



The **HEART** of Development for Hubbard County

100 8th Street E
Park Rapids, MN 56470

www.heartlandlakesdevelopment.org

Thank you for your interest in leasing a childcare unit located at Pine Crest Apartments. Heartland Lakes Development Commission has recognized the need to increase the number of childcare slots available in the community, which resulted in the development of the childcare units at Pine Crest Apartments.

Currently HLDC is seeking providers to open independent family childcare businesses in the childcare units that are available. Please complete the attached application to be considered for one of the units.

HLDC Board of Directors has established a priority of increasing the childcare capacity in the county with these units. In addition, applications will be evaluated on the experience and/or education of the provider, long – term capacity of the program, hours of operation and soundness of the business plan.

HLDC Board of Directors reserves the right to request additional information from applicants, verify information included with the application and reject any and all applications submitted. They also will give final authority to execute the lease agreement.

HLDC will consider applications on an ongoing basis until the units are filled. The initial application deadline is March 17, 2025. The next application deadline will be April 21st and will continue every 30 days thereafter. Completed applications with all required attachments should be submitted to:

Mary Thompson,
Heartland Lakes Development Commission
100 8th St E
Park Rapids, MN 56470
mthompson@heartlandlakesdc.org

It is expected that leases will be signed within 30 days of when the HLDC Board of Directs give final authority to execute the lease agreement.



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Pine Crest Apartment CC Unit Application

Legal Name of the Childcare, including assumed name, if any:

Contact Name:		Title:	
Mailing Address:		City:	
Business Phone:		Cell Phone:	
Email Address:		Web site:	
Federal Tax ID:		MN State ID:	
Original Licensure Date (or targeted date of licensure):		Do you have any employees:	

Please describe the license you currently hold (or are applying for) and the project capacity in each age group below:			
Infant:	Toddler:	Preschool:	School Age:
What is the intended long – term project capacity in each age group:			
Infant:	Toddler:	Preschool:	School Age:

What is your experience and education and why have you selected family childcare as a career?

Why is the leased space a great option for your business?

What are your intended hours of operation?
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Existing Providers: Are you Parent Aware rated? If so, what rating do you hold?

Required Exhibits:

- Copy of Provider License or Application for Licensure
- Certificate of Good Standing or Certificate of Existence & Registration (as applicable)
- Certificate of Assumed Name (if applicable)
- Business Plan containing at least: Description of ownership/management; Marketing Plan; Operating Plan and Three years of Financial Projections

Eligible Applicants:

- All applicants must be licensed with DHS or in the process of licensure. License must be in place within 30 days of occupancy of CC Unit.
- Applicants awarded a CC Unit must agree to the lease terms in their entirety. As attached.
- Applicants will be required to an initial occupancy of 1 year, with renewal in subsequent two – year increments, unless they meet a qualifier for early release.

Application Requirements

- Review committee may request additional information from applicants prior to making recommendations for approval.

AUTHORIZATION FOR RELEASE OF INFORMATION

I declare that the information provided in this application and on the accompanying exhibits is true and complete to the best of my knowledge. Heartland Lakes Development Commission staff and/or review committee have the right to verify any information contained in this application and may contact any individuals and institutions involved with the proposed project.

Signature/Title of Applicant: _____ Date: _____

Signature/Title of Applicant: _____ Date: _____

The Heartland Lakes Development Commission Board of Directors retains final authority to determine if applicant is eligible and give final authority to execute the lease agreement.



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LEASE AGREEMENT

BETWEEN:

Contractor: Heartland Lakes Development Commission
Mary Thompson
100 8th St E
Park Rapids, MN 56470

AND

Contractee: _____

Lease Agreement for Childcare Unit: _____

Heartland Lakes Development Commission (“HLDC”) is the owner of a structure known as Pine Crest Apartments Child Care Unit (“CC Unit”) situated at the following Real Estate:

1409 Finley Street, Park Rapids, MN 56470

_____, a licensed childcare provider (“Provider”), desires to utilize the CC Unit for its business activities;

NOW, THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. Premises. The Provider shall have use of the CC Unit # and the following facilities located in and immediately adjacent to the building, including, but not necessarily limited to, the common area parking lot, the sidewalk and patio space, the playground, the community building, the hallway leading to the unit, the interior space of CC Unit # and the exterior area. Refer to Exhibit A for the equipment/furnishing that the unit shall come equipped with. All equipment provided is to remain with the CC unit as a part of its permanent furnishings.

