



NORTH BRANCH

—Minnesota—

Kevin Schieber
Mayor

Robert Canada
Councilmember/Acting Mayor

Jeff Goulet
Councilmember

Jim Ibinger
Councilmember

Patrick Meacham
Councilmember

**CITY COUNCIL
REGULAR AGENDA
WEDNESDAY, MARCH 25, 2026 @ 6:00 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. PRESENTATION & PROCLAMATION
6. 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.
7. CONSENT AGENDA

All matters listed under Consent Agenda are considered routine and/or non-controversial and will be approved by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

 - a. Claims ACTION
 - b. Approval of Minutes - Regular Council Meeting - March 11, 2026, 6:00 PM ACTION
 - c. Approval of LG220 Application for Exempt Permit for the Sons of the American Legion Post 85 ACTION
 - d. Approval of Application for 1 day Temporary Consumption and Display Permit for Chisago County Board on Aging ACTION
 - e. Approve Transient Merchant License - Plant Place, Inc. ACTION

- f. Approve Transient Merchant License - Paragon Square LLC - Dog Waste Removal ACTION
 - g. Approval of Resolution R-305-2026 Releasing the Letter of Credit and Developer Obligations for Grand Point and Grand Point 2nd Addition ACTION
 - h. Consider approval of Resolution R-307-2026 Authorizing Bid Award for the 2026 Pavement Improvement Project ACTION
 - i. Approval of Resolution R-308-2026 Accepting low bid for 2026 gravel materials ACTION
 - j. Approval of Resolution R-309-2026 authorizing the BDPI Grant Application ACTION
8. PUBLIC HEARINGS
- a. Consider Approval of Resolution R-310-2026 approving a Modification to Development District No 1, proposed establishment of TIF District 2026-1 and adoption of TIF Plan ACTION
9. STAFF REPORTS
- a. Consider Approval of Resolution R-306-2026 to award a bid for the sale of 2026A Bonds ACTION
10. MAYOR/CITY COUNCIL
- a. Modification to charitable gambling ordinance 407-26 VERBAL UPDATE
 - b. Discussion and recommended changes to various zoning ordinances and building design standards VERBAL UPDATE
 - c. Discussion on Cannabis Ordinance No. 381-24 VERBAL UPDATE
11. 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:

Presenter:

Date: 01/06/2026

Board & Commission: City Council

Subject: Claims

Voting Requirements:

Voting Options Simple Majority

City of North Branch

ACH Checks

6095 to 6107- \$497,031.56

Checks

93150 to 93214 - \$276,266.22

Payroll

03/13/2026 - \$120,441.16

Accounts Payable

Computer Check Proof List by Vendor

User: TiffaniFolstad
 Printed: 03/13/2026 - 10:27AM
 Batch: 00002.03.2026 - 03132026



Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1646 0313 AMER	Ameritas 3/13/2026 PAYROLL	90.00	03/13/2026	Check Sequence: 1 101-00000-21705	ACH Enabled: False
	Check Total:	90.00			
Vendor: 1268 MAR 2025	IUOE Local #49 49ERS MAR UNION DUES	490.00	03/13/2026	Check Sequence: 2 101-00000-21708	ACH Enabled: False
	Check Total:	490.00			
Vendor: 1984 WEX 2025 REF	Nicholas Solberg WEX REFUND FOR 2025	496.12	03/13/2026	Check Sequence: 3 101-00000-21710	ACH Enabled: False
	Check Total:	496.12			
	Total for Check Run:	1,076.12			
	Total of Number of Checks:	3			

Accounts Payable

Computer Check Proof List by Vendor

User: TiffaniFolstad
 Printed: 03/20/2026 - 2:18PM
 Batch: 00003.03.2026 - 03202026



Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 2140	ALERT 360 OPCO, INC.			Check Sequence: 1	ACH Enabled: False
17122540	MONITORING	56.16	03/19/2026	101-41420-50300	
17122542	MONITORING	70.45	03/19/2026	101-41420-50300	
	Check Total:	126.61			
Vendor: 1662	AMAZON CAPITAL SERVICES			Check Sequence: 2	ACH Enabled: False
1979-TNMQ-JKNG	MEASURING WHEEL	79.99	03/19/2026	101-43000-50210	
1JQQ-7NRN-MF6J	MAGNATRAK LOCATOR	459.95	03/19/2026	602-49450-50210	
1V4M-PJTW-1RWL	ROKU STREAMING STICK	28.43	03/19/2026	101-41420-50201	
1V4M-PJTW-1RWL	CUSTOMIZABLE TROPHY	44.99	03/19/2026	101-41940-50210	
1XLL-7DRJ-CPMH	FLOOR MATS/OFFICE SUPPLIES	141.95	03/19/2026	101-41940-50210	
1YVM-RQXM-9XJT	BATTERIES	178.87	03/19/2026	101-42110-50210	
	Check Total:	934.18			
Vendor: 1029	Artisan Beer Company			Check Sequence: 3	ACH Enabled: False
3836341	THC	413.00	03/19/2026	609-49750-50254	
3838153	BEER	169.30	03/19/2026	609-48000-50252	
	Check Total:	582.30			
Vendor: 1031	Aspen Mills			Check Sequence: 4	ACH Enabled: False
371888	UNIFORMS-FIRE DEPT	341.50	03/19/2026	101-42280-50237	
	Check Total:	341.50			
Vendor: 1036	AT & T MOBILITY			Check Sequence: 5	ACH Enabled: False
287294264933X03	PUBLIC SAFETY MOBILE SERVICES	2,113.34	03/19/2026	101-41420-50321	
287294265529X03	CITY EMPLOYEE MOBILE SERVICES	1,343.42	03/19/2026	101-41420-50321	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	3,456.76			
Vendor: 2144	AT&T			Check Sequence: 6	ACH Enabled: False
1102962115	BILLING @ HAND ACCT	31.22	03/19/2026	101-41420-50321	
	Check Total:	31.22			
Vendor: 1049	BELLBOY CORPORATION			Check Sequence: 7	ACH Enabled: False
0210683100	LIQUOR CREDIT	-83.28	03/19/2026	609-49750-50251	
0210722100	LIQUOR	570.00	03/19/2026	609-48000-50251	
0210731100	LIQUOR	866.50	03/19/2026	609-49750-50251	
	Check Total:	1,353.22			
Vendor: 1052	BERNICKS			Check Sequence: 8	ACH Enabled: False
10465431	BEER	973.45	03/19/2026	609-48000-50252	
10465436	N/A SALES	36.90	03/19/2026	609-49750-50250	
10465436	BEER	2,111.90	03/19/2026	609-49750-50252	
10465437	BEER CREDIT	-7.68	03/19/2026	609-49750-50252	
10467823	BEER	1,581.55	03/19/2026	609-48000-50252	
10467824	BEER CREDIT	-184.52	03/19/2026	609-48000-50252	
10467831	N/A SALES	132.90	03/19/2026	609-49750-50250	
10467831	BEER	3,995.45	03/19/2026	609-49750-50252	
10467832	THC	90.00	03/19/2026	609-49750-50254	
10467833	N/A SALES	38.40	03/19/2026	609-49750-50250	
10467834	BEER CREDIT	-246.95	03/19/2026	609-49750-50252	
	Check Total:	8,521.40			
Vendor: 1066	BREAKTHRU BEVERAGE MN WINE & SPIRITS, LLC			Check Sequence: 9	ACH Enabled: False
125871549	N/A SALES	63.65	03/19/2026	609-49750-50250	
125928523	LIQUOR	227.30	03/19/2026	609-48000-50251	
125929144	WINE	1,365.45	03/19/2026	609-48000-50253	
125929145	N/A SALES	25.65	03/19/2026	609-48000-50250	
125929146	LIQUOR	289.25	03/19/2026	609-48000-50251	
125929267	LIQUOR	534.87	03/19/2026	609-49750-50251	
125929268	WINE	1,935.35	03/19/2026	609-49750-50253	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
125930527	LIQUOR	434.80	03/19/2026	609-49750-50251	
126035086	WINE	195.30	03/19/2026	609-49750-50253	
126035087	LIQUOR	927.50	03/19/2026	609-49750-50251	
	Check Total:	5,999.12			
Vendor: 2315	CENTRAL-MCGOWAN, INC			Check Sequence: 10	ACH Enabled: False
1137564	PW GAS SERVICE CHARGE	7.36	03/19/2026	101-43000-50210	
463654	CYLINDER RENTAL	54.97	03/19/2026	101-43000-50210	
	Check Total:	62.33			
Vendor: 1104	Chisago County HHWF			Check Sequence: 11	ACH Enabled: False
0006	HHW DISPOSAL	48.00	03/19/2026	101-43000-50401	
	Check Total:	48.00			
Vendor: 1109	CINTAS			Check Sequence: 12	ACH Enabled: False
4261542709	FLOOR MATS	45.26	03/19/2026	602-49450-50210	
4261542709	UNIFORMS	30.53	03/19/2026	602-49450-50237	
4261542847	UNIFORMS	2.57	03/19/2026	620-49600-50237	
4261542847	UNIFORMS	27.24	03/19/2026	615-49550-50237	
4261542847	UNIFORMS	75.71	03/19/2026	101-43000-50237	
4261542847	UNIFORMS	2.77	03/19/2026	101-45500-50237	
4261542847	UNIFORMS	0.40	03/19/2026	609-49750-50237	
4261542847	MATS/MOPS/SUPPLIES	33.70	03/19/2026	101-43000-50300	
4261542847	UNIFORMS	9.50	03/19/2026	101-45000-50237	
4261542847	UNIFORMS	9.12	03/19/2026	602-49450-50237	
4261542847	UNIFORMS	1.34	03/19/2026	101-42110-50237	
4261542847	UNIFORMS	6.42	03/19/2026	612-49700-50237	
4261542847	UNIFORMS	4.35	03/19/2026	101-41940-50237	
4261556240	MATS	14.42	03/19/2026	101-42280-50210	
4261556316	MATS/MOP	27.31	03/19/2026	101-45000-50210	
4261556321	MATS/MOPS/SUPPLIES	70.92	03/19/2026	101-41940-50210	
4261556513	MATS/MOPS/SUPPLIES	58.32	03/19/2026	609-49750-50210	
4261556595	MATS/MOPS/SUPPLIES	48.49	03/19/2026	609-48000-50210	
4261556673	MATS	20.00	03/19/2026	615-49550-50210	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
4262286270	MOP	2.05	03/19/2026	602-49450-50210	
4262286270	UNIFORMS	30.53	03/19/2026	602-49450-50237	
4262286503	UNIFORMS	78.09	03/19/2026	101-43000-50237	
4262286503	UNIFORMS	9.19	03/19/2026	612-49700-50237	
4262286503	UNIFORMS	11.09	03/19/2026	602-49450-50237	
4262286503	UNIFORMS	0.40	03/19/2026	609-49750-50237	
4262286503	UNIFORMS	0.40	03/19/2026	101-45000-50237	
4262286503	UNIFORMS	10.55	03/19/2026	101-43000-50300	
4262286503	UNIFORMS	2.57	03/19/2026	620-49600-50237	
4262286503	UNIFORMS	29.22	03/19/2026	615-49550-50237	
4262286503	UNIFORMS	1.34	03/19/2026	101-42110-50237	
4262286503	UNIFORMS	2.77	03/19/2026	101-45500-50237	
4262286503	UNIFORMS	4.35	03/19/2026	101-41940-50237	
	Check Total:	670.92			
Vendor: 2206	Core & Main LP			Check Sequence: 13	ACH Enabled: False
26972	WASTEWATER CHEMICALS	210.03	03/19/2026	602-49450-50272	
27315	REPAIRS/WATER DEPT	262.65	03/19/2026	615-49550-50401	
	Check Total:	472.68			
Vendor: 1120	County News Review			Check Sequence: 14	ACH Enabled: False
2026 SUBSCRIP		140.30	03/19/2026	101-41940-50433	
	Check Total:	140.30			
Vendor: 1129	DAHLHEIMER DISTRIBUTING			Check Sequence: 15	ACH Enabled: False
2713582	LIQUOR	5,653.60	03/19/2026	609-49750-50251	
2713601	N/A SALES	33.85	03/19/2026	609-48000-50250	
2713609	THC	125.00	03/19/2026	609-48000-50254	
2713628	LIQUOR	99.60	03/19/2026	609-48000-50251	
2713629	BEER	3,217.45	03/19/2026	609-48000-50252	
2713630	THC	1,021.00	03/19/2026	609-49750-50254	
2713631	N/A SALES	199.90	03/19/2026	609-49750-50250	
2713632	BEER	6,209.90	03/19/2026	609-49750-50252	
2716266	LIQUOR	1,350.00	03/19/2026	609-48000-50251	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
2716267	LIQUOR CREDIT	-1,350.00	03/19/2026	609-49750-50251	
2719546	THC	205.50	03/19/2026	609-49750-50254	
2719865	N/A SALES	31.00	03/19/2026	609-48000-50250	
2719866	THC	129.00	03/19/2026	609-48000-50254	
2719867	LIQUOR	152.20	03/19/2026	609-48000-50251	
2719881	BEER	2,068.40	03/19/2026	609-48000-50252	
2719882	N/A SALES	256.45	03/19/2026	609-49750-50250	
2719883	BEER	9,142.65	03/19/2026	609-49750-50252	
	Check Total:	28,545.50			
Vendor: 1143	Dr Pepper Snapple Group			Check Sequence: 16	ACH Enabled: False
4849208600	N/A SALES	270.56	03/19/2026	609-49750-50250	
	Check Total:	270.56			
Vendor: 1152	EHLERS			Check Sequence: 17	ACH Enabled: False
105669	DBS SR PROFORMA REVIEW 2026	895.00	03/19/2026	201-46500-50300	
105670	REVIEW PROJ HEART 2026	3,585.00	03/19/2026	201-46500-50300	
105671	HERZOG APTS 2026	3,273.75	03/19/2026	201-46500-50300	
105672	ESTABLISH TIF PROJ HEART 2026	7,500.00	03/19/2026	201-46500-50300	
	Check Total:	15,253.75			
Vendor: 2205	FES, Inc.			Check Sequence: 18	ACH Enabled: False
21845	UNIFORM-FIRE DEPT	4,263.14	03/19/2026	101-42280-50201	
	Check Total:	4,263.14			
Vendor: 1182	Finance & Commerce			Check Sequence: 19	ACH Enabled: False
745852048	PUBLIC NOTICE - LEGAL BIDS	287.47	03/19/2026	101-43000-50482	
	Check Total:	287.47			
Vendor: 1192	Flying Star Products			Check Sequence: 20	ACH Enabled: False
26004	SANITARY SEWER SMALL TOOLS	33.95	03/19/2026	602-49450-50240	
	Check Total:	33.95			
Vendor: 2240	GigFire LLC			Check Sequence: 21	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
798716	Apr 7 2026 to May 6 2026	70.00	03/19/2026	101-41420-50243	
	Check Total:	70.00			
Vendor: 1215	Gopher Sign Company			Check Sequence: 22	ACH Enabled: False
MN00581	24 BILLABLE TICKETS	10.80	03/19/2026	602-49450-50300	
MN00581	24 BILLABLE TICKETS	10.80	03/19/2026	612-49700-50300	
MN00581	24 BILLABLE TICKETS	10.80	03/19/2026	615-49550-50300	
	Check Total:	32.40			
Vendor: 1220	Grainger			Check Sequence: 23	ACH Enabled: False
9832287776	CIVIL DEFENSE R/M	89.92	03/19/2026	101-42500-50404	
	Check Total:	89.92			
Vendor: 1239	Hawkins, Inc.			Check Sequence: 24	ACH Enabled: False
7359595	WASTEWATER CHEMICALS	5,521.27	03/19/2026	602-49450-50272	
	Check Total:	5,521.27			
Vendor: 1998	HEWLETT-PACKARD FINANCIAL SERVICES COMPANY			Check Sequence: 25	ACH Enabled: False
100001746788	Period 04/26/26-05/25/26 FIREWALLS	1,849.78	03/19/2026	101-41420-50244	
	Check Total:	1,849.78			
Vendor: 1263	Intoximeters, Inc.			Check Sequence: 26	ACH Enabled: False
810107	INTOX MOUTHPIECE	96.00	03/19/2026	101-42110-50210	
	Check Total:	96.00			
Vendor: 1265	Isanti-Chisago County Star			Check Sequence: 27	ACH Enabled: False
1943753	TIF DIS 2026-1 NOTICE	48.10	03/19/2026	201-46500-50351	
	Check Total:	48.10			
Vendor: 1269	IUOE LOCAL 49 FRINGE BENEFIT			Check Sequence: 28	ACH Enabled: False
APR 2026	ADDITIONAL EE FOR APRIL HEALTH	1,907.00	03/19/2026	101-00000-21706	
	Check Total:	1,907.00			
Vendor: 1279	JOHNSON BROTHERS LIQUOR CO			Check Sequence: 29	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
1004159	LIQUOR	1,381.44	03/19/2026	609-49750-50251	
1004160	LIQUOR	6,616.16	03/19/2026	609-49750-50251	
1004161	WINE	1,410.96	03/19/2026	609-49750-50253	
1004162	LIQUOR	708.06	03/19/2026	609-49750-50251	
1004163	N/A SALES	99.68	03/19/2026	609-49750-50250	
1004164	WINE	655.63	03/19/2026	609-49750-50253	
1004165	LIQUOR	3,106.88	03/19/2026	609-48000-50251	
1004166	WINE	1,786.64	03/19/2026	609-48000-50253	
1004167	LIQUOR	1,009.14	03/19/2026	609-48000-50251	
1004168	WINE	649.88	03/19/2026	609-48000-50253	
1004169	LIQUOR	501.14	03/19/2026	609-48000-50251	
1008640	LIQUOR	3,877.62	03/19/2026	609-49750-50251	
1008641	WINE	318.72	03/19/2026	609-49750-50253	
1008642	WINE	29.84	03/19/2026	609-49750-50253	
1008643	WINE	29.84	03/19/2026	609-48000-50253	
1008644	LIQUOR	1,133.42	03/19/2026	609-49750-50251	
1008645	WINE	93.68	03/19/2026	609-49750-50253	
1008646	LIQUOR	484.14	03/19/2026	609-49750-50251	
1008647	LIQUOR	594.28	03/19/2026	609-48000-50251	
1008648	LIQUOR	56.42	03/19/2026	609-48000-50251	
1008649	LIQUOR	1,633.84	03/19/2026	609-48000-50251	
	Check Total:	26,177.41			
Vendor: 1281	Jones Construction Services Inc			Check Sequence: 30	ACH Enabled: False
5486	30 YD ROLL OFF	750.00	03/19/2026	101-43000-50387	
5493	30 YD ROLL OFF	750.00	03/19/2026	101-43000-50387	
	Check Total:	1,500.00			
Vendor: 2045	KLM ENGINEERING, INC			Check Sequence: 31	ACH Enabled: False
11361	WATER TOWER 3 REHAB	7,500.00	03/19/2026	615-49550-50530	
	Check Total:	7,500.00			
Vendor: 1685	Lakes Brewing Company			Check Sequence: 32	ACH Enabled: False
002572	BEER	212.00	03/19/2026	609-49750-50252	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	212.00			
Vendor: 1316	Little Falls Machine			Check Sequence: 33	ACH Enabled: False
375069	SNOW PLOW EQUIP R/M	1,741.69	03/19/2026	101-43000-50404	
375106	SNOW PLOW EQUIP R/M	3,389.38	03/19/2026	101-43000-50404	
	Check Total:	5,131.07			
Vendor: 1176	M Health Fairview			Check Sequence: 34	ACH Enabled: False
15009019387	VISIT 15009019387 ON 2/5/2026	116.00	03/19/2026	101-42110-50314	
	Check Total:	116.00			
Vendor: 1327	MACQUEEN EQUIPMENT INC.			Check Sequence: 35	ACH Enabled: False
P63607	SCBA MAINT	3,229.75	03/19/2026	101-42280-50222	
	Check Total:	3,229.75			
Vendor: 1643	McDonald Distributing			Check Sequence: 36	ACH Enabled: False
850531	LIQUOR	122.40	03/19/2026	609-49750-50251	
850532	BEER CREDIT	-54.15	03/19/2026	609-49750-50252	
850533	BEER	3,245.35	03/19/2026	609-49750-50252	
850533	N/A SALES	89.90	03/19/2026	609-49750-50250	
850545	BEER	634.85	03/19/2026	609-48000-50252	
850545	LIQUOR	218.50	03/19/2026	609-48000-50251	
850882	BEER CREDIT	-129.25	03/19/2026	609-48000-50252	
851493	LIQUOR	61.20	03/19/2026	609-49750-50251	
851494	LIQUOR	473.33	03/19/2026	609-49750-50251	
851494	N/A SALES	88.73	03/19/2026	609-49750-50250	
851494	BEER	5,699.39	03/19/2026	609-49750-50252	
851495	BEER	2,691.94	03/19/2026	609-48000-50252	
851495	N/A SALES	48.53	03/19/2026	609-48000-50250	
851495	LIQUOR	124.73	03/19/2026	609-48000-50251	
851499	BEER CREDIT	-24.50	03/19/2026	609-48000-50252	
851500	BEER CREDIT	-49.00	03/19/2026	609-48000-50252	
	Check Total:	13,241.95			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1348 3031671	Metro Sales Inc. COPY MACHINE LEASE	1,843.16	03/19/2026	Check Sequence: 37 101-41420-50219	ACH Enabled: False
	Check Total:	1,843.16			
Vendor: 2328 265073542	METROPLAINS ACQUISITION CORPORATION REFUND-ZONING COMPLIANCE	75.00	03/19/2026	Check Sequence: 38 101-00000-34103	ACH Enabled: False
	Check Total:	75.00			
Vendor: 1869 548	Mike Armstrong Contracting BEAVER DAM REMOVAL	1,200.00	03/19/2026	Check Sequence: 39 612-49700-50407	ACH Enabled: False
	Check Total:	1,200.00			
Vendor: 1413 10000225575 10000229047	MPCA - 64893 WASTEWATER ANNUAL PERMIT GENERATION ANNUAL PERMIT	1,450.00 1,418.79	03/19/2026 03/19/2026	Check Sequence: 40 602-49450-50236 620-49600-50236	ACH Enabled: False
	Check Total:	2,868.79			
Vendor: 1423 2026-072 2026-072 2026-072 2026-072 2026-072 2026-072 2026-072	N.B. Area Public Schools-Fuel MOTOR FUEL - GENERATION MOTOR FUEL - BLDG MOTOR FUEL - WATER MOTOR FUEL - FD MOTOR FUEL - WASTE WATER MOTOR FUEL - PW MOTOR FUEL - PD	45.60 53.60 180.33 348.64 72.47 529.16 2,334.87	03/19/2026 03/19/2026 03/19/2026 03/19/2026 03/19/2026 03/19/2026 03/19/2026	Check Sequence: 41 620-49600-50212 101-42400-50212 615-49550-50212 101-42280-50212 602-49450-50212 101-43000-50212 101-42110-50212	ACH Enabled: False
	Check Total:	3,564.67			
Vendor: 1432 APR 2026	NCPERS Group Life Ins. FOR APRIL 2026	48.00	03/19/2026	Check Sequence: 42 101-00000-21714	ACH Enabled: False
	Check Total:	48.00			
Vendor: 1763 DV26020446	OFFICE OF MNIT SERVICES-ACCOUNTS RECEIVABLE WIDE AREA NETWORK FEB SERVICES	1,150.00	03/19/2026	Check Sequence: 43 101-41420-50243	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	1,150.00			
Vendor: 2263	Palmdale Fab, LLC			Check Sequence: 44	ACH Enabled: False
316202601	FIRE DEPT R/M	518.75	03/19/2026	101-42280-50404	
	Check Total:	518.75			
Vendor: 1465	Paustis Wine Company			Check Sequence: 45	ACH Enabled: False
289189	WINE	1,643.50	03/19/2026	609-48000-50253	
289190	WINE	443.50	03/19/2026	609-49750-50253	
	Check Total:	2,087.00			
Vendor: 1472	Petersons North Branch Mill			Check Sequence: 46	ACH Enabled: False
168675	PROPANE-GEN FIRE	61.90	03/19/2026	620-49600-50401	
168739	PROPANE-GEN FIRE	61.90	03/19/2026	620-49600-50401	
168758	PROPANE-GEN FIRE	61.90	03/19/2026	620-49600-50401	
168786	PROPANE-GEN FIRE	61.90	03/19/2026	620-49600-50401	
168933	PROPANE-GEN FIRE	61.90	03/19/2026	620-49600-50401	
	Check Total:	309.50			
Vendor: 1474	PHILLIPS WINE & SPIRITS, INC			Check Sequence: 47	ACH Enabled: False
5137149	LIQUOR	4,618.31	03/19/2026	609-49750-50251	
5137150	WINE	574.44	03/19/2026	609-49750-50253	
5137150	LIQUOR	159.87	03/19/2026	609-49750-50251	
5137151	N/A SALES	199.96	03/19/2026	609-49750-50250	
5137152	LIQUOR	2,716.98	03/19/2026	609-48000-50251	
5137153	LIQUOR	266.45	03/19/2026	609-48000-50251	
5137153	WINE	1,575.16	03/19/2026	609-48000-50253	
5140662	WINE	185.68	03/19/2026	609-48000-50253	
5140663	LIQUOR	2,313.77	03/19/2026	609-49750-50251	
5140664	WINE	94.68	03/19/2026	609-49750-50253	
5140664	LIQUOR	139.77	03/19/2026	609-49750-50251	
5140665	LIQUOR	2,903.72	03/19/2026	609-48000-50251	
573328	N/A SALES CREDIT	-48.15	03/19/2026	609-49750-50250	
573330	LIQUOR CREDIT	-16.24	03/19/2026	609-49750-50251	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	15,684.40			
Vendor: 1884	SUSO 4 North Branch, LP Pine Tree Commercial Realty			Check Sequence: 48	ACH Enabled: False
	STORE 2 RENT APRIL 2026	6,574.33	03/19/2026	609-48000-50412	
	Check Total:	6,574.33			
Vendor: 1987	POMP'S TIRE SERVICE INC			Check Sequence: 49	ACH Enabled: False
2390033832	WATER DEPT TRUCK TIRES	607.80	03/19/2026	615-49550-50404	
	Check Total:	607.80			
Vendor: 1484	Premium Waters Inc.			Check Sequence: 50	ACH Enabled: False
855536-02-26	OPERATING SUPPLIES	17.14	03/19/2026	609-49750-50210	
	Check Total:	17.14			
Vendor: 2232	Pryes Brewing Company LLC			Check Sequence: 51	ACH Enabled: False
W-117619	BEER	199.50	03/19/2026	609-49750-50252	
	Check Total:	199.50			
Vendor: 2019	QUADIENT, INC			Check Sequence: 52	ACH Enabled: False
Q2249621	Q2 POSTAGE MACHINE LEASE	184.77	03/19/2026	101-41420-50210	
	Check Total:	184.77			
Vendor: 2066	RMB Environmental Laboratories, Inc.			Check Sequence: 53	ACH Enabled: False
B021512	Waste Water Lab Testing	130.20	03/19/2026	602-49450-50315	
B021588	Water Lab Testing	105.00	03/19/2026	615-49550-50315	
B021593	Waste Water Lab Testing	273.00	03/19/2026	602-49450-50315	
	Check Total:	508.20			
Vendor: 2040	Rustic Roots Winery, Inc.			Check Sequence: 54	ACH Enabled: False
#7	WINE	789.60	03/19/2026	609-49750-50253	
#8	WINE	789.60	03/19/2026	609-48000-50253	
	Check Total:	1,579.20			
Vendor: 1513	Safe-Fast, Inc.			Check Sequence: 55	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
322138	SAFETY GLASSES	28.20	03/19/2026	101-43000-50210	
322139	PW UNIFORM ALLOWANCE	96.00	03/19/2026	101-43000-50237	
322140	PW UNIFORM ALLOWANCE	148.90	03/19/2026	101-43000-50237	
322141	PW UNIFORM ALLOWANCE	94.56	03/19/2026	101-43000-50237	
322142	PW UNIFORM ALLOWANCE	77.90	03/19/2026	101-43000-50237	
324420	UNIFORMS	148.90	03/19/2026	615-49550-50237	
324422	UNIFORMS	77.90	03/19/2026	101-43000-50237	
	Check Total:	672.36			
Vendor: 2070	Short-Elliott-Hendrickson, Inc.			Check Sequence: 56	ACH Enabled: False
504084	SPILL PROTECTION PLAN	750.00	03/19/2026	620-49600-50300	
504084	SPILL PROTECTION PLAN	750.00	03/19/2026	602-49450-50300	
504084	SPILL PROTECTION PLAN	1,500.00	03/19/2026	101-43000-50300	
	Check Total:	3,000.00			
Vendor: 2288	SNAP-ON CREDIT LLC			Check Sequence: 57	ACH Enabled: False
APR 2026	PW SCAN TOOL	94.00	03/19/2026	101-43000-50433	
	Check Total:	94.00			
Vendor: 1534	SOUTHERN GLAZERS WINE & SPIRITS OF MINNESOTA			Check Sequence: 58	ACH Enabled: False
2731464	WINE	273.95	03/19/2026	609-48000-50253	
2731464	LIQUOR	1,757.48	03/19/2026	609-48000-50251	
2731938	LIQUOR	6,402.73	03/19/2026	609-49750-50251	
2731939	WINE	340.14	03/19/2026	609-49750-50253	
2734078	WINE	47.69	03/19/2026	609-48000-50253	
2734078	LIQUOR	1,165.83	03/19/2026	609-48000-50251	
2734574	WINE	1.55	03/19/2026	609-49750-50253	
2734575	LIQUOR	934.66	03/19/2026	609-49750-50251	
2734576	LIQUOR	2,076.50	03/19/2026	609-49750-50251	
2735199	LIQUOR	449.30	03/19/2026	609-49750-50251	
	Check Total:	13,449.83			
Vendor: 1611	WATSON COMPANY			Check Sequence: 59	ACH Enabled: False
156550	OPERATIONS SUPPLIES	69.93	03/19/2026	609-49750-50210	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
156550	N/A SALES	1,243.75	03/19/2026	609-49750-50250	
156550	OPERATIONS SUPPLIES	69.93	03/19/2026	609-48000-50210	
	Check Total:	1,383.61			
Vendor: 1622	WINE MERCHANTS			Check Sequence: 60	ACH Enabled: False
7556308	WINE	317.52	03/19/2026	609-49750-50253	
	Check Total:	317.52			
Vendor: 1624	Winnick Supply, Inc.			Check Sequence: 61	ACH Enabled: False
90913	PW BLDG R/M	648.29	03/19/2026	101-43000-50401	
91415	PW SMALL TOOLS/MINOR EQUIP	59.72	03/19/2026	101-43000-50240	
	Check Total:	708.01			
Vendor: 1628	WSB & Associates, Inc.			Check Sequence: 62	ACH Enabled: False
FEB 2026	R-032117-000-5 2025 BRIDGE SAFETY	427.50	03/19/2026	612-49700-50303	
FEB 2026	R-031777-000-2 CITY ENGINEERING	10,039.00	03/19/2026	101-41700-50303	
FEB 2026	R-033098-000-2 ESSBY BIZ PRK 5TH	6,262.00	03/19/2026	476-46500-50303	
FEB 2026	R-032627-000-3 FAIRWAY FLD	70.00	03/19/2026	101-00000-21187	
FEB 2026	R-032813-000-3 LP EXPERT FIN	784.25	03/19/2026	476-46500-50303	
FEB 2026	R-032809-000-3 2026 PVMT IMP	15,537.00	03/19/2026	101-43000-50303	
FEB 2026	R-032250-000-3 NW OLD TOWN	3,892.53	03/19/2026	602-49450-50303	
FEB 2026	R-024317-000-20 MEADOWS RDG	280.00	03/19/2026	101-00000-21165	
FEB 2026	R-027636-000-14 FOX RUN PHASE 2	210.00	03/19/2026	101-00000-21179	
FEB 2026	R-032250-000-3 NW OLD TOWN	7,785.05	03/19/2026	615-49550-50303	
FEB 2026	R-019771-000-37 MS4	1,196.25	03/19/2026	612-49700-50303	
FEB 2026	R-032250-000-3 NW OLD TOWN	1,744.92	03/19/2026	612-49700-50303	
FEB 2026	R-032810-000-3 FLETCHER AVE EXT	30,198.50	03/19/2026	476-46500-50303	
	Check Total:	78,427.00			
	Total for Check Run:	275,190.10			
	Total of Number of Checks:	62			

