



NORTH BRANCH

—Minnesota—

Sara Paul
Chair

Dennis Johnson
Vice Chair

Jessica Thelander
Commissioner

Marshall Saunders
Commissioner

Patrick Meachem
Councilmember

Cassie Koecher
Commissioner

Kevin Schieber
Mayor

**ECONOMIC DEVELOPMENT AUTHORITY
REGULAR AGENDA
TUESDAY, AUGUST 18, 2026 @ 3:30 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC COMMENT

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

5. AGENDA APPROVAL

a. Approve Agenda

ACTION

6. CONSENT AGENDA

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

a. Approval of July 21, 2026 EDA Minutes

ACTION

7. REPORTS

a. Chisago County HRA-EDA Update

VERBAL
UPDATE

- | | | |
|----|---|------------------|
| b. | North Branch Area Chamber of Commerce Update | VERBAL
UPDATE |
| c. | North Branch Area Schools Update | VERBAL
UPDATE |
| d. | EDA Executive Director Update | VERBAL
UPDATE |
| e. | Consider Approval of Resolution R-354-2026 approving the Developers Agreement with ECE for the Essby Business Park 5th Addition | ACTION |
| f. | 2027 EDA Budget | ACTION |
| g. | Comprehensive Plan Update | INFO |
8. CLOSED SESSION
- | | | |
|----|--|--------|
| a. | Closed meeting pursuant to Minn. Stat. § 13D.05, subd. 3(c), to develop and consider an offer or counteroffer for the acquisition of a permanent easement over Outlot A, Cherokee Place 1st Addition | ACTION |
|----|--|--------|
9. NEXT MEETING - August 18, 2026 - 330PM
10. ADJOURNMENT

EDA Mission Statement.

To be proactive in maintaining and enhancing the economic viability of North Branch through partnerships, innovation, and strategic action.

EDA Goals:

- Successfully become one of the first communities in the region mentioned as a choice for business location.
- Attract new industries that bring an enhanced tax base, quality jobs, and new capital into the community.
- Support existing businesses and encourage their continued prosperity and growth.
- Address critical systems that influence site location decisions.



Prepared By: Tonya Kostuch, City Clerk

Presenter: Nathan Sondrol, Community Development Director

Date: 06/09/2026

Board & Commission: Economic Development Authority

Subject: Approval of July 21, 2026 EDA Minutes

Voting Requirements:

Voting Options Simple Majority Super Majority



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**ECONOMIC DEVELOPMENT AUTHORITY
REGULAR AGENDA
TUESDAY, JULY 21, 2026 @ 3:30 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

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

REGULAR MEETING

Tuesday, July 21, 2026

1. CALL TO ORDER

Commissioner Marshall Saunders called the Economic Development Authority to order at 3:33 PM.

2. PLEDGE OF ALLEGIANCE

Commissioner Marshall Saunders led the Pledge of Allegiance.

3. ROLL CALL

Present: Mayor Kevin Schieber, Commissioner Marshall Saunders, Councilmember Patrick Meacham, Commissioner Cassie Koecher

Absent: Commissioner Sara Paul, Commissioner Dennis Johnson, Commissioner Jessica Thelander

Remote:

Others Present:

Notes:

4. PUBLIC COMMENT

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

5. AGENDA APPROVAL

a. Approve Agenda

ACTION

RESULT: Passed

MOVER: Cassie Kecher

SECONDER: Patrick Meacham

AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Cassie Kecher

ABSENT: Sara Paul

NOTES:

6. CONSENT AGENDA

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

a. Approval of June 16, 2026 EDA Meeting Minutes

ACTION

RESULT: Passed

MOVER: Cassie Kecher

SECONDER: Patrick Meacham

AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Cassie Kecher

ABSENT: Sara Paul

NOTES:

7. REPORTS

a. Chisago County HRA-EDA Update

VERBAL
UPDATE

Executive Director Nancy Hoffman presented the Chisago County HRA-EDA Update. The HRA-EDA held the County Economic Development Summit last Monday, and it was great to see several people from North Branch attend. As for the community profile survey, North Branch has received 77 responses so far, which currently places you second to last in participation. We're making it a friendly competition among the profile areas—the community with the most responses per 1,000 residents will have their profile completed first. Right now, the Center City/West Chisago City area is leading with nearly 150 responses. We still have extra marketing materials available if you'd like to help spread the word. Sarah is dropping off table toppers at Tailgaters, and if you have any upcoming community events, those are great opportunities to promote the survey and encourage participation.

The HRA-EDA is asking for your feedback through our strategic planning survey, which was sent to each community. We truly value your input because our goal is to better understand how we can best support your community.

The HRA-EDA will be holding a stakeholder meeting on August 6 at 9:30 a.m. at the library. This meeting will help identify priorities and guide our strategic planning efforts. We hope you can attend if your schedule allows.

Congratulations on the new mural—it looks fantastic, it really turned out well.

