Vergas EDA/HRA
Government Services Center & Zoom
5:30 PM on Wednesday, September 2nd, 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, September 2nd, 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	P	P	P	N/A	P			
Paul Sonnenberg, Member	P	P/A	P	P	P	P	P	N/A	P			
Kevin Zitzow, Member	P	P/P	A	P	P	P	P	N/A	P			
Jennifer Carlson, Member	A	A/P	P	P	P	P	P	N/A	P			
Vanessa Perry, Member	P	P/P	P	P	P	P	A	N/A	P			
Julie Lammers, City Clerk-Treasurer	P	P/P	P	P	A	P	P	N/A	P			

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

Present in person: CEDA Representative Kaite Gehring.
Present via Zoom: Editor Bob Williams of the Frazee-Vergas Forum.

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

Agenda Additions and Deletions
Lammers requested two modifications to the agenda: the addition of the CEDA contract as a discussion item, and the movement of 220 Eva Street to the last position on the agenda.

Motion by Sonnenberg, seconded by Perry, to approve the agenda as amended. The motion passed unanimously.

Minutes
Motion by Sonnenberg, seconded by Zitzow, to approve the minutes from July 15, 2026. The motion passed unanimously.

Financial Update
2026 Income and Expenses
Lammers presented the financial report, drawing the Board's attention to the current checking account balance of $10,964 after committed expenditures. She noted that this figure is critical context for items to be discussed later in the meeting.

Lammers advised the Board that she had an upcoming budget meeting the following morning and needed direction on what amount to request from the City Council for the EDA/HRA. In prior years, the City had transferred $5,000 toward general EDA/HRA operations and $5,000 toward the CEDA employee contract, for a total of $10,000. However, the CEDA contract costs $16,000 annually, with the remainder drawn from the EDA/HRA account. Given the current low balance, Lammers recommended the Board request an increase to $15,000 total — $10,000 for general operations and $5,000 for CEDA — from the City Council.

Gehring noted that she and Lammers had also applied for a $5,000 annual League of Minnesota Cities grant, which could help supplement funds. Albright expressed support for the request, noting the active role the EDA/HRA has played in community development. It was noted that the City's preliminary budget must be set in September and cannot increase in December, making it important to include the full request at this stage.

Motion by Zitzow, seconded by Perry, to request $15,000 from the City Council for the EDA/HRA budget — $10,000 for general operations and $5,000 toward the CEDA contract. The motion passed unanimously.

Motion by Perry, seconded by Carlson, to approve the Treasurer's Report. The motion passed unanimously.

CEDA Representative Katie Gehring
First Children's Finance Update
Gehring reported that the full First Children's Finance committee had not met since June, as many members had not responded to scheduling polls over the summer. The committee has restructured into three project subgroups — Facility, Workforce Development, and Provider Support — and a kickoff for these group meetings is anticipated for mid-to-late September.

Gehring noted that the contracted facilitation period with the consultant runs through October 30, and the consultant has agreed to remain flexible given the delays. She indicated there are still a handful of committee members who have not indicated which subgroup they wish to join, and she intends to follow up with them.

Lammers raised an important procedural note: the City Attorney had flagged that, because these committees operate under the City, all meetings must be open to the public and cannot be conducted via email. Gehring clarified that the email communication had only been used to gather interest from members, and that all actual meetings are conducted virtually and open to the public.

Growing Up Vergas

Gehring reported that the Board had applied for a $5,000 League of Minnesota Cities grant in support of the Growing Up Vergas initiative. Lammers explained that because this grant can only be awarded to the City, a resolution with specific league-required wording was needed. The Board was asked to recommend that the City Council approve the updated resolution.

Motion by Sonnenberg, seconded by Zitzow, to recommend City Council approval of the updated League of Minnesota Cities grant resolution. The motion passed unanimously.

Gehring also informed the Board of a newly available grant opportunity: the Laura Jane Mustard Fund, a rural initiatives program offering up to $25,000 with no matching requirement. She noted that The Bridge Center in Pelican Rapids was a prior recipient, suggesting alignment with the Growing Up Vergas project. The application window is open for one month.

Motion by Zitzow, seconded by Carlson, to authorize application for the Laura Jane Mustard Fund grant of $25,000. The motion passed unanimously.

