problems and seek external resources, from partnerships with housing organizations to state and federal grants, to provide solutions in the community. By allocating resources towards an HRA, the city can streamline this process and increase the productivity of housing efforts by uncoupling these duties organizationally from the city's Community Development Department.

1. **Program Establishment and Management:** Any housing programs established by the city related to development or the quality of the existing housing stock would be under the HRA's direction and could be structured to be under the city council's authority. Centralizing these functions and potentially sharing staff could be an initial step to testing this strategy. This anticipates starting with a skeleton staff composed of an HRA manager and a Grant Writer. The Grant writer could also help with grants beyond the HRA and support other city departments. The average salary for a Housing Manager in Minnesota is \$53,542, and Grant Writer is \$63,9458 Per year (salaries and benefits). This may require a ballpark budget of \$130,000-\$150,000 and further assessment.
2. **Resources Capture:** One of the HRA's functions is to secure and manage the dispersal of resources to achieve the city's housing goals. This could involve creating partnerships with housing organizations applying for state and federal grant money to help ensure adequate resources are available to owners, tenants, landlords, and developers to serve their diverse needs. Resources for homeowners to make improvements that allow existing housing to accommodate growing families are one example of funds that an HRA could request from a state or Federal agency to receive and redistribute.
3. **Quality Monitoring:** Currently, the city does not conduct rental licensing or inspection activities, but the HRA could be a pathway towards the city establishing these procedures and codes to ensure that the rental stock increases in quality.

⁸ (1) Housing manager salary in Minnesota - Indeed.
<https://www.indeed.com/career/housing-manager/salaries/MN>.

4. **Innovation Generation:** As the employees for this new organization would likely come from the existing field, they will have industry knowledge and insight that will provoke new ideas and solutions.

Timeline:

Short-Term—The sooner the city creates an HRA, the easier it will be to focus on housing solutions and implement housing recommendations. The HRA would implement and execute all other recommendations listed in these recommendations, with the city council as its authority and final approval body.

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Recommendation 2: Establish a rental licensing and inspection program.

Strategies:

The observation from the survey highlights existing maintenance issues in the rental stock, emphasizing the need to monitor landlords operating in the city. In a market with limited available units and few housing options for tenants, landlords may lack incentives to maintain their properties. Consequently, units can deteriorate, becoming community eyesores. Legal mechanisms, such as rent increases during lease renewals and minimal maintenance requirements, can further exacerbate this situation. To address this, the city should monitor rental properties, assess their quality, and collaborate with landlords to ensure compliance with standards and policies.

1. **Consumer Protection:** With city oversight, tenants will have a greater degree of protection from poor-quality rentals and housing units that are not up to code. This also allows the city to enforce uniform standards and code violations.
2. **Improved Rental Stock Quality:** Well-understood and predictable standards and enforcement will improve the community's housing stock.
3. **Clear communication with Landlords:** The licensing process will encourage landlords to engage with the city, schedule inspections, and apply for rental licensure. This interaction can foster clearer communication between the city and housing providers, promoting better collaboration and understanding.

Timeline:

Mid-term—They could take on this function but may need certain training and certifications in the codes adopted.

Recommendation 3: Create or Support programs to transition rental tenants into home ownership.

Strategies

Ensuring affordable housing is crucial for people's well-being. Potential homeowners may remain in their current residences when housing prices are prohibitively high. To address this, consider the following strategies:

1. **Financial Assistance Programs:** Partner with national and community banks or financial institutions to create down payment assistance, low-interest loans, and grants for first-time homebuyers. These programs reduce upfront costs and make homeownership more accessible.
2. **Homebuyer Education and Counseling:** Offer education and counseling services to rental tenants interested in buying a home. Provide information on homebuying, financial planning, and mortgage navigation.
3. **Attainable Housing Development:** Invest in community land trusts or cooperative housing models. These create low-cost housing options for renters transitioning to homeownership. Prioritize smaller dwellings for lower-income individuals and families.
4. **Rent-to-Own Programs:** Establish rent-to-own options, allowing tenants to build equity while renting. After a set period, they can purchase the home at a predetermined price.
5. **Partnerships with Financial Institutions and Nonprofits:** Collaborate with organizations to offer specialized mortgage products, financial literacy workshops, and homeownership grants for low- and moderate-income individuals.

Timeline

Long-term—These programs will take time to fund and set up and are unlikely to take 1-5 years.

Recommendation 4: Facilitate Zoning Code changes to accommodate new housing units.

Strategies

Ensuring attainable housing is crucial for people's well-being. Potential homeowners may remain in their current residences when housing prices are prohibitively high. To address this, consider the following strategies:

1. **Zoning Code Streamlining:** Simplify and streamline the zoning code to allow more housing units by right. This means no land entitlement is required—just building permits for duplexes and triplexes in most residential zones. Consider revising zoning regulations to permit higher densities, reduce minimum lot sizes, and relax restrictions on accessory dwelling units (ADUs) or granny flats. Removing unnecessary barriers encourages additional housing construction without compromising quality or design standards.
2. **Mixed-Use Zoning:** Implement mixed-use zoning districts that combine residential, commercial, and recreational uses in the same area. This optimizes land use efficiency, creates walkable neighborhoods, and fosters economic growth. Suggest an 80% commercial to 20% residential ratio via zoning.
3. **Infill and Redevelopment:** Maximize previously built spaces through infill development. Strategies like cluster development increase the benefit-to-cost ratio. Allow underutilized properties to be redeveloped for residential or mixed-use purposes, respecting community history.
4. **Innovative Housing Solutions:** Explore tiny homes, co-housing developments, modular construction, and adaptive reuse of existing structures. These options provide sustainable housing choices while minimizing environmental impact. Encourage energy-efficient and green building practices.
5. **Community Engagement and Design Guidelines:** Involve residents in planning by gathering input on proposed zoning changes. Develop design guidelines prioritizing compatibility with existing neighborhoods and enhancing overall development quality.
6. **Increased Density for Housing Goals:** Consider allowing development to exceed maximum units per acre by up to 20% if it aligns with City Housing Goals for workforce, attainable, and senior housing at necessary AMI and rental rates.

Timeline

Short-Term – A zoning code amendment and adoption process could be finished in a year.

Recommendation 5: Attract and encourage construction that adds housing units with three or more bedrooms.

Strategies

Recognizing the high demand for housing options accommodating three or more occupants, particularly families, North Branch should prioritize units with three or more bedrooms. This approach supports the city's growth and addresses affordability by providing cost-effective housing options. Consider the following strategies:

1. **Incentives for Larger Unit Development:** Offer density bonuses, expedited permitting, or fee waivers to developers who commit to constructing units with three or more bedrooms. Encourage larger unit sizes to meet the needs of families and other household types. Public-private partnerships can leverage resources for large-scale housing projects.
2. **Flexible Housing Design:** Promote adaptable living spaces through flexible design. Incorporate convertible rooms, multi-functional layouts, and modular construction techniques. Residents can customize their environments to evolving needs while maximizing available space.
3. **Affordability Measures:** Implement subsidies, rental assistance programs, or inclusionary zoning policies. Ensure larger units remain accessible to low- and moderate-income households. Address socio-economic diversity and equity in housing opportunities.
4. **Community Amenities and Services:** Enhance neighborhood amenities—parks, recreational facilities, schools, and childcare centers—to create family-friendly environments. Access to transportation and healthcare services improves residents' quality of life.

Timeline

Short-Term—Staff in-house or a consultant could actively examine city codes to diagnose conditions that impede housing development. Implementing suggested changes could occur shortly after the code is revised to reflect any recommendations appropriate to the city's direction.

Recommendation 6: Incentivize the development of rental properties in North Branch.