Lastly, we recently presented the Interstate Business Park to the Minnesota Real Estate Exchangers during one of their moderated site panels. Nathan Sondrol represented the project and did an excellent job answering questions. The presentation generated interest from five potential prospects, and we've

received their contact information. Nathan has already begun following up, so we're hopeful it may lead to future commercial land sales.

b. North Branch Area Chamber of Commerce Update

VERBAL
UPDATE

Community Development Director gave the North Branch Area Chamber of Commerce Update. The Fall Harvest Festival will be on September 26th from 10 a.m. to 3 p.m. at the High School. Reach out to the Chamber of Commerce if you want to be a part of it. Next month's Chamber of Commerce meeting will be at Flickabirds on August 11th.

c. North Branch Area Schools Update

VERBAL
UPDATE

Community Development Director Nate Sondrol showed a picture of what the water tower will look like once it's completed. The City is partnering with the school, so the North Branch school logo will be on one side of the water tower.

d. EDA Executive Director Update

VERBAL
UPDATE

Community Development Director Nate Sondrol gave the EDA Executive Director Update. The new mural has been completed, which turned out great, a big thank you to the Home Guys for partnering with us on the facade program, the County HRA-EDA for the grant application, and the Green Arts Council for their funding support. Valvoline, which will be located south of the Cartful building, is getting very close to starting to move dirt. The Northstar Solar Facility that is off of County Road 14 toward Lindstrom is currently doing some dirt work for their facility. The Hungry Farmer has begun their storefront facade. Jersey Mike's is currently scheduled to open on August 12th. The City has also received a building permit application for the End Zone, which will be located in the Tailgater building across the street. They will have pizza, ice cream, and a kids' game room. Beech Transport continues to make good progress on their site off of Flink Avenue.

There will be a public hearing at the Planning Commission for Accessory Dwelling Units and Design Standards. Mayor and City Council Candidate filing is open right now until August 28th. Night to Unite will be on August 4th at Central Park. The Louisiana Pacific groundbreaking was on June 23rd, which went very well. Thank you to everyone who participated. There is a lot of activity taking place on the site, a lot of dirt being moved and a lot of pipe being installed.

e. Consider Approval of Resolution R-345-2026 approving the establishment of TIF District 2026-2 and adoption of the TIF Plan ACTION

Community Development Director Nate Sondrol presented the approval of Resolution R-345-2026 approving the establishment of TIF District 2026-2 and the adoption of the TIF Plan.

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 for \$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. City staff is currently working with the developer on the Preliminary Plat, Final Plat, and Site Plan approval and associated agreements.

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. The State Statute establishes a maximum 26-year duration for an Economic Development District. EDA recommended approval of a term sheet, noting the amount and duration, and recommended creation of the TIF District to the City Council. State Statute requires the City Council to conduct all required public hearings and establish TIF Districts. 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.

Motion to approve Resolution R-345-2026 approving the establishment of TIF District 2026-2 and adoption of the TIF Plan.

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

f. 2027 EDA Budget ACTION

Community Development Director Nate Sondrol and Finance Director Sharon Wright gave an update about the 2027 EDA Budget. To provide a budget overview, the adopted 2026 budget is \$315,827 for the HRA and \$309,310 for the EDA. For 2027, the proposed budgets are \$342,726 for the HRA and \$326,081 for the EDA.

The biggest change is the removal of the transfer revenue that was included in prior years (\$185,000 in 2025 and \$135,000 in 2026). With the sale of the LP Development property, the annual transfer from the EDA will no longer be needed.

The primary budget increase is in marketing, reflecting the priority we've discussed for the coming year. Most other budget categories increase by approximately 3.5% to 5%.

The EDA Commission agrees that a joint work session with the City Council to discuss long-term plans and budget priorities should be scheduled, possibly the week of August 10th.

g. Comprehensive Plan Update

INFO

Community Development Director Nate Sondrol gave the Comprehensive Plan Update. The draft focuses on key priorities such as speed to market, strategic growth, public art partnerships, infrastructure readiness, and maintaining a business-friendly environment. If you have time to review it, we'd appreciate any feedback or suggested changes.

There will also be another opportunity to comment at the August meeting. After that, the Planning Commission will hold a public hearing on September 1, incorporating feedback from the commission and the public. Any final revisions will then be made before the document is presented to the City Council for adoption.

h. Storefront Facade Program - 6943 St Croix Trail

ACTION

Community Development Director Nate Sondrol presented the Storefront Facade Program for 6943 St. Croix Trail.

The Economic Development Authority (EDA) budget for Fiscal Year 2026 included \$75,000, allowing the EDA to establish a Storefront Rehabilitation Grant Program. The funding is intended to help incentivize façade restoration and enhancements by businesses and/or property owners that restore the “historic” existing buildings within the old downtown area. The program funding is set up as technically a 0% forgivable loan over a five (5) year term, with repayment waived 20% each year through the end of the term. At that time, the funding becomes a “grant.” Should the property change hands at any time during the five (5) year timeline, the remaining balance would be due at the time of said transaction. The property owners would be required to agree to either a mortgage or some type of loan security.

