



NORTH BRANCH

—Minnesota—

Sara Paul
Chair

Dennis Johnson
Vice Chair

Jessica Thelander
Commissioner

Marshall Saunders
Commissioner

Patrick Meachem
Councilmember

Cassie Keocher
Commissioner

Kevin Schieber
Mayor

**ECONOMIC DEVELOPMENT AUTHORITY
REGULAR AGENDA
TUESDAY, MARCH 17, 2026 @ 3:30 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

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

REGULAR MEETING

Tuesday, March 17, 2026

1. CALL TO ORDER

Chair Sara Paul called the Economic Development Authority Meeting to order at 3:30 PM.

2. PLEDGE OF ALLEGIANCE

Chair Sara Paul led the Pledge of Allegiance.

3. ROLL CALL

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

Absent:

Remote:

Others Present:

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

ACTION

RESULT: Passed

MOVER: Jessica Thelander

SECONDER: Dennis Johnson

AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johnson, Jessica Thelander, Cassie Koecher

ABSENT:

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 February 17, 2026 EDA meeting minutes

ACTION

RESULT: Passed

MOVER: Dennis Johnson

SECONDER: Jessica Thelander

AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johnson, Jessica Thelander, Cassie Koecher

ABSENT:

NOTES:

7. REPORTS

a. Consider Approval of Resolution R-302-2026 approving the 1st Amendment to Purchase Agreement with Louisiana Pacific ACTION

Community Development Director Nate Sondrol presented the Approval of Resolution R-302-2026 approving the 1st Amendment to the Purchase Agreement with Louisiana Pacific. The EDA approved a purchase agreement with Louisiana Pacific (LP) is proposing a minimum of a 200,000 square foot facility manufacturing facility on 120 acres located in the northeast portion of the Interstate Business Park on December 9, 2025. The manufacturing at this facility will include LP's Expert finish facility, which specializes in pre-finishing engineered wood siding trim with durable, factory applied paint in various colors, reducing the installation time and labor for builders by eliminating field painting and caulking needs. The site will require the outdoor storage of materials on the site.

The terms of the purchase agreement included the purchase price of \$5,250,000 with \$50,000 earnest money applied and a 180-day due diligence period, along with conditions precedent prior to the closing:

1. Public Hearing on Sale of Property (Dec 9, 2025)

2. Plans and Specifications to be submitted by buyer (received)
3. Private Financing (demonstration of sufficient funds)
4. Tax Increment Financing (TIF) Agreement (in process)
5. Executing Lease to Purchase Agreement with Chisago Co HRA/EDA and transfer to North Branch EDA (completed)
6. Payment of Release Price and Partial Release of Mortgage for Lease Revenue Bonds.
7. Subdivision and Platting (in process)
8. Existing Tenancies released. (in process)
9. Form of Limited Warranty Deed.
10. Title
11. Approval

As part of the agreement with LP and the North Branch Economic Development Authority (EDA), the EDA/City would be responsible for extending the streets and utilities (water, sewer, storm) in Fletcher Ave and to connect with the existing segment of Fletcher Ave to the north, along with the removal of all existing buildings and structures on the property. The city would utilize a combination of land sale proceeds, a BDPI grant, and potential TIF funds. The city received a BDPI grant that will be utilized to assist with the funding of this and is proposing to submit an additional BDPI application to support this project.

The proposed 1st amendment to the purchase agreement would allow removal of the structures on the property post closing date, establishing a closing date of April 21, 2026, and removal of the fixed wireless tower within 90 days of the termination of the tower lease. LP has reviewed and is in agreement with the amendment.

Motion to approve Resolution R-302-2026 approving the 1st Amendment to Purchase Agreement with Louisiana Pacific.

RESULT: Passed
MOVER: Marshall Saunders
SECONDER: Jessica Thelander
AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johns
 Jessica Thelander, Cassie Koecher

ABSENT:

NOTES:

- b. Consider Approval of Resolution R-301-2026 Calling for Redemption of Series 2017A Bonds ACTION

Community Development Director Nate Sondrol presented the Approval of Resolution R-301-2026 Calling for Redemption of Series 2017A Bonds.

