



NORTH BRANCH

—Minnesota—

Kevin Schieber
Mayor

Robert Canada
Councilmember/Acting Mayor

Jeff Goulet
Councilmember

Jim Ibinger
Councilmember

Patrick Meacham
Councilmember

**CITY COUNCIL
REGULAR AGENDA
WEDNESDAY, JULY 22, 2026 @ 6:00 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL

4. AGENDA APPROVAL
 - a. Approve Agenda

ACTION

5. PRESENTATION & PROCLAMATION

6. PUBLIC COMMENT

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

7. CONSENT AGENDA

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

- | | |
|--|---------------|
| a. Claims | ACTION |
| b. Approval of Minutes — Regular Meeting - July 8, 2026 - 6:00 PM | ACTION |
| c. Approval of Letter of Support for Chisago County's Fish Lake Park Grant Application | ACTION |
| d. Approve Gambling LG220 Permit — St. Gregory the Great Catholic Church | ACTION |
| e. Approval of a 30-day Transient Merchant License for Southwestern Advantage | ACTION |
| f. Approve 2026 Application for Right-of-Way License for Northern State Power MN DBA Xcel Energy | ACTION |

- g. Approval of City Administrator's Recommendation to Separate Employee M. M. from Employment with the City. ACTION
 - h. Approval of Resolution #R-343-2026 authorizing the appointment of election judges and establishing election judge compensation ACTION
 - i. Approval of Resolution R-344-2026 authorizing payment for Pay Voucher #1 for Gustafson Excavation, Inc. for work completed at the Fletcher Ave Street and Utility project ACTION
8. PUBLIC HEARINGS
- a. Consider Approval of Resolution R-346-2026 approving the proposed establishment of TIF District 2026-2 and adoption of TIF Plan ACTION
9. STAFF REPORTS
- a. Direction on NW Old Town Street and Utilities Improvement Project INFO
 - b. Consider Approval of Ordinance 413-26 approving an Interim Ordinance Authorizing Study and Imposing a Moratorium on High Utility Demand Uses ACTION
10. MAYOR/CITY COUNCIL
- a. Changes, Challenges, and Appreciation of City Staff - Mayor Kevin Schieber INFO
11. ADJOURNMENT

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



Prepared By:

Presenter:

Date: 06/09/2026

Board & Commission: City Council

Subject: Claims

Claims Summary

Voting Requirements:

Voting Options Simple Majority Super Majority

City of North Branch

ACH Checks

6188 to 6202- \$161,182.74

Checks

93764 to - 93862 \$1,160,594.48

Payroll

7/17/2026 - \$142,533.57

Accounts Payable

Computer Check Proof List by Vendor

User: TiffaniFolstad

Printed: 07/07/2026 - 1:26PM

Batch: 00002.07.2026 - 07072026



Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1646	Ameritas			Check Sequence: 1	ACH Enabled: False
	PR Batch 00001.07.2026 Ameritas 457 Employe	90.00	07/02/2026	101-00000-21705	PR Batch 00001.07.2026 Ameritas 457 Em
	Check Total:	90.00			
Vendor: 1047 7072026	BCA			Check Sequence: 2	ACH Enabled: False
	CLEANING SERVICE FINGERPRINTS	96.00	07/07/2026	101-41940-50300	
	Check Total:	96.00			
	Total for Check Run:	186.00			
	Total of Number of Checks:	2			

Accounts Payable

Computer Check Proof List by Vendor

User: TiffaniFolstad
Printed: 07/10/2026 - 2:33PM
Batch: 00003.07.2026 - 07102026



Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1904	Sharon Wright			Check Sequence: 1	ACH Enabled: False
2026GFOA	MILEAGE REIMBURSEMENT	633.65	07/10/2026	101-41500-50331	
2026GFOA	PER DIEM REIMBURSEMENT	224.00	07/10/2026	101-41500-50331	
	Check Total:	857.65			
	Total for Check Run:	857.65			
	Total of Number of Checks:	1			

Accounts Payable

Computer Check Proof List by Vendor

User: TiffaniFolstad

Printed: 07/14/2026 - 2:37PM

Batch: 00004.07.2026 - 07142026



Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1745	Ten13 Entertainment, LLC			Check Sequence: 1	ACH Enabled: False
0707 ECRAC	TRANSIT AUTHORITY CONCERT 7/7/2026	400.00	07/14/2026	403-46500-50300	
	Check Total:	400.00			
Vendor: 1751	The Whitesidewalls			Check Sequence: 2	ACH Enabled: False
7/14/26 CONCERT	ECRAC SUMMER CONCERT 7/14/2026	1,300.00	07/14/2026	403-46500-50300	
	Check Total:	1,300.00			
	Total for Check Run:	1,700.00			
	Total of Number of Checks:	2			

Accounts Payable

Computer Check Proof List by Vendor

User: TiffaniFolstad
Printed: 07/16/2026 - 2:47PM
Batch: 00005.07.2026 - 07162026



Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 2278	A Hard Day's Night Tribute to the Beatles LLC			Check Sequence: 1	ACH Enabled: False
7/21/2026 ECRAC	SUMMER CONCERT 7/21/2026	2,500.00	07/16/2026	403-46500-50300	
	Check Total:	2,500.00			
Vendor: 1005	ACE SOLID WASTE			Check Sequence: 2	ACH Enabled: False
13402145T067	JULY 2026 TRASH SERVICE	209.83	07/16/2026	101-42280-50387	
13402145T067	JULY 2026 TRASH SERVICE	118.87	07/16/2026	101-45500-50387	
13402145T067	JULY 2026 TRASH SERVICE	155.25	07/16/2026	609-49750-50387	
13402145T067	JULY 2026 TRASH SERVICE	197.91	07/16/2026	615-49550-50387	
13402145T067	JULY 2026 TRASH SERVICE	128.79	07/16/2026	615-49550-50387	
13402145T067	JULY 2026 TRASH SERVICE	261.52	07/16/2026	602-49450-50387	
13402145T067	JULY 2026 TRASH SERVICE	244.22	07/16/2026	101-41940-50387	
13402145T067	JULY 2026 TRASH SERVICE	335.64	07/16/2026	101-43000-50387	
	Check Total:	1,652.03			
Vendor: 2104	Rebecca Ackermann			Check Sequence: 3	ACH Enabled: False
3128	MIDSUMMER SUPPLIES	50.10	07/16/2026	208-42280-50210	
55990709	PANCAKE BREAKFAST SUPPLIES	401.06	07/16/2026	208-42280-50210	
	Check Total:	451.16			
Vendor: 1010	Alex Air Apparatus 2 LLC			Check Sequence: 4	ACH Enabled: False
54281	PLUG	87.87	07/16/2026	101-42280-50404	
	Check Total:	87.87			
Vendor: 1662	AMAZON CAPITAL SERVICES			Check Sequence: 5	ACH Enabled: False
1471-P397-VY7M	OPERATING SUPPLIES	16.95	07/16/2026	101-42110-50210	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
1CFY-9R1T-6DNF	OPERATING SUPPLIES	104.22	07/16/2026	609-49750-50210	
1CFY-9R1T-6DNF	OPERATING SUPPLIES	7.99	07/16/2026	609-48000-50210	
1G49-CTXC-GGF3	OPERATING SUPPLIES	34.71	07/16/2026	615-49550-50210	
1G49-CTXC-GGF3	OPERATING SUPPLIES	18.39	07/16/2026	101-42110-50210	
1JT4-W9CD-D9CR	OFFICE SUPPLIES	31.49	07/16/2026	101-42110-50210	
1JVW-KXVC-C93C	OFFICE SUPPLIES	12.50	07/16/2026	101-41420-50210	
1MTN-6CVN-FPVD	ELECTION SUPPLIES	14.39	07/16/2026	101-41410-50210	
1RHF-CLN4-3R3R	ETHERNET ADAPTER	9.95	07/16/2026	101-42110-50210	
1RJT-1Y4R-G17M	OPERATING SUPPLIES	4.99	07/16/2026	609-48000-50210	
1TRY-94KL-3CGL	OTTERBOX	49.48	07/16/2026	101-41420-50201	
1TVH-36CC-NCQ6	OPERATING SUPPLIES	11.38	07/16/2026	101-43000-50210	
1XY1-9RNG-V1LJ	HOLSTER	66.99	07/16/2026	101-42110-50237	
IMWR-K1VW-YP7D	OFFICE SUPPLIES	34.43	07/16/2026	101-42110-50210	
	Check Total:	417.86			
Vendor: 1646	Ameritas			Check Sequence: 6	ACH Enabled: False
0717AMER	7/17/2026 PAYROLL DEF COMP	90.00	07/16/2026	101-00000-21705	
	Check Total:	90.00			
Vendor: 1029	Artisan Beer Company			Check Sequence: 7	ACH Enabled: False
3871045	THC	352.60	07/16/2026	609-48000-50254	
	Check Total:	352.60			
Vendor: 1031	Aspen Mills			Check Sequence: 8	ACH Enabled: False
378137	FREIGHT CHARGE INV FREIGHT CHARGE	14.00	07/16/2026	101-42280-50237	
	Check Total:	14.00			
Vendor: 1036	AT & T MOBILITY			Check Sequence: 9	ACH Enabled: False
287294265529X07	JUNE 2026 CITY MOBILE PHONES	1,379.42	07/16/2026	101-41420-50321	
	Check Total:	1,379.42			
Vendor: 1046	Baribeau Implement Co. Inc.			Check Sequence: 10	ACH Enabled: False
T315490	Parks Equip R/M	41.06	07/16/2026	101-45000-50404	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	41.06			
Vendor: 1049	BELLBOY CORPORATION			Check Sequence: 11	ACH Enabled: False
0211843700	LIQUOR	1,103.80	07/16/2026	609-49750-50251	
0211843800	LIQUOR	593.85	07/16/2026	609-48000-50251	
0211932400	LIQUOR	670.60	07/16/2026	609-49750-50251	
0301146000	THC	389.55	07/16/2026	609-49750-50254	
	Check Total:	2,757.80			
Vendor: 1052	BERNICKS			Check Sequence: 12	ACH Enabled: False
10510704	BEER	2,297.25	07/16/2026	609-48000-50252	
10510704	N/A SALES	88.10	07/16/2026	609-48000-50250	
10510710	N/A SALES	36.90	07/16/2026	609-49750-50250	
10510710	BEER	2,285.40	07/16/2026	609-49750-50252	
10510711	N/A SALES	98.13	07/16/2026	609-49750-50250	
10510712	BEER CREDIT	-16.86	07/16/2026	609-49750-50252	
10513215	BEER	914.60	07/16/2026	609-48000-50252	
10513216	BEER CREDIT	-12.84	07/16/2026	609-48000-50252	
10513221	N/A SALES	134.80	07/16/2026	609-49750-50250	
10513221	BEER	3,651.75	07/16/2026	609-49750-50252	
	Check Total:	9,477.23			
Vendor: 1066	BREAKTHRU BEVERAGE MN WINE & SPIRITS, LLC			Check Sequence: 13	ACH Enabled: False
127731264	LIQUOR	565.05	07/16/2026	609-49750-50251	
	Check Total:	565.05			
Vendor: 1076	Business Essentials			Check Sequence: 14	ACH Enabled: False
OE-QT-90247-1	BUILDING SUPPLIES	2,071.00	07/16/2026	101-41940-50401	
	Check Total:	2,071.00			
Vendor: 1082	Capitol Beverage Sales LP			Check Sequence: 15	ACH Enabled: False
3314654	BEER	383.00	07/16/2026	609-49750-50252	
3314654	LIQUOR	739.25	07/16/2026	609-49750-50251	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	1,122.25			
Vendor: 1085 450594	Carlson Fire Extinguisher S&S FIRE EXT MAINT	105.00	07/16/2026	Check Sequence: 16 101-42110-50404	ACH Enabled: False
	Check Total:	105.00			
Vendor: 1092 JUNE 2026	CENTRAL PENSION FUND JUNE 2026 CPF	5,384.68	07/16/2026	Check Sequence: 17 101-00000-21705	ACH Enabled: False
	Check Total:	5,384.68			
Vendor: 2315 516531	CENTRAL-MCGOWAN, INC PW SHOP CYLINDER RENTALS	62.15	07/16/2026	Check Sequence: 18 101-43000-50415	ACH Enabled: False
	Check Total:	62.15			
Vendor: 1102 1123	Chisago County Press ECRAC SUMMER CONCERTS AD	270.00	07/16/2026	Check Sequence: 19 403-46500-50300	ACH Enabled: False
	Check Total:	270.00			
Vendor: 1103 202600000085	Chisago County Recorder A 691868	46.00	07/16/2026	Check Sequence: 20 201-46500-50443	ACH Enabled: False
202600000085	A 691704	46.00	07/16/2026	101-41910-50443	
202600000094	A 692115	46.00	07/16/2026	201-46500-50443	
202600000094	A 692116	56.00	07/16/2026	201-46500-50443	
202600000103	A 692389	46.00	07/16/2026	101-00000-21179	
202600000149	A 692639	46.00	07/16/2026	101-41400-50443	
202600000187	A 693663	46.00	07/16/2026	101-41400-50443	
202600000187	A 693661	46.00	07/16/2026	101-00000-21187	
	Check Total:	378.00			
Vendor: 1109 4272852244	CINTAS UNIFORMS	35.00	07/16/2026	Check Sequence: 21 602-49450-50237	ACH Enabled: False
4272852376	UNIFORMS	26.18	07/16/2026	615-49550-50237	
4272852376	UNIFORMS	1.67	07/16/2026	101-42110-50237	
4272852376	UNIFORMS	8.54	07/16/2026	101-45000-50237	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
4272852376	UNIFORMS	3.92	07/16/2026	101-41940-50237	
4272852376	UNIFORMS	2.49	07/16/2026	101-45500-50237	
4272852376	UNIFORMS	61.44	07/16/2026	101-43000-50237	
4272852376	UNIFORMS	9.00	07/16/2026	602-49450-50237	
4272852376	UNIFORMS	2.78	07/16/2026	620-49600-50237	
4272852376	UNIFORMS	0.36	07/16/2026	609-49750-50237	
4272852376	UNIFORMS	5.77	07/16/2026	612-49700-50237	
4272852376	SUPPLIES	6.35	07/16/2026	101-43000-50210	
4273590031	UNIFORMS	27.83	07/16/2026	602-49450-50237	
4273590031	MATS	33.63	07/16/2026	602-49450-50210	
4273590179	UNIFORMS	25.91	07/16/2026	615-49550-50237	
4273590179	UNIFORMS	61.26	07/16/2026	101-43000-50237	
4273590179	MATS/SUPPLIES	29.50	07/16/2026	101-43000-50210	
4273590179	UNIFORMS	3.17	07/16/2026	101-45500-50237	
4273590179	UNIFORMS	8.87	07/16/2026	602-49450-50237	
4273590179	UNIFORMS	1.21	07/16/2026	101-42110-50237	
4273590179	UNIFORMS	4.99	07/16/2026	101-41940-50237	
4273590179	UNIFORMS	0.45	07/16/2026	609-49750-50237	
4273590179	UNIFORMS	6.26	07/16/2026	612-49700-50237	
4273590179	UNIFORMS	8.84	07/16/2026	101-45000-50237	
4273590179	MATS/SUPPLIES	31.47	07/16/2026	615-49550-50210	
4273590179	UNIFORMS	2.23	07/16/2026	620-49600-50237	
4273601107	MATS/SUPPLIES	64.31	07/16/2026	101-41940-50210	
4273601114	MATS	35.00	07/16/2026	101-42280-50210	
4273601121	MATS/SUPPLIES	58.26	07/16/2026	609-49750-50210	
4273601133	MATS/SUPPLIES	35.00	07/16/2026	101-45500-50210	
4273601264	MATS/SUPPLIES	35.00	07/16/2026	615-49550-50210	
4274381170	UNIFORMS	32.95	07/16/2026	602-49450-50210	
4274381170	MATS/SUPPLIES	2.05	07/16/2026	602-49450-50210	
4274381316	UNIFORMS	61.27	07/16/2026	101-43000-50237	
4274381316	UNIFORMS	25.91	07/16/2026	615-49550-50237	
4274381316	UNIFORMS	3.17	07/16/2026	101-45500-50237	
4274381316	UNIFORMS	2.32	07/16/2026	620-49600-50237	
4274381316	UNIFORMS	8.84	07/16/2026	101-45000-50237	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
4274381316	UNIFORMS	4.99	07/16/2026	101-41940-50237	
4274381316	UNIFORMS	0.45	07/16/2026	609-49750-50237	
4274381316	SHOP RAGS	6.35	07/16/2026	101-43000-50210	
4274381316	UNIFORMS	1.21	07/16/2026	101-42110-50237	
4274381316	UNIFORMS	8.87	07/16/2026	602-49450-50237	
4274381316	UNIFORMS	6.26	07/16/2026	612-49700-50237	
4275089643	UNIFORMS	35.00	07/16/2026	602-49450-50237	
4275089675	UNIFORMS	4.99	07/16/2026	101-41940-50237	
4275089675	UNIFORMS	61.65	07/16/2026	101-43000-50237	
4275089675	UNIFORMS	26.29	07/16/2026	615-49550-50237	
4275089675	UNIFORMS	6.26	07/16/2026	612-49700-50237	
4275089675	UNIFORMS	9.18	07/16/2026	602-49450-50237	
4275089675	UNIFORMS	1.44	07/16/2026	101-42110-50237	
4275089675	UNIFORMS	0.45	07/16/2026	609-49750-50237	
4275089675	UNIFORMS	2.55	07/16/2026	620-49600-50237	
4275089675	UNIFORMS	3.17	07/16/2026	101-45500-50237	
4275089675	SUPPLIES	6.35	07/16/2026	101-43000-50210	
4275089675	UNIFORMS	8.84	07/16/2026	101-45000-50237	
4275104393	MATS/SUPPLIES	58.26	07/16/2026	609-49750-50210	
4275104595	MATS/SUPPLIES	43.08	07/16/2026	609-48000-50210	
	Check Total:	1,068.84			
Vendor: 1902	CIVICPLUS LLC			Check Sequence: 22	ACH Enabled: False
378828	MEETING CLOSED CAPTIONING	153.48	07/16/2026	101-41420-50242	
	Check Total:	153.48			
Vendor: 2324	COMPASS GROUP NAD			Check Sequence: 23	ACH Enabled: False
MSP173815	PD COFFEE COCOA	169.27	07/16/2026	101-42110-50210	
	Check Total:	169.27			
Vendor: 2206	Core & Main LP			Check Sequence: 24	ACH Enabled: False
50297	Sewer R/M Equip	2,052.52	07/16/2026	602-49450-50404	
	Check Total:	2,052.52			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1122	Crystal Springs Ice			Check Sequence: 25	ACH Enabled: False
04-601085	N/A SALES	98.64	07/16/2026	609-48000-50250	
04-601087	N/A SALES	188.96	07/16/2026	609-49750-50250	
04-601146	N/A SALES	104.24	07/16/2026	609-48000-50250	
04-601148	N/A SALES	345.67	07/16/2026	609-49750-50250	
	Check Total:	737.51			
Vendor: 1129	DAHLHEIMER DISTRIBUTING			Check Sequence: 26	ACH Enabled: False
2816418	THC	210.00	07/16/2026	609-49750-50254	
2816419	N/A SALES	53.25	07/16/2026	609-49750-50250	
2816420	LIQUOR	108.00	07/16/2026	609-49750-50251	
2816421	BEER	5,863.45	07/16/2026	609-49750-50252	
2816421	KEG DEPOSIT CREDIT	-60.00	07/16/2026	609-00000-11560	
2816472	N/A SALES	87.50	07/16/2026	609-48000-50250	
2816473	THC	310.00	07/16/2026	609-48000-50254	
2816474	LIQUOR	514.80	07/16/2026	609-48000-50251	
2816478	BEER	1,658.20	07/16/2026	609-48000-50252	
2823448	THC	193.50	07/16/2026	609-49750-50254	
2823512	N/A SALES	59.25	07/16/2026	609-48000-50250	
2823513	LIQUOR	1,094.00	07/16/2026	609-48000-50251	
2823571	BEER	2,467.45	07/16/2026	609-48000-50252	
2823572	BEER	11,817.95	07/16/2026	609-49750-50252	
2823581	N/A SALES	414.67	07/16/2026	609-49750-50250	
2823582	LIQUOR	2,180.40	07/16/2026	609-49750-50251	
	Check Total:	26,972.42			
Vendor: 2000	DATA PRACTICES OFFICE			Check Sequence: 27	ACH Enabled: False
99673	SONICWALL UPDATES - LIQUOR STORES	435.00	07/16/2026	101-41420-50300	
	Check Total:	435.00			
Vendor: 1143	Dr Pepper Snapple Group			Check Sequence: 28	ACH Enabled: False
4849210654	N/A SALES	363.59	07/16/2026	609-49750-50250	
	Check Total:	363.59			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1144 160640	DRESSER TRAP ROCK, INC CULVERT REPAIR-WOODDUCK TRL	643.96	07/16/2026	Check Sequence: 29 612-49700-50407	ACH Enabled: False
	Check Total:	643.96			
Vendor: 2358 EX PER 11842	FEHN COMPANIES REIM EXCAV ESCROW PERMIT 11842	1,500.00	07/16/2026	Check Sequence: 30 101-00000-20230	ACH Enabled: False
	Check Total:	1,500.00			
Vendor: 2205 21938	FES, Inc. SEEK FIRE	9,050.00	07/16/2026	Check Sequence: 31 101-42280-50201	ACH Enabled: False
	Check Total:	9,050.00			
Vendor: 1182 145880802	Finance & Commerce LEGAL NOTICE	284.24	07/16/2026	Check Sequence: 32 101-43000-50351	ACH Enabled: False
	Check Total:	284.24			
Vendor: 1706 25317 25317 25317 25317 25401	Flaherty & Hood, P.A. ATTORNEY FEES-ELECTIONS GEN MUNI/REAL ESTATE MATTERS GEN MUNI/REAL ESTATE MATTERS GEN MUNI/REAL ESTATE MATTERS LABOR & EMP MATTERS	913.75 537.50 75.00 4,257.75 940.00	07/16/2026 07/16/2026 07/16/2026 07/16/2026 07/16/2026	Check Sequence: 33 101-41610-50304 101-41610-50304 101-42110-50304 101-41910-50304 101-41610-50304	ACH Enabled: False
	Check Total:	6,724.00			
Vendor: 2352 INV-94416	FLOCK GROUP, INC Flock Safety LPR	21,000.00	07/16/2026	Check Sequence: 34 101-42110-50201	ACH Enabled: False
	Check Total:	21,000.00			
Vendor: 1216 6060647 6060647 6060647	Gopher State One-Call, Inc. BILLABLE TICKETS 245 BILLABLE TICKETS 245 BILLABLE TICKETS 245	110.25 110.25 110.25	07/16/2026 07/16/2026 07/16/2026	Check Sequence: 35 602-49450-50300 612-49700-50300 615-49550-50300	ACH Enabled: False
	Check Total:	330.75			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 2243 305074	Guardian Fleet Safety, LLC NEW BUILD SQUAD 426	25,949.48	07/16/2026	Check Sequence: 36 701-70100-50550	ACH Enabled: False
	Check Total:	25,949.48			
Vendor: 1239 7486262	Hawkins, Inc. WATER CHEMICALS	5,694.50	07/16/2026	Check Sequence: 37 615-49550-50272	ACH Enabled: False
	Check Total:	5,694.50			
Vendor: 2357 14724	HD SOD CITY HALL SOD	210.00	07/16/2026	Check Sequence: 38 101-41940-50401	ACH Enabled: False
	Check Total:	210.00			
Vendor: 1998 100001995913	HEWLETT-PACKARD FINANCIAL SERVICES COMPANY NETWORK SWITCHES/FIREWALL	1,849.78	07/16/2026	Check Sequence: 39 101-41420-50244	ACH Enabled: False
	Check Total:	1,849.78			
Vendor: 1265 1001056 1001056 1004900 1964445	Isanti-Chisago County Star ADVERTISING ADVERTISING ADVERTISING AFB FLINK AVE TRL	145.00 290.00 70.00 40.70	07/16/2026 07/16/2026 07/16/2026 07/16/2026	Check Sequence: 40 609-48000-50340 609-49750-50340 609-49750-50340 486-46500-50303	ACH Enabled: False
	Check Total:	545.70			
Vendor: 1268 JULY 2026	IUOE Local #49 UNION DUES	490.00	07/16/2026	Check Sequence: 41 101-00000-21708	ACH Enabled: False
	Check Total:	490.00			
Vendor: 1269 AUG 2026 AUG 2026	IUOE LOCAL 49 FRINGE BENEFIT PUBLIC WORKS HEALTH CITY EE'S HEALTH	23,450.00 64,838.00	07/16/2026 07/16/2026	Check Sequence: 42 101-00000-21706 101-00000-21706	ACH Enabled: False
	Check Total:	88,288.00			
Vendor: 2110 1447	Jet Line Sales & Service, LLC SEWER COMBO TRUCK	635,456.00	07/16/2026	Check Sequence: 43 701-70100-50540	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Check Total:		635,456.00			
Vendor: 1279	JOHNSON BROTHERS LIQUOR CO			Check Sequence: 44	ACH Enabled: False
1089914	LIQUOR	2,006.94	07/16/2026	609-49750-50251	
1089915	WINE	482.50	07/16/2026	609-49750-50253	
1089916	LIQUOR	2,708.60	07/16/2026	609-49750-50251	
1089917	LIQUOR	577.20	07/16/2026	609-49750-50251	
1089918	WINE	291.80	07/16/2026	609-48000-50253	
1089919	LIQUOR	698.18	07/16/2026	609-48000-50251	
1089920	LIQUOR	931.30	07/16/2026	609-48000-50251	
1094753	LIQUOR	1,124.49	07/16/2026	609-49750-50251	
1094754	WINE	49.90	07/16/2026	609-49750-50253	
1094755	LIQUOR	164.44	07/16/2026	609-49750-50251	
1094756	LIQUOR	164.44	07/16/2026	609-48000-50251	
1094757	LIQUOR	873.58	07/16/2026	609-49750-50251	
1094758	LIQUOR	301.40	07/16/2026	609-49750-50251	
1094759	WINE	113.90	07/16/2026	609-49750-50253	
1094760	LIQUOR	431.09	07/16/2026	609-48000-50251	
1094761	WINE	1,059.15	07/16/2026	609-48000-50253	
1094762	LIQUOR	970.50	07/16/2026	609-48000-50251	
1094763	LIQUOR	463.30	07/16/2026	609-48000-50251	
Check Total:		13,412.71			
Vendor: 1281	Jones Construction Services Inc			Check Sequence: 45	ACH Enabled: False
5801	10 YD ROLL OFF & SANITIZATION	800.00	07/16/2026	602-49450-50387	
Check Total:		800.00			
Vendor: 2291	KELLEY, BRANDON			Check Sequence: 46	ACH Enabled: False
1235	VEHICLE WRAPS	4,200.00	07/16/2026	101-42280-50404	
Check Total:		4,200.00			
Vendor: 1320	Lynette Koalska			Check Sequence: 47	ACH Enabled: False
253513	SOFTWARE	433.40	07/16/2026	101-41420-50242	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	433.40			
Vendor: 1685 002754	Lakes Brewing Company BEER	63.00	07/16/2026	Check Sequence: 48 609-49750-50252	ACH Enabled: False
	Check Total:	63.00			
Vendor: 1878 877843	Larkin Hoffman Attorneys MAY 2026 Legislative Representation	2,500.00	07/16/2026	Check Sequence: 49 101-41800-50300	ACH Enabled: False
	Check Total:	2,500.00			
Vendor: 1302 JULY 2026	Law Enforcement Labor Services PD UNION DUES	1,022.00	07/16/2026	Check Sequence: 50 101-00000-21708	ACH Enabled: False
	Check Total:	1,022.00			
Vendor: 1307 290128	Lees Pro Shop, Inc. SHIRTS	209.00	07/16/2026	Check Sequence: 51 101-42280-50237	ACH Enabled: False
	Check Total:	209.00			
Vendor: 1308 JUL 2026	LegalShield JULY 2026	46.85	07/16/2026	Check Sequence: 52 101-00000-21712	ACH Enabled: False
	Check Total:	46.85			
Vendor: 1327 13239	MACQUEEN EQUIPMENT INC. CLEANER	214.57	07/16/2026	Check Sequence: 53 101-42280-50404	ACH Enabled: False
	Check Total:	214.57			
Vendor: 1643 868035	McDonald Distributing THC	69.00	07/16/2026	Check Sequence: 54 609-48000-50254	ACH Enabled: False
868035	LIQUOR	279.27	07/16/2026	609-48000-50251	
868035	BEER	1,825.35	07/16/2026	609-48000-50252	
868140	LIQUOR	244.80	07/16/2026	609-49750-50251	
868141	N/A SALES	86.40	07/16/2026	609-49750-50250	
868141	LIQUOR	71.20	07/16/2026	609-49750-50251	
868141	THC	133.00	07/16/2026	609-49750-50254	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
868141	BEER	8,581.60	07/16/2026	609-49750-50252	
869194	LIQUOR	279.27	07/16/2026	609-48000-50251	
869194	THC	64.00	07/16/2026	609-48000-50254	
869194	BEER	390.80	07/16/2026	609-48000-50252	
869194	N/A SALES	21.60	07/16/2026	609-48000-50250	
869195	LIQUOR	383.70	07/16/2026	609-49750-50251	
869196	BEER	6,144.90	07/16/2026	609-49750-50252	
869196	N/A SALES	180.30	07/16/2026	609-49750-50250	
	Check Total:	18,755.19			
Vendor: 1353	MIDCONTINENT			Check Sequence: 55	ACH Enabled: False
16640100115578	CITY INTERNET 6/25 TO 7/24	1,321.95	07/16/2026	101-41420-50243	
	Check Total:	1,321.95			
Vendor: 1385	MN Dept Of Health-E			Check Sequence: 56	ACH Enabled: False
Q2 2026 FEE	Q2 COMM WAT SUPP SER CONN FEE	10,083.25	07/16/2026	615-49550-50315	
	Check Total:	10,083.25			
Vendor: 1393	MN Fire Service Certification			Check Sequence: 57	ACH Enabled: False
15926	FIRE EXAM/CERTIFICATION	522.75	07/16/2026	101-42280-50199	
	Check Total:	522.75			
Vendor: 2355	MN RECREATION AND PARK ASSOCIATION			Check Sequence: 58	ACH Enabled: False
4799	Playground Safety Inspector Course & Exam	745.00	07/16/2026	101-45000-50332	
	Check Total:	745.00			
Vendor: 1404	MN TEAMSTERS #320			Check Sequence: 59	ACH Enabled: False
JULY 2026	UNION DUES	1,684.00	07/16/2026	101-00000-21708	
	Check Total:	1,684.00			
Vendor: 2203	Morris Electronics, Inc.			Check Sequence: 60	ACH Enabled: False
20625	MICROSOFT 365	216.00	07/16/2026	101-41420-50242	
20831	AFTER HOURS PD CALL	62.50	07/16/2026	101-41420-50300	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	278.50			
Vendor: 1691	MOTOROLA SOLUTIONS, INC			Check Sequence: 61	ACH Enabled: False
1411260313	PD SUBSCRIPTIONS	20,160.00	07/16/2026	101-41420-50242	
8282345430	FD COMMUNICATIONS	38.14	07/16/2026	101-42280-50320	
	Check Total:	20,198.14			
Vendor: 2344	MUELLER INC			Check Sequence: 62	ACH Enabled: False
111440	Parks Equip R/M Swings	95.00	07/16/2026	101-45000-50404	
111495	Generation Small Tools	225.00	07/16/2026	620-49600-50240	
	Check Total:	320.00			
Vendor: 1423	N.B. Area Public Schools-Fuel			Check Sequence: 63	ACH Enabled: False
2026-152	MOTOR FUELS	1,143.20	07/16/2026	101-42280-50212	
2026-152	MOTOR FUELS	4,212.93	07/16/2026	101-42110-50212	
2026-152	MOTOR FUELS	1,121.96	07/16/2026	101-43000-50212	
2026-152	MOTOR FUELS	74.29	07/16/2026	101-42400-50212	
2026-152	MOTOR FUELS	121.24	07/16/2026	101-45000-50212	
2026-152	MOTOR FUELS	52.09	07/16/2026	620-49600-50212	
2026-152	MOTOR FUELS	744.26	07/16/2026	602-49450-50212	
2026-152	MOTOR FUELS	323.86	07/16/2026	615-49550-50212	
2026-152	MOTOR FUELS	109.11	07/16/2026	612-49700-50212	
2026-167	MOTOR FUELS	71.22	07/16/2026	620-49600-50212	
2026-167	MOTOR FUELS	164.83	07/16/2026	101-45000-50212	
2026-167	MOTOR FUELS	203.28	07/16/2026	101-42400-50212	
2026-167	MOTOR FUELS	794.26	07/16/2026	101-42280-50212	
2026-167	MOTOR FUELS	920.77	07/16/2026	101-43000-50212	
2026-167	MOTOR FUELS	401.03	07/16/2026	615-49550-50212	
2026-167	MOTOR FUELS	4,080.84	07/16/2026	101-42110-50212	
2026-167	MOTOR FUELS	92.68	07/16/2026	602-49450-50212	
	Check Total:	14,631.85			
Vendor: 2049	Northern Natural Gas			Check Sequence: 64	ACH Enabled: False
EX PER 11117	REIMB ESCAVATION ESCROW PER 11117	1,500.00	07/16/2026	101-00000-20230	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	1,500.00			
Vendor: 1449 PSO320776-1	Nuss Truck & Equipment PW EQUIP R/M	335.23	07/16/2026	Check Sequence: 65 101-43000-50404	ACH Enabled: False
	Check Total:	335.23			
Vendor: 1453 P32818	Olson Power & Equipment BOLT BLADE	9.16	07/16/2026	Check Sequence: 66 101-45000-50404	ACH Enabled: False
	Check Total:	9.16			
Vendor: 2293 JUNE 2026	On-Line Retrievers JUNE 2026 ANIMAL CONTROL	400.00	07/16/2026	Check Sequence: 67 101-42700-50310	ACH Enabled: False
	Check Total:	400.00			
Vendor: 1893 399410 399410	Parman Energy Group, LLC PW & PD R&M Equip PW & PD R&M Equip	89.86 89.86	07/16/2026 07/16/2026	Check Sequence: 68 101-42110-50404 101-43000-50404	ACH Enabled: False
	Check Total:	179.72			
Vendor: 1474 5199572 5199573 5199574 5199575 5203110 5203111	PHILLIPS WINE & SPIRITS, INC LIQUOR WINE LIQUOR WINE LIQUOR LIQUOR	3,346.67 87.80 2,010.50 229.50 6,844.32 3,526.33	07/16/2026 07/16/2026 07/16/2026 07/16/2026 07/16/2026 07/16/2026	Check Sequence: 69 609-49750-50251 609-49750-50253 609-48000-50251 609-48000-50253 609-49750-50251 609-48000-50251	ACH Enabled: False
	Check Total:	16,045.12			
Vendor: 1884	SUSO 4 North Branch, LP Pine Tree Commercial Realty STORE 2 RENT AUGUST 2026	6,574.33	07/16/2026	Check Sequence: 70 609-48000-50412	ACH Enabled: False
	Check Total:	6,574.33			
Vendor: 1484 855536-06-26	Premium Waters Inc. OPERATING SUPPLIES	70.35	07/16/2026	Check Sequence: 71 609-49750-50210	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	70.35			
Vendor: 2232 W-125681	Pryes Brewing Company LLC BEER	240.00	07/16/2026	Check Sequence: 72 609-49750-50252	ACH Enabled: False
	Check Total:	240.00			
Vendor: 2019 30280874-	QUADIENT, INC POSTAGE	700.00	07/16/2026	Check Sequence: 73 101-41940-50322	ACH Enabled: False
	Check Total:	700.00			
Vendor: 2066 B023431 B023561 B023563	RMB Environmental Laboratories, Inc. Sewer Lab Testing WATER Lab Testing Sewer Lab Testing	168.00 105.00 147.00	07/16/2026 07/16/2026 07/16/2026	Check Sequence: 74 602-49450-50315 615-49550-50315 602-49450-50315	ACH Enabled: False
	Check Total:	420.00			
Vendor: 1510 6/18 TO 7/01	Rydberg & Sons Inc. CLASS 5 GRAVEL	53,953.16	07/16/2026	Check Sequence: 75 101-43000-50231	ACH Enabled: False
	Check Total:	53,953.16			
Vendor: 1514 26002048	Safety Signs, LLC 2026 Midsummer SIGN RENTAL	1,188.40	07/16/2026	Check Sequence: 76 101-43000-50410	ACH Enabled: False
	Check Total:	1,188.40			
Vendor: 2116 1291 1292 1299	Amy Schweigert NBFD Meeting & Mileage NBFD Meeting, Mileage, & Therapy NBFD Meeting, Mileage, & Therapy	424.00 784.00 964.00	07/16/2026 07/16/2026 07/16/2026	Check Sequence: 77 101-42280-50314 101-42280-50314 101-42280-50314	ACH Enabled: False
	Check Total:	2,172.00			
Vendor: 1525 168051789-001	Siteone Landscape Supply Hldg CENTAL PARK IRRIGATION R/M	370.86	07/16/2026	Check Sequence: 78 101-45000-50404	ACH Enabled: False
	Check Total:	370.86			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1534	SOUTHERN GLAZERS WINE & SPIRITS OF MINNESOTA			Check Sequence: 79	ACH Enabled: False
2776145	WINE	562.99	07/16/2026	609-48000-50253	
2776145	LIQUOR	928.97	07/16/2026	609-48000-50251	
2778583	LIQUOR	1,420.55	07/16/2026	609-48000-50251	
2779096	LIQUOR	1,092.81	07/16/2026	609-49750-50251	
2779097	WINE	538.45	07/16/2026	609-49750-50253	
	Check Total:	4,543.77			
Vendor: 1550	STREICHERS			Check Sequence: 80	ACH Enabled: False
i1836696	UNIFORMS	284.98	07/16/2026	101-42110-50237	
	Check Total:	284.98			
Vendor: 1641	Taft Stettinius & Hollister LLP			Check Sequence: 81	ACH Enabled: False
7114212	Tax Increment Financing District #2026-1	18,000.00	07/16/2026	476-46500-50304	
7114212	Tax Increment Financing District #2026-1	9,000.00	07/16/2026	387-47000-50300	
	Check Total:	27,000.00			
Vendor: 2290	TRANSWEST TRUCKS ST. MICHAEL			Check Sequence: 82	ACH Enabled: False
093P56724	PW Veh Equip R&M	1,830.12	07/16/2026	101-43000-50404	
	Check Total:	1,830.12			
Vendor: 1584	U.S. Bank Equipment Finance			Check Sequence: 83	ACH Enabled: False
585207590	COPY MACHINE LEASE	1,124.08	07/16/2026	101-41420-50219	
	Check Total:	1,124.08			
Vendor: 1583	U.S. Bank-CM9690			Check Sequence: 84	ACH Enabled: False
8224477	ADMIN FEE REF BONDS 2017B	575.00	07/16/2026	393-47000-50306	
8224478	ADMIN FEE REF BONDS 2017C	575.00	07/16/2026	393-46500-50306	
	Check Total:	1,150.00			
Vendor: 2356	UNITED FLOW TECHNOLOGIES, LLC			Check Sequence: 85	ACH Enabled: False
31044	SANITARY SEWER R/M	3,557.88	07/16/2026	602-49450-50404	
	Check Total:	3,557.88			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 2353 90126596	USI CONSULTING GROUP, INC Actuarial Valuation Report	1,350.00	07/16/2026	Check Sequence: 86 101-41500-50300	ACH Enabled: False
	Check Total:	1,350.00			
Vendor: 1598 3975778	Viking Coca-Cola Bottling Co. N/A SALES	402.35	07/16/2026	Check Sequence: 87 609-49750-50250	ACH Enabled: False
	Check Total:	402.35			
Vendor: 2354 1220	WARIAKOIS, STEVEN STORM SEWER REPAIRS	13,600.00	07/16/2026	Check Sequence: 88 612-49700-50407	ACH Enabled: False
	Check Total:	13,600.00			
Vendor: 1611 159328 159328	WATSON COMPANY N/A SALES OPERATIONS SUPPLIES	1,390.23 64.64	07/16/2026 07/16/2026	Check Sequence: 89 609-49750-50250 609-49750-50210	ACH Enabled: False
	Check Total:	1,454.87			
Vendor: 2359 BP 14801	WINDOW NATION REFUND PERMIT FEE BP 14801	89.00	07/16/2026	Check Sequence: 90 101-00000-32210	ACH Enabled: False
	Check Total:	89.00			
Vendor: 1621 Due 7/20/2026	Windstream CITY FAXES/LANDLINES TO 7/24/2026	319.30	07/16/2026	Check Sequence: 91 101-41420-50321	ACH Enabled: False
	Check Total:	319.30			
Vendor: 1622 7570568	WINE MERCHANTS WINE	155.22	07/16/2026	Check Sequence: 92 609-49750-50253	ACH Enabled: False
	Check Total:	155.22			
Vendor: 1628 MAY 2026 MAY 2026 MAY 2026 MAY 2026	WSB & Associates, Inc. R-035290-000-3 SHERWOOD PINES R-024317-000-23 MEADOWS RDG R-032810-000-6 FLETCHER AVE EXT R-036431-000-1 RRA/ERP UPDATE	1,396.75 280.00 14,429.25 2,015.50	07/16/2026 07/16/2026 07/16/2026 07/16/2026	Check Sequence: 93 101-00000-21177 101-00000-21165 476-46500-50303 615-49550-50303	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
MAY 2026	R-032627-000-6 FAIRWAY FIELD	4,748.25	07/16/2026	101-00000-21187	
MAY 2026	R-035665-000-2 FARMSTEAD SITE	10,592.45	07/16/2026	476-46500-50303	
MAY 2026	R-032250-000-6 OLD TOWN	2,490.76	07/16/2026	615-49550-50304	
MAY 2026	R-032809-000-6 2026 PAVE IMP PROJ	483.75	07/16/2026	101-43000-50303	
MAY 2026	R-031777-000-5 2026 ENGINEERING	12,193.50	07/16/2026	101-41700-50303	
MAY 2026	R-03668-000-2 NORTH START BESS	2,766.00	07/16/2026	101-00000-21194	
MAY 2026	R-019771-000-40 MS4	702.25	07/16/2026	612-49700-50303	
MAY 2026	R-035506-000-2 WESTSIDE COMMONS	278.00	07/16/2026	101-00000-21175	
MAY 2026	R-027752-000-4 VALVOLINE	577.25	07/16/2026	101-00000-21191	
MAY 2026	R-032250-000-6 OLD TOWN	1,263.80	07/16/2026	612-49700-50303	
MAY 2026	R-032813-000-6 LP EXPERT FINISH	3,118.50	07/16/2026	101-00000-21193	
MAY 2026	R-024886-000-11 MEADOWS NORTH	6,830.50	07/16/2026	101-00000-21164	
MAY 2026	R-032250-000-6 OLD TOWN	547.85	07/16/2026	602-49450-50303	
MAY 2026	R-032250-000-6 OLD TOWN	885.59	07/16/2026	401-43100-50304	
	Check Total:	65,599.95			
Vendor: 1637	Ziegler Cat			Check Sequence: 94	ACH Enabled: False
IN002478011	Generation Equip R/M	386.38	07/16/2026	620-49600-50404	
IN002478649	Sewer Equip R/M Generator	201.28	07/16/2026	602-49450-50404	
IN002483890	PW Veh R/M	52.96	07/16/2026	101-43000-50404	
	Check Total:	640.62			
	Total for Check Run:	1,157,850.83			
	Total of Number of Checks:	94			

