



# NORTH BRANCH

## —Minnesota—

Charles Klopp  
Chair

Bob Bernier  
Commissioner

Farfum Ladroma  
Commissioner

Lynn Wilson  
Commissioner

Wendy Chelberg  
Commissioner

**PARKS, TRAILS AND OPEN SPACE  
COMMISSION  
REGULAR AGENDA  
MONDAY, MAY 4, 2026 @ 7:00 PM  
CITY HALL, 6408 ELM STREET, NORTH  
BRANCH, MN 55056**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. 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.*

5. AGENDA APPROVAL

a. Approve Agenda

ACTION

6. 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. Approval of April 6, 2026 PTOS Commission Meeting minutes

ACTION

7. REPORTS

a. Park Fund Balances

ACTION

b. Project Updates

ACTION

c. Westside Commons 3rd Addition Preliminary Plat

ACTION

- |    |                                                                    |        |
|----|--------------------------------------------------------------------|--------|
| d. | Special Event Permit - North Branch American Legion Midsummer Days | ACTION |
| e. | Comprehensive Plan Update                                          | INFO   |
| f. | 10 Year Capital Improvement Plan (CIP) 2026-2035                   | ACTION |
| g. | Harder Park Disc Golf Course                                       | ACTION |
| h. | Park Tour                                                          | ACTION |
8. NEXT MEETING - June 1, 2026 - 7PM
9. ADJOURNMENT





**Prepared By: Nathan Sondrol, Community Development Director**

**Presenter: Nathan Sondrol, Community Development Director**

**Date: 01/28/2026**

**Board & Commission: Parks, Trails and Open Space Commission**

**Subject: Approval of April 6, 2026 PTOS Commission Meeting minutes**

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Approval of April 6, 2026 PTOS Commission Meeting minutes

**Voting Requirements:**

**Voting Options          Simple Majority**



# NORTH BRANCH —Minnesota—

Charles Klopp  
Chair

Bob Bernier  
Commissioner

Farfum Ladroma  
Commissioner

Lynn Wilson  
Commissioner

Wendy Chelberg  
Commissioner

**PARKS, TRAILS AND OPEN SPACE  
COMMISSION  
REGULAR AGENDA  
MONDAY, APRIL 6, 2026 @ 7:00 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**

**Monday, April 6, 2026**

**1. CALL TO ORDER**

Chair Charles Klopp called the meeting to order at 7:00 PM.

**2. PLEDGE OF ALLEGIANCE**

Chair Charles Klopp led the Pledge of Allegiance.

**3. ROLL CALL**

**Present:** Commissioner Charles Klopp, Commissioner Bob Bernier, Commissioner Farfum Ladi  
Commissioner Lynn Wilson

**Absent:** Commissioner Wendy Chelberg

**Remote:**

**Others Present:** Mayor Kevin Schieber

**Notes:**

**4. 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.*

**5. AGENDA APPROVAL**

a. Approve Agenda

**RESULT: Passed**

**ACTION**

**MOVER:** Bob Bernier  
**SECONDER:** Farfum Ladroma  
**AYES:** Charles Klopp, Bob Bernier, Farfum Ladroma, Lynn Wilson  
**ABSENT:** Wendy Chelberg  
**NOTES:**

6. **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. Approval of March 2, 2026 PTOS Commission meeting minutes **ACTION**

**RESULT:** Passed  
**MOVER:** Charles Klopp  
**SECONDER:** Lynn Wilson  
**AYES:** Charles Klopp, Bob Bernier, Farfum Ladroma, Lynn Wilson  
**ABSENT:** Wendy Chelberg  
**NOTES:**

7. **REPORTS**

a. Park Fund Balances **ACTION**

Below are the fund balances as of 4/2/26

| <b>Fund</b>                                                                                              | <b>Balance</b> |
|----------------------------------------------------------------------------------------------------------|----------------|
| Park Dedication Fund (486)<br>(Outstanding state grant reimbursements - CSAH 30 Trail)<br>(Committments) | \$289,327.56   |
| Park Improvement Fund (\$20,000 - ECRAC Summer Concerts)                                                 | \$124,273.44   |
| Community Center Fund                                                                                    | \$184,806.19   |

b. Project Updates **ACTION**

Community Development Director Nate Sondrol presented the Project Updates. The Community Garden is scheduled to open on May 16th and 17th. At Harder Park, talking to the Baseball Association, they've completed fencing improvements. Future improvements that have been discussed are about dugouts, bleachers, a storage shed, and adding aglime. Some residents have inquired about Maple Street and the ability for having a pedestrian crossing there. Currently, there's a sidewalk on the north side. The Safe Route to School Plan, different members of our staff will be coming out on May 7th to do observations of walking to school, trying to see if they identify areas and issues. On June 17th, we'll be looking at holding a planning workshop about how we can utilize some existing staffing and how the community can help with getting input on financial improvements.

c. Sherwood Pines 2nd Addition **ACTION**

Community Development Director Nate Sondrol presented the Sherwood Pines 2nd Addition. MAKE Properties has submitted a preliminary plat application for a plat named Sherwood Pines 2nd Addition. The proposed plat is located on the east side of Flink Ave, near the intersection of 417th Street, and is adjacent to Interstate 35. The property address is 41623 Flink Ave. The proposed plat would create a total of 17 lots and one (1) outlot.

State Statute allows cities the ability to require that a reasonable portion of the buildable land of any proposed subdivision be dedicated to the public to address infrastructure needs created by the development, including parks, recreational facilities, playgrounds, trails, sidewalks, wetlands, and open space. In lieu of land dedication for parks, recreational facilities, playgrounds, trails, wetlands, or open space, cities may require a developer to pay cash or “park dedication fees.” Park dedication fees excuse the developer from a local land dedication for park and recreation purposes, but still allow the city to purchase and acquire new, off-site facilities to serve the recreation needs created by the subdivision.

Sec. 54-465. Conditions for contributions.

It shall be deemed to be in the public interest to require land dedication, cash contribution, or any combination thereof when the city council, after review and recommendation, makes one or more of the following findings of fact:

- (1) All or part of the proposed subdivision has been designated as park, playground, public open space, storm sewer holding areas, or ponds on an adopted city plan;
- (2) Such a contribution is necessary in order to protect adjacent land uses from potential conflicting land uses that could exist on the land subdivided.
- (3) The increased number of residents to reside or be employed within the subdivision will increase the recreational demands upon the city.
- (4) The land proposed to be subdivided contains or borders upon existing unique topographical features, including but not limited to ponds, lakes, streams, timber stands, water holding areas, hills, steep slopes, drainage areas, or bluffs, which should be preserved to prevent foreseeable safety, pollution, or erosion hazards or to provide unique recreational and aesthetic qualities and enjoyment to the city; Such contribution is necessary to comply with or fulfill the goals, policies, and programs of the city.

The Developer is proposing to subdivide the property into 17 lots and 1 outlot, and keeping the existing home site. The nearest park would be Meadows North Park. The majority of the site is relatively flat, has predominantly loamy fine sand soils with one small wetland identified on the property. The land cover consists of northern pin oak, red and white pine, and grassland.

There are no existing trail networks located adjacent to the property.

Based on the North Branch City Code and the current fee schedule, the following options are available for park dedication for the proposed development.

Cash Option 17 Lots @ \$1,800 per lot = \$30,600

Land Option 10% of land = 3 acres

Motion to accept the cash option from the Sherwood Pines 2nd Addition.

|                  |                                                                |
|------------------|----------------------------------------------------------------|
| <b>RESULT:</b>   | <b>Passed</b>                                                  |
| <b>MOVER:</b>    | <b>Bob Bernier</b>                                             |
| <b>SECONDER:</b> | <b>Farfum Ladroma</b>                                          |
| <b>AYES:</b>     | <b>Charles Klopp, Bob Bernier, Farfum Ladroma, Lynn Wilson</b> |
| <b>ABSENT:</b>   | <b>Wendy Chelberg</b>                                          |
| <b>NOTES:</b>    |                                                                |

d. CSAH 14/Hemingway Roundabout Project Update

ACTION

Community Development Director Nate Sondrol presented the CSAH 14/Hemingway Roundabout Project Update. Chisago County is working in conjunction with the City of North Branch on planning for a future roundabout improvement project located at the intersection of County Road 14 and Hemingway Ave.

During the planning and design process, there is an existing bench located in the NE quadrant of the intersection of CSAH 14 and Hemingway Ave that will need to be moved.

Below are some options for the bench.

- Salvage and Install Bench: If so, is there a preference for where it goes? Or keep it generally in the same spot?
- Salvage Bench: County or city forces would need to do this before construction
- Remove Bench: Remove bench entirely and do not replace it.

Consensus was to salvage the bench and determine where to place the bench after the completion of the Roundabout.

e. Comprehensive Plan Update

INFO

City Administrator Matthew Hill gave the Comprehensive Plan Update.

The committee met on February 18 and March 18 and discussed the following items:

- *Urban Service Area Boundary*
- *Types of Housing/Demand*
- *ADU's: Where are they acceptable and identified a Goal for placing regulations*
- *Short Term Housing*
- *Redevelop and Repurpose opportune areas*
- *CBD is emphasized for only holding .18% of the total land in the city*
- *Analyze planned transportation routes and review zoning accordingly*
- *Update acreages, numbers, facts, and data within Comp Plan*
- *Ecological Preservation*
- *Goal: Design Standards. The next meeting is scheduled for Wednesday, April 15, at 6 pm at City Hall.*

- **April 15 2026:** Housing, Transportation, Utilities, Public Safety -
- **May 2026:** Presentation of the Comprehensive Plan review results to the Planning Commission for public hearing and consideration, and Council approval in June.

f. 10 Year Capital Improvement Plan (CIP) 2026-2035

ACTION

Community Development Director Nate Sondrol gave the 10-Year Capital Improvement Plan (CIP) 2026-2035.

The City Council will be beginning the process of updating its 10-year Capital Improvement Plan (CIP) for 2026-2035. The purpose of the CIP is to help identify future capital projects and equipment purchases. It also provides a planning schedule and identifies options for financing the plan. The City Council and staff are looking for the PTOS Commission to review the parks, trails, and recreation portion

of the CIP.

The City Council will be reviewing this in May 2026.

There are several projects that need adjustments to the required funding amounts or that will have been completed. City staff will be working on these adjustments.

8. NEXT MEETING - MAY 4, 2026 - 7PM

9. ADJOURNMENT

Chair Charlie Klopp adjourned the Parks, Trails, and Open Space Commission at 7:43 PM.

**RESULT:** Passed

**MOVER:** None

**SECONDER:** None

**AYES:** Charles Klopp, Bob Bernier, Farfum Ladroma, Lynn Wilson

**ABSENT:** Wendy Chelberg

**NOTES:**



**Prepared By: Nathan Sondrol, Community Development Director**

**Presenter: Nathan Sondrol, Community Development Director**

**Date: 04/30/2026**

**Board & Commission: Parks, Trails and Open Space Commission**

**Subject: Park Fund Balances**

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Below are the fund balances as of 4/2/26

| <b>Fund</b>                                              | <b>Balance</b> |
|----------------------------------------------------------|----------------|
| Park Dedication Fund (486)                               | \$309,740.56   |
| (Outstanding state grant reimbursements - CSAH 30 Trail) |                |
| (Committments                                            |                |
| Park Improvement Fund (\$20,000 - ECRAC Summer Concerts) | \$123,748.44   |
| Community Center Fund                                    | \$184,806.19   |

**Voting Requirements:**

**Voting Options      Simple Majority**



**Prepared By: Nathan Sondrol, Community Development Director**

**Presenter: Nathan Sondrol, Community Development Director**

**Date: 04/30/2026**

**Board & Commission: Parks, Trails and Open Space Commission**

**Subject: Project Updates**

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Project Updates

**Voting Requirements:**

**Voting Options      Simple Majority**



## Parks, Trails & Open Space Commission Project Updates

| Current Projects             | Progress and Next Steps                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Approval Date | Estimated Completion Date | Estimated Cost |
|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------------------|----------------|
| Website                      | The city is in the process of updating its website and is looking for feedback from the commission.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |               | Ongoing                   |                |
| Willliams Park               | The Community Gardens are scheduled to open May 16/17.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |                           |                |
| Clayton Anderson Park        | <p>The PTOS Commission recommended approval of up to \$2,500 to acquire and place the limestone rock in the park. The City Council approved this at their April 9, 2024. The limestone has been moved to the park.</p> <p>The CCMG are looking to establish an Oak Savanna at the park. . They will be continuing the buckthorn removal from the park and are looking to remove the knapweed.</p> <p>North Woods and Waters have obtained a \$23,000 grant to support the pollinator planting and 2 year maintenance plan at the park. A huge thank you to Tom Anderson for securing the grant funding. The first two seedings of cover crop have been completed.</p> |               | 2026                      |                |
| Riverwalk Park               | <p>Natural Space Domes donated the dome structure at the park. They would like to add a plaque at the dome structure. Below is proposed language:</p> <p><i>This Park Dome was donated by Natural Spaces Domes of North Branch in memory and honor of MN State Senator Janet Johnson and Kids for Saving Earth founder 11 year old Clinton Hill. Both were defenders of the Planet (R) and would want you to work to protect our beautiful Earth.</i></p>                                                                                                                                                                                                             |               |                           |                |
| Harder Park Disc Golf Course | The NBDGA is in the process of designing signage for the course. The PTOS commission approved moving forward with the concept kiosk and to bring the final design back for approval. The City Council approved the NBDGA funding request of \$5,000 for alternate short tees and an alternate basket location for full build out of the course. The tee pads and kiosk sign will be installed in the spring. Trees have been planted around the course. The kiosk sign has been created.                                                                                                                                                                              |               |                           |                |

|                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |          |                     |           |
|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------------|-----------|
|                                                         | There were 3,592 rounds from 705 unique players from 20 states walking over 13.3 million steps over 6,000 hours recorded in 2025. This only included recorded play on udisc.                                                                                                                                                                                                                                                                               |          |                     |           |
| Ballfield Improvements                                  | The fencing improvements at Harder and Tower Park have been completed. Future improvements to be addressed are aglime, dugout roofs; drainage, base/bench replacement and fence toprail covers, Storage building;                                                                                                                                                                                                                                          | Dec 2022 | Fall 2023/Spring 24 | \$125,000 |
| MERC Grant                                              | The City received grant funding for new dugout roofs for Field 1 at Harder Park. These will be installed in 2026                                                                                                                                                                                                                                                                                                                                           |          | Spring 2026         |           |
| RJMP                                                    | The Commission recommend city staff work with the Football association to identify improvements to fields, lighting and storage at the park. Football Foul Poles have been installed by the Football Assoc. They are looking to install additional parking at the park along the east side and outside of the outfield. Security lighting will be installed in spring/summer 2026                                                                          |          |                     |           |
| Circle of Honor Veterans Memorial                       | The City Council approved the site plan and MOU with the North Branch Veterans Memorial Group at the July 25, 2023 meeting and are working on their marketing and fundraising efforts. The coming soon sign has been installed in the park. The City Council approved the fiscal agreement. A funding request was submitted state for the project. The committee is planning to break ground this fall. Planning will need to begin for tree replacements. |          | 2025/2026           |           |
| Flink Ave Trail Sunrise Bluff 2 Phase II (Co Mkt – 392) | City Staff submitted a grant to MNDOT AT program received funding of \$574,332 to complete the trail section. The City Council approved the plans and specs and authorizing for bids for the project at the May 27 meeting. Bids were received higher than the grant award. The Council approved applying for a DNR Grant and has been submitted                                                                                                           |          | July 2026           | \$99,901  |
| Safe Route to Schools<br><br>CSAH 30 Trail              | The City Council recommended approval of submitting the grant application to construct a trail along the east side of CSAH 30 from 379 <sup>th</sup> St to Maple St and on Maple St from CSAH 30 to Oak St at the 12.7.21 meeting The estimated engineering City Cost is \$55,004.90. The City has been notified that the project was selected for funding in the amount of \$366,700. The Council approved the plans and specs and the project is out     |          | June 30, 2026       |           |

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |        |           |  |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-----------|--|
|                                            | for bid. The bids came in below budget and project is expected to begin Spring 2025. The project has been completed with some final punch list items remaining                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        |           |  |
| SRTS Plan                                  | The SRTS Plan is over 12 years old and is need of an update. Will look to apply for grant funding to update this. The City was notified that it was awarded funding to complete its safe routes to school plan. The SRTS Planning Update process has started. There will be engagement activities taking place including:<br>Walk/Bike to School – May 6<br>SRTS Walk/Bike Observation – May 7<br>Rapid Planning Workshop – June 17                                                                                                                                                                                       |        | July 2026 |  |
| Arts Grant                                 | The Council approved the summer concert grant application. Staff submitted the application and and has been notified of receiving the grant award of \$20,000. January 15, 2026 is the official start date of grant activity to begin.                                                                                                                                                                                                                                                                                                                                                                                    |        |           |  |
| Pollinator Friendly City/Monarch Community | The legislature approved language allowing property owners to maintain native prairies on all properties. The city will need to amend its existing ordinances to align with this.                                                                                                                                                                                                                                                                                                                                                                                                                                         |        |           |  |
| Tree City                                  | The CCMG planted 8 trees in Clayton Anderson park despite the rained out Arbor Day event. City staff will work on tree ordinance and will bring it to a future meeting for review/discussion.                                                                                                                                                                                                                                                                                                                                                                                                                             |        | 2026      |  |
| Skateboard Park                            | The Commission and Council approved the replacement of the surfacing at the skateboard park. Public Works has installed the new ramp surfaces and the park is getting a lot of use. 3 <sup>rd</sup> Lair has held provided a concept of a tiered quarter pipe. The PTOS Commission discussed providing up to \$4,000 in funding match for a tiered quarter pipe.                                                                                                                                                                                                                                                          | 5/3/21 |           |  |
| Malmquist Property                         | The PTOS Commission recommended to strongly support Mr. Malmquist's proposal for his property to be entrusted to the city at the appropriate time and to care and that the city would care best for it and properly use it at the 1/9/23 meeting. City Staff is working with Mr. Malmquist on next steps. An appraisal (\$3,500 - \$5,000) would be required for DNR grant acquisitions. City staff met with the MN Trust for Public Lands to explore options to help protect the site until grant funding could be acquired. A revised area of 2 acres for non-passive park land is in the process of being established. |        |           |  |

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        |             |  |
|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------------|--|
| North Branch Beautification Association     | The NBBA is continuing to work on the Vet Memorial, Flower Baskets, Banners and Memorial Benches.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        |             |  |
| Splash Pad                                  | The Commission and City Council have identified a splash pad as top priority improvement and has discussed Williams Park as the location for the splash pad to be tied to a community center location. The Commission discussed hosting a community input meeting on the desired amenities and type of facility the community would desire in in winter 2024. The City is conducting a facility assessment and will help guide the location for a future community center. The Commission would like to hold a joint meeting with other commissions and council through this process. |        |             |  |
| Strategic Parks, Trails and Open Space Plan | The City Council approved the Comprehensive Plan at the Oct 23, 2018 meeting. The next steps will be to develop a strategic plan and implementation. Including a bicycle/pedestrian plan and development of a bike friendly community initiatives and to accommodate site amenities within the design i.e. benches at various locations. This is an agenda item. A facility assessment is in the process of conducted and is estimated to be completed in July 2026.                                                                                                                  |        | Spring 2026 |  |
| Subdivision Review                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        |             |  |
| Sherwood Pines 2                            | The City Council approved recommended the acceptance of cash on 4/6/25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 4/6/26 |             |  |
| Westside Commons 3 <sup>rd</sup>            | The PTOS Commission recommended the acceptance of cash and to work with the developer on the construction of the extension of the trail from 386 <sup>th</sup> St to TH95. The developer has agreed to construct the trail from 386 <sup>th</sup> St to TH95 and will receive a credit for park dedication fees.                                                                                                                                                                                                                                                                      | 3/6/23 |             |  |
| Hemingway Meadows                           | The City Council approved recommended the acceptance of cash on 2/25/26                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |        |             |  |
| Fairway Field                               | The City Council approved recommended the acceptance of cash                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        |             |  |
| Walker Hill Farm                            | The City Council approved recommended the acceptance of cash                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        |             |  |
| Westside Commons Sr Housing                 | The PTOS Commission recommended the acceptance of cash on 10/7/24                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        |             |  |
| Preserve at Spring Hill 2                   | The PTOS Commission recommend the acceptance of cash on 9/9/24                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        |             |  |

|                                     |                                                                                                                                                                                                                                                                                                                                                                                                                             |         |      |  |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------|--|
| Meadows Ridge (LGI)                 | The PTOS Commission reviewed and recommended approval of the open space in the preliminary plat and recommend the acceptance of cash for units above the park credit utilization area. A park credit utilization area was approved and has been paid for up to 591 total units to be constructed. 308 units have been platted to date.                                                                                      | 9/11/23 |      |  |
| Chain Lake Shores                   | The PTOS Commission reviewed the concept plan and provided feedback of a combination of cash and land for park dedication with a more detailed review with a preliminary/final plat submittal.                                                                                                                                                                                                                              | 9/11/23 |      |  |
| Townledge Master Plan               | The PTOS Commission to recommend an acceptance a combo of land and cash for park dedication funds with the land not to exceed 4 acres.                                                                                                                                                                                                                                                                                      | 5/2/22  |      |  |
| Casselberry Outlot                  | The PTOS Commission requested the City Council to reserve the parcel of land located at the northeast corner of Lincoln Trail and Hemingway Ave as park/open space.<br><br>The City Council discussed this at their November 10, 2022 meeting and noted that the parcel is being reserved as right-of-way for a future intersection improvement (2027) and that any additional space would be preserved as park/open space. |         | 2027 |  |
| <b>Long-term Planning and Goals</b> | <b>Progress and Next Steps</b>                                                                                                                                                                                                                                                                                                                                                                                              |         |      |  |
| CIP 2025-2036                       | The Commission discussed focusing on Williams Park and to add the Malmquist Property, Luchts Trail Connection and park expansions to the CIP. The City Council will be reviewing in May/June 2023. – Additional resident support has been provided for the Luchts Crossing trail connection.                                                                                                                                |         |      |  |

|                |                              |  |      |           |
|----------------|------------------------------|--|------|-----------|
| Splash Pad     | Location to be determined    |  | 2025 | \$300,000 |
| Central Park   | Basketball Court resurfacing |  | 2025 | \$25,000  |
| Northwood Park | Parking Lot Resurfacing      |  | 2025 | \$20,000  |

|                                     |                                                                                   |                     |      |             |
|-------------------------------------|-----------------------------------------------------------------------------------|---------------------|------|-------------|
| Northwood Park                      | Basketball Court resurfacing                                                      |                     | 2025 | \$25,000    |
| Co Rd 30 Trail                      | 379 <sup>th</sup> St to Maple St (East side)                                      | <i>Final Design</i> | 2025 | \$500,000   |
| Co Rd 30 Crosswalk                  | <del>Pedestrian crossing near the library to Sunrise Prairie Regional Trail</del> | <i>Final Design</i> | 2025 | \$600,000   |
| Flink Ave Trail Phase II            | Trail connection from existing trail to 392 <sup>nd</sup> St to NB Marketplace.   | <i>Grant ?</i>      | 2025 | \$600,000   |
| Harder Park                         | Parking Lot microsurfacing                                                        |                     | 2025 | \$65,000    |
| Falcon Ave Trail                    | 385 <sup>th</sup> – 386 <sup>th</sup> St                                          |                     | 2025 | \$55,000    |
| RJMP                                | Parking Lot Microsurfacing                                                        |                     | 2025 | \$20,000    |
| Outdoor Archery Range               | Location to be determined                                                         |                     | 2025 | \$42,000    |
| Malmquist Property                  | Acquisition and Development                                                       |                     | 2025 | \$600,000   |
| Sunrise Prairie Regional Trail      | Maintenance                                                                       |                     | 2026 | \$6,000     |
| Wildridge Park                      | Park Development – parking lot, soccer fields                                     |                     | 2026 | \$545,000   |
| Williams Park                       | Park Development                                                                  |                     | 2026 | \$1,850,000 |
| Clayton Anderson                    | Parking lot surfacing                                                             |                     | 2026 | \$200,000   |
| Harder Park Trail Connection        |                                                                                   |                     | 2026 | \$1,000,000 |
| Northwood Park Playground Equipment | Replace existing playground equipment                                             |                     | 2026 | \$100,000   |
| Luchts Crossing                     | Park Development                                                                  |                     | 2027 | \$100,000   |
| Wildridge Park                      | Basketball Court Resurfacing                                                      |                     | 2027 | \$20,000    |
| Luchts Crossing Trail Connection    | Trail Connection from Luchts Crossing to Casselberry                              |                     | 2027 | \$100,000   |
| Northwood Park                      | Irrigation System                                                                 |                     | 2028 | \$70,000    |
| Tower Fields                        | Irrigation System                                                                 |                     | 2028 | \$70,000    |
| Townsedge Park                      | Park Development                                                                  |                     | 2028 | \$200,000   |

|                                           |                                        |  |      |           |
|-------------------------------------------|----------------------------------------|--|------|-----------|
| Harder Park<br>Playground Equipment       | Replace existing playground equipment  |  | 2028 | \$100,000 |
| North Branch Oaks<br>Playground Equipment | Replace existing playground equipment  |  | 2028 | \$100,000 |
| Roger Johnson Park                        | Safety and Security Lighting           |  | 2028 | \$100,000 |
| Tower Fields                              | Parking Lot Paving                     |  | 2029 | \$70,000  |
| Meadows North Park                        | Expansion to west                      |  | 2029 | \$50,000  |
| Dog Park                                  | Dog Park Development - Location TBD    |  | 2030 | \$30,000  |
| Roger Johnson<br>Playground Equipment     | Replace existing playground equipment  |  | 2030 | \$        |
| Roger Johnson Park                        | Expansion to east                      |  | 2031 | \$80,000  |
| Sunrise Prairie<br>Regional Trail         | Maintenance                            |  | 2032 | \$6,000   |
| Wildridge Park<br>Playground Equipment    | Replace existing playground equipment  |  | 2032 | \$100,000 |
| Grand Ave Trail                           | Pedestrian bridge across Sunrise River |  | 2033 | \$515,000 |



**Prepared By: Nathan Sondrol, Community Development Director**

**Presenter: Nathan Sondrol, Community Development Director**

**Date: 04/30/2026**

**Board & Commission: Parks, Trails and Open Space Commission**

**Subject: Westside Commons 3rd Addition Preliminary Plat**

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### **Background Information:**

AIM Holdings LLC(Developer) has submitted a preliminary plat and site plan application for a development named Westside Commons 3rd Addition nd North Branch Independent Living. The property is located along the south side of 386th Street west of Falcon Avenue. The proposed development would create an Independent Senior Living Community that caters to active seniors. The development would include a 3-story apartment with 105 units, a clubhouse, and an outdoor recreational area. The existing landcover consists of open undeveloped land with predominantly fine sandy soils.

There is an existing trail located along Falcon Avenue; However, there is not an existing sidewalk along 386th Street connecting to the trail.

### **Discussion/Analysis:**

State statute allows cities the ability to require that a reasonable portion of the buildable land of any proposed subdivision to be dedicated to the public to address infrastructure needs created by the development; including, parks, recreational facilities, playgrounds, trails, sidewalks, wetlands and open space.

In lieu of land dedication for parks, recreational facilities, playgrounds, trails, wetlands or open space, cities may require a developer to pay cash or “park dedication fees.” Park dedication fees excuse the developer from a local land dedication for park and recreation purposes, but still



allow the city to purchase and acquire new, off-site facilities to serve the recreation needs to be created by the subdivision.

**Sec. 54-465. Conditions for contributions.**

It shall be deemed to be in the public interest to require land dedication, cash contribution, or any combination thereof when the city council, after review and recommendation, makes one or more of the following findings of fact:

- (1) All or part of the proposed subdivision has been designated as a park, playground, public open space, storm sewer holding areas or ponds in the adopted city plan;
- (2) Such contribution is necessary in order to protect adjacent land uses from potential conflicting land uses which could exist on the land subdivided;
- (3) The increased number of residents to reside or be employed within the subdivision will increase the recreational demands upon the city;
- (4) The land proposed to be subdivided contains or borders upon existing unique topographical features, including but not limited to ponds, lakes, streams, timber stands, water holding areas, hills, steep slopes, drainage areas, or bluffs which should be preserved to prevent foreseeable safety, pollution, or erosion hazards or to provide unique recreational and aesthetic qualities and enjoyment to the city; Such contribution is necessary to comply with or fulfill the goals, policies, and programs of the city.

Based on the North Branch City Code and the current fee schedule, below are some options available for park dedication for the proposed development.

|                  |                                        |
|------------------|----------------------------------------|
| Cash Option      | 105 Lots @ \$1,800 per lot = \$189,000 |
| Land Option      | 5 acres @ 10% = 0.5 acres              |
| Cash/Land Option | Various Combinations of the above      |

The development is located within the Wildridge Park service area.

The PTOS Commission reviewed a concept plan for the development in October 2024 and recommended the acceptance of cash-in-lieu of land for park dedication for the Westside Commons 3rd Addition based on the additional demands placed on the city's parks, trails and open space system from the development.

**Deadline: May 4, 2026**

**Requested Action & Recommendation:**

The requested action is for the Commission to make a recommendation on deeming if there is a public interest to require a land dedication, cash contribution or any combination thereof for parks, trails and open space of the proposed plat.

City staff would recommend approval of the acceptance of cash-in-lieu of land for park dedication for the Westside Commons 3rd Addition based on the additional demands placed on the city's parks, trails and open space system from the development.

**Voting Requirements:**

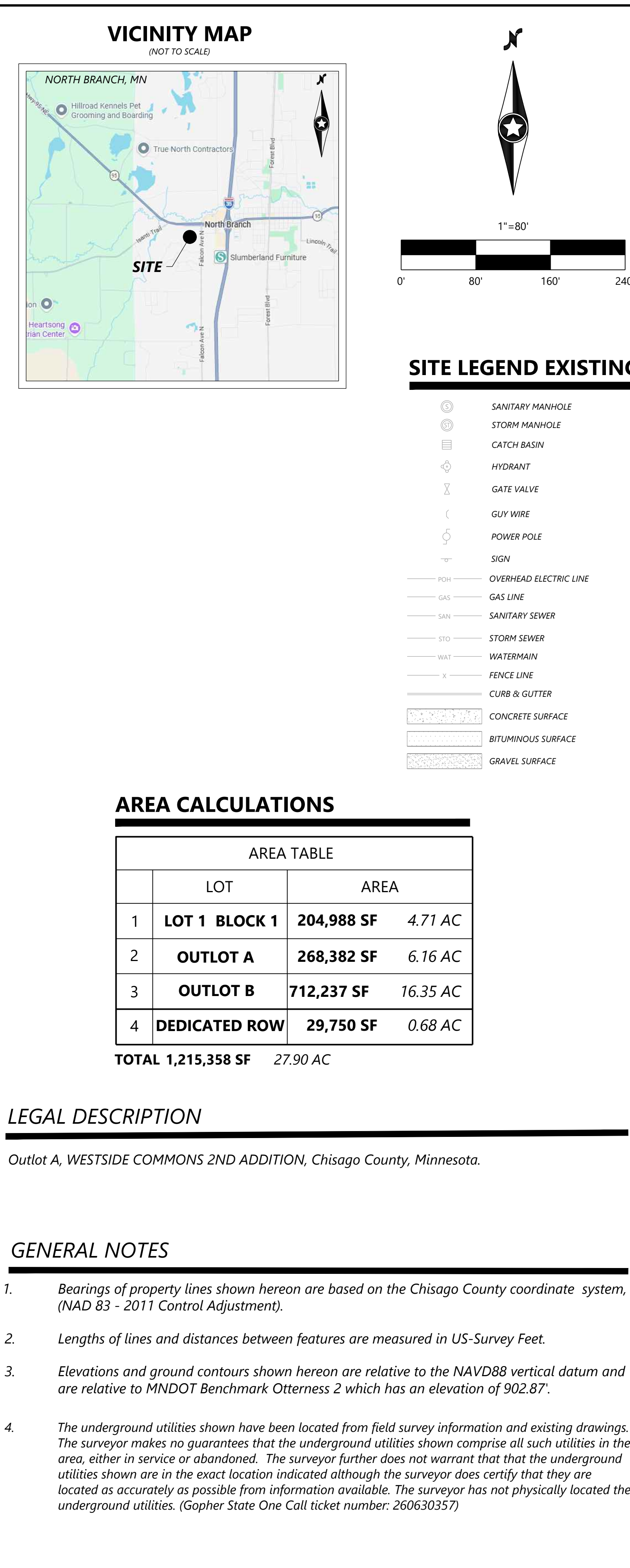
State Law or City Code requires a simple majority of those present.

**Attachments:**

- 1) Westside Commons 3rd Addition Preliminary Plat
- 2) DRAFT Site Plan
- 3) Comprehensive Park, Trails and Open Space Plan Map

**Voting Requirements:**

**Voting Options          Simple Majority**



| AREA TABLE |                      |                   |                 |
|------------|----------------------|-------------------|-----------------|
|            | LOT                  | AREA              |                 |
| 1          | <b>LOT 1 BLOCK 1</b> | <b>204,988 SF</b> | <i>4.71 AC</i>  |
| 2          | <b>OUTLOT A</b>      | <b>268,382 SF</b> | <i>6.16 AC</i>  |
| 3          | <b>OUTLOT B</b>      | <b>712,237 SF</b> | <i>16.35 AC</i> |
| 4          | <b>DEDICATED ROW</b> | <b>29,750 SF</b>  | <i>0.68 AC</i>  |

## LEGAL DESCRIPTION

*Outlot A, WESTSIDE COMMONS 2ND ADDITION, Chisago County, Minnesota.*

## GENERAL NOTES

1. *Bearings of property lines shown hereon are based on the Chisago County coordinate system, (NAD 83 - 2011 Control Adjustment).*
2. *Lengths of lines and distances between features are measured in US-Survey Feet.*
3. *Elevations and ground contours shown hereon are relative to the NAVD88 vertical datum and are relative to MNDOT Benchmark Otterness 2 which has an elevation of 902.87'.*
4. *The underground utilities shown have been located from field survey information and existing drawings. The surveyor makes no guarantees that the underground utilities shown comprise all such utilities in the area, either in service or abandoned. The surveyor further does not warrant that that the underground utilities shown are in the exact location indicated although the surveyor does certify that they are located as accurately as possible from information available. The surveyor has not physically located the underground utilities. (Gopher State One Call ticket number: 260630357)*



| GROSS AREA - TOTAL |            |
|--------------------|------------|
| Level              | Area       |
| Level 3            | 44,092 SF  |
| Level 2            | 44,092 SF  |
| Level 1            | 44,097 SF  |
| Level -1           | 44,983 SF  |
| Grand total        | 177,263 SF |

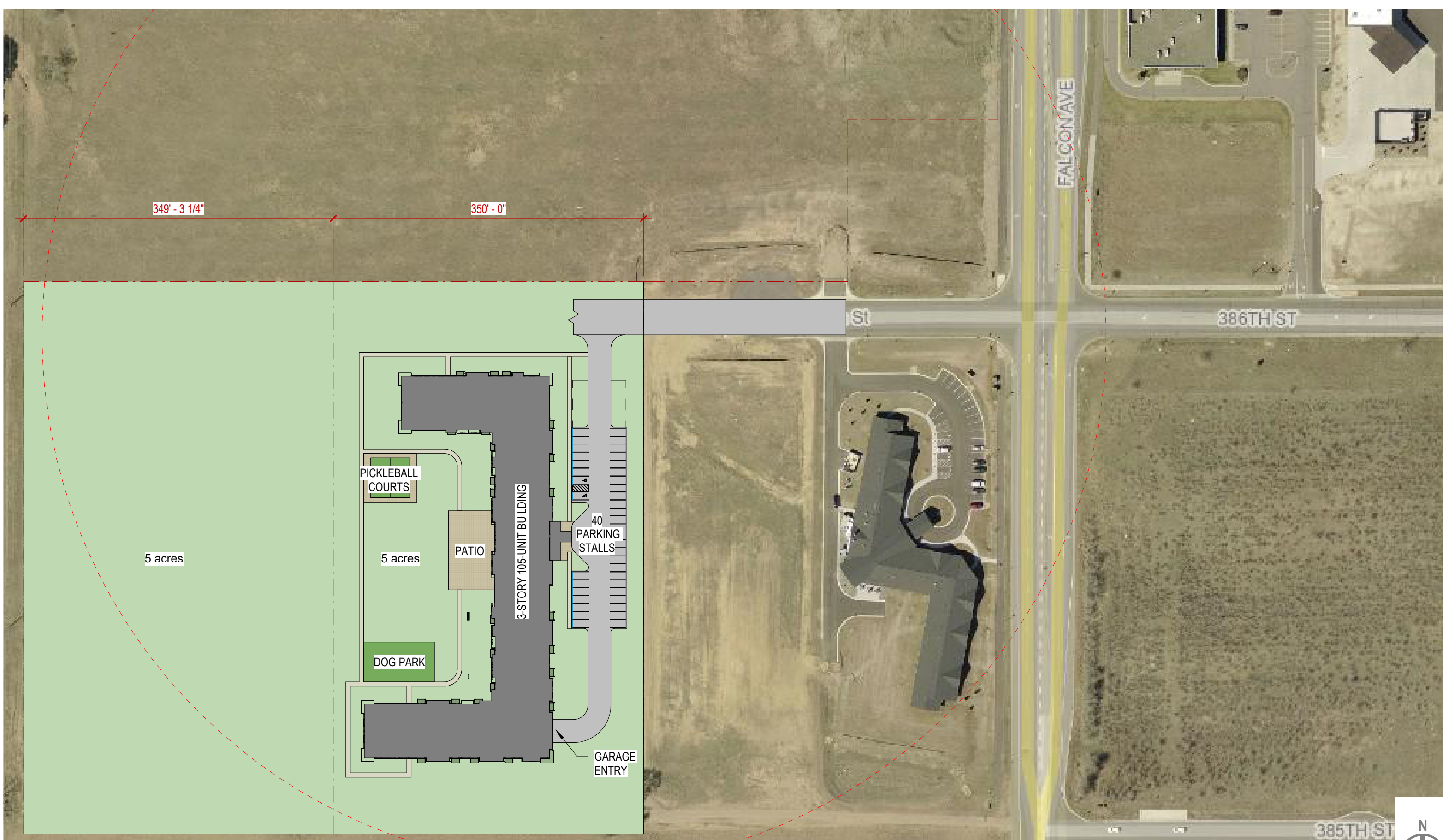
| PARKING  |                         |       |
|----------|-------------------------|-------|
| Level    | Description             | Count |
| Level 1  | 9' x 18' ADA Accessible | 2     |
| Level 1  | 9' x 18' Standard       | 38    |
| Level -1 | 9' x 18' ADA Accessible | 3     |
| Level -1 | 9' x 18' Standard       | 113   |
|          |                         | 156   |

|                 |     |
|-----------------|-----|
| SURFACE PARKING | 40  |
| GARAGE PARKING  | 116 |
| TOTAL PARKING   | 156 |

| UNIT MIX - NET AREA |          |       |
|---------------------|----------|-------|
| Name                | Area     | Count |
| Unit 1-0            | 719 SF   | 37    |
|                     |          | 37    |
| Unit 1-2            | 937 SF   | 30    |
|                     |          | 30    |
| Unit 2-0            | 1,045 SF | 11    |
|                     |          | 11    |
| Unit 2-0A           | 1,084 SF | 9     |
|                     |          | 9     |
| Unit 2-0B           | 1,085 SF | 4     |
|                     |          | 4     |
| Unit 2-1A           | 1,353 SF | 8     |
|                     |          | 8     |
| Unit 2-2A           | 1,302 SF | 3     |
|                     |          | 3     |
| Unit 2-2B           | 1,282 SF | 3     |
|                     |          | 3     |
| Grand total         |          | 105   |

| UNIT MIX - GROSS AREA |       |                 |            |      |
|-----------------------|-------|-----------------|------------|------|
| Name                  | Count | Unit Gross Area | Total Area | %    |
| 1BR                   |       |                 |            |      |
| Unit 1-0              | 37    | 774 SF          | 28,634 SF  | 35%  |
|                       | 37    |                 | 28,634 SF  | 35%  |
| 1BR +D                |       |                 |            |      |
| Unit 1-2              | 30    | 1,001 SF        | 30,042 SF  | 29%  |
|                       | 30    |                 | 30,042 SF  | 29%  |
| 2BR                   |       |                 |            |      |
| Unit 2-0              | 11    | 1,113 SF        | 12,247 SF  | 10%  |
| Unit 2-0A             | 9     | 1,156 SF        | 10,402 SF  | 9%   |
| Unit 2-0B             | 4     | 1,156 SF        | 4,624 SF   | 4%   |
|                       | 24    |                 | 27,274 SF  | 23%  |
| 2BR + D               |       |                 |            |      |
| Unit 2-1A             | 8     | 1,436 SF        | 11,488 SF  | 8%   |
| Unit 2-2A             | 3     | 1,383 SF        | 4,150 SF   | 3%   |
| Unit 2-2B             | 3     | 1,360 SF        | 4,081 SF   | 3%   |
|                       | 14    |                 | 19,720 SF  | 13%  |
| Grand total           | 105   |                 | 105,670 SF | 100% |

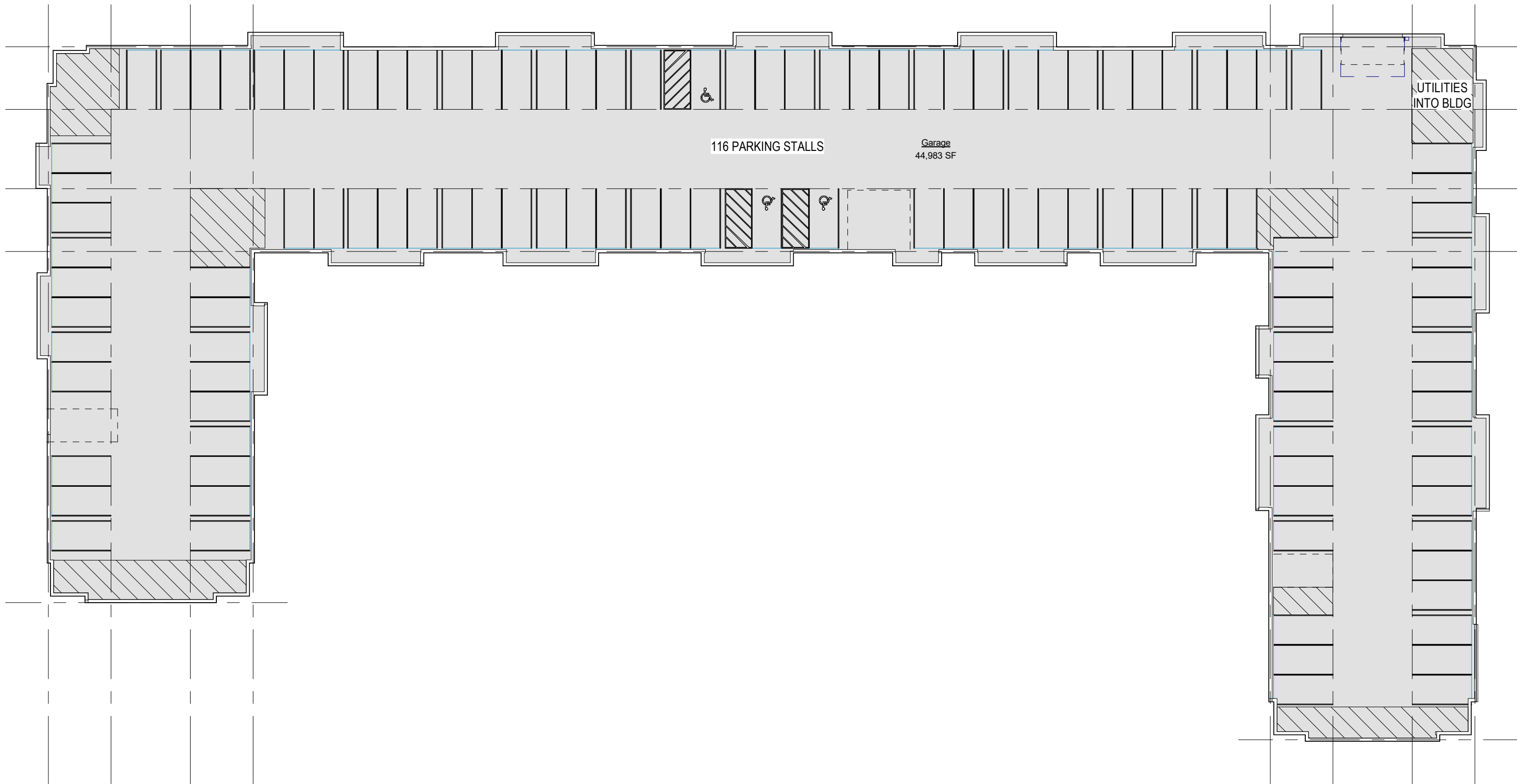




1 SD Site Plan  
1" = 100'-0"

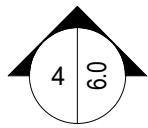
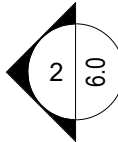
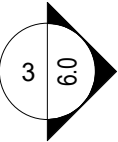
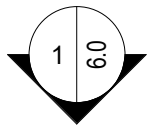




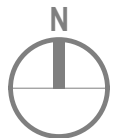


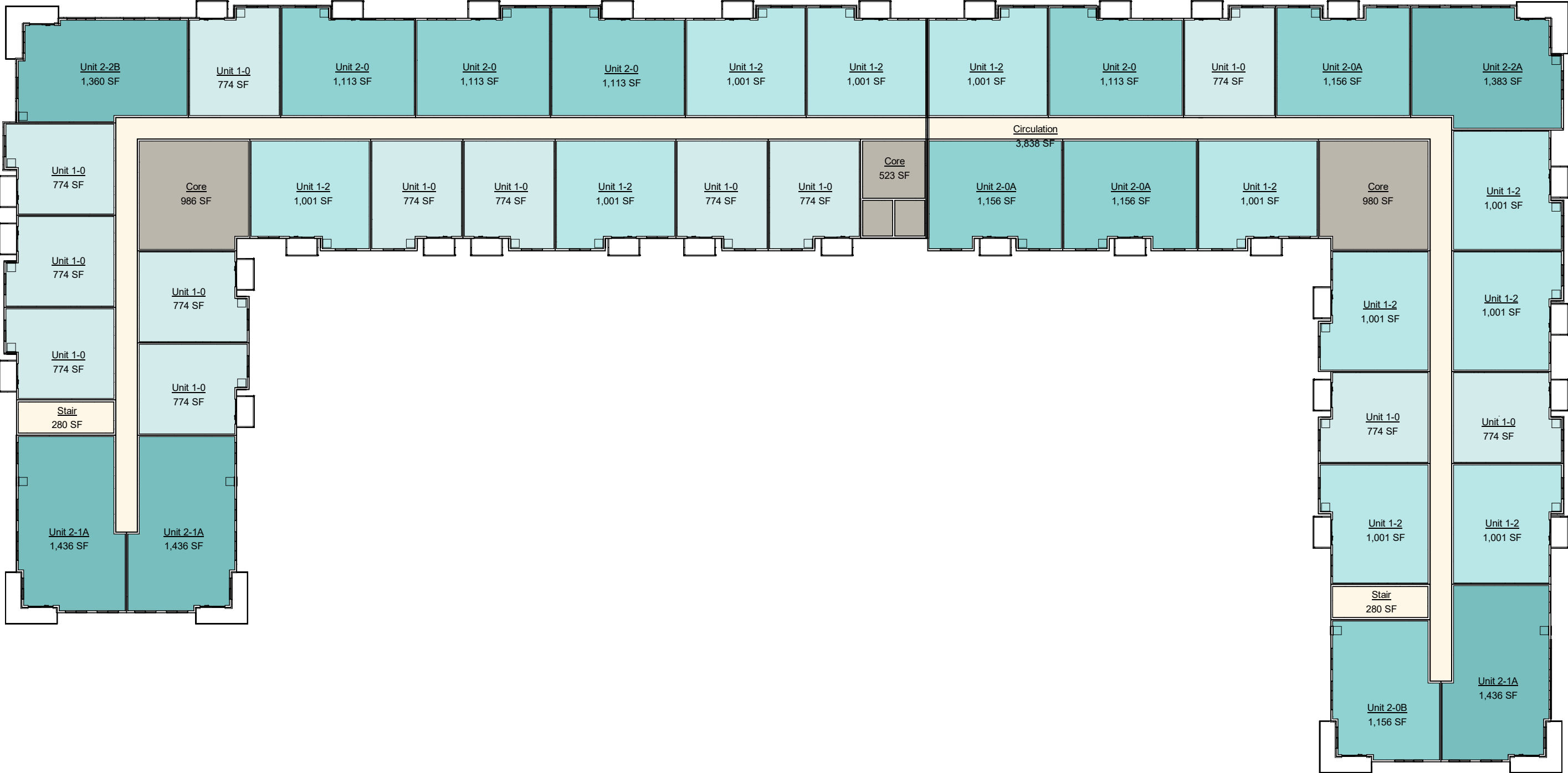
1 Garage Level  
1" = 30'-0"





① First Floor  
1" = 30'-0"





1 Second & Third Floor  
1" = 30'-0"



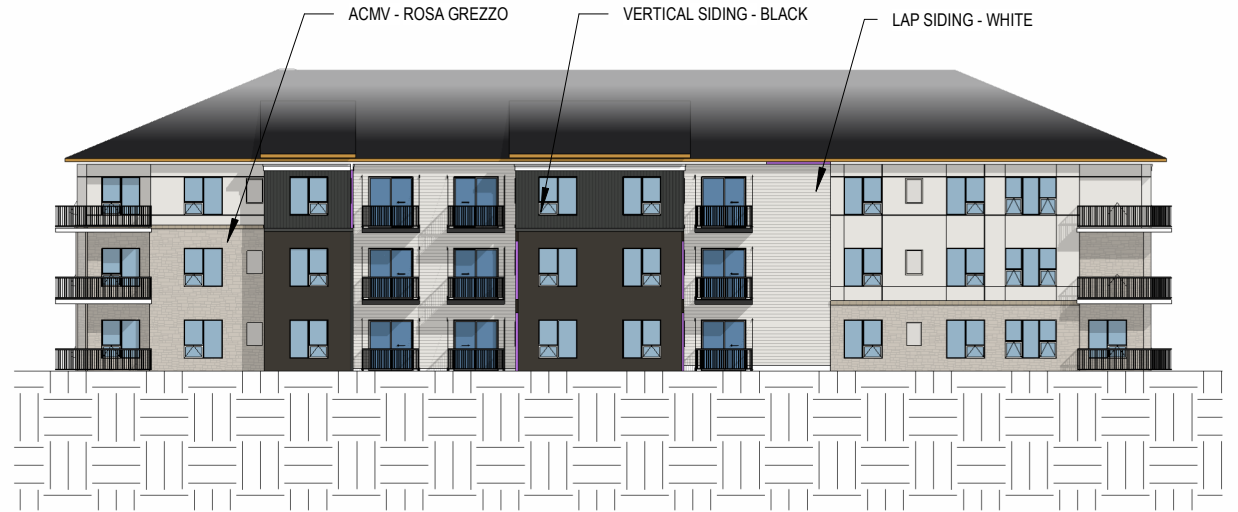




① East Elevation  
1" = 30'-0"



② North Elevation  
1" = 30'-0"



③ South Elevation  
1" = 30'-0"



④ West Elevation  
1" = 30'-0"





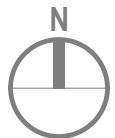
① Courtyard - West Elevation  
1" = 30'-0"

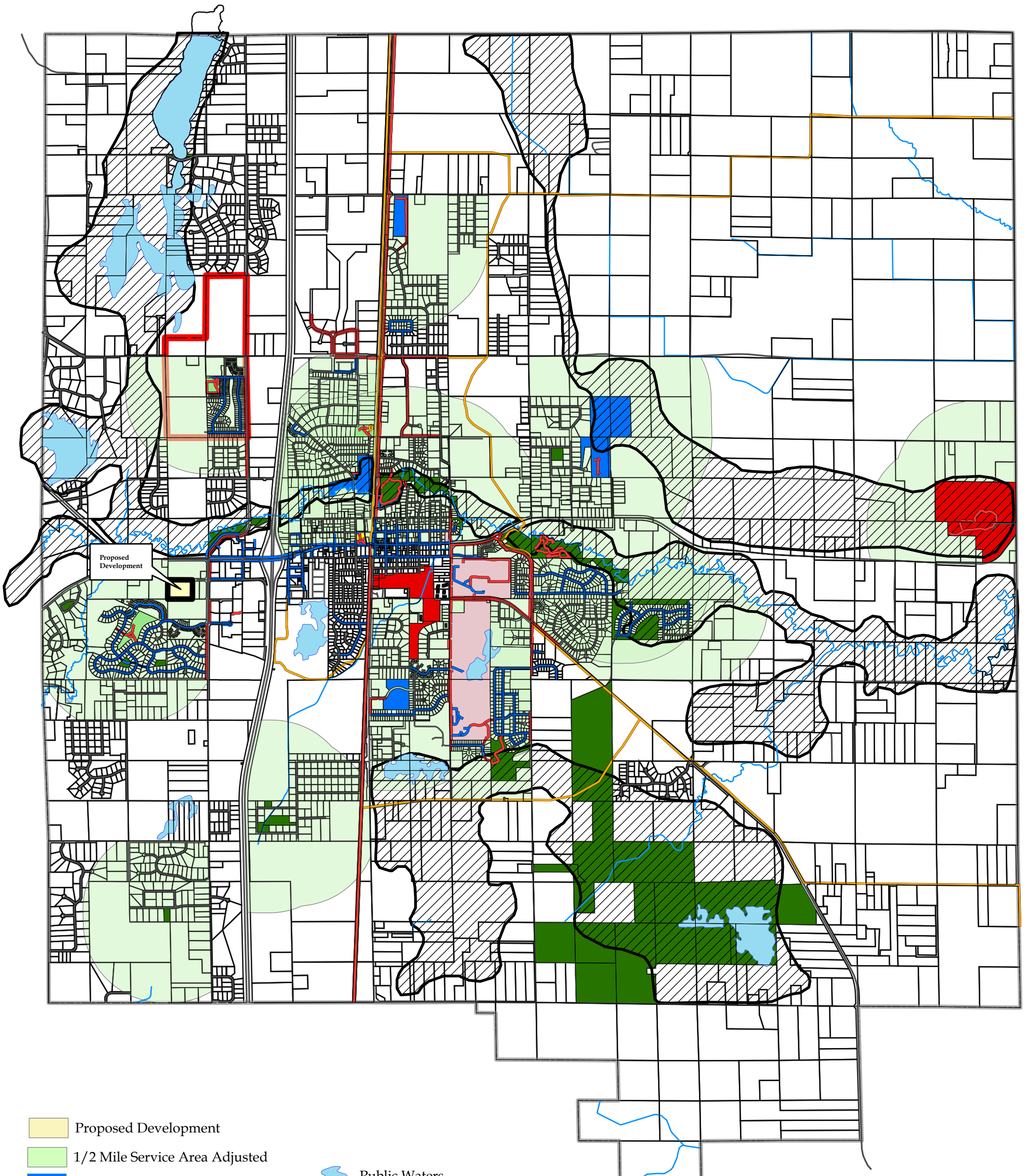


② Courtyard - South Elevation  
1" = 30'-0"



③ Courtyard - North Elevation  
1" = 30'-0"





- Proposed Development
- 1/2 Mile Service Area Adjusted
- Community Playfield
- Natural Resource Area
- Neighborhood Park
- Regional
- Public Waters
- Streams/Ditches
- Conceptual Open Space/Wildlife Corridor
- Existing Sidewalks
- Existing Trails



# PTOS Comp Plan Westside Commons Sr Housing Concept



Disclaimer:  
The data on this map is provided "as is"  
and does not represent a survey. NO liability is  
assumed to accuracy of the data  
delineated hereon.



**Prepared By: Nathan Sondrol, Community Development Director**

**Presenter: Nathan Sondrol, Community Development Director**

**Date: 04/23/2026**

**Board & Commission: Parks, Trails and Open Space Commission**

**Subject: Special Event Permit - North Branch American Legion Midsummer Days**

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**Background Information**

The North Branch American Legion Post 85 is requesting approval of a special event permit for their annual Midsummer Days celebration. The Midsummer Days event is scheduled to take place on June 17-21, 2026, and will include 3 street dances, 2 parades, the carnival and Kids Olympics. The carnival is proposed to be located in Central Park with setup beginning on Monday June 15, 2026, and clean up on Monday June 22, 2026. The Kid Olympics will take place in Riverwalk park on Saturday June 20, 2026. This will be the 100th Anniversary of the Midsummer Days event.

This is a reoccurring event with little to no changes.

City staff recommends approval of the conditions of no staking allowed in the park.

**Requested Action**

To recommend approval of the North Branch American Legions Midsummer Days special event permit application.

**Voting Requirements:**

**Voting Options          Simple Majority**



# CITY OF NORTH BRANCH

## SPECIAL EVENT PERMIT APPLICATION

### CONTACT INFORMATION

|                      |                             |        |                           |
|----------------------|-----------------------------|--------|---------------------------|
| Group/Organization : | North Branch Legion         |        |                           |
| Contact Person:      | Paul Johnson/Carene Johnson |        |                           |
| Address:             | 6439 Elm St                 |        |                           |
| Phone:               | 6516744810                  | Email: | info@nbamericanlegion.com |

### EVENT INFORMATION

|                       |                                                                                        |                       |  |
|-----------------------|----------------------------------------------------------------------------------------|-----------------------|--|
| Type of Event:        | <input type="checkbox"/> New or Renewal/Change in Application <input type="checkbox"/> |                       |  |
| Event Name/Title:     | Midsummer Days                                                                         |                       |  |
| Description of Event: | Parades, Carnival, Dances                                                              |                       |  |
| Proposed Location:    | central park                                                                           | Estimated Attendance: |  |
| Event Date and Time   | Date                                                                                   | Time                  |  |
| Set Up                | June 15th                                                                              |                       |  |
| Actual Event          | June 17th-21                                                                           |                       |  |
| Clean Up              | June 22                                                                                |                       |  |

### EVENT FEATURES

|                                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Will any signs/banners be put up?<br><i>If yes, number and size?</i>                                                                                                   |
| Will there be any inflatables?<br><i>If yes, provide insurance certificate from rental vendor. Note: No staking is allowed! Must use weights or other.</i>             |
| Will there be any entertainment?<br><i>If yes, what type?</i>                                                                                                          |
| Will sound amplification be used?<br><i>If yes, hours and type:</i>                                                                                                    |
| Will a stage or tent(s) be set up?      yes, lot next to Legion<br><i>If yes, Include size and dimensions, Note: No staking is allowed! Must use weights or other.</i> |
| Will merchandise be sold?<br><i>If yes, a transient merchant license is required from the city. Please include how many vendors:</i>                                   |
| Will food be preparer or served on site?      y<br><i>If yes, contact Minnesota Department of Health</i>                                                               |
| Will alcohol be served?      y<br><i>If yes, contact the Minnesota Department of Health.</i>                                                                           |
| Will there be a fireworks display?<br><i>If yes, obtain permit from City Hall.</i>                                                                                     |

**SERVICES** (After reviewing the event application, Services **may be required** for the event)

|                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Will event Use, Close or Block any of the following: parking lot adjacent to legion<br>City Streets or Right-of-Way<br>City Sidewalks or Trails<br>Public Parking Lots or Spaces                                                  |
| Will event need barricades? <b>yes at least 8</b><br><i>If yes, number needed.</i>                                                                                                                                                |
| Will event need water or electric?<br><i>If yes, please describe.</i>                                                                                                                                                             |
| Will portable restrooms be needed? <b>yes 5 at park, 15 at Legion</b><br><i>If yes, how many.</i>                                                                                                                                 |
| Will extra trash receptacles be needed? <b>yes we contract with Terry's</b><br><i>If yes how many?</i><br><i>Note: Receptacles placed on pavement must have 2" thick wood material placed underneath receptacle touch points.</i> |
| Describe trash removal and cleanup during and after the event.                                                                                                                                                                    |
| Will event need traffic control?<br><i>If yes, contact North Branch Police Department, 651-674-8848</i>                                                                                                                           |
| Describe crowd control procedure to ensure the safety of participants and spectators:<br>We work with NBPD and Nbfd for our events                                                                                                |
| Will "No Parking Signs" be needed? <b>Yes we provide for parade day</b><br><i>If yes, how many?</i>                                                                                                                               |
| Will event need security? <b>Yes We hire NBPD</b><br><i>If yes, list security company and contact info:</i>                                                                                                                       |
| Will event need EMS?<br><i>If yes, contact Lakes Region EMS, 651-277-4911</i>                                                                                                                                                     |
| Describe plans to provide first aid if needed:                                                                                                                                                                                    |
| Describe the Emergency Action Plan if severe weather should arrive:                                                                                                                                                               |
| List any other pertinent information: (Animals, etc.)                                                                                                                                                                             |

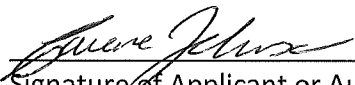


**ATTACHMENTS** (please attach additional sheets as needed)

|                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Site Plan</b><br><i>(This is mandatory for all events. Include any tables, stages, tents, fencing, portable restrooms, vendor booths, trash containers, barricades, etc. If the event includes a parade, race or walk, attach a route map with directional arrows, rest stops, crossings, signage, etc.)</i> |
| <b>Certificate of Insurance</b><br><i>(Include: Policy Number, Amount and Provisions that the City of North Branch is included as additional insured. The insurance requirements depend on the risk level of the event and are determined by the City.)</i>                                                     |
| <b>Permits</b><br><i>(Department of Health, Transient Merchant, Peddlers License, etc.)</i>                                                                                                                                                                                                                     |
| <b>Signatures</b><br><i>(All signatures from properties affected, i.e. Street Closure all properties that have vehicle access)</i>                                                                                                                                                                              |
| <b>Proof of Non-Profit Status</b>                                                                                                                                                                                                                                                                               |

**HOLD HARMLESS AGREEMENT**

The sponsor(s) of this event hereby agrees to save and hold harmless the City of North Branch, its officers, agents, employees, and members from all claims, suits, or actions of whatsoever nature resulting or arising from this activity. As the sponsor or authorized representative, I certify that the information is provided as accurate and true to the best of my knowledge and agree to pay the permit fee for this event based upon the information provided in this application. I realize my submittal of this application request constitutes a contract between myself and the City of North Branch and is a release of Liability.

  
 Signature of Applicant or Authorized Agent

4/13/26  
 Date

**For Office Use Only**

| DEPARTMENT         | APPROVAL SIGNATURE | DATE |
|--------------------|--------------------|------|
| City Administrator |                    |      |
| Public Works       |                    |      |
| Police             |                    |      |
| Parks              |                    |      |
| Fire               |                    |      |

| <u>Application Fee</u>   | <u>Damage Deposit</u><br>\$100 | <u>Date Received</u> | <u>Check #</u>      | <u>Receipt #</u> |
|--------------------------|--------------------------------|----------------------|---------------------|------------------|
| <b><u>Attendance</u></b> | <b><u>0-100</u></b>            |                      | <b><u>101 +</u></b> |                  |
| <u>Resident</u>          | \$0                            |                      | \$100               |                  |
| <u>Non-Resident</u>      | \$50                           |                      | \$100               |                  |

**COMMENTS**

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.





