

Hutchinson Economic Development Authority



2009

Annual Report

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EXECUTIVE SUMMARY

2009 was an extremely busy year for the Hutchinson EDA. In summary:

- A new EDA website was developed.
- The EDA provided conduit financing for a new company, NuCrane Manufacturing, with a \$4,850,000 Industrial Development Revenue Bond.
- The EDA obtained a \$500,000 grant from the Minnesota Investment Fund so that an equipment loan could be made to NuCrane Manufacturing.
- The land for the EDA's new industrial park, "Energy Park", was annexed to the city, rezoned and platted for development.
- The EDA obtained a \$250,000 Business Development Infrastructure Grant from the State of Minnesota to help pay for infrastructure construction in the new industrial park.
- The EDA obtained a \$950,000 federal grant from the Department of Commerce, Economic Development Administration, to assist in paying for infrastructure in the new industrial park.
- The EDA purchased an additional 5.65 acres from the Hackbarth family for inclusion in the new industrial park.
- Clean-up of the site of the former Cenex fertilizer plant was completed.
- Property adjoining the former Cenex site was acquired and cleaned up.
- In conjunction with the Chamber of Commerce, 19 Business Retention & Expansion (BR&E) visits and a "business census" were completed.
- A \$1,000 grant was obtained from the EDAM Foundation to help offset the salary expenses of the EDA intern.
- The EDA continued its strong support of Hutchinson's downtown by providing:
 - 2 Storefront Revitalization Matching Grants totaling \$3,636
 - 6 Sign & Awning Grants, totaling \$9,475
 - 3 Downtown Loans, totaling \$32,246.09
- The process of developing a County EDA was advanced.
- Further research was done on renewable energy and the biosciences to evaluate their potential as drivers of local economic development.

GOVERNANCE

The Hutchinson Economic Development Authority is governed by a 7 member board of directors, each serving a 6-year term. Daron Vanderheiden and Mike Retterath joined the EDA Board in December, replacing Marc Vaillancourt and Diane Gordon, respectively. The EDA Board members at the close of 2009 are shown in Table 1, on the following page.

Table 1 – EDA Board of Directors, 2009

Member	Position	Affiliation
Tim Ulrich	EDA President	Citizens Bank
Mike McGraw	Vice-president	State Farm Insurance
Steve Jansick	Treasurer	Wells Fargo Bank
Jim Haugen*	Member	City Council / Architect
Chad Czmowski*	Member	City Council / Downtown Business
Mike Retterath	Member	3M
Daron Vanderheiden	Member	ISD 423

* City Council Representatives

Assisting the EDA Board of Directors is a 10 member Finance Team, which was expanded with the addition of Josh Gehlen of Home State Bank and Jeff Grant of First Minnesota Bank. One member, Mike Retterath, was appointed to the EDA Board of Directors in December by the City Council. The Finance Team is tasked with reviewing all EDA financial transactions and monitoring the EDA's annual budget. Table 2, below, lists the members of the 2009 EDA Finance Team:

Table 2 – EDA Finance Team, 2009

Member	Position	Affiliation
Jim Young	Chair	James Young & Associates
Mike Cannon	Member	Citizens Bank
Don Walser	Member	Kraft, Walser, Hettig & Honsey
Tim Ulrich	Member	Citizens Bank
Steve Jansick	Member	Wells Fargo Bank
Anthony Hanson	Member	Citizens Bank
Keith Fischer	Member	Wells Fargo Bank
Mike Retterath*	Member	3M
Josh Gehlen	Member	Home State Bank
Jeff Grant	Member	First Minnesota Bank
Gus Wurdell	Member	Hutchinson Mall

INTERNSHIP PROGRAM

The Hutchinson EDA continued its successful internship program in 2009. Two St. Cloud State University students, Melissa Reichl and Ryan Miller, completed internships with the EDA over the course of the year. Following her internship Melissa decided to go on to graduate school; Ryan has yet to decide on a course of action. Due to the current job market, he may seek another internship to gain additional experience.



Melissa Reichl & Ryan Miller

ACTIVITY REPORT

Business Retention & Expansion Program

Existing businesses continue to be the main emphasis of the Hutchinson EDA, as they are the community's best source of economic growth and job creation. For 2009, the EDA partnered with the Hutchinson Chamber of Commerce – specifically their “Hutchinson Leadership Institute” – in implementing the annual BR & E program.