Accounts Payable

Checks by Date - Summary by Check Number

User: TiffaniFolstad
Printed: 7/16/2026 3:28 PM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
6188	1941	WEX, Inc.	06/25/2026	108.50
6189	2146	Bremer Bank	06/17/2026	176.74
6190	1592	US Postal Service	06/25/2026	1,206.14
6191	1424	N.B. Fire Relief Association	07/02/2026	1,116.00
6192	1033	Associated Bank	06/12/2026	78.80
6193	1592	US Postal Service	07/02/2026	799.06
6194	2096	Xpress Solutions Inc	07/06/2026	2,783.63
6195	1118	Commissioner Of Revenue (W/H)	07/07/2026	10,259.49
6196	1372	Minnesota State Retirement	07/07/2026	3,003.64
6197	1468	PERA (Payroll W/H)	07/07/2026	40,157.73
6198	1585	United States Treasury	07/07/2026	43,323.83
6199	2107	US BANK - CREDIT CARDS	06/08/2026	54,943.17
6200	2170	Pathpoint Merchant Services LLC	07/01/2026	2,234.02
6201	1630	XCEL Energy	07/07/2026	385.76
6202	1365	Minnesota Energy Resources	07/10/2026	606.23
Report Total (15 checks):				161,182.74



NORTH BRANCH —Minnesota—

Kevin Schieber
Mayor

Robert Canada
Councilmember/Acting Mayor

Jeff Goulet
Councilmember

Jim Ibinger
Councilmember

Patrick Meacham
Councilmember

**CITY COUNCIL
REGULAR AGENDA
WEDNESDAY, JULY 8, 2026 @ 6:00 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

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

REGULAR MEETING

Wednesday, July 8, 2026

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

Mayor Kevin Schieber led the Pledge of Allegiance.

3. ROLL CALL

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

Absent:

Remote:

Others Present:

Notes:

4. AGENDA APPROVAL

a. Approve Agenda

ACTION

Mayor Kevin Schieber asked to table 10b under Mayor/City Council to the July 22nd City Council Meeting.

RESULT: Passed
MOVER: Robert Canada

SECONDER: Patrick Meacham

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

ABSENT:

NOTES:

5. PRESENTATION & PROCLAMATION

6. PUBLIC COMMENT

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

Mark Leyde gave public comment.

7. CONSENT AGENDA

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

RESULT: Passed

MOVER: Patrick Meacham

SECONDER: Robert Canada

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

ABSENT:

NOTES:

- | | | |
|----|--|--------|
| a. | Claims | ACTION |
| b. | Approval of Minutes — Regular Meeting — June 24, 2026 - 6:00 PM | ACTION |
| c. | Approval of Application for Garbage Haulers License - Curside Waste | ACTION |
| d. | Approval for Ragnar Relay Special Event Permit | ACTION |
| e. | Approval of Transient Merchant Licenses - Renewal by Anderson | ACTION |
| f. | Approval of Resolution R-342-2026 approving the release of the Letter of Credit and Developer obligations of the Les Schawb Tire Center Development Site | ACTION |
| g. | Receive monthly legal report from City Attorney | INFO |

8. PUBLIC HEARINGS

9. STAFF REPORTS

- | | | |
|----|--------------------|------|
| a. | May Finance Update | INFO |
|----|--------------------|------|

Finance Director Sharon Wright presented the May Finance Update.

Finance Report – May 2026 Highlights

Overall Financial Position

- Cash equivalents total \$9.9 million.
- Investments total \$16.8 million.

- The City's overall financial position remains stable, with positive year-end projections across all major funds.

Key Updates

- Construction on the Fletcher and Goodview Street improvements begin in July and will utilize land sale proceeds, reducing cash equivalent balances.
- The Northwest Old Town project has been delayed until 2027, resulting in lower-than-budgeted capital expenditures in 2026.

Fund Highlights

- General Fund: Projected increase to fund balance of \$395,829, including \$287,700 in 2025 carryover expenditures.
- Economic Development Authority (EDA): Bond defeasance eliminated the need for the 2026 debt service transfer, allowing funds to be redirected to future EDA initiatives.
- Sewer, Stormwater, Water, and Generation Funds: All funds are projected to end the year with positive fund balances. The Generation Fund used interest earnings to cover fire repair expenses.
- Liquor Store Fund: On track to achieve an 8% profit margin. Seasonal inventory purchases were made in preparation for anticipated summer demand.

Staff Assessment

- No significant financial concerns at this time.
- Revenues and expenditures remain on track.
- The City's financial position continues to support the adopted 2026 budget.

b. Review of leaf vacuum program utilization and financial analysis

ACTION

Public Works Director Matt Fraley presented a detailed report on the leaf vacuum program, including usage data, financials, and equipment details. The City Council discussed options for maintaining the program, implementing a user fee, or discontinuing the service. The City Council requested more information from staff regarding the leaf pickup utilization and the compost site utilization.

Motion to table the leaf vacuum program utilization and financial analysis until the August 12th City Council Meeting at 6 pm.

RESULT: Passed

MOVER: Jeff Goulet

SECONDER: Patrick Meacham

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

ABSENT:

NOTES:

Mayor Kevin Schieber asked to table 10b under Mayor/City Council to the July 22nd City Council Meeting.

The City Council discussed the potential impact of data centers (high utility users) on the City and the need for zoning regulations to prevent legal issues in the future. Council member Patrick Meacham suggested an interim ordinance and a temporary moratorium on data centers to allow for further study and regulation. The Council agreed to direct staff to prepare the interim ordinance and moratorium, with a six-month duration.

Next week, July 14th, the Northwest Old Town Project meeting will be at 5:30 PM at City Hall. This meeting is aimed at the residents that it impacts.

Council member Patrick Meacham gave the Planning Commission meeting update. The Planning Commission reviewed several items previously discussed with the Council. The proposed Accessory Dwelling Unit (ADU) ordinance received unanimous support and will move to a public hearing on August 4th, 2026. Staff also presented preliminary information on high utility users, with additional data and analysis to be completed before further action. The Commission unanimously supported allowing town homes in the Central Business District, with a public hearing scheduled for August 4th, 2026, and the Council's public hearing on August 12th, 2026; a minor map revision was also recommended to adjust the boundary between Design Standard Zones 1 and 2 south of Slumberland. Staff continues to evaluate R-3 maximum density and potential zoning adjustments, with recommendations expected in August. Preliminary GIS analysis on residential setbacks was presented, and the Commission agreed to wait for the completed analysis before providing further direction. The Commission also approved a revised preliminary plat for Westside Commons reflecting a minor modification to the road and right-of-way layout.

Mayor Kevin Schieber gave the Parks, Trails and Open Spaces meeting update. The walkway lighting at Roger Johnson Memorial Park, north of town, has been installed and looks great. The City has received an initial grant of about **\$575,000**, followed by a second **\$250,000** grant through the DNR's Greater Minnesota Trails program for Flink Avenue.

a. Schedule set for Q & A session - Flock ALPRs INFO

The Q & A session - Flock ALPRS is set to be on August 5th, 2026, at the North Branch City Hall. The Q & A is meant for the community to come and ask questions and get clarification.

b. Changes, Challenges & Appreciation of city staff INFO

Mayor Kevin Schieber asked to table 10b under Mayor/City Council to the July 22nd City Council Meeting.

c. 2026 local election information INFO

Mayor Kevin Schieber discussed the 2026 local election information.

Next week begins the candidate filing period for city offices. The mayor's seat and two council seats currently held by Council members iBinger and Meacham are up for election. Candidate filing runs from July 14–28. Information is available on the city's website under Government > Voting & Elections, or by contacting City Clerk Tonya Kostuch. The filing period for County Commissioner District 1 has closed. Only one candidate filed, so there will be no primary for that race; it will appear on the general election ballot. The primary election is August 11. Early voting information is available on the Secretary of State and county websites.

As election season continues, it's important for residents to stay informed about the candidates and participate in the primary, since those results determine who appears on the general election ballot in November.

11. ADJOURNMENT

Mayor Kevin Schieber adjourned the City Council meeting at 6:56 PM.

RESULT: Passed

MOVER: Kevin Schieber

SECONDER: Robert Canada

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

ABSENT:

NOTES:



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 07/08/2026

Board & Commission: City Council

Subject: Approval of Letter of Support for Chisago County's Fish Lake Park Grant Application

Background

Chisago County Parks has requested that the City of North Branch provide a letter of support for its application to the Legacy Development Funding Regional Solicitation for improvements at Fish Lake Park. Fish Lake Park was recently designated as a Regional Park and serves residents throughout Chisago County and the surrounding region.

The proposed project includes construction of a new restroom and shower facility, a trailhead, ADA-accessible pathways, wayfinding signage, and other site improvements that will enhance public access, safety, and the overall visitor experience. Attached is map of the proposed improvements.