# CITY OF NORTH BRANCH

## SPECIAL EVENT PERMIT APPLICATION

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| Contact Person:      | Paul Johnson/Carene Johnson |        |  |
| Address:             | 6439 Elm St                 |        |  |
| Phone:               |                             | Email: |  |

### EVENT INFORMATION

|                       |                                                                                        |                       |  |
|-----------------------|----------------------------------------------------------------------------------------|-----------------------|--|
| Type of Event:        | <input type="checkbox"/> New or Renewal/Change in Application <input type="checkbox"/> |                       |  |
| Event Name/Title:     | Midsummer Days                                                                         |                       |  |
| Description of Event: | Parades, Carnival, Dances                                                              |                       |  |
| Proposed Location:    | central park                                                                           | Estimated Attendance: |  |
| Event Date and Time   | Date                                                                                   | Time                  |  |
| Set Up                | June 15th                                                                              |                       |  |
| Actual Event          | June 17th-21                                                                           |                       |  |
| Clean Up              | June 22                                                                                |                       |  |

### EVENT FEATURES

|                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Will any signs/banners be put up?<br><i>If yes, number and size?</i>                                                                                                                   |
| Will there be any inflatables?<br><i>If yes, provide insurance certificate from rental vendor. Note: No staking is allowed! Must use weights or other.</i>                             |
| Will there be any entertainment?<br><i>If yes, what type?</i>                                                                                                                          |
| Will sound amplification be used?<br><i>If yes, hours and type:</i>                                                                                                                    |
| Will a stage or tent(s) be set up?                      yes, lot next to Legion<br><i>If yes, Include size and dimensions, Note: No staking is allowed! Must use weights or other.</i> |
| Will merchandise be sold?<br><i>If yes, a transient merchant license is required from the city. Please include how many vendors:</i>                                                   |
| Will food be preparer or served on site?                      y<br><i>If yes, contact Minnesota Department of Health</i>                                                               |
| Will alcohol be served?                                              y<br><i>If yes, contact the Minnesota Department of Health.</i>                                                   |
| Will there be a fireworks display?<br><i>If yes, obtain permit from City Hall.</i>                                                                                                     |

**SERVICES** (After reviewing the event application, Services *may be required* for the event)

|                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Will event Use, Close or Block any of the following: parking lot adjacent to legion<br>City Streets or Right-of-Way<br>City Sidewalks or Trails<br>Public Parking Lots or Spaces                                                  |
| Will event need barricades? <b>yes at least 8</b><br><i>If yes, number needed.</i>                                                                                                                                                |
| Will event need water or electric?<br><i>If yes, please describe.</i>                                                                                                                                                             |
| Will portable restrooms be needed? <b>yes 5 at park, 15 at Legion</b><br><i>If yes, how many.</i>                                                                                                                                 |
| Will extra trash receptacles be needed? <b>yes we contract with Terry's</b><br><i>If yes how many?</i><br><i>Note: Receptacles placed on pavement must have 2" thick wood material placed underneath receptacle touch points.</i> |
| Describe trash removal and cleanup during and after the event.                                                                                                                                                                    |
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| Will event need EMS?<br><i>If yes, contact Lakes Region EMS, 651-277-4911</i>                                                                                                                                                     |
| Describe plans to provide first aid if needed:                                                                                                                                                                                    |
| Describe the Emergency Action Plan if severe weather should arrive:                                                                                                                                                               |
| List any other pertinent information: (Animals, etc.)                                                                                                                                                                             |

**ATTACHMENTS** (please attach additional sheets as needed)

|                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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| <b>Permits</b><br><i>(Department of Health, Transient Merchant, Peddlers License, etc.)</i>                                                                                                                                                                                                                     |
| <b>Signatures</b><br><i>(All signatures from properties affected, i.e. Street Closure all properties that have vehicle access)</i>                                                                                                                                                                              |
| <b>Proof of Non-Profit Status</b>                                                                                                                                                                                                                                                                               |

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| Fire               |                    |      |

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**COMMENTS**

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



**Prepared By: Nathan Sondrol, Community Development Director**

**Presenter: Nathan Sondrol, Community Development Director, Matthew Hill, City Administrator**

**Date: 04/30/2026**

**Board & Commission: Parks, Trails and Open Space Commission**

**Subject: Comprehensive Plan Update**

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#### **Background Info**

The Comprehensive Plan Steering Committee requests that the Planning Commission review two specific sections of the 2018 Comprehensive Plan:

- **Section 2: Values and Vision (all groups will review this section)**
- **Section 8: Natural Environment, Parks, Trails, and Recreation**

Your focused review is vital as we move toward the final revision of the plan. This should include a thorough overview of the current language, and listing any changes that the group feel necessary due to the changes and growth of the City.

We are establishing the following timeline for the process:

The Comprehensive Plan Committee met on 2/18 and 3/18,4/15 2026, and discussed the following:

*Introduction needs to add 'connectivity'. Trails need to connect new development, parks, and neighborhoods.*

*Is adding a community 'splash pad' still a priority that needs to be added?*

*Do the trends need to be updated? Adult league popularity has reduced, as have soccer. Lacrosse and pickleball have increased in popularity. Softball and Baseball remain the same. Regionally, the trend seems to include an indoor facility for sports like pickleball, soccer and lacrosse. Pools and indoor hockey rinks are expensive and difficult to maintain and operate.*

*New revenue source has been opened up via council approval at the first meeting in February, allowing 10% collection of gambling revenue to go toward park and trail building and maintenance. Are there other opportunities for additional revenue?*

*Accessibility - needs to be addressed in a couple of parks in our community*

*Discussion on adding a full-time parks and rec director to lead the development and maintenance of the parks, ice rinks, and gardens.*

The next meeting is scheduled for Wednesday, March 18, 2026.

- **April 15 2026:** Housing, Transportation, Utilities, and Public Safety
- **May 20 2026:** Presentation of the Comprehensive Plan review results to the Planning Commission for consideration and Council approval in June.

Supporting documents are attached, including:

- Sections 2 and 8 of the Comprehensive Plan, and a link to the entire document <https://www.northbranchmn.gov/228/Comprehensive-Plan>
- Summary of the feedback forms from the community questionnaires

**Requested Action**

To provide input on Sections 2 and Section 8 of the Comprehensive Plan

**Voting Requirements:**

**Voting Options          Simple Majority**

# 2

## VALUES AND VISION

### Values

Residents and other stakeholders were asked what they loved about North Branch at the Community Expo, at a chamber meeting, and at the first community café. The values expressed most often were:

THE STRONG SENSE OF COMMUNITY

A HOME TOWN FEEL

THE CITY'S COMMITMENT TO ITS PARKS AND TRAILS

A COMMUNITY THAT ENCOURAGES BIKING AND WALKING

QUALITY SCHOOLS

These values were reiterated at each of the other three community cafes and served as the foundation for the vision statements expressed below.

### *Vision for North Branch in 10 years .....*

North Branch is a growing and safe community with outstanding natural and recreational amenities and opportunities for all, and well maintained infrastructure, vibrant business districts and neighborhoods, and provides residents with an excellent quality of life.

### *Vision for Land Use*

The City of North Branch is a complete community that provides a well-balanced and wide range of places to live, work, shop and play. Land uses make efficient use of existing infrastructure, contribute to a strong local economy, preserve natural resources and contribute to a high quality of life.

#### Residential Uses

A diverse housing stock allows people at any stage in their life to be able to find a home in North Branch. Older housing is well maintained while new development expands housing options to complement existing neighborhoods.

#### Commercial and Industrial Uses

A significant amount of commercial and industrial uses can be found within the City that allow residents to work in North Branch, while also being able to meet all of their day-to-day needs. Commercial and industrial uses are compatible with their surrounding land uses.

#### Public/Institutional

Public and institutional uses are viewed as valued resources to the community and contribute to making North Branch a better place to live and do business.





*North Branch is a growing and safe community with outstanding natural and recreational amenities and opportunities for all, and well maintained infrastructure, vibrant business districts and neighborhoods, and provides residents with an excellent quality of life.*



### Parks, Open Spaces and Trails

Quality parks and open space are within close proximity to all residents, providing recreational opportunities to encourage an active lifestyle. A wide variety of community facilities are provided to serve a range of interests. The City of North Branch has a proposed trail system that will allow bicycle and pedestrian access to most of the major pedestrian generators within the city, including schools, shopping areas, and parks. Many of the proposed trails are destinations in themselves, offering scenic walks or rides around many of the city's scenic views. With recreational activities such as running, bicycling, and walking increasing in popularity, the city's trail system will not only offer a recreational opportunity in itself, but will also help to connect the community's parks with the neighborhoods.

### *Vision for Economic Development*

A strong business community is the cornerstone of a vibrant city. Economic development encompasses the policies and activities that improve the long term economic and social wellbeing of the community. Communities with strong economies have financial resources to support the levels of service that their residents need and desire. Successful communities realize that economic development is about bringing together social, natural, infrastructure, and economic assets in the community to sustain the "whole" community.

### *Vision for Municipal Utilities*

The City of North Branch, individually and in collaboration with the North Branch Water & Light Utility, has a significant investment in its existing public utilities systems (water, wastewater and stormwater). The continued expansion and development within the Urban Service Area will require the extension of public utilities. In general, the existing infrastructure system is well-positioned and of adequate size to support expansion. However, coordination will be required between community development and the required expansion of the utility system. In some cases, the cost of providing utility service may dictate where and when future growth will occur.

### *Vision for Transportation*

North Branch is located at the cross roads of I35 and TH95, providing for ease in and out of the city. Within the city limits, however, these features will require a coordinated approach to providing movement of traffic through the city to local destinations, safe pedestrian and bike corridors, and improved intersections to safely serve the increasing number of commercial vehicles passing through North Branch.

### *Vision for the Environment and Sustainability*

Natural infrastructure includes all systems that relate to natural resources and contribute to an improved public life. Natural infrastructure considers the full range of natural resource uses including economic, environmental, health, cultural, and aesthetic. This broad view leads us to include surface water, groundwater, stormwater, wastewater, drinking water, geology, topography, soils, natural areas, open space, green spaces, urban forest, habitat, vegetation, scenic views, and parks and trails in natural infrastructure.



Natural infrastructure is a key element in planning where development should or should not take place within a city. This element is important to communities and development as it avoids certain development hazards, provides health benefits to citizens, protects ecological systems and enhances biological diversity, and offers communities unique quality of life components. Consideration of natural infrastructure ensures that homes are built upon stable dry soils, provides clean drinking water, accounts for resource based economic activities, provides scenic views and open spaces, and plans development that respect the integrity of natural systems and incorporate natural features into development.

### *Minnesota GreenStep City*

In 2018, the Mayor and City Council approved a resolution to make North Branch a GreenStep City through the MPCA and League of Minnesota Cities' program. Minnesota GreenStep Cities is a voluntary challenge, assistance and recognition program to help cities achieve their sustainability and quality-of-life goals. This free continuous improvement program, managed by a public-private partnership, is based upon 29 best practices. Each best practice can be implemented by completing one or more actions at a 1, 2 or 3-star level, from a list of four to eight actions. These actions are tailored to all Minnesota cities, focus on cost savings and energy use reduction, and encourage civic innovation. North Branch is currently a Step 1 City. As North Branch plans for the future, it will continue to consider GreenStep City Best Management Practices as they relate to the goals and objectives of this comprehensive plan.



# 8

## NATURAL ENVIRONMENT, PARKS, TRAILS, AND RECREATION

### *Introduction*

Natural resources are beneficial to the social, environmental, and economic vitality of a community. To ensure their quality and benefits, it is essential to plan and manage natural resources and areas as we do residential and commercial areas. The City of North Branch will promote, preserve and enhance the natural resources within the city and protect them from adverse effects occasioned by poorly sited development or incompatible activities by regulating land disturbances or development activities that would have an adverse and potentially irreversible impact on water quality and unique and fragile environmentally sensitive land; by minimizing conflicts and encouraging compatibility between land disturbing and development activities and water quality and environmentally sensitive land; and by requiring detailed review standards and procedures for land disturbing or development activities proposed for such areas, thereby achieving a balance between urban growth and development and protection of water quality and natural areas.

### **Wildlife Corridor**

The Minnesota DNR has identified a regional greenway corridor in North Branch as part of the Metro Wildlife Corridors project (a 12-county metro area). The project, “ensuring that people and nature in the Twin Cities Area can grow together for generations to come” seeks to protect and restore key natural lands in the metro area by:

- Focusing pro-actively on strategic areas, of which North Branch is a part
- Efficiently leveraging private and public partners and resources
- Building upon prior investments in public lands, and
- Enhancing the cost-effectiveness of conservation efforts by coordinating them within a regional framework.

This corridor is specifically designed to incorporate, the high quality natural areas such as those identified in the Natural Resource Inventory or mapped by the MnDNR, natural corridors such as the Sunrise River, and areas that connect these features.

The City of North Branch supports the preservation of natural and open spaces along the north branch of the Sunrise River, the city’s name sake. It has also identified a conceptual greenway corridor, and as much as possible, development within the greenway corridor, should be encouraged to use conservation design strategies, conservation easements, park dedication, parcel evaluation, and the strategic siting of open space and natural areas parks to develop and improve habitat quality and connectivity within the greenways. Strategies to avoid fragmentation of existing natural areas are especially important for maintaining ecological function of the natural areas.

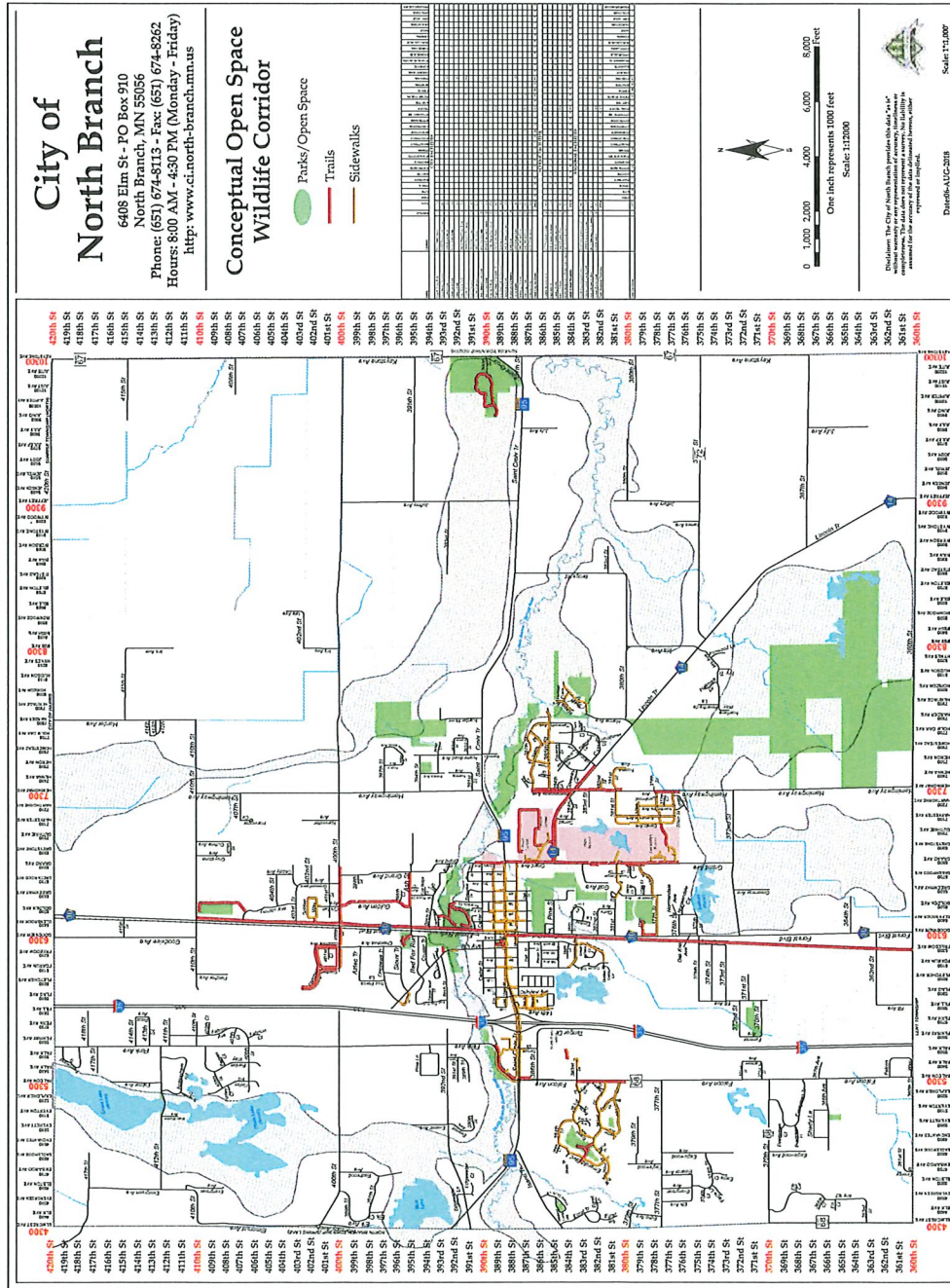




*The City of North Branch will  
promote, preserve and enhance the  
natural resources within the city*



Figure 8-1:  
Conceptual Open  
Space Wildlife Corridor



### **Tree Preservation**

The City's tree preservation ordinance acknowledges the benefits and amenities trees offer to the community and acknowledges that trees are part of a more complex, interrelated system. Trees protect the environment by moderating climate, improving air quality, reducing erosion and stormwater runoff, and harboring wildlife. The ordinance focuses on protection of quality wooded areas rather than of individual trees. To preserve wooded areas in the City, each new development is required to submit a Tree Preservation Plan. The regulation also provides guidance for permitted tree removal, mitigation procedures, and tree replacement provisions.

### **Minnesota GreenStep City**

In 2018, the Mayor and City Council approved a resolution to make North Branch a GreenStep City through the Minnesota Pollution Control Agency and League of Minnesota Cities' program. Minnesota GreenStep Cities is a voluntary challenge, assistance and recognition program to help cities achieve their sustainability and quality-of-life goals. This free continuous improvement program, managed by a public-private partnership, is based upon 29 best practices. Each best practice can be implemented by completing one or more actions at a 1, 2 or 3-star level, from a list of four to eight actions. These actions are tailored to all Minnesota cities, focus on cost savings and energy use reduction, and encourage civic innovation. North Branch is currently a Step 1 City. As North Branch plans for the future, it will continue to consider GreenStep City Best Management Practices as they relate to the goals and objectives of this comprehensive plan.

### **Parks, Trails and Recreation**

The comprehensive parks and recreation plan is the first planning document devoted to establishing park, recreation, and trail planning criteria, guidelines, and standards, for future development of these amenities within the City of North Branch. The existing park system is already fairly developed with a strong emphasis and need placed on youth recreation opportunities. The community has done a good job of including sidewalks in various neighborhoods, but currently lacks a comprehensive trail system along TH 95 and the Sunrise Prairie Trail needs to be extended from 410th north to the city limits. Pedestrian and bike crossings are needed throughout the City. In addition, alternative transportation and exercise options through the use of trails should continue to be expanded and enhanced.

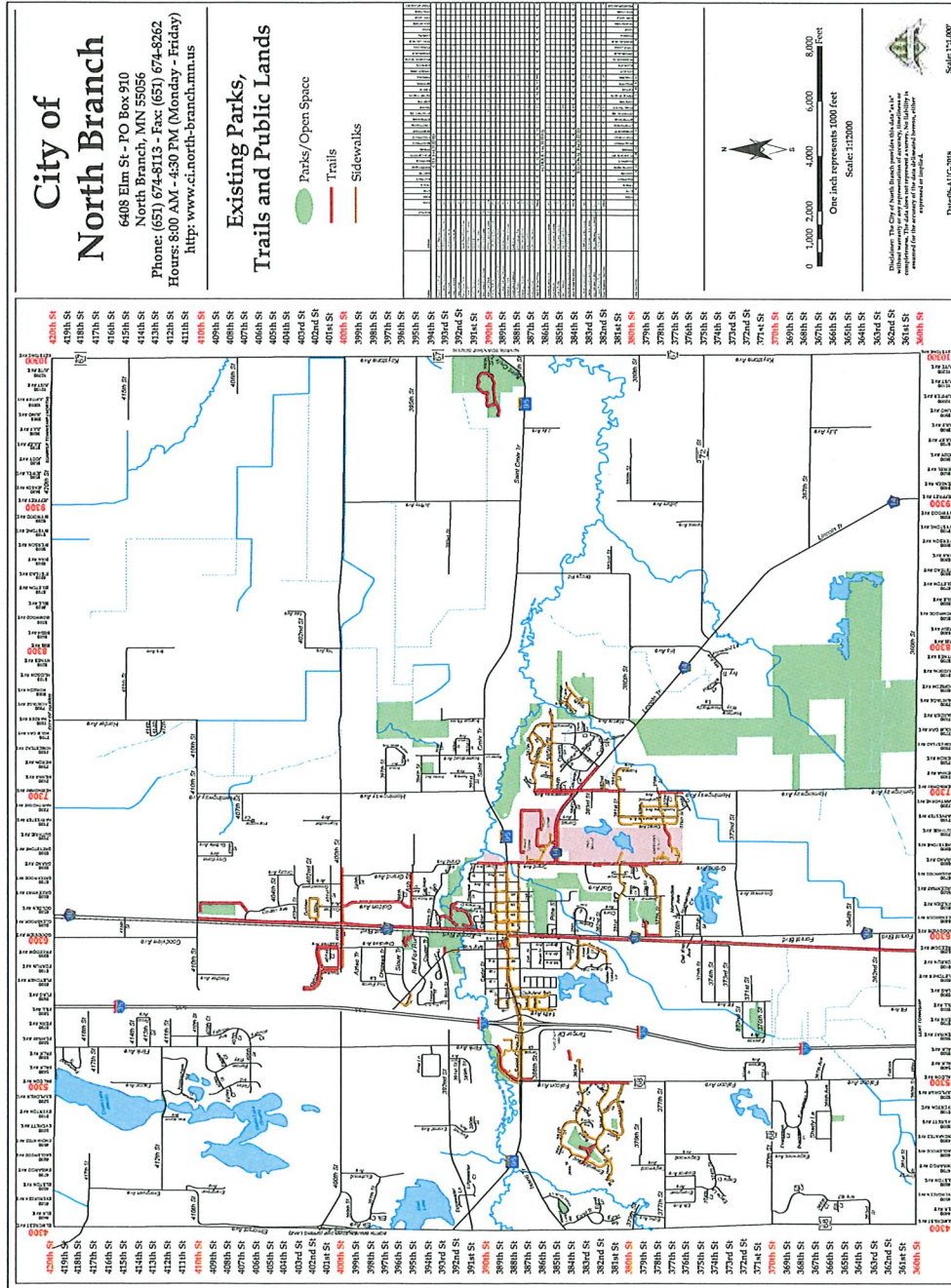


*North Branch is part of the  
Metro Wildlife Corridors  
project (a 12-county metro  
area)*





Figure 8-2:  
Existing Parks, Trails  
& Public Lands



### **Vision for Natural Environment**

Natural infrastructure includes all systems that relate to natural resources and contribute to an improved public life. Natural infrastructure considers the full range of natural resource uses including economic, environmental, health, cultural, and aesthetic. This broad view leads us to include surface water, groundwater, stormwater, wastewater, drinking water, geology, topography, soils, natural areas, open space, green spaces, urban forest, habitat, vegetation, scenic views, and parks and trails in natural infrastructure.

Natural infrastructure is a key element in planning where development should or should not take place within a city. This element is important to communities and development as it avoids certain development hazards, provides health benefits to citizens, protects ecological systems and enhances biological diversity, supports economic activities such as mining and forestry, and offers communities unique quality of life components. Consideration of natural infrastructure ensures that homes are built upon stable dry soils, provides clean drinking water, accounts for resource based economic activities, provides scenic views and open spaces, and plans development that respect the integrity of natural systems and incorporate natural features into development.





## Natural Environment Goals, Objectives, and Policies

### OBJECTIVE 1.1

#### PRESERVE OPEN SPACE AND WILDLIFE CORRIDOR.

##### Policy 1.1.1

*Build upon the Metro Area Green Corridor System within North Branch incorporating the wooded edge while maintaining the rural character of the City's major natural amenities into the Open Space System.*

##### Policy 1.1.2

*Identify and conserve critical wildlife habitat including nesting sites, foraging areas, and migration corridors within or adjacent to natural areas, open spaces, and the developing urban areas, preserve sensitive habitat sites that support threatened species and urban wildlife habitat.*

##### Policy 1.1.3

*Identify and conserve forested and woodland cover and the scenic attributes provide between rural and urban land uses, preserve and protect significant environmental features including unique wetlands, open spaces, woodlands, shorelines, waterfronts and other characteristics that support wildlife and reflect the cities resource heritage.*

##### Policy 1.1.4

*Develop Partnerships with other organizations, institutions, and local units of government on planning and zoning, land use, preservation and conservation related issues, capitalize on the development and promotion of the North Branch of the Sunrise River and take ownership and promote the advantages of the City's relationship to the Saint Croix National Scenic Riverway and the importance the North Branch of the Sunrise River has to the river's federally protected status.*

## GOAL 1

*Develop an integrated plan that balances community growth, natural resources, cultural and historical features.*



## **OBJECTIVE 1.2**

### **MAINTAIN HEALTHY URBAN FOREST AND PARK SYSTEM.**

#### *Policy 1.2.1*

*Continue high standards of park and public land maintenance, and management by continued investment in personnel, equipment, and methods, expand sustainable practices and invasive species management (i.e. the Emerald Ash Borer, buckthorn, etc.) and obtain the information, training and resources needed to effectively address planning, preservation and conservation issues.*

#### *Policy 1.2.2*

*Undertake citizen-based planning designed to manage growth and build needed infrastructure, while at the same time preserving the natural qualities with which the region is blessed.*

#### *Policy 1.2.3*

*Increase natural areas and open space linkages within the developing urban areas*

## **OBJECTIVE 1.3**

### **FOSTER NATURAL PARK DEVELOPMENT.**

#### *Policy 1.3.1*

*Promote native landscaping and greening initiatives, support use of best management practices and reduction of chemical use, establish community gardens, and encourage the use and planting of pollinator friendly habitats.*

## **OBJECTIVE 1.4**

### **IDENTIFY, PRESERVE, AND ENHANCE NORTH BRANCH'S MULTICULTURAL HERITAGE, TRADITIONS, AND CULTURAL FEATURES WITHIN HISTORICAL SITES, BUILDINGS, ARTWORK, PARKS, OPEN SPACE, AND TRAILS TO PRESERVE INTEREST AND PROVIDE A BALANCED SOCIAL EXPERIENCE.**

#### *Policy 1.4.1*

*Identify, designate and protect significant historic structures and sites, establish history and heritage preservation programs utilizing existing resources to help increase knowledge and promote the history and heritage of North Branch.*

#### *Policy 1.4.2*

*Implement natural resources and environmental educational and interpretive programs.*



## ***Vision for Parks, Trails, and Recreation***

To provide a comprehensive and balanced system of parks, greenways, trails, and support for providers of recreation- orientated activities / programs for city residents in an as cost effective manner as possible.

## ***Park Goals, Objectives, and Policies***

The following section outlines the primary goals for parks followed by a series of objectives and policies intended to influence future development efforts that align with the community visions in this plan.

### **OBJECTIVE 1.1**

**PLAN AND DESIGN PARKS, TRAILS, SIDEWALKS, AND BIKE PATHS IN A WAY THAT ENSURES THEIR LONG TERM VIABILITY.**

#### ***Policy 1.1.1***

*All park properties that are set aside (and/or are proposed in the future) must take into account the long-term commitments required to develop, operate, and maintain across their lifecycles, with buildings constructed to the state's SB2030 performance standards for on-going cost reductions, when feasible.*

#### ***Policy 1.1.2***

*Balance maintained turf areas with natural areas to add aesthetic appeal, control maintenance costs, infiltrate stormwater, eliminate toxic chemical use and provide wildlife habitat, and reduce carbon emissions.*

#### ***Policy 1.1.3***

*Update parks plan every 5-10 years depending on the amount of change and development within the city.*

#### ***Policy 1.1.4***

*Explore alternative methods for parkland dedication that will assure sufficient park facilities well into the future.*

#### ***Policy 1.1.5***

*Phase Improvements based on replacement needs and available funding. Manage system investments through analysis of applicable data.*

# GOAL 1

*Plan for a sustainable park and trail system.*



## **OBJECTIVE 1.2**

### **UNDERSTAND CURRENT TRENDS AND COMMUNITY ISSUES, OPPORTUNITIES, AND NEEDS AS RELATED TO PARKS WITHIN THE CITY.**

#### *Policy 1.2.1*

*Discuss local and regional park and trails issues and opportunities with the Department of Natural Resources, Chisago County, adjacent communities, environmental organizations, and others.*

#### *Policy 1.2.2*

*Master plans should be prepared for each park prior to their development to ensure that the right mix of amenities are provided and the park's design is cohesive and complementary to the design for other parks and public spaces.*

#### *Policy 1.2.3*

*Ensure public participation in the master planning process is included for each park development project.*

#### *Policy 1.2.4*

*Analyze the placement and use of "nature play" equipment in existing and proposed parks.*

## **OBJECTIVE 1.3**

### **USE SUSTAINABLE DESIGN PRACTICES.**

#### *Policy 1.3.1*

*Use renewable energy where possible (i.e. solar lights for trails, solar power at athletic facilities).*

*Policy 1.3.2: Consider use of recycled materials and promote recycling in all park areas.*

## **OBJECTIVE 1.4**

### **IDENTIFY ALTERNATIVE, SUSTAINABLE REVENUE SOURCES.**

#### *Policy 1.4.1*

*Expand grassroots parks and recreation advocacy.*

#### *Policy 1.4.2*

*Pursue alternative revenue sources such as program fees, community funds, grants, charitable gaming, memorials, commemoratives, and donations, etc.*

#### *Policy 1.4.3*

*Encourage business involvement, sponsorship, and naming rights of parks, recreation facilities and events.*

#### *Policy 1.4.4*

*Apply marketing strategies to increase income potential and broaden awareness.*



## OBJECTIVE 2.1

SERVICE LOCAL PARK AND RECREATION NEEDS BY PROVIDING NEIGHBORHOOD AND COMMUNITY PARKS AS RESIDENTIAL GROWTH OCCURS.

### Policy 2.1.1

Ensure neighborhood parks are developed as part of new residential neighborhoods with buildings constructed to the state's SB2030 performance standards for on-going cost reductions, when feasible.

### Policy 2.1.2

Explore the possibility of including a community park in appropriate areas of the City.

### Policy 2.1.3

Locate new parks based on how they can be best integrated with the new development that the park will serve.

# GOAL 2

Provide additional park and recreation opportunities in areas of new development throughout the city.



# GOAL 3

Adhere to Park  
Master Planning  
and Facility  
Design Quality  
/ Development  
Standards.

## OBJECTIVE 3.1

ENSURE THE QUALITY STANDARD FOR BUILT FEATURES WITHIN THE PARK SYSTEM IS CONSISTENT WITH INDUSTRY STANDARDS FOR SAFETY, DURABILITY, AND ACCESSIBILITY.

### Policy 3.1.1

*Periodically inspect and repair all parks, trails, and recreation facilities for hazardous conditions, including unsafe play equipment, fallen vegetation, etc.*

### Policy 3.1.2

*The design of individual parks should be of a consistent quality, with buildings constructed to the state's SB 2030 performance standards for on-going cost reductions, when feasible.*





## OBJECTIVE 4.1

### CREATE AND SUSTAIN CRITICAL PARTNERSHIP.

#### Policy 4.1.1

Partner with the North Branch School District, local athletic organizations, private enterprises, surrounding communities, and others to address those community and regional needs that cannot be met exclusively by the city or others.

#### Policy 4.1.2

Cultivate and support public/private partnerships with organizations like the YMCA, Park Trail Council and similar non-governmental organizations whose mission is to promote active living and recreation.

#### Policy 4.1.3

Involve representatives from the North Branch School District, athletic organizations, and others when developing new parks that may be co-located with educational and daycare facilities.

#### Policy 4.1.4

Consider the desire of the community to offer a multi-use athletic facility to the residents and attract regional tournaments and events.

#### Policy 4.1.5

Explore the impacts of developing such facilities, including impacts to adjacent neighborhoods.

#### Policy 4.1.6:

New facilities should provide year-round activities and programs for all age groups and all income levels.

#### Policy 4.1.7

Identify and build relationships with local special interest groups, such as scouting programs, Chisago County Master Gardeners, North Branch Monarch Strategy Group, North Branch Garden Club, North Branch Arts Group, Lions, Rotary, etc.

# GOAL 4

North Branch's parks meet the diverse recreation needs of the community.



#### Policy 4.1.8

Identify and build relationships with regional organizations, such as Chisago County Parks and Recreation Department, Chisago Soil & Water Conservation District, Friends of Wild River State Park and association with the St. Croix River National Scenic Riverway and the Lower St Croix Management Commission, Chisago County Historical Society, etc.

#### OBJECTIVE 4.2

##### PROMOTE THE CITY'S PARKS AND RECREATION ACTIVITIES AND OPPORTUNITIES

#### Policy 4.2.1

Utilize diverse methods of communication, including social and digital media, and highlight youth, families, volunteers, etc. Provide information on the City's website and in outside publications about parks, facilities and programming that is accessible to all people.

#### Policy 4.2.2

Highlight the quality of life benefits of parks, trails, recreation and open space.





## **OBJECTIVE 5.1**

### **USE PARK DESIGN TO MAKE THEM WELCOMING.**

#### *Policy 5.1.1*

*Ensure visible and legible signage at park entrances, use recognizable branding to indicate that parks are open to all people, provide entrances on public streets, and utilize vegetation that does not obscure views into and through the parks.*

## **OBJECTIVE 5.2**

### **IMPROVE THE PERCEPTION OF PUBLIC SAFETY.**

#### *Policy 5.2.1*

*Utilize planning techniques, designs and site planning to improve safety, such as cluster compatible activities to avoid conflicts and increase social observation, locate parking lots and facilities near streets so they are easily observable at night, locate restrooms and playgrounds in areas that are easily observable, and use the principles of Crime Prevention Through Environmental Design (CPTED) in the design of parks.*

## **OBJECTIVE 5.3**

### **ENSURE SAFETY THROUGH REGULAR MAINTENANCE AND EQUIPMENT UPGRADES.**

#### *Policy 5.3.1*

*Conduct annual inspections of parks, buildings, restrooms, shelters, ballfields, play courts, skate park, outdoor ice rinks, parking lots, trails, and nature areas. Input annual inspections into asset management system and use to analyze and prioritize system investments.*

# **GOAL 5**

*Provide a welcoming and safe parks and recreation system.*



# Comprehensive Plan Questionnaire: Key Patterns and Trends

## 1. Community Strengths and Identity

Across the early sections of the questionnaire (pages 2–3), respondents consistently highlight:

- A strong sense of community pride and belonging.
- The small-town feel and safety that make the area family-friendly.
- Deep appreciation for natural spaces, recreation, and access to the outdoors.
- Recognition that schools and local events form the heart of community identity.

**Trend:** The community's greatest strength lies in its cohesion and shared values. Schools, local partnerships, and volunteerism serve as anchors of civic pride and engagement.

---

## 2. Transportation and Accessibility

From the middle portion of the survey (around page 6), respondents discuss:

- A strong desire for safe biking and walking routes, particularly for students and families.
- Concerns about traffic flow near schools and main corridors.

**Trend:** Participants want more walkable, connected routes—aligning with health, safety, and sustainability goals. There is clear community interest in making it easier to move around town without a car.

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## 3. Education and Workforce Alignment

Later responses (pages 7–8) show widespread recognition of:

- Education quality as a defining strength of the community.



- Calls for more career-connected learning, technical training, and real-world skills.
- Alignment with the district's goal of ensuring students graduate with a plan, not by chance.

**Trend:** The community supports educational innovation—especially programs that bridge academics with career readiness and local workforce opportunities.

---

## 4. Economic and Environmental Balance

Responses from pages 9–10 highlight the desire to:

- Support small businesses and encourage local job creation.
- Promote sustainable growth that balances targeted industry development with environmental preservation.
- Explore renewable energy and responsible land use; Maintain and protect natural resources and open spaces.

**Trend:** Residents value a balanced approach—advancing economic opportunity while safeguarding the environment and rural character that define the community.

---

## 5. Community Engagement and Governance

The final sections (page 11 and beyond) emphasize:

- Appreciation for transparent communication from local leaders.
- Calls for inclusive planning that welcomes voices from all age groups, especially youth and families.
- Recognition that civic collaboration is essential for moving forward.

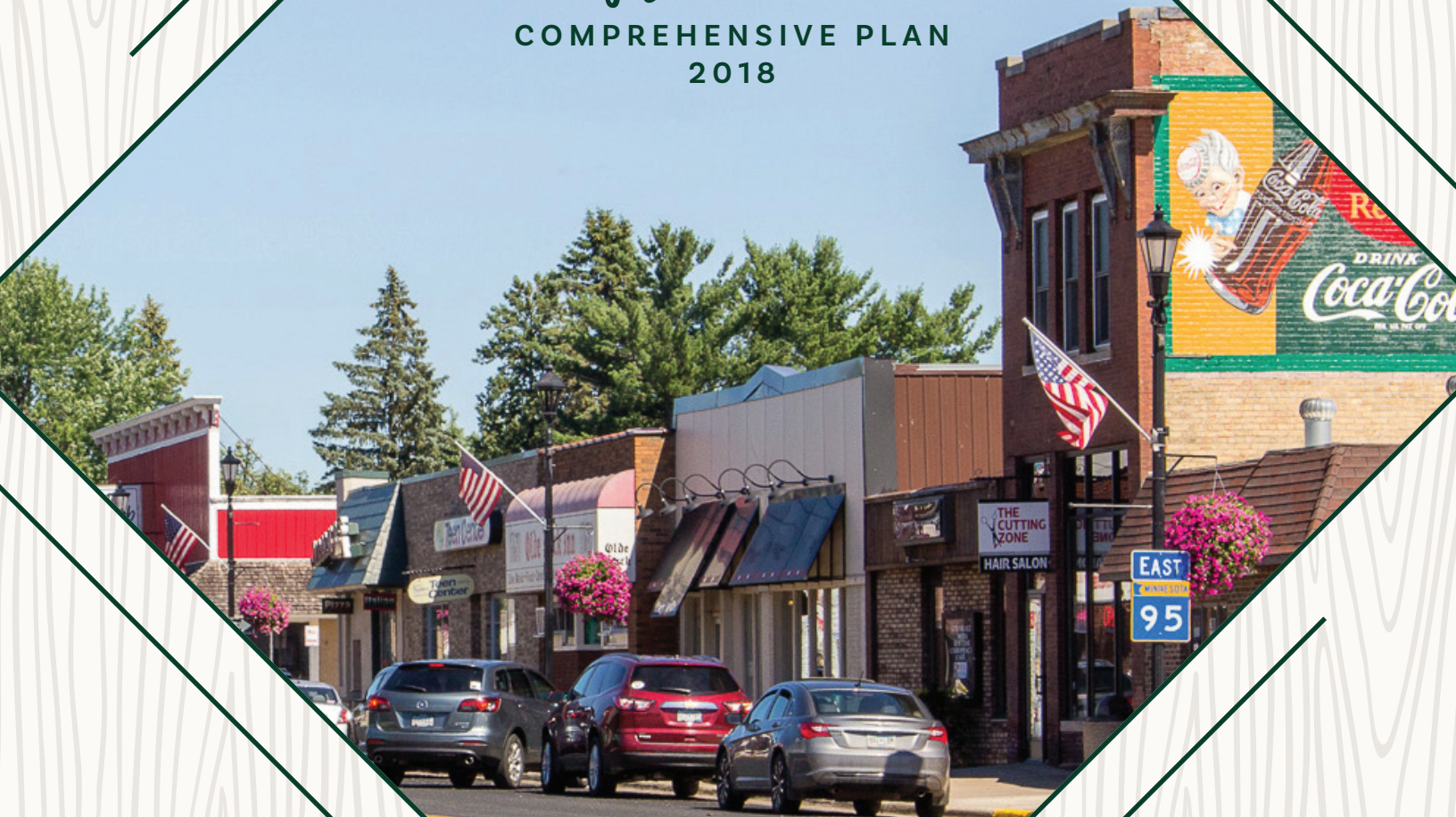
**Trend:** There is strong appetite for collaboration and communication—people want to be informed, involved, and part of shaping the community's future.



# NORTH BRANCH

— *Minnesota* —

COMPREHENSIVE PLAN  
2018



# NORTH BRANCH COMPREHENSIVE PLAN

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*The purpose of the Comprehensive Plan is to serve as a vision and roadmap for where the community is headed.*





# 1

## INTRODUCTION

### *Purpose of the Plan*

The purpose of the Comprehensive Plan is to serve as a vision and roadmap for where the community is headed. The ideas and goals expressed in this plan are intended to be a reflection of the community's values and the desire for what North Branch is to become. Each chapter of the Comprehensive Plan provides the "big picture" of several important topics that are intertwined and have an impact on quality of life in North Branch.

It is the intention that this plan will be used on a day-to-day basis by city staff, the City Council, and other commissions and stakeholders to help inform important policy decisions, such as decisions involving infrastructure and development, the acquisition and sale of public land, capital improvements, zoning and regulatory changes, and communicating a consistent vision. It is anticipated that residents may use the plan to determine property use, understand decisions made by the City, and make improvements to property in a manner consistent with the plan. Developers may use the plan as a way to make decisions based on the goals and identified improvements.

The city of North Branch was formed in 1994 from the consolidated cities of Branch and North Branch. Shortly after consolidation, the city undertook a comprehensive planning process. Resulting from that process was the Comprehensive Plan adopted in 1995 for the consolidated city of North Branch comprised of 36 square miles in Chisago County, Minnesota. The plan was updated in 2003 and again in 2009. The comprehensive plan approach is intended to cover approximately a 10 - 20 year time period and may be amended and updated from time to time as conditions change. Time has passed and current growth and development necessitated a comprehensive update to the plan.

### *Planning Process*

This Comprehensive Plan update was initiated and completed in 2018. Valuable input was gathered from those in the community through a series of four community cafes, in person and on-line surveys, and various public meetings conducted by the Planning Commission, Economic Development Authority (EDA), Parks Trails and Open Spaces (PTOS), and the City Council. A booth was held at the community's Expo and Job Fair event in April 2018, and a survey was administered to 7th and 8th graders at the North Branch Middle School as a way to gather input from younger stakeholders with regard to the city's parks and amenities.

As the plan evolved, drafts were available on the city's website and were presented and commented on at Planning Commission, PTOS, EDA and/or City Council meetings. Comments were also received via the project website, emails, and through the project Social Pinpoint page. The plan was reviewed by both the Planning Commission and City Council at their respective regular meetings in August, 2018. A public hearing was held before the Planning Commission on September 20, 2018, and adopted by the City Council on October 23, 2018.

## Organization of the Plan

The Comprehensive Plan provides a “big picture” look at several important areas that have an impact on quality of life for North Branch. The Comprehensive Plan covers the following chapters:

### CHAPTER 1: INTRODUCTION

This chapter provides an overview of what the Comprehensive Plan is and its purpose. It discusses the process for developing the plan and how it is organized.

### CHAPTER 2: VISION AND VALUES

This chapter outlines the vision and values for the community that is intended to be expressed through all other chapters.

### CHAPTER 3: LAND USE

This chapter establishes an existing and future land use for all property in the City. It also identifies future growth areas.

### CHAPTER 4: HOUSING

This chapter provides an overview of existing housing conditions and a plan for maintaining and developing a quality future housing stock.

### CHAPTER 5: ECONOMIC DEVELOPMENT

This chapter provides an analysis of the existing economic climate and opportunities for economic growth and redevelopment areas.

### CHAPTER 6: TRANSPORTATION

This chapter analyzes the existing transportation system and future improvements, mostly as it relates to auto-oriented transportation. Non-motorized transportation is discussed further in Chapter 8: Natural Environment, Parks, Trails, and Recreation.

### CHAPTER 7: UTILITIES

This chapter examines the existing system and future improvements to public utilities as it relates to the water, wastewater, and stormwater systems.

### CHAPTER 8: NATURAL ENVIRONMENT, PARKS, TRAILS, AND RECREATION

This chapter examines the city’s natural resources, including open space and natural habitats, existing park and trail system, as well as recreational opportunities and establishes planning criteria, guidelines and standards for protecting the natural environments and future development of various amenities.



## *Implementing the Plan*

### **Summary of Land Use Implementation Strategies**

The North Branch Comprehensive Plan is a flexible document working to the advantage of the community. The Plan Goals and Objectives should be reviewed every three years ensuring relevancy to current conditions and priorities. The Planning Agency should advocate use of the plan, review various projects for consistency with the Plan, and advise the City Council in matters related to implementation. In addition, any projects implemented should detail a timeline and have a funded budget. The Plan encourages interaction with governmental agencies, non-profits, and local citizens. Capital Improvement Programs (CIPs) shall be reviewed and updated annually.

### **Summary of Non-Land Use Implementation Strategies**

North Branch, like most cities having faced financial difficulties, faces a number of challenges towards expanding affordable housing, replacing aging infrastructure and attracting new development and administrators to involve a variety of organizations. Additional difficulties include finding funding sources to address those issues over time and seeking to provide maximum flexibility in the planning and timing of needed public improvements. The Plan recognizes that North Branch has limited financial resources and vast human resources. The citizens of North Branch, through their involvement with government and various civic and charitable organizations, will be a key component of the actions necessary to implement the Comprehensive Plan. The City should involve other City Boards and Commissions, volunteer groups, local non-profit organizations such as the Chamber of Commerce, and other governmental agencies in planning and funding these future projects.

## **ACKNOWLEDGEMENTS**

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# 2

## VALUES AND VISION

### Values

Residents and other stakeholders were asked what they loved about North Branch at the Community Expo, at a chamber meeting, and at the first community café. The values expressed most often were:

THE STRONG SENSE OF COMMUNITY

A HOME TOWN FEEL

THE CITY'S COMMITMENT TO ITS PARKS AND TRAILS

A COMMUNITY THAT ENCOURAGES BIKING AND WALKING

QUALITY SCHOOLS

These values were reiterated at each of the other three community cafes and served as the foundation for the vision statements expressed below.

### *Vision for North Branch in 10 years .....*

North Branch is a growing and safe community with outstanding natural and recreational amenities and opportunities for all, and well maintained infrastructure, vibrant business districts and neighborhoods, and provides residents with an excellent quality of life.

### *Vision for Land Use*

The City of North Branch is a complete community that provides a well-balanced and wide range of places to live, work, shop and play. Land uses make efficient use of existing infrastructure, contribute to a strong local economy, preserve natural resources and contribute to a high quality of life.

#### Residential Uses

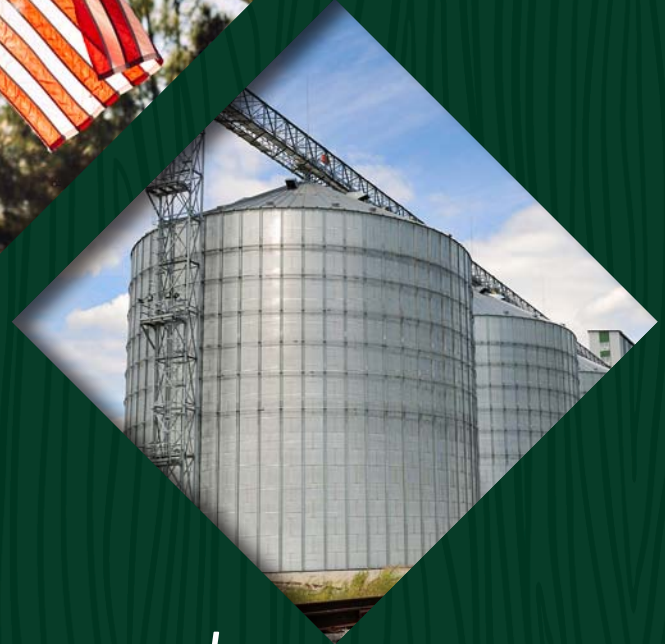
A diverse housing stock allows people at any stage in their life to be able to find a home in North Branch. Older housing is well maintained while new development expands housing options to complement existing neighborhoods.

#### Commercial and Industrial Uses

A significant amount of commercial and industrial uses can be found within the City that allow residents to work in North Branch, while also being able to meet all of their day-to-day needs. Commercial and industrial uses are compatible with their surrounding land uses.

#### Public/Institutional

Public and institutional uses are viewed as valued resources to the community and contribute to making North Branch a better place to live and do business.



*North Branch is a growing and safe community with outstanding natural and recreational amenities and opportunities for all, and well maintained infrastructure, vibrant business districts and neighborhoods, and provides residents with an excellent quality of life.*

### Parks, Open Spaces and Trails

Quality parks and open space are within close proximity to all residents, providing recreational opportunities to encourage an active lifestyle. A wide variety of community facilities are provided to serve a range of interests. The City of North Branch has a proposed trail system that will allow bicycle and pedestrian access to most of the major pedestrian generators within the city, including schools, shopping areas, and parks. Many of the proposed trails are destinations in themselves, offering scenic walks or rides around many of the city's scenic views. With recreational activities such as running, bicycling, and walking increasing in popularity, the city's trail system will not only offer a recreational opportunity in itself, but will also help to connect the community's parks with the neighborhoods.

### *Vision for Economic Development*

A strong business community is the cornerstone of a vibrant city. Economic development encompasses the policies and activities that improve the long term economic and social wellbeing of the community. Communities with strong economies have financial resources to support the levels of service that their residents need and desire. Successful communities realize that economic development is about bringing together social, natural, infrastructure, and economic assets in the community to sustain the "whole" community.

### *Vision for Municipal Utilities*

The City of North Branch, individually and in collaboration with the North Branch Water & Light Utility, has a significant investment in its existing public utilities systems (water, wastewater and stormwater). The continued expansion and development within the Urban Service Area will require the extension of public utilities. In general, the existing infrastructure system is well-positioned and of adequate size to support expansion. However, coordination will be required between community development and the required expansion of the utility system. In some cases, the cost of providing utility service may dictate where and when future growth will occur.

### *Vision for Transportation*

North Branch is located at the cross roads of I35 and TH95, providing for ease in and out of the city. Within the city limits, however, these features will require a coordinated approach to providing movement of traffic through the city to local destinations, safe pedestrian and bike corridors, and improved intersections to safely serve the increasing number of commercial vehicles passing through North Branch.

### *Vision for the Environment and Sustainability*

Natural infrastructure includes all systems that relate to natural resources and contribute to an improved public life. Natural infrastructure considers the full range of natural resource uses including economic, environmental, health, cultural, and aesthetic. This broad view leads us to include surface water, groundwater, stormwater, wastewater, drinking water, geology, topography, soils, natural areas, open space, green spaces, urban forest, habitat, vegetation, scenic views, and parks and trails in natural infrastructure.

Natural infrastructure is a key element in planning where development should or should not take place within a city. This element is important to communities and development as it avoids certain development hazards, provides health benefits to citizens, protects ecological systems and enhances biological diversity, and offers communities unique quality of life components. Consideration of natural infrastructure ensures that homes are built upon stable dry soils, provides clean drinking water, accounts for resource based economic activities, provides scenic views and open spaces, and plans development that respect the integrity of natural systems and incorporate natural features into development.





# 3

## LAND USE & GROWTH

### *Introduction*

The Land Use & Growth Management Chapter is a roadmap that helps guide City officials and staff on how to make policy decisions related to land use and future growth. These policies may influence the type, location and density of future development within the community. This chapter is intended to result in orderly and efficient development that utilizes land efficiently and makes the most of the community's resources. It offers guidance on key initiatives for the community which is consistent with the City's vision and goals.

In this chapter is a description of existing land use patterns, as well as an overview of how the City anticipates land will be used and developed in the future. It accommodates growth and applies the desired qualities of the community.

Another important aspect of this chapter is that it also serves as the foundation for reviewing the City's Zoning Ordinances, Zoning Map, Subdivision Regulations and other implementation tools. Implementation of the Land Use Plan produces several important implications:

#### **USES**

Every parcel is placed into a specific land use category. Each category includes a description of the type of land use or uses intended for that category. This description should match with the types and forms of development currently found in North Branch and desired for the future.

#### **RELATIONSHIPS**

Much like a jigsaw puzzle, the true picture comes from how each piece fits together into a whole. The Land Use Plan guides how elements of the built and natural environment come together in North Branch. These relationships will determine how North Branch will look, function and feel.

#### **ACTIONS**

The Land Use Plan sets the framework for public actions and investments. Utilities, streets, parks, and facilities are all influenced by the form and pace of development.

### *Figure 3-1: Existing Land Use*

Identifies the location, amount, and types of existing land uses in the City of North Branch in 2018. The inventory as conducted as part of this planning process reflects general development patterns and is intended for general planning purposes only.

*The City of North Branch is  
a complete community that  
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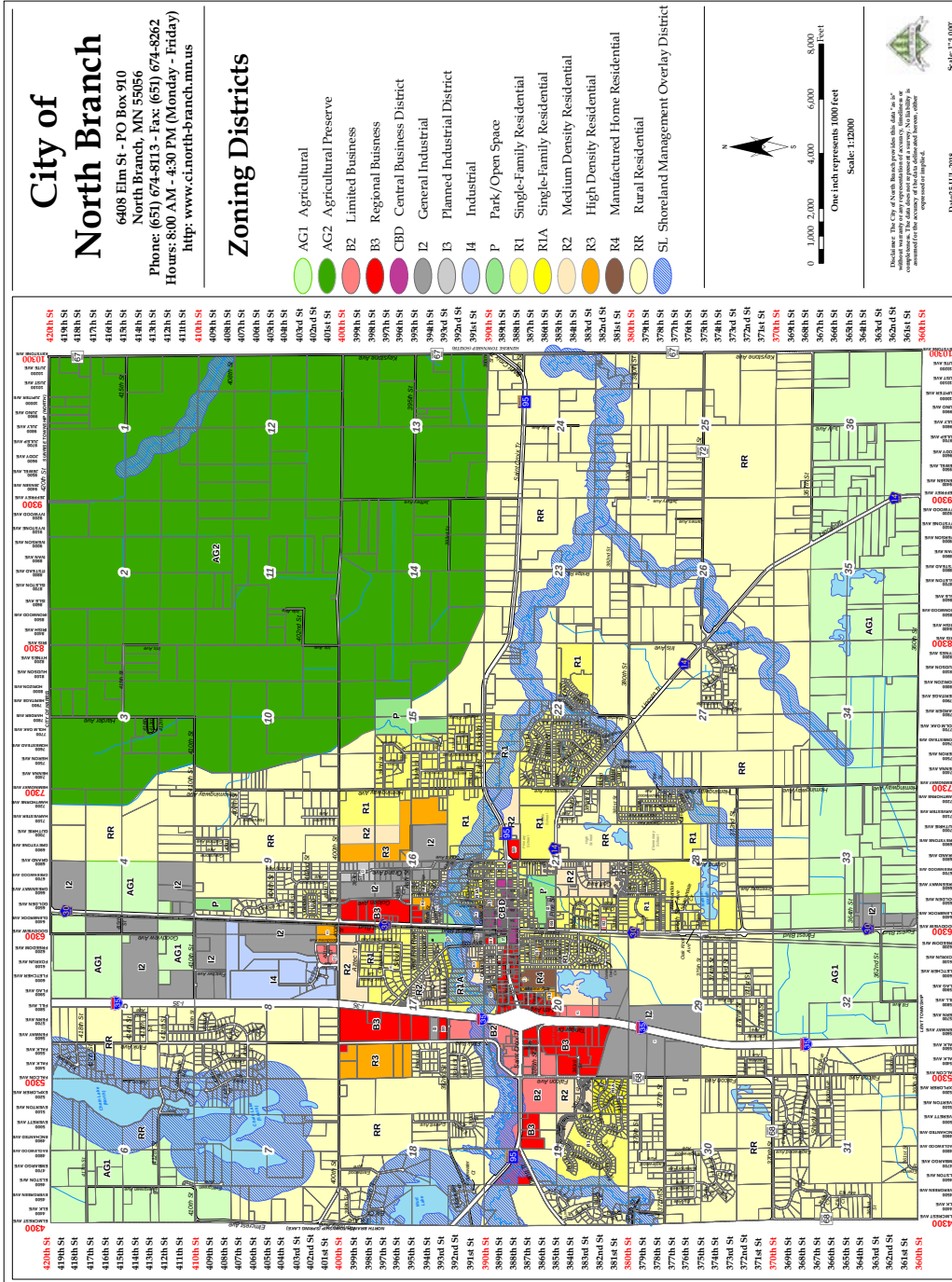


Table 3-A: Summary of Existing Land Use - 2018 summarizes the amount and type of existing land uses designated (whether or not fully developed) in North Branch.

| <b>Table 3 – A: Summary of Existing Zoning 2018</b> |                     |                            |
|-----------------------------------------------------|---------------------|----------------------------|
| <i>Existing Land Use Designation</i>                | <i>Gross Acres*</i> | <i>Net Percent of City</i> |
| <i>Agriculture (AG1 and AG2)</i>                    | <i>8,680.2</i>      | <i>37.6%</i>               |
| <i>Rural Residential (RR)</i>                       | <i>9,961</i>        | <i>43%</i>                 |
| <i>Low Density Residential (R1 and R1A)</i>         | <i>1,869.7</i>      | <i>8.1%</i>                |
| <i>Medium Density Residential (R2)</i>              | <i>403.4</i>        | <i>1.7%</i>                |
| <i>High Density Residential (R3)</i>                | <i>216.6</i>        | <i>.9%</i>                 |
| <i>Manufactured Home Residential (R4)</i>           | <i>27.2</i>         | <i>.11%</i>                |
| <i>Central Business District (CBD)</i>              | <i>43</i>           | <i>.18%</i>                |
| <i>Limited Business District (B2)</i>               | <i>214.8</i>        | <i>.9%</i>                 |
| <i>Regional Business District (B3)</i>              | <i>437.3</i>        | <i>1.9%</i>                |
| <i>General Industrial District (I2)</i>             | <i>858.1</i>        | <i>3.7%</i>                |
| <i>Planned Industrial District (I3)</i>             | <i>21.6</i>         | <i>.09%</i>                |
| <i>Industrial District (I4)</i>                     | <i>158.6</i>        | <i>.7%</i>                 |

\*Gross acres of use determined by GIS mapping data.

Figure 3-1:  
Existing Zoning





## *Existing Zoning*

### **Agriculture (AG1 and AG2)**

Over one-third of the city's land area (37.6%) is currently used for agricultural purposes. Housing densities are low, and this zoning is characterized by active farms, hobby farms and homes on large lots. The northeast corner of the city is the historic river bottom of the St. Croix River and is framed by the historic river bluff line. Soils are well suited for sod farming and the production of produce. By maintaining a low density of development, it is the City's intent to preserve and protect the many natural resources found in this part of North Branch, including lakes, streams, wetlands and woodlands.

### **Rural Residential (RR)**

Rural Residential makes up 9,961 acres or 43% of the total acreage in the City of North Branch. This land use is largely characterized by single family residences set on larger lot sizes to accommodate on-site sewage treatment systems. Some of these areas are located within the city's designated Urban Service Area and no new development is allowed within this zoning district without connecting to municipal services. Areas located outside of the Urban Service Area must meet a minimum buildable acre standard so as to ensure that there is sufficient land area with the appropriate soil separation to support both a primary and a future secondary on-site sewage treatment system.

### **Low Density Residential (R1 and R1A)**

Low Density Residential makes up 1,869.7 acres or 8.1% of the total acreage in the City of North Branch. This land use is largely characterized by single-family homes with densities of 1 to 4 dwelling units per acre in those areas served by municipal utilities. Older areas of the city were platted before municipal utilities were established, resulting in larger lot sizes to accommodate on-site sewage treatment systems. The city has a limited inventory of older, historic homes that are located primarily in the one square mile area that had been the original city of North Branch. The areas around the historic center feature homes built approximately 50 years ago, with new development happening neighborhood by neighborhood since that time. 2017 marked the start of a new housing boom with new single family homes being constructed on existing lot inventory and multiple developments platted for the purpose of constructing even more single family homes. The new development that is planned or in process as of the writing of this plan is intended to provide the city with a more diverse mix of housing styles and at a wider range of price points.

### **Medium Density Residential (R2)**

Medium Density Residential makes up 403.4 acres or 1.7% of the total acreage in the City of North Branch. Medium Density Residential is characterized by single family homes on smaller lots that required for R1, townhome style development, and two-family attached homes densities of 1 to 6 dwelling units per acre.

### **High Density Residential (R3)**

High Density Residential makes up 216.6 acres or .9% of the total acreage in the City of North Branch. High Density Residential is characterized by land use that consists of all forms of multi-family attached housing units such as two-family attached homes, townhomes and apartment buildings.

High density residential has densities of up to 18 dwelling units per acre.

#### **Manufactured Home Residential (R4)**

The Manufactured Home Residential zoning classification only exists for the benefit of the four established manufactured home parks. It currently makes up 27.2 acres or .1% of the total acreage in the City of North Branch. Changes in Minnesota laws now allow manufactured homes in any zoning district that allows twin homes, subject to all applicable lot standards, such as lot size, frontage, road widths, etc. The new land use map and updates to the zoning map will include areas previously zoned at R4 within either an R2 or R3 zoning class.

#### **Central Business District (CBD)**

The Central Business District is a unique classification intended to provide for a planned, unified development of the City's historical downtown area. This zoning classification makes up 43 acres or .18% of the total acreage in the City of North Branch. Permitted uses include service based businesses, office uses, retail uses, apartments and hotel uses, among other things, in close proximity to one another to promote pedestrian movement between businesses. The area offers a mix of street and lot parking, with the parking lots being located behind buildings at various locations throughout the district. The existing land use is primarily commercial buildings, many of which are vacant and in need of rehabilitation. The area is dotted with existing single family homes which were intended to be phased out of use and converted to commercial uses over time. The area is adjacent to TH95, with sidewalks that provide pedestrian passage, but pedestrian movement across TH95 is difficult and poses a significant challenge to the goal of this area being an inviting public space offering a "range of retail and civic experiences" as hoped by the authors of the 2009 Comprehensive Plan.

#### **Limited Business District (B2)**

The Limited Business District makes up 214.8 acres or .9% of the total acreage in the City of North Branch. This land use is characterized by business uses and services, lodging, and retail that are also permitted in the CBD, but that are dependent on automobile traffic. Additionally, the area is intended to serve as a transition zone between the CBD and the Regional Business District (B3).

#### **Regional Business District (B3)**

The Regional Business District makes up 437.3 acres or 1.9% of the total acreage in the City of North Branch. This land use is characterized by business uses and services, lodging, and retail that are also permitted in the CBD and B2, but also provide for the location of commercial activities that serve primarily regional or nonlocal market. The lot sizes are larger so as to provide the area needed for retail and commercial activities that require very large buildings.

#### **Light Industrial/Office District (I1)**

The Light Industrial/Office District is defined as a region characterized by office, manufacturing and warehousing uses, but currently no part of the city is zoned for this use.

### **General Industrial District (I2)**

The General Industrial District makes up 858.1 acres or 3.7% of the total acreage in the City of North Branch. This land use is characterized by manufacturing, assembly, warehousing, storage, showrooms and contractor shops.

### **Planned Industrial District (I3)**

The Planned Industrial District is similar to I1, and makes up 21.6 acres or .09% of the total acreage in the city.

