

**Vergas EDA/HRA
Government Services Center & Zoom
5:30 PM on Wednesday, April 1st, 2026**

EDA/HRA Mission: Retain and promote business in our community, adding housing so that we prosper and increase our tax base, keeping Vergas a vital community.

The City of Vergas Economic Development Authority (EDA) and Housing Redevelopment Authority (HRA) met on Wednesday, April 1st, 2026, at 5:30 PM in a hybrid meeting at the Vergas Government Services building and on Zoom.

2026	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Bruce Albright, President/Council Liaison	A	P/P	P	P								
Paul Sonnenberg, Member	P	P/A	P	P								
Kevin Zitzow, Member	P	P/P	A	P								
Jennifer Carlson, Member	A	A/P	P	P								
Vanessa Perry, Member	P	P/P	P	P								
Julie Lammers, City Clerk-Treasurer	P	P/P	P	P								

P: Present. A: Absent N/A: No meeting

Present via Zoom: Editor Bob Williams of the Frazee-Vergas Forum.

Present in person: CEDA Representative Kaite Gehring

Call to Order

The meeting was called to order by Albright at 5:30 PM.

Agenda Additions and Deletions

Gehring indicated they would discuss a new grant opportunity and updated floor plans for the daycare project. No formal changes were made to the agenda.

Status of Recommendations to City Council

None.

Minutes

Lammers noted that minutes were not available due to updates received from a loss control meeting she attended that day. The minutes for March 18, 2026, will be presented at the next meeting.

Financial Update

2026 Income and Expenses

Lammers reported that the EDA sold the property at 419 Dianne Avenue, which cost the EDA \$685.10 due to assessments that had to be paid from the proceeds. The EDA also paid Keystone their grant portion. Otherwise, there were no changes since the previous month.

Motion by Carlson, seconded by Sonnenberg, to approve the financial report as presented. The motion passed unanimously.

CEDA Representative Katie Gehring

Grant Applications

Gehring announced a new grant opportunity through the Department of Children, Youth, and Families with a May 18th deadline. The grant offers up to \$500,000 but requires a 1:1 match, with a completion deadline of 2029. This grant is specifically for construction or renovation of early childcare facilities and differs from their DEED application. The board discussed funding options for the required match, including potential bonds through the city's bonding authority or short-term loans from Vergas State Bank. Lammers explained that the city has bonding capability as long as they can prove ability to repay. The board considered using the \$150,000 from Alliance as part of the match and obtaining additional pledges from community organizations like the Lions Club. Gehring mentioned there would be a Zoom conference on April 15th to answer questions about the grant application. The board decided to pursue letters of commitment from local organizations to demonstrate matching funds.

Motion by Zitzow, seconded by Perry, to give Gehring and Lammers approval to move forward with applying for the grant. The motion passed unanimously.

First Children's Finance Update

This item was not discussed in detail during the meeting.

Daycare

Goals

The board continued working toward establishing a daycare facility to serve the community's needs.

Opportunity

A. Build

Gehring reported on a meeting with Dynamic Homes to discuss modifications to previous floor plans. The revised plans included several changes: adding an island in the kitchen instead of a peninsula, including space for an upright freezer, converting the second bathroom into a pantry with crawl space access, and moving the washer and dryer to a hallway closet. Albright suggested taking the plans to local stick builders like Refined Homes and Franklin Construction for competitive bids once Dynamic provides their updated pricing. Perry raised concerns about Dynamic's previous statement that their bid represented only 60% of the project completion, questioning the true cost implications when adding the remaining 40% of work needed. The board agreed to wait for Dynamic's updated pricing before making decisions about proceeding with modular versus stick-built construction. They planned to schedule a special meeting once pricing is received.

B. Purchase and remodel

This option was not discussed during the meeting.

C. Funding

Gehring presented marketing materials for community outreach and fundraising. The board discussed whether to send letters to potential business donors or focus on in-person meetings for larger contributions. The consensus was that major donors would need personal visits rather than just letter campaigns. The board reviewed donation tier structures on the marketing flyer, considering options like \$100-\$5,000, \$5,000-\$10,000, \$10,000-\$25,000, and \$25,000+ categories. Discussion included operational considerations such as property taxes (which would apply since the facility would be rented), insurance costs for rental properties, and rental rates. Zitzow questioned whether the proposed \$750 per unit rental rate would be sufficient to cover expenses including property taxes, insurance, snow removal, and lawn care.

Annual Meeting

The board discussed preparations for the annual meeting scheduled for April 29th. They reviewed potential speakers including a retired chamber president from Fargo and a business consultant named Carrie. Lammers also mentioned the possibility of having Carlson from Minnesota SBDC speak about the Minnesota Paid Leave Act, which would provide valuable information to local businesses at no cost. The board decided to include the daycare project flyer with annual meeting invitations to increase awareness and potentially boost attendance. They discussed printing arrangements and formatting for the invitations.

Adjournment

Motion by Perry, seconded by Carlson, to adjourn the meeting at 6:07 PM. The motion passed unanimously.

Council Recommendations

None.

Follow Up Actions

- Gehring: Apply for the Department of Children, Youth, and Families grant (due May 18th), in coordination with Lammers, including determining the specific ask amount and securing necessary match/pledges.
- Lammers: Contact the Lions (and potentially other community organizations) to request a letter of support or pledge for the grant match.
- Lammers: Run the bonding/loan approach by Vergas State Bank to confirm city's ability to secure a bond or short-term loan for the grant match.
- Gehring: Get a revised quote from Dynamic Homes based on the discussed floor plan modifications and email it to the group.
- Group: Schedule and hold a special meeting after receiving the new Dynamic Homes quote to decide between Dynamic and stick-built options before the annual meeting.
- Julie/Gehring: Prepare marketing/fundraising materials (flyer/letter) for the annual meeting, but wait to send until after the decision on construction method (Dynamic vs stick-built).
- Gehring: Send the latest version of the marketing materials/flyer to the group for review before posting to the website.

- Lammers: Post the finalized marketing materials/flyer to the EDA HRA website after group review.
- Group: Decide on tiers for donor recognition and confirm with Katie for inclusion in marketing materials.
- Gehring: Get a quote from local printers (or determine in-house printing needs) for producing enough copies of the flyer for the annual meeting.
- Group: Invite and confirm speakers (e.g., retired Fargo Chamber president, Carrie Haverkamp, or SBDC representative) for the annual meeting, with follow-up by Vanessa.
- Gehring: Keep the group posted on speaker confirmations for the annual meeting.
- Lammers: Meet with Sherri Hanson before the annual meeting to coordinate her update presentation.
- Lammers: Send out invitations for the annual meeting, potentially in coordination with the community club for broader distribution.
- Lammers: Double check state law regarding EDA HRA procurement/bidding requirements and share findings with the group.

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