Discussion/Overview

Fish Lake Park is an important regional recreational asset that provides North Branch residents with access to swimming, boating, fishing, hiking, and other outdoor recreation opportunities. The proposed improvements will enhance accessibility, support future park development, and strengthen the park's ability to serve residents and visitors for years to come. The project also supports local tourism and contributes to the quality of life that helps attract residents and businesses to the community.

Approval of the letter of support does not create any financial obligation for the City.

Recommendation

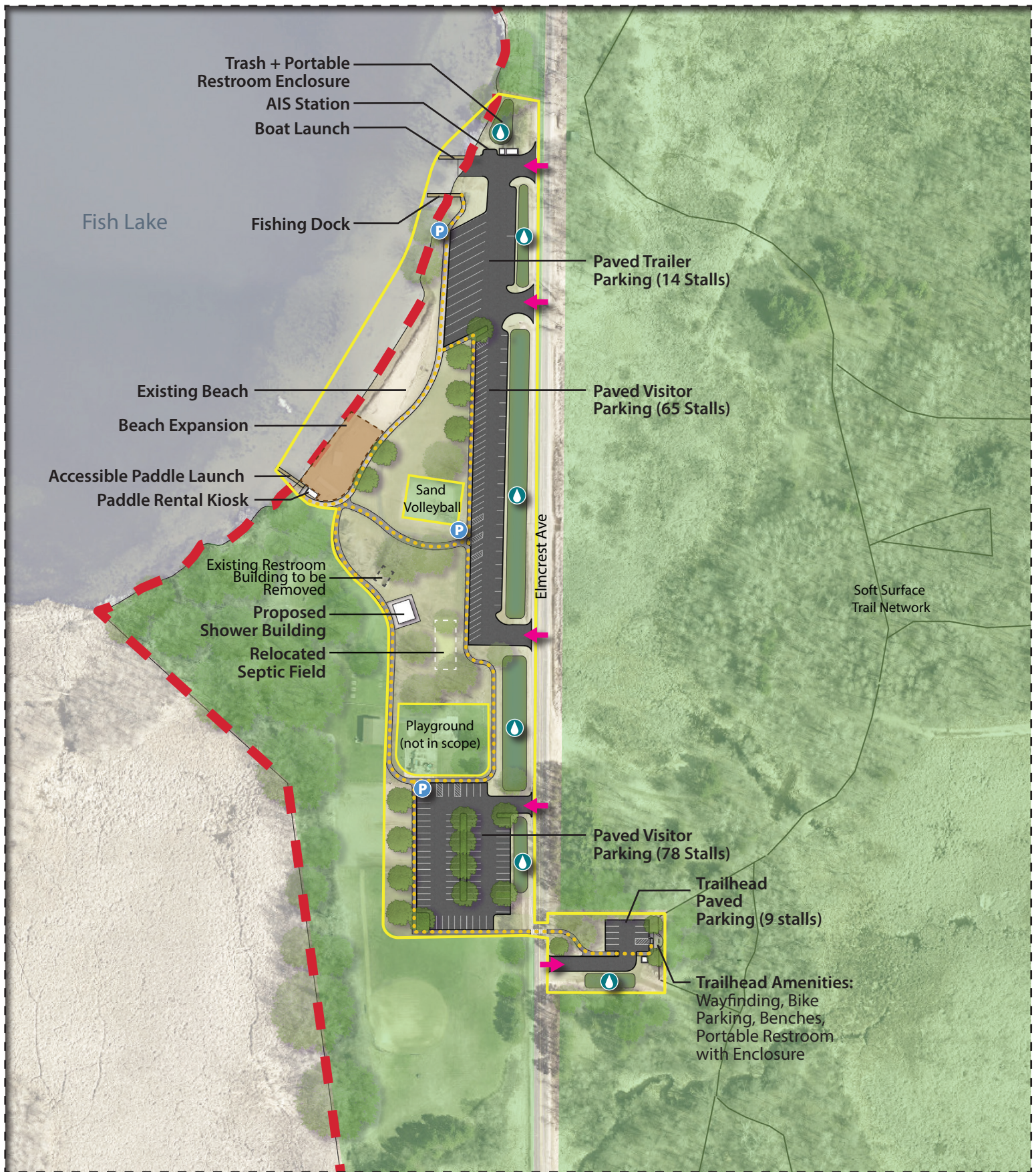
Staff recommends that the City Council authorize the Mayor to sign the attached letter of support for Chisago County's Legacy Development Funding Regional Solicitation application for Fish Lake Park improvements.

Requested Action

Approval of the City Council to authorize the Mayor to sign the attached letter of support for Chisago County's Legacy Development Funding Regional Solicitation application for Fish Lake Park improvements.

Voting Requirements:

Voting Options Simple Majority Super Majority

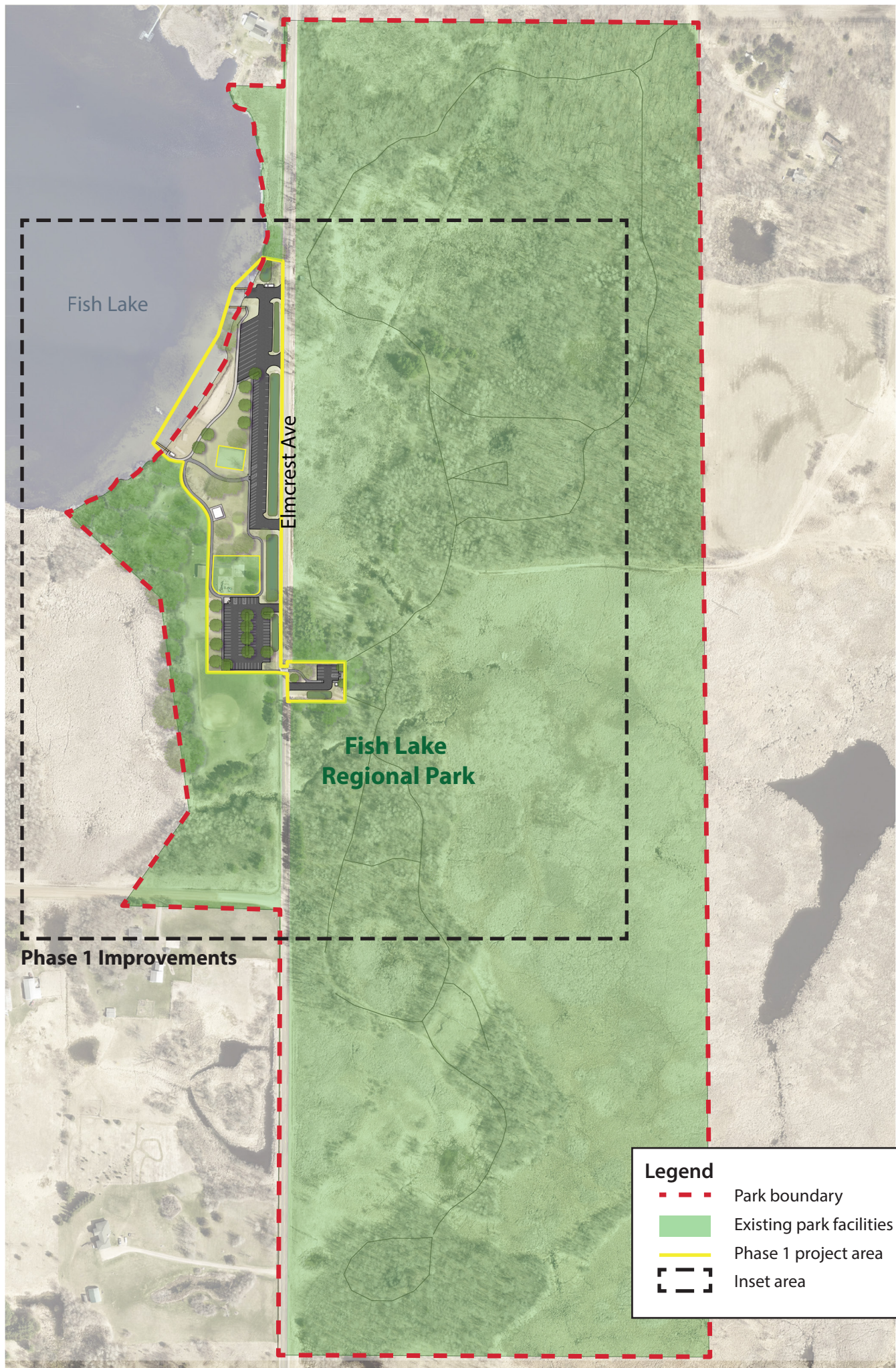


Fish Lake Regional Park - Phase 1 Improvements

Legend:

- Park boundary
- Proposed stormwater treatment area
- P Proposed parking payment kiosk
- ➔ Entrance to park
- Existing park facilities
- Phase 1 project area
- ⋯ Proposed accessible route





Legend

-  Park boundary
-  Existing park facilities
-  Phase 1 project area
-  Inset area

July 22, 2026

Greater Minnesota Regional
Parks and Trails Commission

RE: Legacy Development Grant Funding Application for Fish Lake Park Improvements

Dear Grant Review Committee:

The City of North Branch is pleased to offer our support for Chisago County's application for Legacy Development Funding Regional Solicitation funding for improvements at Fish Lake Park, which has recently been designated as a Regional Park by GMRPTC.

Fish Lake Park has been serving Chisago County and surrounding region as one of the only public-access beach amenities in the area for the last 50 years. As populations have grown, interest in recreating outdoors and experiencing the unique opportunities the park has to offer has increased. To date, Chisago County has worked diligently to sustainably manage the land and water to maintain high-quality habitat and ecological function within the boundaries of the park. To continue to serve the public, improvements to support and expand use are currently in need.

The proposed project will include expanding opportunities for community members and people across the region and the state to experience and enjoy one of the cleanest freshwater lakes in the state, for fishing, swimming, boating, and picnicking with friends and family. A new shower and restroom building will support beachgoers and lake use during the day in the near-term. In the long-term, this new building will support future camping accommodations in future phases of development. The project will also provide expanded access to trails throughout the year on the east side of the park with a new trailhead facility. All of the project elements will be connected with ADA-accessible pathways, along with wayfinding, signage, and up-to-date furnishings to support people of all ages and abilities.

As one of the few public-access beaches and lakeside recreation destinations in the region, Fish Lake Park provides North Branch residents with access to swimming, boating, fishing, picnicking, and other outdoor recreation opportunities that complement the City's existing parks and trail system. The proposed improvements will enhance accessibility, visitor amenities, and the overall park experience, ensuring the park continues to serve residents and visitors for generations to come.

On behalf of the City of North Branch I offer our full support for this critical project, which constitutes a strategic and forward-looking investment in the regional park and will yield enduring safety and mobility benefits for visitors throughout the region.

Sincerely,

Mayor Kevin Schieber



Prepared By: Tonya Kostuch, City Clerk

Presenter: Tonya Kostuch, City Clerk

Date: 07/13/2026

Board & Commission: City Council

Subject: Approve Gambling LG220 Permit — St. Gregory the Great Catholic Church

Background Information

St. Gregory the Great Catholic Church has held gambling events, including bingo, raffles, and others, at different premises in the past within the city limits of North Branch. This year, they will be holding a raffle event at Church of St. Gregory the Great at 38725 Forest Blvd, North Branch, MN, on December 6, 2026. The Clerk's office signs off on the application before it can be sent to the Minnesota Gambling Control Board, a few months in advance for the state to process it.

Staff Recommendation & Requested City Council Action:

Staff recommends council approval of this application for submission to the Minnesota Gambling Control Board by St. Gregory the Great Catholic Church.

Voting Requirements:

Voting Options Simple Majority Super Majority

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: St. Gregory the Great Catholic Church Previous Gambling Permit Number: _____

Minnesota Tax ID Number, if any: _____ Federal Employer ID Number (FEIN), if any: _____

Mailing Address: P.O. Box 609

City: North Branch State: MN Zip: 55056 County: Chisago

Name of Chief Executive Officer (CEO): Fr. Matthew Shireman

CEO Daytime Phone: _____ CEO Email: _____
(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): _____

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

☐ Fraternal ☒ Religious ☐ Veterans ☐ Other Nonprofit Organization

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

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

☐ **A current calendar year Certificate of Good Standing**
Don't have a copy? Obtain this certificate from:
MN Secretary of State, Business Services Division
60 Empire Drive, Suite 100
St. Paul, MN 55103
Secretary of State website, phone numbers:
www.sos.state.mn.us
651-296-2803, or toll free 1-877-551-6767

☐ **IRS income tax exemption (501(c)) letter in your organization's name**
Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

☐ **IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**
If your organization falls under a parent organization, attach copies of both of the following:
1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Church of St. Gregory the Great

Physical Address (do not use P.O. box): 38725 Forest Blvd

Check one:

☒ City: North Branch Zip: 55056 County: Chisago

☐ Township: _____ Zip: _____ County: _____

Date(s) of activity (for raffles, indicate the date of the drawing): December 6, 2026

Check each type of gambling activity that your organization will conduct:

☐ Bingo ☐ Paddlewheels ☐ Pull-Tabs ☐ Tipboards ☒ Raffle

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

LG220 Application for Exempt Permit

11/17
Page 2 of 2

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

CITY APPROVAL for a gambling premises located within city limits

- ☐ The application is acknowledged with no waiting period.
- ☐ The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- ☐ The application is denied.

Print City Name: _____

Signature of City Personnel: _____

Title: _____ Date: _____

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

COUNTY APPROVAL for a gambling premises located in a township

- ☐ The application is acknowledged with no waiting period.
- ☐ The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.
- ☐ The application is denied.

Print County Name: _____

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)

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

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

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

Chief Executive Officer's Signature: Fr. Matthew Shireman Date: 7/9/26
(Signature must be CEO's signature; designee may not sign)

Print Name: Fr. Matthew Shireman

REQUIREMENTS

Complete a separate application for:

- all gambling conducted on two or more consecutive days; or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report to be completed within 30 days after the gambling activity is done:

A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

MAIL APPLICATION AND ATTACHMENTS

Mail application with:

- _____ a copy of your proof of nonprofit status; and
- _____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

To: Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

Questions?

Call the Licensing Section of the Gambling Control Board at 651-539-1900.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the

application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Depart-

ment of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

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

An equal opportunity employer



Prepared By: Tonya Kostuch, City Clerk

Presenter: Tonya Kostuch, City Clerk

Date: 07/13/2026

Board & Commission: City Council

Subject: Approval of a 30-day Transient Merchant License for Southwestern Advantage

Background Information:

Southwestern Advantage will be selling educational books and online services door-to-door within the City of North Branch limits from July 23, 2026, through August 23, 2026. The organization has submitted the application for a Transient Merchant License along with appropriate fees and accompanying documents. All the documents are in order, and the background check has been completed successfully. Min Mart Johannes will be the person going door to door.

Requested City Council Action:

Approve the 2026 Transient Merchant License for Southwestern Advantage.

Voting Requirements:

Voting Options Simple Majority Super Majority

CITY OF NORTH BRANCH

Application for Transient Merchant License

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

SECTION 1 - INFORMATION ON APPLICANT

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

MIN MART JOHANNES

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

APPLICANT'S PHONE NUMBER

347

APPLICANT'S DRIVER'S LICENSE NUMBER

APPLICANT'S DATE OF BIRTH

06.28.2005

APPLICANT'S SOCIAL SECURITY NUMBER

~~XXXXXXXXXX~~

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

☐ YES ☒ NO

SECTION 2 - INFORMATION ON COMPANY

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

SOUTHWESTERN ADVANTAGE - MART JOHANNES MIN

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

2451 Atrium Way, NASHVILLE, TN 37214

COMPANY PHONE NUMBER

615 615 856 3647

MINNESOTA ID NUMBER

FEDERAL ID NUMBER

SECTION 3 - INFORMATION ON GOODS TO BE OFFERED

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

EDUCATIONAL BOOKS AND APPS

DATES GOODS ARE BEING OFFERED

July 23rd - August 23rd

AREA WHERE GOODS ARE BEING OFFERED

NORTH BRANCH

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

Min

SIGNATURE OF APPLICANT

06.08.2026

DATE

FOR OFFICE USE ONLY

BACKGROUND CHECK COMPLETED BY _____

DATE OF INVESTIGATION _____

RECOMMEND ☐ APPROVAL OR ☐ DENIAL

☐ APPROVED OR ☐ DENIED BY CITY COUNCIL

DATE OF COUNCIL ACTION _____

Transient Merchant License Applicants

Notice to all License Applicants:

Attached is:

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

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

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

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

LICENSE APPLICANT:

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

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

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

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

LICENSE BEING APPLIED FOR OR RENEWED: _____

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

LICENSE RENEWAL DATE: _____

PERSONAL INFORMATION (If applicable):

Applicant's Name MART JOHANNES MIN

Applicant's Address _____
City State Zip

Social Security Number:

BUSINESS INFORMATION (If applicable):

Business Name SOUTHWESTERN ADVANTAGE - MART JOHANNES MI

Business Address 2452 ATRIUM WAY, NASHVILLE, TN, 37214
City State Zip

MINNESOTA TAX IDENTIFICATION NO: _____

FEDERAL TAX IDENTIFICATION NO: _____

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

M. Min
Signature Position (Officer, Partner, etc.) Date



NORTH BRANCH

CONSENT FOR THE RELEASE OF INFORMATION FOR TRANSIENT MERCHANT APPLICATIONS

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

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

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

FULL NAME (PRINTED)

DATE OF BIRTH

MART JOHANNES MIN

SIGNATURE (authorizing release)

DRIVERS LICENSE NUMBER

M. Min

FULL NAME (PRINTED)

DATE OF BIRTH

SIGNATURE (authorizing release)

DRIVERS LICENSE NUMBER

DATE SIGNED



Prepared By: Tonya Kostuch, City Clerk

Presenter: Tonya Kostuch, City Clerk

Date: 07/13/2026

Board & Commission: City Council

Subject: Approve 2026 Application for Right-of-Way License for Northern State Power MN DBA Xcel Energy

Background Information:

Right-of-way licenses are required to be renewed to operate within the city limits of the City of North Branch.

We have received a renewal from Northern States Power MN DBA Xcel Energy. The application was completed properly, along with the appropriate payment.

Staff Recommendation:

Approval of the right-of-way license for Northern States Power MN DBA Xcel Energy.

Voting Requirements:

Voting Options Simple Majority Super Majority



NORTH BRANCH

CITY OF NORTH BRANCH APPLICATION FOR RIGHT-OF-WAY LICENSE

The annual fee for an Excavator's License is \$100. Please review the following information. If all information is correct please sign and submit with your payment for the license. If any information is incorrect please make necessary changes. Insurance Certificate and \$5,000 Surety Bond must be submitted with application.

Company Name: NORTHERN STATES POWER MN DBA XCEL ENERGY

Mailing Address: 414 NICOLLET MALL, 401 MINNEAPOLIS, MN 55401

Company Location Address: 1700 COUNTY RD E E, WHITE BEAR LAKE, MN 55107

Contact Person: WILLIAM LYNAUGH

Phone Number:

Licensing Period: January 1, 26 to December 31, 26

Type of Application: New ☐ Renewal ☒

I hereby request the issuance of an Excavator's License for the period indicated above and agree to the regulations under Minnesota Law including, but not limited to, laws pertaining to necessary insurance. I do hereby swear that the answers in this application are true and correct to the best of my knowledge. I do authorize the City of North Branch, its agents, and employees, to obtain any necessary information and to conduct an investigation, if necessary, into the truth of the statements set forth in this application and the qualifications for said license. I do understand that providing false information shall be grounds for denial of my license. I fully understand that it is my responsibility to be familiar with and abide by the requirements of the City, which is detailed in the pertinent section of the North Branch City Code, which is available on the City website at www.ci.north-branch.mn.us or upon request from the City Clerk and to be familiar with and abide by the laws of the City of North Branch and the State of Minnesota relating to this licensure.

7/13/26

Date

WILLIAM LYNAUGH

Signature of Applicant

Digitally signed by WILLIAM LYNAUGH
DN: c=US,
e=WILLIAM.LYNAUGH@XCELENERGY.COM,
o=XCEL ENERGY GAS, cn=WILLIAM LYNAUGH
Date: 2026.07.13 16:31:32-0500

Please provide the following along with your completed application:

- Liability Insurance Certificate
- Surety Bond
- License Fee
- Signed Tennessee Warning



CERTIFICATION OF COMPLIANCE WITH THE MINNESOTA WORKERS' COMPENSATION LAW

Name NORTHERN STATES POWER I Doing Business As XCEL ENERGY
Print last name, first name, and middle name. Print full business name, if different than your name.

Social Security No. _____ Federal Employer ID No. _____ Stat _____

Address 414 NICOLLET MALL, 401 MINNEAPOLIS MN
Print street address or route number. City or town name. State Zip Code

Business Telephone No. 651 222 1250 Home Telephone No. (651) 222 1250

Type of Business UTILITY COMPANY
Print description (for Example: Bldg. Construction; or Logging; or Manufacturing.)

Workers' Compensation Insurance Company Name BROWN & BROWN INSURANCE SERVICES
Print full name of insurance company (NOT insurance agent).

Policy No. _____
Print full number from insurance policy.

Dates of Coverage 12/29/2025 Through 12/29/2026
Print starting date. Print ending date.

- OR -

I certify that I am not required to carry workers' compensation insurance because:
(Check One)

☐ I am a sole proprietor and I have no employees.

☐ I have no employees who are covered by the workers' compensation law.
(Only employees who are specifically exempted by statute are not covered by the worker's compensation law. These include: Spouse; Parents; Children, regardless of age; and farm labor employees of a family farm that spent less than \$8,000 for farm labor in the previous calendar year. All other workers whose work activity is controllable by the employer must be covered.)

I understand that the information provided above will be verified by the Minnesota Department of Labor and Industry. I understand that I am subject to a \$1,000 penalty if the information is false.

Signed By: WILLIAM LYNAUGH Date 7/13/2026

Digitally signed by WILLIAM LYNAUGH
DN: cn=WILLIAM LYNAUGH, o=XCEL ENERGY GAS, cn=WILLIAM LYNAUGH
Date: 2026.07.13 15:31:50-05'00'



BUSINESS/SP-CI TAX CLEARANCE INFORMATION SHEET

LICENSE APPLICANT:

Pursuant to Minnesota Statute 270.72 Tax Clearance: Issuance of Licenses, the licensing authority is required to provide to the Minnesota Commissioner of Revenue your Minnesota business tax identification number and the social security number of each license applicant. Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we are required to advise you of the following regarding the use of this information:

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

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

LICENSE BEING APPLIED FOR OR RENEWED: ROW LICENSE APPLICATION

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

LICENSE RENEWAL DATE: 7-13-2026

PERSONAL INFORMATION (If applicable):

Applicant's Name _____

Applicant's Address _____

City State Zip

Social Security Number: _____

BUSINESS INFORMATION (If applicable):

Business Name NORTHERN STATES POW

Business Address 414 NICOLLET MALL, 401 M MN 55401

City State Zip

MINNESOTA TAX IDENTIFICATION NO: _____

FEDERAL TAX IDENTIFICATION NO: _____

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

WILLIAM LYNAUGH
Digitally signed by WILLIAM LYNAUGH
DN: cn=US,
e=WILLIAM.LYNAUGH@XCELENERGY.COM,
o=XCEL ENERGY GAS, CN=WILLIAM
LYNAUGH
Date: 2026.07.13 16:32:02 -0500

DESIGNER

7/13/2026

Signature

Position (Officer, Partner, etc.)

Date



NORTH BRANCH

APPLICATION FOR LICENSE INVOLVING PRIVATE OR CONFIDENTIAL INFORMATION (Tennessee Warning)

THIS FORM MUST BE COMPLETED BY ALL INDIVIDUALS LISTED IN APPLICATION

In connection with your request for a license/registration the City of North Branch has asked that you provide it with information about yourself which is classified as either *private* or *confidential* by the Minnesota Government Data Practices Act (M.S.A. 13.04). Accordingly, the City is required to inform you of the following:

1. The private or confidential information requested includes, but may not necessarily be limited to, the following: *Your social security number or Minnesota business identification number.*
2. The purpose and intended use of the information requested is: *To comply with Minnesota Statutes, Section 270.72.*
3. You are required to supply the requested information.
4. The known consequences of supplying the requested information is as follows: *Loss or denial of the requested license if you owe the State of Minnesota delinquent taxes, penalties or interest.*
5. The known consequences of refusing to supply the requested information is: *Your request for a license cannot be processed.*
6. The following persons and entities are authorized by law to receive the information if provided: *State of Minnesota - Department of Revenue and other government agencies as provided by law.*

The undersigned, by signing this notice, acknowledges that he/she has read and understood the contents of this notice.

Applicant's Signature: WILLIAM LYNAUGH

Digitally signed by WILLIAM LYNAUGH
DN: C=US,
E=WILLIAM.LYNAUGH@XCELENERGY.COM,
O=XCEL ENERGY GAS, CN=WILLIAM LYNAUGH
Date: 2026.07.13 15:32:13-0500

Printed Name of Applicant: WILLIAM LYNAUGH

Date: 7/13/2026



Prepared By: Matthew Hill, City Administrator

Presenter: Matthew Hill, City Administrator

Date: 07/15/2026

Board & Commission: City Council

Subject: Approval of Resolution #R-343-2026 authorizing the appointment of election judges and establishing election judge compensation

Background:

Minn. Stat. 204B.20 requires that an appointing authority (City Council) must appoint an election board, comprised of election judges and head judges. The City Clerk has recruited election judges for the Primary and General election and requests that Council formally appoint the list of election judges.

Requested Action:

Motion and Second to approve Resolution R-343-2026 authorizing the appointment of election judges and establishing election judge compensation.

Voting Requirements:

Voting Options Simple Majority

**STATE OF MINNESOTA
COUNTY OF CHISAGO
CITY OF NORTH BRANCH**

CITY COUNCIL RESOLUTION NO. R-343-2026

**A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH
BRANCH, MINNESOTA APPOINTING ELECTION JUDGES AND ESTABLISHING
ELECTION JUDGE COMPENSATION**

WHEREAS, Minnesota Statute § 204B.21 requires the appointment of judges for elections by the City Council for election precincts within the municipality; and

WHEREAS, Minnesota Statute § 204B.31 requires that the City Council establish compensation for appointed Election Judges, which must be at least the prevailing minimum wage of the State of Minnesota, in addition to compensation and or reimbursement for time and mileage spent traveling in the course of their official duties; and

WHEREAS, the City Clerk of the City of North Branch has collected applications and is recommending the appointment of the below list of individuals to serve as election judges for the August 11, 2026 Primary Election, and the November 3, 2026 General Election.

