

**Vergas EDA/HRA
EDA/HRA Meeting
Government Services Center & Zoom Id 267-094-2170 password 56587
5:30 PM on Wednesday, February 4, 2026**

- 1. Call to Order**
- 2. Agenda Additions and Deletions**
- 3. Status of Recommendations to City Council**
 - A. Resolution
- 4. Minutes**
 - A. January 7, 2026
- 5. Financial Update**
 - A. 2026 Income and Expenses
- 6. CEDA Representative Katie Gehring**
 - A. Grant Applications
 - B. First Children's Finance Update
 - C. Daycare Tours
 - D. Building Plans Child Care
- 7. Adjournment**

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4. Status of Recommendations to City Council

A. Resolution

Files Attached

- 2026-001 Resolution supporting the Vergas EDA.HRA in pursuing housing and daycare purposes and forgiving water, sewer accessibility fees, and conditional use fees.pdf

CITY OF VERGAS
COUNTY OF OTTER TAIL
STATE OF MINNESOTA
RESOLUTION 2026-001

A RESOLUTION SUPPORTING THE VERGAS EDA/HRA IN PURSUING HOUSING FOR DAYCARE PURPOSES AND FORGIVING WATER, SEWER ACCESSIBILITY FEES, AND CONDITIONAL USE FEES

WHEREAS, the City of Vergas recognizes the essential role that accessible and affordable daycare plays in supporting the community's families, workforce, and overall economic vitality; and

WHEREAS, the City also acknowledges the need for adequate and diversified housing options to support local growth and ensure that residents and families have opportunities to live and work in Vergas; and

WHEREAS, the Vergas Economic Development Authority (EDA) and Housing and Redevelopment Authority (HRA) have expressed interest in pursuing a housing project that could incorporate or support daycare facilities, thereby addressing two key community needs; and

WHEREAS, the City Council finds that providing support for the EDA/HRA's efforts aligns with the City's long-term development goals and comprehensive plan objectives; and

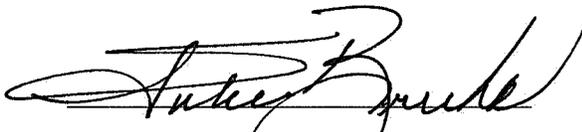
WHEREAS, the City Council further recognizes that the costs associated with water and sewer accessibility fees and conditional use permit fees present a potential barrier to such beneficial community projects;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERGAS, MINNESOTA:

1. The City of Vergas hereby expresses its full support for the Vergas EDA/HRA in the pursuit and development of housing project that incorporate or enable daycare facilities.
2. The City Council authorizes the forgiveness of the applicable **water and sewer accessibility fees** and **conditional use permit fee** associated with these EDA/HRA-led daycare housing projects.
3. The City Council directs City staff to coordinate with the EDA/HRA to ensure proper documentation and compliance with all applicable codes, with the understanding that the fee forgiveness applies solely to EDA/HRA-sponsored projects that include or support daycare use.
4. This resolution shall take effect immediately upon its adoption.

Adopted on the 20th day of January 2026 by the City Council of the City of Vergas.

CITY OF VERGAS



By: Julie Bruhn, Mayor

ATTEST:



By: Julie Lammers, City Clerk-Treasurer

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6. Minutes

A. January 7, 2026

Files Attached

- 1.7.26 EDA.HRA Minutes.pdf

**Vergas EDA/HRA
Government Services Center & Zoom
5:30 PM on Wednesday, January 7th, 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, January 7th, 2026, at 5:30 pm in a hybrid meeting at the Vergas Government Services building and on Zoom.

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Bruce Albright, President/Council Liaison	A											
Paul Sonnenberg, Member	P											
Kevin Zitzow, Member	P											
Jennifer Carlson, Member	A											
Vanessa Perry, Member	P											
Julie Lammers, City Clerk-Treasurer	P											

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

Also present: Editor Bob Williams of the Frazee-Vergas Forum, CEDA Representative Kaite Gehring and Council Representative Julie Bruhn.

Call to Order

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

Positions

President

Motion by Perry, seconded by Sonnenberg, to elect Albright as President. The motion passed unanimously.

Vice President

Motion by Perry, seconded by Zitzow, to elect Sonnenberg as Vice President. The motion passed unanimously.

Secretary-Treasurer

Motion by Sonnenberg, seconded by Zitzow, to elect Lammers as Secretary-Treasurer. The motion passed unanimously.

Assistant Treasurer

Motion by Sonnenberg, seconded by Zitzow, to elect Perry as Assistant Treasurer. The motion passed unanimously.

Board Members (2)

Carlson and Kevin Zitzow were designated as board members.

Agenda Additions and Deletions

Motion by Perry, seconded by Bruhn, to approve the agenda as presented. The motion passed unanimously.

Sonnenberg took over leading the meeting.

Status of Recommendations to City Council

None.

Set Time and Dates of 2026 Meetings

Motion by Zitzow, seconded by Perry to hold the meetings on the first Wednesday of each month at 5:30 PM. The motion passed unanimously.

Minutes

Motion by Perry, seconded by Bruhn, to approve the minutes from December 4, 2025. The motion passed unanimously.

Financial Update

2025 Income and Expenses

Lammers presented the financial update for 2025. She reported that the EDA had put \$1,000 earnest money down on the property they were purchasing for a daycare. The Veterans Memorial had three expenses added: Fergus Falls Monument, Lyle Krieg, and John Lotzer, with that money coming from their account in the Initiative, resulting in a balance of zero. The EDA ended the year with \$49,164, which includes \$14,000 in grant money available for applicants. Lammers noted they actually have \$15,000 more than that because three recipients haven't finished their projects and provided documentation for payment of the \$5,000 grants. She mentioned that current grants would only go through June, and the board would need to discuss in February or March whether to request another \$25,000 from the county and find someone to provide the matching \$25,000 if they decide to continue the program.