Working with a team from the Hutchinson Leadership Institute, a more comprehensive BR & E program was formulated for 2009. As part of this initiative, a detailed business survey was developed and administered to participating Hutchinson area manufacturers. As a follow-up to the survey, team members visited a total of 13 companies to conduct in depth interviews with company owners / managers. A summary of the survey results can be found in Appendix H of this report.

Between the Chamber Leadership Team and EDA staff, a total of 19 companies were visited during 2009. These are listed in Table 3, below:

Table 3 – Business Retention & Expansion (BR&E) Visits, 2009

	COMPANY	CONTACT	DATE OF VISIT
1	RDC Plating	Mike Resetzke	1/6/2009
2	Hutchinson Iron & Metal	Jay Freedland	4/23/2009
3	Hutchison Manufacturing, Inc.	Tom Daggett	5/5/2009
4	Crow River Press	Sara Fennell	5/12/2009
5	RD Machine	Jeff Leway	5/13/2009
6	E & K Recreational Concepts	Rex Erickson	5/15/2009
7	Unique Tool	Curt Wendland	5/15/2009
8	Applied Kinetics	Ryan Jurgenson	5/18/2009
9	Lynn Card Company	Eric Knutson	5/19/2009
10	Popp Brothers Lumber	Randy Popp	5/19/2009
11	GR Kreations	Glen Kadlebach	5/21/2009
12	3D C-N-C	Bob Malone	5/22/2009
13	3M	Mike Retterath	6/1/2009
14	C & C Machine	Charles Hausladen	6/9/2009
15	Ashwill Industries	Tony Ashwill	6/11/2009
16	Hardshell Powdercoat	Scott Wicklund	6/16/2009
17	Stearnswood	Corey Stearns	6/23/2009
18	Impressions	Paul Nordin	9/27/2009
19	Customer Elation	Pete Hailey	11/6/2009

Marketing & Public Relations

Working in conjunction with the city's Information Technology (I-T) department, staff revised and updated the EDA website, giving it a fresher more contemporary look.

In addition to updating the look of the EDA website, a number of sections were added – increasing the information content of the site. New sections included “Training & Education” as well as information about the EDA Board, the EDA and its functions, updates on economic development projects, frequently asked questions and EDA staff.

Thanks to the city's I-T department, we are confident that Hutchinson's EDA website is among the very best in existence. For 2009, the EDA website received 4,643 total visits from 1,434 unique visitors. A total of 8,821 page views occurred during those visits.

In addition to the website, EDA staff strives to keep the community informed of the various activities the EDA is engaged in. To that end, staff appears regularly on the half-hour “Community Affairs” program hosted by KDUZ radio, generally about once per month.

Other Public Relations activities include regular updates at the monthly meeting of the Chamber's Board of Directors and the occasional speaking engagement at a local service club, such as Kiwanis or the Rotary.

NuCrane Manufacturing

One of the larger projects the EDA was involved in for 2009 was the formation of a new company, called NuCrane Manufacturing.

NuCrane's brand new facility will be approximately 51,000 square feet in size and be located on Highway 7 west on a 3.77 acre lot situated between the Victorian Inn and Hutchinson Manufacturing.

Formed as a partnership between PaR Nuclear of Shoreview and Hutchinson Manufacturing, Inc. NuCrane Manufacturing will manufacture very large cranes for use in nuclear power plants all over the world. Because PaR Nuclear is a subsidiary of Westinghouse, each nuclear plant Westinghouse builds will result in an order of cranes for NuCrane.

The nuclear power plants built by Westinghouse each have a system of 14 cranes within them. These include the Spent Fuel Pit Crane, the Fuel Building Crane, Turbine Building Cranes and



The EDA website was expanded and received a new look in 2009.

the largest of them all, the Containment or “Polar” Crane, which operates over the nuclear reactor itself.

Specific manufacturing activities at NuCrane will include the design and fabrication of components for these large cranes, to include wiring harnesses and electronic control boxes. The cranes will be assembled, tested, painted, disassembled and shipped. Approximately 30% of each cranes components will come from the next door neighbor, Hutchinson Manufacturing. In addition, painting of the cranes will take place at the Hutchinson Manufacturing paint building.



**350-ton capacity
containment crane**

The Hutchinson EDA played a key role in the project. Primary project financing was facilitated by the EDA through the use of a \$4.85 million Industrial Development Revenue Bond (IDB). This provided “conduit” financing that allowed the company to borrow at tax exempt rates. Center National Bank of Litchfield purchased the IDB’s in a private placement. The bonds themselves are secured by NuCrane Manufacturing and its parent companies, so there is no risk whatsoever to the EDA or the City of Hutchinson.