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL
OF THE CITY OF NORTH BRANCH, MINNESOTA THAT:**

1. The individuals below named are hereby appointed as Election Judges for the 2026 Primary and General Elections, in the election precincts of the City of North Branch, Chisago County, Minnesota, with the hours of service and precinct assignments to be established by the City Clerk:

Head Judges(s):	Lynn Wilson	Penny Foster
	Isabella Rossini	Kathie Worman
	Daniel Goldbloom	Kimberly Cox
Election Judges:	Susan Marie Herwig	Gloria Mechels
	Tom Beltt	Paul Knoblach
	Karen Kubat	Katheen Aho
	Margaret Campbell	Tracy Ibinger
	Lorraine Moeller	Julie Tarlizzo
	Holly Pearson	Sheryl Hammond
	Cindy Lindemyer	Kelly Car
	Cynthia Hyten	Rebecca Leuer
	Thomas Davis	Gerald Kunz
	Diane Klund	Christina Parsons
	Dylan Kitt	Christy Palme

2. The hourly wage of an Election Judge for the 2026 Election Cycle is set at \$15.00 per hour, and at \$17.00 per hour for Head Judges, in addition to the reimbursement for travel mileage required under state law, at the standard mileage reimbursement rate set by Internal Revenue Service, for all required Election Judge travel during the course of performing official duties.
3. That the City Clerk of the City of North Branch is authorized to add additional Election Judges as needed and when necessary and allowed under Minnesota Statute § 204B.21

Approved this ____ day of ____, 2026.

Kevin Schieber, Mayor

ATTEST:

By: _____
Tonya Kostuch, City Clerk



NORTH BRANCH
32250 -City of North Branch
Staff Report

Prepared By: Heidi Hamilton, Senior Project Manager

Presenter: Heidi Hamilton, Senior Project Manager

Date: July 22, 2026

Board & Commission: City Council

Subject: Approve Resolution R-344-2026 authorizing payment for Pay Voucher #1 for Gustafson Excavation, Inc.

Introduction:

The Fletcher Avenue Street and Utility Extension Project construction is underway with work being performed by Gustafson Excavating, Inc.

Background Information:

We have reviewed the attached Pay Voucher 1 in the amount of \$314,934.75 and determined the request to be in accordance with terms and conditions of the construction contract and project progress.

Recommended Action:

We recommend approval of Resolution R-344-2026 authorizing payment to Gustafson Excavating, Inc. in the amount of \$314,934.75.

Voting Requirements:

Simple Majority

Attachment:

Pay Voucher 1 for Gustafson Excavating, Inc.

Fletcher Avenue Street & Utility
Extension Project

Pay Voucher 1



Client: City of North Branch 6408 Elm Street North Branch, MN 55056-0910	Contractor: Gustafson Excavating, Inc. 6610 410th Street; PO Box 788 North Branch, MN 55056
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WSB Project No.: 032810-000
Client Project No.:
State Project No.:
Federal Project No.:

Contract Amount		Funds Encumbered	
Original Contract	\$3,295,934.75	Original	\$3,295,934.75
Contract Changes	\$0.00	Additional	N/A
Revised Contract	\$3,295,934.75	Total	\$3,295,934.75

Work Certified To Date	
Base Bid Items	\$330,589.90
Contract Changes	\$0.00
Material On Hand	\$0.00
Total	\$330,589.90

Work Certified This Voucher	Work Certified To Date	Less Amount Retained	Less Previous Payments	Amount Paid This Voucher	Total Amount Paid To Date
\$330,589.90	\$330,589.90	\$16,529.50	\$0.00	\$314,060.40	\$314,060.40
Percent Retained: 5%			Percent Complete: 10.03%		

This is to certify that the items of work shown in this Pay Voucher have been actually furnished for the work comprising the above-mentioned project in accordance with the plans and specifications heretofore approved.

Approved By Gustafson Excavating, Inc.

Approved By WSB

Derek Gustafson
Signature

Emily Brown
Signature

7/15/2026
Date

July 14, 2026
Date

Approved By City of North Branch

Signature

Date

Payment Summary				
No.	Up Through Date	Work Certified Per Voucher	Amount Retained Per Voucher	Amount Paid Per Voucher
1	07/09/26	\$330,589.90	\$16,529.50	\$314,060.40

Funding Category Name	Work Certified To Date	Less Amount Retained	Less Previous Payments	Amount Paid This Voucher	Total Amount Paid To Date
Local	\$330,589.90	\$16,529.50	\$0.00	\$314,060.40	\$314,060.40

Accounting Number	Funding Source	Amount Paid This Voucher	Revised Contract Amount	Funds Encumbered To Date	Paid Contractor To Date
1	Local	\$314,060.40	\$3,295,934.75	\$3,295,934.75	\$314,060.40

Contract Item Status									
Line No.	Item	Description	Unit	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
1	2021.501	MOBILIZATION	LS	\$82,000.00	1	0.8	\$65,600.00	0.8	\$65,600.00
2	2101.505	CLEARING	ACRE	\$4,000.00	1.9	3.45	\$13,800.00	3.45	\$13,800.00
3	2101.505	GRUBBING	ACRE	\$4,000.00	1.9	3.45	\$13,800.00	3.45	\$13,800.00
4	2104.502	REMOVE SIGN	EACH	\$400.00	7	1	\$400.00	1	\$400.00
5	2104.503	SAWING BIT PAVEMENT (FULL DEPTH)	L F	\$8.00	278	0	\$0.00	0	\$0.00
6	2104.503	REMOVE CURB & GUTTER	L F	\$4.00	474	0	\$0.00	0	\$0.00
7	2104.503	REMOVE FENCE	L F	\$5.00	77	0	\$0.00	0	\$0.00
8	2104.503	REMOVE CONCRETE GUTTER	L F	\$4.00	52	0	\$0.00	0	\$0.00
9	2104.504	REMOVE BITUMINOUS PAVEMENT	S Y	\$2.00	1953	0	\$0.00	0	\$0.00
10	2104.518	REMOVE BITUMINOUS WALK	S F	\$1.50	1574	0	\$0.00	0	\$0.00
11	2104.518	REMOVE CONCRETE WALK	S F	\$2.00	310	0	\$0.00	0	\$0.00
12	2106.507	EXCAVATION - COMMON (P)	C Y	\$5.00	15037	5892	\$29,460.00	5892	\$29,460.00
13	2106.507	COMMON EMBANKMENT (CV) (P)	C Y	\$3.00	9729	973	\$2,919.00	973	\$2,919.00
14	2106.601	DEWATERING	LS	\$25,000.00	1	0	\$0.00	0	\$0.00
15	2112.519	SUBGRADE PREPARATION	RDST	\$150.00	34.2	0	\$0.00	0	\$0.00
16	2123.610	STREET SWEEPER (WITH PICKUP BROOM)	HOURL	\$150.00	50	0	\$0.00	0	\$0.00
17	2130.523	WATER	MGAL	\$45.00	50	0	\$0.00	0	\$0.00
18	2211.507	AGGREGATE BASE (CV) CLASS 5 (P)	C Y	\$40.00	3835	0	\$0.00	0	\$0.00
19	2331.603	JOINT ADHESIVE	L F	\$3.00	6904	0	\$0.00	0	\$0.00
20	2360.504	TYPE SP 12.5 WEAR CRS MIX(2,B)4.0" THICK	S Y	\$35.00	104	0	\$0.00	0	\$0.00
21	2360.509	TYPE SP 12.5 WEARING COURSE MIX (2,C)	TON	\$90.00	1067	0	\$0.00	0	\$0.00
22	2360.509	TYPE SP 12.5 NON WEAR COURSE MIX (2,C)	TON	\$81.50	1777	0	\$0.00	0	\$0.00
23	2506.502	ADJUST FRAME & RING CASTING	EACH	\$300.00	5	0	\$0.00	0	\$0.00
24	2511.507	RANDOM RIPRAP CLASS III	C Y	\$120.00	35	0	\$0.00	0	\$0.00
25	2521.518	6" CONCRETE WALK	S F	\$15.00	396	0	\$0.00	0	\$0.00
26	2521.518	3" BITUMINOUS WALK	S F	\$2.75	33491	0	\$0.00	0	\$0.00
27	2531.503	CONCRETE CURB & GUTTER DESIGN B618	L F	\$21.00	6904	0	\$0.00	0	\$0.00
28	2531.504	8" CONCRETE DRIVEWAY PAVEMENT	S Y	\$96.00	274	0	\$0.00	0	\$0.00
29	2531.618	TRUNCATED DOMES	S F	\$60.00	78	0	\$0.00	0	\$0.00
30	2563.601	TRAFFIC CONTROL	LS	\$2,500.00	1	0	\$0.00	0	\$0.00
31	2564.518	SIGN	S F	\$95.00	25	0	\$0.00	0	\$0.00
32	2573.501	STABILIZED CONSTRUCTION EXIT	LS	\$2,500.00	1	0	\$0.00	0	\$0.00
33	2573.502	STORM DRAIN INLET PROTECTION	EACH	\$180.00	32	6	\$1,080.00	6	\$1,080.00
34	2573.503	SILT FENCE, TYPE MS	L F	\$3.00	775	0	\$0.00	0	\$0.00
35	2573.503	SEDIMENT CONTROL LOG TYPE WOOD FIBER	L F	\$4.00	2700	572	\$2,288.00	572	\$2,288.00
36	2574.508	FERTILIZER TYPE 3	LB	\$1.50	2161	0	\$0.00	0	\$0.00

Contract Item Status									
Line No.	Item	Description	Unit	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
37	2574.508	FERTILIZER TYPE 4	LB	\$1.50	109	0	\$0.00	0	\$0.00
38	2575.504	ROLLED EROSION PREVENTION CATEGORY 20	S Y	\$2.10	4403	0	\$0.00	0	\$0.00
39	2575.505	SEEDING	ACRE	\$700.00	7.2	0	\$0.00	0	\$0.00
40	2575.505	DISK ANCHORING	ACRE	\$300.00	6.3	0	\$0.00	0	\$0.00
41	2575.508	HYDRAULIC MULCH MATRIX	LB	\$1.50	15675	1775	\$2,662.50	1775	\$2,662.50
42	2575.523	WATER	MGAL	\$65.00	781	0	\$0.00	0	\$0.00
43	2575.608	SEED WET DITCH	LB	\$70.00	19	0	\$0.00	0	\$0.00
44	2575.608	SEED SOUTHERN SHORTGRASS ROADSIDE	LB	\$42.00	102	0	\$0.00	0	\$0.00
45	2575.608	SEED SOUTHERN TALLGRASS ROADSIDE	LB	\$38.00	63	0	\$0.00	0	\$0.00
46	2582.503	4" DBLE SOLID LINE MULTI COMP	L F	\$3.00	2960	0	\$0.00	0	\$0.00
47	2582.518	CROSSWALK MULTI COMP	S F	\$10.50	208	0	\$0.00	0	\$0.00
48	2104.502	REMOVE DRAINAGE STRUCTURE	EACH	\$150.00	6	0	\$0.00	0	\$0.00
49	2104.503	REMOVE SEWER PIPE (STORM)	L F	\$10.00	415	0	\$0.00	0	\$0.00
50	2106.507	EXCAVATION - CHANNEL AND POND (P)	C Y	\$4.00	10220	0	\$0.00	0	\$0.00
51	2501.502	36" RC PIPE APRON	EACH	\$2,500.00	1	0	\$0.00	0	\$0.00
52	2501.502	42" RC PIPE APRON	EACH	\$4,400.00	1	0	\$0.00	0	\$0.00
53	2501.602	TRASH GUARD FOR 42" PIPE APRON	EACH	\$1,250.00	1	0	\$0.00	0	\$0.00
54	2503.503	15" RC PIPE SEWER DES 3006 CL V	L F	\$40.00	517	0	\$0.00	0	\$0.00
55	2503.503	18" RC PIPE SEWER DES 3006 CL V	L F	\$42.00	467	0	\$0.00	0	\$0.00
56	2503.503	24" RC PIPE SEWER DES 3006 CL III	L F	\$58.00	135	0	\$0.00	0	\$0.00
57	2503.503	36" RC PIPE SEWER DES 3006 CL III	L F	\$89.00	1069	83.6	\$7,440.40	83.6	\$7,440.40
58	2503.503	42" RC PIPE SEWER DES 3006 CL III	L F	\$148.00	1139	0	\$0.00	0	\$0.00
59	2503.602	CONNECT TO EXISTING STORM SEWER	EACH	\$1,500.00	2	0	\$0.00	0	\$0.00
60	2506.502	CASTING ASSEMBLY	EACH	\$1,350.00	19	0	\$0.00	0	\$0.00
61	2506.503	CONST DRAINAGE STRUCTURE DESIGN H	L F	\$390.00	3	0	\$0.00	0	\$0.00
62	2506.503	CONST DRAINAGE STRUCTURE DES 48-4020	L F	\$550.00	35	0	\$0.00	0	\$0.00
63	2506.503	CONST DRAINAGE STRUCTURE DES 60-4020	L F	\$600.00	29	0	\$0.00	0	\$0.00
64	2506.503	CONST DRAINAGE STRUCTURE DES 72-4020	L F	\$640.00	32	0	\$0.00	0	\$0.00
65	2506.503	CONST DRAINAGE STRUCTURE DES 84-4020	L F	\$1,050.00	23	0	\$0.00	0	\$0.00
66	2506.602	CONNECT INTO EXISTING DRAINAGE STRUCTURE	EACH	\$1,800.00	2	1	\$1,800.00	1	\$1,800.00
67	2506.602	CONST DRAINAGE STRUCTURE DESIGN SPEC (2'X3')	EACH	\$1,900.00	12	0	\$0.00	0	\$0.00
68	2104.503	REMOVE SEWER PIPE (SANITARY)	L F	\$10.00	68	0	\$0.00	0	\$0.00
69	2503.503	4" PVC PIPE SEWER	L F	\$18.00	135	0	\$0.00	0	\$0.00
70	2503.503	8" PVC PIPE SEWER	L F	\$29.00	497	45	\$1,305.00	45	\$1,305.00
71	2503.503	10" PVC PIPE SEWER	L F	\$30.00	319	309	\$9,270.00	309	\$9,270.00
72	2503.503	18" PVC PIPE SEWER	L F	\$49.00	4304	0	\$0.00	0	\$0.00
73	2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	\$1,500.00	2	1	\$1,500.00	1	\$1,500.00
74	2503.602	10"X8" PVC WYE	EACH	\$780.00	1	1	\$780.00	1	\$780.00
75	2503.602	18"X4" PVC WYE	EACH	\$2,100.00	2	0	\$0.00	0	\$0.00
76	2503.602	18"X8" PVC WYE	EACH	\$2,000.00	9	0	\$0.00	0	\$0.00
77	2503.603	TELEWISE SANITARY SEWER	L F	\$2.10	5255	0	\$0.00	0	\$0.00
78	2506.602	CASTING ASSEMBLY (SANITARY)	EACH	\$1,150.00	17	0	\$0.00	0	\$0.00
79	2506.602	CHIMNEY SEAL	EACH	\$275.00	16	0	\$0.00	0	\$0.00
80	2506.603	CONSTRUCT 48" DIA SANITARY MANHOLE	L F	\$398.00	233	0	\$0.00	0	\$0.00
81	2021.501	MOBILIZATION	LS	\$17,000.00	1	0.1	\$1,700.00	0.1	\$1,700.00

Contract Item Status

Line No.	Item	Description	Unit	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
82	2106.507	EXCAVATION - COMMON (P)	C Y	\$5.00	3700	0	\$0.00	0	\$0.00
83	2106.507	COMMON EMBANKMENT (CV) (P)	C Y	\$5.00	980	0	\$0.00	0	\$0.00
84	2106.601	DEWATERING	LS	\$1,500.00	1	0	\$0.00	0	\$0.00
85	2112.519	SUBGRADE PREPARATION	RDST	\$150.00	10.5	0	\$0.00	0	\$0.00
86	2123.610	STREET SWEEPER (WITH PICKUP BROOM)	HOURL	\$150.00	5	0	\$0.00	0	\$0.00
87	2130.523	WATER	MGAL	\$45.00	5	0	\$0.00	0	\$0.00
88	2211.507	AGGREGATE BASE (CV) CLASS 5 (P)	C Y	\$32.00	954	0	\$0.00	0	\$0.00
89	2331.603	JOINT ADHESIVE	L F	\$5.00	2134	0	\$0.00	0	\$0.00
90	2360.509	TYPE SP 12.5 WEARING COURSE MIX (2,C)	TON	\$90.00	321	0	\$0.00	0	\$0.00
91	2360.509	TYPE SP 12.5 NON WEAR COURSE MIX (2,C)	TON	\$81.50	535	0	\$0.00	0	\$0.00
92	2501.502	15" RC PIPE APRON	EACH	\$880.00	1	0	\$0.00	0	\$0.00
93	2501.602	TRASH GUARD FOR 15" PIPE APRON	EACH	\$450.00	1	0	\$0.00	0	\$0.00
94	2503.503	15" RC PIPE SEWER DES 3006 CL V	L F	\$40.00	1033	0	\$0.00	0	\$0.00
95	2503.503	18" RC PIPE SEWER DES 3006 CL V	L F	\$42.00	216	0	\$0.00	0	\$0.00
96	2503.503	24" RC PIPE SEWER DES 3006 CL III	L F	\$55.50	115	0	\$0.00	0	\$0.00
97	2506.502	CASTING ASSEMBLY	EACH	\$1,350.00	6	0	\$0.00	0	\$0.00
98	2506.503	CONST DRAINAGE STRUCTURE DES 48-4020	L F	\$550.00	46	0	\$0.00	0	\$0.00
99	2506.602	CONST DRAINAGE STRUCTURE DESIGN SPEC (2'X3')	EACH	\$1,900.00	5	0	\$0.00	0	\$0.00
100	2511.507	RANDOM RIPRAP CLASS III	C Y	\$120.00	5	0	\$0.00	0	\$0.00
101	2511.602	LANDSCAPE BOULDERS	EACH	\$450.00	3	0	\$0.00	0	\$0.00
102	2521.518	6" CONCRETE WALK	S F	\$15.00	320	0	\$0.00	0	\$0.00
103	2521.518	3" BITUMINOUS WALK	S F	\$2.75	9096	0	\$0.00	0	\$0.00
104	2531.503	CONCRETE CURB & GUTTER DESIGN B618	L F	\$21.00	2134	0	\$0.00	0	\$0.00
105	2531.618	TRUNCATED DOMES	S F	\$60.00	40	0	\$0.00	0	\$0.00
106	2563.601	TRAFFIC CONTROL	LS	\$2,000.00	1	0	\$0.00	0	\$0.00
107	2573.502	STORM DRAIN INLET PROTECTION	EACH	\$180.00	10	0	\$0.00	0	\$0.00
108	2573.503	SILT FENCE, TYPE MS	L F	\$3.00	350	0	\$0.00	0	\$0.00
109	2573.503	SEDIMENT CONTROL LOG TYPE WOOD FIBER	L F	\$4.00	1050	500	\$2,000.00	500	\$2,000.00
110	2574.508	FERTILIZER TYPE 3	LB	\$3.00	438	0	\$0.00	0	\$0.00
111	2575.505	SEEDING	ACRE	\$700.00	1.5	0	\$0.00	0	\$0.00
112	2575.505	DISK ANCHORING	ACRE	\$300.00	1.5	0	\$0.00	0	\$0.00
113	2575.508	HYDRAULIC MULCH MATRIX	LB	\$1.50	3575	1775	\$2,662.50	1775	\$2,662.50
114	2575.523	WATER	MGAL	\$65.00	157	0	\$0.00	0	\$0.00
115	2575.608	SEED WET DITCH	LB	\$70.00	2	0	\$0.00	0	\$0.00
116	2575.608	SEED SOUTHERN SHORTGRASS ROADSIDE	LB	\$42.00	38	0	\$0.00	0	\$0.00
117	2575.608	SEED SOUTHERN TALLGRASS ROADSIDE	LB	\$38.00	4	0	\$0.00	0	\$0.00
131	2104.502	REMOVE GATE VALVE & BOX	EACH	\$180.00	2	1	\$180.00	1	\$180.00
132	2104.502	REMOVE HYDRANT	EACH	\$800.00	1	1	\$800.00	1	\$800.00
133	2104.503	REMOVE WATER MAIN	L F	\$12.00	37	15	\$180.00	15	\$180.00
134	2504.602	CONNECT TO EXISTING WATER MAIN	EACH	\$1,800.00	2	1	\$1,800.00	1	\$1,800.00
135	2504.602	HYDRANT	EACH	\$9,200.00	5	1	\$9,200.00	1	\$9,200.00
136	2504.602	20" BUTTERFLY VALVE & BOX	EACH	\$14,000.00	4	1	\$14,000.00	1	\$14,000.00
137	2504.602	6" GATE VALVE & BOX	EACH	\$3,600.00	12	1	\$3,600.00	1	\$3,600.00
138	2504.602	12" GATE VALVE & BOX	EACH	\$7,000.00	2	0	\$0.00	0	\$0.00
139	2504.603	6" WATERMAIN DUCTILE IRON CL 52	L F	\$55.00	346	11.5	\$632.50	11.5	\$632.50
140	2504.603	12" PVC WATERMAIN	L F	\$58.20	314	0	\$0.00	0	\$0.00
141	2504.603	20" PVC WATERMAIN	L F	\$101.00	2992	946	\$95,546.00	946	\$95,546.00
142	2504.604	4" POLYSTYRENE INSULATION	S Y	\$54.00	14	0	\$0.00	0	\$0.00
143	2504.608	DUCTILE IRON FITTINGS	LB	\$24.00	6581	1841	\$44,184.00	1841	\$44,184.00

Contract Item Status

Line No.	Item	Description	Unit	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
156	2504.602	HYDRANT	EACH	\$9,200.00	2	0	\$0.00	0	\$0.00
157	2504.602	6" GATE VALVE & BOX	EACH	\$3,600.00	9	0	\$0.00	0	\$0.00
158	2504.602	12" GATE VALVE & BOX	EACH	\$7,000.00	4	0	\$0.00	0	\$0.00
159	2504.603	6" WATERMAIN DUCTILE IRON CL 52	L F	\$55.00	392	0	\$0.00	0	\$0.00
160	2504.603	12" PVC WATERMAIN	L F	\$58.20	2412	0	\$0.00	0	\$0.00
161	2504.608	DUCTILE IRON FITTINGS	LB	\$24.00	1014	0	\$0.00	0	\$0.00
162	2574.508	FERTILIZER TYPE 3	LB	\$3.00	312	0	\$0.00	0	\$0.00
163	2575.505	SEEDING	ACRE	\$700.00	0.9	0	\$0.00	0	\$0.00
164	2575.505	DISK ANCHORING	ACRE	\$300.00	0.9	0	\$0.00	0	\$0.00
165	2575.508	HYDRAULIC MULCH MATRIX	LB	\$1.50	2200	0	\$0.00	0	\$0.00
166	2575.523	WATER	MGAL	\$65.00	97	0	\$0.00	0	\$0.00
167	2575.608	SEED SOUTHERN TALLGRASS ROADSIDE	LB	\$38.00	24	0	\$0.00	0	\$0.00
Bid Totals:							\$330,589.90		\$330,589.90

Project Category Totals

Category	Amount This Voucher	Amount To Date
A. SURFACE IMPROVEMENTS	\$132,009.50	\$132,009.50
B. DRAINAGE IMPROVEMENTS	\$9,240.40	\$9,240.40
C. SANITARY SEWER IMPROVEMENTS	\$12,855.00	\$12,855.00
D. BID ALTERNATE 1	\$6,362.50	\$6,362.50
F. BID ALTERNATE 3	\$170,122.50	\$170,122.50
H. BID ALTERNATE 5	\$0.00	\$0.00

Contract Change Item Status

CC	CC No.	Line No.	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
Contract Change Totals:											

Contract Change Totals

No.	Contract Change	Description	Amount This Voucher	Amount To Date

Material On Hand Additions

Line No.	Item	Description	Date	Added	Comments

Material On Hand Balance

Line No.	Item	Description	Date	Added	Used	Remaining

STATE OF MINNESOTA
COUNTY OF CHISAGO
CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-344-2026

RESOLUTION APPROVING PAY REQUEST NO. 1 FOR THE FLETCHER AVENUE STREET AND UTILITY EXTENSION PROJECT

WHEREAS, the City of North Branch entered into a construction contract with Gustafson Excavating, Inc. for the Fletcher Avenue Street and Utility Extension Project; and

WHEREAS, Gustafson Excavating, Inc. has submitted Pay Request No. 1 for work completed on the project in the amount of \$314,934.75; and

WHEREAS, the City and WSB have reviewed the data and determined the request to be in accordance with the terms and conditions of the construction contract and project progress;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH BRANCH, MINNESOTA, that:

1. The City Council hereby approves Pay Request No. 1 for the Fletcher Avenue Street and Utility Extension Project to Gustafson Excavating, Inc. in the amount of \$314,934.75
2. The City staff is authorized to process the payment in accordance with the terms of the contract.

Adopted by the council on this 22nd day of July, 2026.

Signed:

Kevin Schieber, Mayor

Attested:

Tonya Kostuch, City Clerk



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 07/16/2026

Board & Commission: City Council

Subject: Consider Approval of Resolution R-346-2026 approving the proposed establishment of TIF District 2026-2 and adoption of TIF Plan

Overview / Background

The City received an application request for Tax Increment Financing (TIF) assistance from North Branch Independent Senior Living, LLC for the construction of a 107-unit multifamily senior independent residential development in North Branch. The proposed project is planned for the area located on the west side of Falcon Avenue south of the extension of 386th St. The property in consideration is currently utilized as vacant land that is zoned Business and guided as High Density Residential and an Independent Senior Community is a permitted use.