The attached policy funds, covering 50% of the improvement, cost up to \$25,000. This would allow for up to three (3) “grants.” The EDA has discretion to approve a larger funding award to a business if the project meets the program intent and also meets the program goals with the district, and also supports the vision and goals for the Central Business District / Downtown area. The program establishes guidelines and defines eligible and ineligible improvements for the funding, as well as maintenance requirements.

Funding is intended to restore the storefronts of the existing buildings to their original appearances as they existed at the time of their construction. Given the age of many of the buildings and historic photos, those storefronts included large floor-to-ceiling windows with recessed doors. Most of the buildings had brick facades.

Although the focus is on restoration of existing buildings, the guidelines can serve as guidance for new buildings and/or restoration of newer buildings. Thus, the EDA has discretion to award funding to update and upgrade non-historic buildings within the district, but are still important to fund such improvements.

There has been interest expressed in the program, and an application has been submitted by Northbrook Church for their building located at 6943 St Croix Trail. The applicant is proposing improvements to the site, including siding, paint, lighting, signage, and concrete. The proposed project is located outside the current downtown storefront facade program boundary. The proposed improvements are attached.

The EDA commission members brought up that the application has caused them to ask a lot of questions about the Storefront Facade Program, so at this point they are not prepared to say yes or no to the

application. As the current requirements stand, the application doesn't meet the terms. The Commission will have further conversations about expanding the program and what that will look like.

8. NEXT MEETING - August 18, 2026 - 330PM

9. ADJOURNMENT

Commissioner Marshall Saunders adjourned the Economic Development Authority Meeting at 5:36 PM.

RESULT: Passed

MOVER: Patrick Meacham

SECONDER: Cassie Kecher

AYES: Kevin Schieber, Marshall Saunders, Patrick Meacham, Cassie Kecher

ABSENT: Sara Paul, Dennis Johnson, Jessica Thelander

NOTES:



Prepared By: Nathan Sondrol, Community Development Director

Presenter:

Date: 08/10/2026

Board & Commission:

Subject: Chisago County HRA-EDA Update

Chisago County HRA-EDA Update

Voting Requirements:



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/10/2026

Board & Commission:

Subject: North Branch Area Chamber of Commerce Update

North Branch Area Chamber of Commerce Update

Below is a link to the January 2026 Chamber update

<https://vimeo.com/1154409513?fl=pl&fe=sh>

Voting Requirements:



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/10/2026

Board & Commission:

Subject: North Branch Area Schools Update

North Branch School Update

Voting Requirements:



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/10/2026

Board & Commission:

Subject: EDA Executive Director Update

The EDA Executive Director will provide an update at the meeting

Voting Requirements:



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/10/2026

Board & Commission: City Council

Subject: Consider Approval of Resolution R-354-2026 approving the Developers Agreement with ECE for the Essby Business Park 5th Addition

Background Info

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

The purchase agreement included the installation of streets and public and private utilities to the site. The City Council has approved and awarded the contract for the Fletcher Ave street and utility project. ECE is the electric service provider and has provided a developer's agreement for the extension of the private utilities. The cost for the extension of the private utilizes is \$182,562.00 with the costs being covered with the proceeds from the land sale.

Requested Action

Approval of Resolution XXX-26 approving the Developers Agreement with East Central Energy for the Essby Business Park 5th Addition.

Voting Requirements:

Voting Options Simple Majority Super Majority

DEVELOPERS AGREEMENT

At the request of Chisago County, EAST CENTRAL ENERGY agrees to provide an electric distribution system to the property known as

ESSBY BUSINESS PARK 5TH ADDITION

WORK ORDER # 202623459

Located in North Branch Township, Section 08

County of Chisago, under the following terms and conditions:

East Central Energy will provide electrical service to the said development after all charges have been paid, any right-of-way easements have been signed and returned and any road crossing permits that are necessary have been returned. Any payments that are made are not refundable. Location of property lines will be required to properly locate our facilities.

Break Down of Charges

- Contribution in Aid (Staking, Administration and Processing Fees)
\$2,500.00
- Three-Phase Underground Extension (Transformers)
6,780 feet @ \$17.25 per foot = \$116,955.00
- Secondary Underground Extension & street light wire 5,043 @ \$9.00 per foot =
\$45,387.00
- Permit Fees \$0.00
- Street Light Charges 13 @ \$1,200.00 = \$15,600.00
- One street light on existing pole \$300.00
- Boring Fee (road crossing) 130 feet @ \$14 per foot=\$1,820.00

TOTAL CHARGES FOR CONSTRUCTION = \$182,562.00 (WINTER FEE \$253,500.00)

East Central Energy will not energize any of our facilities in this development until the above charges are paid in full. If the above mentioned terms and conditions are agreeable, please sign, date and return this developers agreement