The EDA also established a Job Opportunity Building Zone (JOBZ) for the project. JOBZ allows the company to realize a number of significant tax breaks in both the construction of their facility and in the operation of the company.

In addition, the EDA secured a \$500,000 grant from the Minnesota Investment Fund, which it in turn loaned to the company at a very low interest rate for the purchase of equipment.

Finally, EDA staff completed the loan application to Mid-Minnesota Development Commission for an additional \$100,000 in funding.

For its part, the company will create 20 high-paying jobs in the next two years and 50-60 jobs within the next five years. NuCrane Manufacturing will be a valuable addition to Hutchinson’s high-technology, precision manufacturing industry cluster for decades to come.

New Industrial Park

Development

Following the purchase of 68 acres of farmland from the Hackbarth family at the close of 2008, the Hutchinson EDA embarked on an ambitious program to fully develop the new industrial park (called “Energy Park”) as rapidly as possible.

Annexation of the property and rezoning to I-1, “Light Industrial” was completed early in the year. In addition, the property was platted to create a total of seven lots of varying sizes, ranging from 3.09 to 13.5 acres. Larger lot sizes were considered desirable for two reasons: first, companies are typically looking for larger lots, and, second, larger lots can easily be subdivided into smaller lots – should that be what a company desires – through administrative action.

Very early in the new year, the engineering firm of Short, Elliot & Hendrickson (SEH) was engaged to design the infrastructure plan for the industrial park. SEH had done the design work

for the proposed Stritesky Industrial Park and was able to simply broaden the scope of that study to include the newly acquired Hackbarth property.

SEH prepared plans for the layout and construction of city water and sanitary sewer lines to service the seven new industrial lots in Energy Park. In addition, SEH designed the street layout and calculated the optimum size, placement and design for five storm-water retention ponds. Rules by the Minnesota Pollution Control Agency require that all potential storm-water runoff be accounted for on site. One positive aspect of this requirement is that companies will not have to construct their own storm water ponds. As such they will be able to cover their entire site with impermeable surfaces (building, parking lot, etc.) and thereby maximize the development potential of each lot.

In April bids for the construction of the industrial park project were solicited. Mathiowetz Construction Company of Sleepy Eye provided a low bid for infrastructure construction of \$1,805,921. With the addition of engineering, administration, financial, legal and contingencies, the entire project cost came to \$2,389,638.

To help offset some of these costs, EDA staff explored state and federal grant programs as potential sources of project funding.

Utilizing the State of Minnesota's "Business Development Infrastructure" program, the EDA was able to obtain a \$250,000 grant in March.

In addition, due to the massive layoffs at Hutchinson Technology at the start of the year, Hutchinson was able to make a grant application to the federal Economic Development Administration. Ordinarily the city would not be eligible to apply, as the eligibility criteria include having an unemployment rate that is at least 1% above the national average for the preceding 24 months and a household median income that is lower than the national average. The large scale layoffs at HTI however allowed the city to apply for the grant under the criterion of "special conditions."



A federal grant of \$950,000 was obtained to help fund infrastructure in the new industrial park.

In August the city was notified that it had been awarded a federal grant in the amount of \$950,000 for the installation of infrastructure in the new industrial park.

In sum, the two grants will cover \$1.2 million of the \$2.38 million industrial park project.

Project funding sources and uses are depicted on the following page:

Table 4 – Industrial Park Funding Sources & Uses

SOURCES		USES	
Federal Grant	\$950,000	Construction	\$1,855,000
State Grant	\$250,000	Engineering	\$278,250
G.O. Bond	\$663,170	Engineering Services	\$100,000
CIP	\$304,200	Administration	\$111,300
Wastewater Fund	\$161,200	Fiscal	\$55,650
Water Fund	\$24,800	Contingency	\$90,000
Assessments	\$136,830		
TOTAL	\$2,490,200	TOTAL	\$2,490,200

Construction

After a soggy October, construction began in earnest in November. Over the course of six weeks Mathiowetz Construction was able to dig out all five storm water retention ponds, install all the underground utilities and complete most of the needed site grading. When construction resumes in the spring of 2010 the focus will primarily be on street construction. It is estimated that the new industrial park will be completed by August 1, 2010.



All underground utilities were completed in the course of six weeks of fall construction.