Accounts Payable

Checks by Date - Summary by Check Number

User: TiffaniFolstad
Printed: 3/20/2026 3:18 PM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
6095	1033	Associated Bank	02/13/2026	54.90
6096	1424	N.B. Fire Relief Association	03/13/2026	692.05
6097	1372	Minnesota State Retirement	03/16/2026	2,919.90
6098	1118	Commissioner Of Revenue (W/H)	03/16/2026	8,440.18
6099	1468	PERA (Payroll W/H)	03/16/2026	33,967.32
6100	1585	United States Treasury	03/16/2026	35,855.59
6101	2308	METROPOLITAN LIFE INSURANCE CC	03/17/2026	4,907.63
6102	1362	MINNESOTA REVENUE	03/18/2026	25,550.00
6103	1362	MINNESOTA REVENUE	03/18/2026	1,126.00
6104	1886	US Bank - Bond Pymts	03/27/2026	312,937.00
6105	2107	US BANK - CREDIT CARDS	02/07/2026	59,691.89
6106	1630	XCEL Energy	03/19/2026	2,363.64
6107	1365	Minnesota Energy Resources	03/20/2026	8,525.46
Report Total (13 checks):				497,031.56



NORTH BRANCH —Minnesota—

Kevin Schieber
Mayor

Robert Canada
Councilmember/Acting Mayor

Jeff Goulet
Councilmember

Jim Ibinger
Councilmember

Patrick Meacham
Councilmember

**CITY COUNCIL
REGULAR AGENDA
WEDNESDAY, MARCH 11, 2026 @ 6:00 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

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

REGULAR MEETING

Wednesday, March 11, 2026

1. CALL TO ORDER

Mayor Kevin Schieber called the North Branch City Council to order at 6:00 PM.

2. PLEDGE OF ALLEGIANCE

Mayor Kevin Schieber led the Pledge of Allegiance.

3. ROLL CALL

Present: Mayor Kevin Schieber, Councilmember Jeff Goulet, Councilmember Jim Ibinger, Councilmember Patrick Meacham, Councilmember Robert Canada

Absent:

Remote:

Others Present:

Notes:

4. AGENDA APPROVAL

a. Approve Agenda

ACTION

RESULT: Passed

MOVER: Robert Canada

SECONDER: Patrick Meacham

AYES: Kevin Schieber, Jeff Goulet, Jim Ibinger, Patrick Meacham, Robert Canada

ABSENT:

NOTES:

5. PRESENTATION & PROCLAMATION

6. 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.

7. CONSENT AGENDA

All matters listed under Consent Agenda are considered routine and/or non-controversial and will be approved by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

RESULT: Passed
MOVER: Robert Canada
SECONDER: Patrick Meacham
AYES: Kevin Schieber, Jeff Goulet, Jim Ibinger, Patrick Meacham, Robert Canada
ABSENT:
NOTES:

- a. Claims ACTION
- b. Approval of Minutes - Regular Council Meeting - February 25, 2026, 6:00 PM ACTION
- c. Approval of Application for Cannabis Retail Registration - Low Potency Hemp Retailer - AM Tobacco ACTION
- d. Approval of Application for Cannabis Retail Registration Low Potency Hemp Retailer - North Branch Liquor Stores ACTION
- e. Approval of Application for Cannabis Retail Registration - Low Potency Hemp Retailer - King Tobacco ACTION
- f. Approval of Mobile Food Truck License - Chick-fil-A Tri-State Food Truck ACTION
- g. Receive Legal Staff Report INFO
- h. Approval of Resolution R-300-2026 approving Plans and Specifications and authorizing KLM Engineering to advertise for Bids for Water Tower # 3 Reconditioning Project ACTION

8. PUBLIC HEARINGS

9. STAFF REPORTS

- a. Finance Update VERBAL UPDATE

Finance Director Sharon Wright gave the Finance Update.

Finance Update – January 2026

Cash and Investments

The City continues to maintain a strong liquidity position to support daily operations and overall financial stability.

- Operating Cash: Approximately \$7.6 million is held in checking and money market accounts.
- Target Balance: \$6.0 million, which provides sufficient liquidity while minimizing the risk of penalties associated with large invoices or pay applications.
- Variance: The January cash balance remains above the target; however, the first debt payments occur at the beginning of February.

In addition to cash equivalents, the City maintains \$17.6 million in diversified investments, including U.S. Agencies, U.S. Treasuries, Certificates of Deposit, and Bonds.

- Average Earnings Rate (January): 3.95%
- Monthly Interest Income: Approximately \$50,000

The investment portfolio continues to generate stable returns while maintaining a conservative investment strategy focused on safety and liquidity.

Liquor Store Fund Performance

The Liquor Store Fund reflects a stable start to the new year. While revenue decreased compared to the prior year, it is slightly higher than the three-year average. January typically represents a slower start to the year.

- Revenue: Increased 1.1% compared to the three-year average but was \$21,569 lower than January 2025 revenue.
- Expenses: Decreased 41% compared to the prior year.
- Net Income Before Transfers: \$107,485 profit.

The improved performance is largely attributable to stronger expense control and recent staffing changes.

General Financial Update

January 31, 2026, financial results remain preliminary as staff continue preparing for the 2025 financial audit.

- Technology Department: Approximately 30% of the annual budget is spent, which is typical due to annual software licenses that renew each year on January 1.
- Department Expenditures: Some departments show lower spending compared to the prior year due to Property & Casualty Insurance and Workers' Compensation Insurance allocations, which occur later in the year and require additional processing time. These allocations will be completed and reflected in the February report.
- EDA Fund: Currently, it shows a negative net position, which is expected as its primary revenue source—property taxes—is not received until July.

All other funds remain stable.

Overall Financial Position

- Liquidity remains strong and above target levels.

- Investment earnings continue to provide steady supplemental revenue.
- Liquor Store operations demonstrated improved profitability due to expense control.

b. Discussion regarding the Installation of Flock License Plate Reader (LPR) INFO
Cameras Within the City Limits

Police Chief Dan Meyer presented the discussion regarding the installation of Flock License Plate Reader Cameras within the City limits. License Plate Reader technology has been used by law enforcement agencies for several years and has proven effective in reducing and solving crime. LPR cameras capture still images of vehicle license plates and automatically compare plate numbers against national, state, and local databases. This process assists law enforcement in identifying stolen vehicles, missing persons, AMBER Alerts, and individuals who may be wanted or involved in criminal activity. When a match is detected, the system sends a real-time alert to on-duty officers.

Currently, nearly 100 law enforcement agencies in Minnesota utilize automated LPR technology, including the following local agencies within Chisago County:

- Chisago County Sheriff’s Office – 15 cameras throughout the townships and within the City of Rush City
- Wyoming Police Department – 4 cameras within the City of Wyoming
- Lakes Area Police Department – 4 cameras serving the Cities of Lindstrom and Chisago City

Law enforcement agencies throughout the county have reported several successful outcomes using their Flock LPR cameras. Sheriff Thyen recently presented statistical information to the Rush City Council, noting that 68 documented cases were successfully resolved with the assistance of the Flock camera system. The Lakes Area Police Department solved a hit-and-run incident at a local business, and the Wyoming Police Department solved a harassment/stalking case using information obtained through the Flock system. In addition, officers and deputies have recovered multiple stolen vehicles and located several wanted individuals within the county solely because of information provided by the Flock cameras.

I have met with representatives from Flock Safety on several occasions to discuss the potential installation of license plate reader (LPR) cameras within the city. Following these discussions, Flock Safety has provided both a quote and a tentative deployment plan. The proposal includes the placement of seven (7) Flock Safety cameras at key strategic entry points into the city. These locations were identified to help monitor primary ingress and egress routes:

- Highway 95 at the Isanti County line
- Highway 95 and Keystone Avenue
- Forest Boulevard and 420th Street
- Forest Boulevard and 360th Street
- Northbound I-35 south of Highway 95
- Southbound I-35 north of Highway 95
- Lincoln Trail at 360th Street

The current pricing structure is as follows:

- \$3,000 per camera per year
- One-time installation fee of \$650 per camera (\$4,550 total for seven cameras)

Flock Safety has indicated they would waive all installation fees if the City agrees, resulting in an annual cost of \$21,000 for seven cameras over the three-year contract term.

Chief Dan Meyer suggested that the City hold a Public Hearing to hear from the public and address any concerns with the FLOCK cameras, as they are different than some of the other traffic cameras that are utilized around the country.

Mayor Kevin Schieber pointed out that there was recently an article in the County News Review on March 5th regarding the FLOCK cameras in Rush City.

Councilmember Jeff Goulet asked if Chief Meyer could ask if we could somehow get data that could help with our traffic study analysis. Chief Meyer responded that he will ask the vendor if this would be possible.

City Council gave their consensus to move forward with a Public Hearing for the Community to give their feedback regarding the FLOCK cameras.

c. Consider amending Compensation Personnel Policy ACTION

Human Resource Generalist Travis Miles presented the consideration to amend the Compensation Personnel Policy. North Branch Personnel Policy Section 19 Compensation outlines setting salaries and pay dates. It states in 19.01 Setting Salaries: Salaries for all City employees, not covered by collective bargaining agreements, are set in accordance with the wage and salary scales outlined in the Labor Agreement for the employees governed by the Minnesota Teamsters Public and Law Enforcement Employees' Union Local No. 320 (City Employees Unit), as per applicable employment contract or in the absence of an employment contract by the City Council, based on the recommendation of the City Administrator.

Section 19 doesn't specifically address Cost of Living Adjustments (COLA) when it comes to employees not covered by the CBA. COLA is in the CBA as "General Wage Increase." This amount is agreed on for each year for the life of the contract during negotiations. For example, the current contract has the "General Wage Increase" set at 3% for 2025, 3.5% for 2026, and 3.25% for 2027.

City staff recommends adding a subsection to section 19 as 19.03 Cost of Living Adjustments to state Cost of Living Adjustments (COLA) for all City employees who are not covered by a collective bargaining agreement shall be consistent with the "General Wage Increase" established in the Labor Agreement applicable to employees represented by the Minnesota Teamsters Public and Law Enforcement Employees' Union Local No. 320 (City Employees Unit).

RESULT: Passed
MOVER: Kevin Schieber
SECONDER: Robert Canada
AYES: Kevin Schieber, Jeff Goulet, Jim Ibinger, Patrick Meacham, Robert Canada
ABSENT:
NOTES:

10. MAYOR/CITY COUNCIL

a. Advisory Committee updates: Personnel, Finance, Public Works, Public Safety VERBAL UPDATE

Councilmember Jeff Goulet gave a Public Works Update. Currently, the Public Works Committee is talking about the snowplow policy; there are a lot of projects going on, quotes for the water tower, and some street projects. There was also some equipment that was just ordered.

Mayor Kevin Schieber discussed that this past Monday, a handful of mayors from Chisago County met with Representative Max Reimer. Part of the reason for that meeting was to discuss some policy initiatives currently being considered during the legislative session. One of the main topics was an organization called Housing First. They've been advocating for policy changes that could impact cities and townships across Minnesota. These proposals have been discussed in different forms for the past five or six years, although the scope has been scaled back over time.

Representative Reimer shared a lot of helpful information with us, and the mayor of Wyoming, Lisa Iverson, was also part of the conversation. She's been closely following this issue for quite a while and brought some valuable insight.

One of the proposals currently being discussed is called the Starter Homes Act. The general sense right now is that it may be gaining some positive momentum this year. In previous years, it never made it to a vote because there wasn't enough support from either Republicans or Democrats. This year, because the proposal has been scaled back somewhat, it appears there's a possibility it could move out of committee. I believe the committee deadline is March 27, so in a couple of weeks. If it clears the committee and is recommended forward, it would eventually go to a vote.

For reference, the House version of the bill is HF 3895, and the Senate version is SF 4123. I can get copies of the current language if anyone wants to review it. What I have here is the version as it's currently written.

The mayor said he wanted to bring this to the council's attention and highlight a few sections, although I would strongly encourage everyone to read through the full bill. Some of the provisions could impact local control, which is why the League of Minnesota Cities has opposed similar proposals in past years. I'm not sure where they currently stand, so we'll need to gather a little more information on that. At this point, the bill is still being discussed in committee.

b. Registration available for the Annual League of Minnesota Conference INFO

Mayor Kevin Schieber presented that the League of Minnesota Cities conference is June 24-26, 2026, in Rochester. If members of the council haven't gone, he encourages them to attend. There are training sessions and networking with other City representatives. It's not just for elected officials, it's for City officials, City Clerks, City administrators. If anyone on the board is interested in attending, contact the City Administrator, Matthew Hill.

11. ADJOURNMENT

The North Branch City Council meeting was adjourned at 6:54 PM.

RESULT: Passed
MOVER: Kevin Schieber
SECONDER: Patrick Meacham
AYES: Kevin Schieber, Jeff Goulet, Jim Ibinger, Patrick Meacham, Robert Canada
ABSENT:

NOTES:



Prepared By: Tonya Kostuch, City Clerk

Presenter: Tonya Kostuch, City Clerk

Date: 03/18/2026

Board & Commission: City Council

Subject: Approval of LG220 Application for Exempt Permit for the Sons of the American Legion Post 85

Background Information:

The Sons of the American Legion Post 85 will be holding a Raffle at the American Legion Post 85 on June 21st, 2026, at 6439 Elm Street, North Branch, MN 55056. The clerk's office reviews and signs off on the application before it's sent to the Gambling Control Board.

Requested Action:

Staff recommends council approval of this application for submission to the Minnesota Gambling Control Board by the Sons of the American Legion Post 85.

Voting Requirements:

Voting Options Simple Majority

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:
• conducts lawful gambling on five or fewer days, and
• awards less than \$50,000 in prizes during a calendar year.
If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is \$100; otherwise the fee is \$150.
Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: Sons of the American Legion Post 85
Previous Gambling Permit Number: X-
Minnesota Tax ID Number, if any:
Federal Employer ID Number (FEIN), if any:
Mailing Address: 6439 Elm Street PO Box 87
City: North Branch State: Mn Zip: 55056 County: Chisago
Name of Chief Executive Officer (CEO): Charles Hult
CEO Daytime Phone: CEO Email:
Email permit to (if other than the CEO):

NONPROFIT STATUS

Type of Nonprofit Organization (check one):
[checked] Fraternal [] Religious [] Veterans [] Other Nonprofit Organization

Attach a copy of one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)
[checked] A current calendar year Certificate of Good Standing
Don't have a copy? Obtain this certificate from:
MN Secretary of State, Business Services Division
60 Empire Drive, Suite 100
St. Paul, MN 55103
Secretary of State website, phone numbers:
www.sos.state.mn.us
651-296-2803, or toll free 1-877-551-6767
[] IRS income tax exemption (501(c)) letter in your organization's name
Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.
[] IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)
If your organization falls under a parent organization, attach copies of both of the following:
1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): American Legion Post 85 - North Branch
Physical Address (do not use P.O. box): 6439 Elm Street
Check one:
[checked] City: North Branch Zip: 55056 County: Chisago
[] Township: Zip: County:
Date(s) of activity (for raffles, indicate the date of the drawing): June 21st 2026
Check each type of gambling activity that your organization will conduct:
[] Bingo [] Paddlewheels [] Pull-Tabs [] Tipboards [checked] Raffle

Gambling equipment for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to www.mn.gov/gcb and click on Distributors under the List of Licensees tab, or call 651-539-1900.

LG220 Application for Exempt Permit

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

**CITY APPROVAL
for a gambling premises
located within city limits**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).

The application is denied.

Print City Name: _____

Signature of City Personnel: _____

Title: _____ Date: _____

**The city or county must sign before
submitting application to the
Gambling Control Board.**

**COUNTY APPROVAL
for a gambling premises
located in a township**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.

The application is denied.

Print County Name: _____

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)
On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: Charles Hult Date: 3/18/20

(Signature must be CEO's signature; designee may not sign)

Print Name: Charles Hult

REQUIREMENTS	MAIL APPLICATION AND ATTACHMENTS
<p>Complete a separate application for:</p> <ul style="list-style-type: none"> • all gambling conducted on two or more consecutive days; or • all gambling conducted on one day. <p>Only one application is required if one or more raffle drawings are conducted on the same day.</p> <p>Financial report to be completed within 30 days after the gambling activity is done: A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.</p> <p>Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).</p>	<p>Mail application with:</p> <p>_____ a copy of your proof of nonprofit status; and</p> <p>_____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is \$100; otherwise the fee is \$150. Make check payable to State of Minnesota.</p> <p>To: Minnesota Gambling Control Board 1711 West County Road B, Suite 300 South Roseville, MN 55113</p> <p>Questions? Call the Licensing Section of the Gambling Control Board at 651-539-1900.</p>

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

This form will be made available in alternative format (i.e. large print, braille) upon request.

