

**Vergas EDA/HRA
EDA/HRA Meeting
Government Services Center & Zoom Id 267-094-2170 password 56587
5:30 PM on Wednesday, July 15, 2026**

1. Call to Order

2. Agenda Additions and Deletions

3. Minutes

A. June 3, 2026

4. Financial Update

A. 2026 Income and Expenses

5. CEDA Representative Katie Gehring

A. Community Rehab Grant

1. S & Z Properties

B. First Children's Finance Update

C. Growing Up Vergas

6. 220 Eva St

Meeting will be closed for the following Minn. Stat Statue 13.44, Subd. 3

Minn. Stat. § 13.44, subd. 3 – Appraisal data. Appraisals, purchase prices, and other negotiation data related to the acquisition or sale of real property are classified as nonpublic/protected nonpublic until the transaction is completed or abandoned. Because this data is not public, a closed meeting may be held to discuss it.

7. Adjournment

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3. Minutes

A. June 3, 2026

Files Attached

- 6.3.26 EDA.HRA Minutes.pdf

**Vergas EDA/HRA
Government Services Center & Zoom
5:30 PM on Wednesday, June 3rd, 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, June 3rd, 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						
Paul Sonnenberg, Member	P	P/A	P	P	P	P						
Kevin Zitzow, Member	P	P/P	A	P	P	P						
Jennifer Carlson, Member	A	A/P	P	P	P	P						
Vanessa Perry, Member	P	P/P	P	P	P	P						
Julie Lammers, City Clerk-Treasurer	P	P/P	P	P	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

None.

Motion by Perry, seconded by Carlson, to approve the agenda. The motion passed unanimously.

Status of Recommendations to City Council

None.

Minutes

Motion by Perry, seconded by Carlson, to approve the minutes from May 4, 2026 and April 1, 2026. The motion passed unanimously.

Financial Update

2026 Income and Expenses

Lammers reported that the financial picture was unchanged from the prior month, with the exception of activity in the Veterans Memorial account, from which funds were drawn to pay for new flags and related items. She further reported that, following approval of a grant at the previous meeting, the remaining balance available to distribute was \$4,012.91.

Lammers raised a question regarding the eligibility of Hanson's property owners to apply for the remaining grant funds, in the context of a safety-related parking lot and retaining wall replacement project adjacent to the fire hall. The board affirmed that the property owners were eligible to apply, as it was a commercial property, and the project addressed a safety concern. Lammers also noted that one additional applicant was interested in applying, though the request was expected to be less than \$4,000.

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

CEDA Representative Katie Gehring

Community Rehab Grant

Gehring reported that remaining grant funds were in the process of being distributed, with a small number of projects still outstanding pending receipt of documentation. She indicated she would follow up with at least one interested applicant to encourage a timely submission given the limited remaining balance.

Sonnenberg and Zitzow joined the meeting.

First Children's Finance Update

Gehring reported that the First Children's Finance group had established three project pillars at its most recent meeting: (1) **Facility Support**, focused on items such as lease agreements, rent analysis, financial modeling assistance, and maintenance partnerships;

(2) **Workforce Development**, centered on provider recruitment, including a potential open house or provider informational night to address licensing questions; and (3) **Ongoing Provider Support**, which would connect newly licensed or prospective providers to regional associations, business cohorts, and peer networks. Gehring noted that two comparable projects had recently been completed in Renville and Big Stone and identified those communities as potential resources for informational outreach. The next First Children's Finance meeting was scheduled for the following Monday, at which project teams would be assigned.

Growing Up Vergas

Gehring provided an extensive update on fundraising efforts and project planning for the Growing Up Vergas childcare facility project.

Funding Asks: Gehring reported that she had submitted requests of \$25,000 each to Lake Region, Arvig, and Otter Tail Corporation, whose boards were scheduled to meet on July 8, July (pending follow-up), and July 10, respectively. Perry reported receiving written confirmation of a \$5,000 commitment from TIP, with a stated intent to increase the contribution to \$10,000 contingent on the organization's financial recovery following a corporate-level situation.