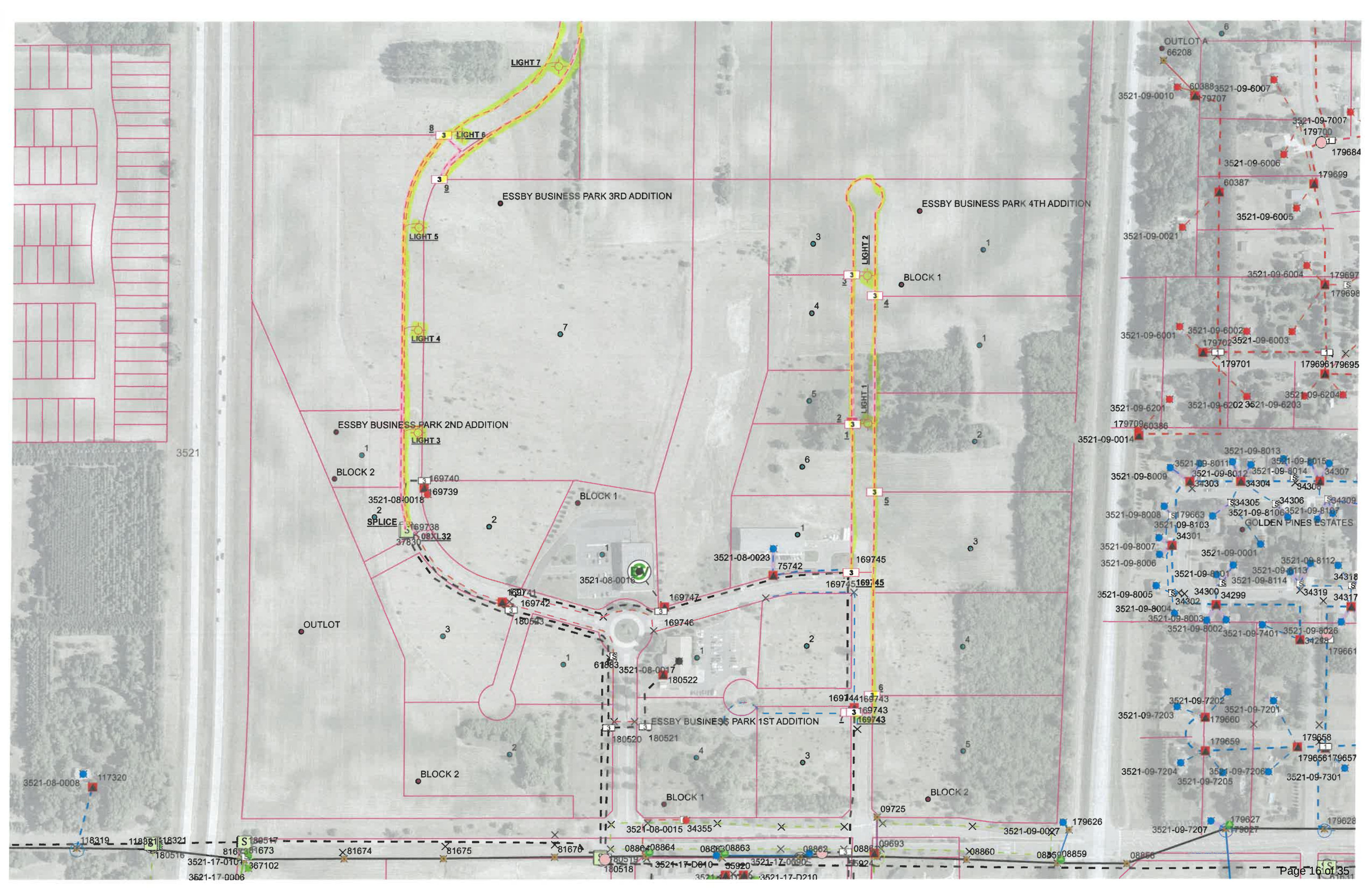
EAST CENTRAL ENERGY

Ron Johnson
Staking Engineer

DEVELOPER(S)

Date: 7/15/26

Date: _____



**NORTH BRANCH ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION R-354-2026
A RESOLUTION BY THE NORTH BRANCH ECONOMIC DEVELOPMENT
AUTHORITY APPROVING A DEVELOPMENT AGREEMENT WITH EAST
CENTRAL ENERGY (ECE) FOR ESSBY BUSINESS PAK 5TH ADDITION**

WHEREAS, the North Branch Economic Development Authority (“EDA”) is under contract to sell certain real property located at 6247 410th Street, North Branch, MN 55056 (the “Property”) to the Louisiana-Pacific Corporation, a corporation under the laws of the State of Delaware, 1610 West End Ave., Suite 200, Nashville, TN 37203, (the “Buyer”) under a certain Purchase Agreement dated December 15, 2025, and as lawfully amended; and

WHEREAS, the sale of the Property was closed and be finalized on April 21, 2026; and

WHEREAS, as part of the Purchase Agreement, the EDA has agreed to provide the electric distribution system of the private utilities to the site ; and

WHEREAS, ECE has provided a developer’s agreement to provide electric distribution for the Essby Business Park 5th Addition in the amount of \$182,562 (One Hundred Eighty-Two Thousand, Five Hundred Sixty Two dollars.).