### **Industrial District (I4)**

The Industrial District makes up 158.6 acres or .7% of the total acreage in the City of North Branch. This land use is characterized by manufacturing, assembly, warehousing, storage, showrooms and contractor shops as can be found in I2, but its location adjacent to I35 makes this area highly visible and is subject to stricter design standards. Currently, over 200 acres in the I2 and I4 zoning classifications are vacant but ready for development in the industrial park owned by the City through its Economic Development Authority.

### **Overlay Districts**

Sensitive areas, such as those adjacent to bodies of water or within a designated flood plain or flood fringe are managed by the City in accordance with applicable Minnesota Statutes. Setbacks, design standards and other restrictions on use within the overlay district are imposed so as to limit ecological impact and loss.

### ***Analysis of Existing Land Use***

With over 36 square miles of land, an analysis of the existing land use illustrates several important issues about current and future development:

**The largest land use category in terms of area in the City is agriculture.** Followed by the rural residential land use category. It is anticipated that the agricultural areas will continue to be used for agricultural production due to its geologic characteristics and the community's desire to support its rich agricultural heritage and industry. The rural residential areas, which are served by private wells and septic systems, will also have agricultural or hobby farm uses. The total land areas for these two uses will not likely change, but development within these areas will occur at a much slower pace than the low density residential uses served by municipal utilities.

**The second largest residential land use category is low density residential.** It is anticipated that expanded development within this zoning classification will continue to grow throughout the life of this plan, resulting in greater intensity of the use without increasing the overall land area designated for this use. The three primary residential categories (R1 and R2) account for 9.8% of the total land use in the City.

**The Central Business District is characterized by a development style common among other older downtowns.** It is pedestrian oriented in nature with buildings built to the sidewalk. Parking for these uses is typically on street, in the rear of buildings, or shared among several users. The transition from residential uses to commercial uses did not occur as anticipated when the zoning district was created. There are numerous vacant buildings and the area is ripe for redevelopment.

**The City, through its Economic Development Authority, owns over 200 acres of land zoned for industrial uses.** Until this land is sold and developed, no additional industrial zoned land is needed within the Urban Service Area. If the city were to allow for heavy industrial uses, consideration should be given for compatibility with adjacent land uses. Controls should be in place that protect against negative impacts to neighboring property.

**The nation's third largest solar farm is partially located within the City's limits.** Other smaller solar installations are located entirely within the City. The solar installations feature native plantings intended to re-establish prairie habitat and support pollinator species, such as the Monarch butterfly.

**The City benefits from existing park facilities, trails and open spaces.** Approximately .6% of the total acreage in the City of North Branch is utilized as city owned park and open space uses. The City is also home to the Janet Johnson WMA, owned and managed by Minnesota Department of Natural Resources. The Sunrise Prairie Regional Trail and other city sidewalks and trails serve the city's goal of being walkable and bikeable, but it is the goal of the city to expand those opportunities and consideration should be given to identify areas for preservation for these purposes.

**There are significant residential development opportunities in the northwest portion of the city.** Large tracts of land are currently undeveloped and the opportunity exists to establish traffic corridors without the need for redevelopment.



## *Vision for Land Use*

The City of North Branch is a complete community that provides a well-balanced and wide range of places to live, work, shop and play. Land uses make efficient use of existing infrastructure, contribute to a strong local economy, preserve natural resources and contribute to a high quality of life.

### **RESIDENTIAL USES**

A diverse housing stock allows people at any stage in their life to be able to find a home in North Branch, which may include housing options suitable to multigenerational households. Older housing is well maintained while new development expands housing options to complement existing neighborhoods.

### **COMMERCIAL AND INDUSTRIAL USES**

A significant amount of commercial and industrial uses can be found within the City that allow residents to work in North Branch, while also being able to meet all of their day-to-day needs. Commercial and industrial uses are compatible with their surrounding land uses.

### **PUBLIC/INSTITUTIONAL**

Public and institutional uses are viewed as valued resources to the community and contribute to making North Branch a better place to live and do business.

### **PARKS, OPEN SPACES AND TRAILS**

Quality parks and open space are within close proximity to all residents, providing recreational opportunities to encourage an active lifestyle. A wide variety of community facilities are provided to serve a range of interests. The City of North Branch has a proposed trail system that will allow bicycle and pedestrian access to most of the major pedestrian generators within the city, including schools, shopping areas, and parks. Many of the proposed trails are destinations in themselves, offering scenic walks or rides around many of the city's scenic views. With recreational activities such as running, bicycling, and walking increasing in popularity, the city's trail system will not only offer a recreational opportunity in itself, but will also help to connect the community's parks with the neighborhoods.

# GOAL 1

*Maximize the use of land within the City of North Branch in a way that strengthens the local economy, preserves natural resources, and ensures a high-quality of life for all residents.*

## **Goals, Objectives, and Policies**

The following is the primary goal for land use followed by a series of objectives and policies intended to influence future land use decisions in a direction that is aligned with the Vision Statement.

### **OBJECTIVE 1.1**

**PRESERVE AND ENHANCE THE SMALL BUSINESS ENVIRONMENT OF THE DOWNTOWN.**

#### *Policy 1.1.1*

*Encourage and promote the renovation and rehabilitation of existing buildings within the downtown.*

#### *Policy 1.1.2*

*Connect businesses with façade improvement grants and loans.*

#### *Policy 1.1.3*

*Make infrastructure improvements that enhance the pedestrian realm such as lighting and seating and gathering places for community activities.*

### **OBJECTIVE 1.2**

**USE LAND IN A MANNER THAT STRENGTHENS THE ECONOMY OF NORTH BRANCH.**

#### *Policy 1.2.1*

*Strive for a balance of areas guided for industrial uses and areas guided for commercial uses.*

#### *Policy 1.2.2*

*Continue to identify all areas prime for redevelopment and analyze the best use for each property. Work to re-zone these properties and amend this plan as appropriate.*

#### *Policy 1.2.3*

*Increase the number of residential housing units in the City to attract new residents to increase the workforce and thereby improve the local market for commercial and industrial opportunities.*

#### *Policy 1.2.4*

*Actively work to infill vacant land within the Urban Service Area that will be connected to municipal services, while preserving a network of functional ecologic areas.*



*Policy 1.2.5*

*Allow for mixed uses within some zoning districts to accommodate commercial, retail and residential uses.*

*Policy 1.2.6*

*Discourage “leapfrog” patterns of development on municipal utilities.*

**OBJECTIVE 1.3**

**PROTECT AND PRESERVE NATURAL RESOURCES FOR LONG TERM ENVIRONMENTAL SUSTAINABILITY AND THE ENJOYMENT OF RESIDENTS.**

*Policy 1.3.1*

*Work with landowners and other governmental entities to either obtain property or ensure protection of natural areas with high ecological value.*

*Policy 1.3.2*

*Discourage patterns of development that would stress existing infrastructure and ecosystems.*

**OBJECTIVE 1.4: USE LAND IN A MANNER THAT ENSURES A HIGH QUALITY OF LIFE FOR RESIDENTS.**

*Policy 1.4.1*

*Expand parks, trails, sidewalks and other amenities as the City’s population continues to grow.*

*Policy 1.4.2*

*Review and encourage methods of development which promote linkages among residential, civic, commercial, industrial and recreational facilities using trails and sidewalks for safe and enjoyable pedestrian uses and provides pedestrian connections between complementary land uses.*

*Policy 1.4.3*

*Review and encourage street and sidewalk designs to provide for easy access by police, fire and ambulance services, school buses, and plowing.*

## Land Use Plan

The land use plan provides the framework for the growth and development of the City. The land use plan serves as a guide for the character and intensity of development and will be supported by other land use controls and public actions taken pursuant to the Comprehensive Plan.

The land use map appears in Figure 3-2: Future Land Use. The plan illustrated by this map evolved from inputs and evaluations received through the planning process. The Plan builds on the existing community pattern to achieve the desired vision for the future of North Branch. Where the Future Land Use map guides property for something different than the existing zoning, zoning approvals such as variances and conditional use permits should not be considered inconsistent with the comprehensive plan if otherwise deemed appropriate.

**Table 3 – B: Summary of Future Land Use**

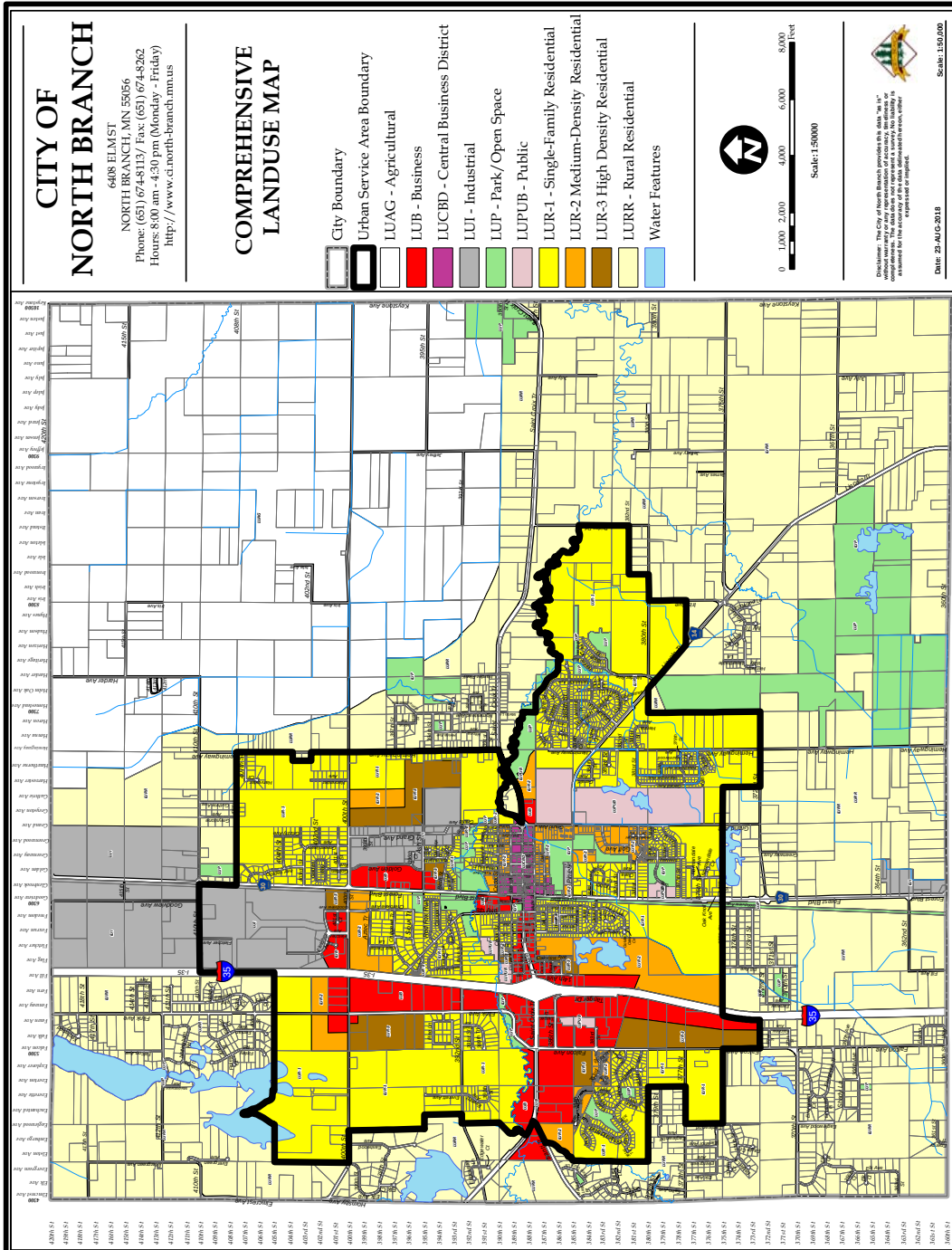
| <i>Future Land Use by Designation</i>  | <i>Gross Acres*</i> | <i>Net Percent of City</i> |
|----------------------------------------|---------------------|----------------------------|
| <i>Agriculture (AG)</i>                | 5,271.4             | 22.9%                      |
| <i>Rural Residential (RR)</i>          | 9,992.6             | 43.3%                      |
| <i>Low Density Residential (R1)</i>    | 3,492.5             | 15.1%                      |
| <i>Medium Density Residential (R3)</i> | 577.2               | 2.5%                       |
| <i>High Density Residential (R3)</i>   | 330.8               | 1.4%                       |
| <i>Central Business District (CBD)</i> | 71.4                | .3%                        |
| <i>General Business District (B)</i>   | 802.2               | 3.5%                       |
| <i>Industrial District (I)</i>         | 1,123.7             | 4.9%                       |

\*Gross acres of use determined by GIS mapping data and does not include public and institutional areas which are separately defined under the proposed land use map.





Figure 3-2:  
Future Land Use



## *Residential*

### **Rural Residential**

The land use in this category is hobby farms and homes on large lots. The area is outside of the designated Urban Service Area and will be served by wells and individual septic systems. Individual lots must be a minimum size of one acre buildable, and the presence of wetlands and other natural features may result in actual lot sizes much larger than one acre in order to achieve the required one acre buildable standard. This lowest density of residential development is intended to reduce demands on the rural roads and protect the natural resources found in North Branch. The primary zoning district that would generally correspond to this land use designation would be the LURR Rural Residential District.

### **Low Density Residential**

The land use in this category is single-family detached homes served by municipal utilities. This plan anticipates that this is where the majority of new housing units will be added over the next 20 years. One of the biggest strengths of the City of North Branch is its attractiveness to young families. Part of this attraction is due to the anticipated development of quality affordable single-family homes, and the existing parks and trails system, school district and proximity to the metropolitan areas of Minneapolis and St. Paul. Continuing to add new housing units will provide more opportunities for all families to locate in North Branch, while making older housing more affordable. Densities targeted in this category are limited to no more than 4 dwelling units per acre. The primary zoning district that would generally correspond to this land use designation would be the LUR-1 Single Family District.

### **Medium Density Residential**

Medium density residential uses are typically in the form of single family homes on smaller lot sizes, townhomes, duplexes, and small scale apartment and condo buildings and served by municipal utilities. Advantages of these types of housing are that less property maintenance may be required since yards are smaller and some medium density developments may have associations that handle lawn care and snow removal. As a result, these types of housing tend to be very attractive to seniors and professionals. Densities targeted in this category are up to 6 dwelling units per acre. The primary zoning district that would generally correspond to this land use designation would be the LUR-2 Medium Density District.

### **High Density Residential**

The High Density Residential land use category consists of multiple family attached housing oriented in a vertical fashion, more commonly referred to as apartments and condominiums and served by municipal utilities. Housing units may be owner or renter occupied. High density housing is an efficient land use because it contains more dwelling units per acre than other residential uses.

High density residential uses are located in places with compatible adjacent land uses and where the local street system will accommodate the traffic. Ideally, they are located near commercial uses or employment centers to maximize the number of people who can walk or use alternative modes of transportation.

The densities targeted in this category are over 6 dwelling units per acre. The primary zoning district that would correspond to this land use designation would be the LUR-3 High Density Residential.

## *Agriculture*

### **Agriculture**

The city's strong agricultural heritage is clearly visible in the farm fields located in the northeast corner of the city. The fields, bordered by the historic St. Croix River bluff line, are dotted with artesian wells, have deep pockets of organic soils generally not conducive to development, and are linked by a series of more traditional farm style roads. Single family homes are present and seem accessory to the commercial operations of the farms. Non-agricultural uses will be limited and densities targeted in this category are no more than one dwelling unit per 10 acres. The primary zoning district that would correspond to this land use designation would be the LUAG Agriculture.

## *Commercial*

### **Downtown Business**

Although a number of single family homes currently exist in the Central Business District, new residential development should be part of a mixed use plan with a balance of housing and commercial uses within a single building or complex. Replacing single family homes with mixed use structures and redeveloping existing commercial buildings will help support a healthy business environment and allow more people to be able to walk to their destinations.

Buildings should be located close to the street but with ample space for sidewalks. Parking should generally remain in the rear of the property when on-premise parking is offered. Streetscape improvements that enhance the pedestrian realm, such as planters, hanging baskets, street trees, outdoor seating, public art, street lighting, should be prioritized here. The City should continue to work with business owners and encourage façade improvements by connecting them to grant and funding opportunities. The primary zoning district that would correspond to this land use designation would be the LUCBD Central Business District.

### **General Business**

The General Business guiding designation allows a wide variety of uses including those for convenience oriented, neighborhood-oriented, community-oriented and bulk retail-oriented markets and consumers. These areas provide a wide range of goods and services to serve many of the shopping and dining needs of people who live, work in or visit the City. Certain commercial uses, such as those devoted to motor vehicle-oriented retail or service activities (e.g., vehicle service and fuel sales, drive-through businesses and sales of motor vehicles) depend on access to major transportation routes and often have characteristics that are incompatible with residential areas. Other commercial uses, such as those involving wholesale and retail trade of large volume or bulk commercial items with on-site storage and warehousing, may have both commercial and industrial characteristics.

This guiding designation also allows a variety of uses including professional offices, administrative offices, research and laboratory facilities, wholesale showrooms, service facilities (e.g., conference

centers, lodging and reception halls), and business uses having limited contact with the general public. These areas may provide for limited retail sale of convenience-type products and services for the immediate surrounding area.

Commercial uses in this classification are expected to develop with the highest standards of design and performance, with a higher level of amenities such as landscaping, preservation of natural features, architectural controls, pedestrian trails and other features. Office parks and campus-style developments are encouraged in these areas. Commercial office uses can also serve as, and provide for, an orderly and progressive transition between higher and lower intensity land uses. Locations adjacent to the Central Business District, TH95 and I35 may be subject to stricter design standards so as to achieve an attractive, inviting and high quality retail shopping and commercial services in areas of high visibility and sensitivity to surrounding uses. The primary zoning district that would correspond to this land use designation would be the LUB General Business District.

### **Industrial**

Industrial uses include all forms of businesses with manufacturing, distribution, warehousing or other industrial uses that may have consequences typically associated an industrial activity such as noise, odor, dust or low quality aesthetics. As a result, when these uses are in close proximity to residential, park and open space uses, additional restrictions may be appropriate. These uses may generate truck traffic and may involve outdoor storage. Locations adjacent to residential uses, I35, TH95 or other high visibility areas may be subject to additional design standards. The primary zoning district that would correspond to this land use designation would be the LUI Industrial District.

### **Public/Institutional**

Public, semi-public or institutional uses are comprised of churches, schools, city offices, public works facilities, fire stations, public utilities, and other governmental or non-profit entities. This use may also include parks, designated open spaces and regional storm water management, such as publicly maintained storm water management ponds. This land use classification is intended to differentiate these sites as providing a common amenity or service and not land that is intended to be developed. The primary zoning district that would correspond to this land use designation would be the LUPUB Public/Institutional District.

### ***Required Zoning Changes***

The City has adopted zoning regulations for the purpose of carrying out the policies and goals of the land use plan element of the Comprehensive Plan. The application of zoning districts and the specific regulations should support the objectives of the Plan. As a result, an outcome of adopting the plan will be the review and modification of the Zoning Ordinance and Zoning Map as necessary.

The land use plan provides the basis for guiding zoning decisions that will be made by the City and private property owners. Minnesota Statutes Section 462.357 states that “.....the planning agency shall study and propose to the governing body reasonable and practical means for putting the plan into effect. Subject to the limitations of the following sections, such means include, but not limited to, zoning regulations, for the subdivision of land, an official map.....” This statute anticipates that the



zoning regulations will be reviewed and updated to ensure implementation of the land use plan. In a broad sense, this review of the zoning ordinance should examine the following:

- The regulations for each zoning district should be reviewed to determine if they fit with the intent of the Comprehensive Plan.
- Zoning districts should be examined in relationship to the land use designation. Changes in zoning districts may be needed to match zoning with land use.
- The City will need to thoroughly review and update its Ordinances to address inconsistencies and conflicts to integrate the concepts described in this Comprehensive Plan. Updating the Zoning Ordinance will be a large undertaking that will require significant input, time and energy.

One of the policy decisions the City will need to make is how to implement the land use plan through the zoning map. Unlike the Metropolitan Land Planning Act (Minnesota Statutes Section 473), which requires consistency between the land use plan and zoning in cities within the Twin Cities metropolitan area, North Branch may choose to take a number of implementation strategies. Each has varying implications for existing property uses and current zoning. The strategies include, but are not limited to, the following:

- Keep current zoning in place until such time as the use terminates or redevelopment is initiated.
- Rezone property to a zoning district compatible with a land use plan category.
- Develop an interim strategy to address current use situations as they relate to long term objectives.



# 4

## HOUSING

### Introduction

Housing is an important component of all communities. Not only do the quality, availability, affordability, and diversity of housing enhance the quality of life in the City, it also supports economic development and contributes to a community's sense of place.

Housing is not a single, one size fits all, commodity. Personal housing needs change as life passes from young, single adults to family, to empty nesters to elderly. This chapter provides an inventory and analysis of North Branch's existing housing and paints a broad picture of future residential development.

North Branch has experienced significant population growth since 2000. The US Census estimated the city's population at 8,023 in 2000 and 10,125 in 2010, representing a 26.2% increase. The Minnesota State Demographer estimates North Branch's population at 10,608 as of April 1, 2017, representing another increase in population of approximately 5% despite the effects of the recession. The population is expected to continue to increase over the next 10 years, resulting in a projected population of 11,934 by 2030, with the 75-84 age group growing the fastest, at a projected rate of 40% according to the recent Maxfield Research and Consulting Comprehensive Housing Needs Analysis for Chisago County, dated June, 2018 (the "Maxfield Study"). Over this same period of time, the number of households has grown from 2,815 in 2000, 3,604 in 2010 and 3,801 as of 2017 and the projected number of households is 4,276 by 2030.

### Housing Supply

#### Quantity and Types of Housing Units

As of April 1, 2017, the number of households is estimated at 3,801 according to the state demographer's office. Data describing the household type, as shown in Table 4-A, is based on data available as an estimate. Refer to Table 4-A: Housing Supply by Type, for more information.

| Table 4-A Housing Supply by Type/Units Per Structure | Number Units | Percentage of units |
|------------------------------------------------------|--------------|---------------------|
| Single-Family detached                               | 3,040        | 80%                 |
| Single-Family Attached                               | 164          | 4%                  |
| 2-4 Unit multi-family                                | 129          | 3%                  |
| 5 + Unit multi-family                                | 305          | 8%                  |
| Mobile home                                          | 177          | 5%                  |
| TOTAL UNITS                                          | 3815         | 100%                |

By US Census 2016

### Comparison of Owner-Occupied and Renter-Occupied Units

It is important for communities to have a mixture of both owner-occupied and renter-occupied units. In general, many communities strive to have roughly 65-70% of their housing units owner-occupied. As of 2016, approximately 84.1% of the housing units in North Branch were owner-occupied, significantly higher than the national average (63.6%).

| Table 4-B Housing Tenure by occupied | Number Units | Percentage of units |
|--------------------------------------|--------------|---------------------|
| Owner-Occupied                       | 3094         | 84.10%              |
| Renter-Occupied                      | 585          | 15.90%              |
| TOTAL                                | 3679         | 100%                |

By US Census 2016

According to the US Census Bureau, the median gross rent (2012 - 2016) was \$872.00. Refer to Table 4-C: Rental Rates - 2016, for additional information.

| Table 4-C Occupied Units Paying Rent - 2016 | Number Units | Percentage of units |
|---------------------------------------------|--------------|---------------------|
| Less than \$500                             | 53           | 9%                  |
| \$500 to \$999                              | 313          | 54%                 |
| \$1,000 to \$1,499                          | 165          | 29%                 |
| \$1,500 to \$1,999                          | 24           | 4%                  |
| \$2,000 to \$2,499                          | 7            | 1%                  |
| \$2,500 to \$2,999                          | 0            | 0%                  |
| \$3,000+                                    | 13           | 2%                  |
| TOTAL                                       | 575          | 100%                |
| Median Dollars                              | \$872        |                     |

By US Census 2016

Few owner occupied houses are sold and converted to rentals, leaving a significant shortage of single family homes for rental. In addition, the existing multi-tenant properties experience a very low vacancy rate. The Maxfield Study (as commissioned by the Chisago County HRA/EDA in 2018 ) estimated the rental vacancy rate for North Branch and the immediate surrounding area at 2.4%. The US Census data from 2016 estimates the vacancy rates for North Branch specifically at 1.2% for owner occupied homes and 0% for rental units. Policies encouraging and promoting rental housing, whether traditional apartment style or via townhome-style construction, targeting all age groups and incomes, should be considered.

### Value of Housing

According to the US Census Bureau, the median value of owner-occupied housing units in North Branch (2012 - 2016) was \$163,000. Refer to Table 4-D: Owner- Occupied Housing by Value, for additional information. According to the US Census Bureau, a median selected monthly owner cost with a mortgage (2012 - 2016) was \$1,500.00 and median selected monthly owner costs without a mortgage (2012 - 2016) was \$500.00.

| Table 4 - D Owner-Occupied Housing Units by Value | Number Units | Percentage of units |
|---------------------------------------------------|--------------|---------------------|
| Less than \$50,000                                | 151          | 5%                  |
| \$50,000 to \$99,999                              | 236          | 8%                  |
| \$100,000 to \$149,999                            | 823          | 27%                 |
| \$150,000 to \$199,999                            | 959          | 31%                 |
| \$200,000 to \$299,999                            | 673          | 22%                 |
| \$300,000 to \$499,999                            | 210          | 7%                  |
| \$500,000 to \$999,999                            | 25           | 1%                  |
| \$1,000,000 +                                     | 17           | 1%                  |
| TOTAL                                             | 3094         | 100%                |
| Median Dollars                                    | \$163,000    |                     |

By US Census 2016

### Residential Construction

1,219 new housing units were added in North Branch between 2000 and 2017. This includes 80 multifamily units and 1,139 single family homes.

At the peak of the past 18 years (from 2000 - 2005), single family home construction averaged about 150 homes per year. During the early years of the recession (from 2006 - 2011), the average number of new homes was only 13 homes per year, meaning some new housing growth, but in very limited numbers. The last 6 years of this period (from 2012 - 2017) has seen on average 41 new homes per year, demonstrating that North Branch remained a viable new housing market when other communities saw little or no growth for the past ten years.



**Table 4-E Building Permit Trends 2000 thru 2017**

| Year | Single Family Dwellings | Multi-Family Dwellings | TOTAL |
|------|-------------------------|------------------------|-------|
| 2000 | 200                     |                        | 200   |
| 2001 | 156                     |                        | 156   |
| 2002 | 132                     | 24                     | 156   |
| 2003 | 153                     |                        | 153   |
| 2004 | 87                      | 56                     | 143   |
| 2005 | 90                      |                        | 90    |
| 2006 | 29                      |                        | 29    |
| 2007 | 27                      |                        | 27    |
| 2008 | 8                       |                        | 8     |
| 2009 | 5                       |                        | 5     |
| 2010 | 2                       |                        | 2     |
| 2011 | 5                       |                        | 5     |
| 2012 | 31                      |                        | 31    |
| 2013 | 41                      |                        | 41    |
| 2014 | 36                      |                        | 36    |
| 2015 | 45                      |                        | 45    |
| 2016 | 50                      |                        | 50    |
| 2017 | 42                      |                        | 42    |

### **Tenure by Age of Householder**

Demand is great for affordable owner-occupied homes. Demand overall is calculated for approximately 1,000 new for-sale units over the next 10 years. Existing lot supply is low, therefore new lots will need to be platted soon to meet the growing demand for new construction over the next decade. Price points to accommodate a range of incomes and desired amenities will need to be balanced and future new housing inventory should be offered in a variety of layouts and styles, at a variety of different prices, and in locations throughout the city to address demand from all age groups and income brackets.

The city has a relatively small number of senior housing facilities, with a county wide vacancy rate of 1.7% based on the Maxfield Study. The Maxfield Study also indicated that market equilibrium is typically 3%. Consequently, the Maxfield Study concluded that there is a strong demand for senior housing (2017 - 2030), with the majority of demand in the form of independent/active living housing (i.e. no services). The Maxfield Study recommended several new senior housing concepts including a senior co-operative, active adult rental, affordable rental, independent living with some services, a memory care units.

### **Life-Cycle Housing and Profile of Households**

The housing needs of a community relate to the demographic profile of the household. Typically,



*The City of North Branch  
has a high quality  
housing stock and  
variety of affordable  
options that allow  
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at all stages of life.*

households move through several life-cycle stages; including entry-level households, first time homeowners, move-up buyers, empty nesters/young seniors, and older seniors. The following describes each of these household types and the effect that they have on housing demands in North Branch.

#### **ENTRY-LEVEL HOUSEHOLDS**

*People in the 19 to 24 year old age group typically leave their childhood home and establish their own household. They often rent a house or an apartment because they generally do not have the income and savings needed to buy a home. In addition, many people in this age group move frequently, so they are hesitant to buy a house. They are also more apt to share housing with other unrelated people of similar age.*

*The entry-level household population in North Branch will fluctuate annually. Many North Branch residents that graduate from high school move to other communities to attend a university or to pursue other job opportunities. In the long term, unless current conditions and trends change, North Branch will not see a significant increase in the 19 to 24 year old age group.*

#### **FIRST TIME HOMEOWNERS**

*First time homeowners are typically in their 20s and 30s. They are usually “move-up” renters, meaning they “move up” from an apartment to a home. They are often married with young children and prone to moving within a few years of buying their first home for several reasons; including, increased salaries allowing them to move to more expensive housing, an increased number of children may require larger housing, and job opportunities may require that they move to another community.*

#### **MOVE-UP BUYERS**

*Move-up buyers are typically in their 30s and 40s. They move up from the smaller, less expensive house that they had purchased earlier. From an economic growth perspective, this is an important age group of people.*

*Typically, move-up buyers have children in school and an established job. They are less apt to move to another community and start over. Also, professionals who are moving to a community to advance their career are generally looking to move to a more expensive house than what they had in their previous community. North Branch should continue to ensure that it has adequate choices for those who are looking for move-up housing that will satisfy their needs until they are in their late 50s and beyond.*

#### **EMPTY NESTERS AND YOUNG SENIORS**

*Empty nesters and young seniors are generally in their 50s and 60s. Often, their children have moved out of their house and left them with a larger house than needed. Empty nesters*

and young seniors often want to live in a smaller house, like a townhouse, that has less maintenance. As the baby boom generation moves into this age group, this population will likely increase in North Branch and there may also be a shift in this population group from their homes into apartments. There has already been a notable increase in demand for apartment and townhome style rentals in North Branch by members of the baby boom generation.

#### **ADVANCED SENIORS**

Those in their 80s and older are often looking for low maintenance or assisted living housing. As the population ages, North Branch should continually ensure that it has adequate housing to meet the needs of seniors, including the opportunity for multi-generational housing options, such as “senior or mother-in-law apartments”.

#### **SPECIAL NEEDS**

Housing for those with special needs includes housing for older adults and individuals with mental and/or physical disabilities or health issues whether it be temporary care, transitional housing, or long term care. The number of people with special housing needs is expected to increase as the population of North Branch continues to age. Ecumen offers a range of housing options at its North Branch facility. Bickford of North Branch offers assisted living and memory care. Apartment complexes including Shields Plaza and Splittstoser Apartments are tailored to the 55+ population and those needed wheel chair accessibility. A new supportive housing, 20 unit apartment complex intended for individuals with mental illness, called Willow Grove, is in development and construction is anticipated in 2019. North Branch is also home to Karcher Services, Provide Care and Progressive Living Solutions that offer a variety of care options.

#### **Affordable Housing**

The United States Department of Housing and Urban Development (HUD) generally defines housing as affordable if it costs less than thirty (30) percent of a household’s income. However, HUD’s Section 8 Income Guidelines are the basis for most affordable housing programs. Section 8 guidelines define low and moderate incomes on a sliding scale, depending on the number of persons in the family. For example, a four person household is considered “moderate income” if their family income is eighty (80) percent of the area’s median family income.

It is noted most housing affordability programs and data place emphasis on creating owner-occupied units at eighty (80) percent of the median family income (moderate income) and rental units at fifty (50) percent of the median family income (low income). Since low income persons are typically renters, the definition of “low income” is tied to the number of persons in each unit. This plan identifies “affordable owner occupied units” as those affordable for moderate income families (eighty (80) percent of median income). Affordable rental units are based on fifty (50) percent of the median income and reflected on a per capita and per family basis. While there are no units of designated as “subsidized” under HUD standards, there are 49 housing units that are subsidized under the USDA subsidy program in North Branch.



A new 48 unit, townhome style, affordable housing project is planned for construction in 2019. This workforce rental housing project will feature homes with 1 – 3 bedrooms, garages and on-site management an amenities.

#### **Income by Age of Householder in North Branch.**

Looking at income data is also important when predicting future housing demands in the City of North Branch. As of 2000 US Census, the median household income was \$50,924. By 2016, the median household income increased to approximately \$69,419 and the top employment industries, according to Data USA (2016), are health care and social service (912), manufacturing (680) and construction (656). The total population in 2017 age 16 and over was approximately 7,690, of which approximately 71.6% were considered to be in the labor force (US Census). The unemployment rate in the City of North Branch in September 2015 was approximately 3.4%. During this same time, Minnesota had an unemployment rate of about 3.2% (City-Data.com).

Income distributions as reported by the U.S. Census Bureau can be compared to affordability standards to determine how many households and families in the City of North Branch may require affordable housing. An estimated 1,144 households (30%) have annual household incomes of less than 80% of the median household income reported by the American Community Survey in 2016.

| <b>Table 4 - F Household income and benefits</b> | <b>Number Units</b> | <b>Percentage of units</b> |
|--------------------------------------------------|---------------------|----------------------------|
| Less than \$10,000                               | 214                 | 6%                         |
| \$10,000 to \$14,999                             | 147                 | 4%                         |
| \$15,000 to \$24,999                             | 128                 | 3%                         |
| \$25,000 to \$34,999                             | 306                 | 8%                         |
| \$35,000 to \$49,999                             | 349                 | 9%                         |
| \$50,000 to \$74,999                             | 921                 | 25%                        |
| \$75,000 to \$99,999                             | 754                 | 20%                        |
| \$100,000 to \$149,999                           | 631                 | 17%                        |
| \$150,000 to \$199,999                           | 199                 | 5%                         |
| \$200,000 +                                      | 30                  | 1%                         |
| <b>TOTAL HOUSEHOLDS</b>                          | <b>3679</b>         | <b>100%</b>                |
| Median Household Income (dollars)                | \$ 69,419.00        |                            |
| Mean Household Income (dollars)                  | \$ 73,436.00        |                            |

By US Census Bureau, 2012-2016 American Community Survey

| <b>Table 4 -G Owner Monthly Costs as Percent of Household Income - 2016</b> | <b>Number Units</b> | <b>Percentage of units</b> |
|-----------------------------------------------------------------------------|---------------------|----------------------------|
| Less than 20.0%                                                             | 810                 | 34%                        |
| 20.0 to 24.9%                                                               | 677                 | 28%                        |
| 25.0 to 29.9%                                                               | 223                 | 9%                         |
| 30.3 to 34.9%                                                               | 233                 | 10%                        |
| 35.0 % +                                                                    | 461                 | 19%                        |
| Total                                                                       | 2404                | 100%                       |

By US Census 2016

| <b>Table 4-H Gross Rent as a Percentage of Household Income</b> | <b>Number Units</b> | <b>Percentage of units</b> |
|-----------------------------------------------------------------|---------------------|----------------------------|
| Less than 15%                                                   | 58                  | 10%                        |
| 15.0 to 19.9%                                                   | 37                  | 6%                         |
| 20.0 to 24.9%                                                   | 50                  | 9%                         |
| 25.0 to 29.9%                                                   | 23                  | 4%                         |
| 30.0 to 34.9%                                                   | 88                  | 15%                        |
| 35.0% +                                                         | 319                 | 55%                        |
| Total                                                           | 575                 | 100%                       |

By US Census 2016

### **Future Population and Household Projections**

The future housing projections reported in the Maxfield Study assume that approximately 1,000 new housing units are needed to be constructed over the next 10 years to address pent up demand. The City recognizes that there are many factors and demographic trends that influence the number of housing units constructed and household size and that these numbers will likely change from year to year.

### **Vision for Housing**

The City of North Branch has a high quality housing stock and variety of affordable options that allow residents to find housing at all stages of life. Quality housing is available for all income and age ranges. Existing homes have been well maintained and renovated, as the unique character of each neighborhood is preserved. The City is open to creatively seeking opportunities to meet our housing needs and responsibly providing our share of affordable housing. Housing in North Branch continues to be a strength in attracting young families to the area and supporting the desires of existing residents to find alternative housing options for their senior years that allows them to transition from their large single family homes into something more manageable with the amenities they desire all while remaining in North Branch.

## Goals, Objectives, and Policies

The following is a series of goals, objectives, and policies intended to achieve the vision for housing stated above.

### OBJECTIVE 1.1

**PROVIDE A FULL RANGE OF HOUSING CHOICES THAT MEET RESIDENTS' NEEDS AT EVERY STAGE OF THEIR LIVES.**

#### Policy 1.1.1

*Attract a variety of residential developers to ensure a diversity of housing styles, layouts and costs.*

#### Policy 1.1.2

*Provide a variety of different residential zoning districts that have varying regulations with regard to setbacks, height, density, lot coverage and possible opportunity for accessory dwelling units.*

#### Policy 1.1.3

*Ensure that land is available in applicable zoning districts to allow for senior living options for all abilities (independent to assisted).*

#### Policy 1.1.4

*Encourage projects that include amenities to build and encourage active lifestyles.*

### OBJECTIVE 1.2

**PROVIDE QUALITY AND SUFFICIENT AFFORDABLE HOUSING THAT MEETS THE AREA'S DEMAND.**

#### Policy 1.2.1

*Work with developers on providing affordable market rate housing.*

#### Policy 1.2.2

*Develop policies for naturally occurring affordable multi-family housing that encourage the maintenance and upgrading of aging apartment buildings, while maintaining affordability and preventing displacement of residents.*

#### Policy 1.2.3

*Promote additional housing diversity to serve families at all stages of their life cycle through housing finance programs and possible public-private partnerships.*

# GOAL 1

*Allow all people the opportunity to call North Branch their home.*



# GOAL 2

*Provide attractive and desirable residential properties.*

## OBJECTIVE 2.1

**PROVIDE RESIDENTIAL NEIGHBORHOODS THAT ARE WELL DESIGNED.**

### *Policy 2.2.1*

*For new development or redevelopment, consider streetscape improvements such as attractive street lighting, boulevards, sidewalks on at least one side of the street, landscaping and vegetation, and other amenities that enhance the visual appearance of neighborhoods. Consider similar opportunities in existing neighborhoods as street reconstruction projects occur.*

### *Policy 2.2.2*

*Seek opportunities to provide additional green space and recreation amenities in residential areas that may be lacking them.*

### *Policy 2.2.3*

*Promote moderate and higher density housing, such as apartment style and townhome style units, in areas where appropriate, such as within and near downtown, commercial areas, and along arterial roadways. Promote development practices that result in low traffic volumes near low density residential areas.*

### *Policy 2.2.4*

*Promote residential development that occurs in an orderly manner consistent with the future land use plan and that makes efficient and responsible use of municipal utilities and infrastructure expansion and incentivizes (for example, through access to technical assistance) construction of more energy efficient and water efficient housing).*

### *Policy 2.2.5*

*Implement housing codes and support programs which lead to a housing stock that reflects the City's commitment to sustainability and healthy living.*





# 5

## ECONOMIC DEVELOPMENT

### *Introduction*

A strong business community is the cornerstone of a vibrant city. Economic development encompasses the policies and activities that improve the long term economic and social wellbeing of the community. Communities with strong economies have financial resources to support the levels of service that their residents need and desire. Successful communities realize that economic development is about bringing together social, natural, infrastructure, and economic assets in the community to sustain the “whole” community.

The City’s Economic Development Authority recently adopted a strategic plan to guide and inform its decision making over the next 3 – 5 years. The EDA identified the following strategic priorities:

- Expansion of broadband (high speed internet)
- Business growth, including continued land sales and development
- Transportation
- Community
- Housing

### *Inventory and Analysis*

#### **Existing Characteristics of the Economy**

A significant number of North Branch residents commute to work, but have indicated via survey and other tools, that they would prefer to work in the city if comparable jobs were available. Therefore, retaining and attracting jobs is an ongoing objective for the City of North Branch. As of 2018 Assessment Year, non-residential property values amounted to \$146,754,700, as follows: commercial \$91,277,300, industrial \$22,953,100 and apartments \$32,524,300. The Minnesota Department of Employment and Economic Development estimates the unemployment rate in Chisago County at 3 percent, higher than the state average of 2.9 percent.

Table 5-A shows the employment and business profile of North Branch. The highest employment industry is health care and social assistance which provides 17.5 percent of all jobs in North Branch. Educational services is the second highest source of employment (13.1 percent), and construction, and other services provide about 12.6 percent each of the community’s total jobs. (Data-USA.com)

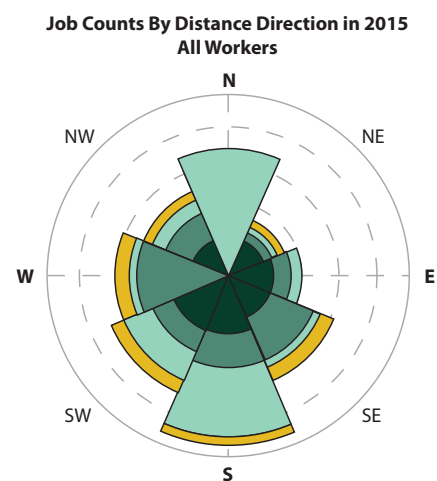
**Table 5 –A Business and Employment Statistics**

| Name                         | Industry                   | Approximate # of Employees |
|------------------------------|----------------------------|----------------------------|
| North Branch School District | Education                  | 388                        |
| Villages of North Branch     | Elder Care                 | 185                        |
| Andersen Windows             | Manufacturing              | 180                        |
| Lakes Region EMS             | Emergency Medical Services | 92                         |
| County Market                | Retail                     | 90                         |
| Fairview Health System       | Health Care                | 85                         |
| Branch Manufacturing         | Manufacturing              | 72                         |
| Environmental Stoneworks     | Manufacturing              | 69                         |
| Zinpro                       | Manufacturing              | 62                         |
| ShopKo                       | Retail                     | 60                         |
| Wisconsin Coil Spring        | Manufacturing              | 56                         |

### Commuting

According to the US Census as of 2015, 59.4 percent of North Branch residents commute more than 10 miles to work, resulting in an average commute time of 32.3 minutes trip.

**Figure 5-1: Commute Distances**



### Jobs by Distance | Work Census Block to Home Census Block

2015

|                       | Count | Share  |
|-----------------------|-------|--------|
| Total Primary Jobs    | 3,366 | 100.0% |
| Less than 10 miles    | 1,368 | 40.6%  |
| 10 to 24 miles        | 1,148 | 34.1%  |
| 25 to 50 miles        | 614   | 18.2%  |
| Greater than 50 miles | 236   | 7.0%   |

## **Finance Tools**

Community development actions require a framework for financial decision-making. The investment of public dollars to achieve community development objectives should be guided by several key principles:

- Financial resources are limited. The city has limited funding to apply to community development initiatives, so the use of resources must be targeted to achieve the greatest effect on community needs.
- Financial decisions require a long-term perspective. The current use of financial resources may reduce monies available in the future. In evaluating short-term opportunities, it is important to question the long-term impact on community development.
- Public funds should lead to private investment. While this section focuses on public finance actions, the Comprehensive Plan cannot become reality without private investment. The use of public funds should be targeted to actions that encourage private investment in North Branch.

The area of North Branch located north of TH95 received Opportunity Zone designation by the US Department of Treasury. While the tax credit opportunities that this designation allows are a private sector concern, the City will promote this designation as a tool for land sales and development in the City's Interstate Business Park as well as the other undeveloped portions of the City within the designated Opportunity Zone census tract.

## **Tax Increment Financing**

Tax increment financing (TIF) is the primary development finance tool available to Minnesota cities (Minnesota Statutes, Sections 469.174 through 469.179). TIF is simple in concept, but complex in its application. Through tax increment financing, the property taxes created by new development (or redevelopment) are captured and used to finance activities needed to encourage the development. The challenge in using TIF lies with the complex and ever-changing statutory limitations.

## **Tax Abatement**

Tax abatement acts like a simpler and less powerful version of tax increment financing. With TIF, the city controls the entire property tax revenue from new development. Under the abatement statute (Minnesota Statutes, Sections 469.1812 through 469.1815), the city, county and school district have independent authority to grant tax abatement.

## **Special Assessments**

Public improvements are often financed using the power to levy special assessments (Minnesota Statutes Chapter 429). A special assessment is a means for benefiting properties to pay for all or part of the costs associated with improvements, and to spread the impact over a period of years. This tool can be applied to both the construction of new improvements and the rehabilitation of existing improvements.

## Grant Programs

Cities can leverage funding from various grant programs to help take on economic development initiatives. There are numerous grant programs available to cities provided by various state and federal agencies related to economic development and downtown redevelopment. The Community Development Block Grant program (CDBG) administered by the U.S. Department of Housing and Urban Development (HUD) provides grants on an annual basis to states and eligible local governments for community development activities. In some cases, communities may choose to use these dollars for business retention and job growth activities. The City should also explore the use of these dollars for downtown redevelopment. The Minnesota Department of Employment and Economic Development is another agency with financial assistance available to local governments for business development, infrastructure, community development and site cleanup and redevelopment. Many other funding sources exist and city staff should monitor and pursue these opportunities when appropriate.







*A significant number of North Branch residents commute to work, but have indicated via survey and other tools, that they would prefer to work in the city if comparable jobs were available.*

# GOAL 1

*Encourage economic growth to meet the demand for commercial and industrial development.*

## *Vision for Economic Development*

The City of North Branch will remain focused on retaining a high quality of life, while at the same time working to encourage and facilitate job growth in its commercial and industrial sectors.

## *Goals, Objectives, and Policies*

*The following section outlines the primary goals for economic development, followed by a series of objectives and policies intended to influence future economic development efforts that align with the community visions in this plan.*

### **OBJECTIVE 1.1**

#### **DEVELOP THE INTERSTATE BUSINESS PARK.**

##### *Policy 1.1.1*

*Strive to maximize the community's strategic location as a valuable resource, promoting the Opportunity Zone designation whenever possible.*

##### *Policy 1.1.2*

*Actively target companies, both large and small, that offer good employment prospects, draw from the local labor pool, and are good corporate citizens.*

##### *Policy 1.1.3*

*Work to maintain a labor force in the immediate area that supports the growth of business and industry in the Interstate Business Park, including but not limited to expanding the inventory of affordable housing, providing transportation alternatives and encouraging expansion of services.*

##### *Policy 1.1.4*

*Coordinate with stakeholders and regional partners to identify users of rail and support development of rail spur adjacent to the Interstate Business Park.*



## **OBJECTIVE 1.2**

### **REVITALIZE THE HISTORIC DOWNTOWN AREAS OF NORTH BRANCH.**

#### *Policy 1.2.1*

*Address unique development challenges including the reuse and redevelopment of vacant buildings in the historic downtown areas.*

#### *Policy 1.2.2*

*Explore and implement plans to enhance pedestrian friendly features, promote available parking, and collaborate with Minnesota Department of Transportation to establish safe pedestrian crossings at intersections within the downtown area.*

# GOAL 2

*Balance the use of undeveloped land and infill development throughout the City.*

## OBJECTIVE 2.1

**CONTINUE AND EXPAND REDEVELOPMENT EFFORTS.**

### *Policy 2.1.1*

*Foster private investment and economic activity without compromising community objectives to maintain and enhance North Branch's natural environment.*

### *Policy 2.1.2*

*Promote the areas north of TH95 as being designated for Opportunity Zone tax treatment to further enhance private investment in those areas.*





### **OBJECTIVE 3.1**

#### **RETAIN AND SUPPORT LOCAL BUSINESS AND INDUSTRY.**

##### *Policy 3.1.1*

*Set attracting new, and retention of existing, businesses and industries as a priority of the City's economic development plan.*

##### *Policy 3.1.2*

*Continue outreach by City Staff and Elected Officials whereby the City representatives meet periodically on an individual basis with businesses and industries to listen to concerns and discuss opportunities for success. During these meetings, identify any perceived or real barriers or obstacles (such as overly restrictive ordinances) that the City could potentially remove or minimize to help industries and businesses prosper, while still protecting the overall health, safety and welfare of the community.*

##### *Policy 3.1.3*

*Coordinate with regional organizations, the North Branch School District, higher education institutions, and others in their efforts to promote training opportunities that can help businesses and industries prosper. If appropriate, co-sponsor and/or offer City facilities and/or meeting space for employee training programs.*

##### *Policy 3.1.4*

*Continue to promote North Branch's high quality of life as a means to help attract new businesses and industries.*

##### *Policy 3.1.5*

*Continue to work with local businesses and industries to ensure needs for expansion and development are adequately met.*

##### *Policy 3.1.6*

*Pursue ways to streamline the development approval process while still maintaining high quality development standards, by using consistent work flow practices, checklists, and hosting developer information sessions regularly.*

##### *Policy 3.1.7*

*Periodically review and promote economic development incentive programs such as Tax Increment Financing (TIF), Tax Abatement, utility energy and water efficiency design and improvement programs, county and state waste and pollution prevention assistance and other regional, state and national loan, grant and incentive programs to support business growth and development.*

## **GOAL 3**

*Enhance North Branch's reputation as a resource to new and expanding businesses.*



# 6

## TRANSPORTATION

### *Introduction*

The purpose of the Transportation chapter of the Comprehensive Plan is to provide guidance to the City of North Branch, as well as existing and future landowners in preparing for future growth and development. As such, whether an existing roadway is proposed for upgrading or a land use change is proposed on a property, this Plan provides the framework for decisions regarding the nature of roadway infrastructure improvements necessary to achieve safety, adequate access, mobility, and performance of the existing and future roadway system. The primary goal of this Plan is to establish local policies, standards, and guidelines to guide major transportation investments and policy decisions.

### **Transportation System Principles And Standards**

The transportation system principles and standards included in this Plan create the foundation for developing the transportation system, evaluating its effectiveness, determining future system needs, and implementing strategies to fulfill the goals and objectives identified.

### **Functional Classification**

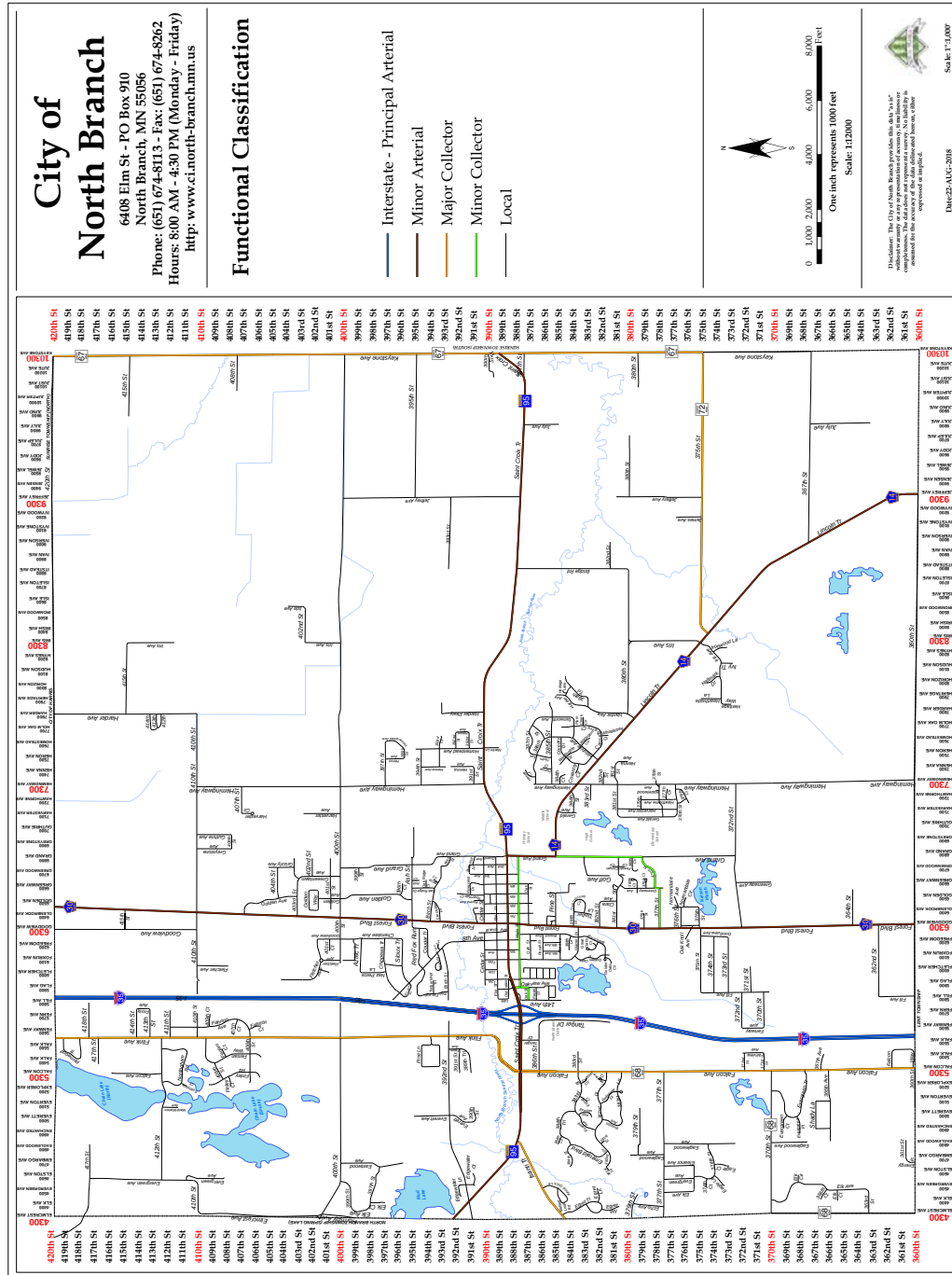
It is recognized that individual roads and streets do not operate independently in any major way. Most travel involves movement through a network of roadways. It becomes necessary to determine how this travel can be channelized within the network in a logical and efficient manner. Functional classification defines the nature of this channelization process by defining the part that any particular road or street should play in serving the flow of trips through a roadway network. Functional classification is the process by which streets and highways are grouped into classes according to the character of service they are intended to provide. Functional classification involves determining what functions each roadway should perform prior to determining its design features, such as street widths, speed, and intersection control.

The Minnesota Department of Transportation (MnDOT) has developed definitions and criteria for roadway classification based on function. The functional classification system typically consists of four major classes of roadways: Principal Arterials, Minor Arterials, Major Collectors, and Minor Collectors. Roadways are classified as either arterials, collectors, or local streets based on several criteria including (but not limited to) geographic units connected, types of streets connected, length of trip served, distance between streets of the same classification, volume of traffic carried by the facility, speed limit and design (right-of-way width and access provisions).

*This Plan provides the framework for decisions regarding the nature of roadway infrastructure improvements necessary to achieve safety, adequate access, mobility, and performance of the existing and future roadway system*



Figure 6-1:  
Functional Classification  
Map





The existing roadway classifications in North Branch are described below.

#### **A. PRINCIPAL ARTERIALS**

Roadways of this classification typically connect large urban areas to other large urban areas or they connect metro centers to regional business concentrations via a continuous roadway without stub connections. They are designed to accommodate the longest trips. Their emphasis is focused on mobility rather than access. They connect only with other Principal Arterials, interstate freeways, and select Minor Arterials and Collector Streets. There is one Principal Arterial roadway in the City of North Branch, Interstate 35 that runs north/south through the state of Minnesota and extending to Texas.

#### **B. MINOR ARTERIALS**

Roadways of this classification typically link urban areas and rural Principal Arterials to larger towns and other major traffic generators capable of attracting trips over similarly long distances. Minor Arterials service medium length trips, and their emphasis is on mobility as opposed to access in urban areas. They connect with Principal Arterials, other Minor Arterials, and Collector Streets. Connections to Local Streets should be avoided if possible. Minor Arterials are responsible for accommodating thru-trips, as well as trips beginning or ending outside the North Branch area. Minor Arterial roadways are typically spaced approximately ½ to 1 mile in developed areas and approximately 1 to 2 miles in developing areas. TH95, which runs east-west from the Wisconsin boarder on the east end and St. Cloud on the west end, Chisago County Rd. 14 and Chisago County Rd. 30 are identified as Minor Arterial roadways in North Branch.

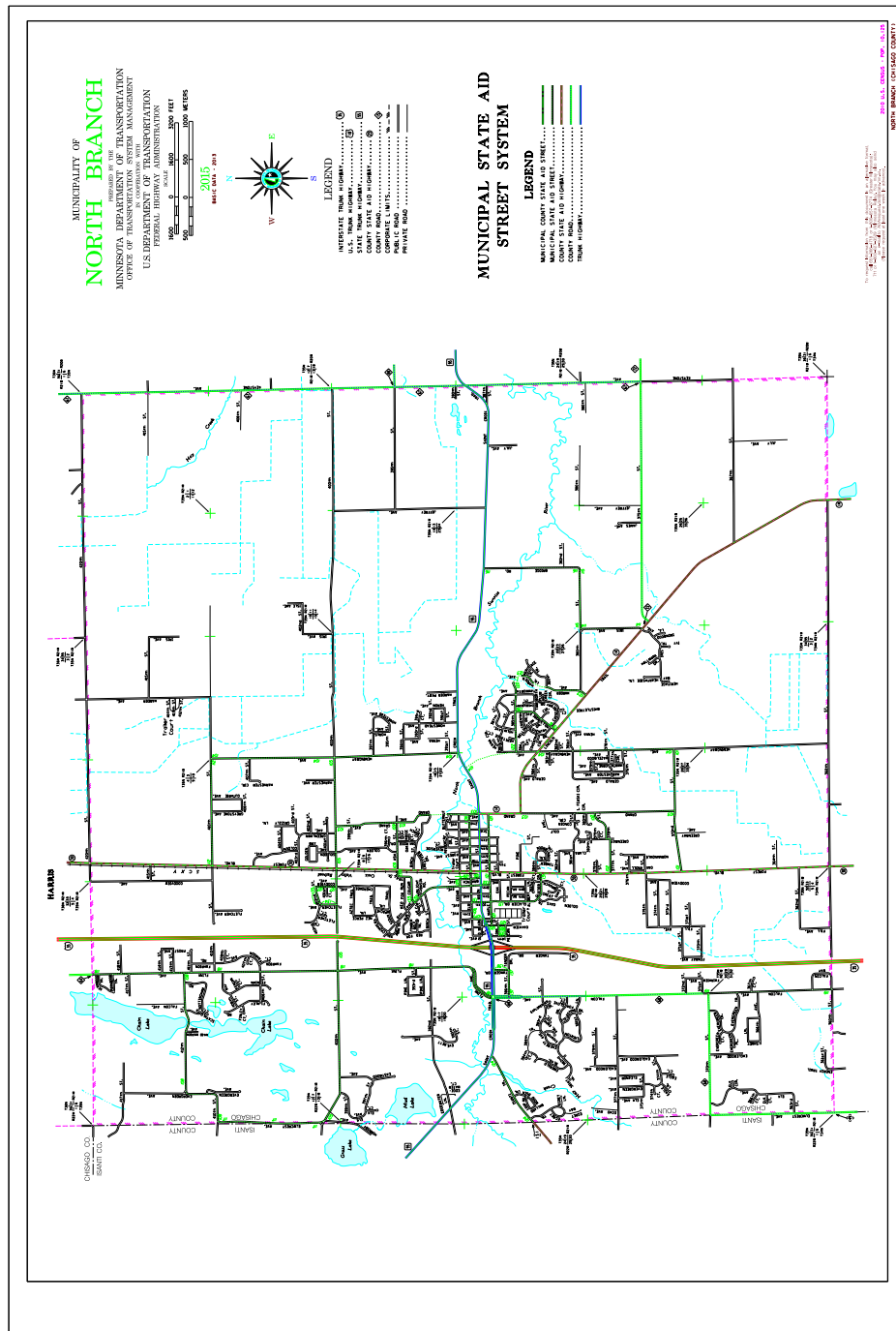
#### **C. MAJOR COLLECTORS**

Roadways of this classification typically link neighborhoods together within a city or they link neighborhoods to business concentrations. In highly urban areas, they also provide connectivity between major traffic generators. A trip length of less than 5 miles is most common for Major Collector roadways. A balance between mobility and access is desired. Major Collector street connections are predominately to Minor Arterials, but they can be connected to any of the other four roadway functional classes. Local access to Major Collectors should be provided via public streets and individual property access should be avoided. Generally, Major Collector streets are predominantly responsible for providing circulation within a city. However, the natural features associated with wetland and drainage complexes and parks, and location of principal arterials through the community results in circulation within North Branch being reliant on a combination of the Minor Arterial and Major Collector roadways. Major Collectors are typically spaced approximately ¼ to ¾ mile in developed areas and approximately ½ to 1 mile in developing areas. Flink Ave., Falcon Ave., portions of Keystone and Chisago County Rd. 72, and Isanti Trail are functionally classified as Major Collector roadways in the North Branch area.

#### **D. MINOR COLLECTOR STREETS**

Roadways of this classification typically include city streets and rural township roadways, which facilitate the collection of local traffic and convey it to Major Collectors and Minor Arterials. Minor Collector streets serve short trips at relatively low speeds. Their emphasis is focused on access rather than mobility. Minor Collectors are responsible for providing connections between neighborhoods and the Major Collector/Minor Arterial roadways. These roadways should be designed to discourage short-cut trips through the neighborhood by creating jogs in the roadway (i.e. not direct, through routes). Portions of Oakview, Oak, Maple, Grand, 378th, 377th and Greenway are functionally classified as Minor Collector roadways in the North Branch area.

Figure 6-2:



**Roadway Capacity**

Capacities of roadway systems vary based on the roadway’s functional classification. Based on accepted standards, roadway capacity per lane for divided arterials is 700 to 1,000 vehicles per hour and 600 to 900 vehicles per hour for undivided arterials. These values tend to be around 10% of the daily physical roadway capacity.

**Principal and Minor Arterials**

Based on the per lane capacity figures cited above, a two-lane arterial roadway has a daily capacity of 12,000 to 18,000 vehicles per day, a four-lane divided arterial street has a daily capacity of 28,000 to 40,000 vehicles per day, and a four-lane freeway has a daily capacity of approximately 70,000 vehicles per day. The variability in capacities are directly related to many roadway characteristics including access spacing, traffic control, adjacent land uses, as well as traffic flow characteristics, such as percentage of trucks and number of turning vehicles. Therefore, it is important that the peak hour conditions are reviewed to determine the actual volume-to-capacity on roadway segments with average daily traffic volumes approaching these capacity values.

**Major Collectors and Minor Collector Streets**

Major Collector and Minor Collector streets have physical capacities similar to those of a two-lane arterial street, however the acceptable level of traffic on a residential street is typically significantly less than the street’s physical capacity. The acceptable level of traffic volumes on Major Collectors and Minor Collector streets vary based on housing densities and setbacks, locations of parks and schools, and overall resident perceptions. Typically, traffic levels on Major Collector streets in residential/ educational areas are acceptable when they are at or below 50% of the roadway’s physical capacity, resulting in an acceptable capacity of 6,000 to 9,000 vehicles per day. Acceptable traffic levels on Minor Collector streets are considerably less. Typically, a daily traffic volume of 1,000 to 1,500 vehicles per day is acceptable on Minor Collector streets in residential areas.