The developer, along with Ehlers, the city's financial advisor, and city staff, provided an overview and background relating to the project, TIF districts and preliminary findings to the City Council at their meeting on April 28, 2026. The City Council discussed this and came to a consensus for the developer to bring options back to the council for consideration. The developer presented 2 options to the City Council for consideration at the May 27, 2026 meeting and the City Council provided a consensus (3-2) of support for an option that included support for a 20 year TIF along with funding assistance from the city in the amount of \$258,052 from development fee credits and SAHA funding to construct the full "L" from Hwy 95 to 386th Street with the understanding of no changes to the terms.

The City Council approved (3-2) Resolution R-339-2026 that approved a term sheet for the facility on June 10, 2026. See attached.

City staff are currently working with the developer on the Preliminary Plat, Final Plat and Site Plan approval and associated agreements.

TIF Request

The Applicant requested TIF in the amount of \$2,890,000 to facilitate the Development. Upon analysis, Ehlers and City staff recommended a cap of \$2,890,000; the District has a projected

maximum duration of twenty (20) years. State Statute establishes a maximum, 26-year duration for an Economic Development Districts. EDA recommended approval of a term sheet, noting the amount and duration, and recommend creation of the TIF District to the City Council. State Statute requires the City Council to conduct all required the public hearing and establish TIF Districts. The notice was published and sent to the School District and Chisago County, as required by State Statute. The hearing was scheduled for July 22, 2026.

Developers seeking financial assistance (i.e. TIF) from the City submit an application and pay applicable fees, and provide financial documents for City staff review. The City works with municipal advisor Ehlers & Associates to determine project eligibility, review the level of financial support requested, and analyze those requests in comparison to the financial report(s) and business plan(s) submitted by the requestor, and provide a recommendation as to the level of assistance. Ehlers, in concert with legal counsel Taft Law, assists the City in setting up the TIF district. The creation of such districts follows State Statute. Effectively, there are three (3) different types of TIF districts: Economic Development, Redevelopment and Housing. As noted above, the proposed Development qualifies under a Housing TIF District, which bears a potential statutory 26-year maximum term.

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

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

Staff Recommendation

City staff recommend completing the public hearing as required by State Statute and provide a recommendation on Resolution R-346-2026

Requested City Council Action

Motion to approve Resolution R-345-2026 approving the modification to the Development Program for Development District No.1; Establishing Tax Increment Financing District No. 2026-2 within Development District No. 1; Approving the Tax Increment Financing Plan therefor and authorizing the Execution and approval of the development agreement between the City of North Branch and North Branch Independent Senior Living, LLC, substantially in the forms presented to the Council.

Voting Requirements:

Voting Options Simple Majority Super Majority

Adoption Date: July 22, 2026

City of North Branch

Chisago County, Minnesota

MODIFICATION TO THE DEVELOPMENT PROGRAM

Development District No. 1

&

Tax Increment Financing (TIF) Plan

Establishment of Tax Increment Financing District 2026-2:
North Branch Independent Senior Living
(a housing district)



Prepared by:

Ehlers
3001 Broadway Street, Suite 320
Minneapolis, Minnesota 55413

BUILDING COMMUNITIES. IT'S WHAT WE DO.

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Modification to the Development Program for Development District No. 1

FOREWORD

The following text represents a Modification to the Development Program for Development District No. 1. This modification represents a continuation of the goals and objectives set forth in the Development Program for Development District No. 1. Generally, the substantive changes include the establishment of Tax Increment Financing District 2026-2: Senior Housing.

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

Tax Increment Financing Plan for Tax Increment Financing District 2026-2: North Branch Independent Senior Living

FOREWORD

The City of North Branch (the "City"), staff and consultants have prepared the following information to expedite the establishment of Tax Increment Financing District 2026-2: North Branch Independent Senior Living (the "District"), a housing tax increment financing district, located in Development District No. 1.

STATUTORY AUTHORITY

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

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

STATEMENT OF OBJECTIVES

The District currently consists of two parcels of land and adjacent roads and internal rights-of-way. The District is being created to facilitate the development of 107 units of mixed income rental housing in the City. The City has designated North Branch Independent Senior Living as the developer. Development is anticipated to begin in Fall 2026. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Development District No. 1.

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

DEVELOPMENT PROGRAM OVERVIEW

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

1. Property to be Acquired - Selected property located within the District may be acquired by the City and is further described in this TIF Plan.
2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.
3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.
4. The City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

DESCRIPTION OF PROPERTY IN THE DISTRICT AND PROPERTY TO BE ACQUIRED

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

Parcel number	Address	Owner
11.00399.05	Unassigned	GS2

Note: Parcel 11.00399.05 will be subdivided prior to development. A new parcel number is not available at the time the District is being established.

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

The City may acquire any parcel within the District including interior and adjacent street rights of way. Any properties identified for acquisition will be acquired by the City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan.

The City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

DISTRICT CLASSIFICATION

The City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, finds that the District, to be established, is a housing district pursuant to *M.S., Section 469.174, Subd. 11* and *M.S., Section 469.1761*.

- The District consists of two parcels
- The development will consist of 107 units of multi-family rental housing
- 20% of the units will be occupied by person with incomes less than 50% of area median income
- No more that 20% of the square footage of the building that is receiving assistance from tax increment consists of commercial, retail or other non-residential uses.

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

DURATION & FIRST YEAR OF DISTRICT'S TAX INCREMENT

Pursuant to *M.S., Section 469.175, Subd. 1*, and *Section 469.176, Subd. 1*, the duration and first year of tax increment of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District may be 25 years after receipt of the first increment by the City (a total of 26 years of tax increment). The City has elected to reduce the term of the District to 20 years after receipt of the first increment. The City also elects to receive the first tax increment in 2028, which is no later than four years following the year of approval of the District.

Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2047, or when the TIF Plan is satisfied. The City reserves the right to decertify the District prior to the legally required date.

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

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2026 for taxes payable 2027.

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

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

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

The original local tax rate for the District will be the local tax rate for taxes payable 2027, assuming the request for certification is made before June 30, 2027. The rates for 2027 were not available at the time the District was established. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Development District No. 1, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The City requests 100% of the available increase in tax capacity be used for repayment of the obligations of the City and current expenditures, beginning in the tax year payable 2028. The Project Tax Capacity listed is an estimate of values when the projects within the District are completed.

Project Tax Capacity	
Development estimated Tax Capacity upon completion	372,407
Original estimated Net Tax Capacity	7,842
Estimated Captured Tax Capacity	364,566
Original Local Tax Rate	115.1010% Pay 2026
Estimated Annual Tax Increment	\$419,619
Percent Retained by the City	100%

Note: Tax capacity includes a 3% annual inflation factor for the duration of the District. The tax capacity included in this chart is the estimated tax capacity of the District in year 20. The tax capacity of the District in year one is estimated to be \$54,688.

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

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

SOURCES OF REVENUE/BONDS TO BE ISSUED

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

SOURCES	
Tax Increment	\$6,184,096
Interest	618,410
TOTAL	\$6,802,506

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

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

The City may issue bonds secured in whole or in part with tax increments from the District in a maximum principal amount of \$3,819,523. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

USES OF FUNDS

Currently under consideration for the District is a proposal to facilitate the development of 107 units of mixed income rental housing. The City has determined that it will be necessary to provide assistance to the project for certain District costs, as described herein.

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

USES	
Land/Building Acquisition	\$ 800,000
Site Improvements/Preparation	1,000,000
Affordable Housing	-
Utilities	-
Other Qualifying Improvements	1,710,318
Administrative Costs (up to 10%)	309,205
PROJECT COSTS TOTAL	\$3,819,523
Interest	2,982,983
PROJECT AND INTEREST COSTS TOTAL	\$6,802,506

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

Estimated costs associated with the District are subject to change among categories without a modification to the TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements.

The City may expend funds for qualified housing activities outside of the District boundaries.

ESTIMATED IMPACT ON OTHER TAXING JURISDICTIONS

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

Impact on Tax Base			
Entity	2025/Pay 2026 Total Net Tax Capacity	CTC upon completion	CTC to Entity Total
Chisago County	102,209,072	364,566	0.3567%
City of North Branch	17,620,800	364,566	2.0689%
ISD 138 (North Branch Area Public Schools)	32,631,734	364,566	1.1172%

Impact on Tax Rates				
Entity	Pay 2026 Extension Rate	Percent of Total	CTC	Potential Taxes
Chisago County	50.8260%	44.16%	364,566	\$ 185,294
City of North Branch	39.1930%	34.05%	364,566	142,884
ISD 138 (North Branch Area Public Schools)	20.7180%	18.00%	364,566	75,531
Other	4.3640%	3.79%	364,566	15,910
	115.1010%	100.00%		\$ 419,619

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the Pay 2026 rate. The total net capacity for the entities listed above are based on Pay 2026 figures. The District will be certified under the Pay 2027 rates, which were unavailable at the time this TIF Plan was prepared.

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

- (1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$6,184,096;
- (2) Probable impact of the District on city provided services and ability to issue debt. An impact of the District on police protection is expected. With any addition of new residents or businesses, police calls for service will be increased. The Police Department anticipates approximately 70-85 new calls for service annually. New developments add an increase in traffic and additional overall demands to the call load. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The probable impact of the District on fire protection is not expected to be significant. The Fire Department anticipates approximately 8-10 additional calls per year. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The impact of the District on public infrastructure is expected to be minimal. The development is not expected to significantly impact any traffic movements in the area. The current infrastructure for sanitary sewer, storm sewer and water will be able to handle the additional volume generated from the proposed development. The development in the District is expected to contribute an estimated \$347,038 in sanitary sewer (SAC) and water (WAC) connection fees.

The City does anticipate extending the street approximately one-third mile to support the development with an estimated cost of \$1,700,000, including sanitary, storm and water expenses. This cost will extend access to adjacent parcels, and will not be paid with tax increment.

Additional plowing costs are estimated at \$3,000 annually; street maintenance is estimated at \$1,300 annually, sidewalk maintenance is estimated at \$800 annually; and street lighting is estimated at \$2,800 annually.

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

- (3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$1,113,128;
- (4) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$2,730,757;
- (5) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S., Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

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

COUNTY ROAD COSTS

Pursuant to *M.S., Section 469.175, Subd. 1a*, the County Board may require the City to pay for all or part of the cost of county road improvements if the proposed development to be assisted by tax increment will, in the judgment of the County, substantially increase the use of county roads requiring construction of road improvements or other road costs and if the road improvements are not scheduled within the next five years under a capital improvement plan or another county plan.

If the County elects to use increments to improve county roads, it must notify the City within 45 days of receipt of this TIF Plan. In the opinion of the City and consultants, the proposed development outlined in this TIF Plan will have little or no impact upon county roads, therefore the TIF Plan was not forwarded to the county 45 days prior to the public hearing. The City is aware that the County could claim that tax increment should be used for county roads, even after the public hearing.

ADMINISTRATIVE EXPENSES

In accordance with *M.S., Section 469.174, Subd. 14*, administrative expenses means all expenditures of the City, including but not limited to:

- (1) amounts paid for services provided by bond counsel, fiscal consultants, and economic development consultants;
- (2) allocated expenses and staff time of the authority or municipality for administering a project, including but not limited to preparing the tax increment financing plan, negotiating and preparing agreements, accounting for segregated funds of the district, preparing and submitting required reporting for the district, and reviewing and monitoring compliance with *M.S. Sections 469.174 to 469.1794*;
- (3) amounts paid to publish annual disclosures and provide notices under section *M.S. Section 469.175*;
- (4) amounts to provide for the usual and customary maintenance and operation of properties purchased with tax increments, including necessary reserves for repairs and the cost of any insurance;
- (5) amounts allocated or paid to prepare a development action response plan for a soils condition district or hazardous substance subdistrict; and
- (6) amounts used to pay bonds, interfund loans, or other financial obligations to the extent those obligations were used to finance costs described in clauses (1) to (5).

Administrative expenses and administrative costs do not include:

- (1) amounts paid for the purchase of land or buildings;

- (2) amounts paid to contractors or others providing materials and services directly connected with the physical development of the real property in the project, including architectural and engineering services and materials and services for demolition, soil correction, and the construction or installation of public improvements;
- (3) relocation benefits paid to or services provided for persons residing or businesses located in the project;
- (4) amounts paid for property taxes or payments in lieu of taxes; and
- (5) amounts used to pay principal or interest on, fund a reserve for, or sell at a discount bonds issued pursuant to *M.S. Section 469.178* or other financial obligations to the extent those obligations were used to finance costs described in clauses (1) to (4).

This definition does not apply to administrative expenses or administrative costs referenced under *M.S. Section 469.176, Subd. 4h*.

Tax increments may be used to pay for the County's actual administrative expenses. The County may require payment of those expenses by February 15 of the year after the year in which the expenses are incurred. The amount of these payments is not required to be set forth in the tax increment financing plan for the project. To obtain payment for actual administrative costs, the County Auditor must submit to the authority a record of costs incurred by the county auditor related to administration of the authority's tax increment financing districts.

The County Treasurer shall deduct an amount (currently 0.36 percent) of any increment distributed to the City, and the County Treasurer shall pay the amount deducted to the State Treasurer for deposit in the State General Fund to be appropriated to the State Auditor for the cost of financial reporting of tax increment financing information and the cost of examining and auditing authorities' use of tax increment financing. This amount may be adjusted annually by the Commissioner of Revenue.

ANNUAL DISCLOSURE REQUIREMENTS

The City must undertake financial reporting for all tax increment financing districts to the Office of the State Auditor, County Board and County Auditor on or before August 1 of each year. An annual statement shall be published in a newspaper of general circulation in the City on or before August 15.

If the City fails to make a disclosure or submit a report, the Office of the State Auditor (OSA) will direct the County Auditor to withhold the distribution of tax increment from the TIF District.

SUPPORTING DOCUMENTATION

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

- (i) In making said determination, reliance has been placed upon (1) written representation made by the Developer to such effects, (2) review of the Developer's proforma; and (3) City staff awareness of the feasibility of developing the project site within the District, which is further outlined in the City Council resolution approving the establishment of the District and Appendix C. Following is a list of reports and studies on file at the City that support the findings:
 - a. TIF Application dated April 1, 2026
 - b. Council presentations on April 28, 2026
 - c. Site plans and master layouts dated April 2026
- (i) A comparative analysis of estimated market value both with and without establishment of the District and the use of tax increments has been performed. Such analysis is included with the cashflow in Appendix B and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.

DISTRICT ADMINISTRATION

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

Appendix A: Project Description and Legal Description

Tax Increment Financing District No. 2026-2 is being created to facilitate the development of an anticipated 107 units of mixed income independent senior housing for residents age 55 and over. At least 20% of the units will be available to persons at or below 50% area median income for at least 20 years.

Up to \$2,890,000 in tax increment assistance will be provided through issuance of a pay-as-you-go note to reimburse for eligible expenses. In addition, \$120,213 in SAHA funds will be provided by the City.

Development will include construction of the “Full L” connection, which will connect Highway 95 to 386th Street.

Construction is anticipated to begin in the Fall 2026.

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

DBS Housing Proposal. 3% Inflation

City of North Branch, MN

107 Units Senior Rental Housing



ASSUMPTIONS AND RATES

DistrictType:	Housing
District Name/Number:	
County District #:	
First Year Construction or Inflation on Value	2026
Existing District - Specify No. Years Remaining	20
Inflation Rate - Every Year:	3%
Interest Rate:	6.50%
Present Value Date:	1-Aug-27
First Period Ending	1-Feb-28
Tax Year District was Certified:	Pay 2026
Cashflow Assumes First Tax Increment For Development:	2028
Years of Tax Increment	20
Assumes Last Year of Tax Increment	2047
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	NA
Incremental or Total Fiscal Disparities	NA
Fiscal Disparities Contribution Ratio	NA
Fiscal Disparities Metro-Wide Tax Rate	NA
Maximum/Frozen Local Tax Rate:	115.101% Pay 2026
Current Local Tax Rate: (Use lesser of Current or Max.)	115.101% Pay 2026
State-wide Tax Rate (Comm./Ind. only used for total taxes)	28.3130% Pay 2026
Market Value Tax Rate (Used for total taxes)	0.07997% Pay 2026

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

BASE VALUE INFORMATION (Original Tax Capacity)

Map ID	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/ Phase
1	11.00399.05	GS2		1,046,800		1,046,800	21%	225,038	Payable 2026	C/I Pref.	3,751	Rental	2,813	
				1,046,800	0	1,046,800		225,038			3,751		2,813	

Note:

1. Base values are for preliminary Pay 2026 based on review of County website on November 26, 2025.
2. Located in SD #138.

DBS Housing Proposal. 3% Inflation

City of North Branch, MN
107 Units Senior Rental Housing



PROJECT INFORMATION (Project Tax Capacity)													
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2026	Percentage Completed 2027	Percentage Completed 2028	Percentage Completed 2029	First Year Full Taxes Payable
1	Apartments	159,690	159,690	107	17,086,777	Rental	213,585	1,996	25%	100%	100%	100%	2029
TOTAL					17,086,777		213,585						
Subtotal Residential				107	17,086,777		213,585						
Subtotal Commercial/Ind.				0	0		0						

Note:

1. Market values are based upon email from County Assessor dated February 10, 2026.

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Apartments	213,585	0	213,585	245,838	0	0	13,664	259,502	2,425.26
TOTAL	213,585	0	213,585	245,838	0	0	13,664	259,502	

Note:

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	259,502
less State-wide Taxes	0
less Fiscal Disp. Adj.	0
less Market Value Taxes	(13,664)
less Base Value Taxes	(3,238)
Annual Gross TIF	242,600



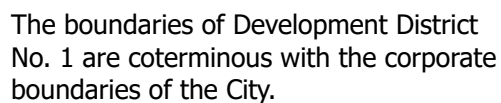
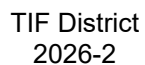
DBS Housing Proposal. 3% Inflation

City of North Branch, MN

107 Units Senior Rental Housing

TAX INCREMENT CASH FLOW														
% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities NA	Captured Tax Capacity	Local	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 5%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
100%	53,396	(2,813)	-	50,583	115.101%	58,222	29,111	(105)	(1,450)	27,556	25,848	0.5	2028	02/01/28
							29,111	(105)	(1,450)	27,556	50,883	1	2028	02/01/29
100%	213,585	(2,813)	-	210,772	115.101%	242,600	121,300	(437)	(6,043)	114,820	151,915	1.5	2029	08/01/29
							121,300	(437)	(6,043)	114,820	249,767	2	2029	02/01/30
100%	220,118	(2,813)	-	217,305	115.101%	250,120	125,060	(450)	(6,231)	118,380	347,476	2.5	2030	08/01/30
							125,060	(450)	(6,231)	118,380	442,110	3	2030	02/01/31
100%	226,852	(2,813)	-	224,039	115.101%	257,871	128,935	(464)	(6,424)	122,048	536,605	3.5	2031	08/01/31
							128,935	(464)	(6,424)	122,048	628,125	4	2031	02/01/32
100%	233,791	(2,813)	-	230,978	115.101%	265,858	132,929	(479)	(6,623)	125,828	719,511	4.5	2032	08/01/32
							132,929	(479)	(6,623)	125,828	808,019	5	2032	02/01/33
100%	240,942	(2,813)	-	238,129	115.101%	274,089	137,045	(493)	(6,828)	129,724	896,396	5.5	2033	08/01/33
							137,045	(493)	(6,828)	129,724	981,991	6	2033	02/01/34
100%	248,313	(2,813)	-	245,500	115.101%	282,573	141,286	(509)	(7,039)	133,739	1,067,458	6.5	2034	08/01/34
							141,286	(509)	(7,039)	133,739	1,150,234	7	2034	02/01/35
100%	255,909	(2,813)	-	253,096	115.101%	291,316	145,658	(524)	(7,257)	137,877	1,232,886	7.5	2035	08/01/35
							145,658	(524)	(7,257)	137,877	1,312,936	8	2035	02/01/36
100%	263,737	(2,813)	-	260,924	115.101%	300,326	150,163	(541)	(7,481)	142,141	1,392,864	8.5	2036	08/01/36
							150,163	(541)	(7,481)	142,141	1,470,276	9	2036	02/01/37
100%	271,804	(2,813)	-	268,991	115.101%	309,612	154,806	(557)	(7,712)	146,536	1,547,569	9.5	2037	08/01/37
							154,806	(557)	(7,712)	146,536	1,622,430	10	2037	02/01/38
100%	280,119	(2,813)	-	277,306	115.101%	319,182	159,591	(575)	(7,951)	151,066	1,697,175	10.5	2038	08/01/38
							159,591	(575)	(7,951)	151,066	1,769,568	11	2038	02/01/39
100%	288,687	(2,813)	-	285,874	115.101%	329,044	164,522	(592)	(8,196)	155,733	1,841,848	11.5	2039	08/01/39
							164,522	(592)	(8,196)	155,733	1,911,853	12	2039	02/01/40
100%	297,518	(2,813)	-	294,705	115.101%	339,209	169,604	(611)	(8,450)	160,544	1,981,749	12.5	2040	08/01/40
							169,604	(611)	(8,450)	160,544	2,049,445	13	2040	02/01/41
100%	306,619	(2,813)	-	303,806	115.101%	349,684	174,842	(629)	(8,711)	165,502	2,117,035	13.5	2041	08/01/41
							174,842	(629)	(8,711)	165,502	2,182,498	14	2041	02/01/42
100%	315,999	(2,813)	-	313,186	115.101%	360,480	180,240	(649)	(8,980)	170,612	2,247,857	14.5	2042	08/01/42
							180,240	(649)	(8,980)	170,612	2,311,159	15	2042	02/01/43
100%	325,665	(2,813)	-	322,852	115.101%	371,606	185,803	(669)	(9,257)	175,877	2,374,360	15.5	2043	08/01/43
							185,803	(669)	(9,257)	175,877	2,435,572	16	2043	02/01/44
100%	335,627	(2,813)	-	332,814	115.101%	383,072	191,536	(690)	(9,542)	181,304	2,496,687	16.5	2044	08/01/44
							191,536	(690)	(9,542)	181,304	2,555,878	17	2044	02/01/45
100%	345,894	(2,813)	-	343,081	115.101%	394,889	197,445	(711)	(9,837)	186,897	2,614,974	17.5	2045	08/01/45
							197,445	(711)	(9,837)	186,897	2,672,211	18	2045	02/01/46
100%	356,474	(2,813)	-	353,661	115.101%	407,068	203,534	(733)	(10,140)	192,661	2,729,355	18.5	2046	08/01/46
							203,534	(733)	(10,140)	192,661	2,784,700	19	2046	02/01/47
100%	367,379	(2,813)	-	364,566	115.101%	419,619	209,809	(755)	(10,453)	198,601	2,839,956	19.5	2047	08/01/47
							209,809	(755)	(10,453)	198,601	2,893,473	20	2047	02/01/48
Total							6,206,439	(22,343)	(309,205)	5,874,891				
Present Value From 08/01/2027							3,056,765	(11,004)	(152,288)	2,893,473				
Present Value Rate 6.50%														

Tax Increment Financing District 2026-2



Appendix C: Estimated Cash Flow for the District

Appendix D: Findings Including But/For Qualifications

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan for Tax Increment Financing District 2026-2: North Branch Independent Senior Living, as required pursuant to *Minnesota Statutes, (M.S.) Section 469.175, Subdivision 3* are as follows:

1. *Finding that Tax Increment Financing District 2026-2: North Branch Independent Senior Living is a housing district as defined in M.S., Section 469.174, Subd. 11.*

Tax Increment Financing District 2026-2: Senior Housing consists of one parcel. The development will consist of the development of 107 units of mixed income rental housing, all or a portion of which will receive tax increment assistance and will meet income restrictions described in *M.S. Section 469.1761*. At least 20% of the units receiving assistance will be occupied by individuals and families whose incomes are at or below 50% of area median income.

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future.*
The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the development proposed in the TIF Plan is a housing district that meets the City's objectives for development and redevelopment. The cost of land acquisition, site and public improvements and utilities makes this housing development infeasible without City assistance. Due to decreased rental income from affordable units, there is insufficient cash flow to provide a sufficient rate of return, pay operating expenses, and service the debt. This leaves a gap in the funding for the project and makes this housing development feasible only through assistance, in part, from tax increment financing. The Developer was asked for and provided a letter and a proforma as justification that the Developer would not have gone forward without tax increment assistance.
The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District
-

permitted by the TIF Plan: This finding is justified on the grounds that the cost of land acquisition, site and public improvements, utilities and construction of affordable housing add to the total development cost. Historically, the costs of site and public improvements as well as reduced rents required for affordable workforce housing in the City have made development infeasible without tax increment assistance. The City reasonably determines that no other development of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

3. *Finding that the TIF Plan for Tax Increment Financing District 2026-2: Senior Housing conforms to the general plan for the development or redevelopment of the municipality as a whole.*

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

4. *Finding that the TIF Plan for Tax Increment Financing District 2026-2: Senior Housing will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Development District No. 1 by private enterprise.*

Through the implementation of the TIF Plan, the City will provide an impetus for residential development, which is desirable or necessary for increased population and an increased need for life-cycle housing within the City.

DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF NORTH BRANCH, MINNESOTA

AND

NORTH BRANCH INDEPENDENT SENIOR LIVING, LLC

This document drafted by:

Taft Stettinius & Hollister LLP
2200 IDS Center
80 South 8th Street
Minneapolis, Minnesota 55402

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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT, made as of the 22nd day of July, 2026, by and between the City of North Branch, Minnesota (the "City"), a municipal corporation organized and existing under the laws of the State of Minnesota and North Branch Independent Senior Living, LLC, a Minnesota limited liability company (the "Developer").

WITNESSETH:

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

WHEREAS, pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended (hereinafter, the "Tax Increment Act"), the City has created within the Development District, Tax Increment Financing District No. 2026-2 (the "Tax Increment District"), and has adopted a tax increment financing plan therefor (the "Tax Increment Plan") which provides for the use of tax increment financing in connection with certain development within the Development District; and

WHEREAS, in order to achieve the objectives of the Development Program and Tax Increment Financing Plan and particularly to make the land in the Development District available for development by private enterprise in conformance with the Development Program, the City has determined to reimburse the Developer for a portion of certain costs of the construction of the Project (as herein defined) incurred by the Developer; and

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

WHEREAS, the requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J.995, do not apply to this Agreement because of an exemption for housing;

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

ARTICLE I.