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the North Branch Economic Development Authority that:

1. The Board of Commissioners hereby approves the development agreement with ECE for the Essby Business Park 5th Addition, as attached to this Resolution as Exhibit A, and instructs staff to implement the terms of the Agreement.

PASSED by the Board of Commissioners of the North Branch Economic Development Authority on this 18th day of August, 2026.

Chair

ATTEST

Executive Director

EXHIBIT A



Prepared By: Nathan Sondrol, Community Development Director

Presenter: Nathan Sondrol, Community Development Director

Date: 08/10/2026

Board & Commission: Economic Development Authority

Subject: 2027 EDA Budget

Background

City staff have prepared a preliminary 2027 Economic Development Authority (EDA) Operating Fund budget for EDA review and discussion. The proposed budget reflects an effort to align EDA resources with the City's Comprehensive Plan and establish a more focused, investment-oriented approach to economic development.

The attached preliminary 2027 budget is proposing a total of \$658,817 from the HRA and EDA levies representing an increase of approximately \$33,480, or 5.3%, from the 2026 budget.

The preliminary budget also includes significant changes to interfund transfers. The proposed budget removes \$135,000 in transfers in from the General Fund levy and removes \$345,000 in transfers out associated with the 2026 budget structure. The removal of the transfer out of \$345,000 is associated with the payoff of the bond and will apply for the next 6 years.

The preliminary 2027 budget is proposing revenues of \$662,417 and expenditures of \$334,014.

The EDA fund balance on 12/31/25 was \$548,534.00

Proposed 2027 Budget Modifications

Staff recommends the following modifications to the preliminary budget structure and additional considerations.

1. Increase Strategic Business Marketing – \$68,330

The proposed budget increases the Marketing line from **\$30,000 to \$68,330**, an increase of approximately **\$38,000**.

Proposed Activities include:

- Interstate Business Park marketing;

- Targeted industry recruitment;
- Site-selector outreach;
- Development-ready site marketing materials;
- Digital economic development marketing;
- Prospect identification and business recruitment;
- Trade shows and targeted business recruitment events; and

Strategic objective: Position North Branch to actively compete for new investment rather than relying primarily on passive property marketing.

2. Maintain the \$75,000 EDA Project Fund

Establish this as the primary Strategic Economic Development Investment Fund and explore potential expansion of it to include opportunities and investments outside of the storefront façade program including projects such as:

- Business Expansion or Redevelopment assistance
- Development feasibility studies
- Site-readiness activities
- Matching funds for grants;

3. Establish Business Retention & Expansion as a Core EDA Function

Dedicate funding for BRE to support:

Regular business visits; Business needs assessments; Business Appreciation events; Expansion opportunity identification; Assistance navigating City processes; Workforce connections; Coordination with regional partners; and Identification of businesses that may require financial or infrastructure assistance.

4. Create a Development Readiness Investment Category

Provide support to make development sites easier, faster and less costly to develop through the following:

Preliminary engineering; Utility capacity analysis; Environmental studies; Traffic analysis; Site feasibility studies; Development cost analysis; Grant preparation; and Infrastructure planning.

6. Develop a Workforce/Employer Partnership Fund

Build on existing strategic workforce partnerships with employers, schools and regional organizations to provide activities including:

Employer/education partnerships; Career exploration; Workforce training; Internships; Manufacturing workforce initiatives; Employer recruitment events

7. Develop Longer-Term Strategic Investment Goal

Continue planning for longer-term strategic economic development investment strategic opportunities, including:

Business recruitment incentives; Infrastructure participation; Major redevelopment projects; Business Park site preparation; Property acquisition; Matching grants; and Significant business expansion projects.

Requested Action

To Review and provide direction on the proposed 2027 preliminary EDA budget

Voting Requirements:

Voting Options **Simple Majority Super Majority**

EDA Fund

2027 Revenue and Expenditure Budget

Account Number 201	Description EDA Revenue	2024 Actual	2025 Actual (unaudited)	2026 Adopted	2026 Actual	2027 Proposed
201-00000-31010	Current Ad Valorem Taxes - HRA	\$ (284,194)	\$ (284,955)	\$ (315,827)	\$ -	\$ (332,736)
201-00000-31010	Current Ad Valorem Taxes - EDA	(278,519)	(279,256)	(309,510)	-	(326,081)
201-00000-31020	Delinquent Ad Valorem Taxes	-	-	-	-	-
201-00000-32214	Application Fees	-	-	-	-	-
201-00000-33402	Mkt Value Credit	(1,185)	(1,060)	-	-	-
201-00000-34950	Other Revenues	-	-	-	-	-
201-00000-36210	Interest Earnings	(3,936)	(11,342)	(200)	-	-
201-00000-36220	Other Rents and Royalties	(3,600)	(77,550)	(3,600)	(11,400)	(3,600)
201-00000-39203	Transfer From Other Fund	(185,000)	(185,968)	(135,000)	-	-
Total Revenue		\$ (756,434)	\$ (840,131)	\$ (764,137)	\$ (11,400)	\$ (662,417)