Motion by Perry, seconded by Zitzow, to accept the financial update. The motion passed unanimously.

2026 Income and Expenses

For 2026, Lammers reported that the city had transferred \$5,000 for the annual amount plus \$5,000 for a CEDA employee. She noted this funding was only guaranteed for two years (2025 and 2026), so they would need to request it again or decide their direction for 2027. The first quarter payment of \$4,100 for 2026 has been made, with no other expenses since the beginning of the year.

Motion by Perry, seconded by Zitzow, to accept the financial update. The motion passed unanimously.

CEDA Representative Jordan Grossman

Child Care

Lammers explained that Jordan Grossman was unable to attend and had sent a letter introducing Katie Gehring, the new CEDA representative. The board discussed at length their ongoing daycare initiative:

The EDA has been working to address the significant daycare shortage in Vergas. After exploring various options including churches and the event center without success, they identified a vacant lot next to Jesus Little Lambs as the best location. They now have a purchase agreement with \$1,000 down on the lot.

For building options, they've been researching different approaches:

- Otter Tail has a daycare facility built by Hammers Construction that cost \$400,000 two years ago, consisting of a duplex divided into four units with each able to accommodate 48 children
- New York Mills repurposed an Otter Tail County building
- Parkers Prairie used Dynamic Homes for their daycare

The EDA has received a quote from Dynamic Homes for \$171,694, which comes to approximately \$201,000 with upgrades and delivery fees for a single unit. A duplex option would cost around \$400,000.

The board discussed potential funding sources:

- A Lions grant of up to \$150,000 (matching grant)
- A Minnesota childcare grant that should be opening soon
- Potential 5-10% matching funds from Otter Tail County

The board decided to:

1. Request a resolution of support from the City Council
2. Have the entire board involved in the daycare planning rather than forming a separate committee
3. Visit Dynamic Homes and existing daycare facilities in Perham and Otter Tail to gather more information before deciding on building options

Zitzow raised concerns about ensuring city council support, long-term financial planning, and how the EDA would repay any bonds if rental income was insufficient. Lammers clarified that she would request a resolution from the council that would include waiving the conditional use permit fee and the WAC and SAC fees for the project.

Motion by Zitzow, seconded by Perry, for Julie to request a resolution of support from the City Council, waiving the WAC and SAC fees and the conditional use permit fee for the daycare project. The motion passed unanimously.

The board discussed the logistics of the potential facility, including:

- The lot size (100 ft × 165 ft, approximately 16,500 square feet)
- Building layout options that would work for daycare requirements but could also serve as senior housing in the future if needed
- Minnesota requirements for daycare facilities (35 square feet per child for indoor space and 50 square feet of usable outdoor space per child)
- Operational models, including potential partnerships with Mahube or Otter Tail County for staffing and licensing support

Vergas EDA Community Rehab Grant

No applicants.

Adjournment

Motion by Perry, seconded by Zitzow, to adjourn the meeting at 6:35 PM. The motion passed unanimously.

Recorded by Rachel Nustad (assisted by ClerkMinutes)

Julie Lammers, CMC

City Clerk-Treasurer

City of Vergas

Council Recommendations

- Request a resolution of support from the City Council, waiving the WAC and SAC fees and the conditional use permit fee for the daycare project.

Follow Up Actions

- Lammers: Put together a resolution for City Council support, requesting waiver of conditional use fee and WAC/SAC fees for the daycare project, and present it to the Council for approval.
- Contact the cities of Perham and Ottertail to set up tours of their daycare facilities for EDA board members, targeting dates in late January (e.g., 27th, 28th, or 29th), and coordinate with board for availability.
- Work with Dynamic Homes to obtain a different (duplex) layout and updated pricing for the daycare building, addressing concerns about building width, layout, and materials.
- Call a special meeting of the full board as soon as the relevant daycare grant opens to prepare and finalize the grant application.
- Check lot dimensions and parking/green space requirements for the proposed daycare site and report back to the board.
- Follow up with First Children's Finance and ensure all relevant board members receive necessary emails and information regarding the daycare grant and committee work.
- Gehring: Continue to monitor the status of the Minnesota Child Care Grant and notify the board immediately when it opens for application.
- Albright and Perry: Update the full board on findings and progress from related committee meetings regarding daycare project planning and financials.

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7. Financial Update

A. 2026 Income and Expenses

Files Attached

- 2026 EDA_HRA Revenue and Disbursements.pdf

Beginning Checking Balance			\$18,073.07
Revenue:			
	Vergas General Fund Transfer	5,000.00	
	City of Vergas- CEDA Employee	5,000.00	
Total Revenue			<u>\$10,000.00</u>
Expenses:			
	CEDA	Employee	4,100.00
Total Expenses:			<u>\$4,100.00</u>
Balance of Checking Account as of 12/31/2025			<u>\$23,973.07</u>
Savings Account			
	* West Central Initiative	16,578.10	
Grant Balance		14,512.91	
	Total in HRA/EDA Account		<u>\$55,064.08</u>
Veteran's Memorial			
Income			
	West Central Initiative		
	West Central Initiative		
			0.00
Expenses			
			0.00
			<u>0.00</u>
Balance of Veteran's Memorial Account			<u>\$0.00</u>
Pickle Ball			
Income	West Central Initiative		
Expense			
Balance of Account			<u>\$0.00</u>
Grant	Beginning Balance		\$50,000.00
Distributions	Cutting Edge	762.09	
	Summers Construction	4,725.00	
	Wild Fire Furs	5,000.00	
	Billy's Corner Bar	5,000.00	
	Crossroads	5,000.00	
	American Beauty	5,000.00	10/01/25 Approved not distributed
	Elm Street Boutique	5,000.00	10/01/25 Approved not distributed
	Keystone	5,000.00	12/04/2025 Approved not distributed
	Total		<u>\$35,487.09</u>
	Balance of Grant Funds		<u>\$14,512.91</u>

City of Vergas budgeted \$5,000.00 for 2024 EDA/HRA transfer.