Regarding the DEED grant previously applied for in the amount of $200,000, Gehring reported that DEED received additional appropriations of approximately $1.5 million and has decided to proceed with current applicants under the existing process while releasing a new RFP for the additional funds. The Board was advised to await the new RFP.

Discussion turned to the status of construction bids received for the Growing Up Vergas facility, and concern was raised about whether those bids remain valid given the passage of time. Member Gehring noted that material costs had been flagged as rising, and the Chair acknowledged that formal public bidding would ultimately be required. There was general agreement that acquiring the lot outright — rather than maintaining the purchase agreement — would strengthen future grant applications, as many funders prioritize projects that have already secured property. Total pledges toward the project currently stand at $34,060. Lammers noted this amount would cover the cost of the lot. The Board discussed whether to exercise the purchase agreement or seek another extension, with the Chair noting he had recently spoken with a potential donor and was continuing to pursue pledges. A decision on the lot purchase is anticipated at the next meeting.

CEDA Contract

Lammers advised that the previous CEDA representative, Jordan Grossman, had indicated the contract renewal for the following year may include a 1–2% increase but nothing beyond that. The Board discussed the value of continuing the CEDA relationship, particularly in the context of grant writing support for the Growing Up Vergas project. Perry noted that without CEDA's assistance, the volume of grant work would not be feasible. Albright expressed that the contract continuation aligns with the community's growth trajectory. General consensus favored renewing the contract, with formal action to be taken at the October meeting when the contract is expected to be presented.

West Central MN Small Business Development Center

Training Menu

Lammers presented a training menu recently received from the West Central Minnesota Small Business Development Center and asked the Board for direction on how to promote it. Albright suggested it be posted on the City's website with a brief notice encouraging interested businesses to contact the City Office.

Perry offered feedback that prior training sessions had been most relevant to newer businesses, and that longer-established Vergas businesses might benefit more from sessions tailored to experienced operators — noting the Center does offer such a workshop. She also raised interest in programming related to emerging topics such as artificial intelligence, including both its potential benefits and risks for small businesses. There was broad agreement that forward-looking subject matter would be more valuable to the existing business community. The Board agreed to post the training information on the City's website.

Housing Study

Lammers brought to the Board's attention that the current housing study is more than five years old, having been completed around June 30, 2020, and asked whether the Board wished to commission a new one. Discussion reflected some dissatisfaction with the cost and quality of the previous study, with Lammers noting she had performed a significant portion of the data-entry work herself. It was suggested that if a new study were pursued, it would be done through a different vendor such as West Central Initiative or CEDA, and that county matching grant funds may be available to offset costs.

The Board did not reach a definitive conclusion, with members questioning whether an updated study would materially change the Board's direction, particularly given the current lack of available land for development. Gehring noted that Otter Tail County has expressed interest in facilitating housing summits in local communities, which could serve as an alternative or complementary approach. No formal action was taken; the matter was left for further consideration.

220 Eva St
Lammers informed the Board that the buyers who had previously entered into a contract for deed on 220 Eva Street had withdrawn, and the sale did not proceed. As a result, the property remains under EDA/HRA ownership. Lammers indicated there is a new potential purchase agreement to discuss, and requested the meeting be closed to address it.

Motion by Sonnenberg, seconded by Carlson, to close the meeting pursuant to Minnesota Statutes § 13D.05, subdivision 3(b), to discuss nonpublic appraisal and negotiation data related to the proposed sale of city-owned property, as authorized by Minnesota Statutes § 13.44.

The motion passed unanimously.

Motion by Carlson, seconded by Zitzow, to reopen the meeting at 6:22 PM. The motion passed unanimously.

Motion by Carlson, seconded by Zitzow, to make a counteroffer on 220 Eva St. for the amount discussed in the closed meeting. The motion passed unanimously.

Adjournment
Motion by Perry, seconded by Carlson, to adjourn the meeting at 6:25 PM. The motion passed unanimously.

Council Recommendations

- Recommend City Council approval of the updated League of Minnesota Cities grant resolution.

Follow Up Actions

- Gehring: Follow up with committee members who haven't decided which project area (facility, workforce development, provider support) they want to help with for the First Children's Finance project.
- Gehring: Apply for the Laura Jane Mustard Fund rural initiatives grant ($25,000) this month.
- Gehring: Present at Lake Region for a $25,000 funding ask by the next meeting.
- Lammers: Put the West Central Minnesota Small Business Development Center training poster on the City's website with a notice for businesses.