Table 6-A: Roadway Types and Capacities, identifies various roadway types and the estimated daily capacities that the given roadway can accommodate.

| Table 6-A: Roadway Types and Capacity |                  |
|---------------------------------------|------------------|
| Roadway Type                          | Daily Capacities |
| Minor Collector Street                | Up to 1,000      |
| Urban 2-Lane                          | 7,500 - 12,000   |
| Urban 3-Lane or 2-Lane Divided        | 12,000 - 18,000  |
| Urban 4-Lane Undivided                | Up to 20,000     |
| Urban 4-Lane Divided                  | 28,000 to 40,000 |
| 4-Lane Freeway                        | Up to 70,000     |

The capacity of a transportation facility reflects its ability to accommodate a moving stream of people or vehicles. It is a measure of a supply side of transportation facilities. Level of Service (LOS) is a measure of the quality of flow. The concept of LOS uses qualitative measures that characterize



operational conditions with a traffic stream and their perception by motorists. Six LOS are defined for roadways. They are LOS A, B, C, D, E, and F. LOS A represents the best operating conditions and LOS F represents the worst. The LOS of a multilane roadway can be dictated by its volume-to-capacity (v/c) ratio. The LOS of a two-lane roadway is defined in terms of both percent time-spent-following and average travel speed. LOS F is determined when v/c ratio is over 1.00. The criteria for LOS and general v/c ratio for multilane highways and speed for two-lane highways are provided in Table 6-B below:

| Table 6-B: Highway Level of Service |              |                         |
|-------------------------------------|--------------|-------------------------|
| LOS                                 | Multilane    | Two-Lane                |
|                                     | v/c Ratio    | Avg. Travel Speed (mph) |
| A                                   | <0.28        | >55                     |
| B                                   | >0.28 - 0.45 | >50-55                  |
| C                                   | >0.45 - 0.65 | >45-50                  |
| D                                   | >0.65 - 0.86 | >40-45                  |
| E                                   | >0.86 - 1.00 | ≤40                     |
| F                                   | > 1.00       | v/c >1.00               |

For roadways in urban sections, the urban street class and average travel speed determine the LOS. This is generally similar to the LOS for two-lane highways but takes into account the free flow speed of the facility (average speed achieved with no other vehicles present on roadway) and the addition of traffic control.

This criterion is established in Table 6-C below:

| Table 6-C: Urban Street Level of Service |                         |          |          |          |
|------------------------------------------|-------------------------|----------|----------|----------|
| Range of Free-Flow Speed                 | 55 to 45                | 45 to 35 | 35 to 30 | 35 to 25 |
| LOS                                      | Avg. Travel Speed (mph) |          |          |          |
| A                                        | >42                     | >35      | >30      | >25      |
| B                                        | >34-42                  | >28-35   | >24-30   | >19-25   |
| C                                        | >27-34                  | >22-28   | >18-24   | >13-19   |
| D                                        | >21-27                  | >17-22   | >14-18   | >9-13    |
| E                                        | >16-21                  | >13-17   | >10-14   | >7-9     |
| F                                        | ≤16                     | ≤13      | ≤10      | ≤7       |

Generally, the City of North Branch should consider capacity improvements on roadways with a LOS D or worse and volume-to-capacity ratios over 0.75 during the peak hours.

2017 Publication Traffic Volumes - North Branch

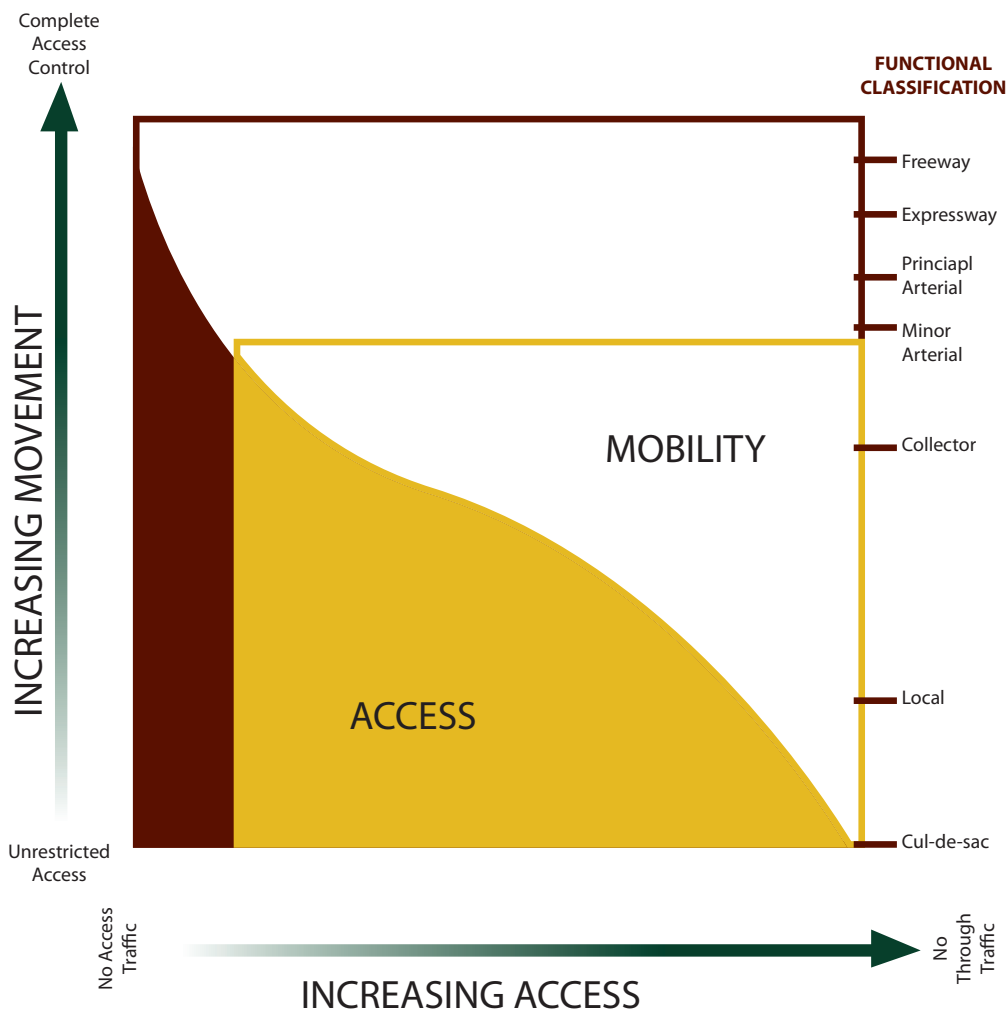


## Access Management Guidelines

Access management guidelines are developed to maintain traffic flow on the network so each roadway can provide its functional duties, while providing adequate access for private properties to the transportation network. This harmonization of access and mobility is the keystone to effective access management.

Mobility, as defined for this Transportation Plan, is the ability to move people, goods, and services via a transportation system component from one place to another. The degree of mobility depends on a number of factors, including the ability of the roadway system to perform its functional duty, the capacity of the roadway, and the operational level of service on the roadway system.

Access, as applied to the roadway system in North Branch, is the relationship between local land use and the transportation system. There is an inverse relationship between the amount of access provided and the ability to move through-traffic on a roadway. As higher levels of access are provided, the ability to move traffic is reduced. The graphic below illustrates the relationship between access and mobility.



Each access location (i.e. driveway and/or intersection) creates a potential point of conflict between

vehicles moving through an area and vehicles entering and exiting the roadway. These conflicts can result from the slowing effects of merging and weaving that takes place as vehicles accelerate from a stop turning onto the roadway, or deceleration to make a turn to leave the roadway. At signalized intersections, the potential for conflicts between vehicles is increased, because through-vehicles are required to stop at the signals. If the amount of traffic moving through an area on the roadway is high and/or the speed of traffic on the roadway is high, the number and nature of vehicle conflicts are also increased.

Accordingly, the safe speed of a road, the ability to move traffic on that road, and safe access to cross streets and properties adjacent to the roadway all diminish as the number of access points increase along a specific segment of roadway. Because of these effects, there must be a balance between the level of access provided and the desired function of the roadway.

### Roadway Width

Right-of-way width is directly related to the roadway’s width and its ability to carry vehicular and pedestrian traffic in a safe and efficient manner. For Minor Collector streets in residential areas, a minimum right-of-way width of 80 feet is recommended for the added roadway width, as well as to provide added setback distance between the roadway and homes along the roadway. Right-of-way widths of 80 feet to greater than 100 feet may be required on Minor Arterials and Major Collector roadways within commercial areas to accommodate the potential for higher traffic volumes and the need for additional lanes.

For the City of North Branch, geometric design standards for the reconstruction or construction of new Minor Arterial, Major Collector, and Minor Collector Streets will be based on MnDOT State- Aid standards.

| Table 6-D: Access Spacing Guidelines for Collector Roadways in North Branch (1) (2) |                                |                 |
|-------------------------------------------------------------------------------------|--------------------------------|-----------------|
| Type of Access by Land Use Type                                                     | Minor Arterial/Major Collector | Minor Collector |
| Low & Medium Density Residential                                                    |                                |                 |
| Private Access                                                                      | Not Permitted (3)              | As Needed (4)   |
| Minimum Corner Clearance from a Collector Street                                    | 660’                           | 300’            |
| Commercial, Industrial or High Density Residential                                  |                                |                 |
| Private Access                                                                      | Not Permitted (3)              | As Needed (4)   |
| Minimum Corner Clearance from a Collector Street                                    | 660’                           | 660’            |

(1) Some existing City streets that are currently functionally classified as Minor Arterial, Major Collector, or Minor Collector do not meet these criteria. These guidelines should be used for new streets and roadways that will functionally classified as Minor Arterial, Major Collector, or Minor Collector

(2) These guidelines apply to City streets only. Chisago County and MnDOT have access authority for roadways under their jurisdiction.



- (3) Access to Minor Arterials and Major Collectors should be limited to public street access. Steps should be taken to redirect private accesses on Major Collectors to other local streets. New private access to Major Collectors is not permitted unless deemed necessary.*
- (4) Private access to Minor Collectors is to be evaluated by other factors. Whenever possible, residential access should be directed to non-continuous streets rather than Minor Collector roadways. Commercial/Industrial properties are encouraged to provide common accesses with adjacent properties when access is located on the Minor Collector system. Cross-traffic between adjacent compatible properties is to be accommodated when feasible. A minimum spacing between accesses of 660' in commercial, industrial, or high density residential areas is encouraged for the development of turn lanes and driver decision reaction areas.*

### **Geometric Design Standards**

Geometric design standards are directly related to a roadway's functional classification and the amount of traffic that the roadway is designed to carry. The following is a discussion of various geometric design elements and how each element relates to a particular roadway's ability to perform its function in the roadway network.

#### **Roadway Width**

Roadway and travel lane widths are directly associated with a roadway's ability to carry vehicular traffic. On Minor Arterial roadways, Major Collector roadways, Minor Collector streets and local streets, a 12-foot lane is required for each direction of travel unless the road meets the criteria for a more flexible design based on environmental factors as per the most recent State-Aid Operations Guide. The 24-foot total travel width is needed to accommodate anticipated two-way traffic volumes without delay. In addition to the travel width, minimum shoulder/parking lane widths are also required to accommodate parked or stalled vehicles. Roadway widths not meeting the Geometric Design Standards will result in decreased performance of the particular roadway and additional travel demand on the adjacent roadway network components. For example, a substandard Major Collector roadway may result in additional travel demand on an adjacent Minor Collector street resulting in an overburden for adjacent landowners. Similarly, additional local circulation may result on an adjacent Minor Arterial resulting in reduced mobility for regional trips.

#### **Sidewalk/Trail**

Sidewalks and/or trails are recommended to be adjacent to all Minor Arterial, Major Collector and Minor Collector roadways within North Branch to accommodate pedestrian, bicycle, and other non-motorized travel in a safe and comfortable manner. These roadways are expected to carry a significant amount of vehicular traffic and separation of travel modes is necessary. In commercial and industrial areas, the requirements for trails and sidewalks may vary to accommodate additional pedestrian and bicycle traffic.

Along Minor Arterials and Major Collector roadways, an 8-10 foot wide bituminous or concrete trail and/or 6-foot wide concrete sidewalk is recommended on either side of the roadway to accommodate local pedestrian and bicycle travel. The pedestrian facilities on both sides of these roadways allow

for pedestrian travel within the corridor without introducing excessive crossing demand on Minor Arterials and Major Collectors. A sidewalk and trail will accommodate pedestrian and bicycle travel along the corridor, as well as provide a safe, comfortable link between lower volume residential streets and the other pedestrian and trail facilities within the community. A 10-foot wide trail would be more desirable as the 10-foot width would better accommodate two-way bicycle traffic. The City of North Branch’s comprehensive trail plan will be utilized to determine where bike trails are required.

Along Minor Collector roadways, a 6-foot concrete sidewalk is recommended on at least one side of the roadway both sides being preferred. With the anticipated vehicular volumes on Minor Collector streets, pedestrians can safely cross the roadway, however, pedestrian travel along the roadway may become uncomfortable.

**Design Speed**

The design speed of a roadway is directly related to the roadway’s function in the roadway system. The focus of Minor Arterial roadways is mobility; therefore these roadways should be designed to accommodate higher travel speeds. Likewise, Minor Collector roadways are more focused on accessibility and should be designed to accommodate lower travel speeds. The function of Major Collectors is balanced between mobility and accessibility; therefore these roadways should be designed accordingly. Table 6-F below presents the recommended design speed for the North Branch roadway network.

| Table 6-E: Roadway Design Speed Guidelines |                  |
|--------------------------------------------|------------------|
| Functional Classification                  | Design Speed (1) |
| Minor Collector Street                     | 30 mph           |
| Major Collector Roadway                    | 35 – 40 mph      |
| Minor Arterial Roadway                     | 45 – 55 mph      |

*At the discretion of the City Engineer for City roadways, with approval by the City Council.*

**Roadway Jurisdiction**

Roadway jurisdiction directly relates to functional classification of roadways. Generally, roadways with higher mobility functions (such as arterials) fall under the jurisdiction of the State of Minnesota or Chisago County. Recognizing that these roadways serve greater areas resulting in longer trips and higher volumes, jurisdiction of Principal Arterial and Minor Arterial roadways should remain under the jurisdiction of the state and county, respectively. Similarly, roadways with more emphasis on local circulation and access (such as collectors) will likely fall under the jurisdiction of the local government unit. These roadways serve more localized areas and result in shorter trip lengths and lower volumes. Major Collector and Minor Collector roadways should fall under the jurisdiction of the City of North Branch.

As roadway segments are considered for turn-back to the City, efforts will be taken to evaluate the roadway features for conformance to current standards, structural integrity, and safety. This effort will help the City develop short and long-range programs to assume the responsibilities of jurisdictional

authority.

### **Current Transportation Conditions**

The City is located at the cross roads of I35 and TH95. TH95 also intersects with several Chisago County roads, including Co 30, formerly known as Hwy. 61, the historic highway that runs along the eastern border of Minnesota spanning from the Iowa border and running up along the north shore of Lake Superior. Based 2017 MnDOT traffic data, daily traffic counts along I35 heading north to North Branch average 37,500. An estimated 22,400 cars move west from I35 along TH95 each day. The daily traffic count is estimated at 22,500 cars moving east from I35 along TH95. An estimated 15,400 cars pass through the intersection of TH95 and Co. 30, making this intersection an area of concern due to ineffective turn lanes and a reduced turning radius for large vehicles such as fifth wheel RV's, passenger vehicles with trailers and semi's needing to turn from or onto TH95 at that intersection.

Truck and passenger vehicle traffic also pose an issue with regard to the city's minor arterial and collector roads. The City's industrial park, located north of 400th Street, could benefit from more direct access to I35, reducing truck traffic at the intersection of TH95 and Co. 30, relieving pressure on the existing bridge at I35 and providing for movement east/west through the City. As and when appropriate, the City should engage MnDOT about a new bridge and interchange on I35 at 400th Street.

The city of North Branch has 105 miles of local streets and road infrastructure to maintain. This consists of 70 miles of asphalt pavement, and 35 miles of gravel. Of the 70 miles that are currently paved, 17.1 are state aid and 52.9 are non-state aid. Assuming streets are overlaid once every 20 years, the city of North Branch should be overlaying 2.65 miles per year so all 52.9 miles of the currently paved non-state aid street system is overlaid once every 20 years. As more streets are constructed, the number of paved streets increases adding to the total of streets that should be overlaid on a regular schedule. There are currently 17.9 miles of paved local streets that are over 20 years old, and have never been overlaid.

Issues facing the City include:

- Lack of effective controls at various intersections between City/County Roads and TH95, including the intersections at 392nd and Isanti Trail.
- Existing intersection controls at TH95 and Grand and along Lincoln (Co. Rd. 14) at Grand and Hemingway are inefficient and pose significant accident hazards because of the volume and number of traffic movements.
- The intersection at TH95 and Co. 30 is not adequate for truck/trailer movement, lacking adequate area of turns, poor sight lines and lacking adequate stacking for vehicles waiting to turn.
- TH 95 passes through the historic downtown area and pedestrian crossings are difficult at best.
- Several intersections have cross traffic approaching the intersection at a 45° approach, impairing sight lines at the intersections.
- There are only limited marked pedestrian crossings along Co. 30.
- High pedestrian roads, such as Maple Street, do not have sidewalks, forcing pedestrians to walk in the street.

## *Pavement Management Plan*

### **Local Streets (non-State Aid Streets)**

Funding local street rehabilitation is not a one-time need. It's a permanent need that must be addressed in order to preserve this huge asset. Assuming streets are overlaid once every 20 years, the city of North Branch should be overlaying 2.65 miles per year so all 52.9 miles of the currently paved non-state aid street system is overlaid once every 20 years. This equates to a cost of approximately \$1,250,000 per year. As more streets are constructed, the number of paved streets increases adding to the total of streets that should be overlaid on a regular schedule.

There are currently 17.9 miles of paved local streets that are over 20 years old, and have never been overlaid. See attached map. As the years pass, more streets will reach that 20 year mark thereby adding to the total that should be overlaid.

All cities need to have a continuous program for maintaining streets. The typical program includes rehabilitating a number of streets each year to keep the overall pavement condition at an acceptable level, spreading out the cost of maintenance over a long period of time. Funding PMP's vary across the state, but the goal for each one is to have a continuous long-term funding plan.

### **Street Rehabilitation Funding**

Funding PMP's typically involve tax levies, assessments, franchise fees, local option sales tax or a combination thereof.

- Tax rates are very competitive for attracting business and using 100% property taxes puts an undue burden on moderate to higher-valued businesses and homes to pay for a street system that serves the entire City. Nonprofit organizations do not pay property tax and would not pay their share of the improvement cost if general taxes are solely used for this purpose.
- Special assessments are a common way to fund improvements and maintenance as the City can spread the cost to property owners over a period of time. However, there is a limit to the amount that can be levied. Assessments can be highly controversial and often are unanticipated costs by the property owner. As such, it can be difficult to enact an assessment roll and effectively collect the necessary funding to pay for the improvements. Often, the projects will not move forward until the street is in complete failure, adding to the cost of the repair.
- Franchise fees spread costs out to everyone over a longer period of time and provide a dedicated fee to ensure local control of the revenue and that repairs stay on schedule with the Pavement Management Plan.
- Local Option Sales Taxes (LOST) can also be used to fund pavement management programs.

### **Pavement Management Program**

As mentioned above, funding PMP's vary considerably and many times include a variety of funding sources. As with all PMP programs, funding sources can be changed and modified as situations and conditions change in the future.



In addition to researching how best to fund a PMP, staff also reviewed the city's standard details for road construction to determine if changes should be made that would extend the life of new roads. Staff reviewed standards from other cities and the life expectancy results these cities were experiencing, and determined a few changes should be made to the city's road standards. These changes are as follows:

- Increase the bituminous thickness from 3.5 to 4.5 inches.
- Use a flexible sealer between the bituminous and concrete curbing to eliminate water infiltration.
- In areas where there is the potential for bad soil conditions, require soil borings and a geological report/recommendation for the pavement section.

#### **PMP Plan 2019-2044**

All city streets will be evaluated based on the following criteria:

- Age and condition of street surface
- Type of street usage
- Volume of traffic
- Annual maintenance costs
- Relationship to other construction or projects
  - Planned county road improvements
  - Planned MnDOT improvements (if any)
  - Utility projects
  - Planned new construction
  - Public safety considerations

Those roads demonstrating the greatest need for Paving or resurfacing projects for those roads demonstrating the greatest need based on the above mentioned criteria will be designed and constructed to the extent of available funding until all city non-state aid streets have completed one full cycle of resurfacing. Phase 1 of the project will consist of overlays to the 17.9 miles that have never been overlaid. See attached map. Phase 2 of the project will consist of paving high traffic gravel roads. If funding is available phases 1 and 2 will be undertaken concurrently. Once Phases 1 and 2 have been completed, funds will be used for Phase 3 with consists of overlaying the remaining 35 miles of city streets existing as of the date of the plan.

#### ***Future Transportation System***

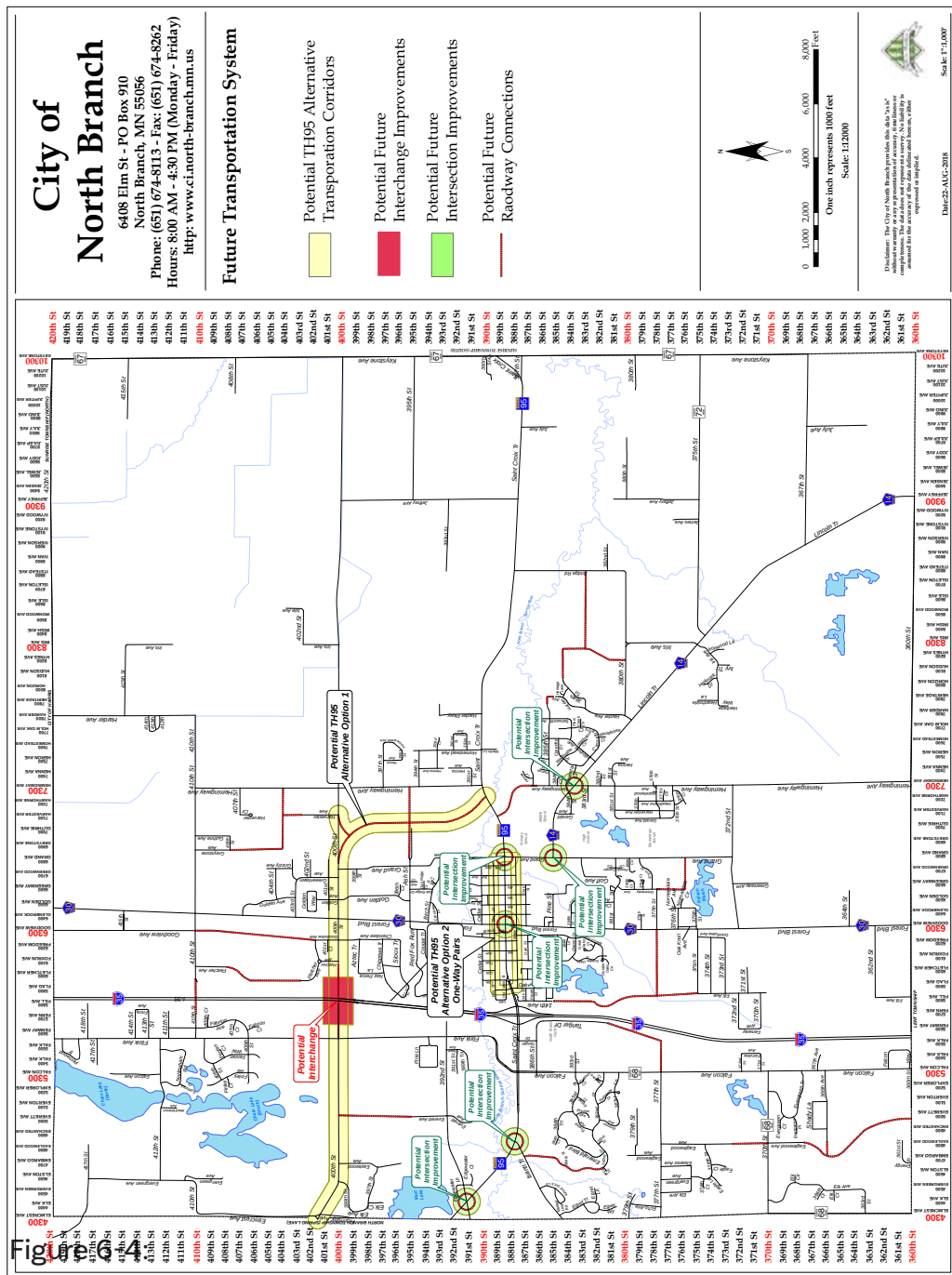
The City will monitor traffic and upgrade roads and intersections based on new housing and commercial development. Several intersections were identified by residents, staff, appointed committee members and elected officials as needing upgraded traffic controls utilizing best management practices such as roundabouts. Future growth and development will likely require roundabouts for efficient and safe movement in and through high volume intersections.

North Branch is located at the crossroads of I35 and TH95, but the current route of TH95 extends through the historic downtown of North Branch creating congestion and conflict between pedestrian, passenger vehicles and truck traffic at the intersection of TH95 and Co. 30 and extending west to

the existing overpass at I35. Citizens, staff and elected officials recognize that traffic volume and additional development within the community have created a need for alternatives to the existing TH95 corridor. Two possible options were mentioned at the city's community café relative to transportation concerns.

The first option is to plan for a new interchange on I35 at 400th Street, diverting traffic from Main Street north to 400th, crossing and accessing I35, and then extending to the west into Isanti County along 400th on the west side of I35. This option was considered by a citizen committee in 2016 and it remains a viable option, subject to funding, construction of a bridge overpass and the dedication of land for the new public rights of way. A second option is to utilize a split pair approach, diverting east or west bound TH95 traffic onto a parallel street. Additionally, expanding development in the Interstate Business Park, congestion along TH95 and current traffic volumes at the existing interchange at TH95 and I35 will drive the need for a new interchange at 400th and I35. [insert future transportation system map]





# GOAL 1

*Implement and enforce standards for new streets and roadways within identified growth areas.*

## *Transportation System Goals, Objectives, And Policies*

The following section outlines the primary goals for the transportation system followed by a series of objectives and policies intended to influence future development efforts that align with the community visions in this plan.

### **OBJECTIVE 1.1**

**ASSIGN APPROPRIATE FUNCTIONAL CLASSIFICATION TO EXISTING AND NEW STREETS AND ROADWAYS.**

#### *Policy 1.1.1*

*Monitor traffic and other transportation characteristics of existing streets and roadways and make recommendations regarding changes to the functional classification of the existing streets and roadways.*

### **OBJECTIVE 1.2**

**IMPLEMENT AND ENFORCE STANDARDS FOR EXISTING AND NEW STREETS AND ROADWAYS.**

#### *Policy 1.2.1*

*Incorporate standards related to complete street standards and geometric design standards as outlined herein into the City's zoning ordinances related to new streets and roadways insuring developers are aware of City standards.*

#### *Policy 1.2.2*

*Monitor best practices and incorporate new standards related to complete streets and geometric design as outlined herein into the reconstruction of existing streets and roadways and implement to the extent practical.*

#### *Policy 1.2.3*

*Prevent the creation of "private streets" or alleys or the like unless in full compliance with the street detail sheets in effect at the time; internal driveways should be constructed and maintained by an association.*

#### *Policy 1.2.4*

*Periodically, review and assess road design standards, including those set forth in the Big Book of Ideas, version 1.1 as may be amended or updated, prepared by ch2m:Team for Chisago County as a result of the Towards Zero Deaths initiative, Complete Streets Implementation Guide for Minnesota Local Agencies (MnDOT, MN Local Roads Research Board:2013) and incorporate new engineering techniques to extend the useful life of the road surface and promote public safety.*





## OBJECTIVE 2.1

### IDENTIFY A POSSIBLE CORRIDOR FOR MOVING TRAFFIC EAST/WEST THROUGH THE CITY VIA A BY-PASS OR SPLIT PAIRS

#### Policy 2.1.1

Zone developable land near the corridor that is compatible with a future truck by-pass.

#### Policy 2.1.2

Work with developers along the corridor for future dedications of public right of way for this purpose.

#### Policy 2.1.3

Restrict new driveways or other access onto Elm Street, from Grand Ave. west to 14th Ave. to preserve Elm Street as a possible path for a split pair approach to managing increasing traffic counts TH95

## OBJECTIVE 2.2

### IDENTIFY LOCATIONS FOR FUTURE THROUGH STREETS AND CONNECTORS TO MORE EFFICIENTLY MOVE TRAFFIC WITHIN THE CITY

#### Policy 2.2.1

Develop a master plan for connecting existing streets to loop traffic and provide for alternative routes throughout existing developments.

#### Policy 2.2.2

Work with developers to obtain dedications of public right of way for construction of future through streets.

# GOAL 2

Establish a transportation plan to more effectively move traffic in and through the city.



# GOAL 3

Develop, implement and promote alternative transportation modes in order to achieve a walkable and bikeable community.

## OBJECTIVE 3.1

**EXPAND BIKE AND PEDESTRIAN PLANS TO PROMOTE SAFE AND EFFICIENT MOVEMENT ALONG STREETS, LOCAL AND REGIONAL TRAILS, BIKE PATHS AND SIDEWALKS.**

### Policy 3.1.1

Encourage walking as a healthy mode of transportation for short trips, within neighborhoods and to nearby commercial areas.

### Policy 3.1.2

Create more complete networks of pedestrian facilities, and improve the quality of the pedestrian environment, by connecting to neighborhoods, regional and community parks, preserves, facilities, schools, and commercial areas and by connecting to destinations and pedestrian/bicycle facilities in neighboring communities.

### Policy 3.1.3

Improve pedestrian safety, accessibility, and convenience for people of all ages and abilities for example, use neighborhood context and Complete Streets Policies to guide the design of trail and sidewalk projects

### Policy 3.1.4

Expand bicycle transportation options that are safe, comfortable, and accessible to people of all ages and abilities, including other surface transportation models, such as bike lanes.

### Policy 3.1.5

Use traffic calming tools, traffic diversion and other available tools and methods to create and maintain sufficiently low automotive volumes and speeds on city streets to improve bicycle and pedestrian safety.



## **OBJECTIVE 3.2**

### **CREATE A SAFE, MULTI-PURPOSE AND ALL SEASON TRAIL SYSTEM.**

#### *Policy 3.2.1*

*Sign paved shoulders when utilized to supplement the non-motorized system, transitioning to off-road facilities or bike lanes where and when possible.*

#### *Policy 3.2.2*

*Add system wayfinding and signage at key locations.*

#### *Policy 3.2.3*

*Consider options for hiking, biking, walking, skating and cross-country skiing.*

#### *Policy 3.2.4*

*Update the Snow and Ice Control Policy on an annual basis to ensure the appropriate prioritization of the network.*

## **OBJECTIVE 3.3**

### **DEVELOPMENT AND IMPLEMENT OPTIONS FOR MASS TRANSIT.**

#### *Policy 3.3.1*

*Support a public transit system and regional transportation to provide increased mobility options and access.*

#### *Policy 3.3.2*

*Support regional efforts to expand transit options, such as bus rapid transit, park and ride lots, ride sharing and express bus service to Minneapolis and St. Paul.*

# 7

## UTILITIES

### Introduction

#### Water System

##### Existing Systems

The City's water system is operated and managed by a separate municipal utility, North Branch Water & Light (NBWL). NBWL has six municipal water supply wells including Well 1 (unique number 217922), Well 2 (unique number 112244), Well 3 (unique number 522767), Well 4 (unique number 706844), Well 5 (unique number 749383), and Well 6 (unique number 593584). Wells 1, 2, and 6 pump water from the Middle Proterozoic sedimentary aquifer and the Mount Simon - Hinckley aquifer. Well 3 and Well 5 pump water from the Mount Simon-Hinckley aquifer. Well 4 pumps from a buried Quaternary sand and gravel aquifer. Well locations are shown on Figure 7-A and well construction data are presented in Table 7-A.





Figure 7-1: Well Locations

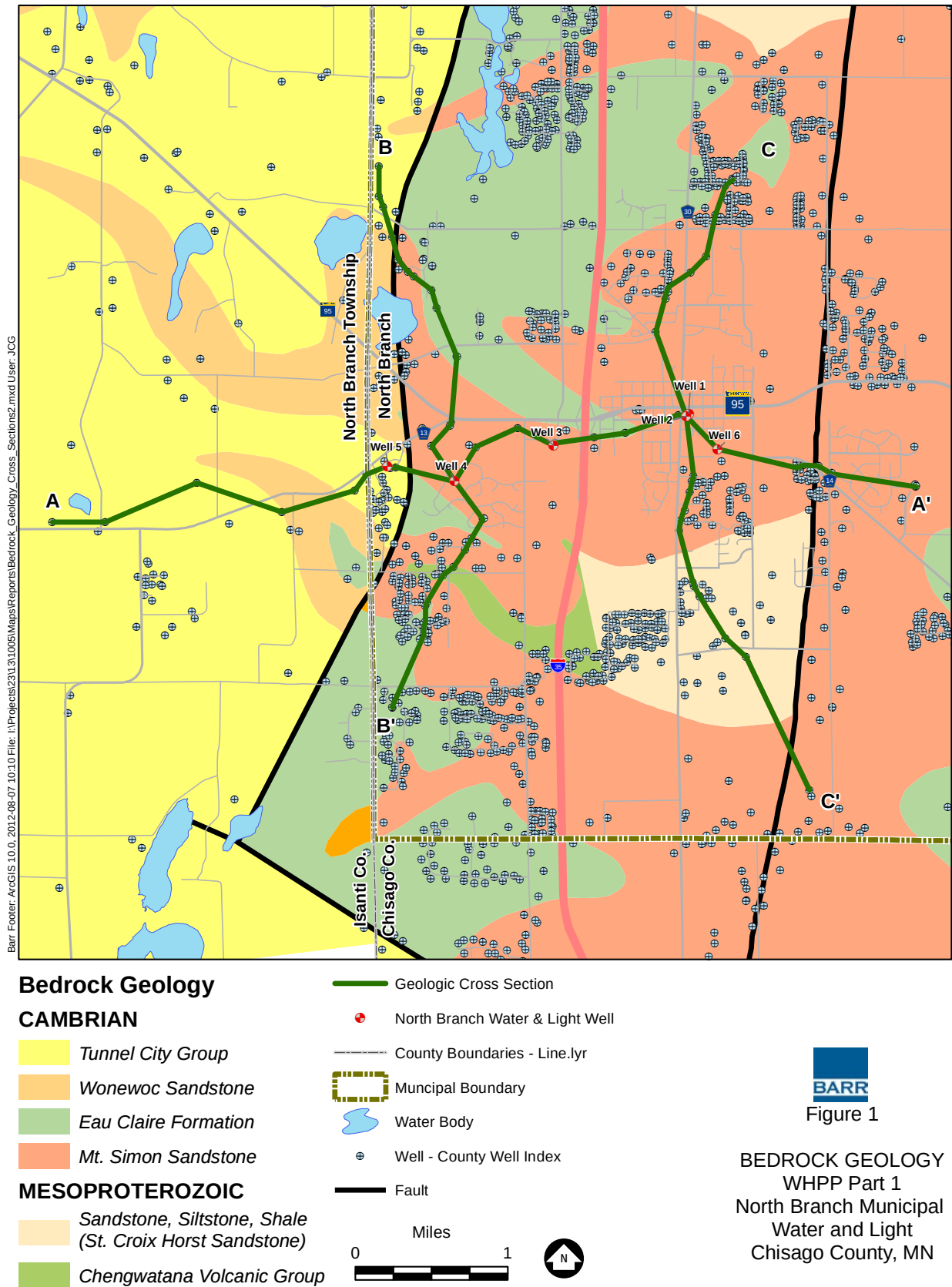
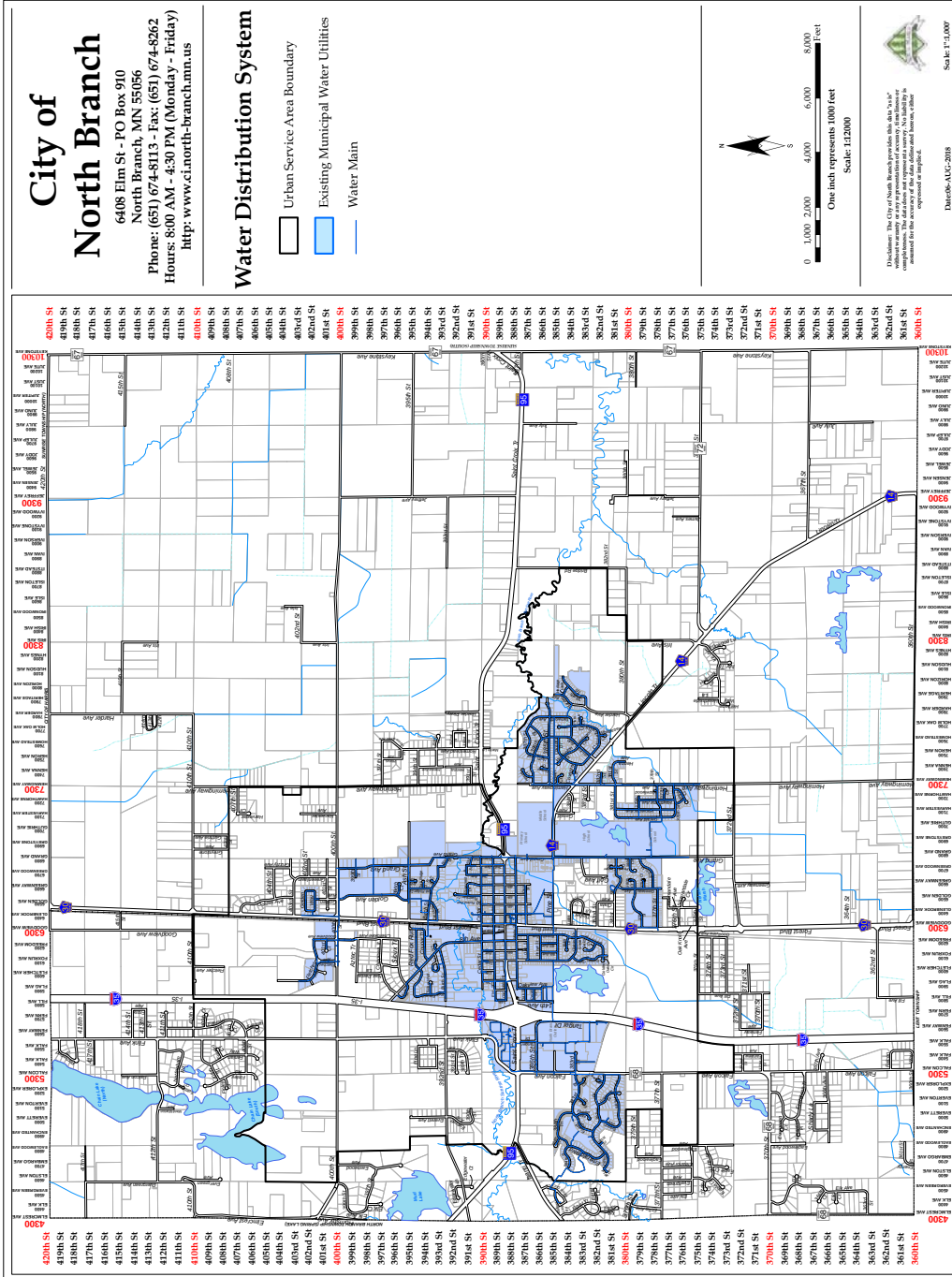


Figure 7-2:  
Water Distribution  
System Map



In response to the 2003 Comprehensive Water System Plan study (2002 thru the year 2043), based on land use, gross development acreages, and potential ultimate service area, the utility built two new water treatment plants, added new wells, raw water lines to the water system and storage capacity, this to meet the growing need of our community. The study also considered the quantity and timing of future water demands with estimated land use planning maps, estimated developable acreage, and water demand per acre for each land use type. Both average and peak day demands were estimated. The resulting projected average water demand is 1.9 mgd, 3.3 mgd and 7.2 mgd in 10, 20 and 40 years, respectively. See Table 7-B for pumping capacity and projections. Today, the treatment capacity is 3,500 gpm and the storage capacity is 2,000,000 gallons; average residential customer use as of 2016 is 4.22 thousand gallons of water per month. As areas develop in the community going forward, there will need to be new infrastructure added, including new trunk lines and elevated storage. However, Well No. 5 was found to produce water in quantities much greater than originally anticipated. It is likely that Well No. 5 would be expanded to produce the necessary amount of water to meet consumer demand before a new well would be drilled. See Figure 7-3 and 7-4 for anticipated Trunk Water Main locations and phasing.

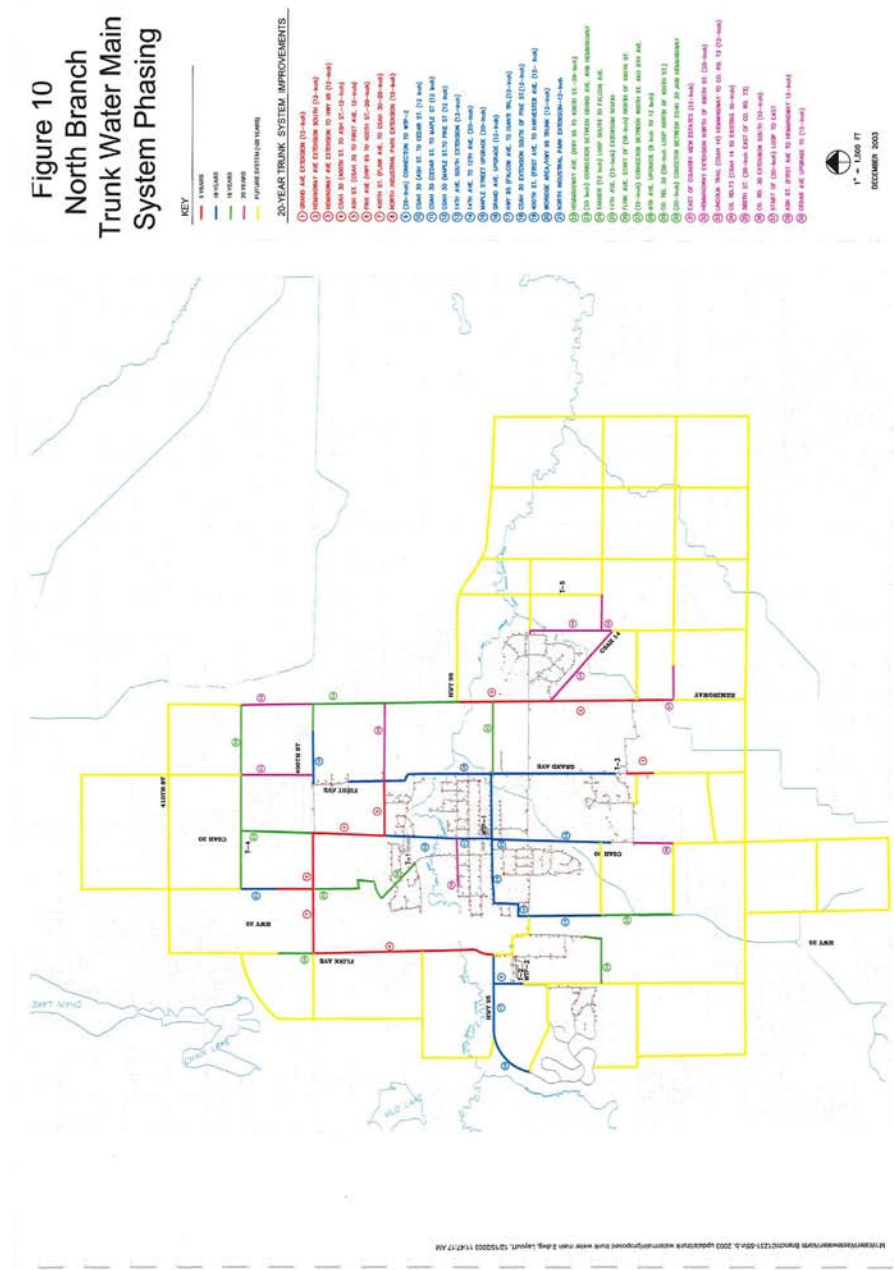


*The Utility will continue to supply sufficient water quantity for system users and emergency needs.*





**Figure 7-4:  
North Branch Trunk Water  
Main System Phasing**



NBWL has an approved wellhead protection plan that addresses municipal water supply wells used by North Branch (6 municipal wells) and the associated source water aquifers (the Middle Proterozoic Sedimentary Aquifer, the Mount Simon – Hinckley Aquifer and Buried Quaternary Sand and Gravel Aquifer- the aquifers from which the municipal wells pump water). Part 1 of the Plan was completed and approved by the Minnesota Department of Health (MDH) in August of 2012. The WHP Plan Part 1 presented the delineation of the Wellhead Protection Area (WHPA), the Drinking Water Supply Management Area (DWSMA), and the vulnerability assessments for the system’s wells and aquifers within the DWSMA. The vulnerability assessment for the aquifers within the DWSMA was performed using available information and indicates that the vulnerability of the aquifers used by the system is classified as low. In 2015, the plan was updated to include Part 2. In Part 2, NBWL acknowledged that while water utility has jurisdiction over the drinking water system within the City, it does not have jurisdiction over land use planning within the City. NBWL indicated its desire to work collaboratively with the City as to future development. The goals for water quality adopted by NBWL included the following:

**GOAL 1**

The Utility will maintain or improve the current level of water quality so that the municipal water supply will continue to meet or exceed all applicable state and federal water quality standards.

**GOAL 2**

The Utility will continue to supply sufficient water quantity for system users and emergency needs.

**GOAL 3**

The Utility will provide and promote activities that protect the source water aquifer that provides water to the municipal system.

**GOAL 4**

The Utility will continue to collect data to support future wellhead and source water protection efforts.

**Table 7-A: Well Construction Data**

| Local Well Name          | nique Number | Aquifer                                               | Casing Depth (ft) | Well Depth (ft) | Date       |
|--------------------------|--------------|-------------------------------------------------------|-------------------|-----------------|------------|
| NB 1                     | 217922       | Middle Proterozoic Sedimentary and Mt. Simon-Hinckley | 263 feet          | 762 feet        | 03/13/1947 |
| NB 2                     | 112244       | Middle Proterozoic Sedimentary and Mt. Simon-Hinckley | 261 feet          | 733 feet        | 10/06/1978 |
| NB 3                     | 522767       | Mt. Simon-Hinckley                                    | 186 feet          | 304 feet        | 1993       |
| NB 4 or "Water & Light"  | 706844       | Buried Quaternary Sand and Gravel                     | 171 feet          | 240 feet        | 02/10/2004 |
| NB 5                     | 749383       | Mt. Simon-Hinckley                                    | 329 feet          | 467 feet        | 09/14/2007 |
| NB 6 or "NB Golf Course" | 593584       | Middle Proterozoic Sedimentary and Mt. Simon-Hinckley | 300 feet          | 410 feet        | 4/22/1999  |

**Table 7-B: Annual and Projected Pumping Rates for North Branch Wells**

| Unique Number | Well Name | Total Annual Withdrawal (gal/yr) |             |             |             |             |
|---------------|-----------|----------------------------------|-------------|-------------|-------------|-------------|
|               |           | 2006                             | 2007        | 2008        | 2009        | 2010        |
| 217922        | 1         | 159,891,000                      | 158,063,000 | 91,027,000  | 3,942,000   | 209,000     |
| 112244        | 2         | 36,396,000                       | 50,106,000  | 12,814,000  | 350,000     | 0           |
| 522767        | 3         | 5,872,000                        | 3,352,000   | 65,103,000  | 129,316,000 | 124,964,000 |
| 706844        | 4         | 28,112,000                       | 27,832,000  | 43,557,000  | 81,604,000  | 74,783,000  |
| 749383        | 5         | 0                                | 0           | 0           | 13,254,000  | 806,000     |
| 593584        | 6         | 0                                | 0           | 0           | 0           | 15,390      |
| TOTALS        |           | 230,271,000                      | 239,353,000 | 212,501,000 | 228,466,000 | 200,777,390 |

Source: MN DNR SWUDS Database



| Unique Number | Well Name | Percentage of Annual Withdrawal |       |       |       |       | Average Annual % of Withdrawal |
|---------------|-----------|---------------------------------|-------|-------|-------|-------|--------------------------------|
|               |           | 2006                            | 2007  | 2008  | 2009  | 2010  |                                |
| 217922        | 1         | 69.4%                           | 66.0% | 42.8% | 1.7%  | 0.1%  | 36.0%                          |
| 112244        | 2         | 15.8%                           | 20.9% | 6.0%  | 0.2%  | 0.0%  | 8.6%                           |
| 522767        | 3         | 2.6%                            | 1.4%  | 30.6% | 56.6% | 62.2% | 30.7%                          |
| 706844        | 4         | 12.2%                           | 11.6% | 20.5% | 35.7% | 37.2% | 23.5%                          |
| 749383        | 5         | 0.0%                            | 0.0%  | 0.0%  | 5.8%  | 0.4%  | 1.2%                           |
| 593584        | 6         | 0.0%                            | 0.0%  | 0.0%  | 0.0%  | 0.0%  | 0.0%                           |

| Unique Number | Well Name | Projected Water Use (2015)  |                      |                                            | Maximum Total Pumping for Model Input <sup>2</sup> |           |        |
|---------------|-----------|-----------------------------|----------------------|--------------------------------------------|----------------------------------------------------|-----------|--------|
|               |           | Total <sup>1</sup> (gal/yr) | % of Total Projected | Projected Well Pumpage Based on % (gal/yr) | gal/yr                                             | gal/day   | m3/day |
| 217922        | 1         |                             | 36.0%                | 105,372,000                                | 159,891,000                                        | 438,058   | 1,658  |
| 112244        | 2         |                             | 8.6%                 | 25,172,200                                 | 50,106,000                                         | 137,277   | 520    |
| 522767        | 3         |                             | 30.7%                | 89,858,900                                 | 129,316,000                                        | 354,290   | 1,341  |
| 706844        | 4         |                             | 23.5%                | 68,784,500                                 | 81,604,000                                         | 223,573   | 846    |
| 74938         | 5         |                             | 1.2%                 | 3,512,400                                  | 13,254,000                                         | 36,312    | 137    |
| 593584        | 6         |                             | 0.0%                 | 0                                          | 21,000,000                                         | 57,534    | 218    |
|               | TOTALS    | 292,700,000                 |                      | 292,700,000                                | 455,171,000                                        | 1,247,044 | 4,720  |

1 Percentages for Wells 1 through 6 are based the average annual % of annual withdrawal for the period 2005 through 20009.

2 Well 6 rate of 21 mg/yr represents sum of estimated pumping for irrigation (17 mg/yr) and municipal peak demand (4 mg/yr) that was provided by WSB & Associates

# GOAL 1

*Expand existing wastewater system infrastructure to meet the demands generated by continued development.*

## *Water System Goals, Objectives, and Policies*

The following section outlines the primary goals for the water system followed by a series of objectives and policies intended to influence future development efforts that align with the community visions in this plan.

### **OBJECTIVE 1.1**

**EXPAND THE TRUNK WATERMAIN SYSTEM WITHIN THE URBAN SERVICE AREA.**

#### *Policy 1.1.1*

*Implement the expansion of the trunk watermain system within the Urban Service Area through orderly development.*

#### *Policy 1.1.2*

*The trunk watermain system within the future growth areas should generally follow the configuration as shown in Figure 7-4. Final trunk watermain sizes and locations should be based on the type, location and sequence of development within the projected growth areas.*

#### *Policy 1.1.3*

*Develop a financing strategy for funding the expansion of the trunk watermain system.*



## **OBJECTIVE 2.1**

### **REPLACE AGING WATER DISTRIBUTION SYSTEM INFRASTRUCTURE.**

#### *Policy 2.1.1*

*Prepare a study to document the condition of deficient watermain based on age, materials and history of breaks, leaks, freezing and other deficiencies.*

#### *Policy 2.1.2*

*Utilize the information from the watermain condition study, in conjunction with the condition information for other infrastructure elements, to develop, expand and prioritize projects to be included in the capital improvements.*

## **OBJECTIVE 2.2**

### **MONITOR THE CONDITION OF EXISTING WATER SUPPLY, TREATMENT, AND STORAGE INFRASTRUCTURE AND REPLACE AS REQUIRED.**

#### *Policy 2.2.1*

*Monitor the condition of the existing wells and related equipment and continue with regular inspections, maintenance and miscellaneous equipment replacement as required.*

#### *Policy 2.2.2*

*Monitor the condition of the water storage facilities and related equipment and continue with regular inspections, maintenance and miscellaneous equipment replacement as required.*

#### *Policy 2.2.3*

*Support planning intended to provide well head protection for wells supplying the municipal water system.*

# GOAL 2

*Monitor, evaluate and improve the condition of the City's existing wastewater system infrastructure.*



## Wastewater System

### Existing Systems

The existing wastewater collection system within the City of North Branch consists of a network of sanitary sewers ranging in size from 8 inches to 30 inches in diameter, totaling 40 miles of sanitary sewer pipe line throughout the city. There are also 12 wet well lift stations located throughout the City which collect and pump the wastewater from those areas which cannot be served by gravity sewers. The sanitary sewers and lift stations throughout the City collect into 2 main trunk sewers. The interconnected systems of lift stations pump all of the wastewater generated within the City North Branch to the City of North Branch's wastewater treatment facility. The City of North Branch has a mechanical treatment plant that came on line in 2004. The type of plant is an activated sludge extended aeration with aerated ash holding tanks and sludge storage tanks. The plant has an effluent phosphorus limit of 1 mg/l and the effluent is disinfected before being discharged into the North Branch of the Sunrise River. Figure No. 7-5 shows the trunk sewers system.

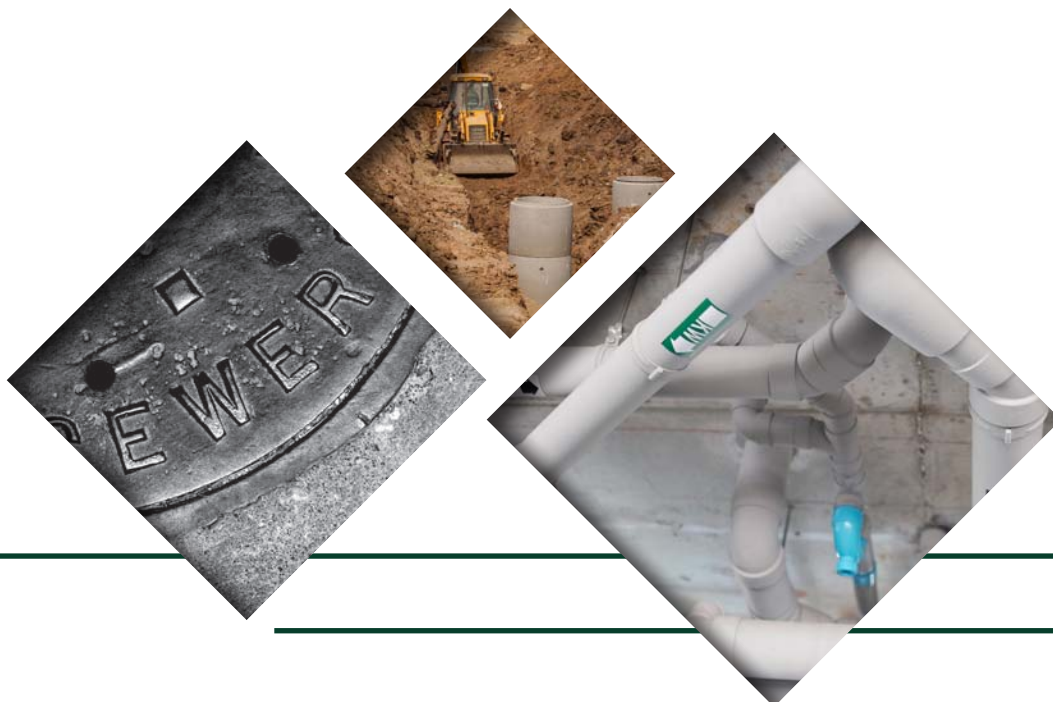
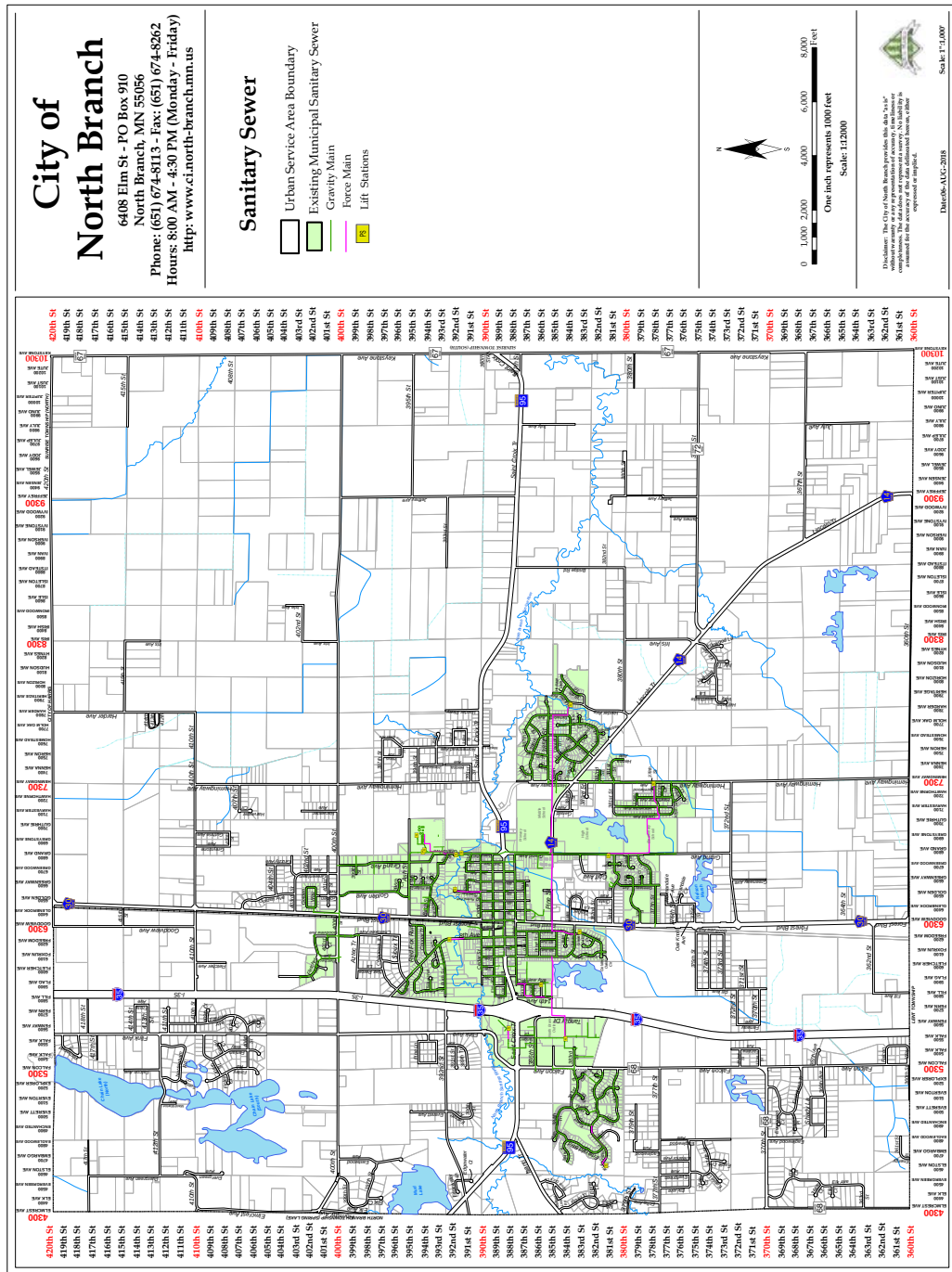


Figure 7-5:  
Existing Sanitary  
Sewer Map



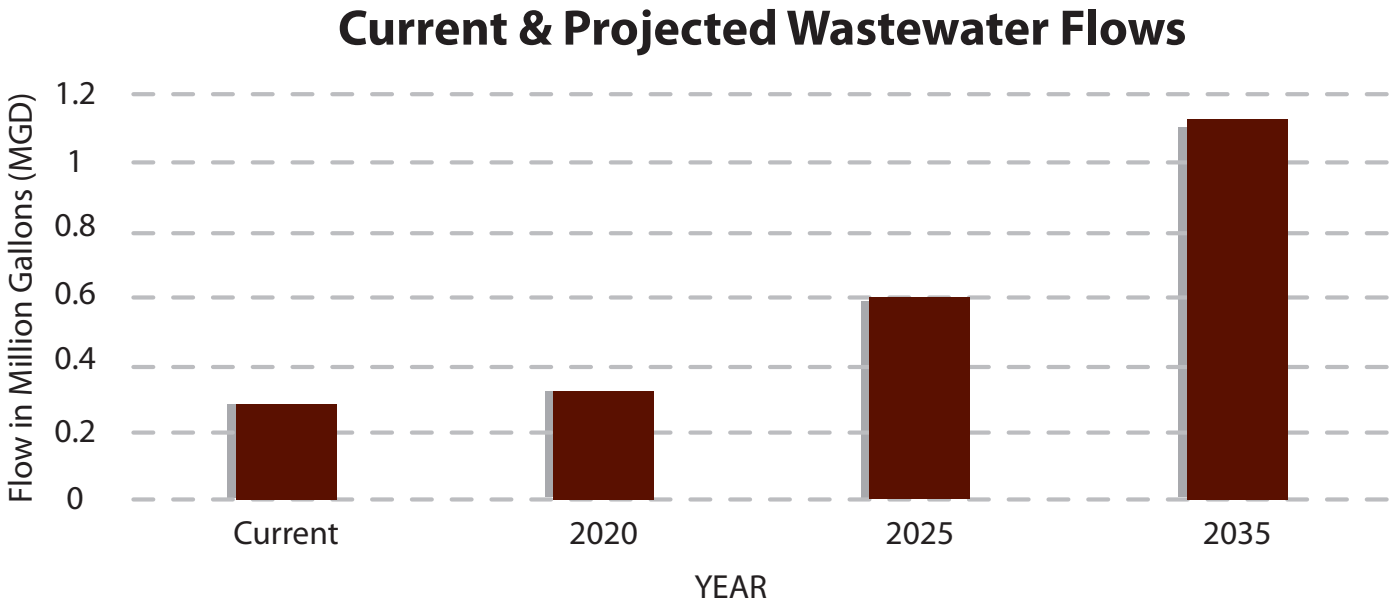


The capacity of the existing wastewater collection system is controlled, for the most part, by the capacity of the existing lift stations, trunk sewers, and the City’s wastewater treatment plant. The treatment plant capacity is .812 MGD wet weather flow, and has a current flow of .290 MGD. The sanitary sewer system and the lift stations within the City of North Branch are well maintained and well managed. Lift stations are cleaned every six months and the complete sanitary sewer system is cleaned annually. The sanitary sewer system is televised to verify the pipe condition and assure reliability of the system. Older segments of the municipal sanitary sewer pipes segments should be replaced as street construction projects are implemented using newer materials less susceptible to inflow and infiltration of ground water and surface water into the system. The City will continue to implement an on-going lift station maintenance and equipment replacement program to maximize the useful lives of the lift stations. Periodic repairs and replacements will be performed as required.

**Future Improvements**

The following table shows the current and projected wastewater flows from the City of North Branch:

Table 7-E:



The average daily wastewater flow is the total annual volume of wastewater collected within the City of North Branch and pumped to the North Branch Wastewater Treatment Plant divided by 365 days. The average wet weather wastewater flow is average daily flow for the 30 consecutive days that have the highest total flow during that 30-day period in each year.