City committed \$10,000 for CEDA employee - \$5,000 in 2025 and \$5,000 in 2025.

City of Vergas budgeted \$5,000.00 for 2025 EDA/HRA transfer.

City of Vergas budgeted \$5,000.00 for 2026 EDA/HRA transfer.

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8. CEDA Representative Katie Gehring

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Files Attached

- CCH – Community Project Plan - City of Vergas MN.pdf
- CityofVergasQ10016 (1).pdf
- FCF Process.pdf
- Q10016-Model (1).pdf



Date: January 2026

To: Jordan Grossman / Katie Gehring – City of Vergas, MN

Subject: Final Engagement Packet – Child Care House Deployment

Thank you for your commitment to exploring the Child Care House model for your community. We appreciate the time, effort, and collaboration that have brought us to this point. This packet confirms the complete scope, investment, and timeline for the project and is intended as the final step before initiating work.

This packet includes:

1. **Project Summary and Agreement Framework** – A concise overview of the project’s investment, payment structure, timeline, and forward commitment terms.
2. **Child Care House Project Roadmap** – A detailed, phase-by-phase outline of the process from initial alignment through first-year stabilization and growth.

Once your commitment is confirmed, we will finalize the project start date and potential schedule in alignment with your community’s needs and readiness. Phase One is a standalone engagement and may be concluded without further obligation. At the conclusion of Phase One, if the decision is made to proceed, we will carry out an overarching agreement covering Phases Two through Four.

We look forward to partnering with you to bring this project to life and deliver a lasting asset for your community.

Sincerely,

Jeff Andrews
Business of Child Care

Project Summary and Agreement Framework

This page summarizes the investment, timeline, and commitment terms for the Child Care House project. It confirms the scope and expectations for Phase One and outlines the process for advancing into subsequent phases.

Investment Overview

Item	First Unit	Add'tl Units Same Site (each)	Notes
Base Price per Unit	\$288,000	\$273,600	Includes all 4 phases, furnishings, first-year operator support
Phase 1 Investment	\$9,000		Standard Phase Investment for all projects. Paid at start of Phase 1
Property Acquisition	\$TBD		Placeholder – determined by local conditions and agreements
Phase 2 Milestone 1 Investment	5% of total (minus site prep/acquisition) \$14,400		Paid at start of Phase 2 with support from early-stage fundraising program
Phase 2 Milestone 2 Investment	5% of total (minus site prep/acquisition) \$14,400		Once funding roadmap activation is completed and prior to groundbreaking – 60-90 days from start
Site Preparation	\$TBD		Placeholder – may include grading, utilities, driveway, fencing
Phase 3 Investment	Balance of total project investment with three milestone payments \$250,200		Includes all build and operator launch, grand opening
Phase 4 Investment	No additional investment		Includes all first year supports for operator
Total Project Investment	\$288,000		Excludes property acquisition and site preparation. Price indexes monthly, locks in at beginning of Phase 2.

Timeline & Milestones

All dates shown are potential and will be confirmed before final commitment.

Phase	Potential Start	Estimated Duration	Key Milestones
Phase One – Opportunity Review	February 2026	6–8 weeks	Stakeholder alignment, site and funding readiness, decision-ready plan
Phase Two – Pre-Construction	March 2026	2 months (more if funding needed)	Funding secured and activation plan finalized
Phase Two – Activation	May 2026	2 months	Groundbreaking, Operator selection process, community engagement
Phase Three – Build & Launch	July 2026	~14 weeks	Structure completed, operator onboarded, grand opening
Potential Opening Date	September 2026	—	First families enrolled
Phase Four – Stabilization & Growth	Post-opening	12 months	Ongoing operator support, quarterly resupply, final planning session

Investment Structure and Payment Flow

- **Phase One** is a standalone engagement. The community may disengage or pause at the end of Phase One without further commitment.
- **Transition to Phase Two** requires execution of an overarching agreement covering Phases Two through Four.
- **Phase Two Payments:** 5% of the total investment (excluding site preparation and acquisition) is due at the start, and an additional 5% is due when the funding roadmap has been activated and before operator selection process begins, signaling full commitment.
- **Phase Three Payments:** The remaining balance is paid in three milestone-based draws during Phase Three.
- **Site Preparation and Acquisition** are separate costs and can be managed directly by our development partner on your behalf.

Next Steps

1. **Confirm Final Details** – Address any remaining questions, clarify considerations, and ensure all parties share the same understanding of scope, investment, and timeline.
2. **Execute the General Service Agreement for Phase One** – Formalize the engagement to initiate work, including invoicing for the Phase One investment of \$8,500.
3. **Schedule the Phase One Kickoff Session and Site Visit** – Set dates for the on-site planning session and stakeholder engagement activities that will launch the project.
4. **Collaborate on the Project Plan Timeline** – Hold calendar space for key milestones to keep the project on track and maintain momentum through to construction.
5. **Identify Point of Contact and Communication Pathway** – Establish the primary liaison for the community and confirm the preferred method and frequency for project updates in the initial stages.

Child Care House Project Roadmap

One Partner. One Process. A Complete Path to Child Care Delivery

This Project Roadmap provides a detailed, phase-by-phase outline for delivering a Child Care House from initial planning through first-year operations. It builds on the Project Summary and Agreement Framework, offering a clear view of the scope, outcomes, and sequence for each stage.

Business of Child Care is your single-source delivery partner, leading all coordination and serving as the central point of accountability. We ensure milestones are met, requirements are fulfilled, and each step flows smoothly into the next. From the first planning conversation to the grand opening and through the first year of operations, we work on behalf of your community so you can focus on building momentum while we manage the technical, operational, and logistical details.