Sale of Property

Two lots in the new industrial park, totaling 12.2 acres, were sold to Warrior Mfg. in December. Warrior wanted to secure land for expansion, which could take place anytime in the next five years. The total purchase price for the lots was \$51,600 for Outlot "A" (with no assessments) and \$206,975 for the 10.5 acres of Lot 1 of Block 3 (with assessments for infrastructure payable over ten years). In sum, the purchase price for both lots was set at \$30,000 per acre. Proceeds went into the city's Community Investment Fund to begin the process of paying back funds advanced for the original purchase of the land in the new industrial park.

Acquisition of Property

Proceeds from the Warrior land sale were immediately reinvested to acquire the last 5.65 acres of the original Hackbarth property. The purchase price was \$30,000 per acre, which summed to \$169,500 for the entire parcel.

Purchase of the lot was driven by several considerations: first, a drainage easement was needed across the property to connect the pond system in Energy Park to the county ditch on the south side of the Hackbarth lot. The Hackbarths did not wish to provide an easement but did indicate a willingness to sell the property to the City. Secondly, it had always been the intent of the EDA to acquire the property; however at the time of the acquisition of the land for Energy Park the owner was not willing to sell the last parcel abutting 5th Avenue SE. Fortunately, that position changed and the EDA was able to acquire the property.

Property Management

The EDA owns a number of properties in the industrial park. Larger properties were leased out to provide additional revenue for the EDA while smaller properties, such as the 5.7 acres of the two Goebel lots (deemed too small to be leased out) will be maintained on a “pro-bono” basis by area farmers.

The EDA continued to lease out the Stritesky Property for 2009. Over the course of the year the EDA received a total of \$17,414 (\$237.35 / acre) of rent for the property. Towards the end of the year the EDA sought bids for the 2010 crop year. A high bid of \$227.20 per acre was received, for a total of \$16,669.66 for the upcoming year.

For 2009 the former “home place” of the Wetherell property continued to be rented out for \$500 per month – providing the EDA with a total of \$6,000 of rental revenue for the year. The old septic tank failed in mid-summer, however the tenants picked up the cost of hooking up to the city’s sanitary sewer system. Customer Elation has an option on the 1.79 acre property; however until that option is exercised, the EDA will continue to rent the property out. The existing lease expires at the end of 2011.

Grant Writing

In support of various EDA projects, staff was able to obtain four grants totaling \$1,701,000 over the course of the year.

A total of \$1.2 million was obtained to help fund infrastructure in the new industrial park. This came from two grants: \$250,000 from the State of Minnesota and \$950,000 from the federal Department of Commerce, Economic Development Administration. In addition, the EDA was able to secure a \$500,000 grant from the Minnesota Investment Fund to help NuCrane Manufacturing purchase equipment for their new facility. These funds will be loaned to the company at a low interest rate and when repaid, will become a permanent addition to the EDA’s economic development revolving loan fund.

Grants obtained, as well as their source and use, are summarized in Table 5, below.

Table 5 – Grants Obtained, 2009

Source	Use	Amount
DEED - State of Minnesota	Infrastructure for industrial park	\$250,000
Dept. of Commerce, Federal EDA	Infrastructure for industrial park	\$950,000
EDAM Foundation	Wages, Intern	\$1,000
Minnesota Investment Fund	Equipment loan, NuCrane	\$500,000
TOTAL		\$1,701,000

McLeod County EDA

The quest to establish a McLeod County EDA continued throughout the year. In early January EDA staff met with the McLeod County Board in a workshop to consider the steps needed to establish a county EDA. Following that workshop the County Board asked that a county-wide exploratory committee be established to conduct an in-depth review of the pros and cons of establishing an EDA as well as considering options for funding its operations, how it should be governed and what potential projects it would work on.



Following its appointment, the McLeod County EDA Exploratory Committee met three times at various locations around the county to review, discuss and make recommendations for consideration by the County Board. A final report was prepared and formally submitted to the County commissioners at a workshop held on August 4th.

Committee Meetings

April 23 rd	Glencoe
May 21 st	Silver Lake
June 18 th	Brownton
August 4 th	Glencoe

Following the workshop, the County Board asked the Exploratory Committee to continue its work. Specifically, the Board asked the committee to conduct some additional research and to draft an enabling resolution for the proposed EDA. In addition, the committee was asked to propose a program of work and develop a job description for any future EDA staff.

By the close of the year these documents had been drafted and a meeting of the McLeod County Exploratory Committee was set for February of 2010 to review the draft documents.