An equal opportunity employer



Prepared By: Tonya Kostuch, City Clerk

Presenter: Tonya Kostuch, City Clerk

Date: 03/17/2026

Board & Commission: City Council

Subject: Approval of Application for 1 day Temporary Consumption and Display Permit for Chisago County Board on Aging

Background:

The Chisago County Board on Aging is hosting an event on their property and is requesting a 1-day temporary permit for consumption from the AGE. The date of the event is May 2, 2026, at 38790 6th Avenue, North Branch, MN 55056. They have met the requirements, including payment and insurance.

Recommendation:

Approve the application for a 1-day Temporary Consumption and Display Permit for the Chisago County Board on Aging.

Voting Requirements:

Voting Options Simple Majority



Minnesota Department of Public Safety
 Alcohol and Gambling Enforcement Division
 445 Minnesota Street, Suite 1600, St. Paul, MN 55101
 651-201-7507 TTY 651-282-6555

**APPLICATION AND PERMIT FOR A 1 DAY
 TEMPORARY CONSUMPTION AND DISPLAY PERMIT**

(City or county may not issue more than 10 permits in any one year)

Name of organization		Date organized	Tax exempt number	
Chisago County Board on Aging		11-1969		
Organization Address	City	State	Zip Code	
38790 6th Ave.	North Branch	MN	55056	
Name of person making application		Business phone	Home phone	
Carol Gilquist				
Date(s) of event	Type of organization			
May 2, 2026	<input type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input checked="" type="checkbox"/> Other non-profit			
Organization officer's name		City	State	Zip
<input checked="" type="checkbox"/> Cathy Buda President		North Branch	MN	55056

Add New Officer

Location where permit will be used. If an outdoor area, describe.
 Chisago County Senior/Community Center
 38790 6th Ave.
 North Branch, MN 55056

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City of North Branch, MN
 City or County approving the license

\$50.00
 Fee Amount

3/17/26
 Date Fee Paid

Tommy Koshien

_____ Date Approved

_____ Permit Date

_____ City or County Email Address

_____ City or County phone number

Please Print Name of City Clerk or County Official

Signature City Clerk or County Official

Approved Director Alcohol and Gambling Enforcement

CLERKS NOTICE: Submit this form to Alcohol and Gambling Enforcement Division 30 days prior to event.

ONE SUBMISSION PER EMAIL, APPLICATION ONLY.

PLEASE PROVIDE A VALID E-MAIL ADDRESS FOR THE CITY/COUNTY AS ALL TEMPORARY PERMIT APPROVALS WILL BE SENT BACK VIA EMAIL. E-MAIL THE APPLICATION SIGNED BY CITY/COUNTY TO AGE.TEMPORARYAPPLICATION@STATE.MN.US



Prepared By: Tonya Kostuch, City Clerk

Presenter: Tonya Kostuch, City Clerk

Date: 03/09/2026

Board & Commission: City Council

Subject: Approve Transient Merchant License - Plant Place, Inc.

Background Information:

Plant Place Inc will be operating a seasonal greenhouse from April 20th, 2026, through July 20th, 2026, from the Jerry's Foods Parking lot, selling bedding plants, vegetable plants, perennials, and garden misc. They have obtained permission to use their parking spot. The organization has submitted the application for a Transient Merchant License along with appropriate fees and accompanying documents. All the documents are in order, and the background check has been completed successfully.

Requested City Council Action:

Approve the 2026 Transient Merchant License for Plant Place Inc.

Voting Requirements:

Voting Options Simple Majority

CITY OF NORTH BRANCH

Application for Transient Merchant License

****IF YOU HAVE MULTIPLE EMPLOYEES GOING DOOR TO DOOR, EACH INDIVIDUAL MUST COMPLETE SECTION 1. ADDITIONAL SPACE IS PROVIDED ON BACK****

SECTION 1 - INFORMATION ON APPLICANT

APPLICANT'S FULL LEGAL NAME (LAST, FIRST, MIDDLE)

Schroer, James, Edward

APPLICANT'S ADDRESS (STREET ADDRESS, CITY, STATE, ZIP)

APPLICANT'S PHONE NUMBER

APPLICANT'S DRIVER'S LICENSE NUMBER

APPLICANT'S DATE OF BIRTH

APPLICANT'S SOCIAL SECURITY NUMBER

HAS APPLICANT EVER BEEN CONVICTED OF A VIOLATION OF ANY FEDERAL STATE OR CITY ORDINANCES OR LAWS? IF SO LIST NATURE OF VIOLATION, DATE OF CONVICTION, AND NAME OF JURISDICTION INVOLVED.

YES NO

SECTION 2 - INFORMATION ON COMPANY

COMPANY NAME (PERSON, FIRM, ASSOCIATION OR CORPORATION WHOSE MERCHANDISE IS BEING SOLD)

Plant Place, Inc.

COMPANY ADDRESS (STREET ADDRESS, CITY, STATE, ZIP) A PO BOX NUMBER IS NOT AN ACCEPTABLE ADDRESS

11355 207th Ave NW, Elk River, MN 55330

COMPANY PHONE NUMBER

MINNESOTA ID NUMBER

FEDERAL ID NUMBER

SECTION 3 - INFORMATION ON GOODS TO BE OFFERED

DESCRIPTION OF GOODS, WARES, MERCHANDISE, OR SERVICES BEING OFFERED BY TRANSIENT MERCHANT

Annuals, Perennials, Hard Goods


DATES GOODS ARE BEING OFFERED

April 20th-July 20th

AREA WHERE GOODS ARE BEING OFFERED

County Market Parking Lot

I certify that the information given herein is true and complete to the best of my knowledge. I authorize the City of North Branch to do a criminal background investigation as may be necessary in issuance of a Transient Merchant License.


SIGNATURE OF APPLICANT

02/18/2026
DATE

FOR OFFICE USE ONLY

BACKGROUND CHECK COMPLETED BY _____

DATE OF INVESTIGATION _____

RECOMMEND APPROVAL OR DENIAL

APPROVED OR DENIED BY CITY COUNCIL

DATE OF COUNCIL ACTION _____

LICENSE APPLICANT:

Pursuant to Minnesota Statute 270.72 Tax Clearance: Issuance of Licenses, the licensing authority is required to provide to the Minnesota Commissioner of Revenue your Minnesota business tax identification number and the social security number of each license applicant.

Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we are required to advise you of the following regarding the use of this information:

1. This information may be used to deny the issuance, renewal or transfer of your license in the event you owe the Minnesota Department of Revenue delinquent taxes, penalties or interest;
2. Upon receiving this information, the licensing authority will supply it only to the Minnesota Department of Revenue upon their request. However, under the Federal Exchange of Information Agreement the Department of Revenue may supply this information to the Internal Revenue Service;
3. Failure to supply this information may jeopardize or delay the processing of your licensing issuance or renewal application.

Please supply the following information and return along with your application to the agency issuing the license. **DO NOT RETURN TO THE DEPARTMENT OF REVENUE.**

LICENSE BEING APPLIED FOR OR RENEWED: Transient Merchant

LICENSING AUTHORITY: City of North Branch, Chisago County, Minnesota

LICENSE RENEWAL DATE: 4/20/2026

PERSONAL INFORMATION (If applicable):

Applicant's Name James E Schroer

Applicant's Address _____
City State Zip

Social Security Number: _____

BUSINESS INFORMATION (If applicable):

Business Name Plant Place, Inc.

Business Address 11355 207th Ave NW, Elk River, MN 55330
City State Zip

MINNESOTA TAX IDENTIFICATION NO: _____

FEDERAL TAX IDENTIFICATION NO: _____

If a Minnesota Tax Identification number is not required, please explain on the reverse side.

	<u>CEO/Owner</u>	<u>2/18/2026</u>
Signature	Position (Officer, Partner, etc.)	Date



NORTH BRANCH

CONSENT FOR THE RELEASE OF INFORMATION FOR TRANSIENT MERCHANT APPLICATIONS

The individual(s) signing below authorizes the release of information to the City of North Branch the following information for the purpose of doing a background check on the applicant for Transient Merchant Licenses.

The individual(s) signing below understands that their records under state and federal privacy regulations are private and cannot be disclosed without my written consent unless otherwise provided by law.

The individual(s) signing below may cancel this consent at any time prior to the information being released and that in any event this consent form expires ninety days after signing.

FULL NAME(PRINTED)

DATE ● OF BIRTH

James Edward Schroer

SIGNATURE (authorizing release)

DRIVERS LICENSE NUMBER

FULL NAME (PRINTED)

DATE ● OF BIRTH

SIGNATURE (authorizing release)

DRIVERS LICENSE NUMBER

DATE SIGNED

I certify that the information given herein is true and complete to the best of my knowledge. I authorize the City of North Branch to do a criminal background investigation as may be necessary in issuance of a Transient Merchant License.



SIGNATURE OF APPLICANT

2/18/2026

DATE

FOR OFFICE USE ONLY

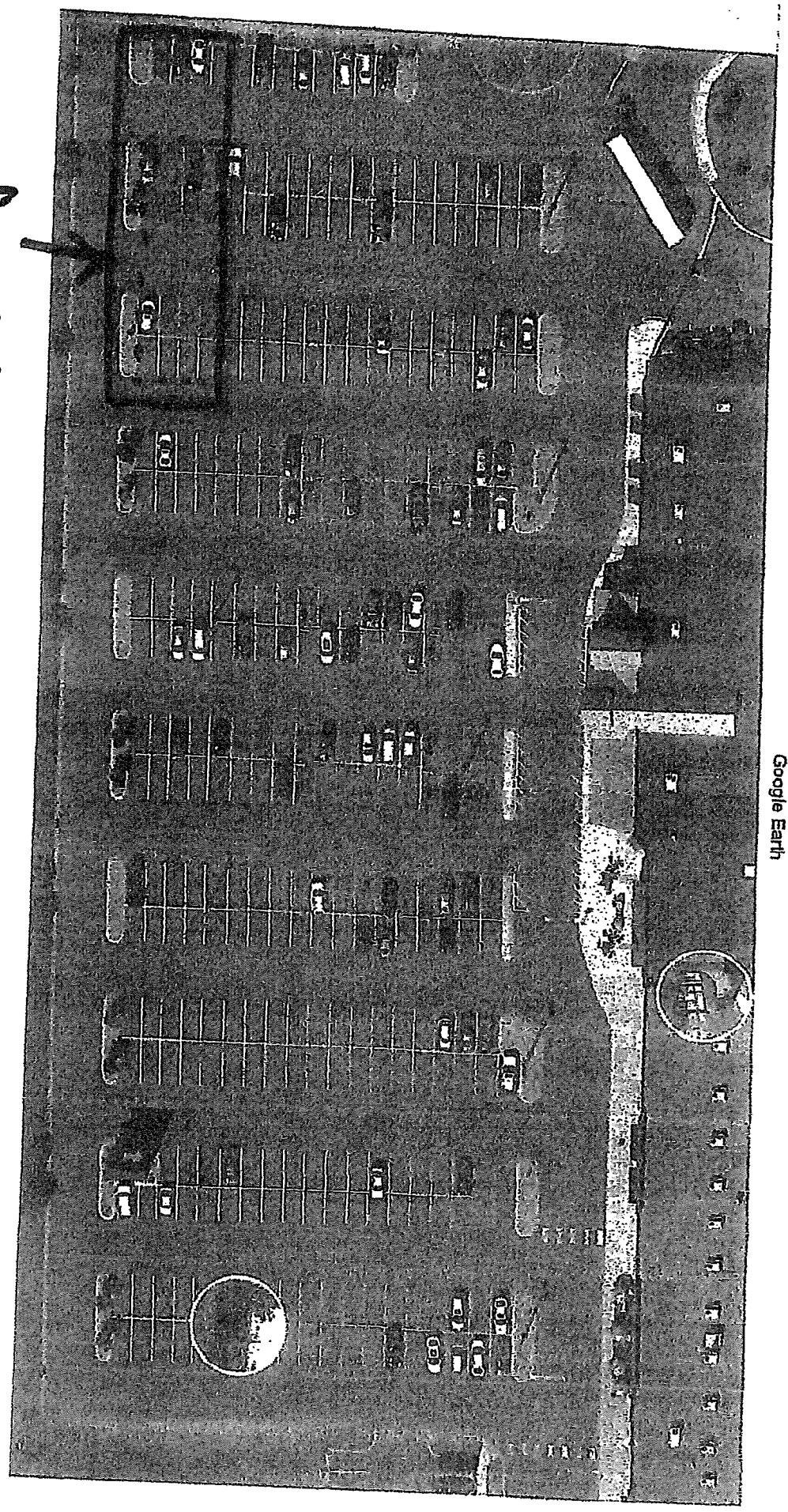
BACKGROUND CHECK COMPLETED BY _____

DATE OF INVESTIGATION _____

RECOMMEND APPROVAL OR DENIAL

APPROVED OR DENIED BY CITY COUNCIL

DATE OF COUNCIL ACTION _____



forced in area
w/ greenhouse

any question call



Prepared By: Tonya Kostuch, City Clerk

Presenter: Tonya Kostuch, City Clerk

Date: 03/13/2026

Board & Commission: City Council

Subject: Approve Transient Merchant License - Paragon Square LLC - Dog Waste Removal

Background Information:

Xavier Yang from Paragon Square LLC will be going door to door to offer dog waste removal services from March 26, 2026, to April 26, 2026. The organization has submitted the application for a Transient Merchant License along with appropriate fees and accompanying documents. All the documents are in order, and the background check has been completed successfully.

Requested City Council Action:

Approve the 2026 Transient Merchant License for Paragon Square LLC.

Voting Requirements:

Voting Options Simple Majority

Transient Merchant License Applicants

Notice to all License Applicants:

Attached is:

- The North Branch City Code on Peddlers, Solicitors and Transient Merchants.
- Transient Merchant License Application

The license is good for a 30-day period. The license fee is \$78.

The North Branch Police Department will conduct a background investigation on all solicitors. If more than one individual will be going door-to-door you must request a Transient Merchant License Group Sale application

License applications must be approved by the North Branch City Council before you can begin going door-to-door. You must be in possession of the approved licensed signed by the City prior to going door-to-door.

*\$234
30 day
\$78 -
paid*

CITY OF NORTH BRANCH

Application for Transient Merchant License

****IF YOU HAVE MULTIPLE EMPLOYEES GOING DOOR TO DOOR, EACH INDIVIDUAL MUST COMPLETE SECTION 1. ADDITIONAL SPACE IS PROVIDED ON BACK****

SECTION 1 - INFORMATION ON APPLICANT

APPLICANT'S FULL LEGAL NAME (LAST, FIRST, MIDDLE) Yang, Xavier, Peejzoo	
APPLICANT'S ADDRESS (STREET ADDRESS, CITY, STATE, ZIP) [Handwritten address]	
APPLICANT'S PHONE NUMBER	APPLICANT'S DRIVER'S LICENSE NUMBER [Handwritten license number]
APPLICANT'S DATE OF BIRTH	APPLICANT'S SOCIAL SECURITY NUMBER [Handwritten SSN]
HAS APPLICANT EVER BEEN CONVICTED OF A VIOLATION OF ANY FEDERAL STATE OR CITY ORDINANCES OR LAWS? IF SO LIST NATURE OF VIOLATION, DATE OF CONVICTION, AND NAME OF JURISDICTION INVOLVED. <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	

SECTION 2 - INFORMATION ON COMPANY

COMPANY NAME (PERSON, FIRM, ASSOCIATION OR CORPORATION WHOSE MERCHANDISE IS BEING SOLD) Paragon Square LLC		
COMPANY ADDRESS (STREET ADDRESS, CITY, STATE, ZIP) A PO BOX NUMBER IS NOT AN ACCEPTABLE ADDRESS [Handwritten address]		
COMPANY PHONE NUMBER	MINNESOTA ID NUMBER	FEDERAL ID NUMBER

SECTION 3 - INFORMATION ON GOODS TO BE OFFERED

DESCRIPTION OF GOODS, WARES, MERCHANDISE, OR SERVICES BEING OFFERED BY TRANSIENT MERCHANT Dog waste removal for the city of North Branch. Going door to door to offer dog waste removal services.	
DATES GOODS ARE BEING OFFERED	AREA WHERE GOODS ARE BEING OFFERED City of North Branch

I certify that the information given herein is true and complete to the best of my knowledge. I authorize the City of North Branch to do a criminal background investigation as may be necessary in issuance of a Transient Merchant License.

03/10/2026
DATE

FOR OFFICE USE ONLY

BACKGROUND CHECK COMPLETED BY _____	<input type="checkbox"/> APPROVED OR <input type="checkbox"/> DENIED BY CITY COUNCIL DATE OF COUNCIL ACTION _____
DATE OF INVESTIGATION _____	
RECOMMEND <input type="checkbox"/> APPROVAL OR <input type="checkbox"/> DENIAL	



NORTH BRANCH

CONSENT FOR THE RELEASE OF INFORMATION FOR TRANSIENT MERCHANT APPLICATIONS

The individual(s) signing below authorizes the release of information to the City of North Branch the following information for the purpose of doing a background check on the applicant for Transient Merchant Licenses.

The individual(s) signing below understands that their records under state and federal privacy regulations are private and cannot be disclosed without my written consent unless otherwise provided by law.

The individual(s) signing below may cancel this consent at any time prior to the information being released and that in any event this consent form expires ninety days after signing.

FULL NAME(PRINTED)

DATE OF BIRTH

Xavier Yang

SIGNATURE (authorizing release)

DRIVERS LICENSE NUMBER

FULL NAME (PRINTED)

DATE OF BIRTH

SIGNATURE (authorizing release)

DRIVERS LICENSE NUMBER

DATE SIGNED

LICENSE APPLICANT:

Pursuant to Minnesota Statute 270.72 Tax Clearance: Issuance of Licenses, the licensing authority is required to provide to the Minnesota Commissioner of Revenue your Minnesota business tax identification number and the social security number of each license applicant.

Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we are required to advise you of the following regarding the use of this information:

1. This information may be used to deny the issuance, renewal or transfer of your license in the event you owe the Minnesota Department of Revenue delinquent taxes, penalties or interest;
2. Upon receiving this information, the licensing authority will supply it only to the Minnesota Department of Revenue upon their request. However, under the Federal Exchange of Information Agreement the Department of Revenue may supply this information to the Internal Revenue Service;
3. Failure to supply this information may jeopardize or delay the processing of your licensing issuance or renewal application.

Please supply the following information and return along with your application to the agency issuing the license. **DO NOT RETURN TO THE DEPARTMENT OF REVENUE.**

LICENSE BEING APPLIED FOR OR RENEWED: Applied for

LICENSING AUTHORITY: City of North Branch, Chisago County, Minnesota

LICENSE RENEWAL DATE: _____

PERSONAL INFORMATION (If applicable):

Applicant's Name Xavier Yang

Applicant's Address 1000 North Branch, North Branch, MN 56471
City State Zip

Social Security Number: _____

BUSINESS INFORMATION (If applicable):

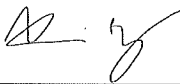
Business Name Paragon Square LLC (DBA Paws & Lawns Cleanup)

Business Address _____
City State Zip

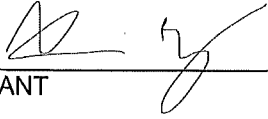
MINNESOTA TAX IDENTIFICATION NO: _____

FEDERAL TAX IDENTIFICATION NO: _____

If a Minnesota Tax Identification number is not required, please explain on the reverse side.

	Partner	03/10/2026
Signature	Position (Officer, Partner, etc.)	Date

I certify that the information given herein is true and complete to the best of my knowledge. I authorize the City of North Branch to do a criminal background investigation as may be necessary in issuance of a Transient Merchant License.



SIGNATURE OF APPLICANT

03/10/2026
DATE

FOR OFFICE USE ONLY

BACKGROUND CHECK COMPLETED BY _____

DATE OF INVESTIGATION _____

RECOMMEND APPROVAL OR DENIAL

APPROVED OR DENIED BY CITY COUNCIL

DATE OF COUNCIL ACTION _____



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 03/17/2026

Board & Commission: City Council

Subject: Approval of Resolution R-305-2026 Releasing the Letter of Credit and Developer Obligations for Grand Point and Grand Point 2nd Addition

Overview / Background

The North Branch City Council approved the Final Plat for Grand Point and Grand Point 2nd Addition (“Development”) on September 14, 2021, and May 25, 2022 and entered into a Planned Unit Development and Subdivision Agreement (“Agreement”) for the Development, also on March 29, 2022 and May 3, 2022 . The Developer completed the public improvements (“Improvements”) as required by the Agreement, and offered to dedicate the Improvements on March 25, 2025, entering the one (1) year warranty period. The Developer has satisfactorily completed the warranty period and has requested the City return all remaining security and escrow specific to the Development. Additionally, the release of financial security and escrow means the public portion of the project is complete, allowing the City to release the Developer from its terms, conditions and obligations as outlined in the Agreement. Because the Agreement is recorded with Chisago County, the City must approve a resolution and document for recording, releasing the Developer from the Agreement.

Staff Recommendation

City staff recommend accepting, releasing and returning to the developer the financial securities and remaining escrow balance for Grand Point and Grand Point 2nd Addition.

Recommended City Council Action

Motion to approve Resolution No. R-305-2026, accepting, releasing and returning to the developer the financial securities and remaining escrow balance for Grand Point and Grand Point 2nd Addition.

Voting Requirements:

Voting Options Simple Majority

STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-305-2026

A RESOLUTION ACCEPTING THE PUBLIC IMPROVEMENTS AND RELEASING THE FINANCIAL SECURITIES AND DEVELOPER OBLIGATIONS FOR GRAND POINT AND GRAND POINT 2ND ADDITION

WHEREAS, in accordance with Planned Unit Development and Subdivision Agreements (“Agreements”) Grand Point and Grand Point 2nd Addition (“Developments”), dated March 29, 2022, and May 3, 2022, respectively, Alliant Capital, LLC (“Developer”), agreed to install certain public improvements (“Improvements”) for said Developments, and provide Financial Guarantee (“Security”), in the form of Letter of Credit, covering the installation and construction of those “Improvements;” and,

WHEREAS, the Developer has completed the Improvements as of March 25, 2026, as required by the Agreements for the Developments, and hereby has made an Offer of Dedication for those Improvements; and,

WHEREAS, said Agreement for the Development was submitted to and recorded with Chisago County on March 30, 2022, as Document No. 657441; and on June 8, 2022, as Document No. 659571,

WHEREAS, the public improvements (“Improvements”) are complete and have been accepted by the City, and the remaining financial securities and escrow are authorized for release and return to the Developer, pursuant to Resolution No. R-305-2026, as approved by the City Council on March 25, 2026; and,

WHEREAS, the City has reviewed the Agreement and has determined all terms and conditions described therein have been satisfied by the Developer and that the improvements related to the Development are deemed complete.

NOW THEREFORE, BE IT RESOLVED BY THE NORTH BRANCH CITY COUNCIL THAT, the Mayor and City Clerk are hereby authorized to accept the public improvements and release the developer obligations for the Development and Subdivision Agreement for Grand Point and Grand Point 2nd Addition with Alliant Capital, LLC, as described in Exhibit A.

Passed by the City Council of North Branch, Minnesota this 25th day of March, 2026.

Kevin Schieber, Mayor

Attested:

Matthew Hill, City Administrator

EXHIBIT A
RELEASE OF
DEVELOPMENT AND SUBDIVISION AGREEMENT
FOR GRAND POINT AND GRAND POINT 2ND ADDITION
WITH ALLIANT CAPITAL, LLC

The City of North Branch hereby states the Developer, Alliant Capital, LLC, has met the conditions of that certain Development and Subdivision Agreement(s) entered into on the 29th day of March 2022 for Grand Point and entered into on the 3rd day of May, 2022 for Grand Point 2nd Addition , between the City of North Branch and Alliant Capital, LLC for the construction of a residential subdivision, known as Grand Point and Grand Point 2nd Additions, which was recorded with Chisago County on March 30, 2022 (Document No. 657441) and June 8, 2022, (Document No. 659571).