Account Number 201	Description EDA Expenditures	2024 Actual	2025 Actual (unaudited)	2026 Adopted	2026 Actual	2027 Proposed
201-46500-50101	Employees Wages & Salaries	\$ 57,466	\$ 76,199	\$ 95,675	\$ 27,031	\$ 99,621
201-46500-50121	PERA	3,544	5,391	7,175	2,258	7,472
201-46500-50122	FICA and Medicare	3,883	5,166	7,319	2,263	7,621
201-46500-50131	Employer Paid Health	2,680	11,799	18,325	4,606	18,276
201-46500-50137	Paid Family Medical Leave	-	-	-	106	394
201-46500-50151	Worker s Comp Insurance	-	-	750	-	-
201-46500-50210	Operating Supplies	941	126	500	-	500
201-46500-50300	Professional Srvs	52,738	-	15,000	33,773	20,000
201-46500-50301	Auditing and Acct g Services	-	847	1,054	-	-
201-46500-50303	Engineering Fees	9,199	7,400	10,000	-	10,000
201-46500-50304	Attorneys Fees	18,250	21,224	10,000	8,090	15,000
201-46500-50331	Travel Expenses	75	1,224	1,100	9	1,200
201-46500-50332	Conference & Training	20	1,415	1,700	280	6,200
201-46500-50334	Meeting Expense	307	-	-	-	500
201-46500-50343	Marketing	1,180	982	30,000	-	68,330
201-46500-50351	Legal Notices Publishing	-	56	120	57	100
201-46500-50360	Insurance	1,157	1,089	1,200	1,161	1,200
201-46500-50420	EDA Project Fund	-	18,464	75,000	3,409	75,000
201-46500-50430	Miscellaneous	-	-	-	-	-
201-46500-50433	Dues and Subscriptions	1,520	1,180	2,300	1,885	2,600
201-46500-50443	Recording Fees	-	46	-	-	-
201-46500-50455	PropTaxes/ Assessments	-	-	-	-	-
201-46500-50720	Transfer Out	341,579	345,874	345,000	-	-
Total Expenditures		\$ 494,539	\$ 498,482	\$ 622,218	\$ 84,928	\$ 334,014

HRA Ad Valorem Taxes @ 0.01850% of EMV & EDA Ad Valorem Taxes @ 0.01813% of EMV. Used EMV 1,798,572,700 from Levy Projectic
HRA Ad Valorem Taxes @ 0.01850% of EMV & EDA Ad Valorem Taxes @ 0.01813% of EMV. Used EMV 1,798,572,700 from Levy Projectic

EMV	1,798,572,700	0.01850%	332,736	HRA
		0.01813%	326,081	EDA

Farm Lease is recorded in 476.

Lamar Advertising at \$300/month and house & building lease \$5,000 a month
General Fund/EDA operations levy recorded in GF with transfer to EDA fund

Linked to Salary & Benefit spreadsheet
Linked to Salary & Benefit spreadsheet
Linked to Salary & Benefit spreadsheet
Linked to Salary & Benefit spreadsheet

Estimate based on prior year actual

See Detail
Sharon
General Engineering Services
General Legal Services
See Detail
See Detail

See Detail

Sharon

See Detail

Property taxes are paid out of fund 476
Transfer to cover debt for Business Park - fund 387, \$341,016 debt payment in 2026
-46.3%



Prepared By: Nathan Sondrol, Community Development Director

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

Date: 08/10/2026

Board & Commission: Economic Development Authority

Subject: Comprehensive Plan Update

Background Info

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

- **Section 2: Values and Vision (all groups will review this section)**
- **Section 5: Economic Development**

Below is timeline for the process:

- March 18, 2026: Landuse, Economic Development, Parks, Trails & Open Space
- April 15, 2026: Housing, Transportation, Utilities, Public Safety
- June 16, 2026, 2026: EDA Review of Plan
- July 15, 2026: Council Work Session for full review
- August 18, 2026: EDA Review of Plan
- September 1, 2026: Public Hearing
- September 8 or 22, 2026: City Council Adoption Consideration

Requested Action

To review the attached documents and provide any comments for any modifications or changes.