Downtown Redevelopment – Cenex Project

Final steps to prepare the site of the old Cenex fertilizer plant for redevelopment were completed in 2009. On March 25th the EDA received “letters of non-association” from both the Minnesota Pollution Control Agency and the Department of Agriculture, clearing the EDA of any liability for future clean-up actions on the site. This allowed the EDA to finally close on the four Cenex lots, and the transfer of property was completed at the end of July.



Two overgrown lots were acquired and cleared as part of the redevelopment project.

In March the opportunity arose for the EDA to acquire two lots adjoining the Cenex property on the east side. Both lots were heavily overgrown with trees and brush, and one contained an extremely rundown house.

After extensive negotiations, an agreement was reached and the two lots were purchased in late May for a total of \$34,000. This figure included \$13,970 for the lots themselves and a \$20,000 relocation benefit, as required by state law.

Once acquired, EDA staff secured bids for the removal of hazardous materials and demolition of the house, as well as for the removal of trees and brush covering the two lots. In addition, a

well on the site had to be abandoned and a significant amount of garbage hauled away. All demolition and cleanup work was completed by September.

In addition, the EDA worked with the Hutchinson City Council to add a section of the old Les Kouba Parkway between Lind Street (on the west) and 3rd Avenue (on the east) to the redevelopment site. This added 76,307 square feet to the development site. This portion of Les Kouba Parkway turned out to be rail-road right-of-way, as the area had never been platted as a street.



Removal of the 100-year old house took about 15 minutes.

The addition of the rail-road right-of-way proved to be necessary to make the site developable. Because the old Cenex and Wright lots were all located in the Crow River shore land district, there is a 25% limitation on the amount of area that can be covered by impermeable surfaces (e.g. parking lots & building). Without the addition of the railroad right-of-way, the area would have been too small to develop effectively. With the addition of the railroad right-of-way, the entire redevelopment site is now 132,071 square feet (3.03 acres) in size. Development (building & parking) can cover 25% of this amount, or about 33,000 square feet.

In October dirt was brought in to the site from the new industrial park, and the entire site was graded and seeded with grass.

Following site grading, Braun InterTec installed monitoring wells on the site to monitor the movement of any residual underground contamination. These monitoring wells will most likely be in place for 12 months, after which they will be capped.

The final step in readying the site for redevelopment will be to re-plat the 7 individual lots in the redevelopment area into one large lot. To accomplish this, the McLeod County Rail Authority would have to provide a partial release of mortgage on the railroad right of way – due to the fact that the City is purchasing the railroad property on a contract-for deed from the rail authority and therefore does not have clear title to the property.

Once this partial release is obtained the final plat can be completed and the site will be ready for new development.



The site as it appeared following removal of trees & brush. Several old growth trees were retained.

Downtown Grant & Loan Programs

The Hutchinson EDA has long considered the downtown to be a development priority. For the year, the EDA invested \$45,357 in grants and loans in the downtown.

Sign & Awning Grant Program

The downtown Sign & Awning Grant program provides funding for business owners who wish to put up new signage and / awnings at their place of business. Up to \$2,000 is available and no match is required. For 2009, a total of six grants were provided, totaling \$9,475. Grant recipients are listed in Table 6, below:



Modern & attractive signage is the rule downtown rather than the exception.

Table 6 – Sign & Awning Grants, 2009

Approved	Recipient	Amount
1/28/2009	Physiological Human Performance Systems	\$1,500
7/22/2009	CORE Exercise Studio	\$2,000
7/22/2009	Venus Salon & Spa	\$675
8/26/2009	Lillians	\$2,000
11/25/2009	Hapkido Self Defense	\$1,300
12/23/2009	State Farm Insurance	\$2,000
TOTAL		\$9,475

Storefront Revitalization Matching Grant Program

The Storefront Revitalization Matching Grant Program provides matching grants of up to \$5,000 to downtown property owners for the purpose of improving the “curb appeal” of their buildings. A dollar-for-dollar match is required from building owners. Two grants were awarded in 2009, totaling \$3,636. These are summarized in Table 7, found on the following page.



Storefront revitalization matching grants keep downtown buildings looking new.