*The capacity of the existing wastewater collection system is controlled, for the most part, by the capacity of the existing lift stations, trunk sewers, and the City's wastewater treatment plant.*

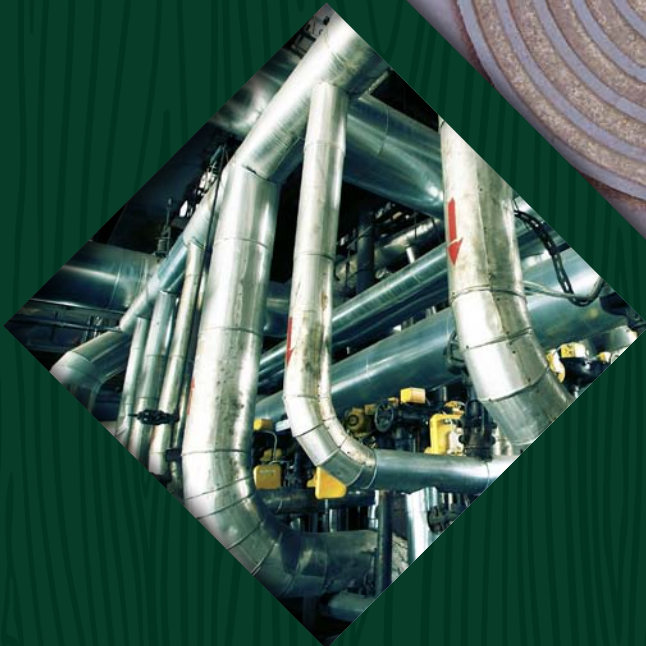


Figure 7-6:  
Future Trunk Wastewater

# Monthly Flows January 2019

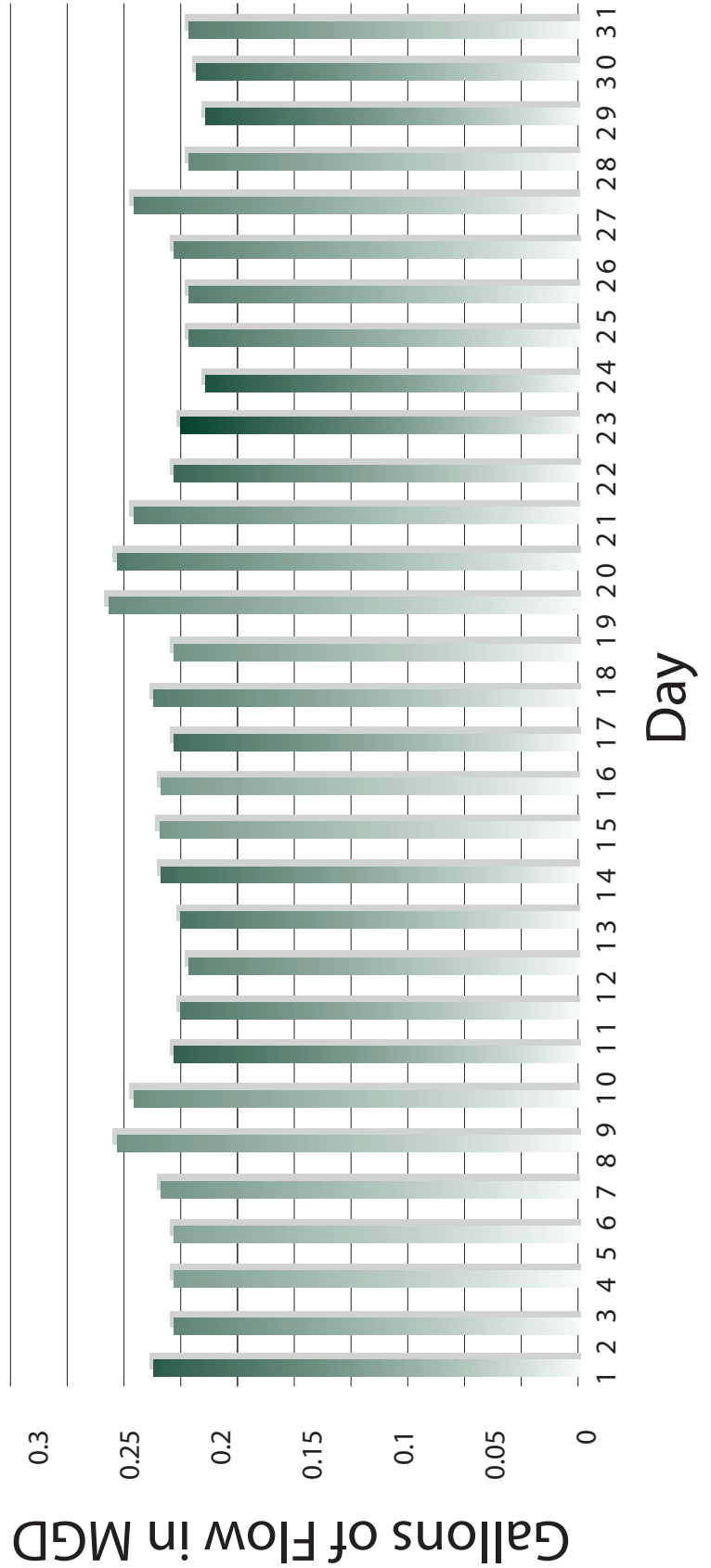
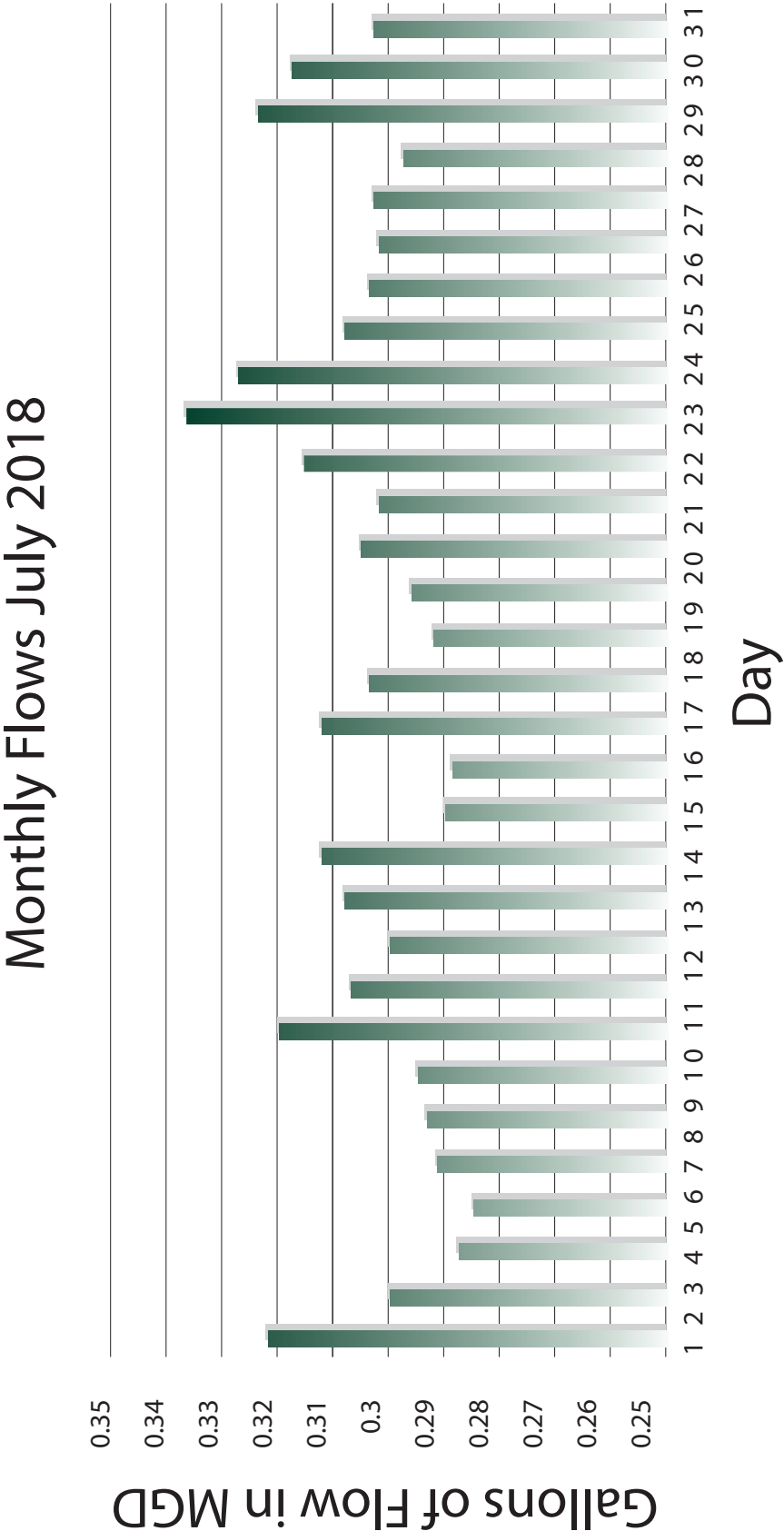


Figure 7-7:  
Trunk Wastewater System



**Figure 7-8:  
Wastewater Treatment Facility  
Expansion & Upgrade**

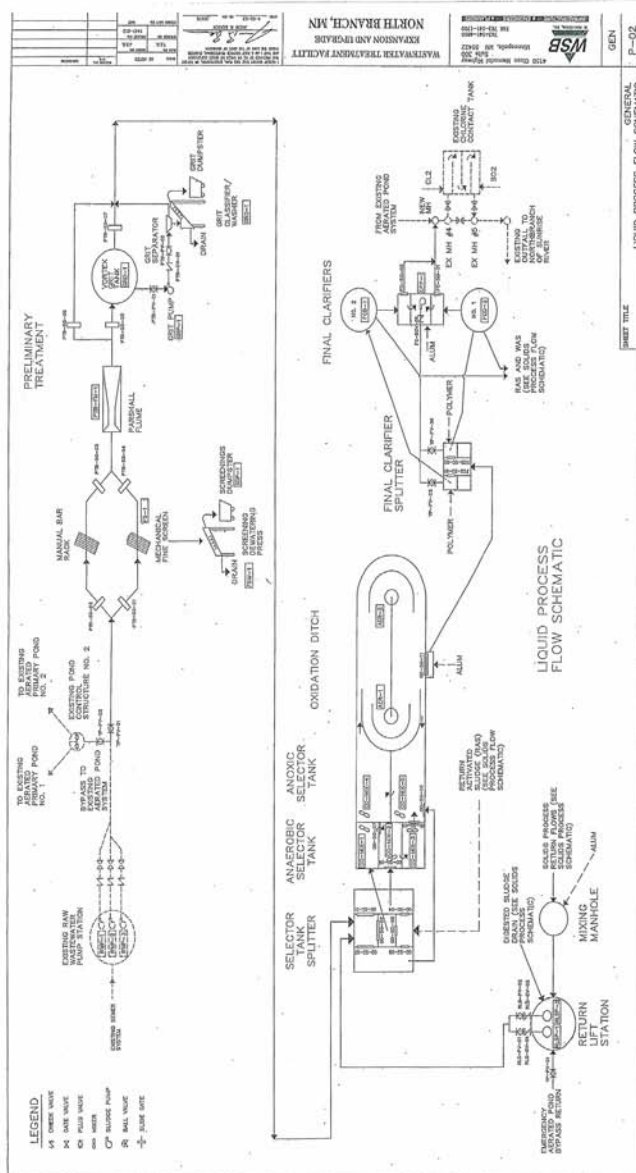
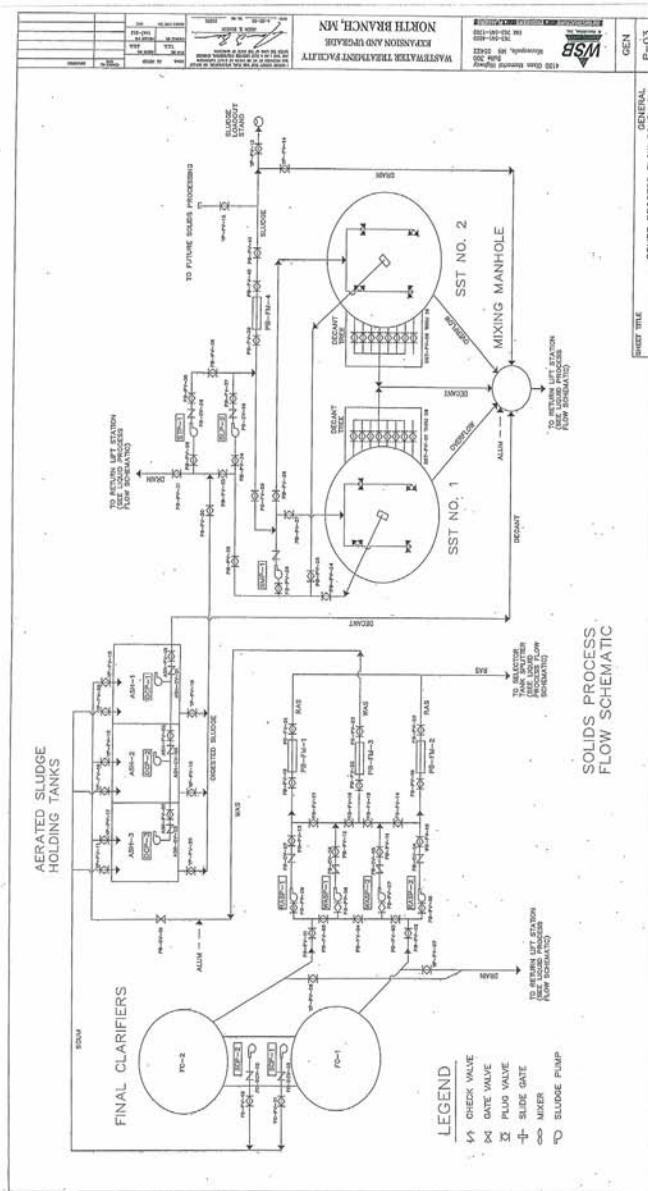




Figure 7-9:



A system of sanitary sewers will be extended from the trunk sewer into the development areas. These trunk sewers will range in size from 8 inches to 15 inches in diameter. The exact size and configuration of the sanitary sewer system will be dependent on the type and density of development, existing and proposed topography, and in the case of commercial and industrial areas, the extent of water usage/ wastewater discharged. The approximate configuration of the primary network of sanitary sewers and lift stations within the projected development areas is shown in Figures 7-5.



The following section outlines the primary goals for the wastewater system followed by a series of objectives and policies intended to influence future development efforts that align with the community visions in this plan.

## Wastewater System Goals, Objectives, and Policies

### OBJECTIVE 1.1

#### EXPAND THE TRUNK WASTEWATER SYSTEM INTO FUTURE GROWTH AREAS.

##### Policy 1.1.1

*Implement the expansion of the trunk sanitary sewer system as areas within the Urban Service Area are developed.*

##### Policy 1.1.2

*The trunk wastewater collection system within the future growth areas should generally follow the configuration as shown in Figures 7-6. Final trunk sanitary sewer and lift station sizes and locations should be based on the type, location and sequence of development within the projected growth areas.*

##### Policy 1.1.3

*Develop a financing strategy for funding the expansion of the trunk sanitary sewer system; monitor sewer access and trunk fees being assessed to insure that they reflect the costs of the system as it expands; explore assistance programs to reduce demands on the waste water system, resulting in reduced energy and other costs.*

# GOAL 1

*Expand existing wastewater system infrastructure to meet the demands generated by continued development.*



# GOAL 2

Monitor, evaluate and improve the condition of the City's existing wastewater system infrastructure.

## OBJECTIVE 2.1

### REPLACE AGING SANITARY SEWER SYSTEM INFRASTRUCTURE.

#### Policy 2.1.1

Prepare a study to document the condition of deficient sanitary sewers and collection system lift stations based on age, materials and deficiencies identified in sewer televising reports.

#### Policy 2.1.2

Utilize the information from the sanitary sewer condition study, in conjunction with the condition information for other infrastructure elements, to develop, expand and prioritize projects to be included in the capital improvements.

## OBJECTIVE 2.2

### MONITOR THE CONDITION OF EXISTING WASTEWATER PUMPING AND TREATMENT INFRASTRUCTURE AND REPLACE AS REQUIRED

#### Policy 2.2.1

Monitor NPDES wastewater quality standards and identify possible changes to the treatment processes currently utilized by the City.

#### Policy 2.2.2

Monitor the condition of the City's main lift stations, including the pumps, and continue with regular inspections, maintenance and miscellaneous equipment replacement, with emphasis on higher efficiency equipment, as required to accommodate existing and new users of the system.

#### Policy 2.2.3

Remove old wastewater ponds/infrastructure to accommodate future expansion as needed.



## Stormwater System

### General

The goal of the plan is to maintain and improve surface water quality and minimize impacts of increased water quantity through appropriate planning, policy enforcement and capital improvement projects.

Most Minnesota cities have existing pipe networks that were designed to relieve ponding within the original platted city limits. When these systems were designed, the concern for the downstream properties was not a consideration. The goal was the efficient and cost effective removal of stormwater runoff from developed areas. In North Branch's case, this meant the construction of direct pipelines to the Sunrise River with eventual transfer to the St. Croix River.

As little as 20 years ago, the urban storm sewer pipe design recommended by the Minnesota Department of Transportation (MnDOT) on County State Aid Highways for cities the size of North Branch was a 3-year design storm. That is, the pipe system was designed to handle less than a typical 3.5-inch rainfall. Now, as rainfall intensities appear to be increasing and construction costs are increasing faster than material costs, the recommended design is for the pipes to handle a 10-year storm while ensuring that overflow spillway routes prevent property damage for larger storms.

Based on the existing system, the effects of unmitigated growth on the downstream systems can be devastating and can lead to legal action against the governing authority. One of the best methods of mitigating the effects of growth is through the construction of stormwater retention basins. These basins are designed to store excess runoff at elevations where there is no adjacent property damage. The runoff is stored until the existing storm sewer system can take it away. Studies have shown that these basins not only provide flood protection, but can also help to remove stormwater pollutants.

Typically, the most efficient and most economical retention basins serve larger areas. Hence, an effort has been made to locate regional retention ponds as opposed to scattering smaller, localized development basins throughout the City. However, topography and available space must provide optimum locations for regional ponds. Regional ponds cannot be located in an existing wetland without the costly mitigation of the impacted wetland. They are also not recommended in floodplains. Recently, a Minnesota suburb was fined by the Minnesota Pollution Control Agency (MPCA) for illicit discharge of sediment into the Minnesota River associated with its floodplain stormwater treatment pond having its containment bank eroded away by the flooded river. This comprehensive plan considers these factors when recommending Best Management Practices (BMPs). It also considers information from long term residents of North Branch and City staff regarding the observation of the natural ponding associated with heavy rainfalls when siting regional basins.

One drawback associated with regional pond planning is finding a funding mechanism to purchase the land needed and finding ways to have new development assist in their construction. Ideal planning of regional basins includes the purchase of the needed land while constructing the basin with funding generated from area charges on the new developments that generate the excess runoff. The trouble is that the land acquisition should be made before the development occurs, but the development fees are used to pay for the land and regional pond. Greater Minnesota cities are also reluctant to



impose development charges, because their goal is to attract new businesses with low cost, and not to burden them with additional fees.

Although regional ponds are the most cost effective method of hydraulically managing flooding, they are not necessarily the best method of handling the new water quality regulations for stormwater. The water quality regulations for stormwater are ever changing. For example, since 2007, the City of North Branch has been required to obtain a permit for its Municipally Separate Storm Sewer System (MS4).

This MS4 permit is renewed every 5 years and the permit rules continue to evolve. The MS4 permit and in the coincidental Construction Stormwater Permit, municipalities and developers are required to reduce the runoff volume from new construction sites by removing the first 1-inch of runoff. To accomplish this, each new construction site having more than 1-acre of new impervious surfacing must take all appropriate measures to reduce the additional runoff volume created by the proposed new impervious surfaces (roofs and pavement).

Typically the most cost effective ways of accomplishing the required volume reduction is through infiltration or rainwater harvesting. Infiltration practices have the benefit of using the soil to assist in filtering the runoff. They also reduce runoff volumes from a developed area by taking a portion of the runoff and recharging the ground water. As such, they are often touted by surface water management agencies and review authorities. However, they must also be strategically placed to prevent the potential for contamination of City wells. Many cities have restricted the use of infiltration practices inside their wellhead protection area or well capture zone.

Filtration practices, such as filtration basins, biofilters, iron infused sand filters, etc., are similar to the more common infiltration practices, but are designed so that the stormwater filters through plants and filter media before draining into a storm sewer and not infiltrating into the ground. Filtration basins are recommended to manage stormwater runoff and improve water quality within the 1-year Wellhead Protection Area (WHPA). Filtration basins are recommended wherever they will fit into the designs and encouraged wherever local private property owners might request retrofitting them into their landscaping. Any private filtration basins that are installed will help lessen the load on the existing storm sewer system and improve water quality.

The northwest quadrant of North Branch is ideally suited for infiltration because the underlying soils are predominately sandy. On the other hand, much of the southern portion of North Branch has clay soils that are not conducive to infiltration. Because of these water quality regulation changes, it may be advantageous to plan regional ponds for flood prevention associated with extreme rainfall events, while planning smaller water quality BMPs on a neighborhood or individual development scale.

## **Wetlands**

In 1991, the Minnesota Legislature passed the Wetlands Conservation Act (WCA). The WCA is administered according to Minnesota Rules Chapter 8420 to implement the purpose of the Act, which is to:

1. Achieve no net loss in the quantity, quality, and biological diversity of Minnesota's existing wetlands;
2. Increase the quantity, quality and biological diversity of Minnesota wetlands by restoring or enhancing diminished or drained wetlands;
3. Avoid direct and indirect impacts from activities that destroy or diminish the quantity, quality, or biological diversity of wetlands;
4. Replace wetland values where avoidance of activities is not feasible and prudent.

Pretreatment of all stormwater from new developments is required prior to discharge into any wetlands. Wetlands may be, and are currently being used for stormwater storage for larger rainfall events. They may continue to be used for this purpose even after upstream development, provided that:

1. There is acceptable Best Management Practice pretreatment of the runoff in accordance with the MPCA NPDES/ SDS Construction Permit, Section III.D., Permanent Stormwater Management System.
2. The bounce from the normal water level to the high water level does not exceed two feet.

The Minnesota Wetland Conservation Act (WCA) requires the designated Local Governmental Unit (LGU) in charge of administering the WCA to generate a Notice of Wetland Conservation Act Decision for any impact to wetlands within the City of North Branch. For North Branch, the wetland LGU is Chisago County. In all but minor decisions, the LGU will call for a Technical Evaluation Panel (TEP) review of the application or impact prior to issuing a decision. The LGU must give notice of proposed actions affecting wetlands to all of the following:

1. The Minnesota Board of Water and Soil Resources
2. The Soil and Water Conservation District
3. The Minnesota Department of Natural Resources
4. The City of North Branch
5. The U.S. Army Corps of Engineers
6. Interested citizens requesting notification of such actions

If a TEP meeting is required, all listed parties are invited to review the proposed action. However, it is not uncommon for a TEP meeting to consist of only a small contingent of this list, as some invitees may have no jurisdiction over the proposed action.

## *NPDES Phase II Considerations*

### **General City Permits**

In 1987, the US Congress amended the Clean Water Act to include stormwater pollution and directed the Environmental Protection Agency (EPA) to initiate rulemaking. The first round of EPA rules were implemented in 1991 when NPDES Phase I permits were required for all cities exceeding 100,000 in population. Phase II was implemented in 2003 and targeted all cities with populations exceeding 10,000. In 2008, the Phase II rulemaking expanded the list of targeted cities to include cities with

populations exceeding 5,000 and that discharge into an impaired water. The Minnesota Pollution Control Agency (MPCA) assumed responsibility for implementing the rules and issuing all Phase II permits. The NPDES Phase II rules apply to all construction disturbances of one acre or more.

The federal mandates are intended to regulate these sources of continued environmental degradation. New developments have become increasingly targeted. All new developments, creating more than one acre of impervious surfacing, are required to have some form of stormwater treatment. In general, this need can be satisfied by properly designed infiltration/ filtration basins or wet retention basins. The following is a listing of the available stormwater quality and quantity systems currently being designed to handle the water quality/quantity issue:

a. Regional Wet Retention Basins

Numerous studies have been done on the water quality treatment afforded by wet retention basins, most notably one by William Walker Jr. for the Vadnais Lake Area Water Management Area (1987). The Walker study found that properly sized wet retention basins can effectively remove pollutants through sediment removal. When properly sized, these ponds can significantly reduce the contaminant levels, including phosphorus, commonly found in urban stormwater runoff. According to the MPCA's Stormwater Manual, on average wet retention basins can remove 84% of suspended solids, 50% of total phosphorus, and 30% of total nitrogen. Wet retention basins also provide flood storage. Wet retention basins are also well known for their stormwater quantity handling capabilities and work well for areas with Hydrologic Soil Group Type D (clay) soils.

b. Bioretention Systems

Another method of managing stormwater runoff is to install bioretention practices in strategic locations where stormwater will be collected and allowed to filtrate through the planting media or be taken up by vegetation before entering the storm sewer.

c. Infiltration/Filtration Bioretention Basins

According to the MPCA's Stormwater Manual 2, bioretention facilities capture rainwater runoff to be filtered through a prepared soil medium. Pollutants are removed by a number of processes including adsorption, filtration, volatilization, ion exchange and decomposition (Prince George's County, MD, 1993). Filtered runoff from bioretention basins can either be allowed to infiltrate into the surrounding soil (functioning as an infiltration basin or rainwater garden), or collected by an under-drain system and discharged to the storm sewer system or directly to receiving waters ("filtration only" bioretention basin). Due to the groundwater vulnerability and the WHPA covering a portion of lower North Branch, lined filtration basins are recommended for the areas of North Branch within the 1-year WHPA. Runoff from larger storms is generally allowed to bypass the filled bioretention basin and flow directly to the storm drain system. Infiltration/filtration basins are typically designed for treating the water quality and not for the water quantity of urban stormwater runoff.

That is, the MPCA requirement for water quality is to treat the first 1 inch of runoff from a site (water

quality volume). This is in contrast to the larger amount of runoff that may be actually leaving the site for a 3 to 6 inch rainfall (water quantity). Because stormwater quality has become a greater issue, bioretention basins have become a significant design tool for municipal stormwater systems. Bioretention basins can remove 85% of suspended solids, 100% of total phosphorus, and 50% of total nitrogen.

### NPDES Phase II Construction Permits

The NPDES Phase II construction stormwater permit requirements have also taken effect. As of August 1, 2013 a new NPDES permit is in effect. A construction permit is required for any disturbance of more than 1 acre. The permit process is best summarized in the following table:

| <b>Table 7-E: Construction Stormwater Permit Requirements</b> |                                                                                                                              |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| <i>Item</i>                                                   | <i>Requirement</i>                                                                                                           |
| <i>Minimum Disturbance Triggering a permit</i>                | <i>1 acre</i>                                                                                                                |
| <i>New Homes</i>                                              | <i>Permit required if part of the larger development</i>                                                                     |
| <i>Permit Fee</i>                                             | <i>\$400</i>                                                                                                                 |
| <i>Stormwater Pollution Prevention Plan (SWPPP)</i>           | <i>1. Must be on file<br/>2. Must be submitted if over 50 acres and is within 1 mile and discharges into a Special Water</i> |
| <i>Responsibility for compliance</i>                          | <i>Contractor is responsible for erosion controls.</i>                                                                       |
| <i>Responsibility after land sale</i>                         | <i>Owner is responsible for implementation of the SWPPP</i>                                                                  |
|                                                               | <i>Transferred with the property until Notice of Termination</i>                                                             |

### SWPPP for Construction Permits

The construction permit also requires the preparation of a Stormwater Pollution Prevention Plan (SWPPP) for the disturbed site. The SWPPP requirements are as follows:

- a. Must be designed prior to permit application and available on site.
- b. Should typically use BMPs that are recognized as effective.
- c. Unique innovative designs may be used, but have formal review and monitoring requirements.
- d. Owner must identify a person with approved training in accordance with the Permit who will oversee the implementation of the SWPPP.
- e. Owner must identify a person with approved training in accordance with the Permit that will be responsible for long-term operation and maintenance of the permanent BMPs.
- f. Owner must develop a chain of responsibility to ensure that the SWPPP will be implemented and stay in effect until termination. The SWPPP must have the following:
  1. Location and type of all temporary and permanent erosion controls and sediment control BMPs.

2. Standard plates and specifications for the BMPs.
3. A site map with existing and final grades, subwatershed limits and direction of flow for both the pre and post development drainage areas. The site map must include existing and proposed impervious surfaces and soil types.
4. Locations of areas not to be disturbed (construction limits).
5. Locations of areas of phased construction to minimize duration of exposed soil.
6. All surface waters and wetlands within 1 mile that can be identified on a quadrangle map and will receive runoff from the site.
7. Methods used for final stabilization of exposed soils.
8. The range of soil particles expected to be present at the site.

### **Permanent Sedimentation Pond Requirements**

If more than one acre of new impervious surface is created by the construction, permanent water quality BMPs are required as part of the permanent SWPPP. If the filtration or infiltration alternatives listed above are not possible, a permanent wet retention basin is the most utilized method of meeting the requirements. The new construction stormwater permit requires that the stormwater volume equivalent of 1 inch over any new impervious surface area be retained on site through infiltration or other volume reduction practices. There are some exceptions to this requirement, including projects that have Hydrologic Soil Group D (clay) soils. In the case of D soils, a permanent stormwater pond is a good option. The permanent pond requirements are summarized as follows:

- a. A permanent volume (dead storage) of 1,800 cubic feet per acre draining to the basin.
- b. A water quality volume (equal to 1 inch multiplied by the new impervious surface) that cannot be discharged at a rate exceeding 5.66 cfs per acre of pond surface area (when the pond has both the permanent volume and water quality volume in it).
- c. A 3 foot minimum depth and a 10 foot maximum depth.
- d. Outlets placed to minimize short circuiting and designed to skim floating debris.
- e. An emergency overflow.
- f. Adequate public access (typically 8 feet wide).

### **Regional Pond Considerations**

An area regional pond may be used provided that:

- a. The regional pond is not a wetland.
- b. Must be designed to meet the treatment pond criteria for all impervious surfaces.
- c. Regional pond owner's authorization must be secured as part of the permitting process.

### **Existing Systems**

The City of North Branch is a Municipally Separate Storm Sewer System (MS4). The City of North Branch ultimately drains to the Sunrise River. The City of North Branch operates an extensive stormwater treatment system, serving residential, commercial and industrial users. There are several stormwater ponds in the City's stormwater system.

All areas served by public ditches are subject to the rules governed by Minnesota Statute 103E and



under the governance of Nicollet County. Minnesota Statute 103E states that all connections to the ditch, or in this case, the County Tile, must be petitioned to the County Auditor.

There is no other record that the City has entered into any water resource management related agreements with its neighboring cities, the county, watershed district, lake associations or the state of Minnesota. The City of North Branch has been responsible for construction, maintenance, and other projects in or along the City's stormwater collection systems outside of the mainline County ditch and tile systems.

In 1998, the Minnesota Pollution Control Agency (MPCA) listed the North Branch of the Sunrise River as an impaired water for excessive E. coli fecal coliform TMDL under section 303 (d) of the Clean Water Act. The river, from its headwaters near Weber in Isanti County to its confluence with the main stem of the Sunrise River near Hay Creek in Chisago County, was listed as impaired for primary contact recreation swimming. The North Branch of the Sunrise River is located in east central Minnesota. It is a tributary of the Sunrise River and is part of the larger St. Croix River basin.

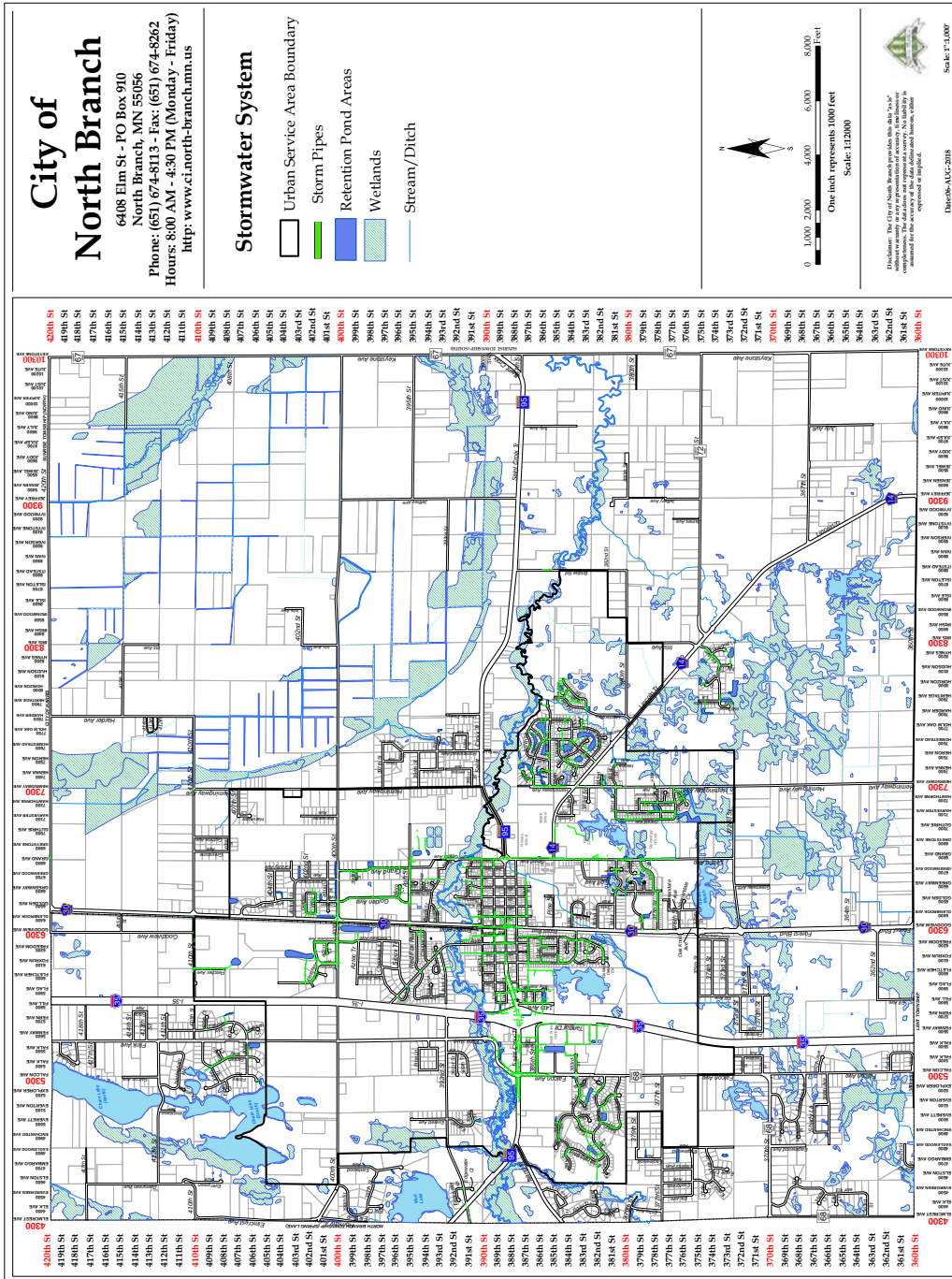
### **Future Improvements**

Generally, the City will work to ensure erosion control and surface water quality standards are met through enforcement of the City's permitting requirements and implementation of Best Management Practices (BMPs) such as regional stormwater ponds. The City will ensure compliance with the National Pollutant Discharge Elimination System (NPDES) Phase II permits for municipal operations and for construction activity greater than 1 acre. City cooperation with the Minnesota Pollution Control Agency (MPCA) is key to maintaining the relevance of the City's plan.





Figure 7-11:  
Storm Sewer  
Existing Map



# GOAL 1

*Expand existing stormwater management system infrastructure to meet the demands generated by continued development.*

## *Stormwater System Goals, Objectives, and Policies*

The following section outlines the primary goals for the stormwater system followed by a series of objectives and policies intended to influence future development efforts that align with the community visions in this plan.

### **OBJECTIVE 1.1**

**EXPAND THE STORMWATER COLLECTION, TREATMENT AND OUTFALL SYSTEM INTO FUTURE GROWTH AREAS.**

#### *Policy 1.1.1*

*Include in existing stormwater system maps the locations of culverts serving the rural areas of the city (with dates of installation) so as to better anticipate repairs, replacements and future maintenance of the public ditch systems.*

#### *Policy 1.1.2*

*Implement the expansion of the stormwater collection, treatment and outfall system as areas outside the limits of the existing stormwater collection system are developed, with a focus on regional stormwater ponds, where possible and infiltration Minimal Impact Design Standards (green infrastructure).*

#### *Policy 1.1.3*

*Final collection, treatment and outfall sizes and locations should be based on the type, location and sequence of development within the projected growth areas.*

#### *Policy 1.1.4*

*Develop a financing strategy for funding the expansion of the stormwater collection, treatment and outfall system.*



## **OBJECTIVE 2.1**

### **REPLACE AGING STORM SEWER SYSTEM INFRASTRUCTURE.**

*Policy 2.1.1: Prepare a study to document the condition of deficient storm sewers and ponds based on age, materials and other known deficiencies.*

*Policy 2.1.2: Utilize the information from the storm sewer condition study, in conjunction with the condition information for other infrastructure elements, to develop, expand and prioritize projects, including those to implement green infrastructure science practices, to be included in the capital improvements.*

## **OBJECTIVE 2.2**

### **ADDRESS SEDIMENTATION ISSUES IN THE CITY'S EXISTING STORMWATER TREATMENT PONDS.**

#### *Policy 2.2.1*

*Develop a study to determine the levels and characteristics of sediment in the City's existing stormwater ponds.*

#### *Policy 2.2.2*

*Develop a plan for cleaning sediment from ponds and for disposal of sediment.*

# **GOAL 2**

*Monitor, evaluate and improve the condition of the City's existing stormwater system infrastructure.*





# 8

## **NATURAL ENVIRONMENT, PARKS, TRAILS, AND RECREATION**

### *Introduction*

Natural resources are beneficial to the social, environmental, and economic vitality of a community. To ensure their quality and benefits, it is essential to plan and manage natural resources and areas as we do residential and commercial areas. The City of North Branch will promote, preserve and enhance the natural resources within the city and protect them from adverse effects occasioned by poorly sited development or incompatible activities by regulating land disturbances or development activities that would have an adverse and potentially irreversible impact on water quality and unique and fragile environmentally sensitive land; by minimizing conflicts and encouraging compatibility between land disturbing and development activities and water quality and environmentally sensitive land; and by requiring detailed review standards and procedures for land disturbing or development activities proposed for such areas, thereby achieving a balance between urban growth and development and protection of water quality and natural areas.

### **Wildlife Corridor**

The Minnesota DNR has identified a regional greenway corridor in North Branch as part of the Metro Wildlife Corridors project (a 12-county metro area). The project, “ensuring that people and nature in the Twin Cities Area can grow together for generations to come” seeks to protect and restore key natural lands in the metro area by:

- Focusing pro-actively on strategic areas, of which North Branch is a part
- Efficiently leveraging private and public partners and resources
- Building upon prior investments in public lands, and
- Enhancing the cost-effectiveness of conservation efforts by coordinating them within a regional framework.

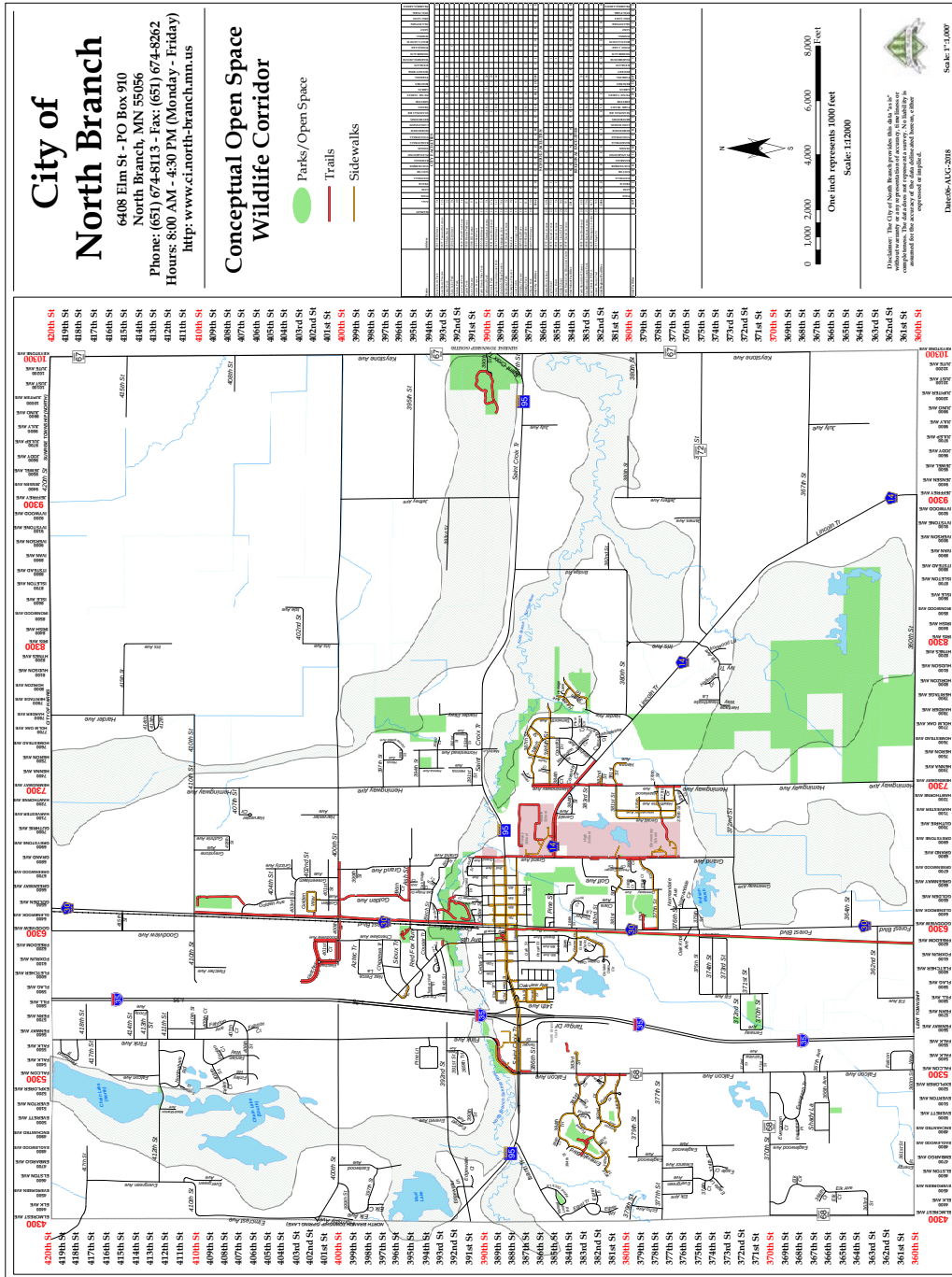
This corridor is specifically designed to incorporate, the high quality natural areas such as those identified in the Natural Resource Inventory or mapped by the MnDNR, natural corridors such as the Sunrise River, and areas that connect these features.

The City of North Branch supports the preservation of natural and open spaces along the north branch of the Sunrise River, the city’s name sake. It has also identified a conceptual greenway corridor, and as much as possible, development within the greenway corridor, should be encouraged to use conservation design strategies, conservation easements, park dedication, parcel evaluation, and the strategic siting of open space and natural areas parks to develop and improve habitat quality and connectivity within the greenways. Strategies to avoid fragmentation of existing natural areas are especially important for maintaining ecological function of the natural areas.



*The City of North Branch will promote, preserve and enhance the natural resources within the city*

Figure 8-1:  
Conceptual Open  
Space Wildlife Corridor



### **Tree Preservation**

The City's tree preservation ordinance acknowledges the benefits and amenities trees offer to the community and acknowledges that trees are part of a more complex, interrelated system. Trees protect the environment by moderating climate, improving air quality, reducing erosion and stormwater runoff, and harboring wildlife. The ordinance focuses on protection of quality wooded areas rather than of individual trees. To preserve wooded areas in the City, each new development is required to submit a Tree Preservation Plan. The regulation also provides guidance for permitted tree removal, mitigation procedures, and tree replacement provisions.

### **Connectivity and Accessibility (removed greenstep cities info)**

A key focus for the future of North Branch's natural environment, parks, and trails involves enhancing connectivity and accessibility throughout the community. New development, park creation, and neighborhood planning will prioritize the integration of trail systems to ensure seamless and safe non-motorized connections for residents. Furthermore, the city will undertake initiatives to improve accessibility in select parks, ensuring that all community members can fully utilize and enjoy these valuable recreational resources.

### **Parks, Trails and Recreation**

The comprehensive parks and recreation plan is the first planning document devoted to establishing park, recreation, and trail planning criteria, guidelines, and standards, for future development of these amenities within the City of North Branch. The existing park system is already fairly developed with a strong emphasis and need placed on youth recreation opportunities. The community has done a good job of including sidewalks in various neighborhoods, but currently lacks a comprehensive trail system along TH 95 and the Sunrise Prairie Trail needs to be extended from 410th north to the city limits. Pedestrian and bike crossings are needed throughout the City. In addition, alternative transportation and exercise options through the use of trails should continue to be expanded and enhanced.

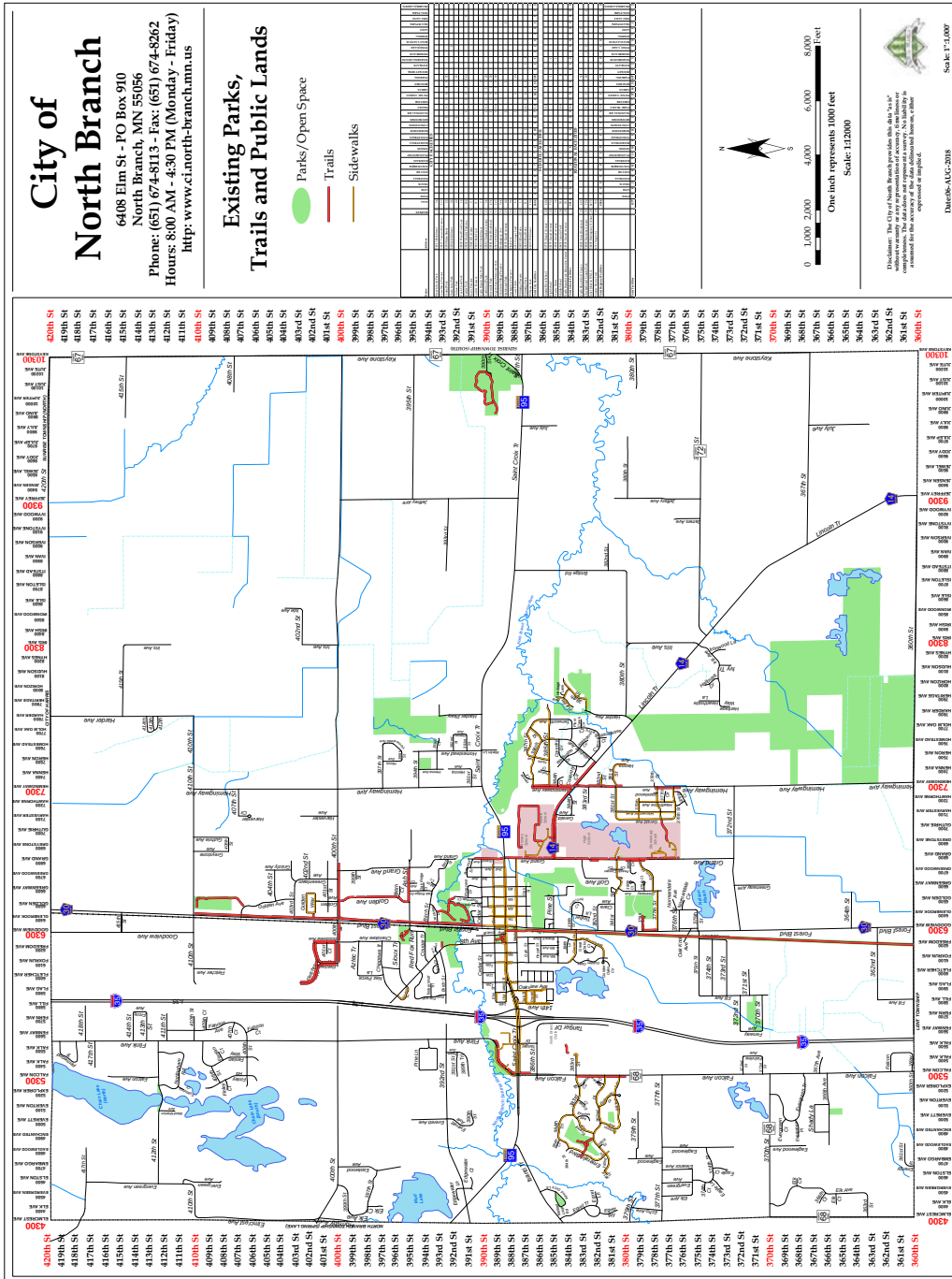


*North Branch is part of the  
Metro Wildlife Corridors  
project (a 12-county metro  
area)*





Figure 8-2:  
Existing Parks, Trails  
& Public Lands



## Vision for Natural Environment

Natural infrastructure includes all systems that relate to natural resources and contribute to an improved public life. Natural infrastructure considers the full range of natural resource uses including economic, environmental, health, cultural, and aesthetic. This broad view leads us to include surface water, groundwater, stormwater, wastewater, drinking water, geology, topography, soils, natural areas, open space, green spaces, urban forest, habitat, vegetation, scenic views, and parks and trails in natural infrastructure.

Natural infrastructure is a key element in planning where development should or should not take place within a city. This element is important to communities and development as it avoids certain development hazards, provides health benefits to citizens, protects ecological systems and enhances biological diversity, supports economic activities such as mining and forestry, and offers communities unique quality of life components. Consideration of natural infrastructure ensures that homes are built upon stable dry soils, provides clean drinking water, accounts for resource based economic activities, provides scenic views and open spaces, and plans development that respect the integrity of natural systems and incorporate natural features into development.



## Natural Environment Goals, Objectives, and Policies

### OBJECTIVE 1.1

#### PRESERVE OPEN SPACE AND WILDLIFE CORRIDOR.

##### Policy 1.1.1

*Build upon the Metro Area Green Corridor System within North Branch incorporating the wooded edge while maintaining the rural character of the City's major natural amenities into the Open Space System.*

##### Policy 1.1.2

*Identify and conserve critical wildlife habitat including nesting sites, foraging areas, and migration corridors within or adjacent to natural areas, open spaces, and the developing urban areas, preserve sensitive habitat sites that support threatened species and urban wildlife habitat.*

##### Policy 1.1.3

*Identify and conserve forested and woodland cover and the scenic attributes provide between rural and urban land uses, preserve and protect significant environmental features including unique wetlands, open spaces, woodlands, shorelines, waterfronts and other characteristics that support wildlife and reflect the cities resource heritage.*

##### Policy 1.1.4

*Develop Partnerships with other organizations, institutions, and local units of government on planning and zoning, land use, preservation and conservation related issues, capitalize on the development and promotion of the North Branch of the Sunrise River and take ownership and promote the advantages of the City's relationship to the Saint Croix National Scenic Riverway and the importance the North Branch of the Sunrise River has to the river's federally protected status.*

# GOAL 1

*Develop an integrated plan that balances community growth, natural resources, cultural and historical features.*



## **OBJECTIVE 1.2**

### **MAINTAIN HEALTHY URBAN FOREST AND PARK SYSTEM.**

#### *Policy 1.2.1*

*Continue high standards of park and public land maintenance, and management by continued investment in personnel, equipment, and methods, expand sustainable practices and invasive species management (i.e. the Emerald Ash Borer, buckthorn, etc.) and obtain the information, training and resources needed to effectively address planning, preservation and conservation issues.*

#### *Policy 1.2.2*

*Undertake citizen-based planning designed to manage growth and build needed infrastructure, while at the same time preserving the natural qualities with which the region is blessed.*

#### *Policy 1.2.3*

*Increase natural areas and open space linkages within the developing urban areas*

## **OBJECTIVE 1.3**

### **FOSTER NATURAL PARK DEVELOPMENT.**

#### *Policy 1.3.1*

*Promote native landscaping and greening initiatives, support use of best management practices and reduction of chemical use, establish community gardens, and encourage the use and planting of pollinator friendly habitats.*

## **OBJECTIVE 1.4**

### **IDENTIFY, PRESERVE, AND ENHANCE NORTH BRANCH'S MULTICULTURAL HERITAGE, TRADITIONS, AND CULTURAL FEATURES WITHIN HISTORICAL SITES, BUILDINGS, ARTWORK, PARKS, OPEN SPACE, AND TRAILS TO PRESERVE INTEREST AND PROVIDE A BALANCED SOCIAL EXPERIENCE.**

#### *Policy 1.4.1*

*Identify, designate and protect significant historic structures and sites, establish history and heritage preservation programs utilizing existing resources to help increase knowledge and promote the history and heritage of North Branch.*

#### *Policy 1.4.2*

*Implement natural resources and environmental educational and interpretive programs.*

## *Vision for Parks, Trails, and Recreation*

To provide a comprehensive and balanced system of parks, greenways, trails, and support for providers of recreation- orientated activities / programs for city residents in an as cost effective manner as possible.

## *Park Goals, Objectives, and Policies*

The following section outlines the primary goals for parks followed by a series of objectives and policies intended to influence future development efforts that align with the community visions in this plan.

### **OBJECTIVE 1.1**

**PLAN AND DESIGN PARKS, TRAILS, SIDEWALKS, AND BIKE PATHS IN A WAY THAT ENSURES THEIR LONG TERM VIABILITY.**

#### *Policy 1.1.1*

*All park properties that are set aside (and/or are proposed in the future) must take into account the long-term commitments required to develop, operate, and maintain across their lifecycles, with buildings constructed to the state's SB2030 performance standards for on-going cost reductions, when feasible.*

#### *Policy 1.1.2*

*Balance maintained turf areas with natural areas to add aesthetic appeal, control maintenance costs, infiltrate stormwater, eliminate toxic chemical use and provide wildlife habitat, and reduce carbon emissions.*

#### *Policy 1.1.3*

*Update parks plan every 5-10 years depending on the amount of change and development within the city.*

#### *Policy 1.1.4*

*Explore alternative methods for parkland dedication that will assure sufficient park facilities well into the future.*

#### *Policy 1.1.5*

*Phase Improvements based on replacement needs and available funding. Manage system investments through analysis of applicable data.*

# GOAL 1

*Plan for a sustainable park and trail system.*





## **OBJECTIVE 1.2**

### **UNDERSTAND CURRENT TRENDS AND COMMUNITY ISSUES, OPPORTUNITIES, AND NEEDS AS RELATED TO PARKS WITHIN THE CITY.**

#### *Policy 1.2.1*

*Discuss local and regional park and trails issues and opportunities with the Department of Natural Resources, Chisago County, adjacent communities, environmental organizations, and others.*

#### *Policy 1.2.2*

*Master plans should be prepared for each park prior to their development to ensure that the right mix of amenities are provided and the park's design is cohesive and complementary to the design for other parks and public spaces.*

#### *Policy 1.2.3*

*Ensure public participation in the master planning process is included for each park development project.*

#### *Policy 1.2.4*

*Analyze the placement and use of "nature play" equipment in existing and proposed parks.*

## **OBJECTIVE 1.3**

### **USE SUSTAINABLE DESIGN PRACTICES.**

#### *Policy 1.3.1*

*Use renewable energy where possible (i.e. solar lights for trails, solar power at athletic facilities).*

*Policy 1.3.2: Consider use of recycled materials and promote recycling in all park areas.*

## **OBJECTIVE 1.4**

### **IDENTIFY ALTERNATIVE, SUSTAINABLE REVENUE SOURCES.**

#### *Policy 1.4.1*

*Expand grassroots parks and recreation advocacy.*

#### *Policy 1.4.2*

*Pursue alternative revenue sources such as program fees, community funds, grants, charitable gaming, memorials, commemoratives, and donations, etc.*

#### *Policy 1.4.3*

*Encourage business involvement, sponsorship, and naming rights of parks, recreation facilities and events.*

#### *Policy 1.4.4*

*Apply marketing strategies to increase income potential and broaden awareness.*

## OBJECTIVE 2.1

**SERVICE LOCAL PARK AND RECREATION NEEDS BY PROVIDING NEIGHBORHOOD AND COMMUNITY PARKS AS RESIDENTIAL GROWTH OCCURS.**

### *Policy 2.1.1*

*Ensure neighborhood parks are developed as part of new residential neighborhoods with buildings constructed to the state's SB2030 performance standards for on-going cost reductions, when feasible.*

### *Policy 2.1.2*

*Explore the possibility of including a community park in appropriate areas of the City.*

### *Policy 2.1.3*

*Locate new parks based on how they can be best integrated with the new development that the park will serve.*

# GOAL 2

*Provide additional park and recreation opportunities in areas of new development throughout the city.*



# GOAL 3

*Adhere to Park Master Planning and Facility Design Quality / Development Standards.*

## **OBJECTIVE 3.1**

**ENSURE THE QUALITY STANDARD FOR BUILT FEATURES WITHIN THE PARK SYSTEM IS CONSISTENT WITH INDUSTRY STANDARDS FOR SAFETY, DURABILITY, AND ACCESSIBILITY.**

### *Policy 3.1.1*

*Periodically inspect and repair all parks, trails, and recreation facilities for hazardous conditions, including unsafe play equipment, fallen vegetation, etc.*

### *Policy 3.1.2*

*The design of individual parks should be of a consistent quality, with buildings constructed to the state's SB 2030 performance standards for on-going cost reductions, when feasible.*



## OBJECTIVE 4.1

### CREATE AND SUSTAIN CRITICAL PARTNERSHIP.

#### Policy 4.1.1

Partner with the North Branch School District, local athletic organizations, private enterprises, surrounding communities, and others to address those community and regional needs that cannot be met exclusively by the city or others.

#### Policy 4.1.2

Cultivate and support public/private partnerships with organizations like the YMCA, Park Trail Council and similar non-governmental organizations whose mission is to promote active living and recreation.

#### Policy 4.1.3

Involve representatives from the North Branch School District, athletic organizations, and others when developing new parks that may be co-located with educational and daycare facilities.

#### Policy 4.1.4

Consider the desire of the community to offer a multi-use athletic facility to the residents and attract regional tournaments and events.

#### Policy 4.1.5

Explore the impacts of developing such facilities, including impacts to adjacent neighborhoods.

#### Policy 4.1.6:

New facilities should provide year-round activities and programs for all age groups and all income levels.

#### Policy 4.1.7

Identify and build relationships with local special interest groups, such as scouting programs, Chisago County Master Gardeners, North Branch Monarch Strategy Group, North Branch Garden Club, North Branch Arts Group, Lions, Rotary, etc.

# GOAL 4

North Branch's parks meet the diverse recreation needs of the community.



**Policy 4.1.8**

*Identify and build relationships with regional organizations, such as Chisago County Parks and Recreation Department, Chisago Soil & Water Conservation District, Friends of Wild River State Park and association with the St. Croix River National Scenic Riverway and the Lower St Croix Management Commission, Chisago County Historical Society, etc. for potential fundraising opportunities..*

**OBJECTIVE 4.2**

**PROMOTE THE CITY'S PARKS AND RECREATION ACTIVITIES AND OPPORTUNITIES**

**Policy 4.2.1**

*Utilize diverse methods of communication, including social and digital media, and highlight youth, families, volunteers, etc. Provide information on the City's website and in outside publications about parks, facilities and programming that is accessible to all people.*

**Policy 4.2.2**

*Highlight the quality of life benefits of parks, trails, recreation and open space.*





## **OBJECTIVE 5.1**

### **USE PARK DESIGN TO MAKE THEM WELCOMING.**

#### *Policy 5.1.1*

*Ensure visible and legible signage at park entrances, use recognizable branding to indicate that parks are open to all people, provide entrances on public streets, and utilize vegetation that does not obscure views into and through the parks.*

## **OBJECTIVE 5.2**

### **IMPROVE THE PERCEPTION OF PUBLIC SAFETY.**

#### *Policy 5.2.1*

*Utilize planning techniques, designs and site planning to improve safety, such as cluster compatible activities to avoid conflicts and increase social observation, locate parking lots and facilities near streets so they are easily observable at night, locate restrooms and playgrounds in areas that are easily observable, and use the principles of Crime Prevention Through Environmental Design (CPTED) in the design of parks.*

## **OBJECTIVE 5.3**

### **ENSURE SAFETY THROUGH REGULAR MAINTENANCE AND EQUIPMENT UPGRADES.**

#### *Policy 5.3.1*

*Conduct annual inspections of parks, buildings, restrooms, shelters, ballfields, play courts, skate park, outdoor ice rinks, parking lots, trails, and nature areas. Input annual inspections into asset management system and use to analyze and prioritize system investments.*

# GOAL 5

*Provide a welcoming and safe parks and recreation system.*





**Prepared By: Nathan Sondrol, Community Development Director**

**Presenter: Nathan Sondrol, Community Development Director**

**Date: 04/30/2026**

**Board & Commission: Parks, Trails and Open Space Commission**

**Subject: 10 Year Capital Improvement Plan (CIP) 2026-2035**

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**Background Information:**

The City Council will be beginning the process of updating its 10-year Capital Improvement Plan (CIP) for 2026-2035. The purpose of the CIP is to help identify future capital projects and equipment purchases. It also provides a planning schedule and identifies options for financing the plan. The City Council and staff are looking for the PTOS Commission to review the parks, trails and recreation portion of the CIP.

The City Council will begin reviewing this in May 2026. The city council discussed establishing a scoring matrix for assisting with prioritizing as to how improvements are identified.

Attached is the 2024-2033 CIP and financial management policy for asset management.

There are several projects that need adjustments to the required funding amounts or that will have been completed. City staff will be working on these adjustments and providing updates at the meeting.

**Deadline:**

May 4, 2026

**Staff Recommendation:**

Staff is recommending the Commission provide feedback establishing a scoring matrix for identifying and prioritizing parks, trails and open space improvement projects for the 2026-2035 CIP.