Voting Requirements:

Voting Options Simple Majority Super Majority

Chapter 5: Economic Development

Introduction

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

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

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

~~A strong business community is the foundation of a thriving and resilient city. Economic development is more than attracting new businesses—it is about creating an environment where businesses can invest, grow, innovate, and succeed. The City of North Branch recognizes that economic vitality supports quality public services, strengthens neighborhoods, expands employment opportunities, and enhances the overall quality of life for residents.~~

~~As the community continues to grow, North Branch is committed to maintaining a proactive, business-minded approach to economic development. The City and Economic Development Authority (EDA) are focused on reducing barriers to investment, improving speed to market, and providing a predictable and efficient development process. By being responsive, strategic, and solution-oriented, North Branch seeks to position itself as a preferred location for business expansion and new investment.~~

~~Success in economic development requires strong partnerships among the public sector, private industry, educational institutions, utilities, developers, and regional organizations. North Branch welcomes these partnerships and recognizes that collaboration is essential to achieving sustainable economic growth and creating opportunities for current and future generations.~~

~~To guide these efforts, the North Branch Economic Development Authority has identifies key priorities for the next three to five years. These priorities are intended to strengthen the community's competitive position, support business growth, and ensure long-term economic prosperity:~~

- ~~• Business growth, including continued land sales, redevelopment, and investment attraction~~

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- Transportation improvements and infrastructure investment
- Community development and quality-of-life enhancements
- Housing opportunities that support workforce and community needs through all phases of life

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Inventory and Analysis

Existing Characteristics of the Economy

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

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

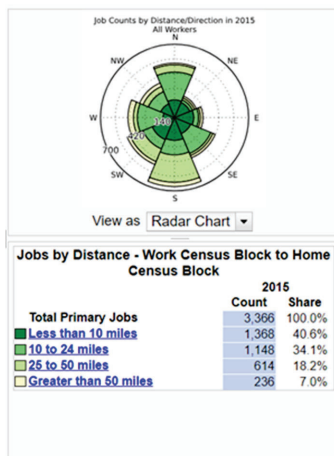
Table 5 – _____ Business and Employment Statistics

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

Commuting

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

Figure 5-1 Commute Distances



Finance Tools

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

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

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

Tax Increment Financing

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

Tax Abatement

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

Special Assessments

Public improvements are often financed using the power to levy special assessments (Minnesota Statutes Chapter 429). A special assessment is a means for benefiting properties to pay for all or part of the costs associated with improvements, and to spread

the impact over a period of years. This tool can be applied to both the construction of new improvements and the rehabilitation of existing improvements.

Grant Programs

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

Vision for Economic Development

The City of North Branch will foster a thriving and resilient economy by supporting strategic business growth, investment, and innovation while preserving the community's high quality of life. Through strong partnerships, infrastructure readiness, efficient development processes, and a customer-focused approach, North Branch will position itself as a preferred destination for business expansion, entrepreneurship, workforce development, and long-term economic prosperity. The City of North Branch will remain focused on retaining a high quality of life, while at the same time working to encourage and facilitate job growth in its commercial and industrial sectors.

Goals, Objectives, and Policies

The following goals, objectives, and policies provide a framework to guide economic development decisions and investments throughout the planning period. Together, they are intended to support a business-friendly environment, enhance economic competitiveness, encourage strategic growth, and advance the community vision outlined in this Comprehensive Plan. The following section outlines the primary goals for economic development, followed by a series of objectives and policies intended to influence future economic development efforts that align with the community visions in this plan.

GOAL 1: Encourage economic growth to meet the demand for commercial and industrial development. Promote Strategic Economic Growth and Investment

Objective 1.1: Develop the Interstate Business Park as a premier regional employment center.

Policy 1.1.1: Market North Branch's strategic location along Interstate 35, and available infrastructure, and development-ready sites to targeted industries and site selectors. Strive

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

~~Policy 1.1.2: Actively target companies, both large and small, that offer good employment prospects, draw from the local labor pool, and are good corporate citizens. Recruit businesses that provide quality employment opportunities, strengthen the tax base, diversify the local economy, and demonstrate a commitment to community stewardship.~~

~~Policy 1.1.3: Coordinate housing, transportation, utility, and workforce initiatives that support business growth and employee attraction. Work to maintain a labor force in the immediate area that supports the growth of business and industry in the Interstate Business Park, including but not limited to expanding the inventory of affordable housing, providing transportation alternatives and encouraging expansion of services.~~

~~Policy 1.1.4: Continue to pursue rail-served development opportunities and coordinate with regional partners to evaluate expansion of rail infrastructure serving the Interstate Business Park. Coordinate with stakeholders and regional partners to identify users of rail and support development of rail spur adjacent to the Interstate Business Park.~~

~~Policy 1.1.5: Ensure public infrastructure investments are strategically aligned with economic development opportunities and maximize return on investment.~~

~~Objective 1.2: Strengthen and rRevitalize the historic downtown areas of North Branch.~~

~~Policy 1.2.1: Support reinvestment, redevelopment, adaptive reuse, and occupancy of vacant or underutilized properties. Address unique development challenges including the reuse and redevelopment of vacant buildings in the historic downtown areas.~~