In 2017, the Economic Development Authority issued \$3,535,000 in Taxable Refunding Lease Revenue Bonds, Series 2017A, to refinance the acquisition of land intended for commercial/industrial or housing development. The bonds were issued under a resolution adopted on November 28, 2017, and secured under a Second Amended and Restated Mortgage and Security Agreement and Indenture of Trust with U.S. Bank Trust Company, National Association, acting as Trustee.

A portion of the property acquired with bond proceeds is now under contract for sale to a private

developer. The sale price exceeds the remaining outstanding principal balance of the bonds. Under the terms of the Indenture, proceeds from the sale of the property must be used to redeem the outstanding bonds. Staff is therefore recommending that the Board authorize the call and redemption of the remaining Series 2017A Bonds.

The proposed resolution authorizes:

- The redemption of the outstanding Taxable Refunding Lease Revenue Bonds, Series 2017A, on April 22, 2026, is contingent upon receipt of the property sale proceeds expected on April 21, 2026.
- Direction to U.S. Bank Trust Company, National Association, as Trustee, to issue the required Conditional Notice of Call for Redemption in accordance with the Indenture.

The bonds will be redeemed using proceeds from the land sale. No additional City or EDA funds are required.

Motion to Approve Resolution R-301-2026 Calling for Redemption of Series 2017A Bonds.

RESULT: Passed
MOVER: Jessica Thelander
SECONDER: Dennis Johnson
AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johns
Jessica Thelander, Cassie Keocher

ABSENT:

NOTES:

- c. Consider Approval of Resolution R-303-2026 Recommending the Establishment of TIF 2026-1 ACTION

Community Development Director Nate Sondrol presented the Approval of Resolution R-303-2026 Recommending the Establishment of TIF 2026-1. Louisiana Pacific (LP) (Applicant) is requesting Tax Increment Financing (TIF) to support the construction of a 200,000 square foot manufacturing facility development (Development). The development site is located on a 120-acre parcel on the southwest corner of Forest Boulevard (County Road 30) and 410th Street.

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

Developers seeking financial assistance (i.e., TIF) from the City submit an application and pay applicable fees, and provide financial documents for City staff review. The City works with municipal advisor Ehlers & Associates to determine project eligibility, review the level of financial support requested, and analyze those requests in comparison to the financial report(s) and business plan(s) submitted by the requestor, and provide a recommendation as to the level of assistance. Ehlers, in concert with legal counsel Taft Law, assists the City in setting up the TIF district. The creation of such districts follows the State Statute. Effectively, there are three (3) different types of TIF districts: Economic Development, Redevelopment, and Housing. The proposed development qualifies under the Economic Development District, which bears a potential statutory 8-year maximum term.

The Applicant requested TIF for \$2,500,000 to help facilitate the development. Upon analysis, Ehlers and City staff are recommending \$2,500,000 and a maximum District duration of eight (8) years. Ehlers has

provided an analysis memorandum. The EDA is asked to approve a term sheet and recommend the creation of the TIF District to the City Council. State Statute requires the City Council to conduct all required public hearings and establish TIF Districts.

Motion to approve the Resolution R-303-2026 Recommending the Establishment of TIF 2026-1.

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

d. Beach Transport - Truck Service Facility Development - EDA Assistance Request ACTION

Loren Beach presented the Beach Transport - Truck Service Facility Development - EDA Assistance Request. Loren gave some background about the Beach Transport Company. Our company is planning the construction of a new 7,600 square foot truck service facility, consisting of:

- 6,400 sq ft service shop (80' × 80')
- 1,200 sq ft attached office space (30' × 40')

The project represents an estimated \$1,200,000 private investment into the community. Prior to development, the property contained an older farmhouse site that had accumulated significant junk, debris, and environmental concerns over time. In preparation for redevelopment, we invested approximately \$60,000 in cleanup and demolition to remove debris and restore the site. With over \$1.2 million in private investment and the redevelopment of a previously distressed property, this project will convert an underutilized site into a productive commercial facility that strengthens the tax base and supports long-term economic growth in North Branch. This effort removes a long-standing eyesore and transforms the property into a productive commercial use consistent with its zoning and visibility along the Interstate 35 corridor.

The new facility will immediately support 8 employees with growth potential and provide truck maintenance and service operations supporting regional transportation, construction, and logistics businesses.