**Voting Requirements:**

**Voting Options                  Simple Majority**

CAPITAL IMPROVEMENT PLAN

Parks

| Trails Maintenance/Repairs       | Where                          | 2024      | 2025      | 2026      | 2027      | 2028      | 2029      | 2030      | 2031      | 2032      | 2033 |
|----------------------------------|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------|
| Target                           |                                | 44,000.00 | 44,000.00 | 52,000.00 | 46,000.00 | 47,000.00 | 47,000.00 | 48,000.00 | 48,000.00 | 56,000.00 | -    |
| Current Actual                   |                                |           |           |           |           |           |           |           |           |           |      |
| Ongoing Maintenance              | General                        | 44,000.00 | 44,000.00 | 46,000.00 | 46,000.00 | 47,000.00 | 47,000.00 | 48,000.00 | 48,000.00 | 50,000.00 |      |
| DNR Required - Trail Maintenance | Sunrise Prairie Regional Trail |           |           | 6,000.00  |           |           |           |           |           | 6,000.00  |      |
| Total Trails Maintenance         |                                |           |           |           |           |           |           |           |           |           |      |

| Construction              | Where                            | 2024         | 2025       | 2026       | 2027       | 2028 | 2029 | 2030 | 2031 | 2032 | 2033         |
|---------------------------|----------------------------------|--------------|------------|------------|------------|------|------|------|------|------|--------------|
| Target                    |                                  | 1,125,000.00 | 697,000.00 | 100,000.00 | 600,000.00 | -    | -    | -    | -    | -    | 1,530,000.00 |
| Current Actual            |                                  | -            |            |            |            |      |      |      |      |      |              |
| Pedestrian Bridge         | Grand Ave Butternut St           | -            | -          | -          | -          | -    | -    | -    | -    | -    | 530,000.00   |
| Archery Range             |                                  | -            | 42,000.00  |            |            |      |      |      |      |      |              |
| Splash Pad                |                                  | 300,000.00   |            |            |            |      |      |      |      |      |              |
| Falcon Ave Trail          | 385th to 386th                   |              | 55,000.00  |            |            |      |      |      |      |      |              |
| St. Croix Trail           | Hemingway to Harder              |              |            |            |            |      |      |      |      |      | 1,000,000.00 |
| Pedestrian Underpass      | Sunrise Prairie Trail to Library |              | 600,000.00 |            |            |      |      |      |      |      |              |
| Flink Ave Trail - Phase 2 | 392nd to NB Marketplace          | 545,000.00   |            |            |            |      |      |      |      |      |              |
| Pickleball Court          | Northwoods Park                  | 280,000.00   |            |            |            |      |      |      |      |      |              |
| Trail Connection          | Trail to Harder Park             |              |            | 100,000.00 |            |      |      |      |      |      |              |
| Trail Connection          | Trail to Luchts Crossing         |              |            |            | 600,000.00 |      |      |      |      |      |              |
| Total Construction        |                                  |              |            |            |            |      |      |      |      |      |              |

| Parks                                         | Where                   | 2024         | 2025      | 2026       | 2027       | 2028       | 2029      | 2030       | 2031      | 2032       | 2033 |
|-----------------------------------------------|-------------------------|--------------|-----------|------------|------------|------------|-----------|------------|-----------|------------|------|
| Target                                        |                         | 2,965,000.00 | 50,000.00 | 410,000.00 | 220,000.00 | 540,000.00 | 50,000.00 | 130,000.00 | 80,000.00 | 100,000.00 | -    |
| Current Actual                                |                         |              |           |            |            |            |           |            |           |            |      |
| Soccer Fields                                 | Wildridge Park          | 515,000.00   |           |            |            |            |           |            |           |            |      |
| Underground Sprinklers                        | Northwoods Park         |              |           |            |            | 70,000.00  |           |            |           |            |      |
| Ball Fields, Picnic Area, Skating Rink, etc   | Williams Park           | 1,850,000.00 |           |            |            |            |           |            |           |            |      |
| Underground Sprinklers                        | Tower Fields            |              |           |            |            | 70,000.00  |           |            |           |            |      |
| Basketball Court Surface                      | Wildridge Park          |              |           |            | 20,000.00  |            |           |            |           |            |      |
| Construct Parking Lot, Gazebo, and Trails     | Schoolside Village Park |              |           | 310,000.00 |            |            |           |            |           |            |      |
| Basketball Court                              | Central Park            |              | 25,000.00 |            |            |            |           |            |           |            |      |
| Basketball Court                              | Northwoods Park         |              | 25,000.00 |            |            |            |           |            |           |            |      |
| Playground, Shelter, and amenities            | Lucht's Crossing Park   |              |           |            | 200,000.00 |            |           |            |           |            |      |
| Playground, Shelter, and amenities            | Townsendge Park         |              |           |            |            | 200,000.00 |           |            |           |            |      |
| Purchase Land for Athletic Fields             | Meadows North Park      |              |           |            |            |            | 50,000.00 |            |           |            |      |
| Purchase Land for Athletic Fields and Parking | RJMP Park               |              |           |            |            |            |           |            | 80,000.00 |            |      |
| Purchase Land for parks and open space        | Mud Lake                | 600,000.00   |           |            |            |            |           |            |           |            |      |
| Dog Park                                      |                         |              |           |            |            |            |           | 30,000.00  |           |            |      |
| Playground Equipment                          | Northwoods Park         |              |           | 100,000.00 |            |            |           |            |           |            |      |
| Playground Equipment                          | Harder Park             |              |           |            |            | 100,000.00 |           |            |           |            |      |
| Playground Equipment                          | North Branch Oaks       |              |           |            |            | 100,000.00 |           |            |           |            |      |

|                      |                |  |  |  |  |  |  |  |  |  |  |            |            |
|----------------------|----------------|--|--|--|--|--|--|--|--|--|--|------------|------------|
| Playground Equipment | RJMP Park      |  |  |  |  |  |  |  |  |  |  | 100,000.00 |            |
| Playground Equipment | Wildridge Park |  |  |  |  |  |  |  |  |  |  |            | 100,000.00 |

|             |  |  |  |  |  |  |  |  |  |  |  |  |
|-------------|--|--|--|--|--|--|--|--|--|--|--|--|
| Total Parks |  |  |  |  |  |  |  |  |  |  |  |  |
|-------------|--|--|--|--|--|--|--|--|--|--|--|--|

| Other | Where                      | 2024      | 2025      | 2026 | 2027 | 2028       | 2029       | 2030 | 2031 | 2032 | 2033 |
|-------|----------------------------|-----------|-----------|------|------|------------|------------|------|------|------|------|
|       | Target                     | 65,000.00 | 20,000.00 | -    | -    | 100,000.00 | 154,500.00 | -    | -    | -    | -    |
|       | Current Actual             |           |           |      |      |            |            |      |      |      |      |
|       | Parking Lot Paving         |           |           |      |      |            | 154,500.00 |      |      |      |      |
|       | Parking Lot Microsurfacing | 65,000.00 |           |      |      |            |            |      |      |      |      |
|       | Parking Lot Microsurfacing |           | 20,000.00 |      |      |            |            |      |      |      |      |
|       | Lighting                   |           |           |      |      | 100,000.00 |            |      |      |      |      |

|             |  |  |  |  |  |  |  |  |  |  |  |  |
|-------------|--|--|--|--|--|--|--|--|--|--|--|--|
| Total Other |  |  |  |  |  |  |  |  |  |  |  |  |
|-------------|--|--|--|--|--|--|--|--|--|--|--|--|

| Park Acquisition funds | Where                    | 2024      | 2025      | 2026      | 2027      | 2028      | 2029      | 2030      | 2031      | 2032      | 2033       |
|------------------------|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
|                        | Target                   | 10,000.00 | 20,000.00 | 30,000.00 | 40,000.00 | 50,000.00 | 60,000.00 | 70,000.00 | 80,000.00 | 90,000.00 | 100,000.00 |
|                        | Current Actual           |           |           |           |           |           |           |           |           |           |            |
|                        | Future Park Improvements | 10,000.00 | 20,000.00 | 30,000.00 | 40,000.00 | 50,000.00 | 60,000.00 | 70,000.00 | 80,000.00 | 90,000.00 | 100,000.00 |

|                              |  |  |  |  |  |  |  |  |  |  |  |  |
|------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|
| Total Park Acquisition Funds |  |  |  |  |  |  |  |  |  |  |  |  |
|------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|

|             |  |              |            |            |            |            |            |            |            |            |              |
|-------------|--|--------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Grand Total |  | 4,209,000.00 | 831,000.00 | 592,000.00 | 906,000.00 | 737,000.00 | 311,500.00 | 248,000.00 | 208,000.00 | 246,000.00 | 1,630,000.00 |
|-------------|--|--------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|

| Budgeted Sources of Support | Fund | Object | 2024         | 2025       | 2026       | 2027       | 2028       | 2029       | 2030       | 2031       | 2032       | 2033         |
|-----------------------------|------|--------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Property Taxes              |      |        | 119,000.00   | 134,000.00 | 82,000.00  | 106,000.00 | 197,000.00 | 107,000.00 | 118,000.00 | 128,000.00 | 146,000.00 | 630,000.00   |
| Bond - Property Taxes       |      |        | 2,365,000.00 |            |            |            |            |            |            |            |            |              |
| State Grant                 |      |        | 1,045,000.00 | 642,000.00 | 80,000.00  | 700,000.00 |            |            |            |            |            |              |
| Other Grants                |      |        | 140,000.00   |            |            |            |            |            |            |            |            |              |
| Park Improvement Fund       | 403  |        | 300,000.00   |            | 100,000.00 |            | 200,000.00 |            | 100,000.00 |            | 100,000.00 |              |
| Park Dedication Fund        | 486  |        | 100,000.00   | 55,000.00  | 330,000.00 | 100,000.00 | 270,000.00 | 50,000.00  | 30,000.00  | 80,000.00  |            | 1,000,000.00 |
| Other Funding Sources       |      |        | 140,000.00   |            |            |            | 70,000.00  | 154,500.00 |            |            |            |              |
| Total Sources of Support    |      |        | 4,209,000.00 | 831,000.00 | 592,000.00 | 906,000.00 | 737,000.00 | 311,500.00 | 248,000.00 | 208,000.00 | 246,000.00 | 1,630,000.00 |



| 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | TOTAL REVS |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------------|
| -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | 432,000.00 |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | -          |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 420,000.00 |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 12,000.00  |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | -          |
|      |      |      | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | 864,000.00 |

| 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | TOTAL REVS   |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------------|
| -    |      |      |      |      |      |      |      |      |      |      |      |      |      | 4,052,000.00 |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | -            |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 530,000.00   |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 42,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 300,000.00   |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 55,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | -            |
|      |      | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | 4,052,000.00 |

| 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | TOTAL REVS   |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------------|
| -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    |      |      | 4,545,000.00 |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | -            |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 515,000.00   |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 70,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 1,850,000.00 |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 70,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 20,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 310,000.00   |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 25,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 25,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 200,000.00   |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 200,000.00   |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 50,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 80,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 600,000.00   |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 30,000.00    |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 100,000.00   |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 100,000.00   |
|      |      |      |      |      |      |      |      |      |      |      |      |      |      | 100,000.00   |





# NORTH BRANCH FINANCIAL MANAGEMENT POLICY



The City strives to maintain adequate and consistent funding as well as promote transparency and understanding of local government services as desired by the North Branch Community.

Prepared by the Finance Department

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# Introduction and Purpose

## Organizational Mission

The Vision Statement for the City of North Branch, MN per the 2018 Comprehensive Plan which guides our daily and long-term activities of the organization.

**Vision Statement:** North Branch is a growing and safe community with outstanding natural and recreational amenities and opportunities for all, and well maintained infrastructure, vibrant business districts and neighborhoods, and provides residents with an excellent quality of life.

## Purpose

The City has an important responsibility to its citizens to plan for the adequate funding of services desired by the public and the City Council, including the provision and maintenance of public facilities, appropriate staffing, prudent financial management and accurate accounting for public funds. The City strives to maintain adequate and consistent funding as well as promote transparency and understanding of local government services as desired by the North Branch Community.

## Objectives

In order to achieve this purpose, the following objectives are established for the City's fiscal performance:

- To enhance the City Council's policy – making ability by providing accurate information on the full costs of current operations, new proposals and capital requests;
- To assist sound management of the City by providing accurate and timely information on its financial condition;
- To provide sound principles to guide the decisions of the City Council and staff;
- To set forth operational principles which promote long-term cost effectiveness while providing services desired by the public with prudent financial risk;
- To employ revenue policies and forecasting tools to identify and prevent undue or unbalanced reliance on certain revenues, but to distribute the costs of municipal services fairly and to provide adequate funds to operate desired programs;
- To provide and improve essential public facilities and prevent deterioration of the City's infrastructure;
- To protect and enhance the City's credit rating;
- To ensure the legal use and protection of all City funds through a strong system of financial and accounting controls;
- To record transactions in a manner that matches current revenues to current expenditures; and
- To report year-end financial information in accordance with *Generally Accepted Accounting Principles (GAAP)* and in accordance with recommended best practices as promulgated by the GFOA and the Statements of Position of the Office of the State Auditor (OSA).

## Code of Professional Ethics

The City shall adhere to the Code of Professional Ethics as established by the GFOA as outlined below.

To further the above objectives, all affiliated with the City are enjoined to adhere to legal, moral, and professional standards of conduct in the fulfillment of their professional responsibilities. Standards of professional conduct as stated herein are set forth in order to enhance the performance of all persons engaged in public finance and to protect the North Branch community.

**Personal Standards.** Employees shall demonstrate and be dedicated to the highest ideals of honor and integrity in all public and personal relationships to merit the respect, trust, and confidence of governing officials, other public officials, employees, and of the public.

- They shall devote their time, skills, and energies to their office, both independently and in cooperation with other professionals.
- They shall abide by approved professional practices and recommended standards.

**Responsibility as Public Officials.** Employees shall recognize and be accountable for their responsibilities as officials in the public sector.

- They shall be sensitive and responsive to the rights of the public and its changing needs.
- They shall strive to provide the highest quality of performance and counsel.
- They shall exercise prudence and integrity in the management of funds in their custody and in all financial transactions.
- They shall uphold both the letter and the spirit of the constitution, legislation, and regulations governing their actions and report violations of the same to the appropriate authorities.

**Professional Development.** Employees shall be responsible for maintaining their own competence, for enhancing the competence of their colleagues, and for providing encouragement to those seeking to enter the field of government finance. They shall promote excellence in the public service.

**Professional Integrity – Information.** Employees shall demonstrate professional integrity in the issuance and management of information.

- They shall not knowingly sign, subscribe to, or permit the issuance of any statement or report which contains any misstatement, or which omits any material fact.
- They shall prepare and present statements and financial information pursuant to applicable law and generally accepted practices and guidelines.
- They shall respect and protect privileged information to which they have access by virtue of their office.
- They shall be sensitive and responsive to inquiries from the public and the media, within the framework of state or local government policy.

**Professional Integrity – Relationships.** Employees shall act with honor, integrity, and virtue in all professional relationships.

- They shall exhibit loyalty and trust in the affairs and interest of the government they serve, within the confines of this manual.
- They shall not knowingly be a party to or condone any illegal or improper activity.
- They shall respect the rights, responsibilities, and integrity of their colleagues and other public officials with whom they work and associate.
- They shall manage all matters of personnel within the scope of their authority so that fairness and impartiality govern their decisions.
- They shall promote equal employment opportunities, and in doing so, oppose any discrimination, harassment, or other unfair practices.

**Conflict of Interest.** Employees shall actively avoid the appearance of or the fact of conflicting interests.

- They shall discharge their duties without favor and shall refrain from engaging in any outside matters of financial or personal interest incompatible with the impartial and objective performance of their duties.
- They shall not, directly or indirectly, seek or accept personal gain which would influence, or appear to influence, the conduct of their official duties.



- They shall not use public property or resources for personal or political gain.

## Public Purpose Expenditure Policy

The City Council recognizes that public funds may only be spent if the expenditure meets a public purpose as outlined in State law, case law of the Minnesota Supreme Court and opinions of the Minnesota Attorney General.

The meaning of “public purpose” is constantly evolving. The Minnesota Supreme Court has followed a broad approach and has generally concluded that “public purpose” means an activity that meets all of the following standards:

- The activity will primarily benefit the community as a whole;
- The activity is directly related to functions of government; and
- The activity does not have as its primary objective the benefit of a private interest whether for-profit or not.

This section is intended to provide guidelines regarding which expenditures are consistent with public purpose(s) and authorized in accordance with the city’s annual budget process, and which expenditures are not considered within the public purpose definition and are therefore prohibited.

### Responsibility

The City Administrator is the responsible authority overseeing all City expenditures and as such is the Chief Purchasing Agent for the City. Responsibility for administering and interpreting this Public Purpose Expenditure Policy has been delegated to the City Administrator, or their designee. Further, all employees authorized by the City Administrator or their respective Department Director to make purchases on behalf of their respective departments are responsible for complying with this Financial Management Policy Manual (Manual) and corresponding procedures. Expenditures of public funds must comply with the public purpose standards defined above.

### Permitted Expenditures for Meals and Refreshments

Use of City funds for reasonable meals and/or refreshments for elected officials and employees shall be permitted in the following circumstances, upon City Administrator approval:

- Professional association meetings, conferences, and training when meals are not included as part of the registration or program fee, or in accordance with the travel and training section of this Manual;
- City-sponsored training or work-related meetings where employees are required to participate or be available during break periods; and
- Work activities requiring continuous service when it is unreasonable to break for meals (e.g. elections days, water main breaks, emergency snow removal, time-sensitive public safety responses);

When reviewing an expenditure to verify the standards have been met, the City Administrator, or their designee, should consider the time of day the event is held, the business purpose of the event, and the reasonableness of the cost. These guidelines address specific examples of public expenditures, but this list is not meant to be exhaustive. Per the Internal Revenue Code section 132(a)(4) “De Minimis Fringe Benefits”, any item or service with a value exceeding \$100 is taxable to the employee.

### **Other Permitted Expenditures**

Apart from meals and refreshments, the City Administrator, or their designee, may permit the following expenditures:

- Recognition events or purchases (Minnesota Statutes § 412.221 and § 15.46);
  - Purchases for recognition at special one-time or annual events when provided at modest level (e.g. recognition plaques);
  - Employee recognition programming for years of services for regular and permanent part-time employees that work 20 or more hours per week;
- Uniforms, clothing or apparel that is considered necessary for the performance of official duties, safety or for visible staff recognition by the public (e.g. safety footwear, eyewear for maintenance personnel);
- Employee wellness programming, the City Council recognizes the importance of employee fitness and health as it relates to the overall work and life satisfaction of the employee and the overall impact on the City's insurance programs;
- Special Events, including:
  - National Night Out/Night to Unite, Department Open Houses and other events that involve or invite participation by the general public; and
  - Expenditures for meals and participation fees are allowed, and representative staff members may participate in the events that directly benefit the marketing of the City, pursuant to Minnesota Statutes § 469.101, subd. 16 and § 438.11;
- Employee Training, including the reasonable registration, tuition, meals and travel expenses for conferences, seminars, workshops, tuition and approved city employment related course work;
- Memberships and Dues:
  - Participation in the local Chamber of Commerce is allowed per Minnesota Statute § 469.191;
  - Cost of membership/dues in professional organizations and City social and community organizations when the purpose is to promote, advertise, improve or develop the City's resources and relationships and not personal interest or gain;
- City expenditures for non-profit organizations allowed by applicable State statutes, Minnesota Supreme Court case law, or opinions of the Minnesota Attorney General; and
- Certificates and licensures that employees must hold and maintain on behalf of and for the benefit of the City.

### **Prohibited Expenditures**

Use of City funds for meals and/or refreshments for elected officials and employees are prohibited, including, but not limited to:

- Food and refreshments for routine work meetings, other than as identified in other sections of the Manual;
- Alcoholic beverages and tobacco products;
- Employee functions or celebrations that are solely social in nature (e.g. birthdays, holiday luncheon, ice cream social);
- Fundraisers for non-City related events (e.g. Chamber of Commerce);
- Participation in optional activities unless included as part of an overall conference registration fee (e.g. optional golf rounds, concerts);
- Employee-sponsored fundraising events (e.g. charitable giving campaign);
- Funeral flower arrangements or other such gifts; and/or
- Clothing or apparel that is not considered necessary for safety or for visible staff recognition by the public (e.g. sweatshirts for a "job well done").

### **Permitted Use of Assets**

Specific City assets, such as equipment, may be used by City employees for personal reasons only when City has established the following:

- Costs and wear resulting from use of the assets are reasonable and minimal;
- Administrative controls are in place to ensure that the use is appropriate and not abused; and
- There is a documented/demonstrated City benefit by such usage (e.g. such as the Mobile Device Policy or Information Security Policy) as approved by the City Administrator or City Council.

Such permitted use may include incidental and de Minimis use of City-owned electronic equipment such as City-owned mobile devices and multi-function copiers. It may also include the use of City-owned vehicles provided to City employees as part of their official duties (e.g. Fire Chief, Public Works Director).

The limited use of City-owned assets shall be a privilege, and the City Administrator may end such practices at their discretion.

### **Documentation**

All expenses allowed above must be fully documented. The expected documentation will include:

- Date and time of the expenditure;
- Business reason for the expenditure (e.g. agenda from a meeting);
- Staff and non-city representatives in attendance, if appropriate; and
- A receipt for the actual purchase.

City Administrator approval and written documentation is required for use of City assets. Failure to provide sufficient documentation may result in a denial of the expense.

Any expenditure for meals or refreshments that exceeds \$250 for one event must have prior, written authorization by the City Administrator, before the purchase is made. Failure to obtain the necessary authorization may result in denial of the claim.

### **Special Requests**

From time to time, there may be an event that is a proper public expenditure, but that is not contemplated by this Manual. Departments must submit in writing to the City Administrator, or their designee, a request for such prior to the expenditure. This request must show how the expenditure is related to a public purpose as stated in this Manual, or other applicable laws or regulations.

## **External Auditor Independence Policy**

The City will arrange for an annual audit of all funds and account types by independent, certified public accountant(s) that are qualified and licensed to issue such reports.

In accordance with the Government Accountability Office (GAO), the authority on local government audits, in all matters relating to audit work, the external auditor shall be free both in fact and appearance from personal, external and organizational impairments to independence.

The City's external audit organization shall not be responsible for designing, developing and/or installing the City's accounting system or its operating system where this system generates information used in preparing financial statements of the City.

External auditors shall not develop a performance measurement system, or any other system relied upon in developing financial statements.

External auditors may prepare draft financial statements, schedules or perform other duties as long as they are based on the City's direction and the work results in a recommendation to management. Decisions based on the external auditor's recommendations must be approved by the City Finance Director, or their designee.

External auditors shall provide routine advice to the City and to management to assist them in activities such as establishing internal controls or implementing audit recommendations and answers to technical questions and provide training. However, they may not direct or unduly influence management with those decisions.

Any non-audit work related to tax rulings, arbitrage, attestation, compilation, sales tax audits, counted value audits and financial report assistance proposed by the auditors, or for which the City wishes to hire them must be consistent with the purchasing provisions of this manual.

## Budgetary and Financial Controls

The City will establish and maintain the highest standard of accounting practices, in conformity with GAAP, Governmental Accounting Standards Board (GASB) guidance and recommended best practices as provided by the GFOA, along with all applicable laws and regulations governing the activities of a municipality.

The city shall maintain a structurally balanced budget, which includes the following:

- The City shall submit a balanced budget in which appropriations do not exceed the total of the estimated revenues and available fund balance as outline in this Manual;
- The City will avoid budgetary strategies or procedures that balance the current budget at the expense of future budgets;
- The City will coordinate the development of the Capital Improvement Program (CIP) and Capital Assets with the operating budget, and include all estimated operating costs associated with CIP activities and Capital Assets in the budget projections; and
- The budget will provide for the adequate maintenance and orderly replacement of all capital assets.

General budgetary and financial control is to be centralized in one department, under the direction of the Finance Director, whose functions shall include, but not be limited to, the following:

- Debt management;
- CIP budget management and asset tracking;
- Cash management;
- Annual audit;
- Financial analysis;
- Grant accounting and management;
- General accounting;
- Investment management;
- Operating budget preparation and monitoring;
- Payment of claims against the City;
- Payroll;
- Purchasing;
- Special Assessments; and
- Utility billing, revenue collection and all other receipting.

The Finance Department will review, and update, the schedule of fund balances, reserves, and working capital in all funds of the City, as needed, and determine adequacy of those cash and/or fund balances, using specified guidelines and criteria in conjunction with the budgets set annually.

The Finance Department will also monitor the performance of the North Branch Fire Relief Association through its City representatives, pursuant to Minnesota Statute § 424A.04.

## Operating Budget Policy

The formal budgeting process provides the primary mechanism by which key decisions are made regarding the levels and types of services to be provided by the City, given the anticipated level of available funding sources.



Primary responsibility in the management of budgeted funds lies with the Department Directors. Such management includes, but is not limited to, reviewing expenditures before authorization, reviewing monthly financial reports to detect errors and assess progress, and complying with the revenue and expenditure budgets authorized by the City Council.

Department Directors will be responsible for administration of their assigned budgets. Department Directors are to submit requests for any budget adjustments that cause the total department to be over budget to the Finance Director before the project, program or service incurs cost during the budget period.

### **Budget Process**

The City will utilize a performance based budget approach to resource allocation. At the start of each budget development cycle (as determined by the City Administrator or their designee), the City Administrator, in consultation with the City Council, identifies budgetary targets and/or goals for each department and their program areas. The City will attempt to maintain its present service level for all services identified as priority and/or essential, as determined by the City Administrator, within available funding sources.

The City will utilize procedures that allow departments to integrate priorities and objectives into the budget requests. However, all budget assumptions and projections shall be determined by the Finance Director in consultation with the City Administrator.

The city will conservatively estimate and budget its annual expenditures and revenues through an objective and analytical process. All existing and potential revenue sources shall be reviewed on at least an annual basis, and the total of the sums appropriated shall be less than or equal to the total estimated revenues by fund annually. When possible, the City shall maintain a margin of 3%, which shall be reflected in the budget as a contingency expenditure.

The City will publish the proposed budget on its official website at least 10 days prior to the adoption by the City Council. All publications and preparations of the annual budget documents shall be consistent with standard practices.

Any City enterprise funds are intended to be self-supporting (i.e., current revenues will cover current expenses), including capital improvements, debt services and depreciation. Enterprise operations are to be reviewed annually for their self-sufficiency.

### **Budget Compliance**

In order to maintain compliance with the adopted budget resolution(s), the City shall maintain a strict budget compliance program with the thresholds established biennially, at a minimum, by the City Council through the budget resolution.

The budgetary legal level of control is at the fund level. The City Administrator is authorized to transfer appropriations within any department budget. Additional interdepartmental or interfund appropriations and deletions are or may be authorized by the City Council with fund (contingency) reserves or additional revenues. The City Council may authorize transfer of budgeted amounts between City funds.

Under no circumstances may budget adjustments be split to avoid approval thresholds or limits. In order to effectuate a budget amendment, the Department Directors shall complete a Budget

Amendment request, which shall be maintained by the Finance Director. All approved budget amendments shall be subsequently included in the revised annual budget.

No expenditures may exceed the amounts authorized by the respective budget resolution, except by identifying offsetting decreases in other areas of the budget. In order to maintain compliance, the City will strive to limit transfer within and among departments as outlined in this Manual.

All costs incurred must be reasonable, necessary and for a bona fide public purpose. Any obligation incurred by an officer or City employee for any purpose not authorized in the budget resolution or for any amount in excess of the amount appropriated in the budget resolution or in excess of available moneys in any fund of the City may be considered a personal obligation upon the person incurring the expenditure.

Department Directors shall be responsible for contacting the Finance Director should there be any questions regarding financial management or if the issue or concern is related to internal controls. The Finance Director will monitor overall operating and CIP budget progress routinely throughout the year.

#### **Performance Measurement and Use of Data**

The City integrates performance measurement and productivity indicators to measure operational performance where practical. Performance data should be directly related to the goals and objectives of the unit and focus on results and accomplishments rather than inputs. Performance measures should provide a meaningful way to assess the effectiveness and efficiency of each operational unit.

### **Capital Improvement Program Policy**

A Capital Improvement Program (CIP) will be developed for a period of up to 10 years. As resources are available, the most current year of the CIP will be incorporated into the annual budget. The CIP will be reviewed and updated at a minimum of biennially. Years two through five are for planning purposes only and do not confer any official budget authority. Generally, the CIP will be composed of two parts:

1. Capital Improvements, and
2. Capital Equipment.

The City will identify the estimated cost and potential funding sources for each capital project proposal before it is submitted to the City Council for approval and in that process, will determine the most effective financing method for the proposed project. All construction projects shall include at least a 10% budgeted contingency prior to receiving bids. Once a bids are accepted, this can be reduced to a 5% contingency. The City will make all capital improvements in accordance with the adopted CIP, which may be amended by the City Council from time to time.

To be considered in the CIP, a project must meet the capitalization threshold. The only exception to this would be the need to identify projects for pursuit of external revenue sources (i.e. grants, donations). Projects may not be combined to meet the minimum standard unless they are dependent upon each other and qualify for capitalization as a group asset.

Capital projects and/or capital asset purchases will receive a higher priority if they meet a majority of the following criteria:

- Mandatory project;
- Maintenance project;
- Improve efficiency;
- Positive effect on operation and maintenance costs;

- Availability of external grants;
- Elimination of hazards (i.e., improves public safety)
- Prior commitments; and/or
- Replacement due to disaster or loss.

The City will maintain all its asset in a manner adequate to protect the City's and its citizens' capital investment and to minimize future maintenance and replacement costs. The City will provide for maintenance and replacement from current revenues where possible.

The CIP is to be presented at least biennially by the Finance Director to the City Council for approval. Any substantive change to the CIP not addressed in this Manual must be reviewed and adopted by the City Council.

## Capital Assets Policy

Per GASB Statement No. 34, a Capital Asset is defined as the purchase of an improvement to land, easements, buildings, building improvements, vehicles, machinery, equipment, art, historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

For this section of the Manual, the City shall use the following definitions:

- Inventory – an inventory of capital assets will be reviewed and updated annually;
- Reporting – the capital asset inventory will be reported within the audited financial statements (in accordance with governmental accounting standards);
- Depreciation – all capital assets within the inventory (excluding land, easements, and construction in progress) will be depreciated evenly based on their original or historical valuation over their estimated useful life.

### Asset Capitalization and Depreciation Tables

The City will account for all capital assets that have a useful life of greater than 12 months with values equal to or exceeding \$20,000.00.

The following ranges represent guidelines in setting estimated useful lives for capital asset reporting:

| Asset Classification or Type           | Depreciation | Target |
|----------------------------------------|--------------|--------|
| Land                                   | N/A          | N/A    |
|                                        |              |        |
| Land Improvements:                     |              |        |
| Athletic fields and playfields         | 15 years     | 15     |
| Fencing                                | 15 years     | 15     |
| Irrigation systems & outside lighting  | 15 years     | 15     |
| Retaining walls                        | 10 years     | 10     |
| Parking lots                           | 20 years     | 20     |
| Landscaping (including trees & shrubs) | 10-15 years  | 10     |
| Easements                              | N/A          | N/A    |
|                                        |              |        |
| Buildings and Building Improvements:   |              |        |
| Buildings                              | 25-40 years  | 40     |
| Park Shelters                          | 20 years     | 20     |

|                                                |             |    |
|------------------------------------------------|-------------|----|
| Roofing, Fire Sprinkling, Electrical, Plumbing | 20 years    | 20 |
| HVAC Systems                                   | 15 years    | 15 |
| Cabinetry and Permanent Furnishings            | 10 years    | 10 |
| Well Rehab and Reconstruction                  | 5-20 years  | 10 |
|                                                |             |    |
| Vehicles:                                      |             |    |
| Cars, Vans, Light Trucks                       | 5-7 years   | 5  |
| Medium/Heavy Duty Trucks                       | 8-16 years  | 10 |
| Fire Trucks                                    | 15-25 years | 20 |
| Police Vehicles                                | 5-7 years   | 5  |
|                                                |             |    |
| Machinery and Equipment:                       |             |    |
| Heavy Equipment (Sweepers, Loaders, etc.)      | 10-20 years | 15 |
| Tractors                                       | 15 years    | 15 |
| Large Mowers                                   | 7-10 years  | 8  |
| Small Mowers                                   | 3-5 years   | 4  |
| Firefighting Equipment                         | 10 years    | 10 |
| Well Pumps and Equipment                       | 20-25 years | 20 |
| Other Equipment                                | 7-15 years  | 10 |
|                                                |             |    |
| Furniture and Office Equipment                 | 3-10 years  | 4  |
|                                                |             |    |
| Recreation Equipment:                          |             |    |
| Play Structures                                | 10 years    | 10 |
| Scoreboards                                    | 10 years    | 10 |
| Tennis and Basketball Courts                   | 20 years    | 20 |
|                                                |             |    |
| Information Technology:                        |             |    |
| Telecommunication Systems (i.e., Fiber Optic)  | 25 years    | 25 |
| Servers, Network Switches and Firewalls        | 5 years     | 5  |
|                                                |             |    |
| Infrastructure:                                |             |    |
| Bridges                                        | 25 years    | 25 |
| Streets (includes curb and gutter)             | 25 years    | 25 |
| Sidewalks and Trails                           | 15 years    | 15 |
| Water Distribution                             | 40 years    | 40 |
| Sanitary Sewer Collection                      |             |    |
| Mains and Lines                                | 40 years    | 40 |
| Lift Stations, Equipment & Liners              | 20-30 years | 20 |
| Storm Water System                             |             |    |
| Mains and Storm Ponds                          | 40 years    | 40 |
| Catch Basins, Culverts, Manholes               | 25 years    | 25 |
| Non-Structural BMPs                            | 10-25 years | 20 |
| Structural BMPs                                | 25-40 years | 30 |
| Streetlights and Traffic Signal Systems        | 25 years    | 25 |
| Other Infrastructure                           | 20-40 years | 30 |

### **Disposition of Capital Assets**

Capital Assets may be disposed of, in accordance with State guidelines, through the following methods:

- Sold by a public auction or advertisement for bids;
- Exchanged or “traded-in” for a replacement;
- Donated in a manner consistent with the Donation section of this Manual;
- Retired, recycled or placed in garbage (i.e., obsolete, broken items); or
- Salvaged, after the end of its useful life.

## **Fiscal Agent Services Policy**

From time to time, the City, in order to support applicable public purposes or other community-wide benefits, may agree to provide fiscal agent services to an external organization. If the City determines such an arrangement would be in the best interest of both parties, the following Fiscal Agent Service Policy shall apply and control.

### **Eligibility**

The City shall only provide fiscal agent services to a 501(c)(3) organization fulfilling a statutorily recognized public purpose or other community-wide benefit as determined by the City. All requests for fiscal agent services shall be reviewed on a case-by-case basis. If the City maintains a same or similar business relationship with other organizations, such relationships shall not be a basis for the approval or denial of any individual request.

All fiscal agent service arrangements shall be governed by a written Fiscal Agent Services Agreement (Agreement) approved by the governing board of the external organization and the City Council. Any costs associated with the creation, review and implementation of this Agreement shall be borne by the external organization through a non-refundable, administrative fee as determined by the City.

The City shall not provide fiscal agent services for any unincorporated associations or groups. It may also deny any request for fiscal agent services at any point prior to the approval and execution of the Agreement.

### **Fiscal Agent Services Requirements**

The Agreement shall outline the type of assistance and services to be provided by the City. Generally, these services may be administrative, financial or legal in nature. The City may also provide access to insurance products and other services through its vendors. As a rule, the City will not provide programmatic assistance (i.e., providing staff for an event) or waive fees or similar costs charged to the general public (e.g., park shelter rental fee). All services outlined in the Agreement shall be conducted in a manner consistent with the legal requirements and best practices of the City, State, and applicable accounting standards.

Any material changes, as determined by the City, in the activities of the external organization shall require the written approval of the City, and a subsequent modification of the Agreement by the City Council. The City shall not provide any fiscal agent services associated with any unapproved activities, or activities not otherwise contemplated by the Agreement.

The external organization shall support all costs associated with the fulfillment of the Agreement, including, but not limited to:

- Annual audit requirements;



- Interim reports and other requests for information;
- Banking needs;
- Daily and regular transactions and associated fees;
- Amendments to the Agreement;
- Legal services;
- Insurance premiums;
- And other costs determined by the City to support the letter and spirit of the Agreement.

The City may also charge up to a 5% administrative fee based on the total expenditures of the external organization annually in addition to the costs outlined above.

On behalf of the external organization, the City, as the Fiscal Agent, shall establish and maintain a separate Fiduciary Fund to segregate applicable financial activities. The City shall only disburse, or release funds associated with such account upon the written authorization of at least two parties, as identified in the Agreement, upon a form(s) determined by the City. The maintenance of all funds shall be consistent with the internal controls established for regular City business activities.

The City will maintain all financial records associated with the external organization according to GAAP and OSA requirements, as well as any other applicable standards associated with the business activities of the external organization (e.g., grant covenants). The external organization shall support the cost of any employee trainings or certifications necessary to support its business activities.

The Agreement shall require the external organization to indemnify the City and allow the City Council to terminate upon a 90-day written notice. Additionally, if the City Council concludes any illicit, illegal and/or disreputable activities on the part of the external organization, it may terminate the Agreement when the external organization either fails to remedy or cannot remedy the situation(s) within 10 days of written notice. If the City terminates the Agreement, it shall provide all data and information to the external agency upon request and to complete required reports and submissions.

## Funds and Fund Balance Policy

In order to maintain compliance with applicable Federal regulations, State laws and City provisions, the City shall maintain the following standards with respect to cash and investment management.

The purpose of this Fund Balance Policy is to establish appropriate fund balance levels for each fund that is primarily supported by property tax revenues or user fees. These policies will ensure that adequate resources are available to meet cash flow needs for carrying out the regular operations of the City.

The GFOA's guiding principle for classifying the various components of fund balance is to indicate the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. Following governmental accounting standards, the City has two basic categories: Governmental Funds and Proprietary Funds. This Fund Balance Policy applies only to the governmental categories.

Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, altered the categories and terminology used to describe the components of fund balance in governmental funds (but it does not apply to the proprietary or fiduciary funds). The City's governmental funds include the following fund types:

- General Fund;
- Special Revenue Funds;
- Debt Service Funds; and
- Capital Projects Funds.

For the purpose of GASB Statement No. 54 and this Manual, the following definitions shall apply to the types of fund balances:

- Fund Balance – The difference between assets and liabilities reported in a governmental fund;
- Non-Spendable Fund Balance – Amounts that are not in a spendable form (e.g., prepaid items and inventories of supplies), resources that must be maintained intact pursuant to legal or contractual requirements are also considered non-spendable.
- Restricted Fund Balance – Amounts subject to externally enforceable legal restrictions (e.g., creditors, grantors, contributors, and by law through constitutional provisions or enabling legislation);
- Unrestricted Fund Balance - The total of committed fund balance, assigned fund balance, and unassigned fund balance, as described below;
  - Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (i.e., City Council). Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally. The City Council must act on these commitments before year end;
  - Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the government body or by an official or body to which the governing body delegates the authority; and
  - Unassigned Fund Balance – Amounts that are available for any purpose in the General Fund.

The City Council authorizes the Finance Director and/or City Administrator to assign fund balances that reflects the City's intended use of those funds. When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, and then use unrestricted resources as they are needed. When unrestricted resources are available for use, it is the City's policy to use resources in the following order:

- 1) Committed
- 2) Assigned
- 3) Unassigned.

### **General Fund**

The General Fund is established to account for all revenues and expenditures which are not required to be accounted for in other funds. Revenue sources include property taxes, license and permit fees, fines and forfeits, charges for services, intergovernmental revenues, investment interest earnings and transfers.

The General Fund will have committed fund balances at year end for any purchase order encumbrances and budget carryovers. The General Fund may have a portion of its fund balance classified as non-spendable if there are long term receivables, inventories, or prepaid items. The General Fund is the only fund that can have a positive unassigned fund balance.

The City will strive to maintain an unassigned fund balance in the General Fund in the range of 45%-55% of the subsequent year's budgeted operating expenditures. Since a significant source of revenue in the General Fund comes from property taxes, maintaining a fund balance that is equal to at least five months of operating expenditures ensures that sufficient resources are available to fund basic City functions between property tax settlements. This range is in conformance with guidance from the OSA. An assignment or restriction of fund balance may be used to offset revenues earned in one year where substantial services are required to be performed in the next fiscal period.

### **Special Revenue Funds**

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Consistent with GASB Statement No. 54, substantial inflows of revenues into a Special Revenue Fund must be either restricted or committed in order for the fund to be considered a Special Revenue Fund.

### **Debt Service Funds**

Debt Service Fund balances are considered restricted as they are resources that are being accumulated for payments of principal and interest maturing in current and future years. The Debt Service Funds are required to maintain sufficient fund balance to pay the February 1 debt service payments of the following year.

### **Capital Project Funds**

Capital Project Funds are used to account for and report financial resources that are restricted, committed, or assigned for capital outlays, including the acquisition or construction of capital facilities and other capital assets. They also accumulate funds for future, planned expenditures.

The City shall consider all Capital Project Funds as assigned fund balances, except in the following circumstances:

- Long-term receivables, inventories, and prepaid items, which shall be non-spendable;

- Proceeds from the sale of bonds, and any Municipal State Aid held by the City or similarly designated funding, which shall be restricted;
- Funds held for the Capital Equipment Fund; and
- Signed contracts or agreements approved by the City Council.

For any other activity, the Finance Director, or their designee, shall determine the fund balance classification. Given the type of activities supported by these funds (e.g., one-time expenditures), the City does not maintain fund balance policies for each individual fund.

### **Enterprise Funds**

Enterprise Funds are established to account for the operation of Water, Generation, Sanitary Sewer, Storm Water and Municipal Liquor operations which are designed to be self-supporting from user charges and fees.

**Water** - This fund is used to account for the provision of water services for the customers of the City related to administration, operations and capital outlay. This fund is financed primarily through user charges and fees.

The City will strive to maintain a cash balance in the Water Utility Fund in the range of 50%–60% of the subsequent year’s budgeted operating expenses less depreciation, plus the subsequent year’s debt service and capital improvement obligations. Since a significant source of revenue in the Water Fund comes from user charges and fees, maintaining a cash balance in this range ensures that sufficient resources are available to fund basic City functions between receipts of user charges and fees. In addition, due to the mature water infrastructure within the City, a higher percentage of fund balance is prudent to address any potential issues.

**Generation** - This fund is used to account for the provision of electrical generation for Southern Minnesota Municipal Power Agency (SMMPA) related to administration, operations and capital outlay. This fund is financed primarily through contracted fees.

The City will strive to maintain a cash balance in the Generation Fund in the range of 50%–60% of the subsequent year’s budgeted operating expenses less depreciation, plus the subsequent year’s debt service and capital improvement obligations. Since a significant source of revenue in the Generation Fund comes from fees, maintaining a cash balance in this range ensures that sufficient resources are available to fund basic City functions between receipts of fees.

**Sanitary Sewer** - This fund is used to account for the provision of sanitary sewer collection and conveyance for the customers of the City related to administration, operations and capital outlay. This fund is financed predominantly through user charges and fees.

The City will strive to maintain a cash balance in the Sanitary Sewer Utility Fund in the range of 50-60% of the subsequent year’s budgeted operating expenses less depreciation, plus the subsequent year’s debt service and capital improvement obligations. Since a significant source of revenue in the Sanitary Sewer Fund comes from user charges and fees, maintaining a cash balance in this range ensures that sufficient resources are available to fund basic City functions between receipts of user charges and fees. In addition, due to the age of the sanitary sewer infrastructure within the City, a higher percentage of fund balance is prudent to address any potential issues.

**Storm Water** - This fund is used to account for the provision of storm water collection, conveyance and water quality management for the customers of the City related to administration, operations and capital outlay. This fund is financed predominantly through user charges and fees.

The City will strive to maintain a cash balance in the Storm Water Fund in the range of 50%–60% of the subsequent year’s budgeted operating expenses less depreciation, plus the subsequent year’s debt service and capital improvement obligations. Since a significant source of revenue in the Storm Water Fund comes from user charges and fees, maintaining a cash balance in this range ensures that sufficient resources are available to fund basic City functions between receipts of user charges and fees. In addition, due to the age of storm water infrastructure within the City, a higher percentage of fund balance is prudent to address any potential issues.

**Municipal Liquor** - This fund is used to account for the operations of the City’s off-sale liquor stores. This fund is financed predominantly through the sale of liquor and similar items.

The City will strive to maintain a cash balance in the Municipal Liquor Fund in the range of 10%–20% of the subsequent year’s budgeted expenses, or approximately 1-3 months of subsequent year’s budgeted expenses. Due to the correlation of sales to purchases of inventory, a lesser cash balance percentage is justifiable. This will ensure that sufficient resources are available to fund Municipal Liquor operations and future capital improvements.

#### **Carryovers and Encumbrances**

At year end, the City Council may approve budget carryovers. The budget carryovers will be considered Committed Fund Balances upon approval of the City Council through the subsequent annual budget.



# Investment Management Policy

This Investment Policy specifically outlines the investing philosophy and practices of the City of North Branch and serves as a reference point for the management of City assets. It is the policy of the City to invest public funds in a manner which will provide for the following in order of importance: safety, liquidity and yield (i.e., return on investment) that conforms to all Federal, State and local regulations governing the investment of public funds.

## Scope

This Investment Policy applies to all financial assets of the City of North Branch. These funds are accounted for within the City's audited financial statements. These funds include:

- General Fund;
- Special Revenue Funds;
- Capital Project Funds;
- Debt Service Funds;
- Enterprise Funds; and
- Any new fund created by the City, unless specifically exempted by City Council; and/or falling under the constraints of a separate section of State law other than Minnesota Statute Chapter 118A.

## Prudence

Investments shall be made with judgement and care, under circumstances existing at the time the investment is made, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering probable safety of the capital as well as interest yield to be derived.

The standard of prudence to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing the overall portfolio. Investment officers acting in accordance with written procedures and this Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse situations. Investment procedures developed for the Finance Department must be complied with by those with access to and management responsibilities for City investments, including any external investment managers, advisors, consultants, brokers and/or counterparties.

## Objective

At all times, investments of the City shall be made in accordance with Minnesota Statutes Chapter 118A and amendments thereto. The primary objectives of the City's investment activities shall be in the following order of priority.

**Safety** – Safety of principal is the foremost objective of the investment portfolio. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk, interest rate risk, and custodial risk.

**Credit Risk** – Credit Risk is the risk of loss due to failure of the security issuer to make payments on time and/or in full. Credit Risk will be minimized by:

- Limiting investments to the type of securities listed in this Investment Policy; and
- Diversifying the investment portfolio so that the impact of potential losses from any type of security or from any on individual issuer will be minimized.

**Interest Rate Risk** – Interest Rate Risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. The City will minimize Interest Rate Risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

**Custodial Risk** – The City will minimize deposit Custodial Risk, which is the risk of loss due to failure of the depository bank (or credit union), by obtaining collateral or bond for all uninsured amounts on deposit, and by obtaining necessary documentation to show compliance with state law and a perfected security interest under federal law.

The City will minimize investment Custodial Risk by maintaining custody of securities and cash holdings outside of authorized depository institutions with an eligible custodian(s) that meets statutory and Investment Policy requirements or with a Federal Reserve Bank. Investment Custodial Risk is the risk that in the event of failure of a custodian, such as a broker/dealer, the City will not be able to recover the value of its investment securities that are in possession of an outside party and in that party's nominee name for which the City is a beneficial owner.

### **Liquidity**

The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might reasonably be anticipated. The portfolio will be structured so that securities mature concurrent with cash needs to meet anticipated demands (i.e., static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (i.e., dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same day liquidity for short-term funds.

### **Yield**

The City's investment portfolio shall be designed with the objective of attaining a market rate return. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal and the risk the investment will no longer comply with the requirements of Minnesota Statutes, Chapter 118A;
- A security swap (simultaneous sale and purchase) would improve that quality, yield, or target duration in the portfolio; and
- Liquidity needs of the portfolio require that the security be sold.

### **Trading**

Portfolio purchases will focus on holding investments until maturity to maintain securities at amortized value. Excessive investment portfolio turnover commonly referred to as "trading" or "overtrading" to obtain short-term gains is not consistent with the City's stated investment objectives and will be prohibited.

### **Delegation of Authority**

The Investment program shall be operated in conformance with Federal, State, and other legal requirements. Authority to manage the City's investment program is derived from the following:

- Minnesota Statutes Chapter 118A, Deposit, and Investment of Local Public Funds

Management responsibility for the investment program is hereby delegated to the Finance Director, who shall establish written procedures for the operations of the Investment Program consistent with

this Investment Policy. The Finance Director, with assistance from the Finance Department, monitors performance of the investment portfolio, and ensures that proper internal controls are developed to safeguard investment assets. Procedures should include reference to: safekeeping (custody), delivery versus payment (DVP), investment accounting wire transfer agreements, collateral/depository agreements and banking service contracts. Such procedures shall include explicit delegation of authority to a person responsible for investment transactions.

No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Finance Director. An Investment Committee comprised of City Administrator, Finance Director, minimum of 1 Councilmember shall oversee all investment transactions and shall establish a system of controls to regulate the activities of subordinate officials and any external parties.

### **Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from conducting personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

### **Authorized Broker/Dealers and Investment Advisors**

The City will conduct investment transactions only with authorized broker/dealers that have met the following criteria:

- They act as primary or regional dealers that qualify under Securities & Exchange Commission (SEC) Rule 15C3-1 (Uniform Net Capital Rule); and
- Submit annually to the Finance Director an OSA Broker Certification Form.

All broker/dealer relationships, providing they meet the above requirements, will be maintained at the discretion of the Finance Director. The purchase of all investments must be from institutional brokers.

The City may enter into contracts with investment advisory firms at the discretion of the Finance Director when their services are deemed beneficial to the City. Any such firm must be registered under the Investment Advisor's Act of 1940. The advisor may have authority to transact investments on behalf of the City and must comply with State statute and this Investment Policy.

### **Authorized and Suitable Investments**

Based on the investment objectives as defined in this Investment Policy, the City will limit its investments to securities authorized under Minnesota Statute 118A and future revisions.

### **Concentration of Credit Risk**

It is the intent of the city to diversify its investments and thereby reduce the risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, institution or market sector. No more than 50% of the entity's total investment portfolio will be invested in a single market sector and no more than 15% of the overall portfolio may be invested in the securities of a single issuer. The following investments are exempt from diversification restrictions:

- U.S. Treasury and Agency securities
- Money Market Funds, Local Government Investment Pools (LGIPs)
- Deposits fully insured by Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA).

Due to the fluctuations in the value of the portfolio, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase or maturity of a particular security. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made.

### **Collateralizations**

In accordance with Minnesota Statute 118a.03, financial institutions will be required to provide collateral on the following:

- Certificates of Deposits (i.e., Time Deposits); and
- Demand Deposits.

The City chooses to limit collateral to the following U.S. government securities:

- Treasury Bills;
- Treasury Notes;
- Treasury Bonds;
- Federal National Mortgage Associations (FNMA);
- Federal Home Loan Bank (FHLB);
- Federal Farm Credit Bank (FFCB);
- Government National Mortgage Association (GNMA); and
- Federal Home Loan Mortgage Corporation (FHLMC).

Deposits may additionally be collateralized by an irrevocable standby letter of credit issued by Federal Home Loan Banks.

The underlying securities will be subject to periodic (i.e., monthly) market valuations to ensure there is no market exposure. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value of principal and accrued interest except that where the collateral is irrevocable standby letters of credit issued by Federal Home Loan Banks. The amount of collateral shall be at least equal to the amount on deposit at the close of the financial institution's banking day.

For cash deposits on-hand collateral will always be held by an independent third party with whom the City has a current custodial agreement. Clearly marked evidence of ownership (i.e., safekeeping receipt) must be supplied by the entity and retained. Collateralization shall be in the form of specific securities held for the City. The only exceptions are FDIC, NCUA, Securities Investor Protection Corporation (SIPC) and pre-approved insurance coverage. The right of collateral substitution is granted, subject to approval from the Finance Director.

### **Safekeeping and Custody**

Securities purchased shall be held in a segregated account for the City's benefit at a third-party trustee as safekeeping agent. The investment dealer or bank from which the security is purchased shall issue a confirmation ticket to the City listing the specific instrument, issuer, coupon, maturity, Committee on Uniform Security Identification Procedures (CUSIP) number, purchase or sale price, transaction date, and other pertinent information. The financial service provider who executes the transaction on the City's behalf, if any, shall deliver all securities on a delivery versus payment method. This means that neither the buyer nor the seller is exposed to the risk that the other will default.

Investments, contracts, and agreements may be held in safekeeping with:

- Any Federal Reserve Bank; and

- Any bank authorized under the laws of the United States or any state to exercise corporate trust powers including, but not limited to, the bank from which the investment is purchased.

The City's ownership of all securities should be evidenced by written acknowledgements identifying the securities by:

- The names of the issuers;
- The maturity dates;
- The interest rates; and
- Any CUSIP, serial numbers, or other distinguishing marks.

The City may not invest in securities that are both uninsured and not registered in the name of the City and are held by either the counterparty or the counterparty's trust department or agent, but not in the name of the City.

### **Maximum Maturities**

To the extent possible, the City will attempt to match its investment maturities with anticipated cash flow liquidity demands (i.e., static liquidity).

Maturities selected shall provide for stability of income and reasonable liquidity. Because of the inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as local government investment pools and/or money market funds to ensure that appropriate liquidity is maintained to meet ongoing obligations.

### **Internal Control**

The Investment Committee is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that

- (1) the cost of a control should not exceed the benefits likely to be derived; and
- (2) the valuation of the costs and benefits requires estimates and judgments by management.

The City will engage an external auditor for an annual independent review to assure compliance with policies and procedures.

### **Performance Standards**

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, considering the City's investment risk constraints and cash flow needs. The investment portfolio will be structured to meet specific criteria addressing safety, liquidity and yield. The City's reporting system will provide information concerning cash position, investment performance, and percentage of the portfolio that is invested by security issuers and maturity structure.

### **Market Yield/Benchmark**

The City's investment strategy is conservative. Under this conservative philosophy, the City will purchase investments that fit in accordance with this policy. Given this strategy, the Finance Director may establish benchmarks, as appropriate, based on the investment needs of the City.

### **Reporting**

An Investment Advisory Committee consisting of the City Administrator and the Finance Director at a minimum, shall meet quarterly and discuss the investment activity and returns of the City, which will



include: security diversification information, maturity breakdowns and investment earnings, and a brief summary of current economic conditions affecting the portfolio. The City will also report this information as part of the annual audited financials.

## Debt Management

One of the keys to sound financial management is the development of a Debt Management Policy. This need is recognized by bond rating agencies and development of a debt policy is a recommended practice of the GFOA. A debt policy establishes the parameters for issuing debt and managing the debt portfolio. It provides guidance to the administration regarding purposes for which debt may be issued, types and amounts of permissible debt and method of sale that may be used. It helps ensure fiscal responsibility and promotes financial sustainability. The following Debt Management Policy is intended to demonstrate a commitment to long-term financial planning in conjunction with the CIP for the City.

### **Debt Issuance Guidelines**

The City will confine long-term borrowing to capital improvements, projects, and equipment that have a useful economic life of more than five years and cannot be financed from current revenues. For the purpose of this Debt Management Policy, current revenues are defined to include that portion of fund balance in excess of appropriate required reserves and designations.

The City will endeavor to keep the total maturity length of general obligation bonds at or below 20 years and at least 50% of the principal shall be retired within 10 years. In all cases, the maturity shall be shorter than the useful life of the related asset(s).

At a minimum, the City will prepare a ten-year CIP biennially, which will be approved by the City Council. The CIP will include an analysis of the City's infrastructure and other capital needs, and their corresponding financial impact and any associated debt service. The City will not issue any long-term debt to support operating activities nor will it consider debt issuance outside of the adopted CIP, except in the case of a financial emergency.

The City will analyze each project and the proposed debt financing to determine the tax impact and future operating costs associated with the project and related debt issuance costs. The City Council shall authorize, approve and appropriate all debt related proceeds.

The City will plan bond issues to minimize the frequency of issuance to ensure the lowest possible costs of issuance and administrative/compliance costs. When determining the size of a bond issue, the City will consider the need for construction, debt service and capitalized interest funds. The City will prepare construction fund draw schedules in conjunction with CIP planning.

The City's preferred method of sale of bonds is via competitive sale to underwriters; however, the City may sell bonds via a negotiated sale, private placement, or other method if deemed advantageous. The City shall on all occasions comply with the requirements of Minnesota Statutes, Chapter 475 with respect to method of sale and the use of an independent municipal advisor.

Total net general obligation debt, which is generally defined as debt fully supported by property taxes, will not exceed the statutory limit as required by Minnesota Statutes § 475.53. The total debt levy will not exceed 50% of the total property tax levy in any given year. Where possible and cost-effective, the City will use revenue, including General Obligation backed revenue bonds, or other self-supporting type bonds instead of General Obligation Bonds.

The City will maintain frequent and regular communications with bond rating agencies about its financial condition and will follow a policy of full disclosure in every financial report and bond prospectus. The City will comply with SEC reporting requirements.

### **Interfund Borrowing**

Interfund borrowing for periods of more than one year shall only be undertaken for capital expenditures. A reasonable payment schedule for repayment of the borrowed amounts and enforceable covenants, established to ensure recourse if the schedule is not adhered to, shall be approved by the City Council. Interest charges shall be included to compensate the originating fund for the use of its financial resources. Bond proceeds should never be included during interfund borrowings as this can create additional arbitrage exposure.

### **Debt Issuance Types**

The City may issue general obligation debt for equipment, capital or other properly approved projects. Where possible and cost-effective, the City will use special assessment, revenue, or other self-supporting bonds instead of General Obligation Bonds.

The City may issue revenue bonds to finance proprietary fund activities such as water, sanitary sewer and storm water utilities as well as the municipal liquor store(s) or for other capital projects that generate adequate revenues from user fees to support operations and debt service requirements. The bonds will include written legal covenants, which require that revenue sources be adequate to fund annual operating expenses and annual debt service requirements.

The City may issue tax increment bonds to fund public improvements or for economic development (i.e., private). All Tax Increment Financing (TIF) proposals shall include a financial impact analysis addressing the economic relationship of the proposed project to the City's estimated tax rates, service costs, and employment opportunities. If General Obligation TIF Bonds are proposed, there shall be a review and opinion by the City's Financial Advisor regarding structuring the issue and the adequacy of the tax increments to retire the debt.

Capital leases may be used to purchase buildings, equipment, furniture and fixtures. The term of any capital lease shall not exceed the useful life of the leased asset. Lease financing and master lease obligations, including lease revenue bonds, may be considered as alternative financing sources.

### **Refunding of Debt**

The City will refund debt when it is in the best financial interest of the City to do so.

**Debt Service Savings** – When a current or advance refunding are undertaken to generate interest rate cost savings, the minimum aggregate present value savings will be 3% of the refunded bond principal amount. The present value savings will be net of all costs related to the financings.

**Term of Refunding Issues** - The City will refund bonds within the term of the originally issued debt. However, the City may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The City also may consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed project or facility should be considered in this decision.

**Arbitrage** – The City shall take all necessary steps to optimize escrows and to avoid negative arbitrage in its refunding.

## Private Activity or Conduit Bonds Policy

The City has been granted the power to issue private activity or conduit revenue bonds, and other conduit revenue obligations, under Minnesota Statutes, § 469.152-469.165, as amended, and Minnesota Statutes, Chapter 462C, as amended (Conduit Bonds Acts).

It is the judgement of the City Council that tax-exempt financing is to be used on a selective basis to encourage a certain development or project that offers a benefit to the City as a whole, including significant employment and housing opportunities. It is the applicant's responsibility to demonstrate the benefit to the City, both in writing and at the required public hearings.

Although approval may have been granted by the City Council for the issuance of financing for a similar project or a similar debt structure, it shall not be a basis upon which approval will be granted. Each application will be judged on the merits of the project as it relates to the authorized public purpose, the Conduit Bonds Acts, and the benefits to the City at the time of the request for financing.

### **Criteria**

The proposed project must be compatible with the overall development plans and objectives of the City as outlined in the Comprehensive Plan or other duly adopted actions, resolutions and/or ordinances of the City Council.

It is also the City's intent to assist in business expansions or relocations within the City where it can be shown that such would have a substantial, favorable impact on employment, qualified housing or the property tax base of the City.

The project must not put an undue burden on existing City services or public utilities beyond that which can be reasonably and economically accommodated, as determined by the City Engineer or their designee. Additionally, the applicant shall not place the City in competition with other jurisdictions or political subdivisions for project financing.

Any and all bonding and bonding authority shall be available on a first-come, first-serve basis, assuming the applicant(s) in question meet the other criteria and procedures outlined in this section of the Manual.

The applicant must have a good financial standing, show a substantial net worth, equity in the project, or both, and have an acceptable earnings history or pro forma. Proposed projects are to show in the application for financing an owner equity or other collateral (such as a Letter of Credit, insurance company guarantee, or similar security), which will be satisfactory to the end-lender or rating agency, all determined with reference to total project costs. The applicant will also file with the City, if requested, a final statement of total costs and project equity, certified by an authorized officer or partner, or the individual applicant, and said statement to be filed at time of requesting the final resolution.

Debt will be considered sold in a private placement if:

1. No advertising or solicitation of the general public occurs, and
2. If the bonds are initially sold to not more than ten purchasers (not including any underwriter or placement agent as a purchaser); and
3. The City receives written certification from each initial purchaser (or each underwriter or placement agent based on its reasonable belief) that:
  - a. Such purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and the risks of the debt; and

- b. Such purchaser is not purchasing for more than one account or with a view to distributing the debt.

In addition, for a private placement either:

1. All bonds or notes (except for one bond or note) must always remain in minimum denominations of not less than \$100,000, or
2. Investment letters from each initial purchaser, and from any subsequent purchaser, must be obtained and contain the above described certifications from the purchasers.

Any offering material for a private placement must prominently state in effect that: THE CITY OF NORTH BRANCH, MINNESOTA HAS NOT ASSUMED ANY RESPONSIBILITY TO REVIEW THIS OFFERING MATERIAL AND HAS NO RESPONSIBILITY FOR ITS ACCURACY OR COMPLETENESS. THE CITY HAS NO FINANCIAL OBLIGATION OF ANY NATURE WITH RESPECT TO THE OFFERED BONDS," or such other language to the same force and effect mutually agreeable to the borrower/obligator and the City.

Finally, to qualify as a private placement the financing documents must require annual financial statements from the benefited private party (or the ultimate provider of credit) to be delivered to each investor, or a trustee, and the City as the issuer.

Applications for acquisition or replacement of machinery and equipment will be discouraged unless in conjunction with a new business in the City, as physical plant expansion of an existing business, or where it is shown that the equipment acquisition is essential to the continued operation of the business.

### **Procedures**

The applicant shall make an application for financing on forms determined by the City Administrator, or their designee. The completed application must be returned to the City, accompanied by the processing fee as determined by the City, whereupon the application will be reviewed by staff for possible consideration by the City Council. Specific findings shall be made and recited regarding the criteria as well as satisfaction of public purposes of the Conduit Bonds Acts, of other applicable Federal regulations and/or State statutes.

The applicant must select a qualified financial advisor or underwriter to assist the applicant in preparing all necessary application documents and materials. Applications must include a signed letter from a responsible financial institution indicating that the project is economically feasible and viable, and stating that bonds can be successfully sold for the project or that an individual or institution intends to purchase all of the bonds. Financial material submitted must also include the most recent fiscal year-end audited financial statements of the applicant and/or of any major lessee tenant, if readily available.

The applicant must receive approval from the appropriate State agencies, secure financing and commence construction within one year of the date of the final resolution giving approval to the project for the housing program. Upon application, the City Council may approve an extension of the approval.

The applicant shall furnish along with the application, a description of the project, plat plan (if needed), rendering of proposed buildings, and a brief description of the applicant, all in such form as shall be required at the time of application. This data may be furnished to other staff, appropriate consultants and members of the City Council.

The application shall not be considered complete until a review by the City regarding applicable City Code requirements, including, but not limited to:

- Street and traffic issues;



- Zoning compliance; and
- Public utility and drainage issues.

The review shall consider both existing and improved conditions of the proposed project. A failure to address these findings and requirements, or failure to demonstrate a capability to reasonably remediate the same in a timeline determined by the City, may result in the denial of the application.

