

# 2012 EDA Annual Report



## In this Report:

Xcel Energy Inc., Training Center	2
NRI— Continued Progress	2
Building Expansions	2
Frenchman Place 2nd	3
BR&E Program & International Award	3
Hugo REALTORS Forum	4
Senior Housing Concept Plan	4
New Businesses	4

## 2012 EDA Members:

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President

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**Jim Bever**

**Frank Puleo**

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**Tom Denaway**

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## 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 2012. 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 City had 90 new residential homes built as well as 9 commercial constructions this year. The valuation of the commercial and industrial construction completed in 2012 in the City totaled \$9,111,656. 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 2012, the new businesses that have located in Hugo, EDA events, and the Business Retention and Expansion Program implementation that continued through 2012.

## 2012 EDA Goals...

### 1. Business Retention and Expansion

- Implementation of the BR&E Strategies Program
- Continue collaboration with HBA
- Continue participation in events. (groundbreaking, ribbon-cutting ceremonies)

### 2. Continue Marketing of the City

- BR&E Marketing Action Plan
- Downtown Promotions
- Greater MSP
- Discussion on City Identity

### 3. Event Marketing

### 4. Continue working on downtown redevelopment projects

- Coordinate public infrastructure
- City owned properties
- Implementation of the LCDA Grant

### 5. Establish quality industrial and commercial development

- Focus on gateways
- Review development policies and incentives within the approval process

### 6. Transportation

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

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

## Xcel Energy Training Center Locates in Hugo!

On November 19, 2012 the City Council approved a third site plan for the Xcel Energy training center. Three building phases have been approved in 2012, which total approximately 40,000 square feet. Construction is underway, and full completion of the three phases is expected in 2013. 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 be working at the training center. The City is excited to have Xcel Energy Inc. as part of its business community.

## National Recycling, Inc. - Continued Progress

This year NRI submitted a revised site plan in 2011 to reconfigure their business operations. Storage of scrap will be limited to the bins located within a new storage building, which is currently being built on the eastern portion of the property. Within this new building the scrap will be distributed into stacked bins. There will be no scrap stored outside, and no scrap visible from Highway 61, or adjacent properties. The remainder of the site will be used primarily for parking, traffic circulation, stormwater ponds and landscaping. The owner has moved some of its business operations to their new facility in Cambridge in an effort to transition his business into a residential recycling center. The City looks forward to the end product and believes it will bring convenience to the business and residents as well as compliance to City Code.

## Building Additions in Pelouquin Industrial Park

Glamos Wire Products and JP Enterprises, Industrial businesses located in the Pelouquin Industrial Park, had building additions approved in 2012. Glamos Wire was approved for a 22,283 square foot warehouse addition that will be connected to the existing office, manufacturing and warehouse spaces on the property (pictured below). JP Enterprises will be adding on a small building corridor that will connect two separate buildings of its business.



## Frenchman Place 2nd Addition - Medical Office Building

The City Council approved a site plan for a one-story, 12,381 square foot medical office building on the property located directly east of the Blue Heron Grill. This is the second phase of the Frenchman Place development, the first phase being the HealthEast Building. The approved plans also include two outlots for future development and construction of a new private drive parallel to CSAH 8 that will connect Victor Gardens North Village with this development. The building will be occupied by Children’s Hospitals and Clinic and HealthPartners. These businesses will provide services such as an urgent care facility, a Children’s pediatric clinic, a HealthPartners family practice, and chiropractic care.



## Hugo Receives BR&E International Award of Excellence!

The Business Retention and Expansion (BR&E) Program ended 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. 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 Economic Development.

On June 20, 2012 the City of Hugo was presented with the Award of Excellence from Business Retention and Expansion International during its annual conference for its 2010 BR&E Program. The awards were judged on the success of the marketing and communications plan, improvements to the business climate, measurable results and outcomes, and the business survey plan. Because of all of the collaboration of the local businesses in the BR&E program, it continues to positively influence local economic development.







## Hugo REALTORS Forum

On November 8, 2012, the City hosted the Hugo REALTORS Forum. This was a morning course designed to teach and update Realtors on information regarding the City of Hugo. The course focused on the unique aspects of the City that may interest potential buyers. The instructors showcased various City programs and services, community features, school districts, public safety, and the vision of Hugo. Some of the items that were discussed were the City's Focus Goals, the anticipated land uses of the City, and newer projects occurring like Xcel Energy's Training Facility. This course allowed participants to have a better understanding of the City of Hugo and the character and quality of life the community offers.



## Senior Housing Concept Plan

Since May 2012, staff has been working with Bill Lentsch, a local developer, on a Senior Housing concept plan that is planned on three vacant parcels of land owned by Marvin LaValle, which are

located north of Frenchman Road and west of Lions Park. The concept plan consists of three multi-family residential buildings as well as an expansion to Lions Park (pictured left). The buildings intend to be an Assisted Living Facility, a Congregate Care Center, and a subsidized Work-Force Apartment Complex. The developer is anticipating to apply for a formal site plan review early next year.

## New Businesses Continue to Locate in Hugo!

The EDA welcomes the new businesses that located in Hugo in 2012! These new businesses included commercial build-outs for their space. Super America replaced Hugo One Stop at the 147th Street and Highway 61 intersection. Hugo Equipment Company relocated to the vacant commercial space at the 140th Street and Highway 61 intersection. Children's Hospital and Health Partners are locating in the new Frenchman Place 2nd Medical Office Building, which will be completed in 2013. Associated Eye Care moved into the vacant tenant space next to HealthEast and opened in November 2012.