Strategies:

Addressing the housing crisis requires multifaceted solutions. Collaboration among policymakers, developers, and communities is crucial. By implementing these strategies, a more equitable and accessible housing market is possible. The following recommendations can alleviate the shortage of attainable housing:

1. Community Engagement:

- Engage with local communities to gain support for rental housing developments.
- Conduct outreach efforts to educate residents about the benefits of rental properties.
- Address concerns and incorporate community feedback into development plans.
- Building consensus and fostering community involvement can help overcome opposition and expedite the approval process for rental projects.

2. Zoning and Regulatory Support:

- Streamline zoning regulations and permit processes to facilitate the development of rental properties.
- Implement flexible zoning codes that encourage mixed-use developments and higher density in strategic locations (e.g., commercial nodes and transit corridors).

See Housing Map – Included on page 55.

- Create multi-family residences outside traditional neighborhoods to meet the public's desire for diverse housing options.
- Consider traditional buffering between low-density residential and commercial uses, with high-density residential as the buffer.

3. Financial Incentives:

- Explore financial programs that incentivize developers to build rental properties.
- These incentives can offset the high cost of land and construction, making rental development more financially viable.
- Public-private partnerships can also be leveraged to share risks and resources in developing attainable rental housing.

4. Infrastructure Investments:

- Invest in infrastructure improvements (e.g., roads, utilities, public transportation) to support new rental developments.
- Enhancing infrastructure in targeted areas can attract developers and increase the attractiveness of rental properties for tenants.

5. Affordability Requirements:

- Implement affordability requirements or inclusionary zoning policies.
- Mandate a certain percentage of rental units be reserved for low- and moderate-income households.
- This ensures that new rental developments address the city's affordability crisis and provide housing options for diverse residents.

Timeline

Long-Term - These programs will likely take 3-5 years to establish.

Recommendation 7: Incentivize the upkeep and upgrade of existing rental properties and naturally occurring affordable housing (NOAH)⁹.

Strategies:

Encouraging rental property owners to prioritize maintenance and enhance the quality of existing rental housing is crucial. Here are recommendations to achieve this:

1. Tax Incentives:

- Support rental property owners who invest in maintenance and upgrades.
- Consider tax deductions for renovation expenses, property tax abatements for safety or energy-efficient improvements, or state/federal tax credits for participating in maintenance programs.

2. Low-Interest Loans:

- Build partnerships with local financial institutions, lenders, and attainable housing organizations.
- Provide low-interest loans or financing options for maintenance and repair projects (e.g., roofing repairs, HVAC upgrades, plumbing renovations).

3. Grant Programs:

- Establish grants to assist rental property owners with essential maintenance and safety improvements.
- Target grants toward low-income neighborhoods or properties needing substantial repairs (e.g., lead paint remediation, asbestos removal, structural enhancements).

4. Technical Assistance and Training:

- Collaborate with local and state housing partners to offer technical assistance and training programs.
- Educate rental property owners on maintenance best practices, building code compliance, and energy efficiency measures.
- Provide resources, workshops, and access to experts in construction and sustainable building practices.

5. Fast-Track Permitting and Inspections:

- Implement streamlined permitting processes and expedited inspections for maintenance and improvement projects.
- Reduce bureaucratic hurdles to encourage prompt action and timely completion of repairs.

6. Public Recognition and Certification Programs:

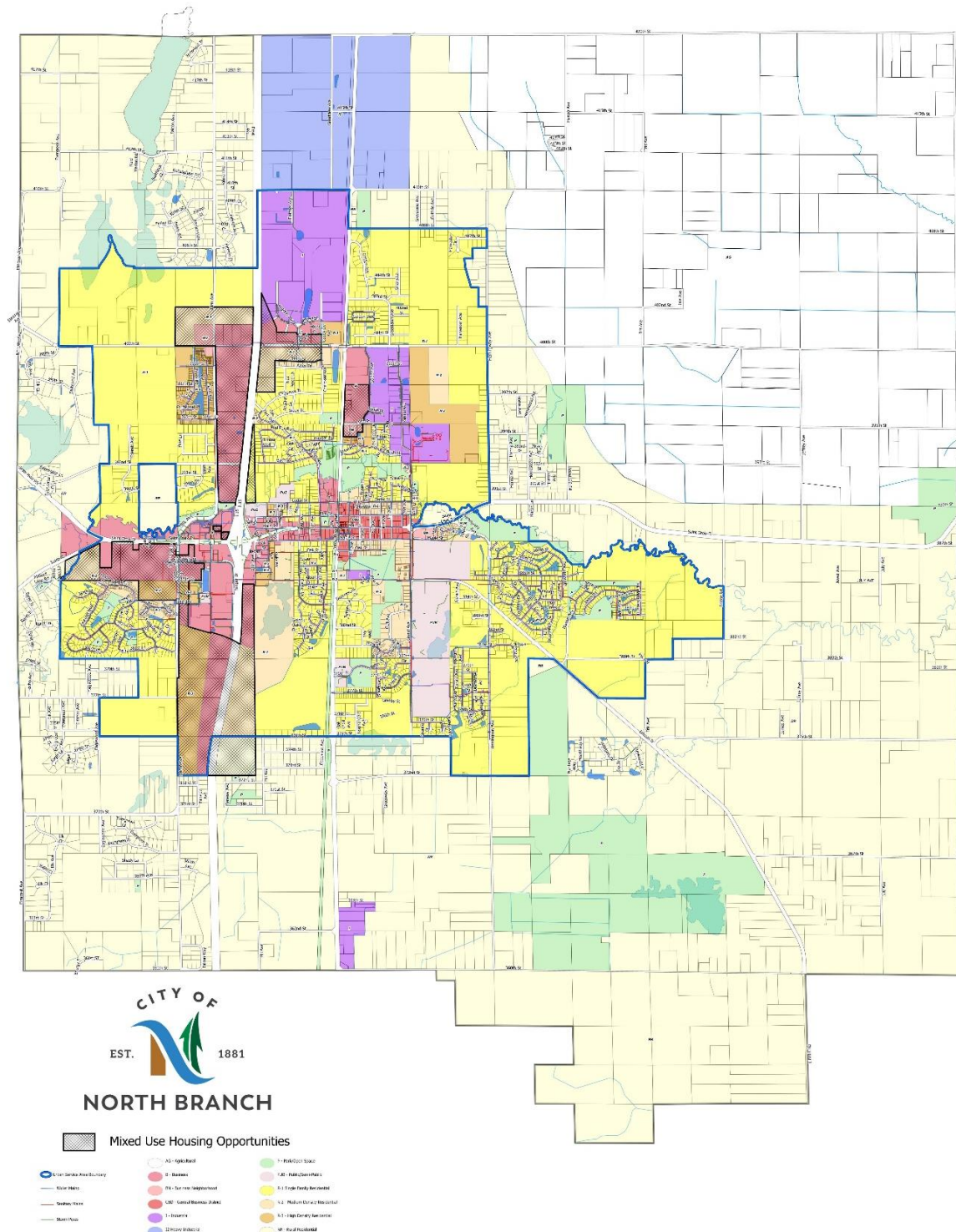
⁹ Naturally Occurring Affordable Housing (NOAH) refers to privately-owned and -operated rental housing units that are affordable without government subsidies. These unassisted rental buildings typically have lower rents due to their location in lower-cost markets.

- Establish programs to acknowledge rental property owners who maintain high standards.
 - Recognize landlords committed to property maintenance, tenant safety, and community engagement.
 - Incentivize others to follow suit by highlighting successful examples.
7. Partnerships with Nonprofit Organizations:
- Collaborate with nonprofit groups, community development corporations, and housing advocates.
 - Provide additional support and resources to rental property owners.
 - Focus on outreach efforts, educational campaigns, and technical assistance programs.
8. Tenant Incentives:
- Offer incentives to tenants who promptly report maintenance issues and actively care for their rental units.
 - Provide rent discounts, rebates, or lease incentives for tenants involved in property improvement initiatives.
9. Performance-Based Incentive Programs:
- Reward rental property owners based on overall property condition and maintenance.
 - Develop criteria for evaluating compliance with building codes, tenant satisfaction, and inspection results.
 - Offer financial rewards or reduced regulatory burdens for maintaining high property upkeep standards.