If an allocation of bonding authority is required under Minnesota Statutes, Chapter 474A, as amended, the applicant shall be required to pay any required application fee(s) and provide any required application deposit as specified in Minnesota Statutes Chapter 474A, without regard to whether the application fee or application deposit will be refunded. If the City shall serve as a pass-through for any such deposit refunds, it shall process the same in ten business days of receipt.

### **Administrative**

The City Council reserves the right to deny any application for financing for any reason, and at any stage of the proceedings, prior to adopting the final resolution authorizing issuance of the private activity or conduit financing. The City Council may waive any provision of this Conduit Bonds Policy if the City Council determines that such waiver is in the best interests of the City.

The City is to be reimbursed, and held harmless, for and from any “out-of-pocket” costs related to the actual or proposed issuance of bonds contemplated by this Manual. In addition, a non-refundable processing fee as determined by the City’s Comprehensive Fee Schedule must be submitted with the application. Upon closing, an Administrative Fee is due and payable to the City based on the following schedule:

- 1/8 of 1% annually of the outstanding principal for the life of the bond issue; or
- Up to 1% of the par amount of the bond.

Any costs incurred by the City will be recovered at the time of settlement or through scheduled payments collected by the Fiscal Agent. Requesting organizations must pay for any City expenses for Bond Counsel, Financial Advisor and any similar costs related to any financing, which shall be in addition to the Administrative Fee. The Administrative Fee is to be paid from proceeds of the Bonds or other sources on the date of issuance of the bonds or may be paid to the fiscal agent with each debt service payment. The applicant will be responsible for all costs associated with post-issuance compliance monitoring per this Manual, including the costs of the City in responding to any Internal Revenue Service (IRS) or other legal inquiries regarding the tax-exempt status of the bonds.

The applicant shall covenant in the applicable bond documents to comply with all applicable requirements of the Internal Revenue Code of 1986, as amended (Code), and the applicable Treasury Regulations, including, but not limited to:

- The arbitrage and rebate requirements of Section 148 of the Code; and
- The qualified bonds provisions of Sections 141(e), 142, 143, 144, and 145 of the Code.

The applicant shall be the party responsible for monitoring the private activity or conduit bonds for compliance with such requirements and to remediate non-qualified bonds in accordance with the requirements of the Code and applicable Treasury Regulations. The applicant shall be the party responsible for monitoring compliance with the requirements of Section 148 of the Code, and all other requirements outlined in the Post-Issuance Compliance Policy and Procedures of this Manual.

The first \$10,000,000 in bonding authority annually, the maximum allowed for designation as “bank qualified,” will be reserved for City purposes. To preserve its bank qualification authority, the City will only consider issuing these types of conduit obligations when the City’s needs have been fully met.

Should the City exceed the bank qualified limit, the borrower in question must pay the City the net present value between the bank qualified and non-bank qualified rates. The City's Financial Advisor shall provide this calculation, if needed.

All applications, supporting materials and documents shall remain the property of the City; and all such materials may be subject to disclosure and/or public review under applicable provisions of State law. Additionally, the applicant shall assist the City with any Minnesota Government Data Practices Act request(s), including paying for any applicable compliance costs determined by the City.

The Finance Department shall report any and all private activity or conduit debt issues in the Annual Financial Report in accordance with GAAP and shall report any material events with regard to all debt issued by the City, and still outstanding, to the City Council.

## Post-Issuance Debt Compliance Policy

The City Council has chosen, by policy, to take steps to help ensure that all obligations will follow all applicable federal regulations. This Post-Issuance Debt Compliance Policy may be amended, as necessary.

The IRS is responsible for enforcing compliance with the Internal Revenue Code (Code) and regulations promulgated thereunder (Treasury Regulations) governing certain obligations (e.g., tax-exempt obligations, Build America Bonds, Recovery Zone Development Bonds and various Tax Credit Bonds). The IRS encourages issuers and beneficiaries of these obligations to adopt and implement a post-issue debt compliance policy and procedures to safeguard against post-issuance violations.

### **Post-Issuance Debt Compliance**

The City desires to monitor these obligations to ensure compliance with the Code and Treasury Regulations. To help ensure compliance, the City has developed the following Post-Issuance Debt Compliance Policy. The Post-Issuance Debt Compliance Policy shall apply to the obligations mentioned above, including Bonds, notes, loans, lease purchase contracts, lines of credit, commercial paper or any other form of debt that is subject to compliance. The Finance Director is designated as the City's agent who is responsible for post-issuance compliance of these obligations.

The Finance Director shall assemble all relevant documentation, records and activities required to ensure post-issuance debt compliance as further detailed in corresponding procedures. At a minimum, the Post-Issuance Debt Compliance Procedures for each qualifying obligation will address the following:

- General post-issuance compliance;
- Proper and timely use of obligation proceeds and obligation-financed property;
- Arbitrage yield restriction and rebate;
- Timely filings and other general requirements;
- Additional undertakings or activities that support the items listed above;
- Continuing Disclosure Obligations;
- Maintenance of proper records related to the obligations and the investment of proceeds of obligations; and
- Other requirements that become necessary in the future.

The Finance Director shall apply the Post-Issuance Debt Compliance Procedures to each qualifying obligation and maintain a record of the results. Further, the Finance Director will ensure that the Post-Issuance Debt Compliance Policy are updated on a regular and as needed basis.

The Finance Director, or any other individuals responsible for assisting the Finance Director in maintaining records needed to ensure post-issuance debt compliance, are authorized to expend funds as needed to attend training or secure use of other educational resources for ensuring compliance such as consulting, publications, and compliance assistance.

Most of the provisions of this Post-Issuance Debt Compliance Policy are not applicable to taxable governmental obligations unless there is a reasonable possibility that the City may refund their taxable governmental obligation, in whole or in part, with the proceeds of a tax-exempt governmental obligation. If this refunding possibility exists, then the Finance Director shall treat the taxable governmental obligation as if such issue were an issue of tax-exempt governmental obligations and comply with the requirements of this Post-Issuance Debt Compliance Policy.

### **Private Activity or Conduit Bonds**

The City may issue tax-exempt obligations that are qualified “private activity” bonds because either

1. The bonds finance a facility that is owned by the City but used by one or more qualified IRC 501(c)(3) organizations, or
2. The bonds are so-called “conduit bonds”, where the proceeds are loaned to a qualified IRC 501(c)(3) organization or another private entity that finances activities eligible for tax-exempt financing under federal law, such as certain manufacturing projects and certain affordable housing projects.

Prior to issuance of either of these types of bonds, the Finance Director shall take steps necessary to ensure that such obligations will remain in compliance with the requirement of this Post-Issuance Debt Compliance Policy.

In a case where compliance activities are reasonably within the control of a private party (i.e., an IRC 501(c)(3) organization or conduit borrower), the Finance Director may determine that all or some portion of compliance responsibilities described in this Post-Issuance Debt Compliance Policy shall be assigned to the relevant party. In the case of conduit bonds, the conduit borrower will be assigned all compliance responsibilities other than those required to be undertaken by the City under federal law. In a case where the Finance Director is concerned about the compliance ability of a private party, the Finance Director may require that a trustee or other independent third party be retained to assist with record keeping for the obligations and/or that the trustee or such third party be responsible for all or some portion of the compliance responsibilities.

The Finance Director is additionally authorized to seek the advice, as necessary, of bond counsel and/or its financial advisor to ensure the City follows this Post-Issuance Debt Compliance Policy. For additional information regarding other private activity bonds, please see the Private Activity or Conduit Bonds Policy section of this manual.

## **Post-Issuance Debt Compliance Procedures**

The Post-Issuance Debt Compliance Policy applies to qualifying debt obligations issued by the City. As directed by the adoption of the Post-Issuance Debt Compliance Policy, the Finance Director of the City will perform the following Post-Issuance Debt Compliance Procedures for all of the City’s outstanding debt.

### **General Post-Issuance Compliance**

These procedures provide written regulations when more than one party is responsible for ensuring compliance. These procedures also ensure training and/or educational resources for post-issuance compliance have been approved and obtained.

The Finance Director understands that there are options for voluntarily correcting failures to comply with post-issuance compliance requirements, such as remedial actions under Section 1.141-12 of the Treasury Regulations and the ability to enter into a closing agreement under the Tax-Exempt Bonds Voluntary Closing Agreement Program in Notice 2008-31 (VCAP Program).

### **General Recordkeeping**

The responsible parties shall retain records and documents for the obligation and all obligations issued to refund the obligation for a period of at least seven years following the final payment of the obligation (or if such obligation is refunded, the final payment of the refunding bond) unless otherwise directed by the City's bond counsel.

The responsible parties shall also retain both paper and electronic versions of records and documents for the obligation. General records and documentation to be assembled and retained:

- Description of the purpose of the obligation (referred to as the project) and the State statute authorizing the project;
- Record of tax-exempt status or revocation of tax-exempt status, if applicable;
- Any correspondence between the City and the IRS;
- Audited financial statements;
- Bond transcripts, official statements, and other offering documents of the obligation;
- Minutes and resolutions authorizing the issuance of the obligation;
- Certifications of the issue price of the obligation;
- Any formal elections for the obligation (i.e., election to employ an accounting methodology other than the specific trading method);
- Appraisals, demand surveys, or feasibility studies for property financed by the obligation;
- Documents related to governmental grants, associated with construction, renovation or purchase of property financed with the obligation; and
- Reports of any prior IRS examinations of the City or the City's obligation.

### **Arbitrage Yield Restriction and Rebate Recordkeeping**

The following investment and arbitrage documentation shall be assembled and retained.

- An accounting of all deposits, expenditures, interest income and asset balances associated with each fund established in connection with the obligation. This includes an accounting of all monies deposited into the Debt Service Fund Account to make debt service payments on the obligation, regardless of the source derived.
- Statements prepared by Trustee or Investment Provider.
- Documentation of at least quarterly allocations of investments and investment earnings to each obligation (i.e., un-commingling analysis).
- Documentation for investments made with obligation proceeds, such as:
  - Investment contracts (i.e., guaranteed investment contracts);
  - Credit enhancement transactions (i.e., bond insurance contracts);
  - Financial derivatives (i.e., swaps, caps);
  - Bidding of financial products (i.e., investments acquired with obligation proceeds are purchased at fair market value); and
    - Three bids for open market securities needed in advance refunding escrows.
- Computations of the arbitrage yield.
- Computations of yield restriction and rebate amounts including but not limited to:
  - Compliance in meeting the "Temporary Period from Yield Restriction Exception" and limiting the investment of funds after the temporary period expires;

- Compliance in meeting the “Rebate Exception;”
  - Qualifying for the “Small Issuer Exception;”
  - Qualifying for a “Spending Exception;”
    - 6 month Spending Exception;
    - 18 month Spending Exception;
    - 24 month Spending Exception;
  - Qualifying for the “Bona Fide Debt Service Fund Exception;” and
  - Qualifying arbitrage on all funds established in connection with the obligation in lieu of satisfying arbitrage exceptions, including Reserve Funds and Debt Service Funds.
- Computations of yield restriction and rebate payments.
- Timely Tax Form 8038-T filing, if applicable.
  - Remit any arbitrage liability associated with the obligation to the IRS at each five-year anniversary date of the obligation, and the date in which the obligation is no longer outstanding (redemption or maturity date), whichever comes sooner, within 60 days of said date.
- Timely Tax Form 8038-R filing, if applicable.
- Procedures or guidelines for monitoring instances where compliance with applicable yield restriction requirements depends on subsequent reinvestment of obligation proceeds in lower yielding investments (e.g., reinvestment in zero coupon SLGS).

#### **Expenditure and Asset Documentation to be Assembled and Retained**

Documentation of allocations of obligation proceeds to expenditures (i.e., allocation of proceeds to expenditures for the construction, renovation or purchase of facilities owned and used in the performance of exempt purposes).

- Such allocation will be done not later than the earlier of:
  - 18 months after the later of the date the expenditure is paid, or the date the project, if any, that is financed by the tax-exempt bond issue is placed in service; or
  - 60 days after the earlier of the fifth anniversary of the issue date of the tax-exempt bond issue, or the date 60 days after the retirement of the tax-exempt bond issue.
- Documentation of allocations of obligation proceeds to issuance costs.
- Copies of requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks related to obligation proceed expenditures during the construction period.
- Copies of all contracts entered into for the construction, renovation or purchase of facilities financed with obligation proceeds.
- Records of expenditure reimbursements incurred prior to issuing bonds for facilities financed with obligation proceeds (i.e., Declaration of Official Intent/Reimbursement Resolutions including all modifications).
- List of all facilities and equipment financed with obligation proceeds.
- Depreciation schedules for depreciable property financed with obligation proceeds.
- Documentation that tracks the purchase and sale of assets financed with obligation proceeds.
- Documentation of timely payment of principal and interest payments on the obligation.
- Tracking of all issue proceeds and the transfer of proceeds into the debt service fund as appropriate.
- Documentation that excess earnings from a Reserve Fund is transferred to the Debt Service Fund on an annual basis. Excess earnings are balances in a Reserve Fund that exceed the Reserve Fund requirement.



### **Miscellaneous Documentation to be Assembled and Retained**

Ensure that the project, while the obligation is outstanding, will avoid IRS private activity concerns.

- The Finance Director shall monitor the use of all obligation-financed facilities in order to:
  - Determine whether private business uses of obligation-financed facilities have exceeded the de minimus limits set forth in Section 141(b) of the Code as a result of sale of the facilities (including sale of capacity rights, leases and subleases of facilities),
    - including easements or use arrangements for areas outside the four walls, (e.g., hosting of cell phone towers),
    - leasehold improvement contracts, licenses, management contracts in which the City authorized a third party to operate a facility, (e.g., cafeteria),
    - research contracts,
    - preference arrangements (in which the City permits a third party preference, such as parking in a public parking lot),
    - joint ventures,
    - limited liability companies or partnership arrangements,
    - output contracts or other contracts for use of utility facilities (including contracts with large utility users),
    - development agreements which provide for guaranteed payments or property values from a developer, grants or loans made to private entities (including special assessment agreements),
    - naming rights agreements, or
    - other arrangements that provide special legal entitlements to nongovernmental persons; and
  - determine whether private security or payments that exceed the de minimus limits set forth in Section 141(b) of the Code have been provided by nongovernmental persons with respect to such obligation-financed facilities.
- The Finance Director shall undertake the following with respect to the obligations:
  - An annual review of the books and records maintained by the City with respect to such obligations; and
  - An annual physical inspection of the facilities financed with the proceeds of such obligations, conducted by the Finance Director with the assistance of any City staff who have the primary responsibility for the operation, maintenance, or inspection of such obligation-financed facilities.
- Changes in the project that impact the terms or commitments of the obligation are properly documented and necessary certificates or opinions are on file.

### **Additional Undertakings and Activities that Support Above Sections**

The Finance Director will notify the City's Bond Counsel, Financial Advisor and arbitrage provider of any survey or inquiry by the IRS immediately upon receipt (usually responses to IRS inquiries are due within 21 days of receipt). Such IRS responses require the review of the above-mentioned data and must be in writing. As much time as possible is helpful in preparing the response.

The Finance Director will consult with the City's Bond Counsel, Financial Advisor and arbitrage provider before engaging in post-issuance credit enhancement transactions (i.e., bond insurance, letter of credit, or hedging transactions).

The Finance Director will monitor all "qualified tax-exempt debt obligations" within the first calendar year to determine if the limit is exceeded, and if exceeded, will address accordingly.

**Comply with Continuing Disclosure Requirement**

If applicable, the timely filing of annual information agreed to in the Continuing Disclosure Certificate; or give notice of any Material Event, as required within SEC Rule 15c2-12, as amended. Identify any post-issuance change to terms of bonds which could be a “reissuance” under applicable Treasury regulations.

The Finance Director will consult with the City’s Bond Counsel prior to any sale, transfer, change in use or change in users of obligation-financed property, which may require “remedial action” under applicable Treasury Regulations or resolution pursuant to the VCAP Program. A remedial action has the effect of curing a deliberate action taken by the City that results in satisfaction of the private business test or private loan test. Remedial actions under Section 1.141-12(d)(e) and (f) include the redemption of non-qualified bonds and alternative uses of proceeds or the facility (i.e. use for a qualified purpose instead).

The Finance Director will ensure that the appropriate tax form for federal subsidy payments is prepared and filed in a timely fashion for applicable obligations (i.e. Build America Bonds).

**Compliance with Future Requirements**

The responsible parties shall take measures to comply with any future requirements issued beyond the date of these Post-Issuance Debt Compliance Procedures, which are essential to ensuring compliance with the applicable state and federal regulations.

## Purchasing Policy

To ensure that all City expenditures are lawful, the City shall:

- Maintain strict compliance with applicable Federal regulations, State laws, and City Ordinances; and
- Establish procedures to protect the City from undue liability or other concerns.

Additionally, this section of the Manual outlines the proper procedures for procurement and supersedes all previous policies and practices concerning the purchase of goods and/or services by the City.

This section of the Manual shall meet the following objectives:

- To ensure that tax and rate payer supported expenditures provide for cost-effective and efficient acquisition of goods and services;
- To establish uniform procurement processes for all staff and all departments;
- To ensure City expenditures are appropriately classified in the City's financial records; and
- To follow Minnesota Statute § 471.345 as it relates to the purchase of supplies, materials, equipment, or the rental thereof, or the construction, alteration, repair, or maintenance of real or personal property.

### Responsibility

The City Administrator shall be the Chief Purchasing Agent of the City. In that capacity, the City Administrator may establish such policies and procedures to make purchases on behalf of the City and its component units. The administration, review and supervision of such purchasing shall be delegated to the Finance Director generally and the respective Department Director specifically, unless authorized elsewhere in this Manual.

The City has a decentralized purchasing system whereby individual departments are responsible for making their own purchases. Exceptions include, but are not limited to, the following types of purchases:

- Technology Director (e.g., hardware, software) must approve the Information Technology;
- Public Works Director must approve:
  - major equipment
  - Building maintenance and improvements; and
  - Vehicles, with the exception of police vehicles which may also be approved by the Chief of Police.

The City will purchase supplies, equipment, and services best suited to the specific needs of the City in as economical a means as possible, including:

- The City will purchase EnergyStar certified equipment and appliances if possible;
- The City will purchase paper containing at least 30% post-consumer recycled content, if possible; and
- The City will purchase recyclable or compostable consumable goods when feasible.

The City will promote fair competition among bidders and will comply with all statutes and regulations of the City, State, and Federal government that may pertain to the purchase of supplies, equipment, and services by a municipal entity.

### **Uniform Municipal Contracting Law**

The City will follow procedures as set forth in Minnesota Statutes § 471.345. Purchases should not be separated into smaller components in order to eliminate an authorization threshold requirement. Labor and materials may be separated to properly calculate sales and use tax.

For the purchase of supplies, materials or equipment estimated to exceed \$25,000, the city must consider the availability, price, and quality of the supplies, materials, or equipment available through the State of Minnesota's cooperative purchasing venture (CPV), or another approved CPV, before purchasing through another source. The Finance Department will maintain a list of approved CPVs.

**Competitive Bidding.** The various requirements of the competitive bidding process are beyond the scope of this Manual, and, if necessary, departments meeting this threshold should consult the Finance Department before beginning the purchasing process.

**Professional Services.** Contracting for professional services, such as those provided by engineers, lawyers, architects, accountants, and other services requiring technical, scientific, or other professional training, when competitive bidding is not required, shall be the primary responsibility of the Department, with purchasing oversight by the Finance Director and in compliance with this manual.

### **Federal Grant Programs Purchasing Guidelines**

For purchases under Federal grant programs, quotes must meet all Federal Grant program guidelines. Multiple price or rate quotations must be obtained from an adequate number of qualified sources (i.e., two or more) for purchases greater than this micro-purchase threshold (2 CFR 200.320(b)). Purchasers should familiarize themselves with requirements of purchases made under grant programs prior to any expenditures (e.g., Davis-Bacon Act, Buy American Provisions).

For all contracts for goods or services above the small purchase threshold, the City should document its review of the excluded parties list (see <https://www.sam.gov>) to ensure that certain parties, suspended and/or debarred or otherwise excluded or ineligible contractors are not contracted with when using federal or state funds (2 CFR 200.213). Contractors that apply or bid for an award exceeding \$100,000 must file the certification required by the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352).

All purchases for construction projects using federal dollars in excess of \$2,000 are required to follow the Davis-Bacon Act and related federal regulations concerning labor standards applicable to federally financed contractors.

The process should ensure fair and open competition and include affirmative steps to assure that minority businesses, women's enterprises and other disadvantaged businesses are solicited and used whenever possible (CFR 200.321).

### **Exceptions**

The City may contract for the purchase of supplies, materials or equipment without regard to the competitive bidding requirements of this Purchasing Policy if the purchase is through the State of Minnesota's CPV, a national municipal association's purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotations. The City shall approve and maintain a list of authorized CPVs.

Other exceptions may include: professional services, insurance contracts, purchases from other government agencies, real estate, sole source vendors and others as defined by Minnesota Statutes § 471.345.

**Best Value Alternative.** Minnesota Statutes § 412.311 allows the City to use a “Best Value” alternative instead of awarding the bid to the lowest responsible bidder. The various requirements of the Best Value Alternative process are beyond the scope of this Manual, and departments interested in this approach should consult the Finance Department before beginning the purchasing process. Staff interested in this purchasing alternative must receive appropriate training, as determined by the Finance Director.

### Authorization and Compliance

All purchases on behalf of the City shall be made and all contracts shall be let by the City Administrator, or the City Administrator’s designee(s), provided the City Council has appropriated sums necessary for the contract or purchase, and the amount of the purchase or contract does not exceed that required for competitive bids as established by state statute. Except for those purchase or contracts subject to the authority of the City Administrator as set forth herein, all bonds, contracts, conveyances, real estate purchases and sale agreements, and similar instruments shall be approved by the City Council and signed by the Mayor and City Administrator, or the City Administrator’s designee(s), and shall be executed in the name of the City.

The City Administrator, or their designee, may authorize routine expenditures that are already specifically adopted and identified by the annual budget (e.g., large equipment replacement), assuming those expenditures do not exceed the authorized amount appropriated by the budget.

The following table outlines the various thresholds and the authority level required for all purchases regardless of the type (e.g., capital improvement, professional service).

| Purchase Amount       | Initial Approval    |                     | Final Approval      |
|-----------------------|---------------------|---------------------|---------------------|
|                       | Budgeted            | Unbudgeted          |                     |
| Up to \$9,999         | Department          | Department Director | Department Director |
| \$10,000 to \$24,999  | Department          | Finance Director    | Department Director |
| \$25,000 to \$174,999 | Department Director | Finance Director    | City Administrator  |
| \$175,000 or greater  | Department Director | City Administrator  | City Council        |

Any purchase or project using sealed bids shall be presented to the City Council for review and approval if it exceeds \$175,000; no project activities may commence until after such approval. Upon approval, the respective Department Director may authorize applicable expenditures related to the approved bid or contract without regard for the thresholds listed in the above table, assuming such approval would not exceed the value of the bid or contract, or exceed the budget authorized by the City Council. In both of those situations, the thresholds outlined in this Manual shall apply.

In the event of a change order that increases the total cost of the purchase, the thresholds listed immediately above shall also apply assuming the amount may be accommodated through existing budget authority or by a budget revision outlined in the CIP Policy of the Manual. The City Council must also approve any change orders exceeding 10-20% of the original contract.



Any procurement transaction made on behalf of the City that is not in compliance with the established policies and procedures shall be deemed unauthorized. Employee reimbursement may be required for any purchases not in compliance with this policy.

### **Payment Procedures**

In accordance with Minnesota Statutes § 471.425, the City has 35 days from receipt of the invoice to process payment. If an invoice is incorrect in any way, the City must notify the vendor within 10 days of the date of receipt. Department Directors should notify the Finance Department promptly of any invoices in dispute and the dispute should be documented on the invoice or with a memorandum accompanying the invoice.

The respective Department Director shall assign specific staff to provide the appropriate account codes to ensure the accurate recording of expenditures in the City's financial system. As outlined above, the applicable Department shall approve any purchases less than \$25,000, while the applicable Department Director shall approve any purchases greater than or equal to \$25,000. The respective party will be responsible for both the accurate recording and lawful nature of the purchase in question.

Certain routine transactions as defined by the Finance Director are excluded from Department Director and/or City Administrator review and approval. Such transactions may include but are not limited to: salaries and wages; health insurance and similar benefit premiums; property and casualty insurance premiums; utility payments; and applicable taxes.

All payments shall be summarized within a Claims List as required by Minnesota Statutes § 412.271, which will be presented to the City Council at their regularly scheduled meetings. Once the Claims List has been approved by the City Council, the Finance Department will release payment(s) to the vendor.

In some instances, payments made need to be released prior to City Council approval. Such payments will be authorized at the discretion of the Finance Director and will be presented to the City Council within the Claims List at the next scheduled regular City Council meeting. The Finance Director may issue checks or other forms of payment for the following types of claims without prior City Council approval:

- Salaries of regular employees;
- Overtime of regular employees, if approved by the respective Department Director;
- Salaries of temporary employees, if approved by the respective Department Director;
- Health insurance and similar benefits authorized by the City Council;
- Utility Bills or invoices for regular City operations;
- Construction permits and escrows;
- Early payment discounts and to avoid fees and penalties;
- Property and casualty insurance payments;
- Payments to the City (i.e., one fund to another fund);
- Petty cash items up to \$20;
- Postage, postage due or cash-on-delivery items;
- Advances to employees for the cost of attending out-of-state conferences, not to exceed \$500;
- Registration and other expenses for local conferences;
- Reimbursement to an employee for clothing allowance;
- Claims approved by the City Council as a separate agenda item (e.g., bids, contracts, estimates);
- Fixed charges that have been previously incurred (e.g., rent payments, payments on bonds, contracts for deeds);
- Investments and investment related expenditures and transfers;

- Payroll taxes and other liabilities withheld from employees' wages, and the corresponding City paid benefits;
- Contracted inspectors that maintain an agreement with the City;
- Refunds of deposits and escrows being held by the City; and
- Other reasonable transactions to affect the proper function of the City (e.g., liquor suppliers).

### **Conflicts of Interest**

Employees are required to provide notice to the Finance Director of any conflicts of interest prior to entering into transactions on behalf of the City. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if they have a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, their partner, or an organization that employs or is about to employ any of the parties indicated herein, has financial or other interest in or a tangible personal benefit from a firm considered for a contract (Minnesota Statute § 471.87 - § 471.88).

No purchase orders, contracts or service agreements shall be given to an employee of the City or to a partnership or corporation of which an employee is a major stockholder or principal. No employee shall enter into the relationship with a vendor where the employee's actions are, or could reasonably be viewed as, not in the best interest of the City. If any employee becomes involved in a possible conflict of interest, the employee shall disclose the nature of the possible conflict to his or her supervisor and to the Finance Director. The Finance Director will promptly notify the individual in writing of an approval or disapproval of the activity. If disapproved, the employee shall remove themselves from the conflict situation.

### **Acceptance of Gifts and Gratuities**

No member of the City Council, official or employee may accept any gift or gratuity in any size under circumstances in which it could be reasonably thought to influence the performance of their official duties or appears to be a reward for any official action of their part. Employees responsible for making purchasing decisions for the City may not accept, directly or indirectly, any gifts, favors, privileges, or employment from current or prospective City vendors.

### **Emergency Procurement**

Under the Emergency Management Act (Minnesota Statutes §12.37, Act), the City has the authority to make purchases or enter into contracts during emergencies without following many of the normally required procedures. The Emergency Management Act defines an "emergency" as an unforeseen combination of circumstances that calls for immediate action to prevent a "disaster" from developing or occurring.

The Act defines a "disaster" as a situation that creates an actual or imminent serious threat to the health and safety of persons, or a situation that has resulted or is likely to result in catastrophic loss to property or the environment, and for which traditional sources of relief and assistance within the affected area are unable to repair or prevent injury or loss.

In the event of an emergency or disaster, the City Council has granted authority to the City Administrator, or their designee, to make emergency purchases. At the next regular scheduled City Council meeting, the City Council will approve the respective purchase(s) via a resolution declaring the emergency and describing the reasons necessitating the immediate action for protection of the health, safety or welfare of its citizens.

If practicable and feasible, the Department Director and/or City Administrator should consult the City Attorney and Finance Director prior to any expenditures under the Emergency Management Act.

### **Sole Source Procurement**

Sole source purchases may be made if they comply with at least one of the following:

- Items or services under patent or copyright held by a single vendor and item or service possesses or has capabilities critical to use;
- Item or service possesses a unique function or capability critical in the use of the item or service and not available from any other sources;
- The purchase is for equipment associated with use of existing equipment where compatibility is essential for integrity of results;
- The purchase is for replacement parts needed for repair of existing equipment where compatibility with equipment from the original manufacturer is paramount;
- The purchase is for technical services associated with the assembly, development, installation, or servicing of equipment of a highly technical or specialized nature;
- Additional item, service, or work required, but not known to have been needed when the original order was placed with vendor and it is not feasible or practicable to contract separately for the additional need; and/or
- The purchase is exclusively compatible with an existing piece or brand of equipment and is only available from one vendor.

### **Bid Protest**

The City recognizes the need to review and resolve complaints about its purchasing practices and procedures and has adopted this procedure to provide for any complaints. Any actual or prospective vendor or contractor who is reasonably aggrieved in connection with the solicitation or award of the contract may protest to the Finance Director per the following procedure:

- Each protest must be in writing and delivered by a certified letter to the Finance Director within five business days of the City's notice of award and must include:
  - A Notice of protest;
  - A statement of facts and the reasons for the protest;
  - All supporting documentation; and
  - Address all correspondence to: Bid Protest, Finance Director, City of North Branch, PO Box 910, 6408 Elm Street, North Branch, MN 55056.
- As soon as a bid protest is received, all award activity will be suspended. The applicable Department Director(s) will gather all relevant information about the solicitation, evaluation, and award of the bid and provide it to the Finance Director within five business days of being notified of the Bid Protest by the Finance Director.
- The Finance Director, and any applicable staff, will review the information relevant to the solicitation and will decide on the merits of the protest, in a prompt manner but not longer than ten business days after the bid protest. A copy of the decision will be mailed to the protestor at the address set forth in the bid protest. A copy of the decision will be posted on the City website. All documentation concerning the bid protest and the decision will be retained by the department subject to the protest.
- An appeal of the Finance Director's decision may be in writing and delivered by a certified letter by the protestor to the City Administrator within five business days of the release of the decision and must include:
  - A notice of Appeal;
  - A statement of the nature and the reasons for the appeal including claimed errors;

- All supporting documents; and
- A deposit to cover the City's cost for determining a bid protest will be made in the form of a certified check payable to the City of North Branch, in an amount determined by the Finance Director.
- The City Administrator will deliver the protest and all relevant information about the solicitation, evaluation, and award of the bid to the City Attorney or designee.
- A Hearing Date will be set by the City Attorney or designee for the appeal to commence, which date should not be later than twenty business days from the notice of appeal. The complainant will be presented with an opportunity to present their case to the City Attorney or designee.
- Upon the conclusion of the appeal, the City Attorney or designee will issue a decision within twenty business days of the conclusion of the appeal. Staff will track all costs (e.g., wages, expenses) spent in the appeals process. The total cost will be subtracted from the deposit. Any remaining balance will be returned to the vendor. If the appeal is upheld, the total deposit will be returned.

The City Administrator, with City Attorney review, may reject any unreasonable bid protest to prevent the unnecessary delay in the contract award process or to avoid additional cost to the City.

### **Sales and Use Tax**

As a local government, the City remains generally exempt from sales and use tax. As such, staff should refrain from paying sales and use tax on official City transactions, unless the tax charge is authorized by applicable state law (i.e, food, shelter). The Finance Director, or their designee, may approve payment of sales and use tax on a case-by-case basis (e.g., staff reimbursement for an emergency expenditure).

## Procurement Card (PCard) Use Policy

Pursuant to Minnesota Statutes § 471.382, the City may provide Procurement Cards (PCards) to employees that demonstrate a business rationale, such as frequent travel or routine purchasing. The City shall not issue a PCard for merely personal convenience of an employee.

### Authorization

Consistent with the delegated authority of the City Administrator as the Chief Purchasing Agent, the City may only provide PCards upon the request of the respective Department Director. All PCard requests must be approved by the City Administrator prior to issuance. Only full-time regular employees shall be issued PCards. All PCards shall maintain the following limits, unless otherwise authorized by the City Administrator or their designee:

| Staff Level/Position | Max Monthly Limit | Approval            |
|----------------------|-------------------|---------------------|
| Non-Management       | \$1,000           | Division Manager    |
| Division Manager     | \$5,000           | Department Director |
| Department Director  | \$10,000          | City Administrator  |
| City Administrator   | \$25,000          | Finance Director    |
| Accounts Payable     | \$50,000          | Finance Director    |

### User Guidelines and Rules

Each card holder will be responsible for ensuring that purchases made with their card comply with Minnesota Statutes, other sections of this Manual and this Procurement Card Use Policy.

All employees authorized to use a PCard shall review and sign an acknowledgement of the PCard Use Policy and a PCard User Agreement as provided by the financial institution issuing the PCard, which shall be retained by the Finance Department. The PCard User Agreement must also be signed by the applicable Department Director. The terms of the PCard User Agreement are considered a part of this Manual.

PCard shall be issued in the individual employee's name. The City shall not issue any generic or department-wide PCards, nor may any individual possess more than one PCard account.

Employees that do not possess a PCard shall not retain either physical possession of the PCard or electronic possession of the corresponding account information. All PCard use must be approved by the authorized PCard holder prior to any transaction. Personal use of the City issued PCard is prohibited.

It is the PCard holder's responsibility to safeguard the PCard (and corresponding account information) and protect it from theft and unauthorized use, including, but not limited to:

- Immediately reporting lost cards or unauthorized use to the PCard company as well as to the Finance Department;
- Not allowing any other person to use your assigned PCard;
- Not providing the PCard number to an individual or business to store for charging supplies or services;
- Promptly returning expired PCards to the Finance Department for destruction;
- Keeping the PCard in a secure location;
- Submitting the appropriate and requested documentation to support purchases and other activity in a timely fashion;
- Taking appropriate precautions when using the PCard to make purchases; and



- Returning PCard to the Finance Director upon termination.

The Finance Director, in their sole determination, may revoke the PCard for any reason. Improper use of the City's PCard may result in disciplinary action, and cardholders may be held personally responsible for unauthorized purchases, consistent with this Manual.

### **Documentation**

The billing statement from the PCard issuer does not contain sufficient information to document a purchase made. Appropriate documentation is required for all purchases to verify compliance with this and other City policies.

A copy of the invoice or receipt for payment must be included to verify the amount charged on the PCard. Receipts from vendors that only list the total charged are not considered sufficient documentation. The receipt must identify each product or service purchased, shipping charges, and/or sales tax. A printed confirmation of an internet purchase may be sufficient to comply with this requirement. If an invoice is not immediately available, the invoice must be forwarded to the Finance Department as soon as possible. In lieu of an invoice or receipt as described above, the purchasers may sign an 'Affidavit in Lieu of Receipt' attesting to the purchase.

The City will not be responsible for any financing or interest charges accruing as a result of untimely submission of PCard receipts and transactions. In any instance where a product or service purchased with a City issued PCard is returned or cancelled, the transaction must be refunded to the PCard account.

### **Review and Payment**

The PCard holder should sign and approve the overall monthly statement that shall constitute their approval of each individual charge or activity. The applicable supervisor shall review all aspects of the invoice and verifying the validity of the expenditure. The PCard holder and applicable supervisor shall also be responsible for providing the account coding and description of purchase so that expenditures are appropriately classified in the City's financial records. The applicable supervisor will authorize the expenditure for payment by including a date and signature or electronic approval.

All PCard statements will be reviewed by the Finance Department for compliance with this Manual and to ensure accurate accounting. Additional documentation may be requested from a PCard user to ensure such compliance.

The City will not use the PCard account for carrying any debt. The City shall make payment for the entire outstanding balance of the PCards and all PCard purchases shall be made through the City's normal vendor payment process.

No employees of the City shall use the PCard for cash advances or withdrawals. Under no circumstances may PCards be used by non-City employees.

### **Individual Vendor Procurement or Credit Cards**

The City has established charge accounts with a handful of vendors to expedite the purchasing process with those respective vendors. With adoption of the Financial Management Policies, the City will shift away from such accounts and to the issuance of PCards. Thus, all such charge accounts are to be closed down upon the full implementation of the PCard program. Department Heads shall provide to the Finance Department a list of staff they identify as having a business need to possess and use a City

PCard; issuance (and removal) of PCards is subject to Finance Director approval. Charge accounts held by other establishments do not allow control at the City level, and can result in incorrect or non-City charges by others, including non-authorized City staff or non-City staff. Thus, for full financial control, only PCards will be used for future charge purchases.

## Travel, Training and Reimbursement Policy

It is the purpose of this Travel and Training Policy to establish adequate internal controls to satisfy IRS regulations, GSA guidelines, State laws, and to provide a guide to prescribe circumstances for travel and training transactions, including reimbursements. This section of the Manual shall apply to all employees.

### Guidelines

Generally, the City should apply the following expectations and guidelines when considering travel and training opportunities:

- Whether the employee will be receiving training on issues or topics relevant to the City, their specific job responsibilities, or reasonable promotional opportunity;
- Whether the employee will be meeting or networking with elected officials and/or government employees, both from Minnesota and other states, to exchange ideas on topics relevant to the City;
- Whether the employee will be viewing a facility or function that is similar in nature to one that is currently operating at, or under consideration, by the City where the purpose for the trip is to study the facility or function to return ideas for the consideration by the City;
- Whether the employee has been specifically assigned by the City Council and/or City Administrator to visit another government agency for the purpose of establishing a goodwill relationship, such as a “sister-city” relationship;
  - “Sister-city” expenditures are not supported by any statutory authority and the City shall only support such expenditure through donations or gifts by a third-party;
- Whether the employee has been specifically assigned by the City Council and/or City Administrator to testify on behalf of the City at the United States Congress or to otherwise meet with federal officials on behalf of the City; and
- Whether the City has sufficient budget authority available to pay for the cost of a trip.

The City shall also consider the following guidelines upon review of any request for travel or training expenditures:

- Efforts should be made to limit the number of employees from a single department that will attend a conference, institute, or training program to avoid excess expenditures;
- Travel and training funds should be utilized in an efficient manner in order to benefit the greatest number of employees possible;
- A demonstration of making essential contacts and/or obtaining significant information that is important to the improved operations and functions of City, and the respective department is essential prior to travel authorization;
- Out-of-state travel must be for a professional purpose and be included in the budget; and
- Employees are expected to utilize the same car when incurring official expenses that a prudent person would utilize if traveling on personal business.

### Authorization

Given the limited resources of the City to support travel and training expenditures, all such costs should be included in an appropriate budget area prior to travel or training. All travel and training arrangements shall be approved at least 10 business days prior to any such commitments and/or expenditures, whenever possible. The City Administrator and the respective Department Director shall approve all travel and training activities.

Department Directors may authorize work time for non-exempt employees for travel out-of-area the day prior to, the day of, and the day following the convention or meeting date(s).

### **Travel Arrangements and Requirements**

Employees shall travel using the most cost-effective and reasonable transportation alternatives. The section below outlines the expectations for the most common forms of transportation. All major travel and training expenditures must be made through a City-issued PCard, unless otherwise authorized by the Finance Director.

**Commercial** – Employees may travel in-state and out-of-area by commercial transportation when authorized.

- Air transportation shall be by coach class utilizing the advance reservation rates, when possible;
- Railroad accommodations shall be standard and shall include lower berth or roomette in case of overnight travel; and
- Bus transportation shall be reimbursed for the fare to and from the closest destination (i.e., bus stop) on the most direct route.

**City or Personal Vehicle** – When traveling in a City vehicle, for fuel purchases, employees should use a City assigned PCard whenever possible. Due to potential liability considerations, transportation of persons not on official City business is prohibited in City Vehicles.

When personal automobiles are used as a mode of transportation for travel, reimbursement will be reimbursed at the current IRS/GSA mileage reimbursement rate. Payment of mileage will be paid based on the shorter distance. This shall be either:

- The distance from worksite address to destination; or
- home address to destination.

The City is not responsible for damage to personal vehicles while on official business, as personal vehicles are not covered by the City's insurance policies.

**Rental Vehicle** – Prior approval by the Department Director is required if it is necessary to rent a vehicle at the travel destination. Pre-payment of a vehicle rental can be made using a PCard. No personal use of a rental vehicle shall be allowed.

**Lodging** – Hotel or motel accommodations should be appropriate to the purpose of the trip. Lodging should be chosen based on reasonableness of cost and proximity to the conference, meeting, or training site. Unless previously approved by the City Administrator, overnight stays within 45 miles of the City will not be reimbursed. The City Administrator, or their designee, shall approve the use of any short-term rental options (e.g., Airbnb, VRBO).

Each employee shall be allowed an individual single room. Detailed lodging receipts must be submitted for reimbursement as well as documentation for charges on a PCard. The receipts must include the nightly room rate and any incidental expenditures. Only incidental costs related to the room charges will be reimbursed. Expenditures that are not deemed reasonable and necessary will not be reimbursed (e.g., hotel room movies, health club fees, dry cleaning cost, personal item costs, use of the "mini-bar").

The individual department will make all arrangements for lodging. The PCard is the preferred method of payment. Distance from employee lodgings will be considered in order to minimize transportation

costs. Employees will retain payment receipts to submit to the Finance Department for reimbursement, if applicable.

**International Travel** – For domestic travel purposes, the IRS definition of the United States includes the 50 states and the District of Columbia. The purpose of travel outside the United States for City business must be for a professional purpose and should only be considered if a similar meeting, conference, or training of similar quality cannot be found within the continental limits of the United States.

International travel expenses for business related purposes are deductible, as outlined in the IRS Code Publication 463 (Travel Outside the United States) but may be limited if the travel involves non-business activities. Any travel outside the United States must be approved by the City Administrator.

### **Meal and Incidental Expenditures**

The City in principle does not pay for meals and/or refreshments for the general public and/or vendors, and will use the utmost care as related to the expenditure of public funds. Funds will not be expended for any purpose which is specifically forbidden by Federal regulation, State law, City ordinances or policies. Expenditures made under this section shall be approved, authorized and documented according to established procedures.

For any expenditures related to elected officials, please refer to the separate policy.

For same-day travel, training or business meetings, meals will be reimbursed for the actual amount spent and will require an itemized receipt. The use of a PCard is encouraged, when possible. For meals involving multiple employees, the documentation provided for reimbursement or PCard documentation shall list all persons attending and participating in the meal(s). Additionally, the City shall not reimburse any personal expenditures, such as meals, from any petty cash funds as required by Minnesota Statutes § 412.271.

Expenditures associated with alcoholic beverages shall not be purchased with a PCard or reimbursed by the City, nor shall that City pay or reimburse for any activities associated with a political party or similar political activities. For additional guidance and related expenditures, please refer to the Public Purpose Expenditure Policy section of this Manual.

**Per Diem** – The per diem allowance is a daily payment for meals and related incidental expenses when overnight travel accommodations are necessary, in accordance with published federal per diem rates instead of receipt-based reimbursement. An employee may claim an amount not to exceed the allowable per diem rate in accordance with the Standard Federal Per Diem Rate schedule (Schedule) in effect at the time of travel. These rates are available at this web address:

<https://www.gsa.gov/travel/plan-book/per-diem-rates>.

A City assigned PCard may not be used to pay for meal and incidental expenditures when per diem is claimed. The per diem allowance is separate from lodging, transportation and other miscellaneous expenses. The per diem allowance covers all charges, including taxes and service charges where applicable for:

- **Meals** – Expenditures for breakfast, lunch, dinner and snacks as well as corresponding tips and taxes. For a City reimbursed meal, a tip shall not exceed 15%, and shall not be permissible if gratuity is already included in the bill.
  - In the event an approved training or conference event is more than one day in duration, the maximum reimbursement will not exceed the daily per diem rates set annually by the Schedule for meals and incidentals for the area of the conference or training.

- Per IRS regulation, the first and last calendar day of travel is calculated at 75% (e.g., if the daily Per Diem is \$50, then the days of travel are \$37.50).
  - When an event encompasses a full or partial day, the employees may spend the daily allowance among the applicable meals, at their discretion, unless meals are included as part of the event registration. In that case, the funds allotted for that meal cannot be used or reimbursed.
  - For partial days, the meal allowance will not exceed the amounts set annually by the Schedule for meals and incidentals separately for breakfast, lunch, or dinner.
    - Breakfast reimbursements may be claimed if the employee leaves their temporary or permanent work location before 8:00am or is away from home overnight.
    - Lunch reimbursements may be claimed if the employee is traveling more than a total of 45 miles away from their temporary or permanent work location or is away from home overnight.
    - Dinner reimbursements may be claimed only if the employee is away from their temporary or permanent work location until after 5:00pm or is away from home overnight.
  - Employees may occasionally be in the position of having to provide a meal for other persons who have official business with the City. In addition, receipts for these meals must include the name of each person attending the meal along with a description of the public purpose/benefit of the meeting.
- **Incidental Expenditures** – Fees for taxis (or similar services), parking, as well as reasonable tips for porters, baggage carriers, bellhop/hotel maid service, associated with travel while on official City business is included in the per diem as incidentals.

### **Advances and Reimbursements**

The City will pay or reimburse for all travel and training costs that are both reasonable and necessary. In accordance with Minnesota Statutes and when a situation warrants it, a cash advance may be issued prior to departure with the approval of the Finance Director. Such requests will be considered an exception to normal procedures.

Only claims for accommodations and airfare actually incurred by the employee with corresponding documentation, such as itemized receipts or invoices shall be reimbursed. Payment of the reimbursement shall only be authorized upon approval of the travel Expenditure Report, which must be submitted after each travel or training event.

If an employee travels with their significant other and/or immediate family members on an official City business trip, the expenditures attributable to them (e.g., travel, meals, lodging) shall not be an authorized expenditure of the City nor shall they be subject to reimbursement. The City shall pay or reimburse travel and training expenditures at cost necessary to accommodate the employee only.

Travel must be by the most direct or normally traveled route unless approved in advance by the respective Department Director. Reimbursement will be limited to the cost of travel by direct route or on an uninterrupted basis, as determined by the Finance Department. The elected official or employee will be responsible for any additional cost exceeding the public purpose related expenditures.

Travel plans involving expenses that do not require overnight travel accommodations will be reimbursed based on actual cost substantiated by appropriate receipts. The employee is entitled to reimbursement



of meal expenses after submitting actual receipts. No reimbursement is authorized if meals are provided during the meeting or event. When available, the assigned City PCard should be used for these types of activities. This includes training or meetings within 45 miles from the City.

It shall be the responsibility of the elected official or employee to:

- Maintain accurate travel, training, and reimbursement records;
- Make a conscious effort to minimize expenses while maintaining a reasonable level of comfort and convenience; and
- Request reimbursement in an accurate and timely manner, typically 30 business days or less.

Employees who have announced their intention to resign or retire, involuntarily terminated, or in some disciplinary related status, will not be eligible for travel or training under this Travel, Training and Reimbursement Policy. The purposeful falsification of travel documents and expenditure reporting may result in disciplinary action, up to and including involuntary termination.

### **Personal Rebates and Rewards**

Employees and elected officials shall not use their personal or private funds for travel and/or training related costs in an effort to accrue private benefit through rewards program and other incentives offered by their personal credit card(s). Additionally, the City shall not reimburse an employee for any expenditure originally made using rewards programs offered by their personal credit card (e.g., coupons, discounts, points, "frequent flyer miles").

### **Elected Officials**

Similar to employees, this Travel, Training and Reimbursement Policy recognizes the need and value of elected officials to travel both in-state and out-of-state for official duties, such as conferences, events, trainings, and other assignments. Generally, elected officials shall be subject to the same rules and regulations applied to employees. However, elected officials shall also be subject to the following considerations, which are consistent with Minnesota Statute § 471.661.

Elected Officials Guidelines – The conference, event, training, workshop or other assignment shall be approved in advance by the City Administrator, and mentioned at an open, regularly scheduled meeting at least 10 business days before the occasion, and must include an estimate of the cost of the travel and training.

Within 30 days of their return from the travel and training, the elected official(s) shall make an oral report at an open, regular meeting of City Council regarding their activities. The elected official(s) shall also provide any information or materials obtained during the conference, event, training or workshop to the City Administrator for distribution to employees or the City Council upon request.

The City shall make payments in advance for airfare, lodging and registration as approved by the City Administrator. All other payments shall be made as reimbursement or per diem payments per the Schedule to the elected officials.

Elected officials who have announced their intention to resign, not to seek re-election, or who have been defeated in an election will not be eligible for travel or training under this Travel, Training and Reimbursement Policy. Unless duly noticed and authorized by the City Administrator, a quorum of the City Council shall not travel or train together.

The City Administrator may make exceptions to the Travel, training and Reimbursement Policy depending upon circumstances unique to the trip and/or elected officials and employee.

## Surplus Donations

The City is committed to managing surplus property, such as used furniture and equipment, in a manner that is fiscally responsible, allows for options to reduce harmful environmental impacts, and promotes the City's philosophy of reduce-reuse-recycle. This Surplus Property Policy establishes a procedure for the sale or disposal of surplus equipment. It also facilitates the removal of surplus property, promotes alternative uses, and reduces the City's storage burden.

Any item disposed of in a manner designated to generate additional revenue (e.g., auction, trade-in) to support the cost of its replacement shall not be considered surplus equipment or property within the meaning of this section of the Manual.

This Surplus Property Policy is also in accordance with Minnesota Statutes Sections 15.054, 412.211, 471.345, and 471.3459. It applies to all City departments that generate Surplus Equipment and governs the actions of all elected officials and employees.

### Procedure

The City shall identify and dispose of all Surplus Equipment and Surplus Property in conformance with the following guidelines.

- Identify Surplus Equipment, Department Directors are responsible for monitoring their equipment and shall identify and report all Surplus Equipment and Surplus Property to the City Administrator on an annual basis at a minimum.
- Determine the Fair Market Value of Surplus Equipment and Surplus Property. The City Administrator shall work with the City staff to determine the Fair Market Value of the Surplus Equipment and Surplus Property.
- Identify Surplus Equipment and Surplus Property Disposition Method. The City Administrator shall work with City staff to determine if Surplus Equipment and Surplus Property should be transferred, sold, donated, disposed of, recycled, or made available free of charge.
- Transfer – Prior to any disposition, all Surplus Equipment and Surplus Property must first be considered for transfer in the following manners:
  - Trade in the property toward the purchase of new property;
  - Transfer the property between departments for the benefit of the City; and
  - Transfer to another government entity through a state approved vendor or directly.
- Sale – If the Fair Market Value of the Surplus Equipment or Surplus Property is deemed greater than the cost to dispose of it or recycle it, the city may use applicable sources to allow for bidding and sale going to the highest bidder (e.g., public auction). If applicable, the City will determine the appropriate length of time an item may remain available for bidding based on the need to remove the equipment and personal property from the premises.
- Disposal – If the Fair Market Value of the Surplus Equipment or Surplus Property is deemed less than the cost to dispose of it or to recycle it, the City may solicit offers to acquire at no cost to the entity wanting to take possession. The City may use reasonable means to notify the general public about the availability of this Surplus Equipment or Surplus Property.
- Donation – The City may, but is not obligated to, donate Surplus Equipment. Only Surplus Equipment may be donated. Applicable Department Directors are responsible for coordinating the Donation of the Surplus Equipment in accordance with the terms of this Policy. Surplus Equipment that is not donated may be sold, recycled, or discarded at the discretion of the City Administrator but consistent with this Surplus Donation Policy.
- City Council Declaration – The City Administrator will forward a list of all Surplus Equipment regardless of Fair Market Value and Surplus Property with an estimated Fair Market Value of

\$25,000 or more to the City Council, which shall approve or deny the designation of the specific equipment as surplus and eligible for Donation or disposal pursuant to and in accordance with this Surplus Donation Policy.

- Advertisement of Surplus Equipment for Donation – Surplus Equipment shall be posted as available on the City’s website. The City may also use other reasonable means to notify Eligible Organizations about the availability of Surplus Equipment. The City shall wait at least 30 days after advertising Surplus Equipment before approving any Donation.
- Surplus Equipment Form – Eligible Organizations interested in Surplus Equipment shall fill out a Surplus Equipment Form and Submit the form to the City Administrator.
- Prioritization of Donations – If more than one Eligible Organizations requests a Donation for the same Surplus Equipment, the City shall consider factors it deems relevant including how the Surplus Equipment will be used, the benefit to the Eligible Organization, the impact on the City, how the Donation will accomplish goals of the City Council, and any previous Donation to the Eligible Organization.
- Conflict of Interest – All City employees and officials are prohibited from taking possession of any Surplus Equipment or Surplus Property for personal use or on behalf of an Eligible Organization.
- As Is – The exchange of Surplus Equipment and Surplus Property is made “as is” with no warranty, guarantee, or representation of any kind, express or implied, as to the condition, utility, or usability of the Surplus Equipment and Surplus Property offered. The Surplus Equipment and Surplus Property may be defective and cannot be relied on for safety purposes. The New Owner shall sign the Disclaimer of Warranties Form prior to acquiring Surplus Equipment and Surplus Property.
- Title – The City Administrator shall cause any title or other ownership documents to be transferred to the New Owner at the time of transfer. Any fees required for the transfer of the Surplus Equipment and/or Surplus Property are the responsibility of the New Owner.
- Transportation – The New Owner must provide a detailed plan for transporting the surplus Equipment and Surplus Property from the City. The New Owner must pay all expenses associated with the removal and transportation of the Surplus Equipment and Surplus Property.

The City Administrator may delegate specific responsibilities for implementing this Surplus Donation Policy. The City Clerk shall document the disposition of all Surplus Equipment and Surplus Property and shall keep such records in accordance with the City’s Records Retention Schedule.

## Asset Forfeiture Policy

The City receives property and money through law enforcement seizures under Federal law 21USCS Section 881(e) and Minnesota Statutes, Sections 609.531-609.5317, and 169A.63. For inquiries or clarification, refer to these documents.

## Municipal Liquor Store Donation Policy

The City, through North Branch Liquor, at the direction of the Liquor Operations Director or their designee, may support non-profit organizations whose primary objective is to promote the general health and well-being of the North Branch community consistent with public purpose expenditures authorized by State law and all applicable City rules or regulations.

Consistent with OSA Statement of Position No. 2007-1017 as amended, non-profit organizations formed under Section 501(c)(3) of the IRS Code, which also provide goods and/or services typically associated with a public purpose shall be eligible for a donation, including but not limited to:

- Artistic organizations;
- Historical causes;
- Animal shelters (or organizations for the prevention of cruelty);
- Food shelves;
- Senior and youth centers;
- Public recreation programs; and/or
- Community celebrations.

Support for such an organization, upon approval, shall take one or more of the following forms, which cannot be used by the organization itself or those coordinating the event:

- Through donation of merchandise that is commonly known as a “dealer loader” to be used for either a silent or live auction;
- Through assistance with a fundraising event that promotes the organization in general or for a specific fundraising need, as described below; and/or
- Through a discount price on purchase of products typically offered for sale at North Branch Liquor.

The organization(s) receiving the donation shall include North Branch Liquor, and its corresponding logo(s), in all forms of advertising and promotion of the event or occasion.

The City reserves the right to deny any request for a donation for any reason and in their sole discretion. If the City Administrator determines that any such request to be unlawful or in violation of the Manual or other City policies, the request shall be denied.

### **North Branch Liquor Event Participation**

North Branch Liquor may participate in a fundraising activity or event for an eligible organization through one or more of the following formats:

- Assist the eligible organization with assembling a group of vendors to provide and pour samples of their products at a fundraising event;
- Coordinate with aforementioned vendors before and during the event to assure that the rules of the eligible organization, the City and applicable laws are followed; and assist with the logistics of hosting such an event;
- Provide support in age verification (i.e., carding) of attendees of the event;
- Provide advertising for the event through normal channels and frequencies, which may include: social media posts, in-store signage and e-mail “blasts” to North Branch Liquors e-mail list;
  - The e-mail addresses or any other information maintained by North Branch Liquor shall remain the property of the City and not distributed, communicated or disseminated to a third-party or another operating unit of the City for any reason whatsoever, consistent with the Minnesota Government Data Practices Act;
- North Branch Liquor will, upon agreement between the eligible organization and North Branch Liquor, sell or distribute tickets or other information in-store for the activity or event;
- North Branch Liquor will, upon agreement between the eligible organization and North Branch Liquor, assemble a tasting guide for the event, which will detail the item(s) involved, suggested retail price(s) and a place for tasting notes or other information;
  - Additional information or items may be added to the tasting guide at the discretion of both parties, which may include;

- Other supporters of the event;
- Description of the eligible organizations;
- The description or purpose of the event; and
- It will be the sole responsibility of the eligible organization to have the tasting guides and any other information, such as in-store signage, printed and available for distribution.

Support for any eligible organization, activity and/or event will be determined on a case-by-case basis, and upon an agreement between the eligible organization and the City acting on behalf of North Branch Liquor. The number of fundraising activities and/or events that North Branch Liquor will participate in may not exceed six events or a cost of \$5,000 annually, unless otherwise approved by the City Administrator.

#### **Solicitations at North Branch Liquor**

Solicitations by eligible organization for any purpose shall be limited to in-store signage, and shall not include any in-person activities on behalf of the eligible organization, activity or event, except for through the regular business of North Branch Liquor staff (i.e., mentioning the event to a patron during check-out).

North Branch Liquor may also allow an organization to fundraise through a point-of-sale transaction/donation, whereby the customer may be asked to “add a dollar” or some other amount to their purchase for an eligible cause and/or organization. Such requests may only be made by North Branch Liquor staff. North Branch Liquor may offer this service at its sole discretion.

#### **Indemnification**

Any party making use of a donation under this Municipal Liquor Store Donation Policy will agree to defend, Indemnify, and hold harmless the City, its officers, officials, employees and volunteers from and against any and all claims, suits, actions or liabilities for injury or death of any person, or for loss or damage to property, which arises out of the use of a donation, or from the conduct of the party’s business, or from any activity, work or thing done, permitted, or suffered by a party using a donation, except only such injury or damage as shall have been occasioned by the sole negligence of the City.



# Revenue and Collection

## Revenue Policy

The City will endeavor to maintain a diversified and stable revenue system to shelter it from annual fluctuations in any one revenue source.

In order to maintain a stable and predictable tax base, the City shall support a mix of commercial, industrial, and residential development.

The City shall establish all user charges and fees for all applicable funds and activities. It shall recoup estimated or actual costs at the full amount for providing the goods or services. In order to determine the appropriate user charge or fee, the City shall consider various sources:

- Internal cost review and study;
- Market rates and structures; and
- Statutory requirements or case law established by the Minnesota Judicial Branch.

The City will establish all user charges and fees for General Fund program activities at a level related to the full cost of providing the services, or as adjusted for particular program goals. The City will review the full cost of activities supported by user fees to identify the impact of inflation and other cost increases and will review these fees along with the resulting net property tax costs with the City Council at budget time. The Finance Director shall determine what defines and constitutes full cost.

The City shall annually review and adopt, via ordinance, a Comprehensive Fee Schedule, which shall be effective January 1 of each year. It shall provide for all of the various user charges and fees authorized by the City Council. If a user fee or charge has not been established by the Comprehensive Fee Schedule, the Finance Director shall determine the actual cost for providing the good or service, and assign the charge(s) and/or fee(s) accordingly.

### Enterprise Funds

For the Enterprise Funds, the City shall set user charges and fees at a level that fully supports the total direct and indirect costs of the activity, including depreciation of capital assets and debt service, to ensure positive and stable cash flows, and provide for adequate working capital. Any capital costs and/or debt service for any particular activity shall be supported by the applicable Enterprise Fund. The City shall conduct external reviews of the user charges and fees associated with the public utilities at least every five years.

Any interfund loans and/or transfers from the Enterprise Funds to another City-controlled fund must be authorized by the City Council. Such interfund loans and transfers shall only be authorized on an exceptional basis and to fund unusual or extraordinary expenditures. The City may not authorize such transfers or interfund loans in consecutive years from the same Enterprise Fund.

The Municipal Liquor Stores, and the associated Enterprise Fund, shall be regarded as entrepreneurial in nature. The intent of these activities shall be to maximize revenues to the extent the market allows, which permits it to support other areas of the City financially, such as capital equipment purchases and park improvements.

### Intergovernmental Revenues

Intergovernmental revenues, such as Local Government Aid and Municipal State Aid, are beyond the direct control of the City and shall be relied upon conservatively to support ongoing operations and

activities. Since these revenues occur on a consistent and regular basis, they shall be accounted for in the annual budget process. Any intergovernmental revenues in excess of this amount shall be directed to the CIP or other one-time expenditures.

The City will strive to eliminate the use of Local Government Aid as a source of funding for the annual, operating budget.

### **Grant Revenue or Funding**

From time to time, the City or its component units may receive grants or similar awards to support the cost of certain activities, projects and/or programs. The City Administrator may administratively accept such financial awards or grants assuming they do not require a budget amendment as outlined in other sections of this Manual, specifically the Operating Budget and Capital Investment Program policies.

## **Public Utilities Revenue and Remittance Policy**

Generally, in order to ensure payment of user charges and fees, the City utilizes special assessments for applicable, unpaid portions of a public utility bill or invoice. The procedures and additional costs associated with these and other situations are outlined in greater detail in the City Policy.

In order to ensure the timely and accurate payment of user charges and fees associated with the public utilities owned and operated by the City, the City shall utilize the following protocols and procedures.

### **Discontinuance of Services**

The City reserves the right to discontinue public utility services without notice for necessary repairs, additional connections or reconnections and non-payment of user charges and/or fees. However, before disconnection, the City will attempt to notify the customer by:

- calling the phone number on the account twice,
- placing a door hanger on the doorknob at the service address, and/or
- emailing the email address on account.

The City will generally refrain from discontinuance in the event of non-payment and assess all applicable user charges, fees and penalties if the account is less than 60 days or less than \$50. If the account exceeds both of these criteria, and is not caught up to date in a timely manner, the service will be discontinued until arrangements have been made.

However, the City may discontinue services for its public utilities in the following circumstances:

- Vacant properties;
- Properties already disconnected from electric and/or gas utilities;
- Properties where the owners failed to respond to multiple maintenance requests;
- Properties presenting the potential of a backflow condition that may contaminate the public water system; and
- Properties presenting an emergency (e.g., significant damage) where the disconnection will preserve the safety and well-being of the property and/or public.

Prior to the disconnection of any public utility services, the City shall provide notice to the property owner of record at least 15 days prior to any action, unless an emergency prevents such a notice. The notice shall include an opportunity to discuss the pending action, and possible steps to prevent disconnection, if appropriate. The Finance Director, or their designee, shall act on behalf of the City, and

shall have the authority necessary to correct or otherwise resolve any payment concerns or issues, such as a repayment plan or other alternative.

### **User Charges and Fees**

For the purposes of adjusting or modifying, including a dispute by a system user, the City shall adhere to the following standards, practices, and policy. The Finance Director, or their designee, shall administer and interpret this section.

**Adjustment** – If an adjustment may be required as the result of an error made by the City, a credit will be applied to the account in question. The City shall not issue refund payments directly, unless authorized by the Finance Director, or their designee. The City shall review up to three years of account activity to determine any adjustments.

In the event of an “under charged” account, the City may seek to recover its costs for up to the previous three years. When possible, the City will determine the recovery amount based on the user charges and fees in effect during the billing period(s) in question. The City will allow the account to repay the recovery amount in no more than three years, pursuant to a written repayment agreement. Per Minnesota Statute § 216B.098, a public gas and electric utility may not charge interest during a repayment period, and the City shall apply that standard to all of its public utilities.