State and County Grants: Gehring reported that she had applied for \$200,000 through the DCYF grant program, with a decision expected around June 17. She noted that a DEED grant application had been submitted in partnership with Otter Tail County, with a potential award of \$100,000, though DEED decisions are historically delayed beyond stated timelines. The board estimated that combined state grant funding could reach approximately \$300,000, with local funding commitments of approximately \$75,000–\$100,000, for a working project budget target in the range of \$500,000. Lammers noted that matching fund requirements would apply to some of the grant awards.

Bid Documents: Gehring presented draft bid documents she had prepared in anticipation of receiving grant awards. The documents included a general section applicable to any construction approach, language specific to prefabricated building options, and a detailed addendum outlining key project components such as fencing, sidewalks, and a walk-in pantry. The board discussed whether the bid structure would utilize a general contractor to sub out work to specialty contractors, which Gehring and Lammers confirmed was the intent, with the EDA retaining the right to reject any and all bids.

Project Timeline and Next Steps: The board discussed the June 30, 2027 project completion deadline associated with grant funding. Vice Chair Albright indicated he was working to schedule a meeting with a prospective major donor, pending the scheduling of that appointment. The board agreed it would be advantageous to have a clearer picture of confirmed funding—particularly following the anticipated July grant board decisions—before approaching larger donors with formal presentations. Gehring noted she intended to prepare a PowerPoint presentation to be ready for such meetings. The board also discussed the possibility of approaching additional local businesses, including Vector Windows, for contributions.

Next Meeting Date: Given that key funding decisions from Lake Region and Otter Tail Corporation were expected in the second week of July, the board agreed to move the July meeting from July 1 to **July 15, 2026**, in order to be positioned to make informed decisions with full knowledge of grant outcomes.

Lammers noted that approximately \$17,000 held in a West Central Initiative account could be transferred to support the Growing Up Vergas project if needed to close any remaining funding gap.

Adjournment

Motion by Sonnenberg, seconded by Perry, to adjourn the meeting at 5:52 PM. The motion passed unanimously.

Council Recommendations

None.

Follow Up Actions

- Gehring: Follow up with the person interested in applying for grant funds for a sign and inform them that it is urgent if they want to apply.
- Gehring: Follow up with Arvig regarding the \$25,000 funding request to see where it stands.
- Gehring: Prepare a PowerPoint presentation for potential grant presentations to larger donors.
- Albright: Set up a meeting with potential donor to discuss potential funding.
- Carlson: Reach out to Vector Windows to discuss potential funding or support.
- Gehring: Make flyers for fundraising efforts and distribute them.
- Gehring: Reach out to Renville and Big Stone communities to gather information about their similar projects.

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4. 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	
		<u>\$10,000.00</u>

Total Revenue

Expenses:

CEDA Employee	4,100.00	
Julie Lammers Mileage	23.20	
419 Diane Ave Assessment	685.10	
CEDA Employee	4,100.00	
		<u>\$8,908.30</u>

Total Expenses:

Balance of Checking Account as of 12/31/2025

		<u>\$19,164.77</u>	
Committed expense - CEDA Contract	8,200.00	\$10,964.77	Balance

Savings Account

* West Central Initiative 17,221.52

Grant Balance 4,012.91

Total in HRA/EDA Account	<u>\$40,399.20</u>
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Veteran's Memorial

Income

West Central Initiative	1,660.61	
West Central Initiative	2,238.98	
Total Income		3,899.59

Expenses

Lyle Krieg	285.61	
JH Signs & Designs	1,375.00	
John Lotzer	1,936.09	
Lyle Krieg	302.89	
Total Expenses		<u>3,899.59</u>

Balance of Veteran's Memorial Account

\$0.00

Community Rehab Grant

\$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	
	Franklin Fence	2,750.00	8/06/25 Approved not distributed
	American Beauty	5,000.00	10/01/25 Approved not distributed
	Elm Street Boutique	5,000.00	
	Keystone	5,000.00	
	Vergas Auto	5,000.00	03/18/26 Approved not distributed
	Natalie's Serendipity	2,750.00	
	Total	<u>\$45,987.09</u>	

Balance of Grant Funds

\$4,012.91

Growing Up Vergas Fund

Income	Vergas Community Club	10,000.00	
	Misc. Donations	10.00	
			10,010.00
Expense	Down Payment on land	1,000.00	
			1,000.00
	Balance of Fund		<u>\$9,010.00</u>

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