Our approach combines:

- **Deliver Dedicated Project Management** - Represent your community throughout the process, removing the need for you to coordinate multiple parties and keeping every step on schedule.
- **Provide Transparent Communication** - Keep stakeholders, funders, and partners informed with clear and consistent updates that build trust and alignment from start to finish.
- **Track Coordinated Progress** - Monitor every milestone, vendor engagement, and commitment in one central plan so everyone stays on the same page and nothing is missed.
- **Apply Proven Field Experience** - Anticipate challenges early and ensure your project moves forward with confidence at every stage through hands-on child care delivery knowledge.
- **Ensure End-to-End Accountability** - Take responsibility for every step, from the first conversation to the ribbon cutting, so your local team can focus on building community momentum.

Why This Matters for Your Community

Communities do not need to be child care experts to successfully deliver a new program. With our full-service support, experienced contributors, and single accountable partner model, local teams can stay focused on building community momentum while we manage the technical, operational, and logistical aspects through to completion. This collaborative approach is essential for launching a program that is both high-quality and sustainable.

Phase One - Project Alignment and Go-Forward Plan

Phase One is the starting point for turning your community's interest into a clear, actionable plan. In this stage, we confirm that conditions are right, align stakeholders around a shared path, and define the foundational elements needed for success. The outcome is a decision-ready plan that positions the project to advance smoothly into Phase Two when the time is right.

Timeline

This phase typically runs 6 to 8 weeks, allowing for on-site visits, community discussions, and a thorough review of operational and funding readiness. Timing may be adjusted for local considerations such as holidays, school calendars, or funding cycle windows.

Key Outcomes

- **Align the Community and Build Engagement** - Hold an in-person visit and intake session with local leaders, partners, and stakeholders to share the vision, gather perspectives, and confirm priorities. This step builds early support and ensures the project reflects the community's needs.
- **Launch Early Awareness and Messaging** - Create a simple static landing page and initial messaging materials to give the community a clear, credible source for information. This early presence signals progress and builds trust while foundational planning is underway.
- **Conduct Foundations Review Sessions** - Lead guided discussions to explore the ownership pathway and licensing considerations while addressing three core analyses: funding planning to identify viable sources and capacity; site selection process evaluation against accessibility, suitability, and community fit; and a business case review of demand, sustainability, and feasibility for both the site owner and operator.
- **Production of the Project Plan Report** - Integrate all Phase One findings into a decision-ready document, including the expected site acquisition and site preparation investment evaluation, the funding roadmap and target timelines, a high-level business plan for both site owner and operator aligned to the use case, and recommended next steps and sequencing for Phase Two.
- **Confirm Readiness to Proceed** - Conclude Phase One by confirming that major questions have been addressed, decisions are documented, and the team is confident about moving ahead.

- **Provide Early-Stage Funding Support** - Support early fundraising activities to maintain momentum between phases and position the project for a strong start. This bridge period may reflect funding readiness and intentional alignment with seasonal or funding cycles so Phase Two begins at the most strategic time.

Our Work in the Background

While you see community meetings and structured planning sessions, our team works with subject matter experts to develop funding strategies, analyze site options, prepare preliminary financial models, and create outreach materials. Every element is reviewed for accuracy, feasibility, and alignment with the long-term vision.

Keeping the Project on Track

We minimize the chance of delays by scheduling discussions early, gathering needed information in advance, and building contingency options into the plan. If challenges arise with site or funding, we adapt without losing progress.

Why This Matters for Your Community

Phase One gives your community clarity, confidence, and a shared understanding of the path ahead. With a clear plan, early visibility, and stakeholder alignment, you are positioned to move forward efficiently. This approach saves valuable time by addressing key decisions early and ensures that the project advances toward the desired outcome of a high-quality, sustainable child care program.

Phase Two - Project Activation and Build Readiness

Phase Two moves the project from planning into active preparation. During this stage, we secure funding commitments, select the operator, and finalize all site and program readiness details. It is also when visible community engagement begins, building momentum toward construction. By the close of Phase Two, every major requirement for breaking ground will be documented and in place.

Timeline

This phase typically spans four months, balancing time for funding applications, operator recruitment, and final site readiness planning. All final timelines are set with an eye toward seasonal considerations and funding cycle opportunities. This may be an intentional extension of this phase as a result.

Key Outcomes

- 1. Launch Community Messaging and Public Awareness** - Deploy a public-facing communications package to keep the community informed and engaged. This includes social media content, print pieces and flyers, and an upgraded project landing page with real-time updates to reflect progress and next steps.
- 2. Facilitate the Operator Selection Process** - Manage a transparent, community-facing process on behalf of the project. Promote the opportunity, host informational sessions, conduct interviews, and facilitate the selection panel to identify the operator best suited for the community's needs. This process typically begins nine weeks before the close of Phase Two to align with construction timelines.
- 3. Complete the Business Case** - Finalize a comprehensive, data-backed business case that incorporates updated cost estimates, site-specific details, and program elements. Use this as the foundation for all funding applications so stakeholders can make confident decisions.
- 4. Confirm Site Acquisition and Readiness** - Support the acquisition or finalization of the selected site, verify readiness requirements, and document the scope and expected investments needed for site preparation.
- 5. Launch Funding and Secure Commitments** - Lead a managed funding process that includes grant submissions, fundraising campaigns, and finalization of all financial commitments. Begin this step only after the business case and site readiness confirmation are complete.

- 6. Coordinate the Project** - Hold regular project meetings and provide communications to share updates, gather feedback, and answer questions. These sessions keep all stakeholders aligned and engaged throughout the phase.
- 7. Host the Groundbreaking Event and Community Celebration** - Plan, coordinate, and execute a public groundbreaking event to mark the official start of construction. This event celebrates the community's progress and serves as a visible milestone on the path to opening.
- 8. Transition to Phase Three** - Coordinate legal preparations, contractor scheduling, and partner engagement. Confirm the selected operator's Memorandum of Understanding so all parties are committed and ready to move into active building.