DEFINITIONS

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

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

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

Assessment Agreement means the agreement, in substantially the form of the agreement contained in Exhibit D attached hereto and hereby made a part of this Agreement, among the Developer, the City and the Assessor for the County, entered into pursuant to Article III of this Agreement;

Assessor's Minimum Market Value means the agreed minimum market value of the Development Property and for calculation of real property taxes as determined by the Assessor for the County pursuant to the Assessment Agreement;

City means the City of North Branch, Minnesota;

Compliance Certificate means the certificate of Continuing Program Compliance set forth in Exhibit E to the Declaration;

Consultant means the City's municipal advisor;

County means Chisago County, Minnesota;

Developer means North Branch Independent Senior Living, LLC, a Minnesota limited liability company, its successors and assigns;

Development District means the real property described in the Development Program for Development District No. 1;

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

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

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

Land Use Agreement means the agreement between the City and the Developer to be executed in connection with the filing of the plat for the Development Property, including particularly the Developer's agreement to install roadway and infrastructure improvements at the

Developer's expense from State Trunk Highway 95 extending southerly then easterly to connect to 386th Street, consistent with the design, plans and specs approved by the City and MnDOT and subject to inspection by the City;

Legal and Administrative Expenses means the fees and expenses incurred by the City in connection with the review and analysis of the development proposed under this Agreement, the adoption and administration of the Tax Increment Financing Plan and establishment of the Tax Increment District, the preparation of this Agreement and the issuance of the TIF Note including, but not limited to, attorney and municipal advisor fees and expenses;

Note Payment Date means August 1, 2028, and each February 1 and August 1 of each year thereafter to and including February 1, 2048; provided, that if any such Note Payment Date should not be a Business Day, the Note Payment Date shall be the next succeeding Business Day;

Person means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof;

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

Project means the construction of a mixed income independent senior living housing facility containing approximately 107-units;

Site Improvements means the site improvements to be undertaken on the Development Property as identified on Exhibit C attached hereto;

State means the State of Minnesota;

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

Tax Increment District means Tax Increment Financing District No. 2026-2, located within the Development District, which was qualified as a housing district under the Tax Increment Act;

Tax Increment Financing Plan means the tax increment financing plan approved for the Tax Increment District by the City Council on July 22, 2026, and any future amendments thereto;

Tax Increment Note, TIF Note or Note means the Tax Increment Revenue Note (North Branch Independent Senior Living, LLC Project) to be executed by the City and delivered to the Developer pursuant to Article III hereof, the form of which is attached hereto as Exhibit B;

Tax Increments means 95% of the tax increments derived from the Development Property which have been received and retained by the City in accordance with the provisions of Minnesota Statutes, Section 469.177;

Termination Date means the earlier of (i) February 1, 2048, (ii) the date the TIF Note is paid in full, (iii) the date on which the Tax Increment District expires or is otherwise terminated, or (iv) the date this Agreement is terminated or rescinded in accordance with its terms; and

Unavoidable Delays means delays, outside the control of the party claiming its occurrence, which are the direct result of strikes, other labor troubles, unusually severe or prolonged bad weather, acts of God, fire or other casualty to the Project, delays in delivery of materials for the construction of the Project, litigation commenced by third parties which, by injunction or other similar judicial action or by the exercise of reasonable discretion, directly results in delays, or acts of any federal, state or local governmental unit (other than the City) which directly result in delays, government order or law, national or regional emergency, disease, pandemics or epidemics.

ARTICLE II.

REPRESENTATIONS AND WARRANTIES

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

(1) The City is a municipal corporation and has the power to enter into this Agreement and carry out its obligations hereunder.

(2) Based on the representation of the Developer set forth herein, the Tax Increment District is a "housing district" within the meaning of Minnesota Statutes, Section 469.174, Subdivision 11, and was created, adopted and approved in accordance with the terms of the Tax Increment Act.

(3) The development contemplated by this Agreement is in conformance with the development objectives set forth in the Development Program.

(4) To finance certain costs within the Tax Increment District, the City proposes, subject to the further provisions of this Agreement, to apply Tax Increments to reimburse the Developer for a portion of the costs of the acquisition of the Development Property, the construction of Site Improvements and construction of the Project as further provided in this Agreement.

(5) The City makes no representation or warranty, either expressed or implied, as to the Development Property or its condition or the soil conditions thereon, or that the Development Property shall be suitable for the Developer's purposes or needs.

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

(1) The Developer is a Minnesota limited liability company and has power to enter into this Agreement and to perform its obligations hereunder and is not in violation of the laws of the State.

(2) The Developer shall cause the Project to be constructed in accordance with the terms of this Agreement, the Development Program, the Land Use Agreement, and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations) that are applicable to the Development Property.

(3) The Developer shall obtain, or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed.

(4) The construction of the Project would not be undertaken by the Developer, and in the opinion of the Developer would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit to the Developer provided for in this Agreement.

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

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

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

(8) The Developer shall commence construction of the Project by June 30, 2027, and barring Unavoidable Delays, the Project will be completed by June 30, 2029.

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

ARTICLE III.

UNDERTAKINGS BY DEVELOPER AND CITY

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

(1) The parties agree that the acquisition of the Development Property and the installation of the Site Improvements are essential to the successful completion of the Project. The costs of the Development Property, construction of the Project, and the Site Improvements shall be paid by the Developer. The City shall reimburse the Developer for the lesser of (a) \$2,890,000, or (b) a portion of the costs of the acquisition of the Development Property, costs of the Site Improvements and construction costs of the Project actually incurred and paid by the Developer (the "Reimbursement Amount"), as further provided in Section 3.3 hereof.

(2) The Developer shall reimburse the City for its actual out of pocket Legal and Administrative Expenses within 15 days of the written request of the City for payment.

Section 3.2 Limitations on Undertaking of the City. Notwithstanding the provisions of Sections 3.1, the City shall have no obligation to the Developer under this Agreement to reimburse the Developer for the Reimbursement Amount, if the City, at the time or times such payment is to be made is entitled under Section 4.2 to exercise any of the remedies set forth therein as a result of an Event of Default which has not been cured, provided that such unpaid amounts shall become payable if said Event of Default shall thereafter have been cured and if the Agreement has not been canceled or rescinded.

Section 3.3 Reimbursement: Tax Increment Revenue Note. The City shall reimburse the Developer for the costs identified in Section 3.1(1) through the issuance of the City's TIF Note in substantially the form attached to this Agreement as Exhibit B, subject to the following conditions:

(1) The TIF Note shall be dated, issued and delivered when (a) the Developer shall have demonstrated in writing to the reasonable satisfaction of the City that the construction of the Project has been completed and a certificate of occupancy has been issued by the City for the Project; and (b) shall have submitted paid invoices for the costs of construction of the Site Improvements and the Project and a settlement statement or other evidence of payment of the costs of the Development Property in an amount not less than the Reimbursement Amount.

(2) The unpaid principal of the TIF Note shall bear simple non-compounding interest from the date of issuance of the TIF Note at the lower of 6.50% per annum or the Developer's interest rate on the Project financing as determined by the City's Consultant. Interest shall be computed on the basis of a 360-day year consisting of twelve (12) 30-day months.

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

(4) The payment dates of the TIF Note shall be the Note Payment Dates. On each Note Payment Date and subject to the provisions of the TIF Note, the City shall pay, against the principal

and interest outstanding on the TIF Note, the Tax Increments received by the City during the preceding six (6) months. All such payments shall be applied first to accrued interest and then to reduce the principal of the TIF Note.

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

(6) The City's obligation to make payments on the TIF Note on any Note Payment Date or any date thereafter shall be conditioned upon the requirement that (a) there shall not at that time be an Event of Default that has occurred and is continuing under this Agreement; provided that such unpaid amounts shall become payable if said Event of Default shall thereafter have been cured and if the Agreement has not been canceled or rescinded and (b) this Agreement shall not have been rescinded pursuant to Section 4.2(b).

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

Section 3.4 Execution of Assessment Agreement; Action to Reduce Taxes.

(1) Simultaneously with the execution of this Agreement, the Developer and the City shall execute an Assessment Agreement pursuant to the provisions of Minnesota Statutes, Section 469.177, Subdivision 8, specifying the Assessor's Minimum Market Value for the Development Property and the Project for calculation of real property taxes. Specifically, the Developer shall agree to a market value for the Development Property and the Project which will result in a market value as of January 2, 2030 of the Assessor's Minimum Market Value (\$17,500,000) until the Termination Date. Nothing in the Assessment Agreement shall limit the discretion of the Assessor to assign a market value to the property in excess of the Assessor's Minimum Market Value nor prohibit the Developer from seeking through the exercise of legal or administrative remedies a reduction in such market value for property tax purposes, provided however, that the Developer shall not seek a reduction of such market value below the Assessor's Minimum Market Value in any year so long as the Assessment Agreement shall remain in effect. The Assessment Agreement shall remain in effect until the Termination Date. The Assessment Agreement shall be certified by the Assessor for the County as provided in Minnesota Statutes, Section 469.177, Subdivision 8, upon a finding by the Assessor that the Assessor's Minimum Market Value represents a reasonable estimate based upon the plans and specifications for the Project to be constructed on the Development Property and the market value previously assigned to the Development Property. Pursuant to Minnesota Statutes, Section 469.177, Subdivision 8, the Assessment Agreement shall be filed for record in the office of the county recorder or registrar of titles of Chisago County, and

such filing shall constitute notice to any subsequent encumbrancer or purchaser of the Development Property (or part thereof), whether voluntary or involuntary, and such Assessment Agreement shall be binding and enforceable in its entirety against any such subsequent purchaser or encumbrancer, including the holder of any mortgage recorded against the Development Property.

(2) The Developer may seek through petition or other means to have the market value of the Development Property and the Project reduced, provided however, that the Developer shall not seek a reduction of such market value below the Assessor's Minimum Market Value. Until the TIF Note is fully paid, such activity must be preceded by written notice from the Developer to the City indicating its intention to do so. Upon receiving such notice, or otherwise learning of the Developer's intentions, the City may suspend payments due under the TIF Note until the actual amount of the reduction is determined, whereupon the City will make the suspended payments less any amount that the City is required to repay the County as a result of any reduction in market value of the Development Property and the Project. During the period that the payments are subject to suspension the City may make partial payments on the TIF Note if it determines, in its sole and absolute discretion that the amount retained will be sufficient to cover any repayment which the County may require. The City's suspension of payments on the TIF Note pursuant to this Section shall not be considered a default under this Agreement.

Section 3.5 Real Property Taxes. The Developer acknowledges that it is obligated under law to pay all real property taxes payable with respect to all and any parts of the Development Property until the Developer's obligations have been assumed by any other person with the written consent of the City pursuant to the provisions of this Agreement.

The Developer agrees that prior to the Termination Date:

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

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

(3) It will not seek any tax deferral or abatement, either presently or prospectively authorized under Minnesota Statutes, Section 469.1813, or any other State or federal law, of the ad valorem property taxation of the Development Property between the date of execution of this Agreement and the Termination Date.

Section 3.6 Compliance with Low and Moderate Income Requirements.

(1) The City and the Developer understand and agree that the Tax Increment District will constitute a "housing district" under Section 469.174, Subd. 11 of the Tax Increment Act. Accordingly, in compliance with Section 469.1761, Subd. 3 of the Tax Increment Act, the Developer agrees that the Project must satisfy, or be treated as satisfying, the income requirements for a qualified residential rental project as defined in Section 142(d) of the Internal Revenue Code. The parties further agree that for the term of the Tax Increment District no more than 20% of the square footage of the Project may consist of commercial, retail, or other nonresidential uses. The Developer must meet the above requirements as follows:

(a) At least 20% of the residential units in the Project must be occupied or available for occupancy by persons whose incomes do not exceed 50% of the County's median income; and

(b) The limits described in clause (A) must be satisfied through the Termination Date. Income for occupants of units described in clause (A) shall be adjusted for family size in accordance with Section 142(d) of the Internal Revenue Code and related regulations.

(2) On or before each January 1 and July 1, commencing on January 1, 2030, the Developer or an agent of the Developer must deliver or cause to be delivered to the City a Compliance Certificate executed by the Developer covering the preceding six (6) months together with written evidence satisfactory to the City of compliance with the covenants in this Section. This evidence must include a statement of the household income of each qualifying renter, a written determination that each qualifying renter's household income falls within the qualifying limits of this Section (and Section 142(d) of the Internal Revenue Code), and certification that the income documentation is correct and accurate (and that the determination of qualification was made in compliance with Section 142(d) of the Internal Revenue Code). The City may review, upon request, all documentation supporting the Developer submissions and statements. In determining compliance with this Section, the Developer must use the County median incomes for the year in which the payment is due on the TIF Note, as promulgated by the Minnesota Housing Finance Agency based on the area median incomes established by the United States Department of Housing and Urban Development.

Section 3.7 Prohibition Against Transfer of Project and Assignment of Agreement. The Developer represents and agrees that prior to the termination date of this Agreement the Developer shall not transfer the Project or any part thereof or any interest therein, without the prior written approval of the City. The City shall be entitled to require as conditions to any such approval that:

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

(2) Any proposed transferee, by instrument in writing satisfactory to the City shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly

assumed all of the obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject.

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

Section 3.8 Statewide Local Housing Aid. The Developer acknowledges receipt of Statewide Local Housing Aid in the amount of \$120,213, pursuant to Minnesota Statutes, Section 477A.36, et. seq., and the Developer agrees to comply with all statutory requirements associated therewith, including but not limited to:

(1) As required by Minnesota Statutes, Section 477A.36, subd. 4(e)(1), at least five percent (5%) of the units in the Project must be “accessible units,” which include at least one roll-in shower, water closet, and kitchen work surface meeting the requirements of Section 1002 of the current State Building Code Accessibility Provisions for Dwelling Units in Minnesota.

(2) As required by Minnesota Statutes, Section 477A.36, subd. 4(e)(2), at least five percent 5(%) of the units in the Project must be “sensory accessible units,” which include (a) soundproofing between shared walls for first and second floor units; (b) no fluorescent lighting in units and common areas; (c) low-fume paint; (d) low-chemical carpet; and (e) low-chemical carpet glue in units and common areas.

Nothing in this section relieves a Project from complying with other applicable accessibility requirements including those set forth in state and local building codes, and applicable state and federal accessibility laws.

ARTICLE IV.

EVENTS OF DEFAULT

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

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

(2) Failure by the Developer to enter into the Land Development.

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

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

(5) Any event of default occurring under the Land Use Agreement.

(6) If the Developer shall:

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

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

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

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

(7) The Developer fails to comply with the requirements of the Declaration.

Section 4.2 Remedies on Default. Whenever any Event of Default referred to in Section 4.1 occurs and is continuing, the City, as specified below, may take any one or more of the following actions after the giving of thirty (30) days' written notice to the Developer citing with

specificity the item or items of default and notifying the Developer that it has thirty (30) days within which to cure said Event of Default. If the Event of Default has not been cured within said thirty (30) days:

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

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

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

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

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

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

Section 4.6 Indemnification of City.

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

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising

from the actions or inactions of the Developer (or if other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; provided, that this indemnification shall not apply to the warranties made or obligations undertaken by the City in this Agreement or to any actions undertaken by the City which are not contemplated by this Agreement but shall, in any event and without regard to any fault on the part of the City, apply to any pecuniary loss or penalty (including interest thereon from the date the loss is incurred or penalty is paid by the City at a rate equal to the Prime Rate) as a result of the Developer operating the Project so that the Tax Increment District does not qualify or ceases to qualify as a "housing district" under Section 469.174, Subdivision 11, of the Act or to violate limitations as to the use of Tax Increments as set forth in Section 469.176, Subdivision 4d.

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

ARTICLE V.

DEVELOPER'S OPTION TO TERMINATE AGREEMENT

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

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

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

ARTICLE VI.

ADDITIONAL PROVISIONS

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

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

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

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

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

North Branch Independent Senior Living, LLC

[_____]

with a copy to:

[_____]

[_____]

[_____]

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

City of North Branch, Minnesota
6408 Elm Street
North Branch, MN 55056
Attn: Community Development Director

with a copy to:

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

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

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

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

Section 6.7 Expiration. This Agreement shall expire on the Termination Date.

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

Section 6.9 Assignability of TIF Note. The TIF Note may only be assigned pursuant to the terms of the TIF Note with the written consent of the City.

Section 6.10 Recording. This Agreement and the Minimum Assessment agreement shall be recorded by the City with the County Recorder of Chisago County, Minnesota. The Developer shall pay all costs of recording.

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

(SEAL)

CITY OF NORTH BRANCH, MINNESOTA

By _____
Its Mayor

By _____
Its City Administrator

STATE OF MINNESOTA)
) ss
COUNTY OF CHISAGO)

The foregoing instrument was acknowledged before me this ____ day of July, 2026, by _____, the Mayor and _____, the City Administrator of the City of North Branch, Minnesota on behalf of said City.

Notary Public

This is a signature page to the Development Agreement by and between the City of North Branch and North Branch Independent Senior Living, LLC.

NORTH BRANCH INDEPENDENT SENIOR
LIVING, LLC

By: _____
Name: _____
Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF CHISAGO)

The foregoing instrument was acknowledged before me this ____ day of July, 2026, by _____, the _____ of North Branch Independent Senior Living, LLC, a Minnesota limited liability company, on behalf of said company.

Notary Public

This is a signature page to the Development Agreement by and between the City of North Branch and North Branch Independent Senior Living, LLC.

EXHIBIT A

Description of Development Property

Property located in the City of North Branch, Chisago County, Minnesota with the following legal description:

Lot 1, Block 1, Westside Commons 3rd Addition, Chisago County, Minnesota.

EXHIBIT B

Form of Tax Increment Note

No. R-1

\$ _____

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

TAX INCREMENT REVENUE NOTE (NORTH BRANCH INDEPENDENT SENIOR LIVING, LLC PROJECT)

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

The principal amount of this Note shall equal from time to time the principal amount stated above, as reduced to the extent that such principal installments shall have been paid in whole or in part pursuant to the terms hereof; provided that the sum of the principal amount listed above shall in no event exceed \$2,890,000 as provided in that certain Development Agreement, dated as of July 22, 2026, as the same may be amended from time to time (the "Development Agreement"), by and between the City and the Developer. The unpaid principal amount hereof shall bear interest from the date of this Note at the simple non-compounded interest rate of the lower of (i) 6.50% per annum or (ii) the Developer's interest rate on the Project financing as determined by the City's Consultant. Interest shall be computed on the basis of a 360 day year consisting of twelve (12) 30-day months.

The amounts due under this Note shall be payable on August 1, 2028, and on each February 1 and August 1 thereafter to and including February 1, 2048, or, if the first should not be a Business Day (as defined in the Development Agreement), the next succeeding Business Day (the "Payment Dates"). On each Payment Date the City shall pay by check or draft mailed to the person that was the Registered Owner of this Note at the close of the last business day of the City preceding such Payment Date an amount equal to the Tax Increments (hereinafter defined) received by the City during the six month period preceding such Payment Date. All payments made by the City under this Note shall first be applied to accrued interest and then to principal. This Note is prepayable by the City, in whole or in part, on any date.

The Payment Amounts due hereon shall be payable solely from 95% of tax increments (the "Tax Increments") from the Development Property (as defined in the Development Agreement) within City's Tax Increment Financing District No. 2026-2 (the "Tax Increment District") within its Development District No. 1 which are paid to the City and which the City is entitled to retain pursuant to the provisions of Minnesota Statutes, Sections 469.174 through 469.1794, as the same

may be amended or supplemented from time to time (the "Tax Increment Act"). This Note shall terminate and be of no further force and effect following the last Payment Date defined above, on any date upon which the City shall have terminated the Development Agreement under Section 4.2(2) thereof or the Developer shall have terminated the Development Agreement under Article V thereof, the date the Tax Increment District is terminated, or on the date that all principal and interest payable hereunder shall have been paid in full, whichever occurs earliest.

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

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

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

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

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

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

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

City Administrator

Mayor

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

CERTIFICATION OF REGISTRATION

It is hereby certified that the foregoing Note was registered in the name of North Branch Independent Senior Living, LLC, and that, at the request of the Registered Owner of this Note, the undersigned has this day registered the Note in the name of such Registered Owner, as indicated in the registration blank below, on the books kept by the undersigned for such purposes.

<u>NAME AND ADDRESS OF REGISTERED OWNER</u>	<u>DATE OF REGISTRATION</u>	<u>SIGNATURE OF CITY ADMINISTRATOR</u>
North Branch Independent Senior Living, LLC Attention: _____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

EXHIBIT C

SITE IMPROVEMENTS

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

EXHIBIT D

Form of Assessment Agreement

THIS AGREEMENT, dated as of this 22nd day of July 2026, is by and among the City of North Branch, Minnesota (the "City") and North Branch Independent Senior Living, LLC, a Minnesota limited liability company (the "Developer").

WITNESSETH

WHEREAS, the City and Developer have entered into a Development Agreement dated as of July 22, 2026 (the "Agreement") regarding certain real property located in the City (the "Development Property") which property is legally described on Exhibit A attached hereto and made a part hereof.

WHEREAS, it is contemplated that pursuant to said Agreement, the Developer will construct a mixed income independent senior living housing facility containing approximately 107-units (the "Project") on the Development Property, with twenty percent (20%) of the units made affordable to individuals at or below fifty percent (50%) of the area median income.

WHEREAS, the City and Developer desire to establish a minimum market value for the Development Property and the Project to be constructed thereon, pursuant to Minnesota Statutes, Section 469.177, Subdivision 8.

WHEREAS, the Developer has acquired the Development Property.

WHEREAS, the Chisago County Assessor (the "Assessor") has reviewed the plans and specifications for the Project and the market value previously assigned to the land upon which the Project is to be constructed, and that the "minimum market value" as set forth below is reasonable.

NOW, THEREFORE, the parties to this Agreement, in consideration of the promises, covenants and agreements made by each to the other, do hereby agree as follows:

1. As of January 2, 2030 the minimum market value which shall be assessed for the Development Property and the Project shall be not less than \$17,500,000.
2. The minimum market value herein established shall be of no further force and effect and this Agreement shall terminate on the Termination Date.
3. This Agreement shall be recorded by the City with the County Recorder of Chisago County, Minnesota. The Developer shall pay all costs of recording.
4. The Assessor has reviewed the plans and specifications for the Project and the market value previously assigned to the land upon which the improvements are to be constructed, and that the "minimum market value" as set forth above is reasonable.
5. Neither the preamble nor provisions of this Agreement are intended to, or shall they be construed as, modifying the terms of the Agreement between the City and the Developer.

6. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

IN WITNESS WHEREOF, the City, the Developer and the Assessor have caused this Agreement to be executed in their names and on their behalf all as of the date set forth above.

This Instrument Drafted By:
Taft Stettinius & Hollister LLP
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402

(SEAL)

CITY OF NORTH BRANCH, MINNESOTA

By _____
Its Mayor

By _____
Its City Administrator

STATE OF MINNESOTA)
) ss
COUNTY OF CHISAGO)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__,
by _____, the Mayor and _____, the City Administrator of the City of
North Branch, Minnesota on behalf of said City.

Notary Public

Signature page for Assessment Agreement by and between the City of North Branch, Minnesota
and North Branch Independent Senior Living, LLC.

NORTH BRANCH INDEPENDENT SENIOR
LIVING, LLC

By: _____
Name: _____
Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF CHISAGO)

The foregoing instrument was acknowledged before me this ____ day of _____, 2026,
by _____ the _____ of North Branch Independent Senior Living,
LLC, a Minnesota limited liability company, on behalf of said company.

Notary Public

Signature page for Assessment Agreement by and between the City of North Branch, Minnesota
and North Branch Independent Senior Living, LLC.

CERTIFICATION BY COUNTY ASSESSOR

The undersigned, having reviewed the Assessment Agreement dated as of July 22, 2026 between the City of North Branch, Minnesota and North Branch Independent Senior Living, LLC, a Minnesota limited liability company; the construction plans for the Project, as defined in the Assessment Agreement, hereby certifies as follows:

Legal Description of Property:

Lot 1, Block 1, Westside Commons 3rd Addition, Chisago County, Minnesota.

The undersigned assessor, being legally responsible for the assessment of the above described property, certifies that the market values assigned to the land and Project are reasonable.

Nothing herein shall limit the discretion of the undersigned assessor or any other public official or body having the duty to determine the market value of the above-described Project and Development Property for ad valorem tax purposes, to assign to such Project and Development Property a market value in excess of the minimum market value specified above and in the Assessment Agreement.

All capitalized but undefined terms herein are assigned definitions as provided in that certain Development Agreement, dated as of July 22, 2026 by and between the City of North Branch, Minnesota, and North Branch Independent Senior Living, LLC.

County Assessor for Chisago County

STATE OF MINNESOTA)
) ss.
COUNTY OF CHISAGO)

This instrument was acknowledged before me on _____, 2026, by _____, the County Assessor of Chisago County.

Notary Public

CONSENT TO ASSESSMENT AGREEMENT

_____, _____, of _____,
_____, _____ (the "Bank"), does hereby consent to all terms,
conditions and provisions of the foregoing Assessment Agreement and agrees that, in the event it
purchases the Development Property at a foreclosure sale or acquires the Development Property
through a deed in lieu of foreclosure or otherwise in satisfaction of the indebtedness owed by the
Developer, it and its respective successors and assigns, shall be bound by all terms and conditions
of the Assessment Agreement, including but not limited to the provision which requires that the
minimum market value of the Development Property and the Project shall be not less than the
amounts set forth in the Assessment Agreement.

IN WITNESS WHEREOF, we have caused this Consent to Assessment Agreement to be
executed in its name and on its behalf as of this ____ day of _____, _____.

By _____

Its _____

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____,
_____, by _____, the _____ of _____, a
_____ banking corporation on behalf of the corporation.

Notary Public

EXHIBIT A TO ASSESSMENT AGREEMENT

LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY

Property located in the City of North Branch, Chisago County, Minnesota with the following legal description:

Lot 1, Block 1, Westside Commons 3rd Addition, Chisago County, Minnesota.

.