Table 7 – Storefront Revitalization Matching Grants, 2009

Approved	Recipient	Amount
1/28/2009	Salon Montage	\$2,586
12/23/2009	Dostal Electronics	\$1,050
TOTAL		\$3,636

Commercial Rehabilitation Loan Program

The EDA's Commercial Rehabilitation Loan Program, more commonly referred to as simply the "Downtown Loan Program," is intended to provide low interest funding for building owners to make improvements to their buildings. Eligible uses include making exterior improvements to buildings or making safety, accessibility, habitability and energy efficiency enhancements. Borrowers have the option of a 10-year loan at an interest rate 2% below Prime, or a 15-year loan at Prime. Either way, it is a very attractive source of funding for building improvements. For 2009, three loans were made totaling \$32,246. These are listed in Table 8, below:



Low interest commercial rehabilitation loans make big projects economically feasible.

Table 8 – Downtown Loans, 2009

Approved	Recipient	Amount
1/28/2009	Bob Schleuter	\$9,226.09
2/25/2009	Richard Peterson	\$8,300
10/27/2009	Maria Oman	\$14,720
TOTAL		\$32,246.09

Program Summary 2003 – 2009

The Hutchinson EDA has consistently made downtown a priority for its economic development efforts. Since 2003 more than \$1.07 million has been invested in downtown through the EDA's programs. Table 9, on the following page, gives a breakdown of downtown investment since 2003.

Table 9 – Usage of Downtown Programs, 2003 – 2009

Sign & Awning Grants		
YEAR	#	Amount
2003	7	\$12,602.60
2004	5	\$9,545.00
2005	9	\$16,751.00
2006	12	\$17,615.98
2007	20	\$32,117.88
2008	10	\$16,425.74
2009	6	\$9,475.00
TOTAL	69	\$114,533.20

Storefront Revitalization Matching Grants		
YEAR	#	Amount
2003	6	\$10,449.83
2004	4	\$19,055.00
2005	6	\$25,102.50
2006	5	\$18,631.52
2007	6	\$25,398.97
2008	3	\$12,350.00
2009	2	\$3,636.00
TOTAL	32	\$114,623.82

Commercial Rehabilitation Loans		
YEAR	#	Amount
2003	2	\$80,000.00
2004	5	\$466,055.52
2005	1	\$130,000.00
2006	0	\$0.00
2007	1	\$6,400.00
2008	1	\$130,000.00
2009	3	\$32,246.09
TOTAL	13	\$844,701.61

Economic Development Loan Programs

In addition to the downtown grant and loan programs, the EDA maintains two revolving loan funds that focus on industrial park and manufacturing uses.

Economic Development Loan Fund

The Economic Development Loan Fund finished the year with \$86,544 in cash available. Two loans were outstanding: to Warrior Mfg. and Ashwill Industries. Both loans are performing as required. Detail information on both loans can be found in Appendix "B" of this report.

In addition to cash and two outstanding loans, the Economic Development Loan Fund has \$25,000 in cash on deposit with the Minnesota Community Capital Fund (MCCF). This program allows the EDA to leverage up to ten times the deposited amount for projects within the city.

At the close of 2009 the Economic Development Loan Fund had total assets of \$206,192.

MIF Loan Fund

Hutchinson's MIF (Minnesota Investment Fund) Loan Fund has grown significantly over the past few years. A relatively new loan fund for the EDA, it was established utilizing three separate grants from the Minnesota Department of Employment and Economic Development (DEED). By utilizing the federal pool of MIF dollars from DEED, grants are made to the EDA, which in turn lends the money to expanding businesses. As the dollars are repaid, they become a permanent addition to the EDA's revolving loan fund.

At the close of 2009 the EDA's MIF fund had \$171,939 in cash available and two loans outstanding with a combined loan balance of \$541,485. Both loans were performing as required; additional loan details can be found in Appendix "C" of this report.

A \$500,000 MIF grant was obtained in mid-2009 to assist NuCrane Manufacturing with the purchase of equipment for their new facility. This brought the total assets of the EDA's MIF loan fund up to \$1,213,424.

HUTCHINSON DOWNTOWN ASSOCIATION

With 40 members, the Hutchinson Downtown Association (HDA) had another successful year in 2009. Activities of the HDA include sponsorship of the Popcorn Wagon and the Farmer's Market, as well as downtown events such as Picnic in the Park and Main Street Christmas. In addition, the HDA provides plantings for flower pots in the downtown as well as decorative treetops in the winter.

The HDA is governed by a seven member Board of Directors along with four liaisons who have full voting rights. Membership is shown in Table 10, below.

