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2010 EDA Annual Report

Introduction....

This Annual Report is designed to showcase many of the commercial and industrial businesses that have located in Hugo and other economic development during 2010. The goal of the Hugo Economic Development Authority (EDA) is to create a thriving community with diverse jobs and tax base, brought about by specific emphasis on business retention, business expansion, and business attraction. Hugo's business community is rapidly expanding due to strong residential growth and an attractive business environment. The valuation of the commercial and industrial construction in the City totaled \$475,000 in 2010. The City of Hugo and the EDA welcome all of the new businesses to Hugo and are excited about the new jobs and services they provide to the community. In this Annual Report the EDA highlights the new businesses that have located in Hugo, improvements to downtown, and the Business Retention and Expansion Program that was completed in April 2010.

2010 EDA Goals...

1. Business Retention and Expansion

- Implementation of the BR&E Strategies Program
- Continue collaboration with HBA
- Continue participation in events.

2. Continue working on downtown redevelopment projects

- Coordinate public infrastructure
 - Storm water management planning & funding
 - Traffic improvements (signals, Hwy 61)
 - Trail and sidewalk improvements

3. Establish quality industrial and commercial development

- Focus on gateways
- Coordinate site planning for 165th & 61
- Begin area plan for 170th & 61 (Mixed Use)
- Create design guidelines

4. Continue Marketing of the City

- Continue to update the marketing plan
- Downtown Promotions
- Continuation of the City's cable access show

5. Transportation

- Interchange @ 170th & 35E
- Intersection @ HWY 61 & CSAH 4
- County Road 8 Trail on the south side

Glamos Wire Products Expands....

On October 15, 2010, Glamos Wire Products held an open house for its newly constructed 5,685 square foot office addition. The business is located at 5564 152nd Street in the Pelouin Industrial Park. The addition included the demolition of the existing 4,000 square foot office building area. The 40,000 square foot manufacturing and warehousing area remained the same. Glamos Wire Products added several new landscaping elements including a new



break area for its employees outside. Glamos Wire Products offers a wide range of products for lawn, garden, floral applications, decorative pieces, and concrete wire forms. All products that they produce and sell can be found on their website at www.glamoswire.com.

Transition Plus Adds Another Classroom....

Transition Plus, part of the White Bear Lake School District, currently leases space in the Pearson Mechanical building located at 13497 Fenway Boulevard in the Bald Eagle Industrial Park. In 2010, Transition Plus added a 908 square foot classroom. The program is designed to provide an adult environment for 18-21 year old young adults with disabilities and identified transition needs. Through programming in the classroom, in the community, and on the job, students are exposed to all areas of adult life. The programs continues to grow in the White Bear Lake School District and provides students with valuable skills as they move forward in life. Transition Plus has been in the City of Hugo since 2009.

Purchase Agreement on City Owned Property in Downtown....

On June 21, 2010, the development team FBF, LLC signed a purchase agreement for a portion of the City owned property in downtown. The development team is actively marketing the property to potential businesses that may want to locate in the area. The property is approximately three acres in size and is along Egg Lake. They have put together a marketing brochure for the property with a development idea including an event center that would be part of a 15,000 square foot building. The brochure is available at the City of Hugo City Hall. The project can include up to three tenants and a shared event center. One of the user types the development team is targeting is a restaurant.

Properties For Sale and Lease in Hugo!

There are several commercial and industrial development opportunities in the City. The EDA, in partner with the property owners, provides an area on the City's website to showcase the properties for sale and lease. The properties are listed under the economic development portion of the website, feel free to take a look. If you would like to list a commercial or industrial property in the website, please contact Rachel Juba at (651) 762-6304 or rjuba@ci.hugo.mn.us for more information. The EDA is always excited to welcome new businesses to Hugo or to help existing businesses expand!

Business Retention and Expansion Program Implementation....