The building design incorporates an upgraded architectural facade, including stone finishes and a modern office entrance, enhancing the visual quality of the corridor while providing a high-quality commercial facility for the community.

Our company is also proud to be a certified small business in Minnesota, holding the following certifications through

The Minnesota Unified Certification Program:

- Disadvantaged Business Enterprise (DBE)
- Minority and Women-Owned Business Enterprise (MCUB)
- Small Business Enterprise (SBE)
- Targeted Group Business (TGB)

Chair Sara Paul asked Loren his next steps and what he was hoping to do. Loren mentioned that they

have their plans, and it's been a process trying to work with the Planning Commission. He mentioned that it's been extremely hard to do business here. Loren mentioned that it's a lot more expensive than surrounding communities and cities, and then the regulations and the design standards, which is what he's looking for help on. If they were to meet the design standards of the current city code, the cost would be substantially greater. The business currently works out of the driveway, which is kind of embarrassing, and it would be easier to increase the number of employees from the eight employees that they currently have now if they had this establishment. They currently have three semi trucks, one dump truck and 29 trailers.

Community Development Director Nate Sondrol mentioned that some of the things that we brought up with concerns to date are in zoning. The property is zoned commercial. A trucking logistics company, is more of an industrial use versus a truck repair service office.

Loren said to be clear and completely transparent, I'm here because I can build this project—but I'm struggling with how the current design standards align with the surrounding environment. As you move farther from the city center, the area becomes increasingly industrial. We're surrounded by storage facilities and industrial buildings, many with equipment, campers, and boats stored in open view. That's the existing character of this area. Given that context, I have concerns about how these elevated design standards fit with what's already there. I respectfully disagree with applying the same expectations in this setting. That said, I'm trying to move forward constructively. If the city is not open to adjusting these standards, I'm asking what support or flexibility you can offer to help me realistically meet them.

Commissioner Thelander asked where Loren was at in the building process. Loren responded that this is the only thing that's being help up right now. Commissioner Thelander asked what would need to be done to get the building plan up to design standards. Loren replied that the office component is fully compliant—it meets all applicable requirements and classifications, so there are no concerns there.

The challenge is with the shop itself. It needs to accommodate tall semi-trucks, which require significant height. Designing a structure of that scale while meeting the current aesthetic standards is difficult without shifting toward a highly commercial, corporate-style build—similar to large chain facilities that use precast concrete walls and more intensive construction methods.

What I'm proposing instead is an engineered metal building with a 100-year warranty. It's a red iron, clear-span structure, meaning it uses large internal beams and girts without trusses, allowing for the open space necessary for truck access. From a structural and functional standpoint, it's an efficient and appropriate solution.

However, the exterior presents challenges. This type of building relies on tall, vertical metal panels that run continuously from the base to the roof line. These panels are integral to the system. To meet the current design standards, I would effectively need to build a secondary stick-frame wall system—similar to residential construction—inside or around the structure just to support alternative exterior finishes. At that point, it defeats the purpose of using a pre-engineered metal building in the first place. It adds high cost and complexity, and undermines the efficiency of the design. Applying materials like fiber cement siding, masonry, or stucco would require additional framing. For example, stucco (a Class II material) needs a continuous solid substrate, which this system does not naturally provide.

In short, the current standards create a situation where the most practical and appropriate building method for this use becomes unnecessarily difficult to implement.

Council member Meachem asked what it would take to get Loren to a point where he can move

forward. Community Development Director Nate Sondrol stated that, from a process standpoint, our code establishes specific design standards that we're required to follow. If a proposal doesn't meet those standards, we can't approve it administratively. Instead, it would need to go through a public hearing to consider a modification or exception to the code, depending on the approach taken.

Alternatively, there may be other paths to help move the project forward. For example, the EDA could potentially explore financial assistance to offset the added costs of meeting the standards. Another option would be to align the project more closely with existing conditions, which could allow it to proceed more quickly without requiring those additional approvals.

e. Chisago County HRA-EDA Update VERBAL
UPDATE

Community Development Director Nate Sondrol gave the Chisago County HRA-EDA Update, as Nancy Hoffman was unable to attend. SBDC Resource Day is March 25th. The next marketing meeting is April 10th from 8am-9am.

f. North Branch Area Chamber of Commerce Update VERBAL
UPDATE

No updates from the North Branch Area Chamber of Commerce.