Our Work in the Background

While you see public announcements, operator selection activities, and community events, our team manages funding schedules, prepares legal documents, refines budgets, and keeps a master project plan updated. We ensure compliance items are addressed, vendor agreements are in place, and all major decisions occur in sequence.

Keeping the Project on Track

We reduce risk by building redundancy into funding strategies, confirming all business case assumptions, and maintaining multiple qualified operator candidates. Clear timelines and layered approvals ensure that if one path encounters a delay, another is ready to keep the project moving forward.

Why This Matters for Your Community

By the close of Phase Two, your project is fully funded, the operator is selected, and the community is actively engaged. Every requirement for moving into construction is documented and ready for action. This reduces risk, provides confidence in the next steps, and saves time by ensuring that all details are resolved before construction begins, keeping the project firmly on track toward the desired outcome.

Phase Three - Build, Prepare, and Open

Phase Three is the delivery stage, where the Child Care House is built, equipped, and prepared for opening. Construction, site improvements, and operator onboarding happen in parallel, ensuring readiness at completion. This phase concludes with a complete structure, a trained and equipped operator, and a celebrated launch into service for families.

Timeline

This phase is designated at 14 weeks, with scheduling built to keep construction on track and operator preparation aligned with project milestones. As with any building project, weather or site conditions may require adjustments to the timeline.

Key Outcomes

- **Promote the Operator and Engage the Community** - Introduce the selected operator through a dedicated landing page, social media announcements, and guided promotional planning. Build familiarity and trust before opening day so families and community members can connect with the operator while construction is underway.
- **Run the Operator Startup Arc** - Provide a 14-week onboarding and support program led by a dedicated startup advisor. Include weekly check-ins, a comprehensive business bundle to prepare the operator for program operations, and an initial supply of learning materials and other soft elements for the classroom. Run this program alongside construction to ensure readiness at completion.
- **Complete Site Development and Build the Child Care House** - Construct the Child Care House and complete site improvements including grading, utility connections, fencing, and installation of outdoor play equipment. Transform the site into a safe, fully functional environment for children.
- **Install Interior and Program Elements** - Place all furnishings, program equipment, and household items needed for operation. Include the learning materials package, appliances, window treatments, smart home systems, and the items expected in a high-quality home-based care environment.

- **Host the Grand Opening and VIP Events** - Coordinate ribbon cutting and pre-opening events for community members and key stakeholders. Include professional photo and video capture such as site and structure photography, drone flyovers, and interior walk-through footage to showcase the project, support funder and community reporting, and preserve a historical archive of the achievement.
- **Transition to Phase Four** - Coordinate final operational readiness checks, wrap up with construction and installation teams, and prepare for the operator's first year of business stabilization and growth planning. Organize digital assets from project completion for ongoing promotional use in Phase Four.

Our Work in the Background

While you see the building take shape and promotional activity, our team coordinates contractors, oversees inspections, manages final checklists, and ensures all program requirements are met. We prepare and organize asset files for community and funder use, confirm warranty and vendor documentation, and align all timelines so nothing is missed before the handoff to Phase Four.

Keeping the Project on Track

We minimize potential risks by pre-vetting contractors, incorporating contingency time into the schedule, and keeping alternative vendors available. Weather and site conditions remain variables, but our timelines are built with flexibility to adapt without losing momentum.

Why This Matters for Your Community

By the end of Phase Three, you have a completed, fully licensed Child Care House with an operator who is trained, equipped, and ready to welcome families. The site is fully prepared, promotional assets are captured for ongoing use, and the community has been involved throughout the process. This creates confidence in the program's launch, saves time by completing readiness tasks in parallel, and delivers the intended result of a high-quality facility ready to serve.

Phase Four - Sustaining Success and Planning Ahead

Phase Four supports the operator and community through the first year of operations, focusing on stability, quality, and growth readiness. Through regular coaching, material resupply, and joint planning, this stage ensures the program is positioned for long-term success and aligned with community goals.

Timeline

This phase spans twelve months from the program's opening, with structured support scheduled at regular intervals throughout the year.

Key Outcomes

- **Deliver the First-Year Operator Support Program** - Provide monthly check-ins with a dedicated advisor, including one hour of meeting time, one hour of preparation, one hour of follow-up, and flexible support for situational needs. Address topics such as family communications, program operations, business processes, and strategic adjustments as the operator settles into the first year.
- **Provide Operator-Focused Materials Resupply** - Coordinate quarterly shipments of learning materials, valued at \$750 each, to refresh classrooms, reduce the operator's out-of-pocket costs, and support program quality. Provide administrative oversight so shipments are timely and aligned with program needs.
- **Facilitate the Final Strategic Planning Session** - Host a collaborative meeting with the operator and site owner to review first-year outcomes, explore opportunities for Year Two, and ensure both the operator and owner feel confident about next steps. Align long-term goals and set priorities for continued growth.
- **Produce the Project Wrap-Up Report** - Prepare a comprehensive final report capturing the full journey from Phase One through Phase Four. Include an overview of key milestones, outcomes achieved, and official project documentation, so it serves as both a record of the work and a resource for future planning.

- **Complete Required Reporting and Evaluation** - Finalize or prepare any outcomes reporting, funder evaluations, or other formal submissions related to the project. Close out the project officially and position it for future funding or growth opportunities.

Our Work in the Background

While you see ongoing coaching, refreshed materials, and planning sessions, our team tracks progress against goals, coordinates with funders and stakeholders, manages secure archiving of project materials, and closes out all project systems for a smooth operational handoff. We verify all deliverables, maintain access to resources developed in earlier phases, and ensure reporting is completed accurately and on time.

Keeping the Project on Track

We reduce potential risks by maintaining consistent contact with the operator, anticipating operational needs, and ensuring all required documentation and reporting are handled promptly. This proactive approach supports program stability and creates a strong foundation for future growth.