The legal description of the property subject to the Development and Subdivision Agreements is as follows:

Lots 1-10, Block 1, and Lots 1-17, Block 2, Lots 1, Block 3 and Outlot A, B and C, Grand Point, Chisago County, Minnesota

And

Lots 1-21, Grand Point 2nd Addition, Chisago County, Minnesota

The City hereby RELEASES the Developer, its successors and assigns, from the terms and conditions of said Development and Subdivision Agreements (Document No's. 657441 and 659571).

CITY OF NORTH BRANCH

Kevin Schieber

Mayor

Matthew Hill

STATE OF MINNESOTA)

) ss.

COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____,
2026 by Kevin Schieber and Matthew Hill, the Mayor and City Administrator respectively, of the City of
North Branch, a Minnesota municipal corporation, on behalf of the corporation and pursuant to
the authority granted by its City Council.

Notary Public



NORTH BRANCH
City of North Branch
Staff Report

Prepared By: Heidi Hamilton , Senior Project Manager

Presenter: Justin Messner, City Engineer

Date: March 25, 2026

Board & Commission: City Council

Subject: Resolution R-307-2026 Awarding the Construction Contract for the 2026 Pavement Improvement Project

Introduction:

Bids were received for the above-referenced project on Thursday, March 19, 2016, and were opened and read aloud. Five bids were received. The bids were checked for mathematical accuracy. Please find enclosed the bid summary indicating the low bid as submitted by Knife River Corporation – North Central, Sauk Rapids, Minnesota in the amount of \$423,049.92. The Engineer’s Estimate was \$494,641.00.

We recommend that the City Council consider these bids and award a contract in the amount of \$423,049.92 to Knife River Corporation – North Central based on the results of the bids received.

Recommended Action:

Approve Resolution R-307-2026 Awarding the Construction Contract for the 2026 Pavement Improvement Project

Voting Requirements:

Simple Majority

Attachment:

1. Resolution
2. Bid Summary

BID TABULATION SUMMARY

PROJECT:
2026 Pavement Improvement Project

OWNER:
City of North Branch

WSB PROJECT NO.:
032809-000

Bids Opened: Thursday, March 19, 2026, at 10:00 am

	Contractor	Bid Security (5%)	Grand Total Bid
1	Knife River Corp - North Central	X	\$423,049.92
2	Asphalt Surface Technologies Corp.	X	\$456,649.35
3	North Valley, Inc.	X	\$461,153.75
4	Bituminous Roadways Inc.	X	\$483,843.00
5	Park Construction Company	X	\$526,447.81

	Engineer's Opinion of Cost		\$494,641.00
--	----------------------------	--	--------------

I hereby certify that this is a true and correct tabulation of the bids as received on March 19, 2026.


Emily Brown, Project Manager

 Denotes corrected figure

STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-307-202

RESOLUTION R-307-2026 AWARDING THE CONSTRUCTION CONTRACT FOR THE 2026 PAVEMENT IMPROVEMENT PROJECT

WHEREAS, the City has a pavement preservation plan which includes street reconstruction and asphalt overlays; and,

WHEREAS, the City Council authorized the preparation of plans and specifications and advertisement for bids for the 2026 Pavement Improvement Project on December 9, 2025; and,

WHEREAS, the project was designed and advertised for bid in accordance with all applicable Minnesota laws; and,

WHEREAS, five bids were received and public read aloud on March 19, 2026 and the low bid was provided by Knife River Corporation – North Central; and

WHEREAS, the low bid of \$423,049.92 is well within the amount budgeted for this project;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH BRANCH, MINNESOTA, hereby approves the 2026 Pavement Improvement Project Contract with Knife River Corporation- North Central, Sauk Rapids, Minnesota as presented in the amount of \$423,049.92.

Whereupon said resolution was declared duly passed and adopted, and was signed by the Mayor and attested by the City Administrator dated this 25th day of March 2026.

Kevin Schieber, Mayor

Attested:

Tonya Kostuch, City Clerk



Prepared By: Matt Fraley, Public Works Director

Presenter: Matt Fraley, Public Works Director

Date: 03/18/2026

Board & Commission: City Council

Subject: Resolution Approving 2026 Gravel Road Quotes

The City of North Branch maintains approximately 32 miles of gravel roads. A key component of this maintenance program is the annual re-graveling of roadways to preserve surface quality and ensure safe travel conditions.

The 2026 gravel road quote request was published in the City's official newspaper for two consecutive weeks in early March. Quotes were opened on March 16, 2026, at 1:00 p.m. Two quotes were received:

- Rydberg & Sons, Inc.: \$13.11 per ton
- Bjorklund Companies: \$13.15 per ton

Funding for this work is provided annually through the Public Works Street Maintenance Fund under the gravel budget. Based on current pricing, the City anticipates re-graveling approximately 5 miles of roadway in 2026, which keeps the City on track with its six-year re-graveling plan.

Requested Action:

Motion and Second to approve Resolution R-308-2026 accepting the low bid of \$13.11/ton from Rydberg & Sons Inc. for annual gravel road maintenance

Voting Requirements:

Voting Options: Simple Majority

STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-308-2026

Resolution R-308-2025 Approving 2026 Road Gravel Quotes

WHEREAS, the City of North Branch has gravel roads to maintain by means of re-graveling and the City has advertised for quotes in our legal paper the Isanti-Chisago Star for two consecutive weeks and,

WHEREAS, the City received two quotes from Rydberg and Son Inc. and Bjorklund Companies. Quotes were opened on March 16th, 2026 by the Public Works Director, and the quote from Rydberg and Son Inc. for \$13.11/ ton, and the quote from Bjorklund Companies for \$13.15/ ton.

WHEREAS, the low quote for the 2026 road gravel project is from Rydberg and Son in the amount of \$13.11/ton.

NOW, THEREFORE, BE IT RESOLVED THAT: the City of North Branch City Council approved the low quote from Rydberg and Sons Inc. for the 2026 road gravel project for \$13.11/ton delivered.

Passed by the City Council of North Branch, Minnesota this 25th day of March, 2026.

Kevin Schieber, Mayor

Attested:

Tonya Kostuch, City Clerk



NORTH BRANCH
City of North Branch
Staff Report

Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 03/19/2026

Board & Commission: City Council

Subject: Approval of Resolution R-309-2026 authorizing the BDPI Grant Application

Background Info

The City of North Branch has over 200 acres of vacant land currently available in the Interstate Business Park that is being marketed for sale. The land consists of predominately industrial-zoned properties along with some commercial land on the south end of the park and some residential on the south side of 400th Street. The land has been owned by the North Branch EDA and Chisago County HRA/EDA dating back to the mid 2000's.

The Interstate Business Park has good visibility and access bounded by I35 to the west, 400th St to the south, Co Rd 30 along with rail to the east and 410th Street to the north. However, there are currently a limited number of sites that are immediately available that do not require the additional cost and time to extend streets and utilities in the industrial park. The EDA has been working on addressing this through rezoning of properties and reevaluating the design standards guidelines. The EDA has received interest from prospective manufacturing companies looking to invest in Interstate Business Park and the EDA has discussed applying for a Business Development Public Infrastructure (BDPI) grant to extend street and utility infrastructure within the park.

The City Council approved resolution R-191-2025 on May 13, 2025, authorizing the Mayor and City Administrator to submit a BDPI application to Mn DEED and were notified of receiving a grant award in the amount of \$1,050,000. The grant application was in support of the completion of street and utility infrastructure improvements including the extension of Fletcher Ave to approximately 805' to the north and Goodview Ave 920' to the north. See the attached map. The total project cost was estimated at \$2,408,005. Funding for these improvements consisted of funds BDPI grant funding, EDA Façade, TIF, Fund 503 closeout and Land Sales.

Following receipt of the BDPI grant funding award, the EDA approved a purchase agreement for the sale of 120 acres in the northwest portion of the Interstate Business Park that requires the extension of Fletcher Ave and associated utilities to connect to the existing Fletcher Avenue.

(see attached plans).

To utilize the approved BDPI grant fund award for the modified project, the application for the funds needs to be modified to match the new scope of the project.

Attached are cost estimates for the revised street and utility infrastructure improvements.

Grant Information:

The Business Development Public Infrastructure (BDPI) program through the Minnesota Department of Employment and Economic Development (DEED) focuses on job creation and retention through the growth of new innovative businesses and organizations. The program provides grants to local governmental units on a competitive basis statewide for up to 50 percent of the capital cost of the public infrastructure necessary to expand or retain jobs.

Eligibility

- Local governmental units (city, county, townships, special district, or other political subdivision or public corporation) are eligible to apply for a grant.
- The minimum requirement applies to cities, which must provide a 50-percent match of the project capital costs.
- The projects must be of publicly owned infrastructure related to a development project, including projects that target manufacturing, technology, warehousing and distribution; research and development; innovative business incubator; agricultural processing; or industrial, office, or research park development that would be used by an innovative business.
- Funds from this program can also be used for land acquisition and preparation, telecommunications, bridges, parking ramps, demolition, hazard remediation, pre-design, construction, equipment and furnishings.

Requested Action

To approve Resolution R-309-2026 authorizing the mayor and city administrator to submit the revised application for the Business Development Public Infrastructure (BDPI) grant for the extension of Fletcher Avenue.

Voting Requirements:

Voting Options **Simple Majority**

STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-309-2026

A RESOLUTION AUTHORIZING THE BUSINESS DEVELOPMENT INFRASTRUCTURE GRANT APPLICATION FOR THE CITY OF NORTH BRANCH, MINNESOTA INTERSTATE BUSINESS PARK

WHEREAS, the City of North Branch has identified the need for the extension of public infrastructure to the Interstate Business Park to promote future development: and

WHEREAS, the City has limited industrial property available for the attraction and expansion of existing businesses in the community; and

WHEREAS, the City has identified the Business Development Infrastructure Grant Program as a potential funding source to complete the proposed project; and

WHEREAS, the City of North Branch’s comprehensive water and sanitary sewer plans call for the installation of trunk water and sewer lines to serve the proposed project area; and

WHEREAS, the City has completed the preliminary engineering for the proposed Infrastructure Project and identified the cost associated with the proposed project; and

WHEREAS, the City has identified the funding sources to meet the required match requirements of the Business Development Infrastructure Grant Program.

BE IT RESOLVED that the City of North Branch acts as the legal sponsor for project(s) contained in the Business Development Infrastructure Application to be submitted on March 25, 2026, and that the Mayor and City Administrator are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of the City of North Branch

BE IT FURTHER RESOLVED that the City of North Branch has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure matching funds, adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that the City of North Branch has not violated any Federal, State, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, the City of

North Branch, may enter into an agreement with the State of Minnesota for the above-referenced project(s), and that it will comply with all applicable laws and regulations as stated in all contract agreements.

BE IT FURTHER RESOLVED that the non-BDPI source(s) of funds identified in the sources and uses outlined in the application in the total amount of \$3,058,846.35 are committed and adequate to fully fund the project identified in the application. -

BE IT FURTHER RESOLVED that the sources of the Applicant’s matching funds shall be the city enterprise fund which has adequate funding to cover the commitment.

BE IT FURTHER RESOLVED that per MN statute 116J.431 Subd 7, the City of North Branch understands the grant may be canceled if the project identified in the Application is not proceeding within 18 months of the execution of a grant agreement, or if not complete after five years of any grant award.

BE IT FURTHER RESOLVED that the City of North Branch acknowledges that allowing an ineligible business to locate in the area directly served by the funded infrastructure may trigger a default of the grant and cause repayment by the City of North Branch.

The City of North Branch certifies that it will comply with all applicable laws, regulations, and rules of the Business Development Infrastructure Application.

NOW, THEREFORE BE IT RESOLVED that the Mayor and City Administrator or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project(s) on behalf of the applicant.

I CERTIFY THAT the above resolution was adopted by the City Council of the City of North Branch on March 25, 2026.

Approved:

Kevin Schieber, Mayor

Attested:

Matthew Hill, City Administrator

Area 1 - Fletcher Ave from existing termini to cul-de-sac

<u>Improvements</u>	<u>Total</u>
Surface	\$1,616,283.35
Sanitary Sewer	\$916,410.00
Watermain	\$789,030.00
Storm Sewer	\$251,185.00
Total Construction Cost =	\$3,572,908.35

Plans/Specs & Inspection (15%) \$535,938.00

Total Project Cost = **\$4,108,846.35**

FLETCHER AVENUE EXTENSION - EXISTING TERMINI TO CUL-DE-SAC

Mat. No.	Item	Units	Estimated Unit Price	Estimated Quantity	Estimated Cost
SCHEDULE A - SURFACE IMPROVEMENTS					
2021.501	MOBILIZATION	L S	\$159,000.00	1	\$159,000.00
2104.503	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	L F	\$5.00	100	\$500.00
2104.505	REMOVE BITUMINOUS PAVEMENT	S Y	\$10.00	1000	\$10,000.00
2105.507	COMMON EXCAVATION (P)	C Y	\$20.00	13200	\$264,000.00
2112.519	SUBGRADE PREPARATION	RDST	\$200.00	29	\$5,800.00
2123.610	STREET SWEEPER (WITH PICKUP BROOM)	HOUR	\$150.00	10	\$1,500.00
2211.507	AGGREGATE BASE (CV) CLASS 5 (P)	C Y	\$32.00	6000	\$192,000.00
2331.501	JOINT ADHESIVE	L F	\$0.85	5900	\$5,015.00
2357.506	BITUMINOUS MATERIAL FOR TACK COAT	GALLON	\$3.50	140	\$490.00
2360.509	TYPE SP 9.5 WEARING COURSE MIXTURE (2,C)	TON	\$88.00	1100	\$96,800.00
2360.509	TYPE SP 12.5 WEARING COURSE MIXTURE (2,C)	TON	\$85.00	1800	\$153,000.00
2521.518	3" BITUMINOUS WALK	S F	\$4.00	46400	\$185,600.00
2531.503	CONCRETE CURB & GUTTER DESIGN B618	L F	\$22.00	5800	\$127,600.00
2563.601	TRAFFIC CONTROL	L S	\$1,500.00	1	\$1,500.00
2573.502	SILT FENCE, TYPE MS	L F	\$3.50	6000	\$21,000.00
2573.502	STORM DRAIN INLET PROTECTION	EACH	\$200.00	24	\$4,800.00
2573.503	SEDIMENT CONTROL LOG TYPE STRAW BIOROLL	L F	\$3.00	500	\$1,500.00
2573.604	STABILIZED CONSTRUCTION ENTRANCE	L S	\$1,000.00	2	\$2,000.00
2574.507	COMMON TOPSOIL BORROW	C Y	\$32.00	1300	\$41,600.00
2575.505	SEEDING	ACRE	\$2,500.00	9	\$23,000.00
2575.508	SEED MIXTURE 25-131	L B	\$5.00	1103	\$5,515.00
2575.508	HYDRAULIC STABILIZED FIBER MATRIX	L B	\$5.00	32156	\$160,778.50
2575.523	RAPID STABILIZATION METHOD 3	M GALLONS	\$500.00	10	\$5,000.00
2575.535	WATER (TURF ESTABLISHMENT)	M GALLONS	\$45.00	30	\$1,350.00
SUBTOTAL SCHEDULE A - SURFACE IMPROVEMENTS					\$1,469,348.50
+10% CONTINGENCIES					\$146,934.85
SUBTOTAL SCHEDULE A - SURFACE IMPROVEMENTS					\$1,616,283.35
+15% ENGINEERING & INSPECTION					\$242,443.00
TOTAL SCHEDULE A - SURFACE IMPROVEMENTS					\$1,858,726.35

FLETCHER AVENUE EXTENSION - EXISTING TERMINI TO CUL-DE-SAC

Mat. No.	Item	Units	Estimated Unit Price	Estimated Quantity	Estimated Cost
SCHEDULE B - SANITARY SEWER IMPROVEMENTS					
2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	\$2,000.00	1	\$2,000.00
2503.603	8" PVC PIPE SEWER - SDR 26	L F	\$50.00	80	\$4,000.00
2503.603	TELEWISE SANITARY SEWER	L F	\$2.50	2,900	\$7,250.00
2503.603	10" PVC PIPE SEWER - SDR 26	L F	\$65.00	600	\$39,000.00
2503.603	18" PVC PIPE SEWER - SDR 26	L F	\$155.00	4,350	\$674,250.00
2506.502	CASTING ASSEMBLY (SANITARY)	EACH	\$1,250.00	13	\$16,250.00
2506.602	CHIMNEY SEALS	EACH	\$350.00	13	\$4,550.00
2506.603	CONST 48" DIA SAN SEWER MANHOLE	L F	\$550.00	156	\$85,800.00
SUBTOTAL SCHEDULE B - SANITARY SEWER IMPROVEMENTS					\$833,100.00
+10% CONTINGENCIES					\$83,310.00
SUBTOTAL SCHEDULE B - SANITARY SEWER IMPROVEMENTS					\$916,410.00
+15% ENGINEERING & INSPECTION					\$137,462.00
TOTAL SCHEDULE B - SANITARY SEWER IMPROVEMENTS					\$1,053,872.00

FLETCHER AVENUE EXTENSION - EXISTING TERMINI TO CUL-DE-SAC

Mat. No.	Item	Units	Estimated Unit Price	Estimated Quantity	Estimated Cost
SCHEDULE C - WATER SYSTEM IMPROVEMENTS					
2104.502	REMOVE GATE VALVE & BOX	EACH	\$350.00	1	\$350.00
2104.503	REMOVE WATERMAIN	EACH	\$10.00	20	\$200.00
2504.602	CONNECT TO EXISTING WATER MAIN	EACH	\$2,000.00	1	\$2,000.00
2504.602	20" GATE VALVE AND BOX	EACH	\$10,000.00	8	\$80,000.00
2504.602	6" GATE VALVEAND BOX	EACH	\$2,400.00	4	\$9,600.00
2504.602	HYDRANT ASSEMBLY	EACH	\$7,500.00	6	\$45,000.00
2504.603	6" WATER MAIN-DUCT IRON CL 52 W/ POLY WRAP	L F	\$80.00	520	\$41,600.00
2504.603	20" WATER MAIN-DUCT IRON CL 52 W/ POLY WRAP	L F	\$160.00	3,100	\$496,000.00
2504.604	4" POLYSTYRENE INSULATION	S Y	\$45.00	40	\$1,800.00
2504.608	DUCTILE IRON FITTINGS	POUND	\$7.00	5,900	\$41,300.00
SUBTOTAL SCHEDULE C - WATERMAIN IMPROVEMENTS					\$717,300.00
+10% CONTINGENCIES					\$71,730.00
SUBTOTAL SCHEDULE C - WATERMAIN IMPROVEMENTS					\$789,030.00
+15% ENGINEERING & INSPECTION					\$118,355.00
TOTAL SCHEDULE C - WATERMAIN IMPROVEMENTS					\$907,385.00

FLETCHER AVENUE EXTENSION - EXISTING TERMINI TO CUL-DE-SAC

Mat. No.	Item	Units	Estimated Unit Price	Estimated Quantity	Estimated Cost
SCHEDULE D - DRAINAGE IMPROVEMENTS					
2502.503	15" RC PIPE SEWER DESIGN 3006 CLASS V	L F	\$55.00	290	\$15,950.00
2503.503	18" RC PIPE SEWER DESIGN 3006 CLASS V	L F	\$70.00	1,850	\$129,500.00
2503.503	21" RC PIPE SEWER DESIGN 3006 CLASS III	L F	\$85.00	970	\$82,450.00
2503.503	24" RC PIPE SEWER DESIGN 3006 CLASS III	L F	\$95.00	300	\$28,500.00
2503.503	21" RC PIPE APRON	EACH	\$2,400.00	1	\$2,400.00
2503.602	CONNECT TO EXISTING STORM SEWER	EACH	\$1,000.00	1	\$1,000.00
2506.502	CASTING ASSEMBLY (STORM)	EACH	\$900.00	20	\$18,000.00
2506.602	CHIMNEY SEALS	EACH	\$350.00	20	\$7,000.00
2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL	EACH	\$2,750.00	20	\$55,000.00
2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 60-4020	L F	\$850.00	40	\$34,000.00
SUBTOTAL SCHEDULE D - DRAINAGE IMPROVEMENTS					\$228,350.00
+10% CONTINGENCIES					\$22,835.00
SUBTOTAL SCHEDULE D - DRAINAGE IMPROVEMENTS					\$251,185.00
+15% ENGINEERING & INSPECTION					\$37,678.00
TOTAL SCHEDULE D - DRAINAGE IMPROVEMENTS					\$288,863.00

Fletcher Avenue Extension Project



December 5, 2025

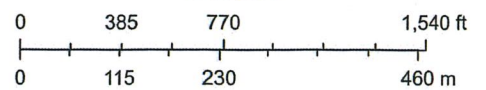
--- City Boundary

▭ Parcels

— Street Extension

- - - Proposed Sanitary Sewer

1:12,000



Vantor, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 03/05/2026

Board & Commission: City Council

Subject: Consider Approval of Resolution R-310-2026 approving a Modification to Development District No 1, proposed establishment of TIF District 2026-1 and adoption of TIF Plan

Overview / Background

On March 17, 2026, the North Branch Economic Development Authority (EDA) reviewed a request from Louisiana Pacific (LP) (Applicant), requesting Tax Increment Financing (TIF) to support construction of a 200,000 square foot manufacturing facility development (Development). The development site is located on a 120-acre parcel on the southwest corner of Forest Boulevard (County Road 30) and 410th Street.

The City Council approved the Preliminary and Final Plat and a conditional use permit (CUP) for outdoor storage for the proposed manufacturing facility on February 25, 2026. City staff are currently working with the developer on Site Plan approval; Site Plan approvals are handled administratively.

TIF Request

The Applicant requested TIF in the amount of \$2,500,000 to facilitate the Development. Upon analysis, Ehlers and City staff recommended a cap of \$2,500,000; the District has a projected maximum duration of eight (8) years. State Statute establishes a maximum, 8-year duration for an Economic Development Districts. EDA recommended approval of a term sheet, noting the amount and duration, and recommend creation of the TIF District to the City Council. State Statute requires the City Council to conduct all required the public hearing and establish TIF Districts. The notice was published and sent to the School District and Chisago County, as required by State Statute. The hearing was scheduled for March 25, 2026.

Developers seeking financial assistance (i.e. TIF) from the City submit an application and pay applicable fees, and provide financial documents for City staff review. The City works with municipal advisor Ehlers & Associates to determine project eligibility, review the level of financial support requested, and analyze those requests in comparison to the financial report(s)

and business plan(s) submitted by the requestor, and provide a recommendation as to the level of assistance. Ehlers, in concert with legal counsel Taft Law, assists the City in setting up the TIF district. The creation of such districts follows State Statute. Effectively, there are three (3) different types of TIF districts: Economic Development, Redevelopment and Housing. As noted above, the proposed Development qualifies under a Housing TIF District, which bears a potential statutory 8-year maximum term.

The attached documents include the proposed resolution, creating the TIF District and authorizing the City to execute the TIF Development Agreement, and the TIF Plan and Agreement.

To date, the City has not received any written or verbal public comments specific to the TIF request. Upon completion of the public hearing, City staff and Ehlers are recommending approval of the TIF District.

Staff Recommendation

City staff recommend completing the public hearing as required by State Statute.

Recommended City Council Action

Motion to conduct a public hearing to receive public comment specific to the proposed Modification to the Development Program for Development District No. 1, Establishing Tax Increment Financing District No. 2026-1, adopting the TIF plan ; Establishing an interfund loan; and approving a Development Agreement and Business Subsidy and to consider approval of Resolution R-310-2026 approving the Resolution establishing TIF District 2026-1 regarding a request for Tax Increment Financing (TIF) for a 200,000 square foot manufacturing facility development.

Voting Requirements:

Voting Options Simple Majority

EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF THE CITY
OF NORTH BRANCH, MINNESOTA

HELD: MARCH 25, 2026

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of North Branch, Chisago County, Minnesota, was duly called and held at the City Hall, in said City on March 25, 2026, at 6:00 P.M.