Use of CC Unit # is to be used solely to support a family licensed or specialized licensed childcare and related childcare business operations and activities. Premises shall not be used by the Provider as familial housing, nor a dwelling.

Premises shall be pet – free, smoke – free and substance free.

Hours of operation and provided childcare and early childhood education services shall be set in accordance with licensing requirements in statute and be the sole discretion of the Provider leasing the space.

Provider shall be provided with a maximum of twelve key fobs that will provide entry to the childcare space. Provider shall be responsible to assigning fobs to clients. Fobs must be returned at the end of the lease term. There is a fee of \$25 for replacement of any lost or missing fob.

2. Term. The initial term of the lease shall last for one year. The lease shall begin April 1, 2025, and this lease shall expire March 31, 2026. It may be renewed in two – year increments thereafter, unless either party gives written notice to the contrary a minimum of 60 days prior to the expiration of the next scheduled anniversary date of the lease.

The parties also understand the lease may also be terminated in the event of a breach as set forth elsewhere herein. The parties anticipate this agreement will automatically be renewed for subsequent two – year periods into the future. Rent will be reviewed at the end of the initial lease period and any proposed increases will be provided by the HLDC 90 days prior to renewal of a new two – year period.

3. Consideration. The Provider shall owe rent in the amount of \$500/month. HLDC recognizes a portion of those rents collected will be used for payment of ongoing and long – term maintenance of the facility that will be the responsibility of HLDC detailed in the maintenance section of this Lease.

The Provide shall pay a Security Deposit in the amount of \$500 for the faithful performance of the Provider under the terms and conditions of this Agreement. Payment of the Security Deposit is required by the Provider upon execution of the Lease. The Security Deposit shall be returned to the Provider after the end of the Lease Term less any itemized deductions.

The Provider shall establish accounts for the following CC unit utilities: electric.

The Provider shall make timely payments monthly, due on the 1st of each month. Those payments shall be made through the tenant portal of the Pine Crest Apartments. Late payments over 60 days shall be grounds to terminate contract with notice of termination occurring at 61 days.

The Provide shall give preference to residents of Pine Crest Apartments for filling openings and priority on waiting lists.

4. Maintenance. HLDC shall perform all exterior and common area maintenance. HLDC shall provide snow removal in parking lots and mow all areas.

HLDC shall perform any major building repairs arising from an insurance claim. HLDC shall provide mechanical and electrical system failure repairs.

The Provider shall be required to complete CC unit check in upon leasing and check out at the termination of the lease. HLDC may inspect the building, CC unit and grounds at a minimum of annually. The CC unit shall be maintained by the Provider in the condition that it was leased to the Provider and returned to the like condition upon lease termination. All minor repairs, including but not limited to sheetrock nicks, repainting, replacing lightbulbs, plugged/clogged sinks and toilets, etc. shall be the responsibility of the Provider.

The Provider is to maintain and clean the clutter free space per licensing standards set forth in MN Statute.

The Provider shall notify and seek prior approval for all expenditures over \$1,000 dollars in value in modification as it pertains to the interior area. The Provider shall notify and seek approval for installation of any security monitoring systems. The Provider shall not attach anything to the exterior or drill through existing structure.

5. Other Purposes. Other purposes for the use of space are not permitted. The Provider shall utilize space for family licensed childcare and related early childhood activities, such as childcare license training, and gatherings related to the business.
6. Utilities. The Provider shall be required to establish accounts for CC unit – related utilities.
7. Independence of Parties. Nothing in this agreement shall be deemed to create a joint venture or any agency of employment relationship between the parties. The Provider is responsible for employing all necessary workers, paid or otherwise, and to provide appropriate insurance coverage and benefits for said employees. Nothing in this agreement should be construed as creating any employment relationship between HLDC and any individual or business.
8. Insurance. The Provider shall always maintain a comprehensive general business liability insurance policy, including coverage for liability of and bodily injury to participants, and including property damage, with a single limit of not less than \$1,000,000. HLDC shall be named as an additional insured on said policy. In addition, the Provider shall be responsible to insure its own personal property against loss, except as specifically provided to the contrary hereunder.