Table 10 – Downtown Association Board Members, 2009

Director	Position	Affiliation	Term
Mike Cannon	President	Citizens Bank & Trust	2009
Mark Cormier	Vice President	Hagar's Jewelry	2008
Joanne Willmert	Treasurer	The Village Shop	2009
Gus Wurdell	Director	Unity Stamp Company	2008
Tina McMillan	Director	Hutchinson Leader	2010
Chad Czmowski	Director	Outdoor Motion	2010
Matt Pulkrabek	Director	Hometown Realty	2008
Bill Corby	Liaison	Chamber of Commerce	open
George Quast	Liaison	Historic Hutchinson	open
Hugo Rusch	Liaison	Farmer's Market	open
Chad Czmowski	Liaison	City Council	open

EDA FINANCES

The EDA operations budget was significantly “in the black” in 2009, with revenues exceeding expenditures by \$24,337 for the year.

A number of factors combined to make this possible: first, projects have now been moved out of the operations budget and are funded by the EDA's loan funds. This led to a reimbursement to the operations budget from the downtown revolving loan fund for Cenex project expenses, most notably the acquisition and clean-up of the Wright property. Secondly, a small amount of grant dollars were obtained, which helped offset the salary expense of the EDA intern. Finally, a number of the EDA's operational expenditures came in under budget for the year.

Table 11, below, compares the EDA's budgeted and actual amounts for its various operations categories:

Table 11 – EDA Operations Budget, 2009

Operations Category	Budgeted	Actual	Variance
Revenues	\$180,559	\$187,138	\$6,579
Salaries & Benefits	\$125,546	\$120,267	\$5,279
Supplies	\$4,300	\$2,788	\$1,512
Consulting	\$11,000	\$12,473	(\$1,473)
Services & Charges	\$12,450	\$7,593	\$4,857
Transfers	\$5,000	\$5,000	\$0
Miscellaneous (Taxes, etc.)	\$10,100	\$14,680	(\$4,580)
Capital Outlays	\$4,750	\$0	\$4,750
NET BALANCE	\$7,413	\$24,337	\$16,924

SUMMARY

By any measure, 2009 was a very successful year for the Hutchinson Economic Development Authority:

- An extensive business census was completed; this being in addition to the standard business retention & expansion (BR&E) visits.
- A major new company, NuCrane Manufacturing, was brought to town. NuCrane ultimately will create 60 high-paying jobs in the community.
- A record amount of grant dollars was applied for and obtained. (\$1.7 million)
- The city's industrial park was essentially doubled in size.
- Resources for future economic development projects, in particular the EDA's MIF revolving loan fund, were expanded significantly. The MIF fund now has in excess of \$1.2 million in assets.
- A major redevelopment project, the old Cenex fertilizer site, was essentially completed.

Taken together, these accomplishments will significantly strengthen the economy of the City of Hutchinson.

NuCrane Groundbreaking Ceremony Program

1:00 p.m. *Welcome and Safety Brief, Bill Burns*

Nick Liparulo, Senior Vice President, Nuclear Services,
Westinghouse Electric Company

Minnesota Lieutenant Governor Carol Molnau

David Howell, Vice President, Field Services,
Westinghouse Electric Company

Bill Burns, President, PaR Nuclear, Inc.

Tom Daggett, President, Hutchinson Manufacturing, Inc.

Erika Nelson, U.S. Senator Amy Klobuchar's Office

Charlie Poster, U.S. Senator Al Franken's Office

Bob Ness, U.S. Representative Collin Peterson's Office

Mark Lofthus, Department of Employment and
Economic Development (DEED)

Steve Cook, Mayor, Hutchinson, Minnesota

Bill Blazar, Senior Vice President, Public Affairs and
Business Development, Minnesota Chamber of Commerce

Groundbreaking

*Shovels: Lieutenant Governor Carol Molnau, Mayor Steve Cook,
Nick Liparulo, David Howell, Bill Burns, Tom Daggett*

*PaR Nuclear, Inc. and Hutchinson Manufacturing, Inc. would like
to thank the following individuals for their special effort in
supporting the creation of NuCrane Manufacturing, LLC:*

Miles Seppelt, Economic Development Director, City of Hutchinson

Lisa Hughes, Department of Employment and Economic Development

Dave Daeges, Center National Bank

City of Hutchinson staff

W.R. Taylor & Company, LLC

Gray Plant Mooty

Ober Kaler

Hutchinson City Council and Economic Development Authority (EDA)