The following members of the Council were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION APPROVING THE MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1; ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 2026-1 WITHIN DEVELOPMENT DISTRICT NO. 1; ADOPTING THE TAX INCREMENT FINANCING PLAN THEREFOR; ESTABLISHING AN INTERFUND LOAN; AND APPROVING A DEVELOPMENT AGREEMENT AND BUSINESS SUBSIDY

A. WHEREAS, it has been proposed that the City of North Branch, Minnesota (the "City") (1) modify the Development Program for the City's Development District No. 1 (the "Development District"); (2) establish Tax Increment Financing District No. 2026-1 therein (the "TIF District"); (3) approve and adopt the proposed Tax Increment Financing Plan therefor under the provisions of Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the "Act"); (4) approve an interfund loan (as hereinafter defined); (5) authorize the execution of a development agreement (as hereinafter defined); and (6) approve a business subsidy (as hereinafter defined); and

B. WHEREAS, the City Council has investigated the facts and has caused to be prepared the Modification to the Development Program for the Development District (the "Development Program Modification"), and has caused to be prepared a proposed tax increment financing plan for the TIF District therein (the "TIF Plan"); and

C. WHEREAS, the City has performed all actions required by law to be performed prior to the approval of the modification of the Development District and the establishment of the TIF District therein, and the adoption of the Development Program Modification and TIF Plan therefor, including, but not limited to, notification of Chisago County and Independent School District No. 138, having taxing jurisdiction over the property to be included in the TIF District, and the holding of a public hearing upon published and mailed notice as required by law; and

D. WHEREAS, the City may pay for certain costs identified in the TIF Plan consisting of land acquisition, public utilities, site improvements/preparation, other eligible improvements, and administrative costs (the "Qualified Costs") incurred in connection with the establishment of the TIF District and development of land within the TIF District, which costs may be financed on a temporary basis from City funds available for such purposes; and

E. WHEREAS, under Minnesota Statutes, Section 469.178, Subd. 7, the City is authorized to advance or loan money from the City's general fund or any other fund from which such advances may be legally made, in order to finance the Qualified Costs; and

F. WHEREAS, the City intends to reimburse itself for the payment of the Qualified Costs, plus interest thereon, from tax increments derived from the TIF District in accordance with the terms of this resolution (which terms are referred to collectively as the "Interfund Loan"); and

G. WHEREAS, Louisiana-Pacific Corporation (the "Developer") has requested that the City assist with the financing of certain costs incurred in connection with the construction by the Developer of an approximately 200,000 square foot manufacturing facility with space available for warehousing, distribution and related activities to be located in the City (the "Project"); and

H. WHEREAS, the Developer and City have determined to enter into a Development Agreement providing for the City's tax increment financing assistance for the Project (the "Development Agreement"); and

I. WHEREAS, the financial assistance to be provided to the Developer under the Development Agreement is a business subsidy (the "Business Subsidy") pursuant to Minnesota Statutes, Sections 116J.993 to 116J.995 (the "Business Subsidies Act"); and

J. WHEREAS, a public hearing, pursuant to the Business Subsidy Act, was held on this day.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of North Branch follows:

1. Development District. The City is not modifying the boundaries of the Development District.

2. Development Program Modification. The Modification to the Development Program for Municipal Development District No. 1, a copy of which is on file in the office of the City Administrator, is adopted.

3. Tax Increment Financing District No. 2026-1. There is hereby established in the City within the Development District, the Tax Increment Financing District No. 2026-1, an economic development tax increment financing district, the initial boundaries of which are fixed and determined as described in the TIF Plan.

4. Tax Increment Financing Plan. The TIF Plan is adopted as the tax increment financing plan for the TIF District, and the City Council makes the following findings:

(a) The TIF District is an economic development district as defined in Minnesota Statutes, Section 469.174, Subd. 12, the specific basis for such determination is set forth in Appendix C of the TIF Plan.

(b) The proposed development in the opinion of the City Council, would not occur solely through private investment within the reasonably foreseeable future. The reasons for such determination are set forth in Appendix C of the TIF Plan.

(c) In the opinion of the City Council, the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan. The reasons supporting this finding are set forth in Appendix C of the TIF Plan.

(d) The TIF Plan for the TIF District conforms to the general plan for development or redevelopment of the City as a whole. The reasons for supporting this finding are set forth in Appendix C of the TIF Plan.

(e) The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise. The reasons supporting this finding are set forth in Appendix C of the TIF Plan.

(f) Appendix C of the TIF Plan is incorporated herein by reference.

5. Public Purpose. The adoption of the TIF Plan for the TIF District within the Development District conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the State which is already built up to provide employment opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose.

6. Certification. The Auditor of Chisago County is requested to certify the original net tax capacity of the TIF District as described in TIF Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased in accordance with the Act; and the City Administrator is authorized and directed to forthwith transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties within the TIF District for which building permits have been issued during the 18 months immediately preceding the adoption of this Resolution.

7. Filing. The City Administrator is further authorized and directed to file a copy of the Modification and TIF Plan for the TIF District with the Commissioner of Revenue and the Office of the State Auditor.

8. Administration. The administration of the Development District is assigned to the City Administrator who shall from time to time be granted such powers and duties pursuant to Minnesota Statutes, Sections 469.130 and 469.131 as the City Council may deem appropriate.

9. Interfund Loan.

(a) The City hereby authorizes the advance of up to \$438,834 from the City's General Fund or so much thereof as may be paid as Qualified Costs. The City shall reimburse itself for such advances together with interest at the rate stated below. Interest accrues on the principal amount from the date of each advance. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 as of the date the loan or advance is authorized, unless the written agreement states that the maximum interest rate will fluctuate as the interest rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 are from time to time adjusted. The interest rate shall be 6.00% and will not fluctuate.

(b) Principal and interest on the Interfund Loan (the "Payments") shall be paid annually on each December 31 commencing with the date the tax increments from the TIF District are available and not otherwise pledged to and including the earlier of (i) the date the principal and accrued interest of the Interfund Loan is paid in full, or (ii) the date of last receipt of tax increment from the TIF District ("Payment Dates") which Payments will be made in the amount and only to the extent of available tax increments. Payments shall be applied first to accrued interest, and then to unpaid principal.

(c) Payments on the Interfund Loan are payable solely from the tax increment generated in the preceding twelve (12) months with respect to the TIF District and remitted to the City by Chisago County, all in accordance with Minnesota Statutes, Sections 469.174 to 469.1794, as amended. Payments on this Interfund Loan are subordinate to any outstanding or future bonds, notes or contracts secured in whole or in part with tax increment, and are on parity with any other outstanding or future interfund loans secured in whole or in part with tax increments.

(d) The principal sum and all accrued interest payable under this Interfund Loan are pre-payable in whole or in part at any time by the City without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Interfund Loan.

(e) The Interfund Loan is evidence of an internal borrowing by the City in accordance with Minnesota Statutes, Section 469.178, Subd. 7, and is a limited obligation payable solely from tax increment pledged to the payment hereof under this resolution. The Interfund Loan and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Interfund Loan or other costs incident hereto except out of tax increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision

thereof is pledged to the payment of the principal of or interest on the Interfund Loan or other costs incident hereto. The City shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the termination of the TIF District.

(f) The City may amend the terms of the Interfund Loan at any time by resolution of the City Council, including a determination to forgive the outstanding principal amount and accrued interest to the extent permissible under law.

10. Development Agreement and Business Subsidy.

(a) The Council hereby approves the Development Agreement in substantially the form submitted and the granting of the Business Subsidy as described in the Development Agreement, and the Mayor and the City Administrator are hereby authorized and directed to execute the Development Agreement on behalf of the Council.

(b) The approval hereby given to the Development Agreement includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the City officials authorized by this resolution to execute the Development Agreement. The execution of the Development Agreement by the appropriate officer or officers of the City shall be conclusive evidence of the approval of the Development Agreement in accordance with the terms hereof..

The motion for adoption of the foregoing resolution was duly seconded by member _____ and, after full discussion thereof, and upon a vote being taken thereof, the following voted in favor thereof:

and the following voted against same:

Adopted this 25th day of March, 2026.

Mayor

Attest: _____
City Administrator

STATE OF MINNESOTA
CHISAGO COUNTY
CITY OF NORTH BRANCH

I, the undersigned, being the duly qualified and acting City Administrator of the City of North Branch, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the establishment of the Tax Increment Financing District No. 2026-1 in the City.

WITNESS my hand as such City Administrator of the City Council of the City of North Branch, Minnesota this ____ day of March, 2026.

City Administrator

Adoption Date: March 25, 2026

City of North Branch Chisago County, Minnesota

MODIFICATION TO THE DEVELOPMENT PROGRAM

Development District No. 1

&

Tax Increment Financing (TIF) Plan

Establishment of Tax Increment Financing District 2026-1
(an economic development district)



Prepared by:

Ehlers
3001 Broadway Street, Suite 320
Minneapolis, Minnesota 55413

BUILDING COMMUNITIES. IT'S WHAT WE DO.

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Modification to the Development Program for Development District No. 1

FOREWORD

The following text represents a Modification to the Development Program for Development District No. 1. This modification represents a continuation of the goals and objectives set forth in the Development Program for Development District No. 1. Generally, the substantive changes include the establishment of Tax Increment Financing District 2026-1.

For further information, a review of the Development Program for Development District No. 1, is recommended. It is available from the Community Development Director at the City of North Branch. Other relevant information is contained in the tax increment financing plans for the tax increment financing districts located within Development District No. 1.

Tax Increment Financing Plan for Tax Increment Financing District 2026-1

FOREWORD

The City of North Branch (the "City"), staff and consultants have prepared the following information to expedite the establishment of Tax Increment Financing District 2026-1 (the "District"), an economic development tax increment financing district, located in Development District No. 1.

STATUTORY AUTHORITY

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the City has certain statutory powers pursuant to *Minnesota Statutes ("M.S."), Sections 469.124 - 469.133*, inclusive, as amended, and *M.S., Sections 469.174 to 469.1794*, inclusive, as amended (the "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for Development District No. 1.

STATEMENT OF OBJECTIVES

The District currently consists of five (5) parcels of land and adjacent roads and internal rights-of-way. The District is being created to facilitate the development of an estimated 200,000 square foot manufacturing facility that would produce siding materials and other products and space related to the production in the City. The proposed development is Phase I, and the developer has discussed potential future phased expansions on the site.

The City has not entered into an agreement but plans to enter into an agreement with Louisiana-Pacific Corporation or a related entity. Development is anticipated to begin in the spring 2025. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Development District No. 1.

The activities contemplated in the Modification to the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Development District No. 1 and the District.

DEVELOPMENT PROGRAM OVERVIEW

Pursuant to the Development Program and authorizing state statutes, the City is authorized to undertake the following activities in the District:

1. Property to be Acquired - The Economic Development Authority (EDA) currently owns all of the parcels of property within the District. The remaining property located within the District may be acquired by the City or EDA and is further described in this TIF Plan.
2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.
3. Upon approval of a developer’s plan relating to the project and completion of the necessary legal requirements, the City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.
4. The City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.
5. The City proposes both public and private infrastructure within the District. The proposed reuse of private property within the District will be for a manufacturing facility and related space, and there will be continued operation of Development District No. 1 after the capital improvements within Development District No. 1 have been completed.

DESCRIPTION OF PROPERTY IN THE DISTRICT AND PROPERTY TO BE ACQUIRED

The District encompasses all property and adjacent roads rights-of-way and abutting roadways identified by the parcels listed below.

Parcel number	Address	Owner
110107225	Unassigned	North Branch EDA
110107210	Unassigned	North Branch EDA
110107233	Unassigned	North Branch EDA
110107213	Unassigned	North Branch EDA
110107202	Unassigned	North Branch EDA

Please also see the map in Appendix A for further information on the location of the District.

The City may acquire any parcel within the District including interior and adjacent street rights of way. Any properties identified for acquisition will be acquired by the City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan. The City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

The City's Economic Development Authority (EDA) currently owns all of the parcels of the property to be included in the District.

DISTRICT CLASSIFICATION

The City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, finds that the District, to be established, is an economic development district pursuant to *M.S., Section 469.174, Subd. 12*.

The District is in the public interest because it will meet the statutory requirement of discouraging commerce, industry, or manufacturing from moving their operations to another state or municipality; resulting in increased employment in the State; and resulting in preservation and enhancement of the tax base of the State.

Pursuant to *M.S., Section 469.176, Subd. 4c*, revenue derived from tax increment from an economic development district may not be used to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to developments consisting of buildings and ancillary facilities, if more than 15% of the buildings and facilities (determined on the basis of square footage) are used for a purpose other than:

1. The manufacturing or production of tangible personal property, including processing resulting in the change in condition of the property;
2. Warehousing, storage, and distribution of tangible personal property, excluding retail sales;

3. Research and development related to the activities listed in items (1) or (2);
4. Telemarketing if that activity is the exclusive use of the property; or
5. Tourism facilities;
6. Space necessary for and related to the activities listed in items (1) to (5); or
7. A workforce housing project that satisfies the requirements of *M.S., Section 469.176, Subd. 4c(d)*.

The facilities in the District meet the conditions of Purposes 1, and 2.

The District is being created to assist in the construction of a manufacturing facility for Louisiana-Pacific Corp. and the production of siding materials and other products. The proposed facility will be used for manufacturing, warehouse and distribution and related activities.

Pursuant to *M.S., Section 469.176, Subd. 7*, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111, 273.112, or 273.114 or Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

DURATION & FIRST YEAR OF DISTRICT'S TAX INCREMENT

Pursuant to *M.S., Section 469.175, Subd. 1, and M.S., Section 469.176, Subd. 1*, the duration of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 8 years after receipt of the first increment by the City. The date of receipt by the City of the first tax increment is expected to be 2028.

Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2036, or when the TIF Plan is satisfied. If increment is received in 2027, the term of the District will be 2035. The City reserves the right to decertify the District prior to the legally required date.

ORIGINAL TAX CAPACITY, TAX RATE & ESTIMATED CAPTURED NET TAX CAPACITY VALUE/INCREMENT & NOTIFICATION OF PRIOR PLANNED IMPROVEMENTS

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2025 for taxes payable 2026.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2028) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the District;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to the City.

The original local tax rate for the District will be the local tax rate for taxes payable 2026, assuming the request for certification is made before June 30, 2026. The rates for 2026 were not available at the time the District was established. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Development District No. 1, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The City requests 100% of the available increase in tax capacity be used for repayment of the obligations of the City and current expenditures. The Project Tax Capacity listed is an estimate of values when the projects within the District are completed.

Project Tax Capacity		
Estimated Development Tax Capacity upon completion	469,250	
Less: Original Net Tax Capacity (ONTC)	17,674	
Less: Fiscal Disparities	0	
Estimated Captured Tax Capacity (CTC)	451,576	
Original Local Tax Rate	122.5110%	Pay 2025
Estimated Annual Tax Increment	\$553,230	
Percent Retained by the City	100%	

Note: Numbers show Captured Tax Capacity after project completion. Tax capacity includes a 0% inflation factor for the duration of the District.

Pursuant to *M.S., Section 469.177, Subd. 4*, the City shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

The City has reviewed the area to be included in the District and found no parcels for which building permits have been issued during the 18 months immediately preceding approval of the TIF Plan by the City.

SOURCES OF REVENUE/BONDS TO BE ISSUED

The total estimated tax increment revenues for the District are shown in the table below:

SOURCES	
Tax Increment	\$4,388,336
Interest	438,834
TOTAL	\$4,827,170

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The City reserves the right to issue bonds (as defined in the TIF Act) or incur other indebtedness as a result of the TIF Plan. As presently proposed, the projects within the District will be financed by pay-as-you-go notes and interfund loans. Any refunding amounts will be deemed a budgeted cost without a formal modification to this TIF Plan. This provision does not obligate the City to incur debt.

The City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The City may issue bonds secured in whole or in part with tax increments from the District in a maximum principal amount of \$3,717,971. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

USES OF FUNDS

Currently under consideration for the District is a proposal to facilitate the development of an estimated 200,000 square foot manufacturing facility and related space. The City has determined that it will be necessary to provide assistance to the project for certain District costs, as described herein.

The City has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

USES	
Land/Building Acquisition	\$2,500,000
Site Improvements/Preparation	-
Utilities	
Other Qualifying Improvements	779,137
Administrative Costs (up to 10%)	438,834
PROJECT COSTS TOTAL	\$3,717,971
Interest	1,109,199
PROJECT AND INTEREST COSTS TOTAL	\$4,827,170

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in the Sources of Revenue section.

Estimated capital and administrative costs listed above are subject to change among categories by modification of the TIF Plan without hearings and notices as required for approval of the initial TIF Plan, so long as the total capital and administrative costs combined do not exceed the total listed above.

Further, the City may spend up to 20% of the tax increment revenues from the District for activities (described in the table above) located outside the boundaries of the District but within the boundaries of the Development District No. 1 (including administrative costs, which are considered to be spend outside the District), subject to all other terms and conditions of this TIF Plan.

ESTIMATED IMPACT ON OTHER TAXING JURISDICTIONS

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the City has determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is \$0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

Impact on Tax Base			
Entity	2024/Pay 2025 Total NTC	CTC upon completion	Percent of CTC to Entity Total
Chisago County	95,515,390	451,576	0.4728%
City of North Branch	15,677,758	451,576	2.8804%
ISD 138 (North Branch)	29,996,325	451,576	1.5054%

Impact on Tax Rates				
Entity	Pay 2025 Extension Rate	Percent of Total	CTC	Potential Taxes
Chisago County	53.3220%	43.52%	451,576	\$240,789
City of North Branch	42.4120%	34.62%	451,576	191,522
ISD 138 (North Branch)	22.3260%	18.22%	451,576	100,819
Other	4.4510%	3.63%	451,576	20,100
	122.5110%	100.00%		\$553,230

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the Pay 2025 rate. The total net capacity for the entities listed above are based on Pay 2025 figures. The District will be certified under the Pay 2026 rates, which were unavailable at the time this TIF Plan was prepared.

Pursuant to *M.S., Section 469.175 Subd. 2(b)*:

- (1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$4,388,336;
- (2) Probable impact of the District on city provided services and ability to issue debt.

A minimal impact of the District on police protection is expected. With any addition of new residents or businesses, police calls for service will be increased. For similar projects, the City has seen an increase of less than 10 calls annually, and calls have consisted mostly of medical and alarm calls. New developments add an increase in traffic, and additional overall demands to the call load. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The probable impact of the District on fire protection is not expected to be significant. Typically, new buildings generate few calls, if any, and are of superior construction including sprinkler systems. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The impact of the District on public infrastructure is expected. An estimated \$2,250,119 in capital costs for sanitary sewer, water and storm water is needed for the development. It is anticipated that the development will pay this expense. The development is expected to contribute an estimated \$120,959 in sanitary sewer (SAC) and water (WAC) fees.

Approximately one-half mile of street will be constructed to support the development with an estimated costs of \$1,858,726. It is anticipated that the development will pay this expense.

Based on the development plans, there will be additional annual expenses for plowing, street maintenance, street lighting and sidewalks. This is estimated at \$12,500 annually.

In addition, other expenditures required for the development are covered outside of the tax increment and include the following estimates: Private utility extension (\$100,000); Brokerage fees (\$250,000); Building demolition and removal (\$70,000); Closing costs (\$30,000); Platting (\$30,000); and Building permits (\$130,000).

The probable impact of the issuance of any general obligation tax increment bonds payable from tax increment revenues from the District on the City's ability to issue debt for general fund purposes is expected to be minimal. It is not anticipated that there will be any general obligation debt issued in relation to this project, therefore there will be no impact on the City's ability to issue future debt or on the City's debt limit.

- (3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$799,716;
- (4) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$1,909,990;
- (5) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S., Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed development for the District have been received.

SUPPORTING DOCUMENTATION

Pursuant to *M.S., Section 469.175, Subd. 1 (a), clause 7* this TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S., Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District.

- (i) In making said determination, reliance has been placed upon (1) written representation made by the Developer to such effects; and (2) City staff awareness of the feasibility of developing the project site within the District, which is further outlined in the city council resolution approving the establishment of the District and Appendix C.

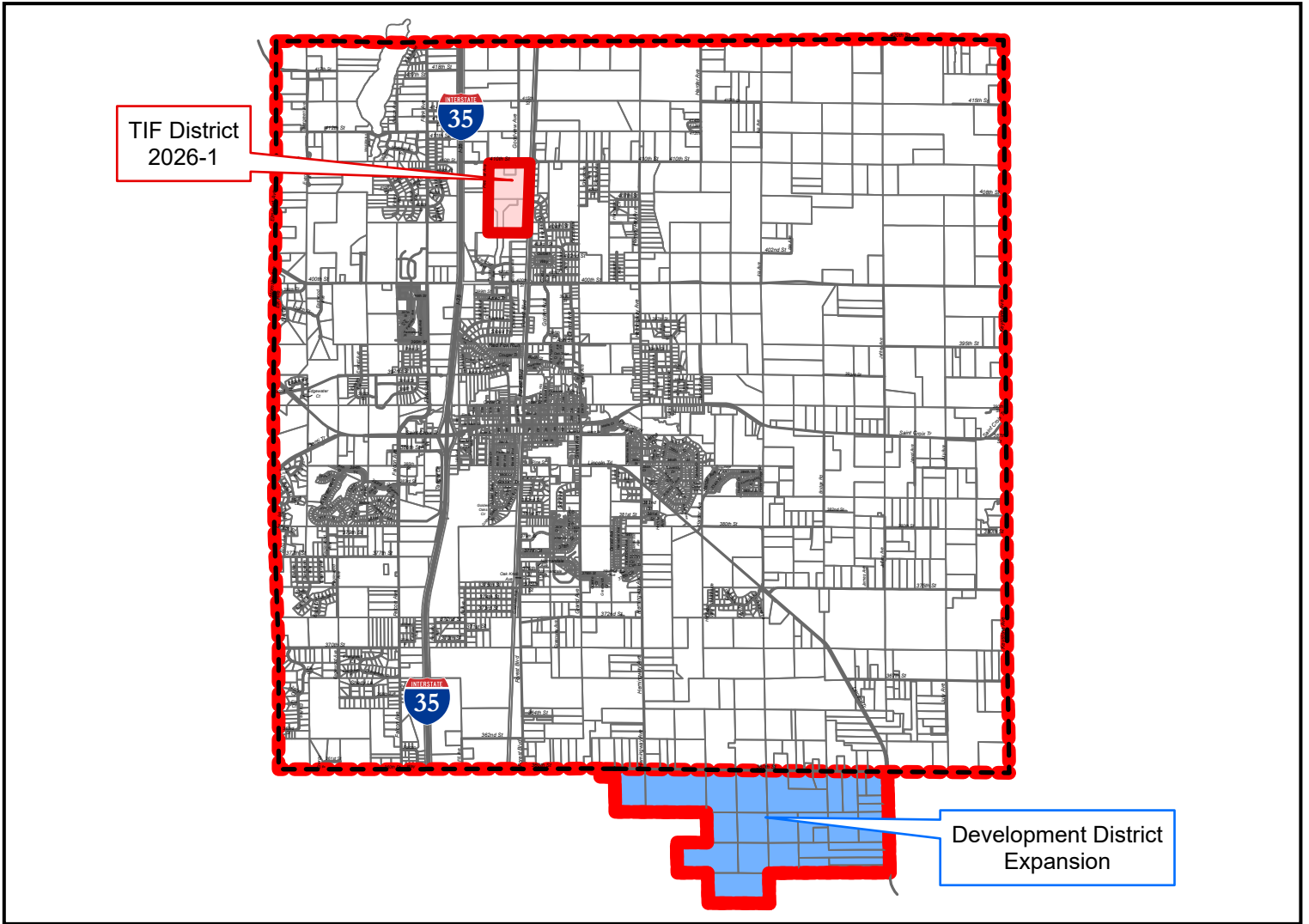
- (ii) A comparative analysis of estimated market value both with and without establishment of the District and the use of tax increments has been performed. Such analysis is included with the cashflow in Appendix B and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.


DISTRICT ADMINISTRATION

Administration of the District will be handled by the Community Development Director.

Appendix A: Map of Development District No. 1 and the TIF District




City of North Branch
 Chisago County
 Development District No. 1
 Tax Increment Financing District 2026-1



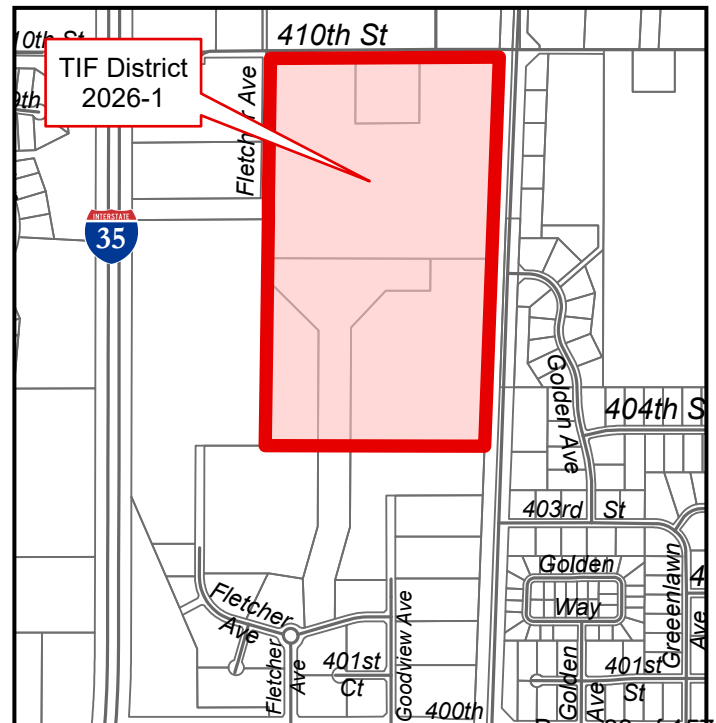


EST. 1881

NORTH BRANCH

-  Tax Increment Financing District 2026-1
-  Development District No. 1
-  Development District No. 1 Expansion Area

The boundaries of Development District No. 1 are coterminous with the corporate boundaries of the City.