Timeline

Long-Term—These programs will take over 3-5 years to establish.

A Housing Map-1 is provided based on input, data analysis, and current zoning regulations. The city should consider allowing higher residential densities adjacent to commercial nodes and activity centers. The hatched areas suggest locations suited for mixed-use of housing and commercial uses.



Resources

Based on the recommendations in this document and the direction provided by the steering committee, the City of North Branch's may achieve these objectives by soliciting grant funding. The City could apply for several state and federal grants to assist in projects that benefit the public. Each of the following grants fits with a recommendation in this study or several. These are organized in the following table. Grant information is based on information available at the time this report was drafted July 2024.

Program: Thriving Communities Technical Assistance					
Description	Administering Agency	Qualifying Eligible Cost	Match	Award Size	Link
The TCTA program is designed to support the coordination and integration of transportation and housing in infrastructure planning and implementation.	US Department of Housing and Urban Development	Technical assistance for integrating housing into other projects and plans.	None N/A	None N/A	Thriving Communities Technical Assistance Program HUD USER
Recommendations applicable to grant: Recommendations 5, 6					

Program: Small Community Planning Grants for Stormwater, Wastewater, and Community Resilience					
Description	Administering Agency	Qualifying Eligible Cost	Match	Award Size	Link
Funding to help communities with climate-planning projects to assess vulnerabilities and plan for the effects of climate change on stormwater systems, wastewater systems, or community services/public spaces.	Minnesota Pollution Control Agency (MPCA)	Planning activities for stormwater, wastewater, and community resilience.	10%	\$350,000 available in total	Closed: Planning grants for stormwater, wastewater, and community resilience Minnesota Pollution Control Agency

					state.mn.us
Recommendations applicable to grant: Recommendation 4					

Program: Choice Neighborhood Planning Grants					
Description	Administering Agency	Qualifying Eligible Cost	Match	Award Size	Link
Supports the development of comprehensive neighborhood revitalization plans, which focus on directing resources to address three core goals: Housing, People, and Neighborhoods.	US Department of Housing and Urban Development	Costs related to developing and implementing a comprehensive neighborhood revitalization strategy or Transformation Plan.	5%	Historical max is \$1.5m	Fiscal Year 2024 Choice Neighborhoods Planning (CNP) Grant HUD.gov / U.S. Department of Housing and Urban Development (HUD)
Recommendations applicable to grant: Recommendations 5, 6					

Program: MN Active Transportation Program Planning Assistance Grant					
Description	Administering Agency	Qualifying Eligible Cost	Match	Award Size	Link
Funding to allow communities to create active transportation plans that allow people in their communities to safely walk and bicycle to destinations where they live, work, and play.	MnDOT	Planning services from a selected transportation planning consultant	N/A	Up to \$400,000	Planning Assistance Solicitation Guide - Active Transportation Program - MnDOT (state.mn.us)
Recommendations applicable to grant: Recommendation 4					

Program: Small Cities Development Program					
Description	Administering Agency	Qualifying Eligible Cost	Match	Award Size	Link
Funds are granted to local units of government, which, in turn, lend funds to rehabilitate local housing stock, rehabilitating wastewater treatment systems,	MN Dept of Employment and Economic Development	Housing, public facilities, or comprehensive projects	Varies by project	\$600k single-purpose project, \$1.4M	Small Cities Development Program / Minnesota Department of Employment and Economic Development (mn.gov)
Recommendations applicable to grant: Recommendations 1, 5, 6,					

Program: Resilient and Efficient Codes Implementation Funding Opportunity					
Description	Administering Agency	Qualifying Eligible Cost	Match	Award Size	Link
The primary focus centers around updating to more efficient building energy codes that save money for American homes and businesses, reduce greenhouse gas (GHG) emissions, and encourage more resilient buildings	US Dept of Energy	Funds to upgrade building codes	None	\$500k-\$10m	Resilient and Efficient Codes Implementation (RECI) 2024 - Energy Communities
Recommendations applicable to grant: Recommendation 4					

Program: Rural Community Development Initiative Grants					
Description	Administering Agency	Qualifying Eligible Cost	Match	Award Size	Link
RCDI grants are awarded to help non-profit housing and community development organizations, low-income rural communities, and federally recognized tribes support housing, community facilities, and community and economic development projects in rural areas.	USDA	To improve housing, community facilities, and community and economic development projects in rural areas.	Equal match	\$50k min - \$250k max	Rural Community Development Initiative Grants Rural Development (usda.gov)
Recommendations applicable to grant: Recommendations 1, 2, 5, 6, 7					

Appendix A: Rental Unit Inventory

Name or Owner	Address	Year Built	Units	Type	Unit Size	Cost	Status	Amenities
Cronos Holdings LLC	6599 Main St		2	Duplex		-	-	
Brizo Holdings LLC	39057 2nd Ave		3	Triplex		-	-	
Cedar Street LLC	6578 Cedar St 6576 Cedar St 6574 Cedar St		3	Single Family Home and Duplex		-	-	
Laird J Mork	38934 12th Ave		4	Multi-family Market Rate		-	-	
Bruce Vandewalker	5900 Elm St		7	Multi-family Market Rate		-	-	
Bruce Vandewalker	5904 Elm St		7	Multi-family Market Rate		-	-	
Cedarview Apartments	38980 10th Ave		4	Quadplex		-	-	
Elmwood Terrace LLC	5892 Elm St	1980 c.	7	Multi-family Income restricted	-	-	Non-Available	Laundry Facility, Controlled Access Entry, Heat, Water, and Trash Included, 24 Hour Maintenance, Air Conditioning, Garage Available, Off-Street Parking, Picnic Area
Elmwood North Branch LLC	5896 Elm St	1980 c.	7	Multi-family income restricted	-	-	-	
KC Rabobank LLC	38725 Oakview Ave	1976	8	Multi-family Market Rate	-	-	-	-
KC Rabobank LLC	5901 Maple St	1976	8	Multi-family	-	-	-	-

Name or Owner	Address	Year Built	Units	Type	Unit Size	Cost	Status	Amenities
				Market Rate				
Oakview Terrace Townhomes	5845 Oak St	1990 c.	12	Townhomes	1,134 - 1,358 Sq Ft	\$1,074 - \$1,180	-	-
Oakhurst Apartments	38671 Oakview Ave	1990 c.	24	Multi-family Market Rate	594-1,050 Sq Ft	\$629 - \$724	Non-Available	-
Kestrel Meadows	38518 Oakview Cir	1990 c.	30	Townhomes, Income Restricted	-	-	-	Washer/Dryer, Large Closets, Patio/Balcony, Dishwasher, Air Conditioner, Disposal, Playground, Garage, Off-Street Parking
Willow Grove Lp	38485 14th Ave	2010 c.	20	Multi-family Market Rate		\$985	One available	Central Air, Dishwasher, Case Management M-F, Common Laundry, Community Room, Controlled Entry, Designated Smoking Area, Tele-Health Room
Encore At the Twin Cities LLC	38610 14th Ave		30	Assisted Living		The local average assisted living cost is \$3042 - \$3260.	-	On-site dining in a social setting, Garden patio with raised planters, Spacious community room, Beauty salon, Spa/boutique