~~Policy 1.2.2: Enhance downtown accessibility, walkability, parking availability, wayfinding, and public spaces to support business activity. Explore and implement plans to enhance pedestrian friendly features, promote available parking, and collaborate with Minnesota Department of Transportation to establish safe pedestrian crossings at intersections within the downtown area.~~

~~Policy 1.2.3: Promote downtown as a destination for local businesses, dining, services, events, and community gathering spaces.~~

GOAL 2: Balance the use of undeveloped land and infill development throughout the City. Create a Predictable and Business-Friendly Development Environment

~~Objective 2.1: Improve development readiness and speed to market. Continue and expand redevelopment efforts.~~

~~Policy 2.1.1: Maintain efficient, transparent, and predictable development review processes that provide certainty for businesses and developers. Foster private investment and economic activity without compromising community objectives to maintain and enhance North Branch's natural environment.~~

~~Policy 2.1.2: Regularly evaluate ordinances, policies, and procedures to identify~~

Adopted October 23, 2018

~~opportunities to remove unnecessary barriers to investment while maintaining community standards. Promote the areas north of TH95 as being designated for Opportunity Zone tax treatment to further enhance private investment in those areas.~~

~~Policy 2.1.3: Utilize technology, project management tools, development guides, and standardized review processes to improve customer service and responsiveness.~~

~~Policy 2.1.4: Coordinate development review across City departments to reduce timelines and improve communication with applicants.~~

~~Policy 2.1.5: Maintain an inventory of development-ready sites and proactively address infrastructure constraints that may delay investment.~~

~~GOAL 3: Support Existing Businesses and Foster New Opportunities Enhance North Branch's reputation as a resource to new and expanding businesses.~~

~~Objective 3.1: Retain, expand, and attract businesses that contribute to the long-term economic vitality of North Branch Retain, expand and attract and support local business and industry.~~

~~Policy 3.1.1: Prioritize business retention and expansion outreach efforts to identify opportunities, challenges, and emerging business needs. Set attracting new, and retention of existing, businesses and industries as a priority of the City's economic development plan.~~

~~Policy 3.1.2: Work collaboratively with businesses to identify and address barriers to expansion, redevelopment, and workforce recruitment. Continue outreach by City Staff and Elected Officials whereby the City representatives meet periodically on an individual basis with businesses and industries to listen to concerns and discuss opportunities for success. During these meetings, identify any perceived or real barriers or obstacles (such as overly restrictive ordinances) that the City could potentially remove or minimize to help industries and businesses prosper, while still protecting the overall health, safety and welfare of the community.~~

~~Policy 3.1.3: Coordinate with regional organizations, the North Branch School District, higher education institutions, and others in their efforts to promote training opportunities that can help businesses and industries prosper. If appropriate, co-sponsor and/or offer City facilities and/or meeting space for employee training programs.~~

~~Policy 3.1.4: Promote North Branch's quality of life, workforce, transportation access, and business-friendly environment as competitive advantages. Continue to promote North Branch's high quality of life as a means to help attract new businesses and industries.~~

Adopted October 23, 2018

Policy 3.1.5: Periodically evaluate and promote economic development tools and incentives that encourage investment and redevelopment.~~Continue to work with local businesses and industries to ensure needs for expansion and development are adequately met.~~

Policy 3.1.6: Utilize data, market analysis, and business feedback to guide economic development priorities and investments.~~Pursue ways to streamline the development approval process while still maintaining high quality development standards, by using consistent work flow practices, checklists, and hosting developer information sessions regularly.~~

Policy 3.1.7: Periodically review and promote economic development incentive programs such as Tax Increment Financing (TIF), Tax Abatement, utility energy and water efficiency design and improvement programs, county and state waste and pollution prevention assistance and other regional, state and national loan, grant and incentive programs to support business growth and development.

GOAL 4: Leverage Partnerships to Advance Economic Development

Objective 4.1: Strengthen collaboration among public, private, educational, and regional partners.

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Policy 4.1.1: Coordinate with regional economic development organizations, utilities, educational institutions, and workforce agencies to support business growth.

Policy 4.1.2: Pursue grant funding, infrastructure partnerships, and collaborative initiatives that advance economic development objectives.

Policy 4.1.3: Support workforce development programs that align educational opportunities with employer needs.

Policy 4.1.4: Foster strong working relationships with developers, property owners, investors, and community organizations to facilitate successful projects.

GOAL 5: Support Growth that Enhances Community Quality of Life

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Objective 5.1: Balance economic growth with community character, environmental stewardship, and fiscal sustainability.

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Policy 5.1.1: Encourage development patterns that efficiently utilize public infrastructure and services.

Policy 5.1.2: Support housing opportunities that meet workforce and market demands.

Adopted October 23, 2018

Policy 5.1.3: Promote investment that strengthens the City's tax base and enhances the quality of life for residents.

Policy 5.1.4: Encourage redevelopment and infill opportunities that make efficient use of land and existing infrastructure.