Appendix B: Estimated Cash Flow for the District

Project Heart - LP Corporation

City of North Branch, MN

Manufacturing



ASSUMPTIONS AND RATES

District Type:	Economic Development
District Name/Number:	TBD
County District #:	TBD
First Year Construction or Inflation on Value	2026
Existing District - Specify No. Years Remaining	
Inflation Rate - Every Year:	0.00%
Interest Rate:	6.00%
Present Value Date:	1-Aug-27
First Period Ending	1-Feb-28
Tax Year District was Certified:	Pay 2026
Cashflow Assumes First Tax Increment For Development:	2028
Years of Tax Increment	9
Assumes Last Year of Tax Increment	2036
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	NA
Incremental or Total Fiscal Disparities	NA
Fiscal Disparities Contribution Ratio	NA
Fiscal Disparities Metro-Wide Tax Rate	NA
Maximum/Frozen Local Tax Rate:	122.511% Pay 2025
Current Local Tax Rate: (Use lesser of Current or Max.)	122.511% Pay 2025
State-wide Tax Rate (Comm./Ind. only used for total taxes)	28.8570% Pay 2025
Market Value Tax Rate (Used for total taxes)	0.08547% Pay 2025

Tax Rates		
Exempt Class Rate (Exempt)		0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)		
First \$150,000		1.50%
Over \$150,000		2.00%
Commercial Industrial Class Rate (C/I)		2.00%
Rental Housing Class Rate (Rental)		1.25%
Affordable Rental Housing Class Rate (Aff. Rental)		
First \$100,000		0.25%
Over \$100,000		0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)		
First \$500,000		1.00%
Over \$500,000		1.25%
Homestead Residential Class Rate (Hmstd. Res.)		
First \$500,000		1.00%
Over \$500,000		1.25%
Agricultural Non-Homestead		1.00%

BASE VALUE INFORMATION (Original Tax Capacity)

Map ID	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/ Phase
1	110107225	North Branch EDA	Unassigned	47,700		47,700	100%	47,700	Pay 2026	Exempt	-	C/I	954	
2	110107210	North Branch EDA	Unassigned	32,000		32,000	67.3%	21,536	Pay 2026	Exempt	-	C/I	431	
3	110107233	North Branch EDA	Unassigned	205,700		205,700	69.2%	142,344	Pay 2026	Exempt	-	C/I Pref.	2,135	
4	110107213	North Branch EDA	Unassigned	357,500		357,500	100%	357,500	Pay 2026	Exempt	-	C/I	7,150	
5	110107202	North Branch EDA	Unassigned	154,500	195,700	350,200	100%	350,200	Pay 2026	Non-H Res. 1 Unit	3,502	C/I	7,004	
				797,400	195,700	993,100		919,280			3,502		17,674	

Note:

1. Base values are for preliminary Pay 2026 based on review of County website on August 4, 2025.
2. Located in SD #138.

Project Heart - LP Corporation
 City of North Branch, MN
 Manufacturing



PROJECT INFORMATION (Project Tax Capacity)													
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2026	Percentage Completed 2027	Percentage Completed 2028	Percentage Completed 2029	First Year Full Taxes Payable
1	Manufacturing	117.5	117.5	200,000	23,500,000	C/I Pref.	469,250	2	25%	75%	100%	100%	2030
TOTAL					23,500,000		469,250						
Subtotal Residential				0	0		0						
Subtotal Commercial/Ind.				200,000	23,500,000		469,250						

Note:

1. Market values are based upon email from County Assessor for a similar type project, but need to be confirmed when more detail is available on the development.

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Manufacturing	469,250	0	469,250	574,883	0	134,762	20,085	729,731	3.65
TOTAL	469,250	0	469,250	574,883	0	134,762	20,085	729,731	

Note:

- Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.
- If tax increment is received in 2027, then the district will be one year shorter.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	729,731
less State-wide Taxes	(134,762)
less Fiscal Disp. Adj.	0
less Market Value Taxes	(20,085)
less Base Value Taxes	(21,652)
Annual Gross TIF	553,230

MARKET VALUE BUT / FOR ANALYSIS	
Current Market Value - Est.	919,280
New Market Value - Est.	23,500,000
Difference	22,580,720
Present Value of Tax Increment	3,167,295
Difference	19,413,425
Value likely to occur without Tax Increment is less than:	19,413,425



Project Heart - LP Corporation
 City of North Branch, MN
 Manufacturing

TAX INCREMENT CASH FLOW															
% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities NA	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date	
100%	117,313	(17,674)	-	99,639	122.511%	122,068	61,034	(220)	(6,081)	54,733	51,591	0.5	2028	02/01/28	
100%	351,938	(17,674)	-	334,264	122.511%	409,510	61,034	(220)	(6,081)	54,733	101,679	1	2028	02/01/29	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	204,755	(737)	(20,402)	183,616	264,820	1.5	2029	08/01/29	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	204,755	(737)	(20,402)	183,616	423,209	2	2029	02/01/30	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	630,953	2.5	2030	08/01/30	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	832,646	3	2030	02/01/31	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	1,028,465	3.5	2031	08/01/31	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	1,218,580	4	2031	02/01/32	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	1,403,159	4.5	2032	08/01/32	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	1,582,360	5	2032	02/01/33	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	1,756,343	5.5	2033	08/01/33	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	1,925,258	6	2033	02/01/34	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	2,089,253	6.5	2034	08/01/34	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	2,248,472	7	2034	02/01/35	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	2,403,053	7.5	2035	08/01/35	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	2,553,132	8	2035	02/01/36	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	2,698,840	8.5	2036	08/01/36	
100%	469,250	(17,674)	-	451,576	122.511%	553,230	276,615	(996)	(27,562)	248,057	2,840,303	9	2036	02/01/37	
Total							4,404,191	(15,855)	(438,834)	3,949,502					
Present Value From 08/01/2027							3,167,295	(11,402)	(315,589)	2,840,303					
Present Value Rate					6.00%										

Appendix C: Findings Including But/For Qualifications

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan for Tax Increment Financing District 2026-1 as required pursuant to *Minnesota Statutes (M.S.), Section 469.175, Subd. 3* are as follows:

1. *Finding that Tax Increment Financing District 2026-1 is an economic development district as defined in M.S., Section 469.174, Subd. 12.*

Tax Increment Financing District 2026-1 is a contiguous geographic area within the City's Development District No. 1, delineated in the TIF Plan, for the purpose of financing economic development in the City through the use of tax increment. The District is in the public interest because it will facilitate the development of an estimated 200,000 square foot manufacturing facility and related space in the City which will increase employment in the State and preserve and enhance the tax base of the State. The proposed development is Phase I, and the developer has expressed the potential for future expansion and phases of development.

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of Tax Increment Financing District 2026-1 permitted by the TIF Plan.*

The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the development proposed in this plan is a manufacturing, warehouse and distribution facility that meets the City's objectives for economic development. The cost of land acquisition and related site improvements necessary to maximize development potential, makes development of the facility infeasible without City assistance.

The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF

Plan: The City supported this finding on the grounds that the project includes and approximately 200,000 square foot manufacturing, warehouse and distribution facility with the potential for future expansions. The City reasonably determines that no other development of similar scope is anticipated on this site without substantially similar assistance being provided to the development. The site has been marketed for over ten years without significant development.

Therefore, the City concludes as follows:

- a. The City's estimate of the amount by which the market value of the entire District will increase without the use of tax increment financing is \$0.
 - b. If the proposed development occurs, the total increase in market value will be \$22,580,720 (see Appendix B of the TIF Plan)
 - c. The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be \$3,167,295 (see Appendix B of the TIF Plan).
 - d. Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than \$19,413,425 (the amount in clause b less the amount in clause c) without tax increment assistance.
3. *Finding that the TIF Plan for Tax Increment Financing District 2026-1 conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The City Council reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the Tax Increment Financing Plan for Tax Increment Financing District 2026-1 will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development of Development District No. 1 by private enterprise.*

The project to be assisted by the District will result in increased employment in the City and the State of Minnesota, increased tax base of the State, and add a high-quality development to the City.

DEVELOPMENT AGREEMENT

BY AND BETWEEN

CITY OF NORTH BRANCH, MINNESOTA

AND

LOUISIANA-PACIFIC CORPORATION

This document drafted by:

TAFT STETTINIUS & HOLLISTER LLP
(MTM)
Professional Association
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402

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DEVELOPMENT AGREEMENT

THIS AGREEMENT, made as of the 25th day of March, 2026, by and between the City of North Branch, Minnesota (the "City"), a municipal corporation existing under the laws of the State of Minnesota and Louisiana-Pacific Corporation, a Delaware corporation (the "Developer").

WITNESSETH:

WHEREAS, pursuant to Minnesota Statutes, Section 469.124 through 469.133, as amended, the City has heretofore established Development District No. 1 (the "Development District") and has adopted a development program therefor (the "Development Program"); and

WHEREAS, pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended (hereinafter, the "Tax Increment Act"), the City has heretofore established, within the Development District, Tax Increment Financing District No. 2026-1 (the "Tax Increment District") and has adopted a tax increment financing plan therefor (the "Tax Increment Plan") which provides for the use of tax increment financing in connection with certain development within the Development District; and

WHEREAS, in order to achieve the objectives of the Development Program and particularly to make the land in the Development District available for development by private enterprise in conformance with the Development Program, the City has determined to assist the Developer with the financing of certain costs of a Project (as hereinafter defined) to be constructed within the Tax Increment District as more particularly set forth in this Agreement; and

WHEREAS, the City believes that the development and construction of the Project, and fulfillment of this Agreement are vital and are in the best interests of the City, the health, safety, morals and welfare of residents of the City, and in accordance with the public purpose and provisions of the applicable state and local laws and requirements under which the Project has been undertaken and is being assisted; and

WHEREAS, the requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J.995, apply to this Agreement; and

WHEREAS, the City has adopted criteria for awarding business subsidies that comply with the Business Subsidy Law, after a public hearing for which notice was published; and

WHEREAS, the Council has approved this Agreement as a subsidy agreement under the Business Subsidy Law;

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Agreement means this Agreement, as the same may be from time to time modified, amended or supplemented;

Business Day means any day except a Saturday, Sunday or a legal holiday or a day on which banking institutions in the City are authorized by law or executive order to close;

Business Subsidy means the term as defined by Minnesota Statutes, Section 116J.993, Subdivision 3;

Business Subsidy Law means Minnesota Statutes, Section 116J.993 through 116J.995;

County means Chisago County, Minnesota;

Developer means Louisiana-Pacific Corporation, a Delaware corporation, its successors and assigns;

Development District means the real property included in Development District No. 1 heretofore established, including the real property described in the Development Program;

Development Program means the Development Program approved in connection with the Development District;

Development Property means the real property described in Exhibit A attached to this Agreement;

Event of Default means any of the events described in Section 4.1 hereof;

Legal and Administrative Expenses means the fees and expenses incurred by the City in connection with the establishment of the Tax Increment District, the preparation of this Agreement, and the issuance of the TIF Note;

Note Payment Date means August 1, 2028, and each February 1 and August 1 of each year thereafter to and including February 1, 2037; provided, that if any such Note Payment Date should not be a Business Day, the Note Payment Date shall be the next succeeding Business Day;

Prime Rate means the rate of interest from time to time publicly announced by U.S. Bank National Association in Minneapolis, Minnesota, as its "reference rate" or any successor rate, which rate shall change as and when that prime rate or successor rate changes;

Project means the construction of an approximately 200,000 square foot manufacturing facility with space available for warehousing, distribution, and related activities, to be constructed and operated by the Developer on the Development Property located in the City;

Site Improvements means the site improvements undertaken or to be undertaken on the Development Property, more particularly described on Exhibit C attached hereto;

State means the State of Minnesota;

Tax Increment Act means Minnesota Statutes, Sections 469.174 through 469.1794, as amended;

Tax Increment District means Tax Increment Financing District No. 2026-1 located within the Development District, a description of which is set forth in the Tax Increment Financing Plan, which was qualified as an economic development district under the Tax Increment Act;

Tax Increment Financing Plan means the tax increment financing plan approved for the Tax Increment District by the City Council on March 25, 2026, and any future amendments thereto;

Tax Increments means 90% of the tax increments derived from the Development Property which have been received by the City in accordance with the provisions of Minnesota Statutes, Section 469.177;

Termination Date means the earlier of (i) February 1, 2037 or (ii) the date this Agreement is terminated or rescinded in accordance with its terms; and

TIF Note means the Tax Increment Revenue Note (Louisiana Pacific Project) to be executed by the City and delivered to the Developer pursuant to Article III hereof, the form of which is attached hereto as Exhibit B; and

Unavoidable Delays means delays, outside the control of the party claiming its occurrence, which are the direct result of adverse government restrictions or actions, epidemics, pandemics, transportation delays not reasonably foreseeable, product delays not reasonably foreseeable, unavoidable accidents, strikes, other labor troubles, unusually severe or prolonged bad weather, acts of God, fire or other casualty to the Project, litigation commenced by third parties which, by injunction or other similar judicial action or by the exercise of reasonable discretion, directly results in delays, or acts of any federal, state or local governmental unit (other than the City) which directly result in delays.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of the City. The City makes the following representations and warranties:

- (1) The City is a municipal corporation and has the power to enter into this Agreement and carry out its obligations hereunder.
- (2) The Tax Increment District is an "economic development district" within the meaning of Minnesota Statutes, Section 469.174, Subdivision 12, and was created, adopted and approved in accordance with the terms of the Tax Increment Act.
- (3) The development contemplated by this Agreement is in conformance with the development objectives set forth in the Development Program.
- (4) To finance certain costs within the Tax Increment District, the City proposes, subject to the further provisions of this Agreement, to apply Tax Increments to reimburse the Developer for a portion of the costs of the acquisition of the Development Property and the construction of certain Site Improvements incurred in connection with the Project as further provided in this Agreement.
- (5) The City makes no representation or warranty, either expressed or implied, as to the Development Property or its condition or the soil conditions thereon, or that the Development Property shall be suitable for the Developer's purposes or needs.

Section 2.2. Representations and Warranties of the Developer. The Developer makes the following representations and warranties:

- (1) The Developer is a Delaware corporation, and has the power and authority to enter into this Agreement and to perform its obligations hereunder and doing so will not violate its articles of incorporation, or other document or documents of similar import, or the laws of the State, and by proper action has authorized the execution and delivery of this Agreement.
- (2) The Developer shall cause the Project to be constructed in accordance with the terms of this Agreement, the Development Program, and all applicable local, state and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations).
- (3) The construction of the Project would not be undertaken by the Developer, and in the opinion of the Developer would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit to the Developer provided for in this Agreement.
- (4) The Developer will use its best efforts to obtain, or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed.

(5) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provision of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(6) The Developer will cooperate fully with the City with respect to any litigation commenced with respect to the Project.

(7) The Developer will cooperate fully with the City in resolution of any traffic, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the Project.

(8) The Developer shall commence construction by August 1, 2026 and the construction of the Project will be substantially completed by February 1, 2028, subject to Unavoidable Delays. For the avoidance of doubt, as used in this paragraph, the term “commence” shall mean beginning physical improvements to the Development Property, including grading, excavation, or other physical site preparation work and the term “completed” shall mean that the Project is sufficiently complete for the issuance of a certificate of occupancy.

(9) The Developer acknowledges that Tax Increment projections contained in the Tax Increment Financing Plan are estimates only and the Developer acknowledges that it shall place no reliance on the amount of projected Tax Increments and the sufficiency of such Tax Increments to reimburse the Developer for a portion of the costs of the acquisition of the Development Property and the construction of the Site Improvements as provided in Article III.

ARTICLE III

UNDERTAKINGS BY DEVELOPER AND CITY

Section 3.1. Development Property, Site Improvements, and Legal and Administrative Expenses.

(1) The parties agree that the acquisition of the Development Property by the Developer and the Site Improvements to be constructed by the Developer are essential to the successful completion of the Project. The costs of the acquisition of the Development Property and the construction of the Site Improvements shall be paid by the Developer. The City shall reimburse the Developer for the lesser of (a) \$2,500,000 or (b) the costs of acquisition of the Development Property and constructing the Site Improvements actually incurred and paid by the Developer (the "Reimbursement Amount") as further provided in Section 3.3.

(2) The Developer shall pay all Legal and Administrative Expenses incurred by the City.

Section 3.2. Limitations on Undertaking of the City. Notwithstanding the provisions of Section 3.1(1), the City shall have no obligation to the Developer under this Agreement to reimburse the Developer for the Reimbursement Amount, if the City, at the time or times such payment is to be made is entitled under Section 4.2 to exercise any of the remedies set forth therein as a result of an Event of Default which has not been cured in accordance with the provisions of this Agreement.

Section 3.3. Reimbursement: TIF Note. The City shall reimburse the payments made by the Developer under Section 3.1(1) for costs of the acquisition of the Development Property and the construction of the Site Improvements relating to the Project through the issuance of the City's TIF Note in substantially the form attached to this Agreement as Exhibit B, subject to the following conditions:

(1) The TIF Note shall be dated, issued and delivered when the Developer shall have (i) demonstrated in writing to the reasonable satisfaction of the City that the construction of the Project is complete and that the Developer has incurred and paid the costs of the acquisition of the Development Property and the construction of the Site Improvements, as described in and limited by Section 3.1(1) and (ii) the Developer has provided the City with a settlement statement or other evidence of payment of the costs of the acquisition of the Development Property and copies of paid invoices for the Site Improvements in an amount not less than the Reimbursement Amount.

(2) The unpaid principal of the TIF Note shall bear simple non-compounding interest from the date of issuance of the TIF Note, at 6.00% per annum. Interest shall be computed on the basis of a 360-day year consisting of twelve (12) 30-day months.

(3) The principal amount of the TIF Note and the interest thereon shall be payable solely from the Tax Increments.

(4) The payment dates of the TIF Note shall be the Note Payment Dates. On each Note Payment Date and subject to the provisions of the TIF Note, the City shall pay, against the principal and interest outstanding on the TIF Note, the Tax Increments received by the City during the

preceding six (6) months. All such payments shall be applied first to accrued interest and then to reduce the principal of the TIF Note.

(5) The TIF Note shall be a special and limited obligation of the City and not a general obligation of the City, and only Tax Increments shall be used to pay the principal and interest on the TIF Note. If, on any Note Payment Date, the Tax Increments for the payment of the accrued and unpaid interest on the TIF Note are insufficient for such purposes, the difference shall be carried forward, without interest accruing thereon, and shall be paid if and to the extent that on a future Note Payment Date there are Tax Increments in excess of the amounts needed to pay the accrued interest then due on the TIF Note.

(6) The City's obligation to make payments on the TIF Note on any Note Payment Date or any date thereafter shall be conditioned upon the requirements that: (A) there shall not at that time be an Event of Default that has occurred and is continuing under this Agreement and (B) this Agreement shall not have been rescinded pursuant to Section 4.2.

(7) The TIF Note shall be governed by and payable pursuant to the additional terms thereof, as set forth in Exhibit B. In the event of any conflict between the terms of the TIF Note and the terms of this Section 3.3, the terms of the TIF Note shall govern. The issuance of the TIF Note pursuant and subject to the terms of this Agreement, and the taking by the City of such additional actions as bond counsel for the TIF Note may require in connection therewith, are hereby authorized and approved by the City.

Section 3.4. Business Subsidies Act.

(1) In order to satisfy the Business Subsidies Law, the Developer acknowledges and agrees that (i) the amount of the "Business Subsidy" granted to the Developer under this Agreement is \$2,500,000 which is the Reimbursement Amount and (ii) the Business Subsidy is needed because the Project is not sufficiently feasible for the Developer to undertake without the Business Subsidy. The public purpose of the Business Subsidy is enhance economic diversity, increase the tax base, create high-quality job growth, stabilize the community, and encourage the construction of manufacturing and/or warehouse and distribution facilities. The Developer agrees that it will meet the following goals (the "Goals") in connection with the development of the Development Property. It will create at least 100 full time jobs at an average hourly wage, excluding benefits, of at least \$30.00 per hour, with a minimum hourly wage of 120% of the state minimum wage, within two years from the "Benefit Date", which is the earlier of the date the Developer completes or occupies the Project.

(2) If the Goals are not met, the Developer agrees to repay all or a part of the Business Subsidy to the City, plus interest ("Interest") set at the implicit price deflator defined in Minnesota Statutes, Section 275.70, Subdivision 2, accruing from and after the Benefit Date, compounded semiannually. If the Goals are met in part, the Developer will repay a portion of the Business Subsidy (plus Interest) determined by multiplying the Business Subsidy by a fraction, the numerator of which is the number of jobs in the Goals which were not created at the wage level set forth above and the denominator of which is 100 (i.e. number of jobs set forth in the Goals).

(3) The Developer agrees to (i) report its progress on achieving the Goals to the City until the later of the date the Goals are met or two years from the Benefit Date, or, if the Goals are not met, until the date the Business Subsidy is repaid, (ii) include in the report the information required in Minnesota Statutes, Section 116J.994, Subdivision 7 on forms developed by the Minnesota Department of Employment and Economic Development, and (iii) send completed reports to the City. The Developer agrees to file these reports no later than March 1 of each year commencing March 1, 2027, and within 30 days after the deadline for meeting the Goals. The City agrees that if it does not receive the reports, it will mail the Developer a warning within one week of the required filing date. If within 14 days of the post marked date of the warning the reports are not made, the Developer agrees to pay to the City a penalty of \$100 for each subsequent day until the report is filed up to a maximum of \$1,000.

(4) The Project is receiving additional financial assistance from Minnesota Department of Employment and Economic Development through the Minnesota Forward Fund.

(5) There is no parent corporation of the Developer.

(6) The Developer agrees to continue operations in the City for at least five (5) years after the Benefit Date.

(7) The Developer certifies that it does not appear on the Minnesota Department of Employment and Economic Development's list of recipients that have failed to meet the terms of a business subsidy agreement.

Section 3.5. Real Estate Taxes. Prior to the Termination Date, the Developer shall pay all real property taxes payable with respect to all and any parts of the Development Property acquired and owned by it until the Developer's obligations have been assumed by any other person with the written consent of the City pursuant to the provisions of this Agreement. The Developer agrees that, so long as it owns all or any portion of the Development Property, prior to the Termination Date:

(1) It will not seek administrative review or judicial review of the applicability of any tax statute relating to the ad valorem property taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or the Developer or raise the inapplicability of any such tax statute as a defense in any proceedings with respect to the Development Property, including delinquent tax proceedings; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(2) It will not seek administrative review or judicial review of the constitutionality of any tax statute relating to the taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or the Developer or raise the unconstitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings with respect to the Development Property; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(3) It will not seek any tax deferral or abatement, either presently or prospectively authorized under Minnesota Statutes, Section 469.1813, or any other State or federal law, of the

ad valorem property taxation of the Development Property between the date of execution of this Agreement and the Termination Date; and

(4) It will not seek a reduction in the market value as determined by the Chisago County Assessor of the Project or other facilities, if any, that it constructs on the Development Property, pursuant to the provisions of this Agreement, for so long as the TIF Note remains outstanding.

Section 3.6. Prohibition Against Transfer of Project and Assignment of Agreement. The Developer represents and agrees that prior to the Termination Date the Developer shall not transfer the Project or any part thereof or any interest therein, without the prior written approval of the City. The City shall be entitled to require as conditions to any such approval that:

(1) Any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer.

(2) Any proposed transferee, by instrument in writing satisfactory to the City shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject.

(3) There shall be submitted to the City for review and prior written approval all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Project.