HLDC shall be responsible for obtaining and maintaining appropriate property insurance (fire, windstorm, etc.) and extended coverage on the entirety of the Pine Crest development. This shall be insured under the existing HLDC insurance policy, and HLDC agrees to maintain coverage in at least the amount of \$1,000,000.

9. Indemnification. Each party agrees to save, hold harmless, and defend the other against any liability for damages to any person or property in or about the premises caused by the acts or omissions of the first party.
10. Concerns. Concerns can be addressed by calling or emailing Pine Crest Apartments Management at 218-255-5613 or info@pinecrestpr.com or HLDC at 218-732-2256.
11. Signage and Advertising. The Provider shall be allowed to either put in a small yard sign not exceeding current ordinance guidelines for signage or request permission from HLDC to install the business name on the CC unit.
12. Suspension. In the event that a licensing action results in the suspension of the Provider that prevents operation, HLDC will defer rent payments due under this lease during the period of suspension up to four (4) months. The period of suspension will be added to the end of the lease period thereby extending the lease for that term. The Provider will continue to be responsible for all utilities of the CC unit during the suspension period.

If the licensing action results in the revocation of license, clause 14. Termination shall apply.

13. Default. In the event that either party defaults in performing its obligations under the terms of this agreement, the non – defaulting party shall give written notice to the defaulting party of the claimed item(s) of default. Thereafter, the defaulting party shall have ten (10) days to correct said default. In the event it is not corrected within said period, the non – defaulting party may, at its option, terminate this agreement. Any notice of default to be given hereunder shall be give, in the case of HLDC to Executive Director, 100 8th St E, Park Rapids, MN 56470, and in the case of the Provider, _____.
14. Termination. HLDC desires consistency of care for participants of this program. Contract terms will have limited means for early termination of contract. Termination of contract request shall be made to HLDC, Executive Director, 100 8th St E, Park Rapids, MN 56470.

Termination of Contract can be requested for the following reasons:

- a) Revocation of license
- b) A serious health condition of the provider extending beyond 90 days.
- c) Provider relocation outside of Hubbard County.
- d) Transition of license and care to another location such as provider's home.
- e) Non – compliance with lease terms.

15. Rental of Facility. The Provider shall not be permitted to rent a portion or sublease unit.

16. Capital Improvements. A portion of the rent shall be used to benefit ongoing maintenance and long – term capital improvements to the facility.
17. Modification of Agreement. This writing contains the entire agreement of the parties and supersedes all earlier agreements, understanding, or practices. This agreement may only be modified or amended in writing, signed by the Provider and HLDC. This agreement has been arrived at by negotiation and as such, shall not be construed against either party. The recitals are a material part of this agreement.
18. Assignment of Agreement. HLDC or the Provider shall not assign, transfer, or subcontract any rights or obligations under this Agreement without prior written consent of the other party.
19. Compliances. The Provider agrees to abide by and assures that no person in the United States shall on the grounds of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, be excluded from participating in, be denied the benefits of, or be otherwise subject to discrimination in connection with the operations of this Agreement.
20. Information. The Provider agrees that all information provided to HLDC will be true and correct to the best of the Provider’s knowledge. HLDC is not liable for its use or dissemination of false or erroneous information, data or other materials provided by the Provider.
21. Effective Date. This agreement shall become effective _____ when signed by both parties to the agreement.

Certification:

In witness whereof the parties have hereunto set their hands and each warrant that he/she is empowered and authorized to executive this LEASE AGREEMENT.

Heartland Lakes Development Commission

Contractee

Executive Director

Signature

Title

Date

Date

EXHIBIT A

Furnishings and/or Equipment List

To Be Determined