Name or Owner	Address	Year Built	Units	Type	Unit Size	Cost	Status	Amenities
Uptown Maple Commons	38799 7th Ave	2000 c.	40	Independent Living/ Incentivized Housing	569 - 729 Sq Ft	-	-	Laundry Facilities, Planned Social Activities, Clubhouse, Spa, Picnic Area
Cherokee Place Apt, LLC	6220 399th St	2000 c.	48	Patio homes, income limited	887 - 1,224 Sq Ft	-	-	Washer/Dryer, Refrigerator, Air Conditioner, Community Amenities, Off-Street Parking, Clubhouse, Fitness Center, Garage, Playground
Heritage Court Apts	39909 Cherokee Ave	2000 c.	32	Independent Living 55+ Income limited	887 Sq Ft	\$529 - \$917	Non-Available	Units are provided with; Central air, washers and dryers, dishwashers, and a secure storage area. <i>Community amenities include an attached Heated Underground Garage, Community Garden, Community Room, Controlled Entrance, Dog Run, Dog Wash Station, Pavilion, Secure Package Room, Smoke-Free, Tele-Health Room, Tenant Service Coordinator - Part-Time, Trash Rooms, Tub Room</i>
Shields Plaza North Branch, LLC	6100 Cedar St	1978	49	Multi-family Market Rate	635 - 1000 Sq Ft	-	Non-Available	Property Manager on Site

Name or Owner	Address	Year Built	Units	Type	Unit Size	Cost	Status	Amenities
Splittstoser Apartments	6426 Birch St	2000	23	Patio Homes	800 Sq Ft	-	Non-Available	High-Speed Internet Access, Washer/Dryer Hookup, Air Conditioning, Smoke-Free Wheelchair Accessible (Rooms), Dishwasher, Oven, Refrigerator
Kelly Brothers Ltd	6444 Birch St	2004	24	Multi-family Market Rate	700 –968 sq ft	\$990	Non-Available	High-Speed Internet Access, Air Conditioning, Smoke-Free, Cable Ready, Security System, Tub/Shower, Intercom, Wheelchair Accessible (Rooms)
Kelly Brothers Ltd	6470 Birch St	2004	30	Multi-family Market Rate	700 –968 sq ft	\$990	Non-Available	
Ashwood Apts	6499 Ash St	2004	32	Multi-family Market Rate	700 –968 sq ft	\$990	Non-Available	
Ashwood Apts	6495 Ash St	2004	24	Multi-family Market Rate	700 –968 sq ft	\$990	Non-Available	
Northern Oaks	6188 Pecan St	1970 c.	12	Independent Living 55+ Market Rate	594 Sq Ft	\$885 - \$1,015	Non-Available	Community Room, Heat, Water, and Trash Included, Controlled Building Access, 24-Hour Emergency Maintenance, Pet Friendly, Cable Ready, BBQ Grilling Area, High-Speed Internet Available, Laundry facilities on the property are operated, Located in a Residential Neighborhood

Name or Owner	Address	Year Built	Units	Type	Unit Size	Cost	Status	Amenities
Falcon Apartments of North Branch, Llp	5371 385th St, 5385 385th St, 5370 383rd St, 5370 383rd St	2022	144	Multi-family Market Rate	957 Sq Ft	\$960-\$1,410	9 Available	Community-Wide WiFi, Laundry Facilities, Controlled Access, Property Manager on Site, Pet Play Area, Elevator, Business Center, Multi Use Room, Fitness Center, Pool, Playground, Grill
Ecumen North Branch	5379 383rd St	2016	119	Assisted Living	569 - 886 Sq Ft	The local average assisted living cost is \$3042 - \$3260.	-	Beauty shop and barber services, Calendar of daily activities, Chapel, Community events such as concerts, lectures, and holiday parties, Engaging recreational, fitness, and spiritual programs in Sunrise Hall, Snack bar, Spa and Jacuzzi, Fireside lounge, Holiday-themed parties and celebrations, Pet-friendly campus, Heated garage parking
Total			746			Available	10	



Prepared By: Sharon Wright, Finance Director

Presenter: Sharon Wright, Finance Director

Date: 11/12/2025

Board & Commission: City Council

Subject: Budget Discussion

Introduction to the 2026 Budgets for the Enterprise Funds (Water, Sewer, Stormwater, Generation, and Liquor Stores).

Follow up on the 2026 General Fund Budget.

Voting Requirements:

Water Fund

2026 Revenue and Expense Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan-Sept	2026 Proposed
				Actual	
Water Fund Revenues					
Water Availability Charge	\$ (134,175)	\$ (103,110)	\$ (85,000)	\$ (145,180)	\$ (110,000)
Trunk Fees	(38,100)	(554,315)	(50,000)	(147,000)	(75,000)
Miscellaneous Revenue	(10,379)	(33,323)	(5,000)	(800)	(5,000)
Interest Earnings	(63,322)	(99,718)	(15,000)	(33,544)	(15,000)
Refunds and Reimbursements	-	(1,621)	-	-	-
Other Rent and Royalties	(35,700)	(36,201)	(30,000)	(24,764)	(30,000)
Water Charge	(1,793,684)	(1,763,033)	(1,730,000)	(1,537,953)	(1,950,000)
Water Tower Maintenance	(187,312)	(162,575)	(190,000)	-	-
Water Connect Fee	-	(3,500)	-	(1,800)	-
Delinquent Water Reimbursement		(3,007)	-	(1,530)	-
Customer Penalties	(22,277)	(21,964)	(15,000)	(39,991)	(15,000)
State Water Testing Fee	-	-	-	(17,650)	-
Water Meter Sales	(71,350)	(36,092)	(17,234)	(29,598)	(20,000)
Irrigation Meter Sales	-	(34,962)	(17,234)	(27,919)	(20,000)
Sales of General Fixed Assets	-	(9,100)	-	-	-
Transfers In	-	-	-	-	(1,079,874)
Capital Contributions	(65,515)	(464,115)	-	-	-
Water Fund Revenues	\$ (2,421,814)	\$ (3,326,637)	\$ (2,154,468)	\$ (2,007,729)	\$ (3,319,874)

Water Fund Expenses					
Employees Wages & Salaries	\$ 397,266	\$ 205,189	\$ 364,503	\$ 254,631	\$ 378,554
Overtime	-	22,253	23,757	16,777	24,070
PERA	-	20,411	29,195	19,224	30,438
FICA and Medicare	-	20,563	29,704	20,129	30,801
Employer Paid Health	100,505	48,376	76,173	49,916	86,065
Worker s Comp Insurance	4,285	5,489	5,400	2,181	3,000
Non-Capitalized Equip	-	48,277	-	-	-
Computer	45	540	-	-	-
Operating Supplies	9,070	264,034	157,000	80,492	120,000
Motor Fuels	101	4,855	4,000	1,890	3,000
Copy Machine Lease	-	1,540	-	-	-
License And Permits	-	-	-	4,328	4,750
Uniforms	433	1,088	700	1,241	2,750
Small Tools	739	30	1,000	89	1,000
Internet Lease	-	2,593	-	-	-
Network Switches/Firewall	-	4,096	-	-	-
Bad Debt Expense	4,354	241	1,000	-	500
Chemicals	61,112	-	60,000	35,017	100,000
Professional Srvs	75,181	97,036	85,000	61,176	91,200
Auditing and Acct g Services	-	54,801	15,000	9,732	12,500
Attorneys Fees	-	436	-	410	500
Testing Services	-	-	25,000	14,076	30,000
Communications	1,863	395	2,000	-	500
Telephone	-	2,536	-	-	-

Water Fund

2026 Revenue and Expense Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan-Sept	2026 Proposed
				Actual	
Postage	-	6,614	7,500	3,395	8,000
Travel Expenses	-	653	-	-	-
Conference & Training	3,774	2,487	2,000	-	2,500
Insurance	-	45,453	45,000	29,657	46,000
Utility Services	87,505	82,706	78,000	77,739	100,000
Refuse	-	1,863	3,000	1,659	3,000
Repairs/Maintenance	92,722	-	75,000	-	-
Repairs/Maint Buildings	13,317	7,633	9,500	3,723	60,000
Repairs/Maint Machinery/Equip	24,072	56,593	48,250	28,783	6,000
Depreciation	706,518	759,220	770,000	-	790,000
Drug & Alcohol Testing	-	35	-	100	250
Collection System Repair	-	22,603	30,000	36,730	45,000
Bank Charges	17,418	10,266	15,000	76	12,000
Miscellaneous	-	4	1,500	193	
Dues & Subscriptions	2,701	2,908	3,000	6,946	
Improvements - Buildings	-	12,552	-	19,048	
Improvements other than Bldgs	-	-	-	-	1,950,000
Equipment	58,077	14,159	-	-	-
Debt Service Bond Principal	-	-	594,000	-	609,000
Interest	11	48	-	-	-
Bond Interest	107,548	87,747	78,000	77,588	60,956
Operating Transfers	-	-	61,500		63,000
Water Fund Expenses	\$ 1,768,617	\$ 1,918,321	\$ 2,700,682	\$ 856,946	\$ 4,675,334
Net (Increase)/Decrease	\$ (653,197)	\$ (1,408,316)	\$ 546,214	\$ (1,150,783)	\$ 1,355,460