g. North Branch Area Schools Update VERBAL
UPDATE

Chair Sara Paul gave the North Branch Area Schools Update. Charlie Klopp came to the City Council and said that with all of the schools that are located on Grand Avenue, we should really symbolically name Grand Avenue, Viking Way. With the support of the City, we now have the symbolic naming of Viking Way all along Grand Avenue. Several years ago, the Beautification Committee had supported banners that students created all along Viking Way, so we wrote a grant with the central art collaborative, and we've handed this to our students, who have brought in different cultural artists. These resident artists have been teaching and training our students. The students are now training those techniques across the elementary, middle, and high schools. The students are going to be creating banners that will be selected to replace along Viking Way.

h. EDA Executive Director Update VERBAL
UPDATE

Community Development Director Nate Sondrol gave the EDA Executive Director Update. Residential development is expected to pick up after the spring season. Initially, there were plans for 115 units on the north side of 400th and West South Flink, but that may be reduced to about 90 units for the first phase. The developer typically builds around 35 units per year, following a three-year plan, which is why they are limiting the number of units released at once. Sheild's Plaza is currently underway, with model work beginning, and activity is expected to continue through the summer. The building façade grant projects approved at the last meeting have already been completed. The battery storage facility is anticipated to begin construction once weather conditions improve.

The old fire hall sale closed on March 2, and the new owner is exploring redevelopment options, including a potential improvement split facility and possibly an industrial supply store.

There is a two-day Business Retention course offered by the University of Minnesota on May 20th–21st (8 a.m.–5 p.m.), with space for up to five attendees. Staff plans to attend, and others are welcome to join—interested individuals should contact staff. In November, there's an industrial session at the Minnesota Real Estate Journal; they plan to present on the LP site. We'll keep you posted.

Following the retail trade analysis completed on February 19, staff will continue working with the county and the University of Minnesota to determine next steps and identify target businesses for future

commercial development. On March 27, the Essential Development Partnership Program will be held in Mora, including a tour of the new high school and a discussion on continuing education opportunities. The Hungry Farmer is now open, and we're very excited to have this great addition to our Community.

i. Comprehensive Plan Update

INFO

City Administrator Matthew Hill gave the Comprehensive Plan Update. The City has developed a coordinated plan at the state level for the proposed interchange project. The project is structured in phases, with Phase One focused on design and engineering. A \$4 million funding request has been introduced in both legislative chambers. Representative Reimer introduced HF 4238, and Senator Graham introduced SF 444; both bills have been referred to the Capital Investment Committee. This funding would support the design and engineering work and allow the City to complete the acquisition of the final parcel needed for the interchange. Securing this phase is critical, as it positions the project for future funding requests and overall advancement. Subsequent phases would include construction of the interchange, followed by additional improvements such as signalization extending to Highway 95.

The City has been in active communication with legislators at multiple levels and has received strong, positive support for the project. The Mayor and staff have met with legislators at the Capitol and plan to return in April to continue discussions with committee members. Coordination is ongoing with our representatives to schedule these meetings. In addition to state funding, the City has also submitted a federal grant request and is awaiting feedback.

8. CLOSED SESSION

- a. Closed meeting pursuant to Minn. Stat. 13D.05, sub. 3 (c) to consider the sale of real property in the Interstate Business Park INFO

The Economic Development Authority Meeting went into closed session pursuant to Minn. Stat. 13D.05, sub. 3 (c) to consider the sale of real property in the Interstate Business Park at 5:05 PM.

RESULT: Passed
MOVER: Sara Paul
SECONDER: Jessica Thelander
AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johns
Jessica Thelander, Cassie Kecher

ABSENT:

NOTES:

The Economic Development Authority Meeting went back into open session at 5:14 PM

RESULT: Passed
MOVER: Sara Paul
SECONDER: Patrick Meacham
AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Sara Paul, Dennis Johns
Jessica Thelander, Cassie Kecher

ABSENT:

NOTES:

9. NEXT MEETING - April 21, 2026 - 3:30 PM

10. ADJOURNMENT

The Economic Development Authority Meeting adjourned at 5:14 PM.

RESULT: **Passed**

MOVER: **Patrick Meacham**

SECONDER: **Jessica Thelander**

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

ABSENT:

NOTES: