

## In This Report:

- **Excel Energy Inc., Training Center**
- **NRI Transition**
- **New Businesses**
- **BR&E Program**
- **Boot Camp for Entrepreneurs**
- **Met Council Grant**
- **Design Guidelines**

## 2011 EDA Members

Fran Miron,  
President

Phil Klein,  
Vice President

Jim Bever

Frank Puleo

Jan Arcand

Tom Denaway

Mike Graff

# 2011 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 2011. 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 completed in 2011 in the City totaled \$691,800. 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 projects approved in 2011, the new businesses that have located in Hugo, EDA events, and the Business Retention and Expansion Program implementation that continued through 2011.

## 2011 EDA Goals...

### 1. Business Retention and Expansion

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

### 2. Continue Marketing of the City

- Downtown Promotions
- Continuation of the City's cable access show
- Evaluation of 2010 US Census data

### 3. Continue working on downtown redevelopment projects

- Coordinate public infrastructure
- City owned properties

### 4. Establish quality industrial and commercial development

- Focus on gateways
- Coordinate site planning for 165<sup>th</sup> & 61
- Begin area plan for 170<sup>th</sup> & 61 (Mixed Use)
- Review development policies and incentives

### 5. Transportation

- Interchange @170<sup>th</sup> St & 35E
- Intersection @ HWY 61 & CSAH 4 (170<sup>th</sup> St)
- Elmcrest Ave
- County Road 8 Trail on the south side

### 6. Encourage the County on Economic Development Efforts

## Xcel Energy Training Center to Locate in Hugo!

On December 19, 2011, the City Council approved the concept plan for a 50,000 square foot Xcel Energy training center. The property is located along Fenway Boulevard across from Schwieter's industrial buildings on a 12 acre parcel, which is part of the Roy Molitor farm. Gas and Electric training will be conducted at the



property, including indoor and outdoor training. They plan to conduct training 42 weeks out of the year. Xcel Energy expects up to 50 trainees at the center per each week of training. They will have 9 full time employees that will working at the training center. The existing buildings on the property will be demolished. Xcel Energy plans on applying for formal site plan approval in early 2012 and to begin construction that same year. The City is excited to have Xcel Energy Inc., as part of its business community.

## National Recycling Inc. Site Revisions Approved...

Several changes will be made to the National Recycling Inc. (NRI) property over the spring and summer of 2012. The City Council approved plans on May 16, 2011, to transition the existing use to a residential recycling center. The recycling center will consist of a structure containing a series of bins allowing for the deposit of household recyclables, such as newspapers, glass bottles, recyclable cans, and plastics. All of the scrap metal will be removed from the site and is prohibited from stockpiling on the ground. NRI will be adding a new building to the eastern portion of the site that will contain bins with recyclable material. They will be phasing out the existing use and will be moving industrial scrap and recycling portion of the business to a new location in Cambridge, Minnesota. The clean up and transition is expected to be complete in July 2012.

## New Businesses Continue to Locate in Hugo...

The EDA welcomes the new businesses that located in Hugo in 2011. These new businesses included commercial build-out for their space. Patrick Flanagan opened Flanagan Law Office in downtown Hugo in October. Ryan Manning launched an Anytime Fitness franchise in Victor Gardens North Village retail center. Shawn Whitehurst opened Tawshi El Salon in Victor Gardens South Village retail center next to Festival Foods. The salon started in her home and was growing, she then decided to locate in Hugo. Grant Barrett owns office space in the Bald Eagle Industrial Park. He constructed several office spaces with a portion of his building to be used as shared office spaces. All of the space within the building is now occupied by a title company, physical therapist, and a physiologist. HealthEast Clinic expanded within its current building to include additional offices and exam rooms.

## Business Retention and Expansion Program Implementation Continues in 2011....

The Business Retention and Expansion (BR&E) Program commenced in April 2010, but the City continues to implement the action plans from the results of the surveys. 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 four implementation projects include:

### 1. Market the City of Hugo

The City is working on creating an upgraded EDA section of the City website to market the City. The section will include information that a business would want to know if they were moving to Hugo or interested in Hugo.

### 2. Create, Coordinate, and Encourage Events

The Parks Commission has helped organize the creation of City events that can be beneficial to businesses. The Commission has implemented exciting low cost recreation programs over the past two years that has help build the community. All events and programs can be found on the parks portion of the City's website.

### 3. Host Business Networking Breakfast Workshops

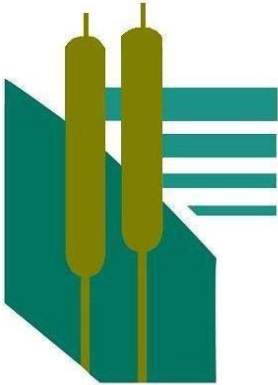
The City of Hugo is partnering with the Hugo Business Association to accomplish this goal and there have been five Business Networking Breakfasts over the past year and a half.

### 4. Address Highway 61 Access Issues and Improve Downtown Hugo

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 that same year.

This opened up the view to Egg Lake and was necessary to prepare the site for redevelopment. The Ricci's Restaurant building was demolished in 2011. Further south on Highway 61, the old End Zone restaurant building was demolished and the site was cleared. The full report of the survey results can be found on the City's website at [www.ci.hugo.mn.us](http://www.ci.hugo.mn.us) under Business Info.





## Boot Camp for Entrepreneurs was a Success!

On October 18, 2011, the EDA partnered with the Hugo Business Association (HBA) and the Hugo Business Networking International (BNI) to host a Boot Camp for Entrepreneurs. The boot camp was an all day event with several speakers on topics that included marketing, finance, and business resources. There were 30 people who attended the event, held at Wild Wings Hunt Club in Hugo. The attendees and speakers both stated that this event offered important information on how to start and maintain a successful business. Spin-off events of the boot camp have been in discussion for the next year.

## Met Council Awards LCDA Grant to Hugo...

Since May 2011, staff has been working with Pete Sampair, a property owner in downtown Hugo, on a grant application to the Metropolitan Council. The grant monies are in the Livable Communities Demonstration



Account for innovative planning and development. In December 2011, the City was awarded the grant for a total of \$73,000. The grant will be used for surveying, title work, stormwater analysis, environmental evaluation, preliminary redevelopment plans, and land acquisition strategies. The planning for the mixed-use redevelopment will start in 2012. Mr. Sampair has put together a concept plan for the site to give the Metropolitan Council an idea of the project he would like to complete. The

concept includes housing, commercial, and office uses integrated with a main street and town center atmosphere.

## Commercial and Industrial Design Guidelines Approved...

In August 2011, the City Council approved the Commercial and Industrial Design Guidelines. The guidelines include text and graphics to provide developers with further direction on the desire for quality commercial and industrial development. The guidelines encourage quality development by providing direction on building design, color, and material. They also provide direction on other aspects of the development such as signage, screening and lighting. All commercial and industrial development shall meet the guidelines. The guidelines can be found on the City website at [www.ci.hugo.mn.us](http://www.ci.hugo.mn.us) under Planning/Community Development.