In the event of an “over charged” account, the City will determine the need for an adjustment based on the last actual water meter reading for up to the previous three years. In the event of an adjustment, the City will return the over charged amount with interest using an interest rate determined by the Finance Director at the time of repayment. If the City or system user cannot demonstrate with certainty that a meter has not “rolled over”, stopped, been tampered with or any other similar situation, the City will not adjust the billing amount.

In the event the City authorizes a refund, it shall not be applied to the account until at least seven banking days after the applicable deposit of payment or activity in question, unless otherwise authorized by the Finance Director, or their designee.

No employee may unilaterally adjust or “write-off” their individual account(s) or their friends and/or family members. The employee shall report to the Finance Director, or their designee, any concerns or issues regarding their account(s) or the account(s) of their friends and/or family members – the Finance Director, or their designee, shall report the same situation to the City Administrator. Any unilateral action by any employee concerning themselves or their friends and/or family members may result in disciplinary action, up to and including involuntary termination.

**Leaks and Summer Use** – It shall be the responsibility of the property owner to inform the City of a water leak or similar event. Refer to the “Excessive Water Usage Credit Policy”. For a sewer credit related to a pool fill, leaks, or summer use, email pictures of the meter before and after the pool fill occurs. This should include:

1. Pictures of the start and end meter reads including start time/date and end time/date.
2. Pictures of the filled pool along with pool dimensions.

Credit will be applied at the discretion of the Public Works Director, or their designee, after the subsequent meter read.

**Contested Bill or Invoice** – If a customer wishes to formally contest their bill, invoice or the response of the City, they must submit their request in writing, including:

1. A description of the situation;
2. Their specific request; and
3. Their rationale for it.

The Finance Director, or their designee, shall review the request and provide a written response within 10 business days.

The determination of the Finance Director, or their designee, may be reviewed upon written appeal to the City Administrator. Any such appeal must be received within five business days and include a rationale for the appeal. The City Administrator shall review the appeal and provide a written determination within 10 business days. As the official representative of the City's utilities, the decision of the City Administrator shall be final.

Any unpaid portions of a contested public utility bill or invoice may be assessed to the property in question consistent with Minnesota Statute § 444.075. The City shall provide any party or property subject to such an assessment with at least 30 days of notice prior to the certification of the outstanding charges and fees to the County Auditor.

**Penalties** – The City shall only remove one penalty or similar charge per account holder, unless otherwise authorized by the Finance Director, or their designee.

**Finalized Accounts** – In the event of a discontinuation of service, any account balances will be reduced to zero (i.e., \$0.00). The City will make a reasonable attempt to collect any outstanding balances, including through special assessments, before writing-off an account balance. Any credits or credit balances shall be processed monthly. Any exception must be authorized by the Finance Director, or their designee.

**Title Inquiries** – Any request of a title company or similar organization with respect to the outstanding public utility charges and fees shall be responded to in order of closing date. These requests will be completed only once and as reasonably close to the closing date as possible.

**Meter Installation** – The City may provide a reasonable repayment schedule for costs associated with the replacement of a meter with a diameter of 1.5" or larger. The Finance Director, or their designee, shall determine the structure and interest rate for such repayment schedules. However, no repayment schedule shall exceed one year.

In the event that the customer fails to make timely payments consistent with an authorized repayment schedule, the entire amount, including any unpaid principal and accrued interest, shall become immediately payable and subject to the other sections of this Public Utilities Revenue and Remittance Policy, including the assessment of any unpaid charges and fees at the discretion of the City Council.

**Other** – Generally, the City will consider special assessments as a means for remittance on at least an annual basis.

# Adoption and Implementation

## Interpretation Policy

The City Administrator or their designee, may waive any section of this Manual, if doing so would not violate any applicable sections of the City ordinances, State and/or Federal laws, or resolutions adopted by the City Council. Waiver of any particular policy or section does not constitute a waiver for the entire Manual and the City Administrator, or their designee, may end such waivers at their sole discretion.

Apart from this Manual, certain activities and programs are also regulated by the Employee Handbook (Handbook) for non-unionized employees and Collective Bargaining Agreements (CBAs) for unionized employees. In any event when this Manual conflicts with either document, the respective CBA or Handbook shall control, unless such deference would violate applicable sections of the City resolutions, ordinances, or State and/or Federal laws.

## Discipline

Violation of this Manual or its corresponding regulations, incorporated herein by reference, by an employee, may result in disciplinary action, consistent with the procedures outlined in the Handbook, up to and including involuntary termination.

## Adoption

This Manual shall be adopted by resolution of the City Council and any applicable component units. It shall also be reviewed by staff on an ongoing basis and any administrative modifications shall be approved by the City Administrator, including:

- Changes related to applicable laws and regulations;
- Subsequent actions of the City Council;
- Clerical errors; and
- Revisions to clarify but not change the intent of the Manual.

The City Administrator shall notify the City Council or the governing body of a component unit, in writing, of any administrative changes or modifications at least 10 days prior to any such revisions to this Manual. All other modifications shall be approved by the City Council or the governing body of a component unit.

This North Branch Financial Management Policy shall supersede all prior financial policies.

### **Adoption**

Approved and adopted by the City Council on \_\_\_\_\_ effective \_\_\_\_\_.

### **Administrative Revisions**

None at this time.

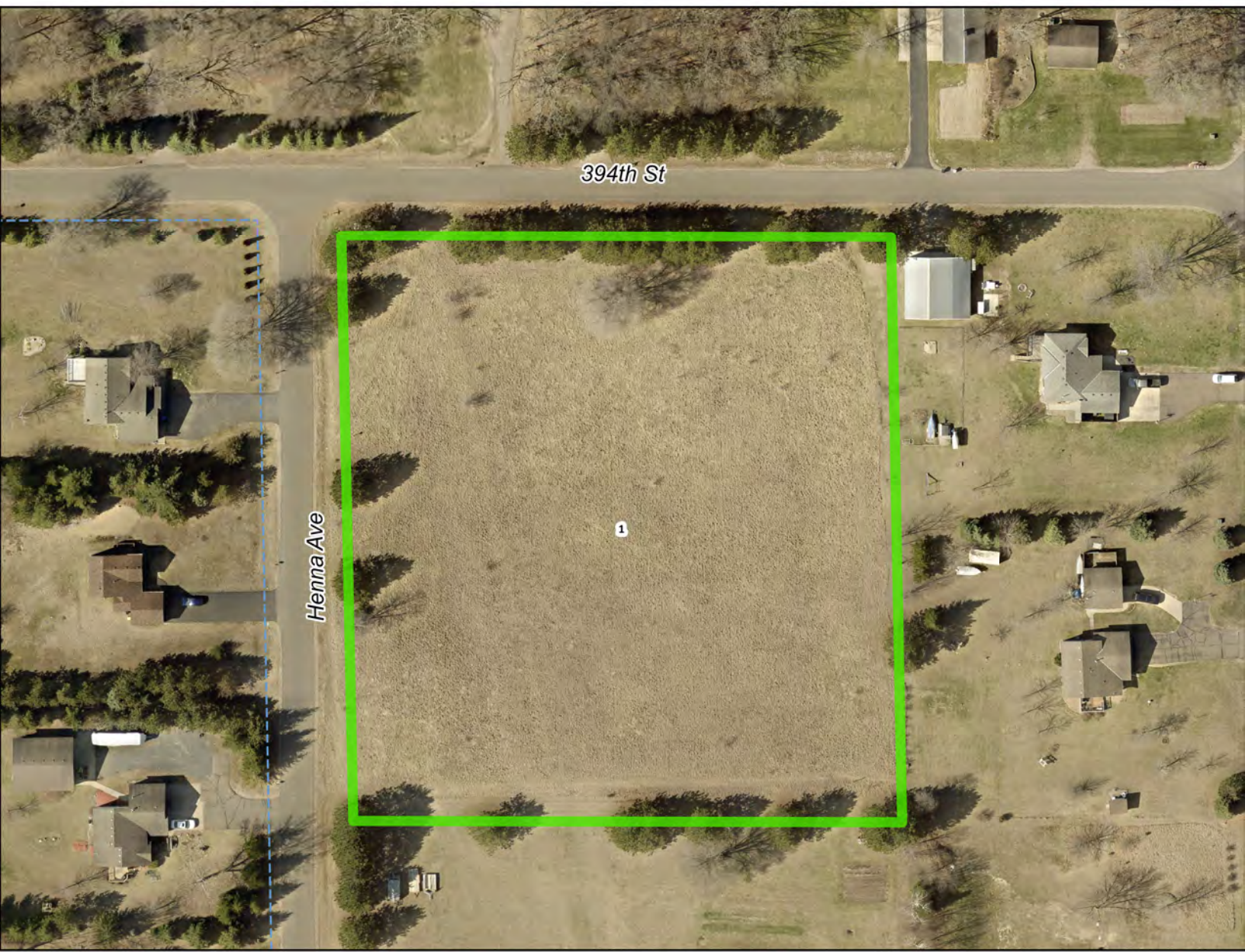
### **City Council Amendments**

None at this time.



# Branch Acres Park

Address: 7451 394th St  
Classification; Natural Resource Area  
Size: 3.4 acres



## Park Description

| Existing Facilities  |  |
|----------------------|--|
| Pollinator Plantings |  |

| Proposed Improvements | Est Cost |
|-----------------------|----------|
| Pollinator Planting   |          |
| Signage               |          |



# Central Park

Address: 6250 Main St  
Classification: Community  
Size: 2.2 acres



## Park Description

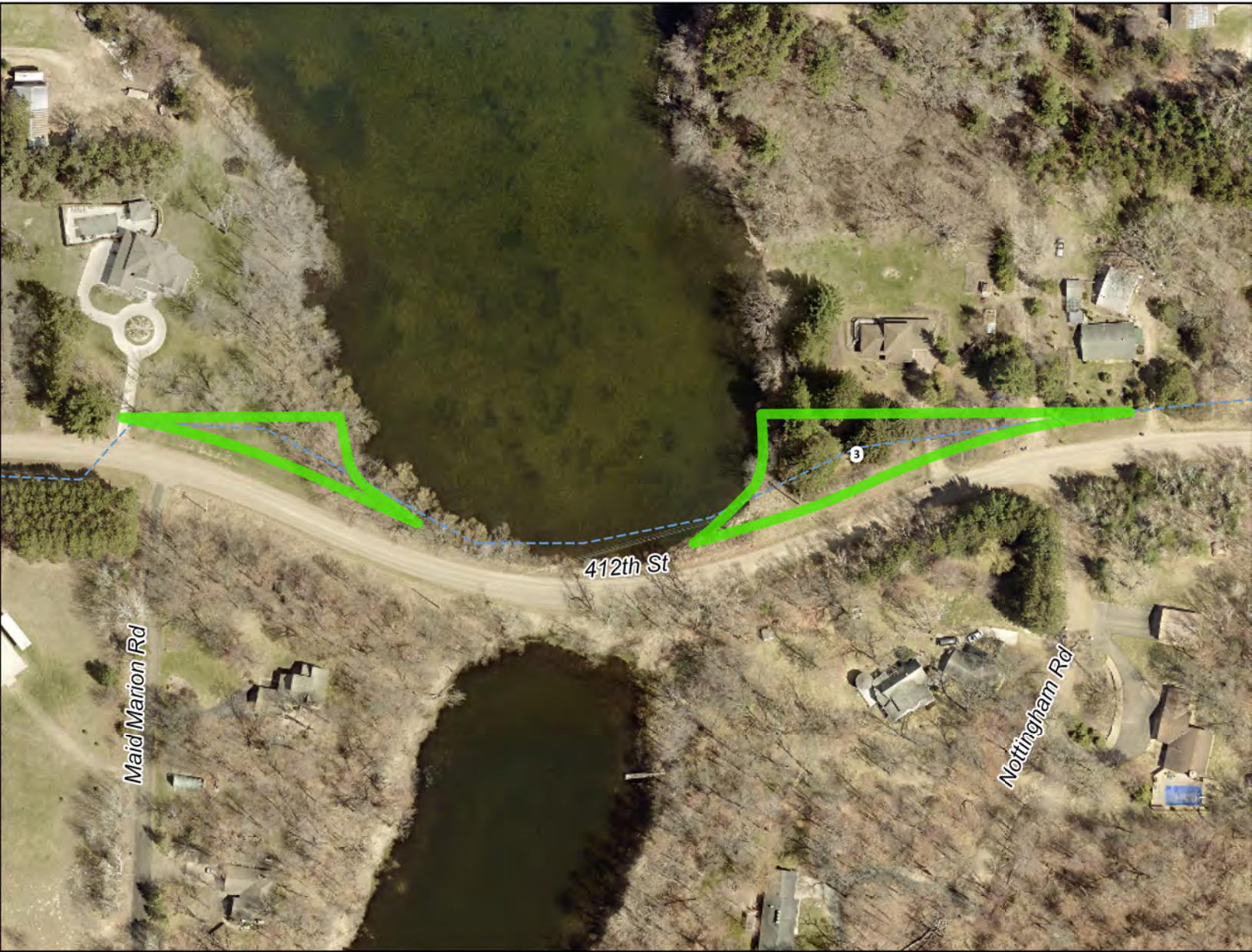
| Existing Amenities          |
|-----------------------------|
| Basketball Court            |
| Gazebo                      |
| Playground                  |
| Swingset                    |
| Permanent Restroom Building |
| Parking                     |
| Sidewalks                   |
| Benches                     |
| Tables                      |

| Proposed Improvements        | Est Cost |
|------------------------------|----------|
| Electrical                   |          |
| Sidewalk on north side       |          |
| Basketball Court Resurfacing |          |
| Bathroom upgrades            |          |
| Parking                      |          |
| Benches/Tables               |          |
| Veterans Memorial            |          |



# Chain Lake Park

Address: 5200 412th St  
Classification; Natural Resource Area  
Size: 0.6 acres



## Park Description

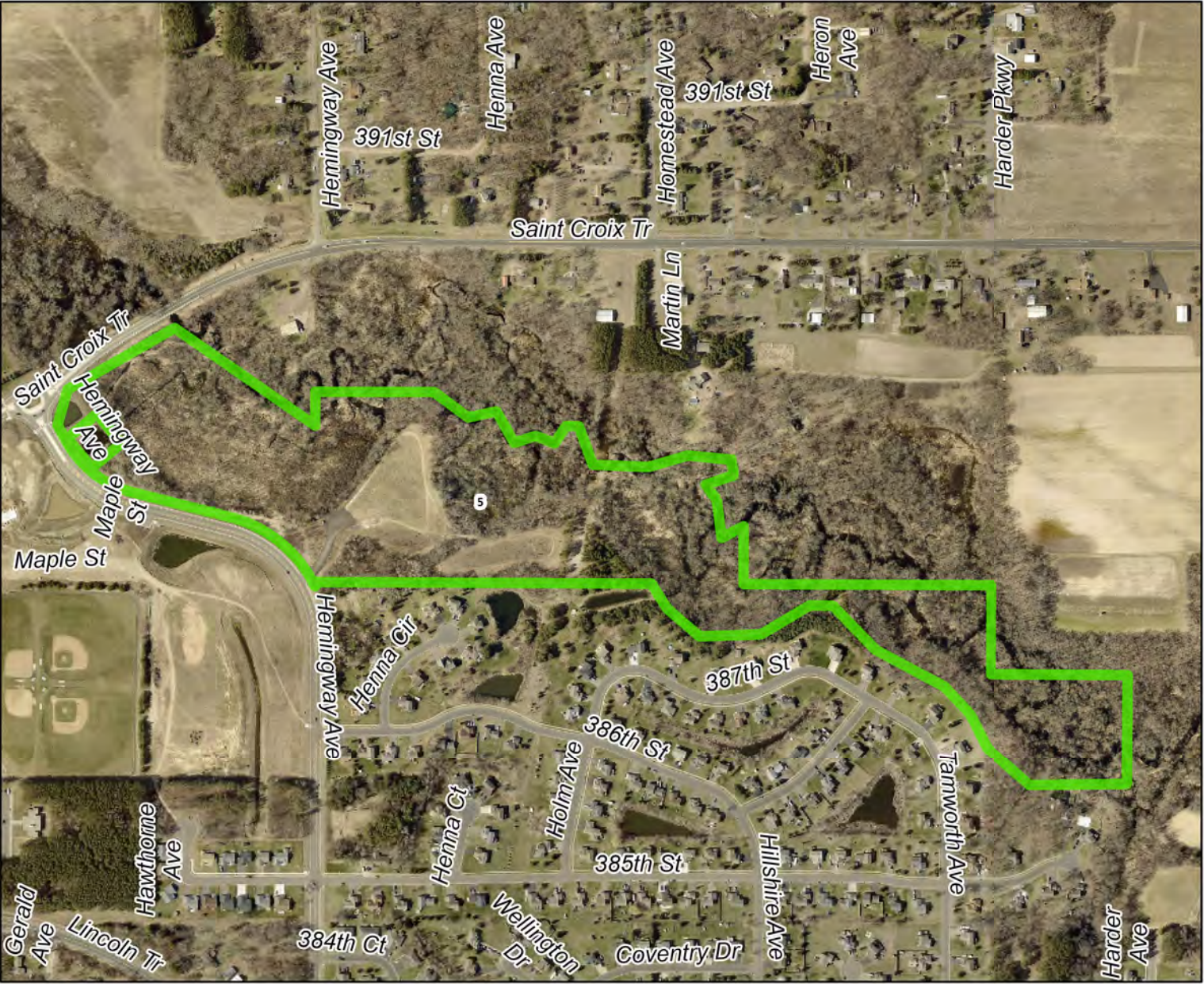
| Existing Amenities |
|--------------------|
| Chain Lake         |

| Proposed Improvements | Est Cost |
|-----------------------|----------|
| Pollinator Planting   |          |
|                       |          |



# Clayton Anderson Family Memorial Nature Park

Address: 38689 Hemingway Ave  
Classification; Natural Resource Area  
Size: 34.5 acres



## Park Description

| Existing Facilities            |  |
|--------------------------------|--|
| Nature Trails                  |  |
| Parking Lot - Recycled Asphalt |  |
| Security Lighting              |  |

| Proposed Improvements           | Est Cost |
|---------------------------------|----------|
| Security Lighting               |          |
| Trash Cans                      |          |
| Security Perimeter Posts        |          |
| Benches                         |          |
| Park Boundary Signage           |          |
| Dog waste containers            |          |
| Snowmobile Trail signage        |          |
| Sunrise River Pedestrian Bridge |          |
| Dog Park                        |          |
| Small Shelter                   |          |
| River Access/Clearing           |          |
| Parking Lot Paving              |          |



# Duck Creek Park

Address: 38420 Wood Duck Ln

Classification: Neighborhood Park

Size: 1.6 acres



## Park Description

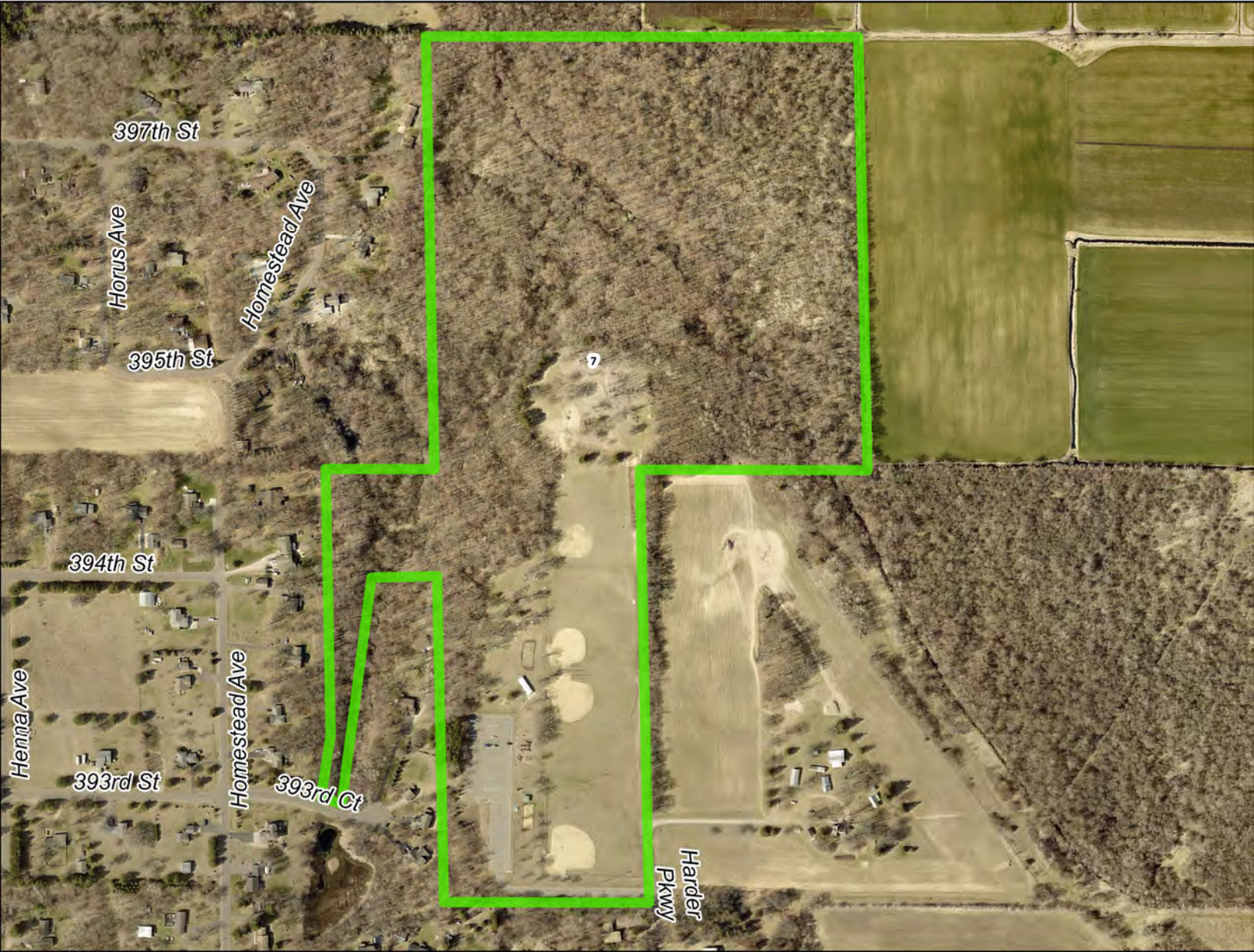
| Existing Facilities |
|---------------------|
| Well House          |

| Proposed Improvements          | Est Cost |
|--------------------------------|----------|
| Trail Connection to Isanti Trl |          |
| Gazebo/Picnic Area             |          |
| Signage                        |          |



# Harder Park

Address: 39260 Harder Pkwy  
Classification: Community Park  
Size: 63 acres



## Park Description

### Existing Facilities

- (4) Ballfields
- Disc Golf Course
- Playground
- Shelter
- Concession Stand
- Parking Lot
- Batting Cage
- Storage Building
- Dense Forest Garden
- Hardwood Swamp

### Proposed Improvements

- trail access to west
- Dugouts/Shade
- trail connection to south -hwy 95
- Disc Golf (stairs)
- Fencing
- Gate
- Sledding Hill
- Ballfield lighting
- Fencing
- Expansion (Carlson property)
- Parking Lot Resurfacing

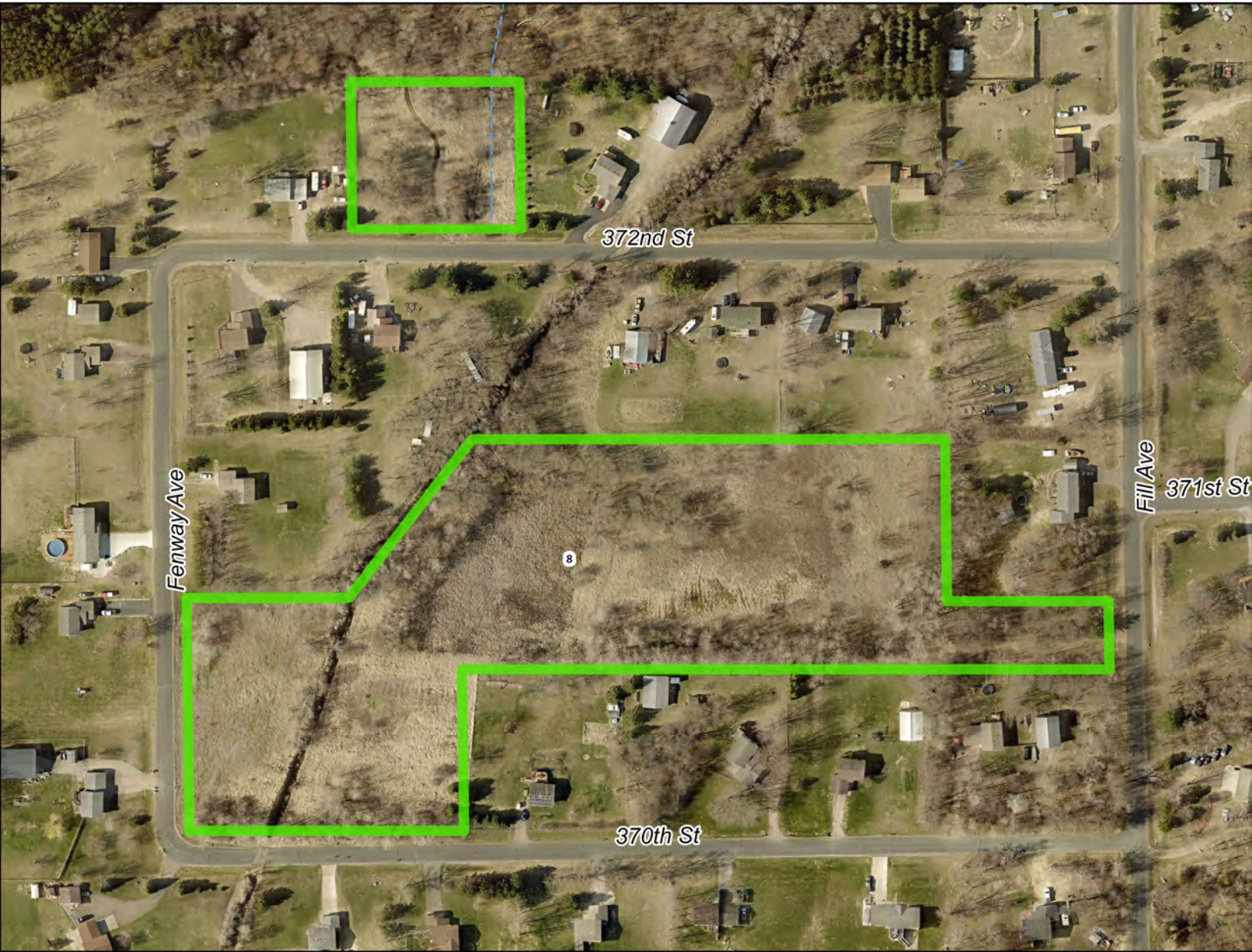


# Kates Park

Address: 37080 Fill Avenue

Classification: Natural Resource Area

Size: 9.3 acres



## Park Description

| Existing Facilities |
|---------------------|
| County Ditch No. 7  |

| Proposed Improvements |
|-----------------------|
| Pollinator Planting   |



# Luchts Park

Address: 7925 384th Trl  
Classification: Neighborhood  
Size: 27.5 acres



## Park Description

| Existing Facilities |
|---------------------|
| Creek               |
| Wetlands            |

| Proposed Improvements                                 | Est Cost |
|-------------------------------------------------------|----------|
| Site Amenities (Benches, Trash Cans, Bike Racks, etc) |          |
| Pocket Park Development (Small Playground)            |          |
| Trail Development                                     |          |
| Expansion South                                       |          |



# Main St Rink

Address: 6773 Elm St  
Classification: Community Playfield  
Size: 0.9 acres



## Park Description

| Existing Facilities |
|---------------------|
| Warming House       |
| Lighting            |

| Proposed Improvements | Est Cost |
|-----------------------|----------|
| Lighting Improvements |          |



# Marketplace Preserve

Address: Flink Ave  
Classification: Natural Resource Area  
Size: 9.5 acres



## Park Description

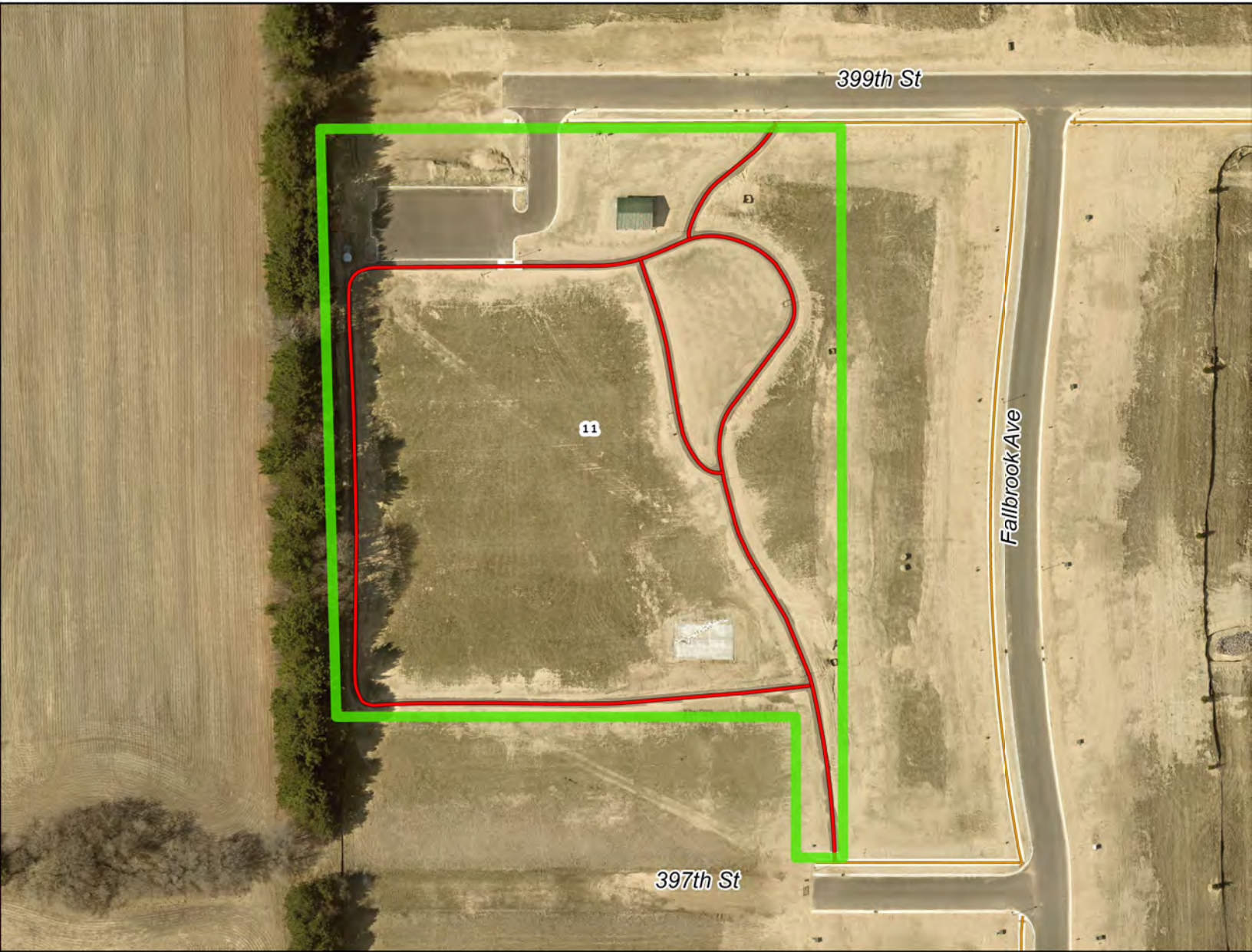
| Existing Facilities        |
|----------------------------|
| North Branch Sunrise River |

| Proposed Improvements                      | Est Cost |
|--------------------------------------------|----------|
| Trail Construction                         |          |
| Crosswalk Improvement to Marketplace       |          |
| Site Amenities (Benches, Trash Receptacle) |          |



# Meadows North Park

Address: 5333 399th St  
Classification: Neighborhood Park  
Size: 5.1 acres



## Park Description

| Existing Facilities |
|---------------------|
| Playground          |
| Trails              |
| Shelter             |
| Basketball Court    |
| Parking Lot         |

| Proposed Improvements | Est Cost |
|-----------------------|----------|
| Pickleball Courts     |          |
| Expansion to west     |          |



# North Branch Oaks Park

Address: 5035 366th St  
Classification: Neighborhood Park  
Size: 2.0 acres



## Park Description

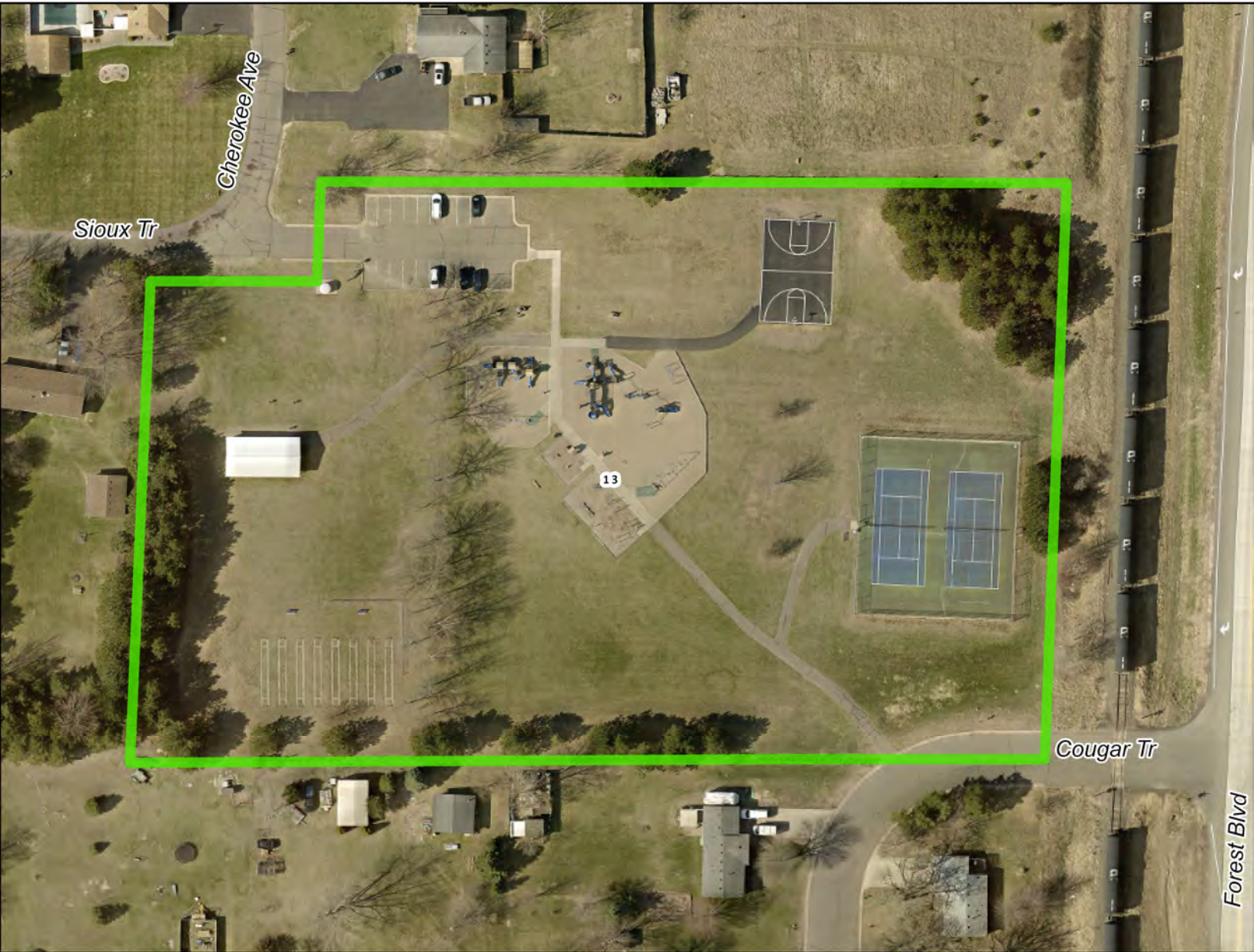
| Existing Facilities |
|---------------------|
| Playground          |
| Broadband Tower     |

| Proposed Improvements | Est Cost |
|-----------------------|----------|
| Shelter               |          |
| Trails                |          |



# Northwood Park

Address: 39581 Cherokee Ave  
Classification: Neighborhood Park  
Size: 5.4 acres



## Park Description

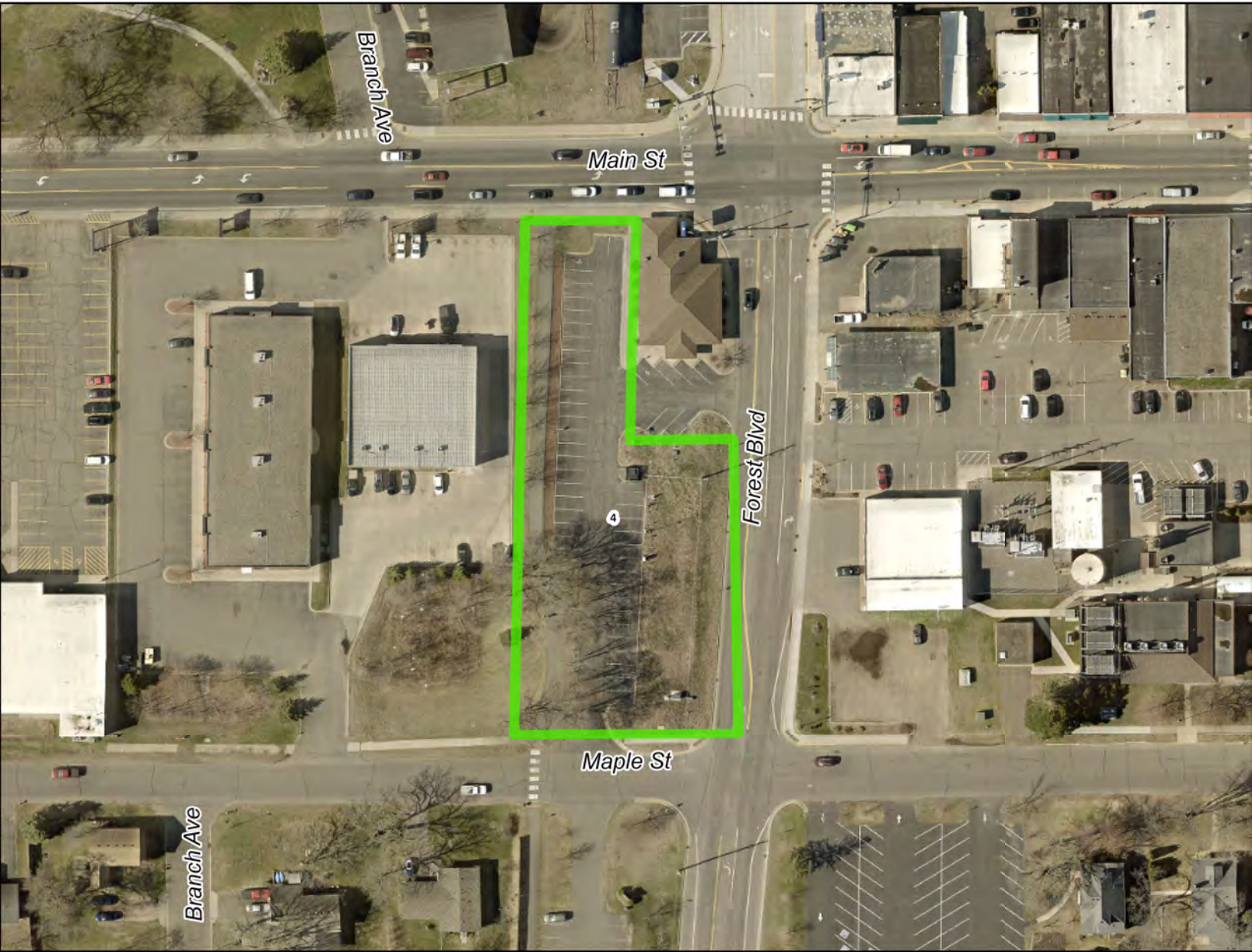
| Existing Facilities    |
|------------------------|
| (2) Tennis Courts      |
| Basketball Court       |
| Playground Area        |
| Shelter w/Cold Storage |
| Horseshoe Pits         |

| Proposed Improvements                                      | Est Cost |
|------------------------------------------------------------|----------|
| Pickleball Courts                                          |          |
| Trails                                                     |          |
| Shelter Upgrades                                           |          |
| Playground Resurfacing                                     |          |
| Signage Replacement                                        |          |
| Site Amenity Replacement (Benches, Trash Receptacles, etc) |          |



# Pollinator Garden

Address: 38808 Forest Blvd  
Classification; Natural Resource Area  
Size: 0.9 acres



## Park Description

| Existing Amenities             |
|--------------------------------|
| Pollinator Plantings           |
| Sunrise Prairie Regional Trail |
| Parking                        |

| Proposed Improvements | Est Cost |
|-----------------------|----------|
| Pollinator Planting   |          |
| Bench                 |          |
| Little Free Library   |          |

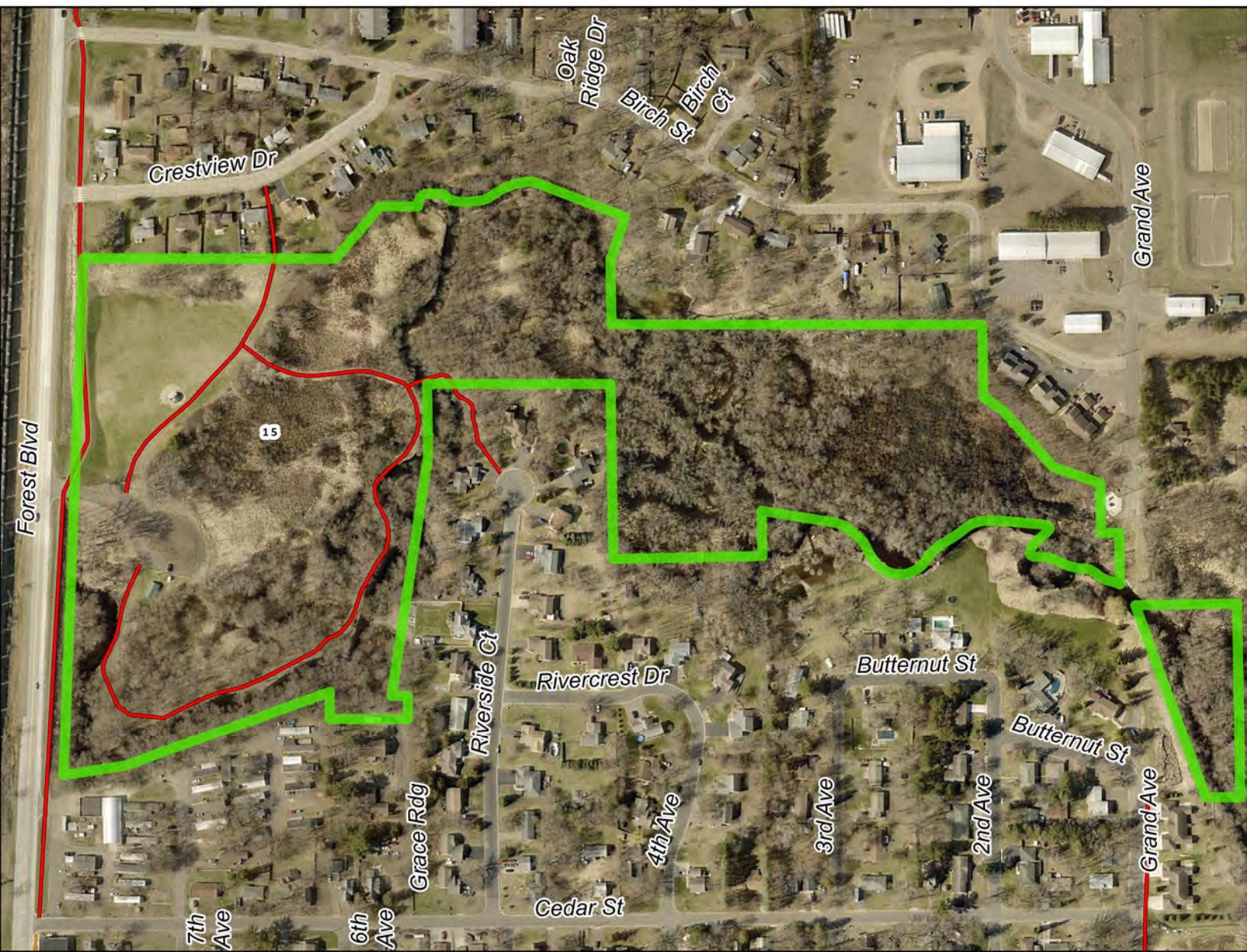


# Riverwalk Park

Address: 39181 Forest Blvd

Classification: Neighborhood Park

Size: 39.4 acres



## Park Description

| Existing Facilities        |
|----------------------------|
| North Branch Sunrise River |
| Shelter                    |
| Dome Structure             |
| Trails                     |

| Proposed Improvements                   | Est Cost |
|-----------------------------------------|----------|
| North Branch Sunrise River Enhancements |          |
| Benches                                 |          |
| Parking Lot Paving                      |          |
| Dome Structure Awning                   |          |



# Roger Johnson Memorial Park

Address: 6547 410th St

Classification: Community Playfield

Size: 14.7 acres



## Park Description

| Existing Facilities                    |
|----------------------------------------|
| Playground Area                        |
| Ballfield w/Bleachers and Dugouts      |
| (2) Multi-use Field (Soccer/Football)  |
| Shelter                                |
| Trail                                  |
| Parking Lot                            |
| Well and Irrigation                    |
| Site Amenities (Trash, Bike Rack, etc) |

| Proposed Improvements      | Est Cost |
|----------------------------|----------|
| Shelter - Electric Service |          |
| Park Expansion to the East |          |
| Trail Reconstruction       |          |



# Tower Fields

Address: 6211 Cougar Trl  
Classification: Community Playfield  
Size: 21.3 acres



## Park Description

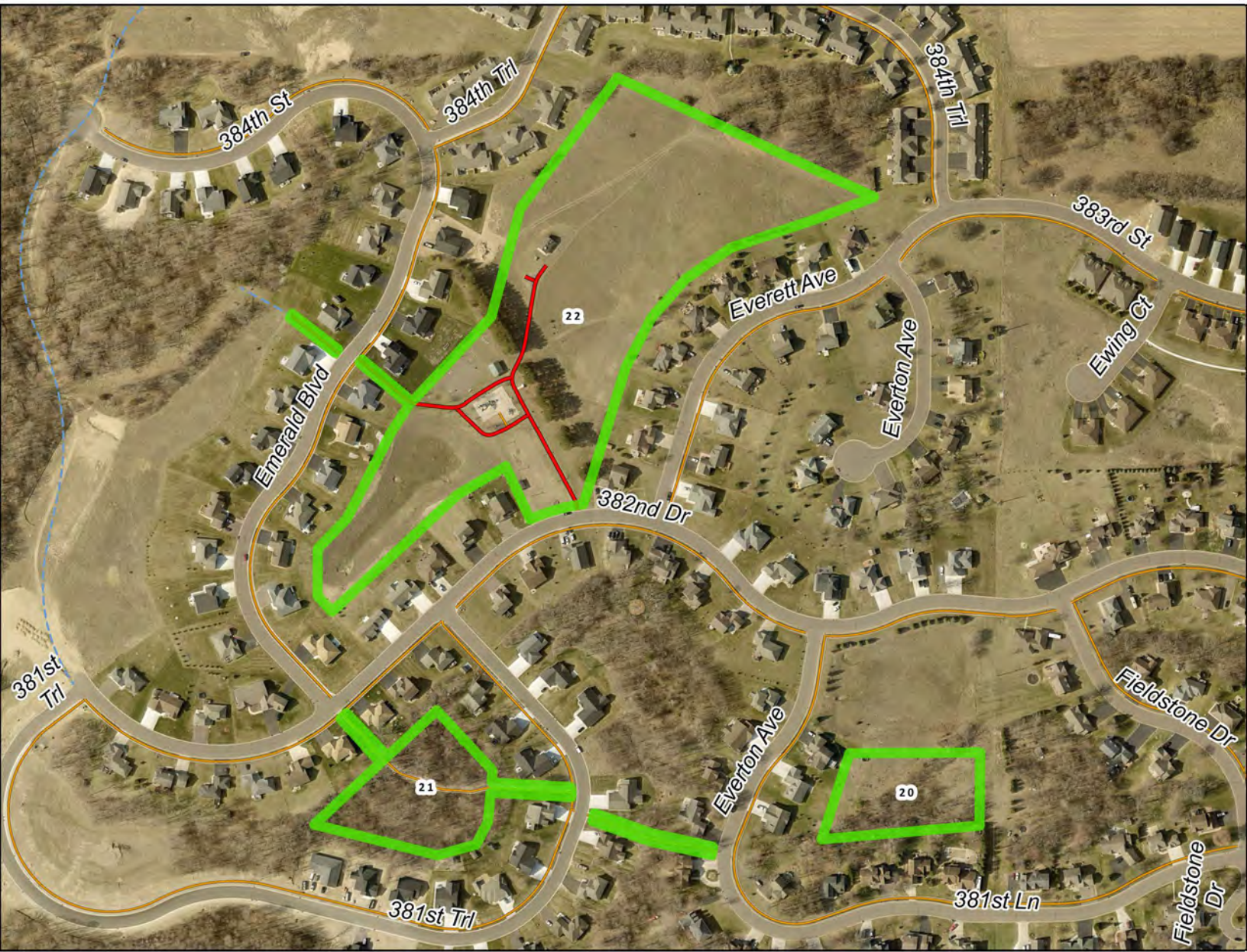
| Existing Facilities        |
|----------------------------|
| (2) Ballfields             |
| Playground Area            |
| North Branch Sunrise River |
| Parking Lot                |

| Proposed Improvements           | Est Cost |
|---------------------------------|----------|
| Access Trail Paving             |          |
| Ballfield Fencing Improvements  |          |
| Ballfield Drainage Improvements |          |
| Parking Lot Paving              |          |
| Dugouts                         |          |
| Shelter                         |          |



# Wildridge Park

Address: 4840 382nd Dr  
Classification: Neighborhood Park  
Size: 15.7 acres



## Park Description

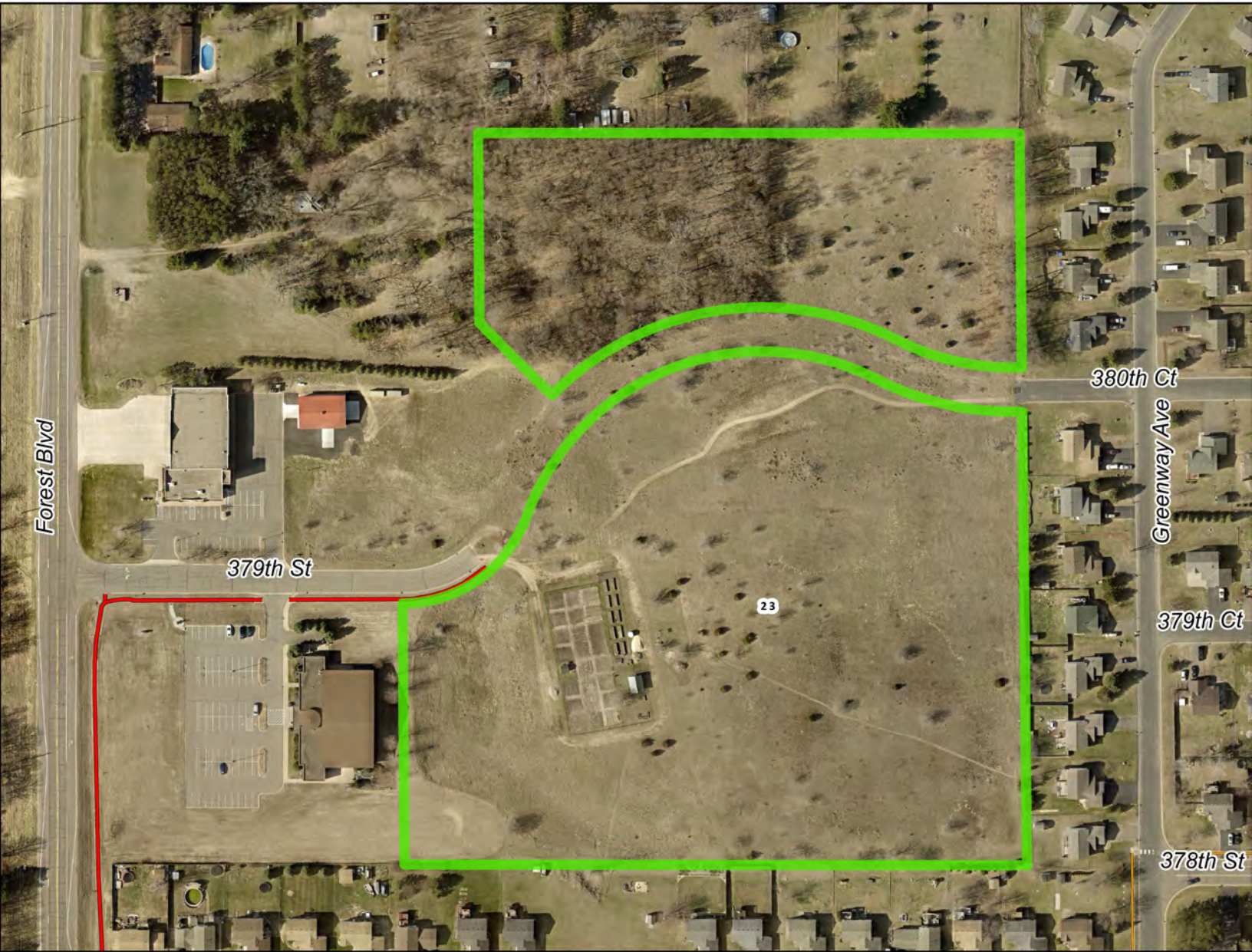
| Existing Facilities                 |
|-------------------------------------|
| Playground Area                     |
| Shelter                             |
| Basketball Court                    |
| Horseshoe Pits                      |
| Walking Path                        |
| Ice Skating Rink with Warming House |

| Proposed Improvements | Est Cost |
|-----------------------|----------|
| Parking Lot           |          |
| Pickleball Courts     |          |
| Trails/Walking Path   |          |
| Splash Pad            |          |
| Soccer Fields         |          |
| Outdoor Fitness       |          |
| Shelter Electric      |          |



# Williams Park

Address: 6400 379th St  
Classification: Community Playfield  
Size: 16.3 acres



## Park Description

| Existing Facilities |
|---------------------|
| Community Gardens   |

| Proposed Improvements                 | Est Cost |
|---------------------------------------|----------|
| Community Center/Aquatic Center       |          |
| Community Garden Expansion            |          |
| Open Space for Events                 |          |
| Playground Area                       |          |
| Outdoor Skating Rink                  |          |
| Outdoor Hockey Rink                   |          |
| Site Amenities (Signage, Benches,etc) |          |
| Splash Pad                            |          |
| Wedding/Event Center                  |          |



# Wood Duck Park

Address: 7611 376th St  
Classification: Natural Resource Area  
Size: 26 acres



## Park Description

| Existing Facilities |
|---------------------|
| Trail               |

| Proposed Improvements                              | Est Cost |
|----------------------------------------------------|----------|
| Site Amenities (Signage, Benches, Trash Cans, etc) |          |
| Trail Development (Extend to east)                 |          |



**Prepared By: Nathan Sondrol, Community Development Director**

**Presenter: Nathan Sondrol, Community Development Director**

**Date: 05/01/2026**

**Board & Commission: Parks, Trails and Open Space Commission**

**Subject: Harder Park Disc Golf Course**

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### **Background Information**

The City entered into a memorandum of understanding with the Harder Park Disc Golf Association to allow for enhancements and maintenance of the disc golf course at Harder Park.

The city approved the installation of a small storage building to allow for the HPDGA to store materials related to course maintenance. The HDPGA has supplied a framing plan for the proposed building to be installed at the park and is looking for discussion and feedback from the commission on the proposed structure and location for it.

The Chisago County Master Gardeners are also proposing to expand the existing dense forest as a solution to provide additional safety measures for one of the tee boxes on the course. The CCMG have been working in conjunction with the HPDGA on placement and installation of the dense forest. see the attached map The estimated cost for planting and supplies is around \$600 based on the following:

Qty (1) River Birch or Pin Cherry \$100-150 depending on size.

Qty (1) Arborvitae \$50

Qty (3-5?) shrubs. Native varieties: Red Twig Dogwood, Isanti Dogwood, Common Ninebark, Silver Buffaloberry, and Western Sand Cherry. All \$40-50

\$100 for hose, sprinkler line, and zip ties ECT...

### **Requested Action**

To provide discussion and recommendation on the placement of the shed and landscaping/screeing improvements at the Harder Park Disc Golf Course

### **Voting Requirements:**

**Voting Options          Simple Majority**







## Harder Park – Tee Box Garden

### Overall Project Description:

Work is being done to improve the playability and aesthetics of the 2<sup>nd</sup> Tee Box of the disc golf course at Harder Park. Initial steps have been taken to develop an organic barrier on the south side of the tee box using some young Arborvitae and Maple trees.

### Concerns:

1. Arborvitae experiencing significant deer browse
2. Maples are thin, not producing much canopy
3. Increase plant density in area needed to provide for a more sheltered tee-box

### Suggested resolution:

1. Add more trees/shrubs to increase plant density and fill in the open spaces between the existing trees.
2. Surround the planted area with deer fencing while the plants mature (3-5 years) to prevent future damage from browsing and minimize trampling by community members using the park.
3. Fenced in area: Approx. 20 ft x 40 ft

### Project Specifics and Steps (Estimates):

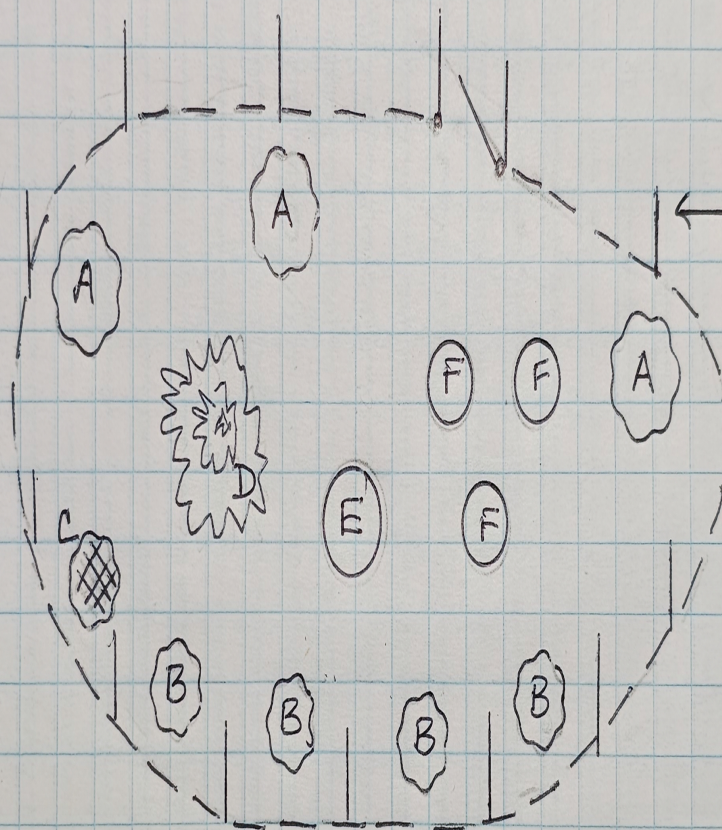
1. Add the suggested trees.
  - a. White Pine can be transplanted from those being lost due to mulching in the park
  - b. River Birch (grows quickly, fills in quickly – source?)
  - c. Shrubs – 3 1-gallon or so berry producing shrubs – Juneberry? Nannyberry?) – source? Better to not just plant small bare-roots at this time.
2. Good soil/compost will be needed to mix into the holes when planting the above trees/shrubs. Source – City?
3. Cover the remaining grassy area with cardboard (simplifies not having to do any sod removal).
4. Cover the entire garden area with 3-4” of mulch. This will include a 2 foot area around the perimeter, providing good accessibility for players to retrieve discs without damaging the planting. Source – City
5. Drip irrigation installation: Many materials from the previously established mini-forest at the park can be reused. There is a small amount of hose for making the runs left over, but we are not sure at this point if it is enough. This should be the only piece needing to be supplemented. Maybe some t-pins as well, for holding the drip lines in place.
  - a. Another 100 ft of garden hose would be needed to reach this new planting from the pump house
6. Fencing: Again, many of the materials from the mini-forest can be repurposed. The posts that are ready to be removed from the original garden can just be moved over. The existing gate can be installed as is. There is a section of new fencing that has not been used, although probably not enough to surround the entire proposed garden. The Disc Golf team has collected sections that were removed from the original garden, which may be reusable.



# Forest Garden

1 sq ~ 2 ft

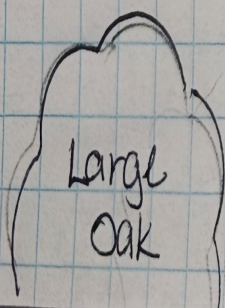
BALL FIELDS



← Fence posts (~6-8 ft apart)

DISC GOLF

Tee Box



- A = Existing Maples
- B = Existing Arborvitae
- C = Add'l Arborvitae
- D = Pine (White?)
- E = River Birch
- F = Shrubs











BALL FIELDS ↑

Edible planting

GATE

GATE

Maple

Maple

Maple

PINE

River birch  
or  
Pin Cherry

Shrubs

Add 1  
more to  
provide  
balance

~10 ft between  
tree rows

~20 ft

Arborvitae

~6ft space  
for mowing

Tee  
box  
4'x8'

NOT to scale :)

Large  
Oak



**Prepared By: Nathan Sondrol, Community Development Director**

**Presenter: Nathan Sondrol, Community Development Director**

**Date: 04/30/2026**

**Board & Commission: Parks, Trails and Open Space Commission**

**Subject: Park Tour**

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**Background Information**

The PTOS Commission annually conducts a bus tour of all the city parks and trails. Attached is a map of the route from 2025.

**Requested Action**

Staff are requesting the Commission to provide dates/times to hold the tour in 2026.

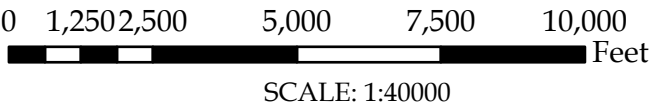
**Voting Requirements:**

**Voting Options          Simple Majority**

# City of North Branch

## Park Tour 2025

- 1) Riverwalk Park
- 2) Tower Fields
- 3) Northwood Park
- 4) Roger Johson Memorial Park
- 5) Branch Acres Park
- 6) Harder Park
- 7) Clayton Anderson Family Memorial Nature Park
- 8) Luchts
- 9) Skateboard Park
- 10) Wood Duck Preserve
- 11) Williams Park
- 12) Kates Preserve
- 13) Pollinator Garden
- 14) Central Park
- 15) North Branch Oaks Park
- 16) Wildridge Park
- 17) Malmquist
- 18) Sunrise Bluff
- 19) Meadows North
- 20) Chain Lake
- 21) Marketplace Preserve



Disclaimer: The data on this map is provided "as is" and does not represent a survey. NO liability is assumed to accuracy of the data delineated hereon.