Sewer Fund

2026 Revenue and Expense Budget

Description	2025 Jan-Sept				
	2023 Actual	2024 Actual	2025 Adopted	Actual	2026 Proposed
Sanitary Sewer Utility Fund Revenues					
Sewer Availability Charge	\$ (177,912)	\$ (150,731)	\$ (130,000)	\$ (211,023)	\$ (175,000)
Trunk Fees	(29,797)	(272,409)	(100,000)	(69,552)	(100,000)
Misc Revenue		(406)	-	-	-
Interest Earnings	(95,428)	(91,551)	(5,000)	(66,851)	(5,000)
Sewer Charge	(1,778,523)	(1,850,844)	(1,800,000)	(1,380,263)	(1,800,000)
Sewer Connect Fee	(14,531)	-	-		-
Septage Charge	(115,656)	(153,754)	(125,000)	(79,659)	(125,000)
Delinquent Sewer Reimbursement	822	(3,575)	(3,000)	(1,758)	(2,000)
Transfer In	-	-	-	-	(237,572)
Capital Contributions	(928,406)	(332,736)	-	-	-
Revenues	\$ (3,139,431)	\$ (2,856,006)	\$ (2,163,000)	\$ (1,809,106)	\$ (2,444,572)
Sanitary Sewer Utility Fund Expenses					
Employees Wages & Salaries	\$ 292,743	\$ 268,759	\$ 383,606	\$ 256,173	\$ 402,116
Overtime	26,386	22,898	30,369	19,289	28,080
PERA	45,576	24,076	31,123	19,823	32,504
FICA and Medicare	23,396	23,308	31,667	20,574	32,909
Employer Paid Health	44,268	47,594	80,080	48,973	91,772
Worker s Comp Insurance	7,175	6,614	6,312	3,185	6,000
Computer	2,203	3,365	-	-	-
Operating Supplies	45,004	73,864	47,027	46,536	60,000
Motor Fuels	2,989	8,882	5,000	1,191	5,000
Copy Machine Lease	1,227	1,128	-	-	-
License And Permits	1,473	1,450	1,600	2,690	3,000
Uniforms	3,276	2,855	3,100	1,793	3,000
Small Tools	-	8,127	500	55	4,000
Internet Lease	1,296	1,188	-	-	-
Network Switches/Firewall	3,957	3,880	-	-	-
Chemicals	-	-	-	1,317	-
Professional Srvs	35,513	65,602	15,000	263,384	100,000
Auditing and Acct g Services	17,661	7,665	8,000	5,191	6,500
Engineering Fees	480	9,256	2,000	57,106	10,000
Testing Services	18,248	10,835	14,300	6,724	15,000
Telephone	2,963	3,718	-	-	-
Postage	-	6,104	8,171	3,395	8,000
Travel Expenses	-	-	600	-	600
Conference & Training	-	939	600	1,327	2,000
Insurance	27,392	25,061	34,200	-	25,000
Utility Services	107,077	122,431	80,000	94,346	150,000
Refuse	1,392	4,355	4,000	2,890	4,000
Repairs/Maint Buildings	1,685	5,012	5,000	1,004	30,000
Repairs/Maint Machinery/Equip	60,094	40,802	40,000	52,714	120,000
Depreciation	601,476	637,195	625,000	-	640,000
Drug & Alcohol Testing	-	35	100	100	-

Sewer Fund

2026 Revenue and Expense Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan-Sept	2026 Proposed
				Actual	
Collection System Repair	76,962	106,277	75,000	49,813	100,000
Other Equipment Rentals	-	114,248	5,000	-	10,000
Dues & Subscriptions	-	2,275	2,500	6,521	7,500
Improvements - Buildings	-	-	-	28,572	-
Improvements other than Bldgs	-	-	-	-	242,000
Heavy Machinery	-	-	164,000	-	20,000
Debt Service Bond Principal	-	-	455,000	-	525,000
Bond Interest	146,085	129,264	119,256	123,156	109,746
Fiscal Agent s Fees	1,393	-	2,000	-	2,000
Operating Transfers	-	-	45,500	-	50,000
Sanitary Sewer Utility Fund Expenses	\$ 1,599,393	\$ 1,789,062	\$ 2,325,610	\$ 1,117,842	\$ 2,845,727
Net (Increase)/Decrease	\$ (1,540,038)	\$ (1,066,944)	\$ 162,610	\$ (691,264)	\$ 401,155

Stormwater Fund

2026 Revenue and Expense Budget

Description	2025 Jan-Sept				
	2023 Actual	2024 Actual	2025 Adopted	Actual	2026 Proposed
Revenues					
Interest Earnings	\$ (26,773)	\$ (12,014)	\$ (300)	\$ (12,656)	\$ (7,500)
Other Misc	(17,414)	(21,992)	-	-	-
Contributions and Donations	(112,755)	-	-	-	-
Delinquent Sewer Reimbursement	-	(3,864)	(500)	(24,170)	(5,000)
Storm Water Charge	(487,447)	(456,270)	(475,000)	(404,080)	(460,000)
Transfers In	(50,000)	-	-	-	(547,791)
Capital Contributions	(1,029,898)	(228,210)	-	-	-
Storm Sewer Revenues	\$ (1,724,287)	\$ (722,350)	\$ (475,800)	\$ (440,906)	\$ (1,020,291)
Expenses					
Employees Wages & Salaries	\$ 162,323	\$ 155,686	\$ 54,861	\$ 66,499	\$ 81,124
Overtime	12,316	9,673	5,395	4,947	8,668
PERA	24,854	13,453	4,520	4,843	6,736
FICA and Medicare	12,683	13,030	4,610	5,462	6,869
Employer Paid Health	23,473	26,693	10,198	12,883	21,398
Worker s Comp Insurance	7,175	6,614	1,800	3,185	5,000
Operating Supplies	6,329	2,472	2,052	7,606	2,500
Motor Fuels	12,139	7,232	7,300	2,427	4,000
Uniforms	-	-	-	-	760
Professional Svcs	44,878	36,925	30,000	16,421	30,000
Auditing and Acct g Services	3,565	1,558	2,750	1,784	2,250
Engineering Fees	8,657	9,086	6,000	10,514	10,000
Telephone	-	30	-	-	-
Postage	-	933	-	5,831	7,000
Insurance	3,386	434	2,720	-	500
Repairs/Maint Machinery/Equip	33,303	5,345	10,000	10,862	15,000
Depreciation	281,635	310,676	310,000	-	330,000
Collection System Repair	110,987	20,012	15,000	23,925	30,000
Other Equipment Rentals	121	4,000	1,000	-	1,000
Dues & Subscriptions	-	4,168	2,000	6,521	8,000
Drainage-Storm Wtr	227	250	400	275	300
PropTaxes/ Assessments	389	420	500	320	400
Improvements - Building	-	-	-	28,572	-
Improvements other than Bldgs	-	-	-	-	558,000
Bond Principal	-	-	65,000	-	65,000
Bond Interest	9,302	9,341	9,807	9,807	8,517
Fiscal Agent s Fees	-	-	1,000	-	1,000
Operating Transfer	-	-	16,500	-	20,000
Storm Sewer Expenses	\$ 757,742	\$ 638,029	\$ 563,413	\$ 222,684	\$ 1,224,022
Net (Increase)/Decrease	\$ (966,545)	\$ (84,321)	\$ 87,613	\$ (218,222)	\$ 203,731