EXHIBIT E

COMPLIANCE CERTIFICATE

The undersigned North Branch Independent Senior Living, LLC, does hereby certify that as of the date of this Certificate and for the previous six (6) months prior to the execution of this Certificate, not less than 20% of the residential units in the North Branch Independent Senior Living, LLC project located at [] in North Branch, Minnesota (the "Project") were occupied or available for occupancy by individuals whose income is 50% or less of the Chisago County median income.

Dated this ____ day of _____, 20 ____.

NORTH BRANCH INDEPENDENT SENIOR
LIVING, LLC

By _____
Its _____

[Attach income verification required by Section 3.6]

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

HELD: JULY 22, 2026

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of North Branch, Chisago County, Minnesota, was duly called and held at the City Hall, in said City on July 22, 2026, at 6:00 P.M.

The following members of the Council were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION APPROVING THE MODIFICATION TO THE
DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1;
ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 2026-2
WITHIN DEVELOPMENT DISTRICT NO. 1; APPROVING THE TAX
INCREMENT FINANCING PLAN THEREFOR AND AUTHORIZING THE
EXECUTION OF A DEVELOPMENT AGREEMENT

A. WHEREAS, it has been proposed that the City of North Branch, Minnesota (the "City") (1) modify the Development Program for Development District No. 1 (the "Development District"); (2) establish Tax Increment Financing District No. 2026-2 therein (the "TIF District"); (3) approve and adopt the proposed Tax Increment Financing Plan therefor under the provisions of Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the "Act"); and (4) authorize the execution of a development agreement and certain other related documents; and

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

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

D. WHEREAS, the City may pay for certain costs identified in the TIF Plan consisting of land acquisition, public utilities, site improvements/preparation, other eligible improvements, and administrative costs (the "Qualified Costs") incurred in connection with the establishment of the TIF District and development of land within the TIF District, which costs

may be financed on a temporary basis from City funds available for such purposes; and

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

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

G. WHEREAS, the Developer and City have determined to enter into an Assessment Agreement (the "Assessment Agreement"), which provides a minimum market value for the Development Property and the Project; and

H. WHEREAS, North Branch Independent Senior Living, LLC, a Minnesota limited liability company (the "Developer") has requested the City to assist with the financing of certain costs incurred in connection with the construction of multifamily housing rental facilities (the "Project"); and

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

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

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

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

3. Tax Increment Financing District No. 2026-2. There is hereby established in the City within the Development District, the Tax Increment Financing District No. 2026-2, a housing district, the initial boundaries of which are fixed and determined as described in the TIF Plan.

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

a. The TIF District is a housing district as defined in Minnesota Statutes, Section 469.174, Subd. 11, the specific basis for such determination is set forth in Appendix D of the TIF Plan.

b. The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably

foreseeable future. The reasons for such determination are set forth in Appendix D of the TIF Plan.

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

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

e. Appendix D of the TIF Plan is incorporated herein by reference.

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

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

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

8. Interfund Loan.

a. The City hereby authorizes the advance of up to \$25,000 from the City's General Fund or so much thereof as may be paid as Qualified Costs. The City shall reimburse itself for such advances together with interest at the rate stated below. Interest accrues on the principal amount from the date of each advance. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 as of the date the loan or advance is authorized, unless the written agreement states that the maximum interest rate will fluctuate as the interest rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 are from time to time adjusted. The interest rate shall be 5.00% and will not fluctuate.

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

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

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

e. The Interfund Loan is evidence of an internal borrowing by the City in accordance with Minnesota Statutes, Section 469.178, Subd. 7, and is a limited obligation payable solely from tax increment pledged to the payment hereof under this resolution. The Interfund Loan and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Interfund Loan or other costs incident hereto except out of tax increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on the Interfund Loan or other costs incident hereto. The City shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the termination of the TIF District.

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

9. Document Approval. The Council hereby approves the Development Agreement and Assessment Agreement in substantially the forms submitted, and the Mayor and the City Administrator are hereby authorized and directed to execute the Development Agreement and Assessment Agreement on behalf of the Council. The approval hereby given to the Development Agreement and Assessment Agreement includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the City officials

authorized by this resolution to execute the Development Agreement and Assessment Agreement. The execution of the Development Agreement and Assessment Agreement by the appropriate officer or officers of the City shall be conclusive evidence of the approval of the Development Agreement and Assessment Agreement in accordance with the terms hereof.

Adopted this 22nd day of July, 2026.

Mayor

Attest: _____
City Administrator

STATE OF MINNESOTA
CHISAGO COUNTY
CITY OF NORTH BRANCH

I, the undersigned, being the duly qualified and acting City Administrator of the City of North Branch, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the establishment of the Tax Increment Financing District No. 2026-2 in the City.

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

City Administrator



NORTH BRANCH
32250 -City of North Branch
Staff Report

Prepared By: Heidi Hamilton, Senior Project Manager

Presenter: Heidi Hamilton, Senior Project Manager

Date: July 22, 2026

Board & Commission: City Council

Subject: Direction on Northwest Old Town Street and Utilities Improvement Project

Introduction:

The City's 2026 Capital Improvement Plan (CIP) includes the Northwest Old Town Street and Utility Improvements including:

- Cedar Street (Elmwood Terrace Apartments to Branch Avenue)
- Elm Street (Oakview Avenue to 8th Avenue)
- 10th Avenue (Elm Street to Cedar Street)
- 11th Avenue (Elm Street to Cedar Street)
- 12th Avenue (TH 95 to Cedar Street)

The project involves the reconstruction of streets in the Old Town area along with drainage improvements, storm water detention, water main improvements and sanitary sewer remediation.

Background Information:

The City Council considered proceeding with this project in 1995, 2006, and again in 2016. In all instances the project did not go forward due to high assessment costs. A new assessment policy was adopted in August 2025 and used in developing the proposed financial plan for the project.

Four neighborhood meetings and a Public Hearing have been held to discuss the project between November 2025 and July 2026. At the July 14 neighborhood meeting, an updated plan was presented that includes modifications from the original plan that were made to address resident

comments. The table below outlines concerns that have been raised and how the revised plan has or would address the comments if it moves ahead. The revised plan is attached.

Comment/Concern	Resolution
On-street parking desired	• One-side of parking is included on Elm where feasible • On Cedar and 10th, 11th, 12th Avenues north of Elm, surmountable curb is planned and it is recommended that the MSA designation be removed so parking need not be restricted on the 24' wide roads. • Parking restrictions will be limited to the south side of Elm and one block of 12th Avenue.
Speeding	Bump outs, a traffic calming design element, included at cross-streets on Elm.
Lack of adherence to stop sign	Flashing LED lighted stop sign included at Elm & 10 th .
Visibility in southeast corner of Elm & 8 th Street (at Central Park)	Utility boxes and fence will be relocated to improve sight lines
Sidewalk Snow removal	Staff recommendation that the city plow the sidewalk on Elm as part of routine snow removal operations
Drainage Issues	Curb & gutter and storm sewer will be added
10 th Avenue south of Elm was previously reconstructed	This block was removed from the project.
Mailboxes on Elm conflict with proposed parking	A plan for relocation of mailboxes would be developed in collaboration with the Post Master during final design.

Funding/Financing:

The revised cost estimate and proposed funding plan for the revised proposal is shown below.

Project Costs

Fund	Amount
Roadway Improvements	\$2,801,500
Drainage Improvements	\$1,163,600
Sanitary Sewer Improvements	\$ 130,900
Watermain Improvements	\$1,091,500
Water Fund	\$ 425,962
TOTAL	\$5,187,500

Funding Plan

Fund	Amount
Municipal State Aid	\$1,399,600
Special Assessments	\$ 496,527
Restricted Fund	\$1,865,238
429 Bonds	\$1,000,173
Water Fund	\$ 425,962
TOTAL	\$5,187,500

Feedback on revised plan:

There were many opinions shared at the neighborhood, including:

- Some support sidewalk and some do not
- Some are concerned about the cost of the assessment, and some think the assessment is more than fair since it is lower than the city policy stipulates.
- Some like the design of Elm and some dislike the proposed bump outs.
- Some want Cedar Street to be 30' wide so there is room for on-street parking and two-way traffic.
- It was suggested that parking should be moved to the south side of Elm to avoid mailboxes.
- Some want to reduce the project cost by eliminating curb and gutter from the design

Options:

Due to the variety of strong opinions being expressed about the project, we wanted Council feedback on the path forward. Three options are outlined below.

Option 1 – Proceed with reconstruction project

The next steps for moving the project forward would be to update the Feasibility Report, hold a public hearing, and direct the preparation of final plans and specifications. Additional consideration of resident comments would take place during final design.

Option 2 – Reduced Project Scope

Resident feedback has indicated broad support for:

- Replacement of undersized watermain located along nine blocks of the project area
- Spot improvements of sanitary sewer that make sense to do in conjunction with other work.
- Adding LED lighted stop signs at 10th & Cedar and 10th & Elm
- Relocating utility boxes and fence located in northwest corner of Central Park (8th and Elm)

Pavement would be replaced where excavation occurs for watermain replacement. While the paving cost associated with this option would be substantially lower than Option 1, drainage concerns would not be addressed, and roadway infrastructure would not be improved.

Option 3 – Delay project indefinitely

The primary driver of this project has been to upgrade watermains and address drainage concerns, but there is nothing compelling the project to move forward currently. Delay is an option.

Requested Action:

Staff requests directions on the next steps for Northwest Old Town Street and Utility Improvement Project.

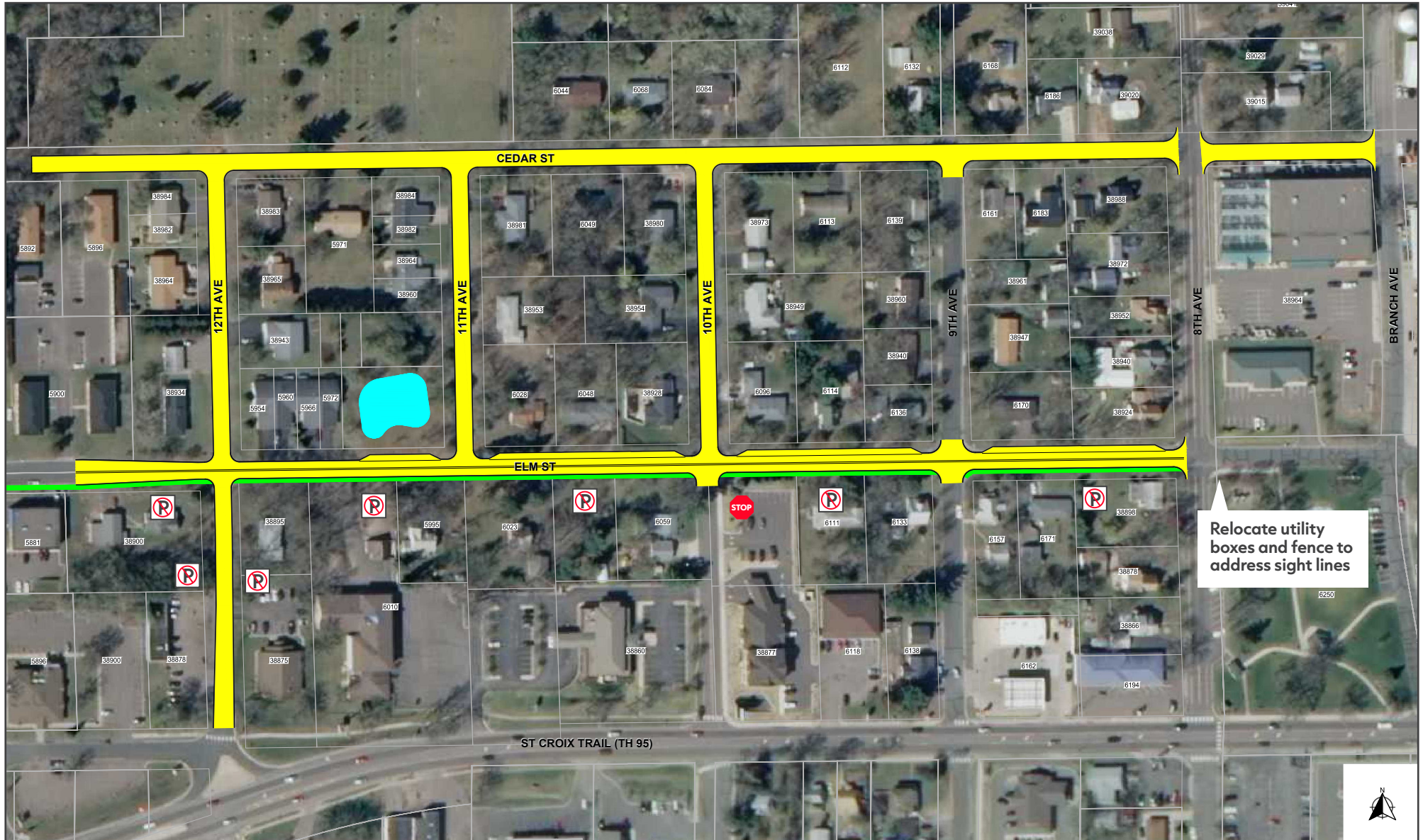
Voting Requirements:

Simple Majority

Attachments:

1. July 14 Proposed Road Improvement Map
2. July 14 Neighborhood Meeting Presentation

Proposed Improvements Map





Northwest Old Town Street and Utility Improvement Project

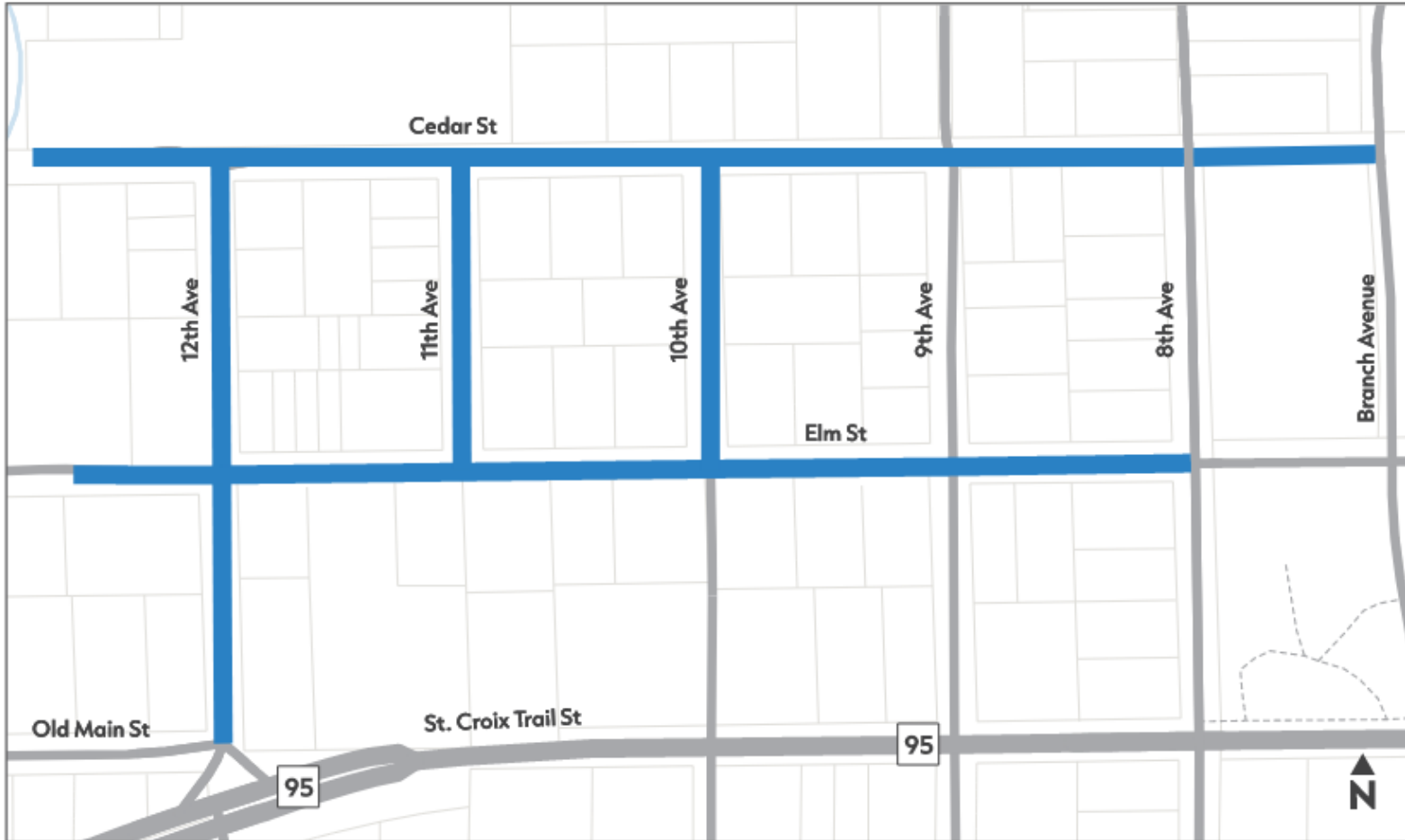
Public Information Meeting
July 14, 2026



CITY OF
NORTH BRANCH



Proposed Improvements



Project Location

- Cedar Street
Elmwood Terrace Apartments to Branch Avenue
- Elm Street
Oakview Avenue to 8th Avenue
- 12th Avenue
Cedar Street to Old Main Street
- 10th & 11th Avenues
Cedar Street to Elm Street

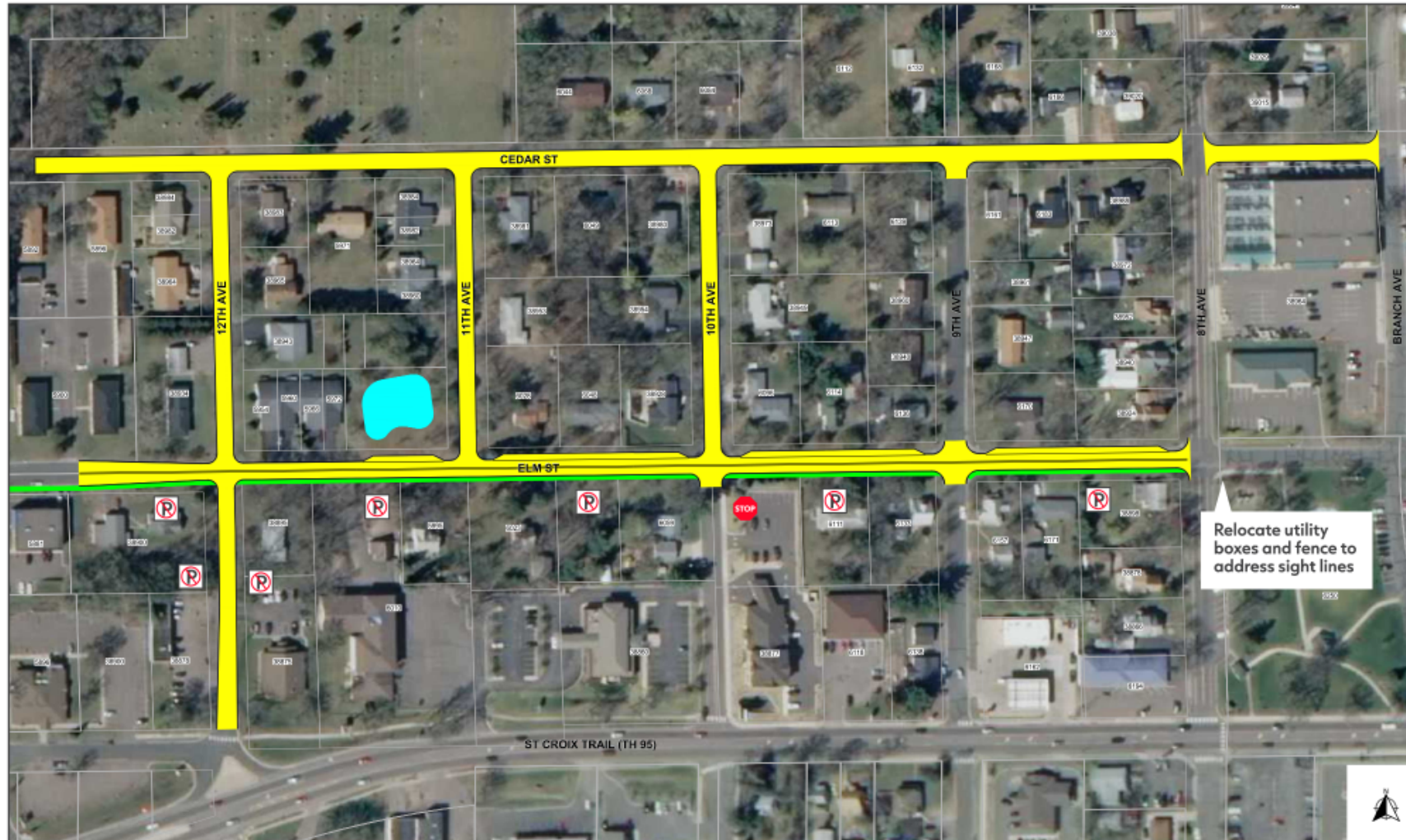
Design Revisions

Comment/Concern	Resolution
On-street parking desired	• One-side of parking included on Elm where feasible • Surmountable curb on Cedar and 10th, 11th, 12th Avenues north of Elm • Posted parking restrictions will be limited to the south side of Elm and one block of 12th Avenue
Speeding	Bump outs included at cross-streets on Elm
Lack of adherence to stop sign	Flashing LED lighted stop sign included
Visibility in southeast corner of Elm & 8 th Street (at Central Park)	Utility boxes and fence will be relocated to improve sight lines
Sidewalk Snow removal	Staff recommendation that the city will plow the sidewalk on Elm as part of routine snow removal operations
Drainage Issues	Curb & gutter and storm sewer will be added

Proposed Road Improvements

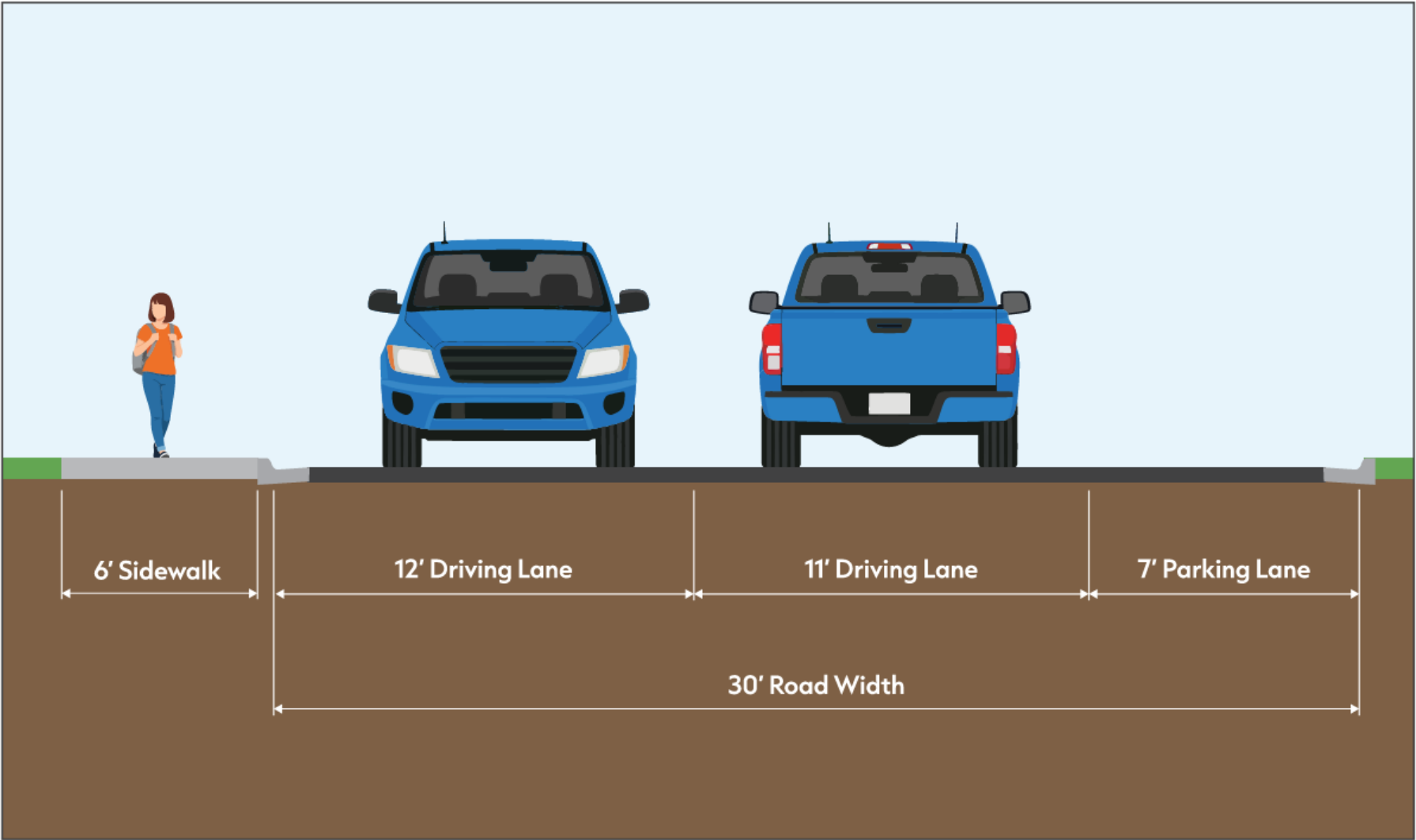
Surface Improvements

- Full pavement replacement and subgrade corrections as needed
- Curb installation
- Street widths per MSAS and City standards
- Sidewalk along Elm St
- On-street Parking along Elm St