Why This Matters for Your Community

By the end of Phase Four, the Child Care House is stable, the operator is confident, and the program is positioned for long-term success. The community benefits from a fully operational early childhood asset, and all reporting and evaluations are complete. This ensures confidence in ongoing operations, saves time by proactively addressing challenges, and secures the outcome of a sustainable program that meets community needs.

The Complete Path to Child Care Delivery

The Child Care House model is designed to take a community from an initial vision to a thriving, fully operational program without leaving gaps or guesswork along the way. Each phase builds on the one before it, so that when construction begins, the operator is fully prepared, and when doors open, the program is already positioned for stability and growth.

With one partner, one process, and full accountability from start to finish, this approach provides confidence that every detail will be handled with precision. It saves valuable time by streamlining coordination and ensures the project moves forward efficiently toward the desired outcome of a high-quality, sustainable child care program.

Whether you represent local government, education, business, or community leadership, this model offers a clear and proven path to deliver immediate benefits for families, strengthen the local economy, and create a lasting community asset.



PRICE QUOTE

DEALER: City of Vergas
JOB NAME: Daycare
MODEL: Duplex

QUOTE #: Q10016
DATE: 1/15/2026
Signed: Nick O

BASE PRICE: **\$186,147**

OPTIONS

DBL 4" VINYL SIDING - DELUXE COLORS - INSTALLED	\$8,000
FLOOR COVERING ALLOWANCE	\$9,500
LIGHT FIXTURE ALLOWANCE	\$3,000
9' CEILING HEIGHT	8' STD IN BASE \$3,924
DORMERS (2)	\$1,612

POSSIBLE UPGRADE ALLOWANCES:

SC DOORS THROUGHOUT (OAK) - \$5,562 (PINE OR PAINTED WOULD BE LESS)	
PLUMBING (other than chrome) - \$2,000	
EXT DOOR (1/2 glass,clear) - \$200ea	
FLOOR ALLOWANCE - CARPET(LR,BEDS,HALL) VINYL OR PLANK(REMAINDER)	
SUB TOTAL	\$212,183

STATE APPROVAL FEE	\$900
NORTH DAKOTA CRANE	\$0
LARGER CRANE FEE	\$1,250
DELIVERY AND SETTING	ZONE 1 (2 MODLUES) \$7,956

TOTAL **\$222,289**

NOTES:

FCF Update & Process

9-10 month Program

Gap Analysis done by FCF for needs of City, School District, and County

Rate Study

Virtual Committee Meetings (monthly 1 hour except the first meeting), to start in March (a Doodle Poll has been sent to committee members to set the first date)

1. Required Onboarding for Committee, 3 hr commitment
2. Brainstorming Session
3. Refine Ideas
4. Develop SMART Goals
5. Project Teams
6. Reports
7. Thru 9. Check-ins

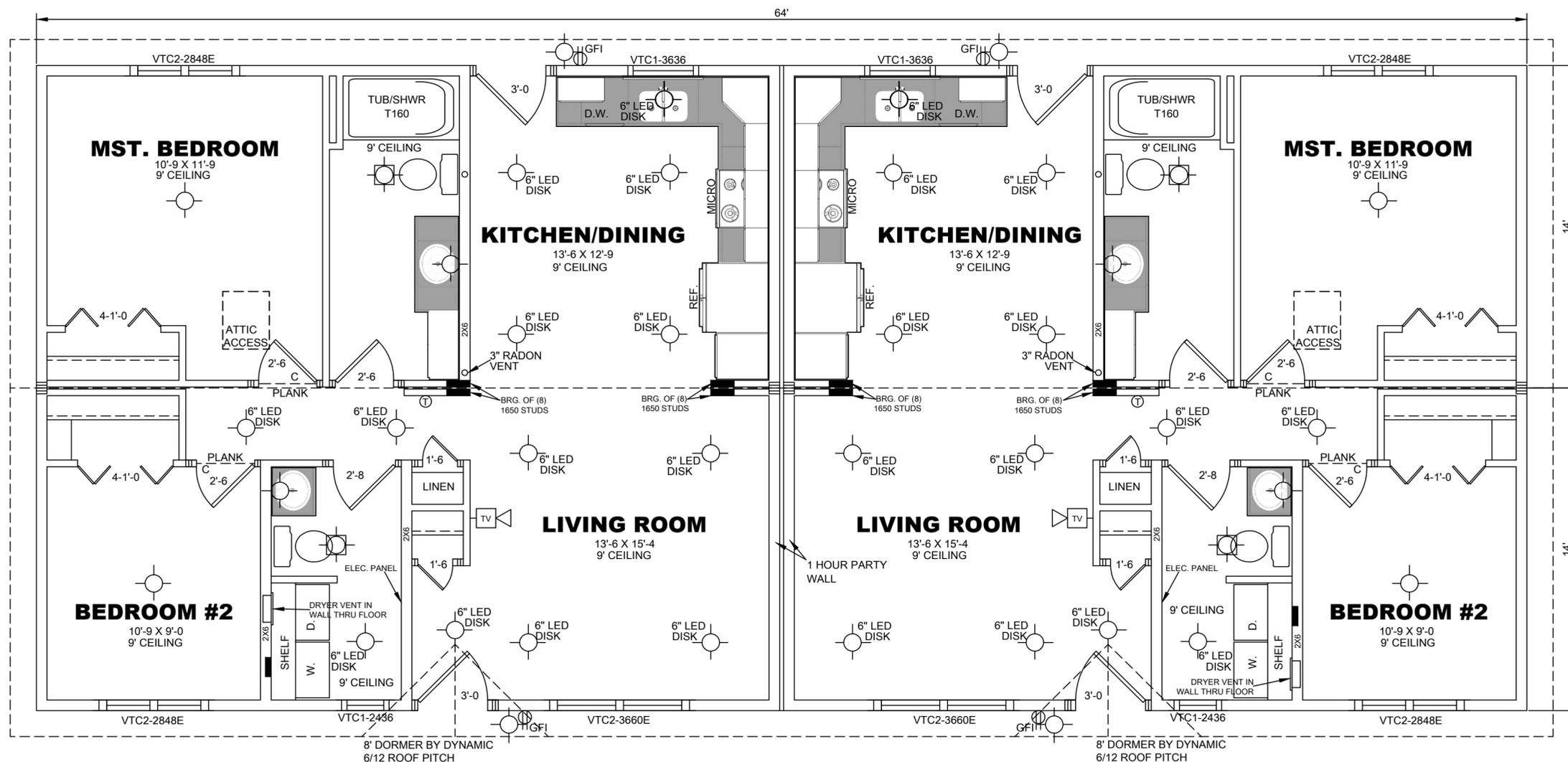
During the Implementation Phase -after Meeting #5 the Project Teams will meet monthly on their own

NOTES:
 896 SQ. FT. PER UNIT
 1,792 SQ. FT. TOTAL
 6/12 ROOF PITCH
 W/12 RAFTER TAILS
 9' CEILING THROUGHOUT

PRELIMINARY
 DO NOT USE FOR CONSTRUCTION

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NOTE:
 REPRODUCTIONS
 OF PLANS MAY
 OR MAY NOT BE
 TO SCALE.
 DO NOT SCALE
 FROM PLANS.



FLOOR PLAN

1/4"=1'-0" (DIMENSIONS FRAMING TO FRAMING)

****SPECIAL NOTE:**
 - 9' HT. CEILING THROUGH-OUT WHOLE HOUSE
 - WINDOWS INSTALLED @ 6'-10 7/8" HT.

-NOTE-
 HOUSE WILL BE BUILT ACCORDING TO THIS PLAN.
 HOMEOWNER(S): _____ DATE: _____
 DEALER: _____ DATE: _____

NO.	DESCRIPTION	DATE
REVISIONS		

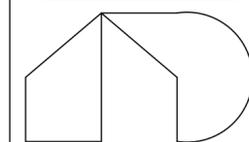
PROJECT TITLE:
**JN CONSTRUCTION
 APPLIED DIGITAL**
 DUPLEX
 2 BED 1.5 BATH
 Q10016

MODEL NO.
2RM2864

UNIT LETTERS

HOUSE NO.

STATE APPROVAL NO.



DYNAMIC HOMES LLC

525 ROOSEVELT P.O. BOX 1137
 DETROIT LAKES MINNESOTA
 56502 (218) 847-2611

PLANT DATE:

SHEET TITLE:
FLOOR PLAN

DRAWN BY
AJS DATE
06-20-23

SHEET _____ OF _____

NOTES:
 896 SQ. FT. PER UNIT
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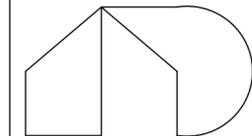
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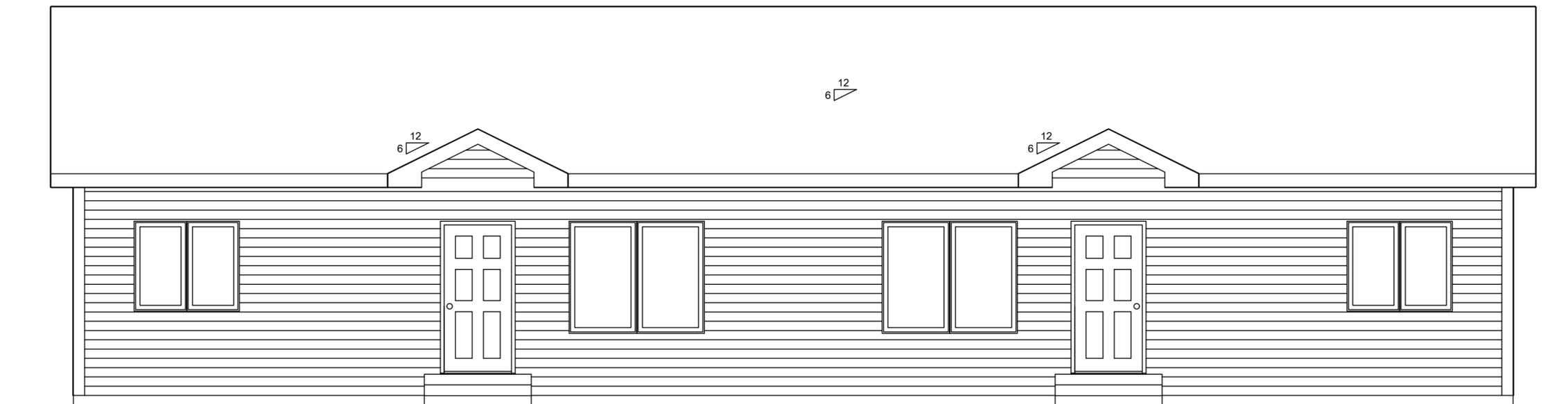
SHEET TITLE:
 ELEVATION