Generation Fund

2026 Revenue and Expense Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan-Sept	
				Actual	2026 Proposed
Generation Fund Revenues					
Miscellaneous Income	\$ (3,941,945)	\$ (1,246)	\$ -	\$ (2,875)	\$ -
Interest	(187,419)	(278,266)	(20,000)	(135,610)	(50,000)
Quick Start Capacity	(360,000)	(360,000)	(360,000)	(270,000)	(360,000)
Electric Revenue	(564,189)	-	-	-	-
Delinquent Elect Reimbursement	(689)	(698)	-	-	-
Revenues	\$ (5,054,241)	\$ (640,210)	\$ (380,000)	\$ (408,485)	\$ (410,000)
Generation Fund Expenses					
Employees Wages & Salaries	\$ (197,050)	\$ 17,581	\$ 81,403	\$ 45,261	\$ 51,259
Overtime		10,809	2,428	23,136	7,937
PERA		2,042	6,287	4,144	4,440
FICA and Medicare		1,930	6,414	5,116	4,529
Employer Paid Health	16,027	3,090	13,619	7,680	8,101
Worker s Comp Insurance	4,285	34	100	-	500
Computer	100	-	-	-	-
Operating Supplies	288,990	2,757	5,000	1,357	2,000
Motor Fuels		720	1,000	564	1,000
License And Permits		956	1,000	914	1,000
Uniforms	180	442	400	349	500
Small Tools	796	-	100	-	100
Internet Lease		976	-	-	-
Professional Srvs	28,733	20,442	10,200	18,035	15,000
Auditing and Acct g Services		7,391	1,500	973	1,500
Communication	2,015	240	-	-	500
Telephone		1,982	-	-	-
Travel Expenses		-	-	665	-
Conference & Training		-	-	1,100	-
Insurance	66,087	10,151	1,000	-	1,000
Utility Services	32,946	26,388	31,200	25,450	36,000
Refuse	-	184	500	-	500
Repairs/Maint Buildings	3,168	4,513	5,000	12,450	10,000
Repairs/Maint Machinery/Equip	854	42,256	55,000	38,346	60,000
Depreciation	175,249	215,187	105,000	-	220,000
Drug & Alcohol Testing		116	-	-	200
Bank Charges	10,354	1,523	2,000	-	1,000
Miscellaneous	67,006	414	500	-	500
Dues and Subscriptions		2,566	1,500	-	1,500
Interest on Meter Deposit	22		-	-	-
Bond Interest	18,125		-	-	-
Fiscal Agent s Fees	55,959	600	-	-	-
Operating Transfers			30,000	-	1,895,238
Generation Fund Expenses	\$ 573,845	\$ 375,289	\$ 361,151	\$ 185,541	\$ 2,324,304
Net (Increase)/Decrease	\$ (4,480,397)	\$ (264,921)	\$ (18,849)	\$ (222,944)	\$ 1,914,304

Liquor Store Fund

2026 Revenue and Expense Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan-Sept	2026 Proposed
				Actual	
Municipal Liquor Fund Revenue					
Miscellaneous Revenues	\$ (1,619)	\$ (1,879)	\$ (1,700)	\$ (2,100)	\$ (1,200)
Wine Club Revenue-East	(1,265)	(357)	(1,400)	-	-
Pub Club Revenues-East	(2,200)	(504)	(2,500)	-	-
Interest Earnings	(5,429)	(4,203)	(2,500)	(3,432)	(2,500)
NSF Revenue Recovered	332	-	-	-	-
N/A Sales Non-Taxable-EAST	(50,335)	(55,336)	(52,851)	(43,092)	(58,103)
Liquor Sales -Off Sale-EAST	(1,006,954)	(1,045,280)	(1,057,301)	(795,716)	(1,097,544)
Beer Sales -Off Sale-EAST	(1,450,514)	(1,483,653)	(1,523,039)	(1,102,705)	(1,557,836)
Wine Sales -Off Sale-EAST	(252,772)	(250,359)	(265,408)	(159,597)	(262,877)
N/A Sales - Taxable-EAST	(66,737)	(66,468)	(70,073)	(52,380)	(69,792)
THC Sales - Taxable - East	-	(18,365)	(45,000)	(54,241)	(79,800)
Bottle-Keg Deposit-EAST	(260)	100	-	-	-
Wine Club Revenue -WEST	(689)	(40)	(1,000)	-	-
Pub Club Revenue- WEST	(374)	(30)	(500)	-	-
N/A Sales Non-Tax - WEST	(6,174)	(7,036)	(6,482)	(5,697)	(7,388)
Liquor Sales-Off Sale-WEST	(458,759)	(454,640)	(481,696)	(351,228)	(477,372)
Beer Sales-Off Sale - WEST	(522,439)	(532,101)	(548,560)	(382,891)	(558,706)
Wine Sales-Off Sale - WEST	(170,494)	(177,286)	(179,018)	(116,283)	(186,151)
N/A Sales-Tax - WEST	(13,481)	(13,811)	(14,155)	(9,676)	(14,502)
THC Sales - Taxable - West	-	(6,354)	(16,000)	(27,930)	(33,600)
Revenues	\$ (4,010,162)	\$ (4,117,602)	\$ (4,269,183)	\$ (3,106,968)	\$ (4,407,371)

Liquor Store West #2 Expenses

Employees Wages & Salaries	\$ 86,780	\$ 102,833	\$ 99,730	\$ 46,557	\$ 66,474
Overtime	-	2,920	-	1,911	-
Part-Time Employees	81,901	76,389	87,147	62,531	84,466
PERA	12,064	13,627	14,015	7,212	11,321
FICA and Medicare	12,963	13,797	14,295	8,587	11,547
Employer Paid Health	11,249	13,149	13,384	6,605	19,137
Worker s Comp Insurance	5,294	4,416	6,000	3,944	5,000
Non-Capitalized	-	85	-	-	-
Computer	4,060	2,883	-	-	-
Operating Supplies	425	2,726	3,500	1,579	2,900
License And Taxes	-	-	25	20	525
Copy Machine Lease	1,227	1,129	-	-	-
Uniforms	184	125	300	265	300
Wine Club Supplies	-	-	125	-	125
Pub Club Supplies	-	-	125	-	125
Internet Lease	1,564	1,647	-	-	-
Network Switches/Firewall	1,599	1,632	-	-	-
N/A Sales	12,358	16,768	14,033	7,910	17,606
Liquor For Resale	312,173	321,761	327,553	255,303	367,210
Beer For Resale	369,019	383,649	373,021	275,992	429,774
Wine For Resale	115,756	118,187	121,732	61,413	143,193

Liquor Store Fund

2026 Revenue and Expense Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan-Sept	2026 Proposed
				Actual	
THC For Resale	-	3,464	12,000	16,928	24,000
Professional Svcs	2,145	4,949	2,252	1,550	5,196
Auditing and Acct g Services	615	250	400	260	950
Attorney Fees	-	1,854	-	3,770	-
Telephone	1,565	1,655	-	-	-
Conference & Training	20	35	1,500	-	1,500
Advertising	1,959	3,589	3,500	4,682	3,800
Legal Notices Publishing	-	-	100	-	100
General Notices and Pub Info	-	-	200	-	200
Insurance	419	3,487	3,000	-	3,400
Utility Services	11,693	9,354	10,400	8,336	10,400
Repairs/Maint Buildings	4,168	-	2,000	-	2,000
Repairs/Maint Machinery/Equip	-	793	5,000	3,425	5,000
Depreciation	107,691	4,029	4,000	-	4,500
Building Rentals	3,038	110,437	92,000	48,196	86,000
Bank Charges	18,864	23,776	27,000	8,516	25,000
Cash Short	202	74	-	-	-
Dues and Subscriptions	1,620	810	1,000	810	1,000
Improvements - Buildings	2,160	-	3,000	-	3,000
Subtotal West Expenses	\$ 1,184,774	\$ 1,246,279	\$ 1,242,337	\$ 836,302	\$ 1,335,749