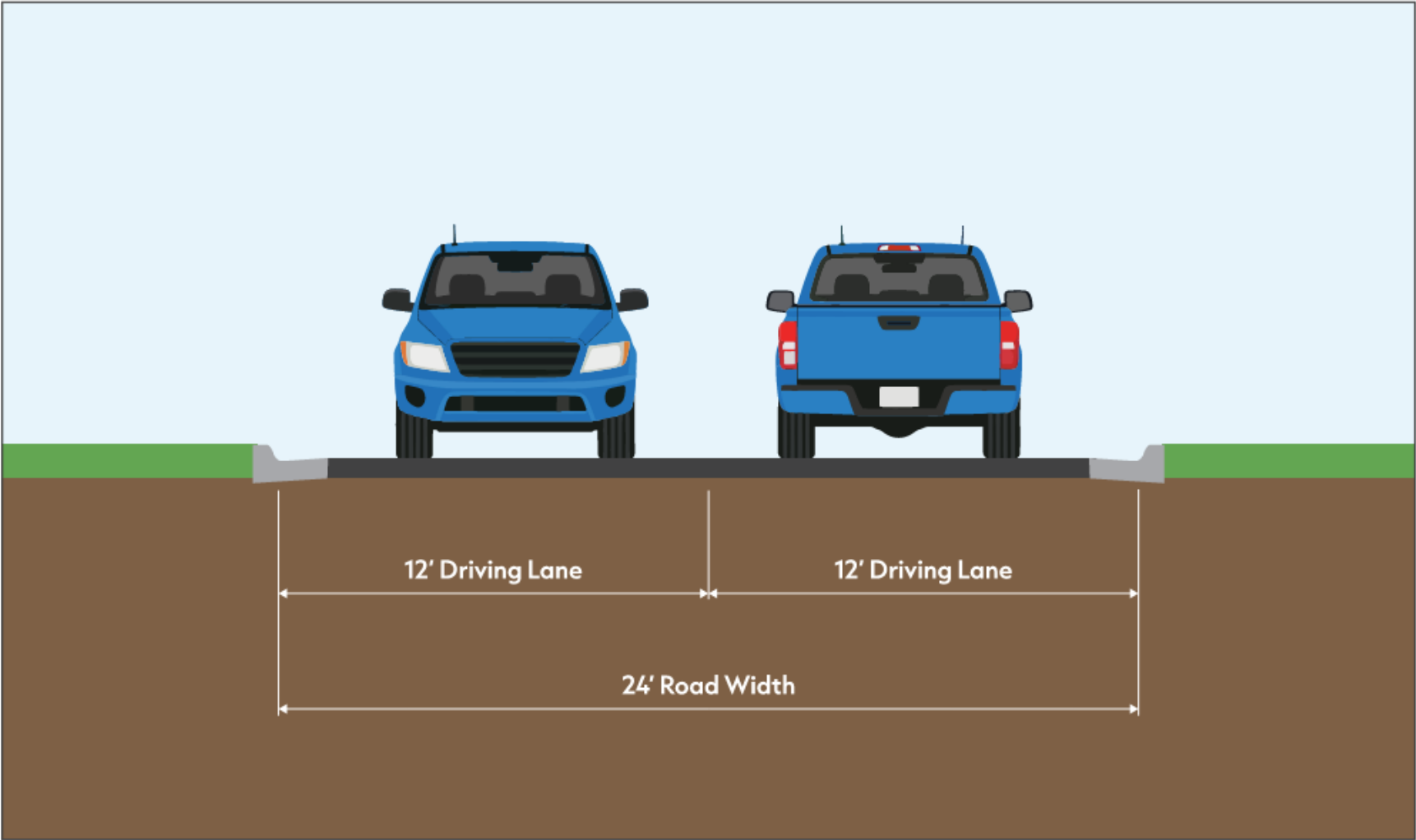
Roadway Cross Sections

Elm Street where one-side parking is feasible



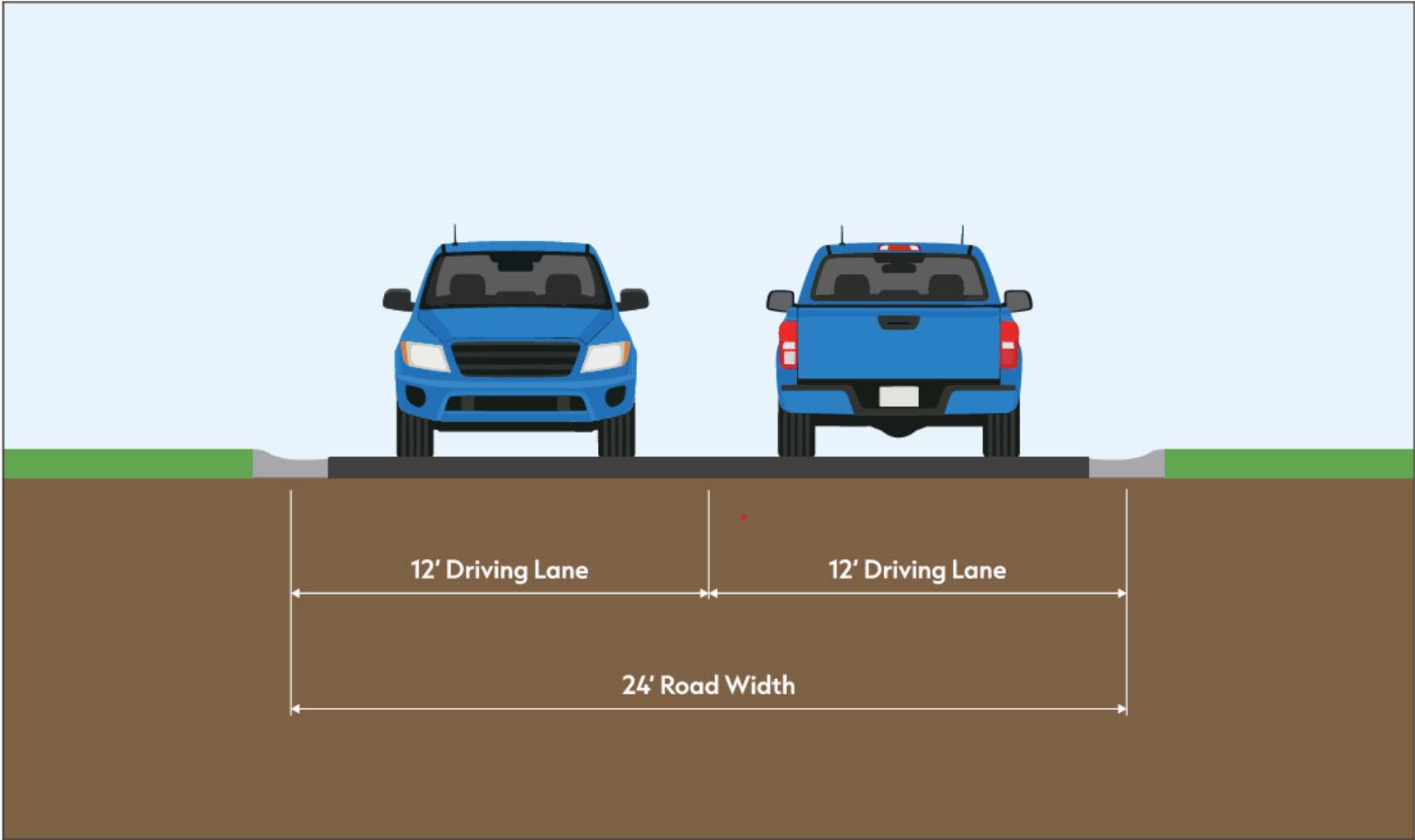
Roadway Cross Sections

Elm Street where parking is not feasible

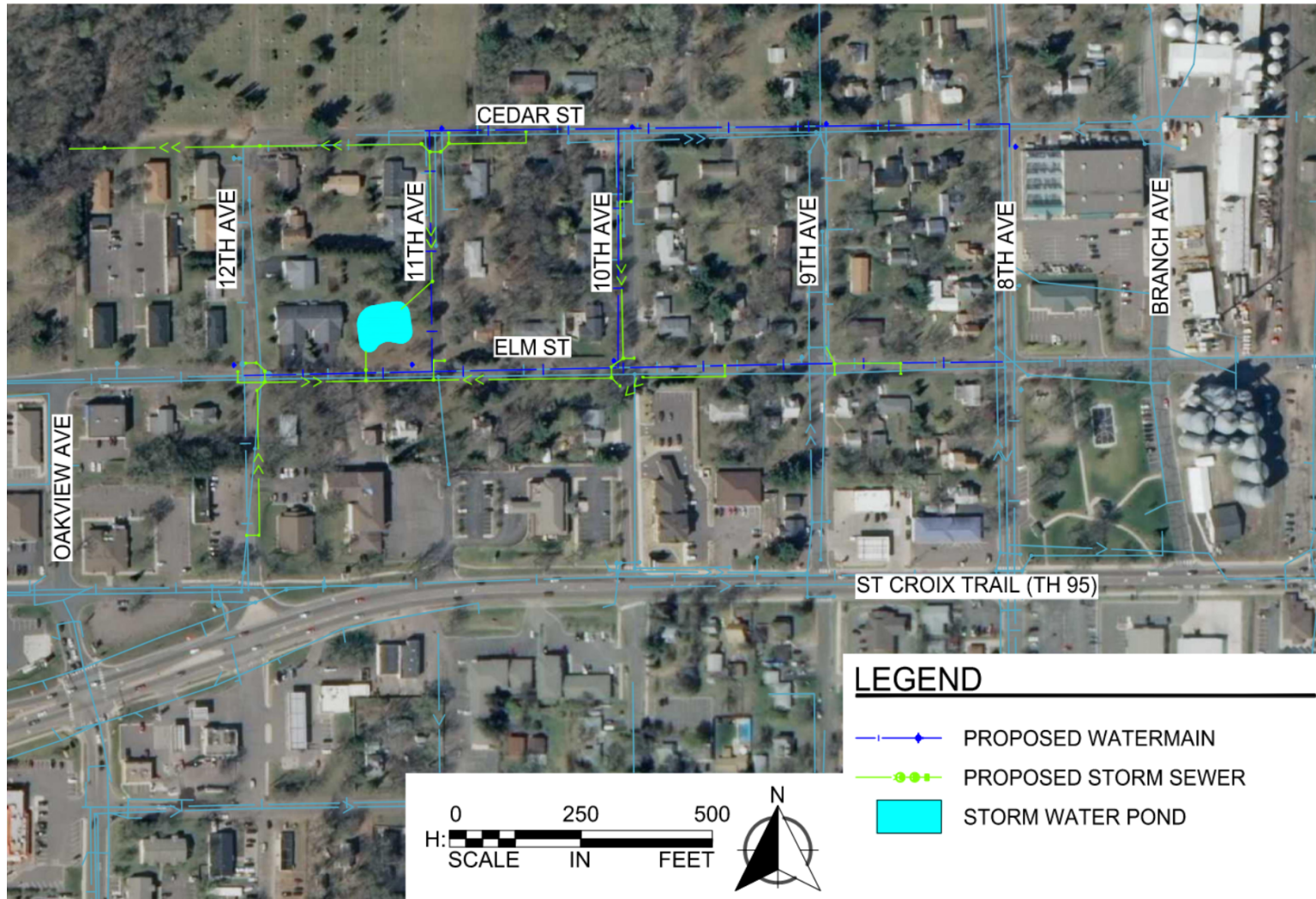


Roadway Cross Sections

Cedar Street and all streets north of Elm



Utility Improvements



- **Storm Improvements**
 - Installation of new storm sewer and catch basins along all roadways
 - Installation of new stormwater retention (required) within City owned property
- **Sanitary Improvements**
 - Maintenance and repairs as needed
- **Watermain Improvements**
 - Replacement of existing 4-inch and 6-inch watermains with 8-inch
 - Installation of new 10-inch trunk watermain along Cedar Street

Project Costs

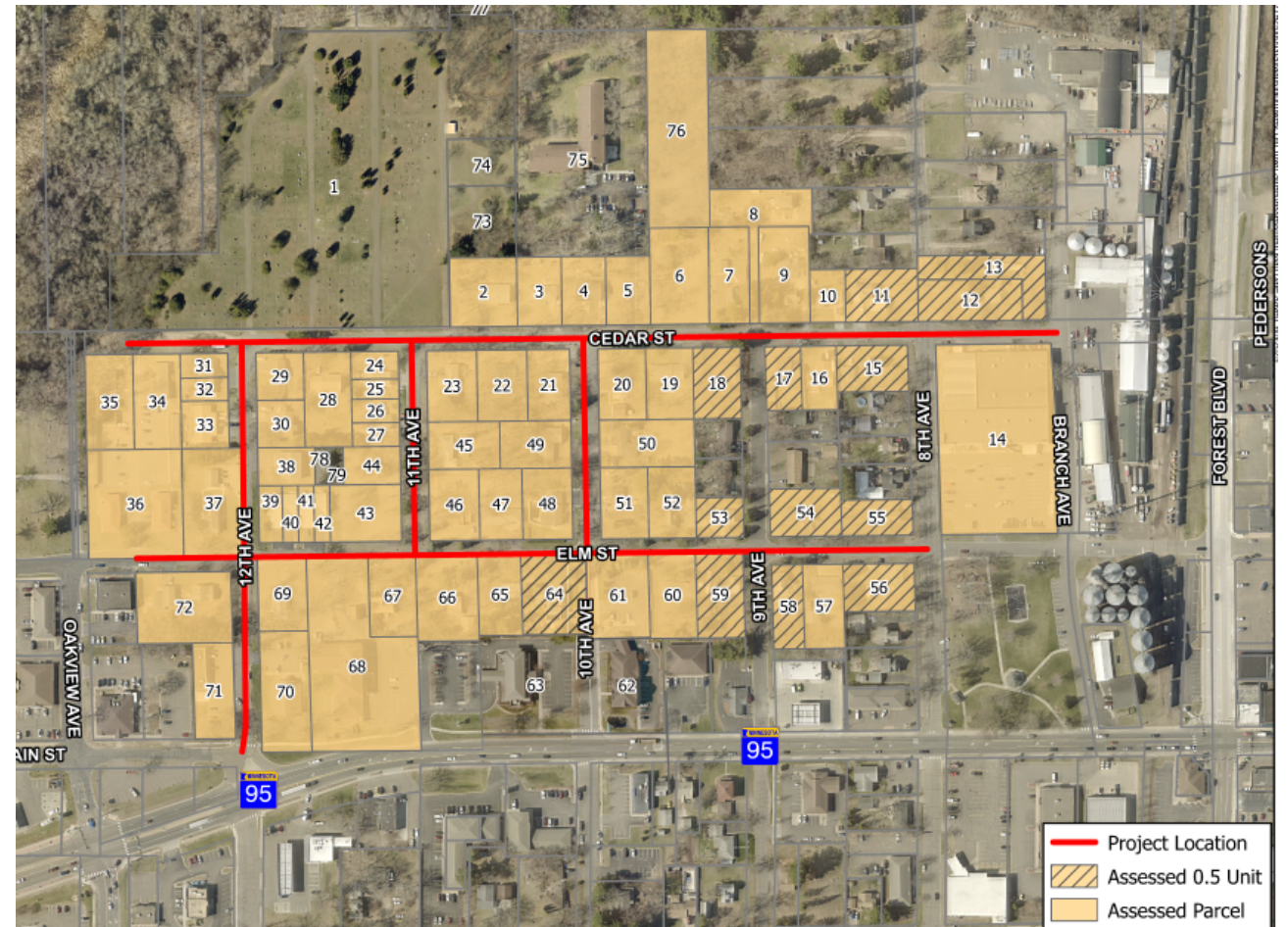
Proposed Improvements	Total Estimated Cost
Roadway Improvements	\$2,801,500
Drainage Improvements	\$1,163,600
Sanitary Sewer Improvements	\$130,900
Watermain Improvements	\$1,091,500
Totals	\$5,187,500

Project Funding

Proposed Funding Source	Total Estimated Cost
Municipal State Aid Funding	\$1,399,600
Special Assessments	\$496,527
Restricted Fund	\$1,865,238
429 Bonds	\$1,000,173
Water Fund	\$425,962
Total	\$5,187,500

Proposed Assessments – 2026 Numbers

- Residential Assessments
 - Flat and Equal rate
 - Corner Lots: 0.5 units per abutting street
 - \$7,450 per benefitting property
 - 48.5 Assessable Units
- Commercial/Industrial/Multifamily
 - \$56 per front foot



Project Schedule



NORTH BRANCH

City Council Receive Feasibility Study/Order Public Hearing

November 12, 2025

1st Public Information Meeting

November 19, 2025

Public Hearing

December 9, 2025

Public Hearing Continued

January 13, 2026

City Council Authorized Preliminary Engineering

February 24, 2026

2nd Public Information Meeting

March 23, 2026

3rd Public Information Meeting

May 18, 2026

Refine Scope and Update Cost Estimate

June 2026

4th Public Information Meeting

July 14, 2026

Public Hearing and Consider Authorizing Preparation of
Final Plans & Specifications

August 12, 2026

Project Schedule – if authorized to proceed



Final design	August - December 2026
Approve Plans and Specifications/Authorize Advertisement for Bid	January 2026
Receive Bids	February 2027
Public Hearing/Award Contract	March 2027
5th Public Information Meeting	April 2027
Begin Construction	May 2027
Final Completion	November 2027

Questions and Comments

Project Information
nwoldtown-wsbeng.hub.arcgis.com
651-327-2517
nwoldtown@wsbeng.com



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 07/16/2026

Board & Commission: City Council

Subject: Consider Approval of Ordinance 413-26 approving an Interim Ordinance Authorizing Study and Imposing a Moratorium on High Utility Demand Uses

Agenda Item:

Consideration of an Interim Ordinance authorizing a Study and Imposing a Moratorium on Data Centers and High Impact Utility Consumers.

Recommendation/Action(s):

Adoption of the attached ordinance 413-26 (following the public hearing).

Summary:

At the July 8, 2026, City Council meeting, the City Council accepted a recommendation to conduct a public hearing and consider an ordinance authorizing a study and imposing a moratorium on data centers and high-impact utility consumers. To further clarify the scope of the proposed study, the draft ordinance has been narrowly tailored to apply to uses defined as follows:

"Data center" means a building or other facility used principally for the storage, management, processing, and/or transmission of digital data, which houses computer or network equipment, systems, services, appliances, and/or other associated components related to digital data operations. A data center may also include accessory and appurtenant facilities, such as offices, air handlers, power generators, water cooling systems and water storage facilities, utility substations, and other associated infrastructure necessary to support sustained digital data operations. The term "data center" does not include computing facilities that are not the principal use of a building or other facility in extent or area, but which perform similar functions only as an accessory to a separate lawful principal use.

"High impact utility consumer" means any new or expanding commercial, industrial, or agricultural land use that meets any of the following criteria:

1. A facility and its connected associated facilities designed for and capable of operating at a capacity of 25 megawatts or more but less than 50 megawatts.
2. A facility and its connected associated facilities with a projected average water use of 50,000 gallons per day (GPD) or more.
3. Development of any facility and its connected associated facilities in excess of 450,000 gross square feet.

To allow the City Council the opportunity to review the City's regulations governing these types of uses without the time constraints associated with a pending development application, staff recommends that the City adopt an interim ordinance authorizing a study and establishing a temporary moratorium on the development of the use types described above. The purpose of the moratorium is to provide the City with adequate time to evaluate potential impacts related to land use compatibility, utility infrastructure capacity and consumption, public services, environmental considerations, and other planning factors, and to determine whether amendments to the City's zoning and development regulations are warranted. The proposed moratorium only applies to data centers and high impact utility consumers as narrowly defined above and is not expected to affect the vast majority of commercial, industrial, or agricultural development projects.

Staff recommends adoption of the proposed interim ordinance as drafted.

Voting Requirements:

Voting Options	Simple Majority Super Majority
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CITY OF NORTH BRANCH
CHISAGO COUNTY, MINNESOTA

ORDINANCE NO. 413-26

AN INTERIM ORDINANCE AUTHORIZING STUDY AND IMPOSING A MORATORIUM ON HIGH UTILITY
DEMAND USES

Section 1: Purpose and Intent. The purpose and intent of this interim ordinance (“Ordinance”) is to protect the planning process and the health, safety, and welfare of the citizens of the city of North Branch (the “City”) by (i) imposing, pursuant to Minnesota Statutes, section 462.355, subdivision 4, a moratorium on High Utility Demand Use, as that term is defined herein, during the term of this Ordinance; and (ii) authorizing a study related to the local regulation of High Utility Demand Uses.

Section 2. Legislative Findings. The City Council of the City of North Branch hereby finds and determines as follows:

(a) The City is a governing body for the purposes of the Municipal Planning Act, Minnesota Statutes, chapter 462 (the “Act”), and it has previously exercised its authority pursuant to the Act to adopt North Branch City Code, Chapter 66, entitled the Zoning and Subdivision Code of the City of North Branch, which contains the City’s official codified land use controls (hereinafter, the “Zoning Ordinance”);

(b) Section 462.355, subdivision 4 of the Act authorizes the City to adopt interim ordinances to regulate, restrict, or prohibit any use, development, or subdivision within the City, the purpose of which are to protect the planning process and the health, safety, and welfare of the residents within the City;

(d) The City recently determined that although the Zoning Ordinance imposes express regulations on numerous types of uses in its respective zoning districts, it does not impose any express rules or regulations specifically related to High Utility Demand Uses;

(e) The City will benefit from establishing its own local rules and regulations related to High Utility Demand Uses within the Zoning Ordinance; and

(f) It is in the best interests of the public to place a City-wide moratorium on High Utility Demand Use facilities to provide City staff, consultants, and the City’s planning commission with a meaningful opportunity to study whether and how the City should amend its official controls to effectively regulate High Utility Demand Uses moving forward.

(g) That Battery Energy Storage Systems shall be exempted from the moratorium established in interim ordinance, finding that these systems are separately regulated and approved by the Minnesota Public Utilities Commission, and do not pose the same level zoning and planning impacts as opposed to other High Utility Demand Uses. Battery Energy Storage Systems are defined as facilities that use battery technology to capture and store electrical energy from generation facilities, including solar panels and other renewable energy sources, for future use and release into the energy grid system.

Section 3. Definitions. For purposes of this Interim Ordinance, High Utility Demand Use means a principal land use that, because of its operational characteristics, requires substantial electrical transmission, distribution, or utility infrastructure beyond that typically associated with commercial or

industrial development within the City. Examples of High Utility Demand Uses may include, but are not limited to: Cryptocurrency mining facilities; Data centers; Hydrogen production facilities; Artificial intelligence computing facilities.

For the purpose of this definition, High Utility Demand Uses include any use, whether new or expanded, classified as commercial, industrial, or agricultural, that meets any of the following criteria:

1. A facility and its connected associated facilities designed for and capable of operating at a capacity of 25 megawatts or more but less than 50 megawatts.
2. A facility and its connected associated facilities with a projected average water use of 50,000 Gallons Per Day (GPD) or more.
3. Development of any facilities and its connected associated facilities in excess of 450,000 gross floor square feet.

This definition does not include Battery Energy Storage Systems, which are explicitly carved out from the regulations of this interim ordinance.

This definition shall not constitute a permanent zoning definition and is intended solely for purposes of this Interim Ordinance.

Section 4. Study Authorized. City staff, consultants, and the City's planning commission are hereby authorized and directed to conduct a study of High Utility Demand Uses, including but not limited to: cryptocurrency mining facilities; data centers; hydrogen production facilities; artificial intelligence computing facilities data centers. Such study shall include an analysis of their relevant localized impacts and how other communities regulate them, and provide the city council with recommendations on whether and how the Zoning Ordinance should be amended to better address the aforementioned void. The planning commission may make such recommendations on this issue as it deems appropriate.

Section 5. Moratorium Imposed A moratorium is hereby imposed throughout the City on High Utility Demand Uses, which during the term of this Ordinance shall be considered a prohibited use within the City. During the period of the moratorium, all property in the City is subject to the following as it pertains to High Utility Demand Uses:

1. No building permits shall be issued for the construction, reconstruction, alteration, or expansion of any structure or improvements except for (i) necessary repairs of existing structures; (ii) tenant improvements made to existing structures for commercial, industrial or business park use; (iii) expansion of a structure for commercial, industrial or business park use.; or (iv) construction or expansion of structures or installation of equipment for an existing or approved data center project.
2. No proposal for rezoning (which includes planned development amendments and planned development concepts) or comprehensive plan amendment shall be recommended for approval or approved by the planning commission or the city council.
3. No conditional use permit or variance shall be recommended for approval or be approved by the planning commission or the city council.
4. No portion of any property in the City shall be replatted or subdivided, except for the purpose of consolidation of parcels of land into single ownership.

5. No application for the establishment or expansion of a data center shall be accepted, processed or approved.

Applications submitted after the effective date of this Interim Ordinance shall be subject to this moratorium.

Section 6. Exemptions. The following shall not be subject to this Interim Ordinance:

1. Projects that have received all required local land use approvals prior to the effective date of this Interim Ordinance.
2. Building permits associated with projects previously approved by the City.
3. Routine building permits, tenant improvements, maintenance, repairs, remodeling, or expansions that do not establish a new High Utility Demand Use.
4. Public utility maintenance, repair, replacement, or emergency work.
5. Battery Energy Storage Systems, as defined above, that:
 - a. Have previously received all required approvals from the City; or
 - b. Are currently subject to the permitting and regulatory authority of the Minnesota Public Utilities Commission, including projects for which an application has been filed or a permit has been issued under applicable state law prior to the effective date of this Interim Ordinance.

Nothing in this Interim Ordinance shall be interpreted to interfere with or regulate facilities subject to the exclusive jurisdiction of the Minnesota Public Utilities Commission.

Section 7. Duration This Interim Ordinance shall remain in effect for six (6) months from its effective date unless repealed earlier by the City Council.

Section 8. Penalty and Enforcement. The City may enforce this Ordinance through criminal prosecution or by undertaking such civil actions or proceedings, including, without limitation, injunctive relief, as it determines appropriate to prevent, restrain, correct, or abate any violation or threatened violation of this Ordinance. The initiation of one type of enforcement action shall not preclude the City from instituting any other action or proceeding available to it under law to enforce this Ordinance. Any person, firm, partnership, corporation, or other entity violating any provision of this Ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to imprisonment for up to 90 days, a fine of up to \$1,000, or both, plus the costs of prosecution. Each day that a violation occurs shall be considered a separate offense.

Section 9. Severability. Every section, provision and part of this Ordinance is declared severable from every other section, provision and part thereof. If any section, provision or part of this Ordinance is held to be invalid by a court of competent jurisdiction, such judgment shall not invalidate any other section, provision or part of this Ordinance.

Section 10. Effective Date. This Ordinance shall take effect immediately upon its adoption and publication.

Adopted by the North Branch City Council this 22nd day of July 2026.

Kevin Schieber, Mayor

Attested:

Tonya Kostuch, City Clerk