Section 3.7. Amendment of Agreement. This Agreement may be amended pursuant to written agreement by the Developer and City, including, in the event that the Developer determines to expand the Project in the future, subject to adherence with all requirements of the Tax Increment Act.

ARTICLE IV

EVENTS OF DEFAULT

Section 4.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean whenever it is used in this Agreement any one or more of the following events:

(1) Failure by the Developer to timely pay any ad valorem real property taxes and special assessments levied against the Development Property and all public utility or other City payments due and owing with respect to the Development Property when due and payable.

(2) Failure by the Developer to cause the construction of the Project to be completed pursuant to the terms, conditions and limitations of this Agreement.

(3) Failure of the Developer to observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.

(4) The holder of any mortgage on the Development Property or any improvements thereon, or any portion thereof, commences foreclosure proceedings as a result of any default under the applicable mortgage documents.

(5) If the Developer shall:

(a) file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended or under any similar federal or state law; or

(b) make an assignment for the benefit of its creditors; or

(c) admit in writing its inability to pay its debts generally as they become due; or

(d) be adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Developer as bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within sixty (60) days after the filing thereof; or a receiver, liquidator or trustee of the Developer, or of the Project, or part thereof, shall be appointed in any proceeding brought against the Developer, and shall not be discharged within sixty (60) days after such appointment, or if the Developer, shall consent to or acquiesce in such appointment.

Section 4.2. Remedies on Default. Whenever any Event of Default referred to in Section 4.1 occurs and is continuing, the City, as specified below, may take any one or more of the following actions after the giving of thirty (30) days' written notice to the Developer, but only if the Event of Default has not been cured within said thirty (30) days:

(1) The City may suspend its performance under this Agreement and the TIF Note until it receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under this Agreement.

(2) The City may cancel and rescind the Agreement and the TIF Note.

(3) The City may take any action, including legal or administrative action, in law or equity, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement.

Section 4.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 4.4. No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 4.5. Agreement to Pay Attorney's Fees and Expenses for Event of Default. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

Section 4.6. Indemnification of City.

(1) The Developer (a) releases the City and its governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees (collectively, the "Indemnified Parties") from, (b) covenants and agrees that the Indemnified Parties shall not be liable for, and (c) agrees to indemnify and hold harmless the Indemnified Parties against, any claim, cause of action, suit or liability for loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project or on the Development Property.

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of the Developer (or if other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; provided, that this indemnification shall not apply to the warranties made or obligations undertaken by the City in

this Agreement or to any actions undertaken by the City which are not contemplated by this Agreement but shall, in any event and without regard to any fault on the part of the City, apply to any pecuniary loss or penalty (including interest thereon from the date the loss is incurred or penalty is paid by the City at a rate equal to the Prime Rate) as a result of the Developer operating the Project so that the Tax Increment District does not qualify or ceases to qualify as an "economic development district" under Section 469.174, Subdivision 12, of the Act or to violate limitations as to the use of Tax Increments as set forth in Section 469.176, Subdivision 4c.

(3) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City.

ARTICLE V

DEVELOPER'S OPTION TO TERMINATE AGREEMENT

Section 5.1. The Developer's Option to Terminate. This Agreement may be terminated by the Developer, if (i) the Developer is in compliance with all material terms of this Agreement and no Event of Default has occurred; and (ii) the City fails to comply with any material term of this Agreement, and, after written notice by the Developer of such failure, the City has failed to cure such noncompliance within ninety (90) days of receipt of such notice, or, if such noncompliance cannot reasonably be cured by the City within ninety (90) days, of receipt of such notice, the City has not provided assurances, reasonably satisfactory to the Developer, that such noncompliance will be cured as soon as reasonably possible.

Section 5.2. Action to Terminate. Termination of this Agreement pursuant to Section 5.1 must be accomplished by written notification by the Developer to the City within sixty (60) days after the date when such option to terminate may first be exercised. A failure by the Developer to terminate this Agreement within such period constitutes a waiver by the Developer of its rights to terminate this Agreement due to such occurrence or event.

Section 5.3. Effect of Termination. If this Agreement is terminated pursuant to this Article V, this Agreement shall be from such date forward null and void and of no further effect; provided, however, the termination of this Agreement shall not affect the rights of either party to institute any action, claim or demand for damages suffered as a result of breach or default of the terms of this Agreement by the other party, or to recover amounts which had accrued and become due and payable as of the date of such termination. Upon termination of this Agreement pursuant to this Article V, the Developer shall be free to proceed with the Project at its own expense and without regard to the provisions of this Agreement; provided, however, that the City shall have no further obligations to the Developer with respect to reimbursement of the expenses set forth in Section 3.2, or to make further payments on the TIF Note.

ARTICLE VI

ADDITIONAL PROVISIONS

Section 6.1. Restrictions on Use. Until the Termination Date, the Developer agrees for itself, its successors and assigns and every successor in interest to the Development Property, or any part thereof, that the Developer and such successors and assigns shall operate, or cause to be operated, the Project in accordance with, the uses specified in this Agreement.

Section 6.2. Conflicts of Interest. No member of the governing body or other official of the City shall have any financial interest, direct or indirect, in this Agreement, the Development Property or the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the City in the event of any default or breach by the Developer or successor or on any obligations under the terms of this Agreement.

Section 6.3. Titles of Articles and Sections. Any titles of the several parts, articles and sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 6.4. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- (1) in the case of the Developer is addressed to or delivered personally to:

Louisiana-Pacific Corporation
Attention: Bob Hopkins, Treasurer
1610 West End Ave., Suite 200
Nashville, TN 37203

- (2) in the case of the City is addressed to or delivered personally to the City at:

City of North Branch, Minnesota
Attention: City Administrator
PO Box 910
North Branch, MN 55056

with a copy to:

Taft Stettinius & Hollister LLP
Attention: Mary Ippel
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.

Section 6.5. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 6.6. Law Governing. This Agreement will be governed and construed in accordance with the laws of the State.

Section 6.7. Expiration. This Agreement shall expire on the Termination Date, unless earlier terminated or rescinded in accordance with its terms.

Section 6.8. Provisions Surviving Rescission or Expiration. Sections 4.5 and 4.6 shall survive any rescission, termination or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof.

Section 6.9. Assignment of TIF Note. The TIF Note may only be assigned pursuant to the terms of the TIF Note.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and on its behalf and the Developer has caused this Agreement to be duly executed on its behalf, on or as of the date first above written.

CITY OF NORTH BRANCH, MINNESOTA

By _____
Its Mayor

By _____
Its City Administrator

This is a signature page to the Development Agreement by and between the City of North Branch, Minnesota and Louisiana-Pacific Corporation

LOUISIANA-PACIFIC CORPORATION

By _____
Its _____

This is a signature page to the Development Agreement by and between the City of North Branch, Minnesota and Louisiana-Pacific Corporation.

EXHIBIT A

Description of Development Property

Property located in the City of North Branch, Chisago County, Minnesota with the following Parcel Identification Numbers:

[To be inserted after Development Property is re-platted]

EXHIBIT B

Form of TIF Note

No. R-1

\$ _____

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF CHISAGO
CITY OF NORTH BRANCH

TAX INCREMENT REVENUE NOTE
(LOUISIANA PACIFIC PROJECT)

The City of North Branch, Minnesota (the "City"), hereby acknowledges itself to be indebted and, for value received, hereby promises to pay the amounts hereinafter described (the "Payment Amounts") to Louisiana-Pacific Corporation (the "Developer") or its registered assigns (the "Registered Owner"), but only in the manner, at the times, from the sources of revenue, and to the extent hereinafter provided.

The principal amount of this Note shall equal from time to time the principal amount stated above, as reduced to the extent that such principal installments shall have been paid in whole or in part pursuant to the terms hereof; provided that the sum of the principal amount listed above shall in no event exceed \$2,500,000 as provided in that certain Development Agreement, dated as of March 25, 2026, as the same may be amended from time to time (the "Development Agreement"), by and between the City and the Developer. The unpaid principal amount hereof shall bear interest from the date of this Note at the simple non-compounded rate of six percent (6.00%) per annum. Interest shall be computed on the basis of a 360-day year consisting of twelve (12) 30-day months.

The amounts due under this Note shall be payable on August 1, 2028, and on each February 1 and August 1 thereafter to and including February 1, 2037, or, if the first should not be a Business Day (as defined in the Development Agreement), the next succeeding Business Day (the "Payment Dates"). On each Payment Date the City shall pay by check or draft mailed to the person that was the Registered Owner of this Note at the close of the last business day of the City preceding such Payment Date an amount equal to the sum of the Tax Increments (hereinafter defined) received by the City during the six-month period preceding such Payment Date. All payments made by the City under this Note shall first be applied to accrued interest and then to principal. This Note is prepayable by the City, in whole or in part, on any date.

The Payment Amounts due hereon shall be payable solely from 90% of tax increments (the "Tax Increments") from the Development Property (as defined in the Development Agreement) within the City's Tax Increment Financing District No. 2026-1 (the "Tax Increment District") within its Municipal Development District No. 1 which are paid to the City and which the City is entitled to retain pursuant to the provisions of Minnesota Statutes, Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the "Tax Increment Act"). This Note shall terminate and be of no further force and effect following the last Payment Date defined above, on any date upon which the City shall have terminated the Development

Agreement under Section 4.2(2) thereof or the Developer shall have terminated the Development Agreement under Article V thereof, on the date the Tax Increment District is terminated, or on the date that all principal and interest payable hereunder shall have been paid in full, whichever occurs earliest.

The City makes no representation or covenant, expressed or implied, that the Tax Increments will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The City's payment obligations hereunder shall be further conditioned on the fact that no Event of Default under the Development Agreement shall have occurred and be continuing at the time payment is otherwise due hereunder, but such unpaid amounts shall become payable, without interest accruing thereon in the meantime, if said Event of Default shall thereafter have been cured; and, further, if pursuant to the occurrence of an Event of Default under the Development Agreement the City elects to cancel and rescind the Development Agreement, the City shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to all of the provisions of the Development Agreement, including without limitation Section 3.3 thereof, for a fuller statement of the rights and obligations of the City to pay the principal of this Note, and said provisions are hereby incorporated into this Note as though set out in full herein.

This Note is a special, limited revenue obligation and not a general obligation of the City and is payable by the City only from the sources and subject to the qualifications stated or referenced herein. This Note is not a general obligation of the City and neither the full faith and credit nor the taxing powers of the City are pledged to the payment of the principal of this Note and no property or other asset of the City, save and except the above-referenced Tax Increments, is or shall be a source of payment of the City's obligations hereunder.

This Note is issued by the City in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including the Tax Increment Act.

This Note may be assigned only with the consent of the City which consent shall not be unreasonably withheld. In order to assign the Note, the assignee shall surrender the same to the City either in exchange for a new fully registered note or for transfer of this Note on the registration records for the Note maintained by the City. Each permitted assignee shall take this Note subject to the foregoing conditions and subject to all provisions stated or referenced herein.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; and that this Note, together with all other indebtedness of the City outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, City of North Branch, Minnesota, by its City Council, has caused this Note to be executed by the manual signatures of its Mayor and City Administrator and has caused this Note to be dated as of _____, 20__.

City Administrator

Mayor

DO NOT EXECUTE UNTIL PAID INVOICES, A SETTLEMENT STATEMENT OR OTHER EVIDENCE OF PAYMENT FOR LAND ACQUISITION AND SITE IMPROVEMENTS ARE GIVEN TO THE CITY - REFER TO SECTION 3.3(1).

CERTIFICATION OF REGISTRATION

It is hereby certified that the foregoing Note was registered in the name of Louisiana-Pacific Corporation, and that, at the request of the Registered Owner of this Note, the undersigned has this day registered the Note in the name of such Registered Owner, as indicated in the registration blank below, on the books kept by the undersigned for such purposes.

<u>NAME AND ADDRESS OF REGISTERED OWNER</u>	<u>DATE OF REGISTRATION</u>	<u>SIGNATURE OF CITY ADMINISTRATOR</u>
Louisiana-Pacific Corporation Attention: Bob Hopkins, Treasurer 1610 West End Ave., Suite 200 <u>Nashville, TN 37203</u>	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

EXHIBIT C

Site Improvements

Engineering
Environmental Testing
Foundations and Footings
Grading/earthwork
Landscaping, including irrigation
Onsite Utilities and Utility Connection Fees
Onsite Road, Curb, Gutter, Driveway, Sidewalk and Streetscape Improvements
Outdoor Lighting
Parking
Site Preparation
Soil Testing & Boring
Storm Water/Ponding
Survey

STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-306-2026

RESOLUTION NO. R-306-2026

**RESOLUTION AUTHORIZING THE ISSUANCE AND AWARDED THE
SALE OF \$3,280,000 GENERAL OBLIGATION EQUIPMENT
CERTIFICATES, SERIES 2026A PROVIDING FOR THEIR ISSUANCE
AND LEVYING A TAX FOR THE PAYMENT THEREOF**

A. WHEREAS, the City of North Branch, Minnesota (the "City") has heretofore determined and declared that it is necessary and expedient to issue \$3,280,000 General Obligation Equipment Certificates, Series 2026A (the "Certificates" or individually, a "Certificate"), pursuant to Minnesota Statutes, Chapter 475 and Minnesota Statutes, Section 412.301, to finance the acquisition of capital equipment for the City (the "Equipment"); and

B. WHEREAS, each item of equipment to be financed by the Certificates has an expected useful life at least as long as the term of the Certificates; and

C. WHEREAS, the principal amount of the Certificates to be issued does not exceed one-quarter of one percent (0.25%) of the market value of the City (\$1,557,791,700 times .25% is \$3,894,479); and

D. WHEREAS, the City has retained Ehlers & Associates, Inc., in Minneapolis, Minnesota ("Ehlers"), as its independent municipal advisor for the sale of the Certificates and was therefore authorized to sell the Certificates by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9) and proposals to purchase the Certificates have been solicited by Ehlers; and

F. WHEREAS, the proposals set forth on Exhibit A attached hereto were received by the City Administrator, or designee, at the offices of Ehlers at 10:00 A.M., this same day pursuant to the Preliminary Official Statement, dated March 12, 2026, established for the Certificates; and

G. WHEREAS, it is in the best interests of the City that the Certificates be issued in book-entry form as hereinafter provided; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of North Branch, Minnesota, as follows:

1. Acceptance of Proposal. The proposal of _____, _____, _____ (the "Purchaser"), to purchase the Certificates, in accordance with the Preliminary Official Statement, at the rates of interest hereinafter set forth, and to pay therefor the sum of \$ _____, plus interest accrued to settlement, is hereby accepted and the Certificates are hereby awarded to the Purchaser. The Finance Director is directed to retain the deposit of the Purchaser. and to forthwith return to the unsuccessful bidders their good faith checks or drafts.

2. Terms of Certificates.

(a) Original Issue Date; Denominations; Maturities; Term Certificate Option. The Certificates shall be dated April 16, 2026, as the date of original issue, and shall be issued forthwith on or after such date in fully registered form, shall be numbered from R-1 upward in the

denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations"), and shall mature on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2028	\$	2036	\$
2029		2037	
2030		2038	
2031		2039	
2032		2040	
2033		2041	
2034		2042	
2035			

As may be requested by the Purchaser, one or more term Certificates may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Certificate(s).

(b) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Certificates, and to this end:

(i) The Certificates shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Certificate for each maturity of the Certificates; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Certificate shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Certificate.

(ii) Upon initial issuance, ownership of the Certificates shall be registered in a bond register maintained by the Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Certificates neither the City nor the Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Certificates as securities depository (the "Participant") or the person for which a Participant holds an interest in the Certificates shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Certificates, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Certificates, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other

person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Certificates, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Certificates (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Certificates are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The City and the Registrar may treat as and deem the Depository to be the absolute owner of the Certificates for the purpose of payment of the principal of and premium, if any, and interest on the Certificates, for the purpose of giving notices of redemption and other matters with respect to the Certificates, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Certificates, and for all purpose whatsoever. The Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Certificates only to or upon the Holder or the Holders of the Certificates as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Certificates to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Certificate is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Certificate and all notices with respect to such Certificate shall be made and given, respectively, by the Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Certificates (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Certificates, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Certificate issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Certificates.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Registrar may establish a special record date for such consent or other action. The City or the Registrar shall, to the extent possible, give the

Depository notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(ix) Any successor Registrar in its written acceptance of its duties under this Resolution and any paying agency/registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(c) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Certificates at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Certificate if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Certificate that the Beneficial Owners be able to obtain certificates for the Certificates, the Certificates shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Certificates shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Certificates will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (c) shall limit or restrict the provisions of paragraph 10.

(d) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose. The Certificates shall provide funds to finance the acquisition of the Equipment. The total cost of the Equipment, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Certificates.

4. Interest. The Certificates shall bear interest payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2027, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

<u>Maturity Year</u>	<u>Interest Rate</u>	<u>Maturity Year</u>	<u>Interest Rate</u>
2028	%	2036	%
2029		2037	
2030		2038	
2031		2039	
2032		2040	
2033		2041	
2034		2042	
2035			

5. Redemption. All Certificates maturing on February 1, 2037, and thereafter shall be subject to redemption and prepayment at the option of the City on February 1, 2036, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Certificates subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the City and if only part of the Certificates having a common maturity date are called for prepayment, the specific Certificates to be prepaid shall be chosen by lot by the Registrar. Certificates or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Certificates not more than sixty (60) days and not fewer than thirty (30) days prior to the date fixed for redemption.

To effect a partial redemption of Certificates having a common maturity date, the Registrar prior to giving notice of redemption shall assign to each Certificate having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Certificate. The Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to the Certificates, as many numbers as, at \$5,000 for each number, shall equal the principal amount of the Certificates to be redeemed. The Certificates to be redeemed shall be the Certificates to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each Certificate of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Certificate is to be redeemed only in part, it shall be surrendered to the Registrar (with, if the City or Registrar so requires, a written instrument of transfer in form satisfactory to the City and Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Registrar shall authenticate and deliver to the Holder of the Certificate, without service charge, a new Certificate or Certificates having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Certificate so surrendered.

6. Registrar. Bond Trust Services Corporation, in Minneapolis, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Certificates (the "Registrar"), and shall do so unless and until a successor Registrar is duly appointed, all pursuant to any contract the City and Registrar shall execute which is consistent herewith. The Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed.

Principal and interest on the Certificates shall be paid to the registered holders (or record holders) of the Certificates in the manner set forth in the form of Certificate and paragraph 12.

7. Form of Certificate. The Certificates, together with the Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the form set forth on Exhibit B attached hereto.

8. Execution. The Certificates shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and City Administrator and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Certificates may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Certificates shall cease to be such officer before the delivery of the Certificates, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Certificate, substantially in the form set forth on Exhibit B attached hereto, shall have been duly executed by an authorized representative of the Registrar. Certificates of Authentication on different Certificates need not be signed by the same person. The Registrar shall authenticate the signatures of officers of the City on each Certificate by execution of the Certificate of Authentication on the Certificate and by inserting as the date of registration in the space provided the date on which the Certificate is authenticated, except that for purposes of delivering the original Certificates to the Purchaser, the Registrar shall insert as a date of registration the date of original issue of April 16, 2026. The Certificate of Authentication so executed on each Certificate shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Registrar a certificate register in which, subject to such reasonable regulations as the Registrar may prescribe, the Registrar shall provide for the registration of Certificates and the registration of transfers of Certificates entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Certificate at the principal office of the Registrar, the City shall execute (if necessary), and the Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Certificates of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Certificate may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Certificates may be exchanged for Certificates of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Certificates to be exchanged at the principal office of the Registrar. Whenever any Certificates are so surrendered for exchange, the City shall execute (if necessary),

and the Registrar shall authenticate, insert the date of registration of, and deliver the Certificates which the Holder making the exchange is entitled to receive.

All Certificates surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Registrar and thereafter disposed of as directed by the City.

All Certificates delivered in exchange for or upon transfer of Certificates shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Certificates surrendered for such exchange or transfer.

Every Certificate presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the Holder thereof or his, her or its attorney duly authorized in writing.

The Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Certificate and any legal or unusual costs regarding transfers and lost Certificates.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Registrar, including regulations which permit the Registrar to close its transfer books between record dates and payment dates. The City Administrator, or other authorized official of the City, is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Certificate delivered upon transfer of or in exchange for or in lieu of any other Certificate shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Certificate.

12. Interest Payment; Record Date. Interest on any Certificate shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Certificate is registered (the "Holder") on the registration books of the City maintained by the Registrar and at the address appearing thereon at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Registrar to the Holders not less than ten (10) days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Registrar may treat the person in whose name any Certificate is registered as the owner of such Certificate for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12 above with respect to payment and record date) on such Certificate and for all other purposes whatsoever whether or not such Certificate shall be overdue, and neither the City nor the Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Certificates when so prepared and executed shall be delivered by the Finance Director to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. There is hereby created a special fund to be designated the "General Obligation Equipment Certificates, Series 2026A Fund" (the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Certificates and the interest thereon have been fully paid. There shall be maintained in the Fund the following separate accounts:

(a) Capital Account. To the Capital Account there shall be credited the proceeds of the sale of the Certificates, less capitalized interest. From the Capital Account there shall be paid all costs and expenses of the acquisition of the Equipment, including all costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65; and the moneys in the Capital Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Certificates may also be used to the extent necessary to pay interest on the Certificates due prior to the anticipated date of commencement of the collection of taxes herein levied.

(b) Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (i) capitalized interest in the amount of \$ _____ (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest due on the Certificates on or before February 1, 2027; (ii) all collections of taxes herein or hereafter levied for the payment of the Certificates and interest thereon; (iii) all funds remaining in the Capital Account after the payment of all costs of acquisition of the Equipment; (iv) all investment earnings on funds held in the Debt Service Account; and (v) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The amount of any surplus remaining in the Debt Service Account when the Certificates and interest thereon are paid shall be used consistent with Minnesota Statutes, Section 475.61, Subdivision 4. The Debt Service Account shall be used solely to pay the principal and interest on the Certificates and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

No portion of the proceeds of the Certificates shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (i) for a reasonable temporary period until such proceeds are needed for the purpose for which the Certificates were issued and (ii) in addition to the above in an amount not greater than the lesser of five percent (5%) of the proceeds of the Certificates or \$100,000. To this effect, any proceeds of the Certificates and any sums from time to time held in the Capital Account or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the certificates payable therefrom) in excess of amounts which under then-applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Certificates to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Tax Levy; Coverage Test. To provide moneys for payment of the principal and interest on the Certificates there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
-------------------------	-------------------------------	---------------

See attached schedule in Exhibit C

The tax levies are such that if collected in full they, together with other revenues herein pledged for the payment of the Certificates, will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Certificates. The tax levies shall be irrevocable so long as any of the Certificates are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

17. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Certificates, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Certificates and any other certificates payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

18. Defeasance. When all Certificates have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Certificates shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Certificates which are due on any date by irrevocably depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Certificate should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Certificates called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Certificates, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

19. Compliance with Reimbursement Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Certificates, being those portions thereof which will be used by the City to

reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than sixty (60) days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Program"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Program; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Program, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed 20% of the "issue price" of the Certificates, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or 5% of the proceeds of the Certificates.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Certificates or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Certificates, and not later than three years after the later of (i) the date of the payment of the Reimbursement Expenditure, or (ii) the date on which the Program to which the Reimbursement Expenditure relates is first placed in service.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Certificate proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Certificates are issued, shall be treated as made on the day the Certificates are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph 21 upon receipt of an opinion of its bond counsel for the Certificates stating in effect that such action will not impair the tax-exempt status of the Certificates.

20. Continuing Disclosure. The City is the sole obligated person with respect to the Certificates. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described:

(a) to provide or cause to be provided to the Municipal Securities Rulemaking Board, by filing at www.emma.msrb.org, (i) at least annually, its audited financial statements for the most

recent fiscal year, and (ii) notice of the occurrence of certain events with respect to the Certificates in not more than ten (10) business days after the occurrence of such event, in accordance with the Undertaking; and

(b) its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Certificates and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and City Administrator of the City, or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Certificates, and (iii) acceptable to the Officers.

21. Certificate of Registration and Tax Levy. A certified copy of this resolution is hereby directed to be filed with the County Auditor-Treasurer of Chisago County, Minnesota, together with such other information the County Auditor-Treasurer shall require and there shall be obtained from the County Auditor-Treasurer a certificate that the Certificates have been entered in the County Auditor-Treasurer's bond register, and that the tax levy required by law has been made.

22. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to bond counsel, certified copies of all proceedings and records of the City relating to the Certificates and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Certificates as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

23. Negative Covenant as to Use of Proceeds and Equipment. The City hereby covenants not to use the proceeds of the Certificates or the Equipment financed thereby, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the equipment, in such a manner as to cause the Certificates to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

24. Tax-Exempt Status of the Certificates; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Certificates, including without limitation (a) requirements relating to temporary periods for investments, (b) limitations on amounts invested at a yield greater than the yield on the Certificates, and (c) the rebate of excess investment earnings to the United States if the Certificates (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small-issuer exception amount of \$5,000,000.

For purposes of qualifying for the exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and

declares that (a) the Certificates are issued by a governmental unit with general taxing powers, (b) no Certificate is a private activity bond, (c) ninety-five percent (95%) or more of the net proceeds of the Certificates are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City), and (d) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities thereof, and all entities treated as one issuer with the City) during the calendar year in which the Certificates are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

25. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Certificates as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Certificates are issued after August 7, 1986;
- (b) the Certificates are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Certificates as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2026 will not exceed \$10,000,000; and
- (e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2026 have been designated for purposes of Section 265(b)(3) of the Code; and
- (f) the aggregate face amount of the Certificates does not exceed \$10,000,000.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

26. Official Statement. The Official Statement relating to the Certificates prepared and distributed by Ehlers is hereby approved and the officers of the City are authorized in connection with the delivery of the Certificates to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.

27. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of Certificate proceeds allocable to the payment of issuance expenses to Wells Fargo Bank, National Association, San Francisco, California, on the closing date for further distribution as directed by Ehlers.

28. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

29. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

ADOPTED this 25th day of March, 2026.

EXHIBIT A

PROPOSALS

[To be supplied by Ehlers & Associates, Inc.]

EXHIBIT B

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF MINNESOTA
CHISAGO COUNTY
CITY OF NORTH BRANCH

R-306-2026

\$ _____

GENERAL OBLIGATION EQUIPMENT CERTIFICATE, SERIES 2026A

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
_____ %	February 1, 20__	April 16, 2026	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS THAT THE CITY OF NORTH BRANCH, CHISAGO COUNTY, MINNESOTA (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, without option of prepayment, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2027, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Certificate will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Certificate are payable upon presentation and surrender hereof at the principal office of Bond Trust Services Corporation, in Minneapolis, Minnesota (the "Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Certificate will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Certificate is registered (the "Holder") on the registration books of the Issuer maintained by the Registrar and at the address appearing thereon at the close of business on the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Holders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Certificate are payable in lawful money of the United States of America. So long as this Certificate is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of,

premium, if any, and interest on this Certificate and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution. Until termination of the book-entry only system pursuant to the Resolution, Certificates may only be registered in the name of the Depository or its Nominee.

Optional Redemption. The Certificates of this issue (the "Certificates") maturing on February 1, 2037, and thereafter, are subject to redemption and prepayment at the option of the Issuer on February 1, 2036, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Certificates subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Certificates having a common maturity date are called for prepayment, the specific Certificates to be prepaid shall be chosen by lot by the Registrar. Certificates or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Certificates not more than sixty (60) days and not fewer than thirty (30) days prior to the date fixed for redemption.

Prior to the date on which any Certificate or Certificates are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Certificates to be redeemed to be mailed to the Registrar and all certificate holders, at the addresses shown on the Register. All Certificates so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Issuance; Purpose; General Obligation. This Certificate is one of an issue in the total principal amount of \$3,280,000, all of like date of original issue and tenor, except as to number, maturity, interest rate and denomination issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the city council on March 25, 2026 (the "Resolution"), for the purpose of providing money to finance the acquisition of capital equipment for the Issuer. This Certificate is payable out of the General Obligation Equipment Certificates, Series 2026A Fund of the Issuer. This Certificate constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Certificates are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Certificates of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Registrar. Copies of the Resolution are on file in the principal office of the Registrar.

Transfer. This Certificate is transferable by the Holder in person or by the Holder's attorney duly authorized in writing at the principal office of the Registrar upon presentation and surrender hereof to the Registrar, all subject to the terms and conditions provided in the Resolution and to

reasonable regulations of the Issuer contained in any agreement with the Registrar. Thereupon the Issuer shall execute and the Registrar shall authenticate and deliver, in exchange for this Certificate, one or more new fully registered Certificates in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Certificate, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Certificate and any legal or unusual costs regarding transfers and lost Certificates.

Treatment of Registered Owners. The Issuer and Registrar may treat the person in whose name this Certificate is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Certificate shall be overdue, and neither the Issuer nor the Registrar shall be affected by notice to the contrary.

Authentication. This Certificate shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Registrar.

Qualified Tax-Exempt Obligation. This Certificate has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Certificate, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Certificate, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of North Branch, Chisago County, Minnesota, by its City Council has caused this Certificate to be executed on its behalf by the facsimile signatures of its Mayor and its City Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: BOND TRUST SERVICES CORPORATION

Payable at: BOND TRUST SERVICES CORPORATION

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

CITY OF NORTH BRANCH
CHISAGO COUNTY, MINNESOTA

This Certificate is one of the Certificates described in the Resolution mentioned within.

[DO NOT SIGN THIS FORM OF BOND]
Mayor

BOND TRUST SERVICES CORPORATION
Minneapolis, Minnesota
Registrar

[DO NOT SIGN THIS FORM OF BOND]
City Administrator

By: _____
Authorized Signature

EXHIBIT C

TAX LEVY SCHEDULES

[To be provided by Ehlers & Associates, Inc.]



Prepared By: Matthew Hill, City Administrator

Presenter: Kevin Schieber, Mayor

Date: 03/19/2026

Board & Commission: City Council

Subject: Modification to charitable gambling ordinance 407-26

Intro: When I submitted possible language for a new ordinance earlier this year, I specifically intended for city owned athletic fields/complexes to be included as part of the focus for the use of charitable gambling revenue. I have added new language for this change, which is highlighted in yellow in the attached draft ordinance amendment. The second area of focus involves new language I drafted to require charitable gambling organizations to establish the City of North Branch as their primary place of business and to conduct at least 50% of their activities within the city. I believe it is only fair that if charitable gambling is allowed within a community, its focus and impact should directly support that community.

Action: I request review, discussion and approval of these changes, and that the city council direct city staff to initiate the process for amending city ordinance 407-26.

Voting Requirements:

Voting Options Simple Majority

CITY OF NORTH BRANCH

ORDINANCE NO. 407-26 Amendment proposal

AN ORDINANCE OF THE CITY OF NORTH BRANCH, MINNESOTA, PERTAINING TO THE PROCUREMENT OF CHARITABLE GAMBLING PROCEEDS FOR PARK AND TRAIL MAINTENANCE FUNDING.

WHEREAS, the City of North Branch is authorized to promote the general welfare, public safety, and public good of its residents; and

WHEREAS, the maintenance and improvement of public parks and trails are essential for the quality of life of the residents of North Branch; and

WHEREAS, local charitable gambling organizations operating within the City of North Branch contribute to the community, and the City desires a mechanism to support public infrastructure through a portion of these proceeds;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BRANCH ORDAINS:

Section 1. Purpose and Intent.

The purpose of this Ordinance is to establish a legal framework for the City of North Branch to procure a dedicated percentage of the net gambling proceeds from charitable gambling organizations operating within the city limits, for the sole purpose of funding the maintenance, repair, improvement and possible new additions of City-owned parks and trail systems, **as well as city-owned land for athletic fields/complexes.**

Section 2. Definitions.

- Charitable Gambling Organization: Any organization licensed by the State of Minnesota to conduct lawful gambling activities within the City of North Branch.
- Net Gambling Proceeds: The gross receipts of lawful gambling minus prizes actually paid, allowable expenses, and taxes imposed by law.
- City: The City of North Branch, Minnesota.

Section 3. Procurement of Proceeds/requirements.

A. Every Charitable Gambling Organization operating within the City of North Branch shall remit ten percent (10%) of its Net Gambling Proceeds to the City.

B. The remittance required by this section shall be made quarterly and shall be accompanied by a report detailing the calculation of the Net Gambling Proceeds for the

period, and such report shall be in a form acceptable to the City in order to ensure compliance with the City's reporting requirements under Minn. Stat. 349.213, as may be amended from time to time.

C. The City Council is authorized to establish, by resolution, rules and procedures for the collection, reporting, and auditing of these proceeds to ensure compliance with this Ordinance and state law.

D. Charitable Gambling Organizations shall maintain a primary place of business within the City or trade area, and conducts more than 50% of its activities within the City of North Branch.

Section 4. Establishment of the Park and Trail Maintenance Fund.

A. All funds procured by the City under Section 3 of this Ordinance shall be deposited into a dedicated, segregated fund to be known as the Park and Trail Improvement and Maintenance Fund.

B. The monies in the Park and Trail Improvement and Maintenance Fund shall be used exclusively for the ongoing maintenance, repair, capital improvements, and development of public parks and trails, and land for athletic fields/complexes owned or operated by the City of North Branch, and the use of such funds shall be determined at the time of adoption of the City's annual budget or whenever said budget is amended.

C. All expenditures authorized under this Ordinance shall be reported by City staff to the designated state agency annually pursuant to Minn. Stat. 349.213 subd.1(f)(2), as may be amended from time to time.

Section 5. Conflict and Severability.

A. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

B. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this Ordinance.

C. This Ordinance shall supplement existing regulations on the operation of Charitable Gambling Organizations as reflected in the North Branch City Code, chapter 18, article 4, as may be amended from time to time.

Section 6. Effective Date.

This Ordinance shall take effect upon its passage and publication as required by law.

PASSED AND ADOPTED by the City Council of the City of North Branch, Minnesota, this _____ day of _____, 2026.

APPROVED: _____
Mayor

ATTEST: _____
City Clerk



Prepared By: Matthew Hill, City Administrator

Presenter: Kevin Schieber, Mayor

Date: 03/19/2026

Board & Commission: City Council

Subject: Discussion and recommended changes to various zoning ordinances and building design standards

Intro:

Since the summer of 2025, the City Council and various commissions have discussed potential updates to the 2018 Comprehensive Plan. During this period, the city has received several development proposals in both conceptual and formal stages.

Based on recent city meetings, I believe leadership desires changes that may reduce conflict with these upcoming developments. To minimize impact on builders' design plans, I propose the attached changes for immediate discussion and to initiate the approval process as soon as possible.

I have attached a spreadsheet outlining these basic change requests and will provide a more detailed presentation at our upcoming council meeting.

Voting Requirements:

Voting Options Simple Majority

Topic	Currently	Proposed change	Comments	Notes	Priority
Side set-back- interior lot - in ft	6ft	10ft	Apartments change to 15ft	most residential zones	High
Max density of R3 zoning	None	18 dwellings/acre	R-3: plus 7		High
		Reduce required material percentages. Allow additional materials that meet our goals, with a focus on material that may be provide less expensive building costs.	Builders are continually telling North Branch there are less expensive materials that are widely accepted as higher quality withing the construction industry.	With several years worth of high inflation, and the current economy seemingly looking more volatile for the near future, it is time to reconsider our design standards that can still meet our codes, yet allow builders to keep their costs more reasonable for their customers.	High
Design Standards	Zones 1, 2 & 3	Remove section of properties (from CBD)between 4th Ave and Grand Ave, from Maple to Elm Street	Put this area into a new zone that allows current businesses to stay, single family housing to stay, and also allow medium and high density dwellings.	"Downtown Legacy (Flex) Zone"???	Medium
CBD	Extends to Grand Ave	Create a flex zone to allow light industrial permitted uses in the eastern half of the property that is adjacent to I-35.			Low
Business zone north of 392nd, between Flink and I-35.	Zoned commercial				



Prepared By: Matthew Hill, City Administrator

Presenter: Robert Canada, Councilmember

Date: 03/19/2026

Board & Commission: City Council

Subject: Discussion on Cannabis Ordinance No. 381-24

Overview/Background

On January 27, 2026, City Council Regular Meeting, during the Mayor/City Council, Cannabis Ordinance Review that Council Member Canada commented that buffer zones should be included for vulnerable adults, day cares, recreational parks, and residential areas.

The general consensus from City Council that providing additional buffer zones will constrict legitimate businesses that by Minnesota Statute are legally able to create a business to distribute cannabis.

Requested City Council Action

Discussion and consensus of the requested changes, including extending the buffer zones for vulnerable adults facilities, and that the city council direct city staff to initiate the process for amending city ordinance 381-24

Voting Requirements:

Voting Options **Simple Majority**

Cannabis Ordinance Review

The guidance from the Council on this subject matter was to review the possibilities of avoiding the exposure from the sale of Cannabis at the facilities administering to vulnerable adults. This additional buffer zone will protect vulnerable adults.

I would also like to extend this buffer zone review to residential property and parks and recreational areas that largely are occupied by minors who are, in my opinion, vulnerable as vulnerable adults.

I have identified three facilities in North Branch City Limits that cater to vulnerable adults: [?](#)

#1). Provide Care Inc located at 4722 Isanti Trail, North Branch, MN

#2). Encore Assisted Living & Memory Care, 38610 14th Avenue, North Branch, MN

#3). Ecumen North Branch, 5379 383rd Street, North Branch, MN

(I will ask for the assistance of City Administrator Matthew Hill to show on a map the locations of the three facilities.)

The Council in its last session on this matter was open to include vulnerable adults buffer zone in the North Branch Cannabis Ordinance.

However, I would like the opportunity to entertain adding parks and recreational areas.

#1). Central Park

#2). Riverwalk Park

#3). Northwood Park

#4). Meadows North Park

#5). Harder Park

#6). Sunrise River Park

(I will ask for the assistance of City Administrator Matthew Hill to show on a map the locations of parks and recreational areas in North Branch.

My justification to include the parks and recreational areas is centered on the potential of children's vulnerability to a controlled substance. adults or legal guardians accompanying children in these parks is sure way of guarding the children from being exposed to the Cannabis. But when children are not accompanied by an adult or legal guardian, this dovetails to the potential of the inquisitive mindset of children to experiment with the

Cannabis. To experience the euphoria of narcotics and potential to try it again. So why should we as a city allow this possibility from occurring when there is clear language that the city does not accept this exposure to children and possible vulnerable adults.

Residential property can and will most likely have vulnerable adults and/or minors. Having buffer zones extend to Residential property aids in the protection of these individuals from potential harm's way.



NORTH BRANCH
City of North Branch
Staff Report

Prepared By: Matthew Hill, City Administrator

Presenter: Matthew Hill, City Administrator

Date: 01/19/2026

Board & Commission: City Council

Subject: Cannabis Ordinance Review

It was the consensus of the City Council to review City Ordinance No. 381-24 to address specific concerns raised during the recent license approval process and provide direction to staff on any necessary amendments or clarifications.

BACKGROUND

On October 28, 2025, (tabled from the October 14 meeting) the City Council discussed and approved a license application for a cannabis retail establishment at the regular Council meeting. During the deliberation of this license, several questions were raised regarding the clarity and/or application of certain provisions within City Ordinance No. 381-24, which governs the zoning and operational location of cannabis businesses.

As a condition of the discussion and subsequent approval, the City Council directed staff to place the review of City Ordinance No. 381-24 on a future Council agenda for a dedicated discussion.

DISCUSSION

City Ordinance No. 381-24 was adopted on September 24, 2024. Discussion at the October 2025 Council meetings brought up questions regarding:

- **Clarity on Buffer Zones:** Potential ambiguity in the measurement or application of distance requirements from sensitive uses (e.g., schools, parks, and daycare facilities).

Excerpt from October 28, 2025 City Council meeting minutes

d. Approval of Resolution R-242-2025 approving the Cannabis Retail Registration Application for Wild River Cannabis LLC

ACTION

Wild River Cannabis LLC submitted a Cannabis Retail Registration Application to open a cannabis microbusiness at 4628 Isanti Trail, North Branch, MN 55056. The City Council discussed this at the October 14, 2025, meeting and tabled the item to October 28, 2025, to obtain the following information:

legal opinion on compliance, traffic statistics/impact, and crime statistics.

The City Council received five letters of opposition regarding the application. City Attorney Robert Kringler from Flaherty and Hood gave a high-level overview. He stated that we've seen a lot of frustration from the public around the state regarding the municipal cannabis law, and I think the message to convey to the city council from your legal team is that the city's options here are quite limited. When the state passed these laws in the past few years, they really only gave the city a very narrow framework in which they actively regulate and be a part of the business regulation. The City did take initial action regarding working within that statutory framework when it set up the zoning protocols that I believe were passed last September, approximately. That was one of the biggest steps the city was able to take. That's where those buffer requirements came in. The City imposed its initial requirements of a 1000-foot buffer from a school, a 1000-foot buffer from another cannabis retail business. The city also took action to limit the number of businesses that could operate within the city. In that ordinance, the city also restricted the hours of operation in that ordinance in line with state statute. So from our perspective, what is in front of the city today is a limited decision. You have a pending business registration request in front of you. The question to the council is, should this business be registered? And, does it comply with your enacted local ordinances? I believe it's the staff's recommendation that it does comply with local ordinances you've enacted, and that is in front of you today.

Councilmember Ibinger made a motion for the approval of Resolution 242-2025 approving the cannabis retail registration application.

RESULT: Passed

MOVER: Jim Ibinger

SECONDER: Patrick Meacham

AYES: Kevin Schieber, Jeff Goulet, Jim Ibinger, Patrick Meacham

ABSENT:

NOTES: Robert Canada voted Nay

STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

ORDINANCE NO. 381-24

CREATING CHAPTER 18 BUSINESS, ARTICLE XII CANNABIS REGULATION

THE CITY COUNCIL OF THE CITY OF NORTH BRANCH DOES ORDAIN THAT

Section #1. Chapter 2 of the City of North Branch City Code is hereby amended to read as follows:

ARTICLE XII CANNABIS REGULATION

Section 18-359 Findings and Purpose

The City of North Branch makes the following findings:

The purpose of this Ordinance is to implement the provisions of Minnesota Statutes Chapter 342, which authorizes the City of North Branch to protect the public health, safety, and welfare of its residents by regulating cannabis businesses within the legal boundaries of the City. The City finds and concludes that the proposed provisions are appropriate and lawful land use regulations for the City of North Branch, that the proposed amendments will promote the community's interest in reasonable stability in zoning for now and in the future, and that the proposed provisions are in the public interest and for the public good.

Sec. 18-360 Authority & Jurisdiction

The City has the authority to adopt this Ordinance pursuant to:

- a. Minnesota Statutes §342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and manner of the operation of a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.
- b. Minnesota Statutes §342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- c. Minnesota Statutes §152.0263, subd. 5, regarding the use of cannabis in public places.
- d. Minnesota Statutes §394.21, regarding the authority of a local authority to adopt zoning

form.

Lower-potency Hemp Edible: As defined under Minnesota Statutes §342.01 subd. 50

Office of Cannabis Management: Minnesota Office of Cannabis Management, referred to as “OCM” in this Ordinance.

Preliminary License Approval: OCM pre-approval for a cannabis business license for applicants who qualify under Minnesota Statutes §342.17.

Retail Registration: An approved registration issued by the City of North Branch to a state-licensed cannabis retail business.

School: A public school as defined under Minnesota Statutes §120A.05 or a nonpublic school that must meet the reporting requirements under Minnesota Statutes §120A.24.

State License: An approved license issued by the State of Minnesota’s Office of Cannabis Management to a cannabis retail business.

Sec. 18-364 Registration of Cannabis Businesses

No individual or entity may operate a state-licensed cannabis retail business within the City of North Branch without first registering with the City. Any state-licensed cannabis retail business that sells to a customer or patient without valid retail registration shall incur a civil penalty of up to \$2,000 for each violation per Minnesota Statutes §342.22 subd. 5(e).

Sec. 18-365 Compliance Checks Prior to Retail Registration

Prior to issuance of a cannabis retail business registration, the City shall conduct a preliminary compliance check to ensure compliance with local ordinances. Per Minnesota Statutes §342.13(f), within 30 days of receiving a copy of a state license application from OCM, the City shall certify on a form provided by OCM whether a proposed cannabis retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

Sec. 18-366 Registration & Application Fees

The City shall not charge an application fee. A registration fee, as established in the City’s fee schedule, shall be charged to applicants depending on the type of retail business license applied for.

An initial retail registration fee shall not exceed \$500 or half the amount of an initial state

A state-licensed cannabis retail business application shall not be approved or renewed if the applicant is unable to meet the requirements of this Ordinance.

A state-licensed cannabis retail business application that meets the requirements of this Ordinance shall be approved.

Sec. 18-369 Annual Compliance Checks

The City of North Branch’s Police Department shall complete at minimum one compliance check per calendar year of every cannabis business with a retail registration to assess if the business meets age verification requirements, as required under Minnesota Statutes §342.22 subd. 4(b), Minnesota Statutes §342.24, and this Ordinance.

The City’s Police Department shall conduct at minimum one unannounced age verification compliance check at least once per calendar year. Age verification compliance checks shall involve persons at least 17 years of age but under the age of 21 who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer or an employee of the local unit of government.

Any failures under this Section must be reported to the Office of Cannabis Management.

Sec. 18-370 Location Change

A state-licensed cannabis retail business shall be required to submit a new application for registration if it seeks to move to a new location still within the legal boundaries of the City of North Branch.

Sec. 18-371 Renewal of Registration

The City shall renew an annual registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business’ license.

A state-licensed cannabis retail business shall apply to renew registration on a form established by the City.

A cannabis retail registration issued under this ordinance shall not be transferred.

Sec. 18-372 Renewal Fees

The City Clerk shall charge a renewal fee for the registration starting at the second renewal, as established in Section 18-366. the City’s fee ordinance schedule.

and Community Development Director will select which application(s) to accept. The decision shall be based upon factors such as completeness, feasibility of the proposal, safety, community needs, and distance from other cannabis retailers.

Sec. 18-378 Requirements for Cannabis Businesses

Minimum Buffer Requirements:

- A cannabis business shall not operate within 1,000 feet of a school.
- A cannabis retail business shall not operate within 1,000 feet of another cannabis retail business.

For the purposes of this article, the distance shall be determined by horizontal measurement from the nearest existing school, public park as described above, or cannabis retail business to the nearest point of the structure housing the proposed new cannabis business use.

Per Minnesota Statutes §462.357 subd. 1e, nothing in this section shall prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a (school/daycare/residential treatment facility/attraction within a public park that is regularly used by minors) moves within the minimum buffer zone.

Sec. 18-379 Hours of Operation

Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, or hemp-derived consumer products between the hours of 9:00 a.m. and 10:00 p.m., seven days a week.

Sec. 18-380 Zoning and Land Use

Zoning requirements for cannabis businesses are located in the City Code Chapter 66 Zoning, Article V Districts and District Regulations.

Cannabis businesses shall follow the City’s sign regulations contained in the City Code Chapter 66 Zoning, Article VI Signs.

Sec. 18-381 License or Permit Required for Temporary Cannabis Events

A license or permit is required to be issued and approved by the City prior to holding a Temporary Cannabis Event. A registration fee, as established in City of North Branch’s fee schedule, shall be charged to applicants for Temporary Cannabis Events.

The City Clerk shall require an application for Temporary Cannabis Events. An applicant shall fill out an application form, as provided by the City. Said form shall include, but is not limited to:

shall be denied. The City shall notify the applicant of the standards not met and basis for denial.

Sec. 18-382 Local Government as a Cannabis Retailer

The City may establish, own, and operate a municipal cannabis retail business subject to the restrictions in this Ordinance. A municipal cannabis retail store shall not be included in any limitation of the number of registered cannabis retail businesses under Sec. 18-377. A municipal cannabis retail store is subject to all the same rental license requirements and procedures applicable to all other applicants.

Section #2. Summary Publication

The following summary is approved by the City Council and shall be published in lieu of publishing the entire ordinance pursuant to Minnesota Statutes section 412.191:

Ordinance 381-24 Creating Chapter 18 Business, Article XII Cannabis Regulation. The ordinance regulates the time, place, and manner in which cannabis businesses operate within the City to comply with MN state statutes and uphold the health, safety, and welfare of the City's residents.

This Ordinance shall have full force and effect upon its passage and publication.

Moved by Councilmember Schieber. Seconded by Councilmember Neider. The following voted in favor of said ordinance: Schaps, Miles, Schieber, Neider and Canada. The following voted against the same: None The following abstained: None

Passed by the City Council of the City of North Branch, Chisago County, Minnesota, this 24th day of September, 2024.

APPROVED: *Hevi Schieber*

ATTEST: *Ragini Varma*