Liquor Store East #1 Expenses

Employees Wages & Salaries	\$ 202,166	\$ 165,778	\$ 183,896	\$ 134,228	\$ 145,053
Overtime	519	5,313	584	2,542	1,789
Part-Time Employees	138,779	125,888	155,349	98,072	112,130
PERA	21,976	24,839	25,487	17,211	19,423
FICA and Medicare	25,791	23,792	25,996	17,674	19,811
Employer Paid Health	19,310	21,904	21,846	33,839	32,296
Worker s Comp Insurance	11,647	9,715	10,000	8,677	9,800
Non-Capital Assets	-	170	-	-	-
Computer	4,783	4,451	-	-	-
Operating Supplies	6,074	5,602	6,378	3,829	5,882
License And Taxes	-	-	25	20	525
Copy Machine Lease	1,227	1,046	-	-	-
Uniforms	184	151	500	218	500
Wine Club Supplies	-	-	125	51	125
Pub Club Supplies	-	-	125	72	125
Internet Lease	1,296	1,853	-	-	-
Network Switches/Firewall	1,671	1,704	-	-	-
N/A Sales	87,550	93,784	92,193	64,425	98,473
Liquor For Resale	696,229	700,871	792,976	566,485	844,265
Beer For Resale	1,169,371	1,161,045	1,142,279	821,760	1,199,393
Wine For Resale	173,827	167,839	199,056	96,825	202,213
THC For Resale	-	10,006	32,000	32,805	57,000
Professional Svcs	7,091	6,476	11,000	1,614	10,500

Liquor Store Fund

2026 Revenue and Expense Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan-Sept	2026 Proposed
				Actual	
Auditing and Acct g Services	4,265	3,179	3,000	1,946	1,850
Telephone	3,329	3,334	-	-	-
Travel Expenses	-	-	100	-	100
Conference & Training	448	40	2,000	40	2,000
Advertising	8,550	6,433	10,000	5,715	10,000
Legal Notices Publishing	20	22	100	-	100
General Notices and Pub Info	-	-	200	-	200
Insurance	10,759	7,816	12,000	-	7,800
Utility Services	19,513	13,384	20,000	8,590	20,000
Refuse	1,524	1,685	1,700	1,316	1,770
Repairs/Maint Buildings	37,331	9,514	30,000	347	30,000
Repairs/Maint Machinery/Equip	1,633	6,504	10,000	247	10,000
Depreciation	33,883	33,883	40,000	-	40,000
Bank Charges	49,946	57,499	60,000	20,678	55,000
Cash Short	185	130	-	-	-
Dues and Subscriptions	4,075	1,890	3,255	1,890	3,255
Other Equipment	-	-	10,000	-	10,000
Operating Transfers	100,000	80,000	120,000	-	120,000
Subtotal East Expenses	\$ 2,844,951	\$ 2,757,539	\$ 3,022,170	\$ 1,941,116	\$ 3,071,378
Total Liquor Store Expenses	\$ 4,029,724	\$ 4,003,817	\$ 4,264,507	\$ 2,777,418	\$ 4,407,127
(Gain)/Loss	\$ 19,563	\$ (113,785)	\$ (4,676)	\$ (329,550)	\$ (244)

General Fund
2026 Revenue Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan - Sept Actual	2026 Proposed
Current Ad Valorem Taxes	\$ 4,479,919	\$ 5,348,768	\$ 6,222,315	\$ 3,306,839	\$ 6,731,200
Delinquent Ad Valorem Taxes	77,537	44,104	-	103,000	-
Tax-Incrmnt +/-Excess & Surplus	(2,850)	-	-	-	-
Other Taxes/Solar Prod Tx	23,773	23,710	24,000	-	24,000
Penalties and Interest DelTax	-	2,744	-	7,432	-
Total Taxes	\$ 4,578,380	\$ 5,419,326	\$ 6,246,315	\$ 3,417,271	\$ 6,755,200

Home Occupation License	-	250	-	-	-
Business Licenses/Permits	1,100	575	1,000	550	1,000
Alcoholic Beverage License	15,950	18,250	15,000	250	15,000
Beer Off/On Sale License	600	225	600	-	600
Liquor Off/On Sale	125	-	150	750	150
Sunday License	800	1,600	1,000	-	1,000
Club License	-	-	-	138	-
Professional and Transient	1,466	1,302	750	1,684	1,500
Tobacco License	3,000	2,750	3,000	500	2,500
Refuse License (Garbage)	936	156	1,000	1,248	1,500
Building Permits	230,051	230,265	200,000	154,902	200,000
Septic Permits and Opinion	5,685	10,880	6,000	5,980	6,000
Plan Check Fee	96,992	89,541	75,000	65,822	85,000
Mechanical Permits	24,714	22,967	20,000	18,224	22,000
Plumbing Permits	14,777	23,657	15,000	13,927	15,000
Site Locate/Permit	-	2,160	-	4,686	2,000
Grading Permit	1,000	1,000	750	500	1,000
Conditional Use Permit	600	900	750	900	1,000
Sewer & Water Permit	-	12,300	-	9,720	15,000
Excavation Permit/License	3,600	14,700	5,000	5,200	5,000
Animal Licenses	1,242	840	1,500	1,111	750
Dance Permits	360	60	400	60	50
Sign Permits	375	1,110	400	705	500
Other Permits	5,425	2,195	500	200	500
Total Licenses and Permits	\$ 408,798	\$ 437,683	\$ 347,800	\$ 287,057	\$ 377,050

State Grants and Aids	2,788	5,993	-	-	6,500
Local Government Aid	855,681	1,029,202	1,030,822	515,411	1,032,838
Mkt Value Credit	10,281	11,275	9,000	-	10,000
Muni State Aid St Maintenance	222,240	245,270	210,000	289,998	268,774
Other State Aid Grants	60,711	35,142	15,000	27,795	20,000
Other Federal Aid/Grants	-	24,000	-	-	-
Fire Aid	102,601	122,334	120,000	4,000	125,000
Police Aid	627,051	168,158	160,000	-	170,000
Youth Officer School Reimb.	25,253	35,251	26,000	13,179	37,000
Total Intergovernmental	\$ 1,906,606	\$ 1,676,625	\$ 1,570,822	\$ 850,383	\$ 1,670,112

General Fund
2026 Revenue Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 Jan - Sept Actual	2026 Proposed
Zoning and Subdivision Fees	5,345	20,770	8,000	2,425	8,000
Plat Fee	2,060	9,490	6,000	5,860	6,000
Assessment Search Fees	250	475	300	350	300
Fire Service Contract	67,119	77,051	75,000	89,275	75,000
Other Revenues	8,080	14,294	15,000	12,459	12,500
Total Charge for Services	\$ 82,854	\$ 122,081	\$ 104,300	\$ 110,369	\$ 101,800

Court Fines	17,444	24,796	17,000	20,940	17,000
False Alarm Fees	225	-	-	-	-
Total Fines and Forfeits	\$ 17,669	\$ 24,796	\$ 17,000	\$ 20,940	\$ 17,000

Special Assessments	2,270	-	-	-	-
Misc Revenue	19,188	-	-	9,209	-
Reimbursement-Police	40,339	25,191	20,000	32,458	20,000
Reimbursement-Pbl Wks	36,010	24,945	35,000	5,913	25,000
Reimbursement-Fire Dept	22,183	3,950	-	3,612	-
PD ADM Citations	-	440	-	600	-
Interest Earnings	168,683	119,439	65,000	63,132	75,000
Refunds & Reimbursements	205	-	-	-	-
Refunds & Reimburse - W&L	10,061	-	-	-	-
Other Revenues	160	11,794	10,000	9,857	12,000
Other Rents and Royalties	15,296	23,210	20,400	25,214	22,000
Insurance Reimbursement	17,046	26,481	-	50,821	-
Contributions and Donations	4,000	-	-	-	-
Total Other Revenue	\$ 335,440	\$ 235,450	\$ 150,400	\$ 200,816	\$ 154,000