DRAWN BY
 AJS

DATE
 06-20-23

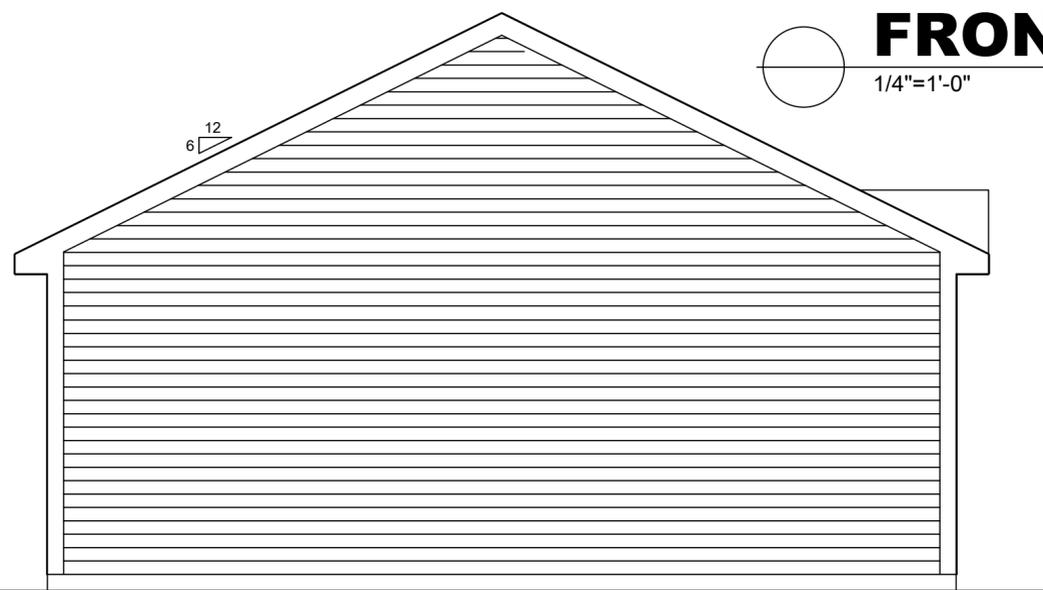
SHEET

OF



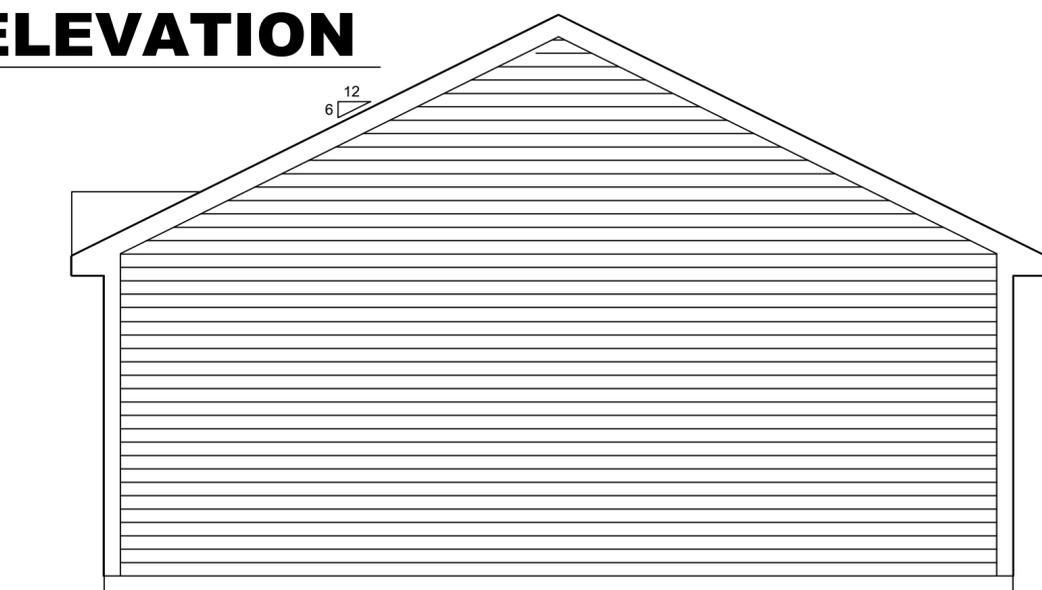
FRONT ELEVATION

1/4"=1'-0"



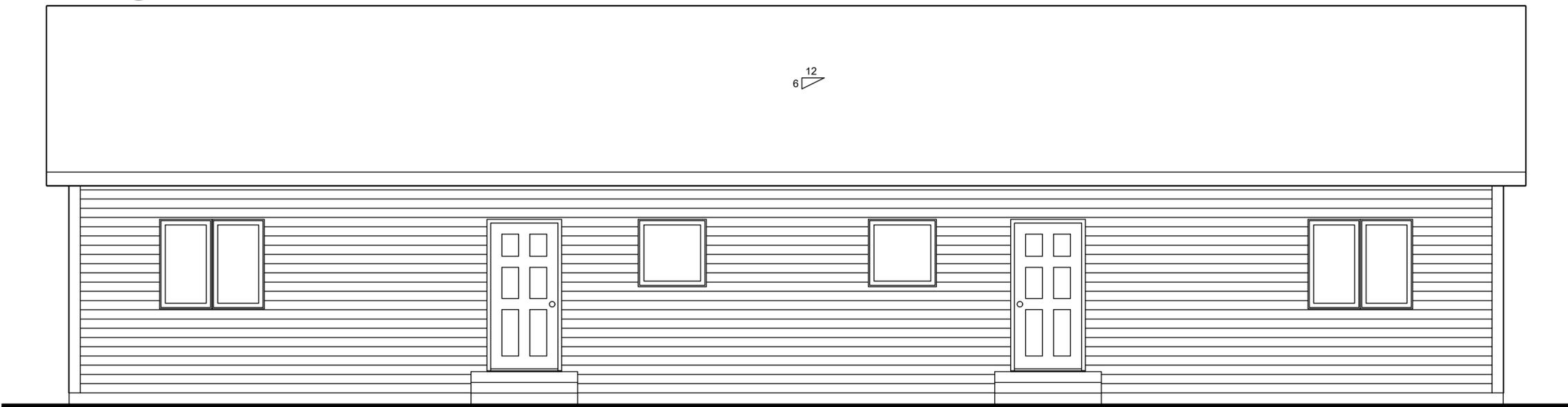
LEFT ELEVATION

1/4"=1'-0"



RIGHT ELEVATION

1/4"=1'-0"



REAR ELEVATION

1/4"=1'-0"