The Business Retention and Expansion (BR&E) Program commencement celebration was held on April 7, 2010, at the Hugo American Legion. The purpose of the program was to demonstrate support for local businesses, help solve immediate business concerns, increase local businesses' ability to compete in the global economy, establish and implement a strategic plan for economic development, and to build community capacity to sustain growth and development. There were 38 businesses visited in the City and the survey results were evaluated by economic development professionals of the University of Minnesota. The surveys provided the City information on the concerns of the businesses and ways the City might address those concerns. The U of M presented the results of the survey to local community leaders and business professionals. Implementation projects and actions plans were developed to help the business community thrive in Hugo. The four implementation projects include:

1. **Market the City of Hugo**
2. **Create, Coordinate, and Encourage Events**
3. **Host Business Networking Breakfast Workshops**
4. **Address Highway 61 Access Issues and Improve Downtown Hugo**



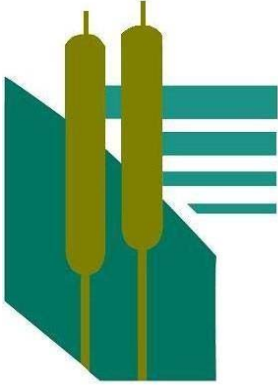
The City of Hugo in partnering with the Hugo Business Association have been working to accomplish each project. The Parks Commission has helped organize the creation of City events that can be beneficial to businesses. The full report of the survey results can be found on the City's website at www.ci.hugo.mn.us under Business Info.

Parks Commission Develops Hanifl Fields Athletic Park and Others...

The Parks Commission developed the Hanifl Fields Athletic Park on the property located at 7032 137th Street. The park includes five soccer fields and a new park shelter that was completed in 2010. The Hanifl Fields Athletic Park was the host of the Minnesota Youth Soccer Association tournament and East District Girls Soccer State Tournament. The tournaments brought approximately 2,000 visitors to Hugo over a weekend in July. The EDA recognizes the economic impact of park improvements and events that draw visitors to Hugo. The park shelter will also hold a concession stand that will provide food and drink during the future tournaments or events. The park shelter will be rented out for community or family events starting in Spring 2011. In addition, the Parks Commission has made improvements to Lions Park and Irish Avenue Park. There is a new skate park and improved tennis/pickle ball courts at Lions Park located adjacent to Hugo City Hall. The Irish Avenue Park, purchased in 2009, is located off of County Road 8 and Irish Avenue and is a restored gravel pit. There were two miles of trails mowed and a parking lot constructed for residents to use the passive park during the summer. In the winter the trails were groomed by the Hugo Snowmobile Club for cross country skiing and snowshoeing.



Hanifl Fields Athletic Park Shelter



EDA's Economic Development Efforts...

In the past, new commercial and industrial development would be required to comply with the City's park dedication policy. This means that land or fee would be required for new developments to be dedicated for City parks. In 2010, the EDA recommended the City Council remove the requirement for park dedication for commercial and industrial development. The City Council then adopted the new policy removing the requirement, therefore commercial and industrial development no longer pays park dedication fees.



The City has also revised its SAC/WAC fee structure for commercial and industrial developments. Fees are now split between the developer during the approval process and the end user at the building permit level. Previously all SAC/WAC fees were paid with the building permit, leaving all the fees to the end user. Tenant finishes now only pay a portion of the SAC/WAC fee. Also redeveloped properties will only pay for the new SAC units calculated by the Metropolitan Council, if there were SAC units paid for by the previous user.



Downtown Hugo Update!

As the City finished up the Business Retention and Expansion Program, they began to start the implementation projects. In the survey results, a main concern of business owners was the amount of blighted buildings in the downtown area. In an effort to help revitalize the downtown area, the City of Hugo worked with property owners to remove several of the blighted buildings in downtown.



The Carpenters Restaurant building was a complete loss due to a fire in January 2010. The antique store building that was adjacent to the restaurant was demolished as it was deemed a structural hazard. This opened up the view to Egg Lake and was necessary to prepare the site for redevelopment. Further south on Highway 61, the old End Zone restaurant building was demolished and the site was cleared. There are several vacant parcels for sale in downtown.



Public infrastructure improvements to Highway 61 were completed in the downtown area. This accomplished the BR&E project #4 to address Highway 61 access issues and to improve downtown. The highway was reconstructed and curb and gutter was installed. The sidewalks along the highway were completely reconstructed and provide a great walking path through downtown. Traffic signals were installed on 147th Street and 130th Street along Highway 61. The business owners in the areas were pleased to see the signals constructed to provide better traffic control in the areas and an easier way to get to their businesses. This project improved the downtown area significantly and will help the redevelopment of downtown Hugo.