Sales of General Fixed Assets	204,245	-	-	14,701	-
Transfer from Other Fund	398,704	121,800	315,300	-	358,833
Total Other Financing	\$ 602,949	\$ 121,800	\$ 315,300	\$ 14,701	\$ 358,833

Total General Fund Revenue	\$ 7,932,695	\$ 8,037,761	\$ 8,751,937	\$ 4,901,537	\$ 9,433,995
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General Fund
2026 Expenditures Budget

Description	2023 Actual	2024 Actual	2025 Adopted	2025 with full year wages	2025 Jan-Sept Actual	2026 Proposed
Employees Wages & Salaries	\$ 3,051,245	\$ 2,938,590	\$ 3,258,398	\$ 3,329,781	\$ 2,262,419	\$ 3,451,039
Overtime	151,419	211,279	146,385	146,385	154,260	200,819
Part-Time Employees	14,395	28,775	33,500	33,500	45,545	59,750
Fire Call-Edu	46,200	49,200	94,500	94,500	60,113	124,000
PERA	381,310	391,200	417,564	429,779	300,337	463,616
FICA and Medicare	144,433	145,312	173,334	174,624	111,565	188,337
Employer Paid Health	543,960	537,930	618,674	626,766	443,718	752,597
Unemployment Benefit Payments	574	1,042	1,000	1,000	-	1,000
Worker's Comp Insurance	175,624	154,906	185,381	185,381	176,036	205,195
Training & Instruction Inside	3,234	650	5,000	5,000	4,900	5,000
Salaries & Benefits	\$ 4,512,395	\$ 4,458,884	\$ 4,933,736	\$ 5,026,716	\$ 3,558,893	\$ 5,451,353

Non-capital Equipment	44,250	84,117	273,673	273,673	195,178	133,300
Computer	35,014	73,605	20,400	20,400	24,181	39,600
Operating Supplies	77,274	85,099	88,305	88,305	57,424	109,750
Motor Fuels	109,617	73,620	106,100	106,100	47,499	105,100
Copy Machine Lease	19,562	16,816	25,900	25,900	16,826	25,900
SCBA Maint	1,966	-	8,000	8,000	-	8,000
Street Maint Materials	47,979	16,710	25,000	25,000	13,781	25,000
Traffic Signs	3,054	12,471	15,000	15,000	2,517	15,000
Vehical/Truck Lease	5,545	5,512	6,600	6,600	6,501	-
Gravel	126,558	140,052	154,000	154,000	152,144	154,000
Traffic Signals	9,118	9,240	44,000	44,000	14,745	10,000
License And Permits	15	127	1,800	1,800	489	1,800
Uniforms	47,769	65,974	47,400	47,400	38,643	45,950
Small Tools and Minor Equip	6,553	12,265	46,000	46,000	11,504	25,100
Software	-	-	292,900	292,900	169,327	267,000
Internet Lease	16,392	16,176	25,000	25,000	18,617	27,200
Network Switches/Firewall	9,166	9,198	27,200	27,200	27,563	10,000
Salt - Sidewalks	2,274	548	5,000	5,000	640	5,000
Street Lights	59,957	56,293	65,000	65,000	31,024	60,000
Salt And Sand	132,960	140,391	140,000	140,000	121,469	140,000
Operating Supplies	\$ 755,021	\$ 818,213	\$ 1,417,278	\$ 1,417,278	\$ 950,072	\$ 1,207,700

Professional Services	362,460	348,577	233,500	233,500	241,470	236,800
Auditing and Acct g Services	61,460	36,270	30,000	30,000	22,665	28,500
Engineering Fees	15,933	58,138	85,000	85,000	24,107	90,000
Attorney's Fees	119,782	157,238	55,300	55,300	70,888	55,300
Crack Sealing	65,461	67,420	75,000	75,000	70,907	80,000
Dust Control	56,084	55,679	75,000	75,000	66,110	90,000
Consultant Services	3,500	4,550	4,200	4,200	3,107	8,520
Pension-Fire Relief Assoc	103,601	122,334	100,000	100,000	-	105,000
Medical Exams	6,426	8,218	10,200	10,200	14,189	15,600
Communications	14,332	17,112	24,750	24,750	1,969	36,000
Telephone	26,723	28,288	49,700	49,700	44,766	64,300
Postage	4,866	3,811	6,500	6,500	4,100	6,500
Travel Expenses	5,821	6,391	9,600	9,600	3,990	13,675

Description	2023 Actual	2024 Actual	2025 Adopted	2025 with full year wages	2025 Jan-Sept Actual	2026 Proposed
Conference & Training	43,961	50,314	73,200	73,200	39,111	49,700
Meeting Expense	139	-	500	500	-	500
Advertising	-	-	-	-	1,138	-
Legal Notices	1,972	2,296	2,900	2,900	1,440	2,800
General Notices	44	5,195	200	200	-	200
Insurance	127,225	151,342	140,300	140,300	12,000	176,490
Insurance - Deductible	2,178	-	5,000	5,000	5,620	5,000
Rental Bldg Expense	11	11	2,500	2,500	37	2,500
Utility Services	85,903	70,952	115,560	115,560	60,406	107,360
Refuse	10,135	10,691	10,200	10,200	8,622	11,000
Professional Services	\$ 1,118,017	\$ 1,204,829	\$ 1,109,110	\$ 1,109,110	\$ 696,642	\$ 1,185,745

Repairs & Maint Cont	20,582	6,464	114,000	114,000	18,718	114,000
Repairs/Maint Buildings	33,492	36,748	83,500	83,500	47,989	182,500
Repairs/Maint Machinery/Equip	170,500	148,286	178,800	178,800	123,875	176,815
Drug & Alcohol Testing	212	897	500	500	2,935	800
Rentals	12,359	4,209	25,800	25,800	18,250	34,400
Other Equipment Rentals	19,516	29,093	10,200	10,200	15,876	10,200
Miscellaneous	4,780	9,684	5,300	5,300	3,667	5,300
Dues and Subscriptions	29,092	19,631	34,100	34,100	24,662	22,800
Books and Pamphlets	-	-	1,500	1,500	-	1,500
Recording Fees	630	414	-	-	184	-
PropTaxes/ Assessments	4,144	3,160	3,600	3,600	3,278	3,600
Streets	85,120	489,161	507,000	1,507,000	1,423,931	507,000
Contingency	17,868	-	40,800	40,800	-	30,000
Repairs & Maintenance	\$ 398,296	\$ 747,746	\$ 1,005,100	\$ 2,005,100	\$ 1,683,365	\$ 1,088,915

Capital Outlay	-	51,218	-	-	-	-
Improvements - Buildings	-	-	-	-	114,288	-
Improvements Other Than Bldgs	246,883	40,064	50,000	50,000	3,684	-
Motor Vehicles	237,761	159,707	-	-	-	-
Capital Outlay	\$ 484,644	\$ 250,988	\$ 50,000	\$ 50,000	\$ 117,972	\$ -

Debt Srv Principal	47,275	49,241	52,000	52,000	51,290	93,093
Interest	18,225	16,258	14,250	14,250	14,209	25,218
Debt Service	\$ 65,499	\$ 65,499	\$ 66,250	\$ 66,250	\$ 65,499	\$ 118,312

Operating Transfers	-	663,580	210,000	210,000	101,415	378,000
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Total General Fund Expenditures	\$ 7,333,872	\$ 8,209,738	\$ 8,791,474	\$ 9,884,454	\$ 7,173,858	\$ 9,430,025
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