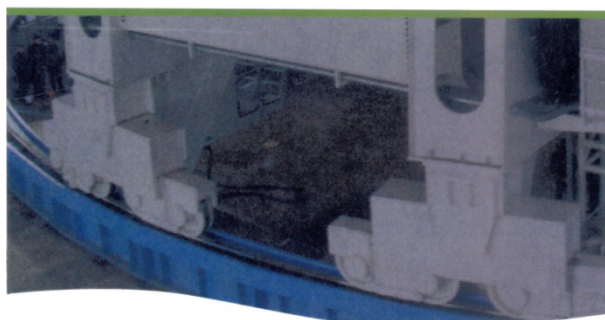
Employees of Westinghouse, PaR Nuclear and Hutchinson
Manufacturing

*Reception immediately following the groundbreaking
at the Best Western Victorian Inn.*



NuCRANE
MANUFACTURING

NuCrane is a joint venture between PaR Nuclear, Inc. and Hutchinson Manufacturing, Inc.



Summary of Results: 2009 Work Plan & Goals

BUSINESS RETENTION & EXPANSION

- 1) Conduct 15 BR & E visits, as many as possible in conjunction with the Chamber of Commerce **(VISITED 19)**

DOWNTOWN

- 2) Continue Cenex Site Redevelopment **(DONE)**
- 3) Continue development of Downtown Gateway **(IN PROGRESS)**

INDUSTRIAL PARK

- 4) Make Bio-Science & renewable energy projects a development priority **(IN PROGRESS)**
 - Research & evaluate existing projects in Minnesota
- 5) Complete Industrial Park Infrastructure Project **(IN PROGRESS)**
- 6) Recruit at least 1 new company for the industrial park **(DONE – NuCrane)**
- 7) Complete development of a small business incubator **(DONE? – Ridgewater)**

MARKETING & PUBLIC RELATIONS

- 8) Evaluate the need for new marketing materials **(2010 PROJECT)**

GENERAL

- 9) Obtain \$100,000 in grants (various uses) **(DONE - \$1.7 million)**
- 10) Pursue development of a McLeod County EDA **(IN PROGRESS)**
- 11) Do everything feasible to fill vacant “big box” buildings **(IN PROGRESS)**

2010 Work Plan & Goals

BUSINESS RETENTION & EXPANSION

- 1) Conduct 15 BR & E visits, as many as possible in conjunction with the Chamber of Commerce

DOWNTOWN

- 2) Promote new development on former Cenex site
- 3) Continue development of Downtown Gateway

INDUSTRIAL PARK

- 4) Make Bio-Science & renewable energy projects a development priority
 - Research & evaluate existing projects in Minnesota
- 5) Complete new Industrial Park
 - A. Complete infrastructure construction
 - B. Annex / rezone / plat new lot (Hackbarth)
- 6) Recruit at least 1 new company for the industrial park
- 7) Obtain JOBZ designation for all lots in the new industrial park.

MARKETING & PUBLIC RELATIONS

- 8) Evaluate the need for / create new marketing materials
- 9) Develop community marketing materials for Cornerstone Commons
- 10) Continue public relations efforts
 - Appear on KDUZ Community Affairs program monthly
 - Speak to community groups & organizations as invited
 - Make regular updates to EDA website

GENERAL

- 11) Obtain \$100,000 in grants (various uses)
- 12) Pursue development of a McLeod County EDA
- 13) Do everything feasible to fill vacant “big box” buildings

APPENDIX A

**Downtown Revolving Loan Fund
2009 Status Report**

Loan	Borrower	Originated	Loan Amount	Term	Rate	Monthly Pymt.	Outstanding Balance as of 12/31/08	Maturity
1	A	2/1/1990	\$6,670.99	20	0.00%	\$16.81	\$234.75	2/1/2011
2	B	6/10/1991	\$30,101.37	20	0.00%	\$125.42	\$501.60	5/10/2010
3	C	12/1/1991	\$3,395.75	20	0.00%	\$14.15	\$55.81	4/1/2010
4	D	5/1/1992	\$7,310.00	20	0.00%	\$30.46	\$1,218.87	5/1/2013
5	E	2/10/1993	\$25,637.10	20	0.00%	\$106.82	\$4,914.02	11/10/2013
6	F	3/10/1993	\$1,772.95	20	0.00%	\$7.39	\$198.55	5/10/2012
7	G	6/1/1993	\$3,749.00	20	0.00%	\$15.62	\$649.57	6/1/2013
8	H	1/1/1994	\$1,610.75	20	0.00%	\$6.71	\$322.43	1/1/2014
9	I	1/1/1996	\$3,536.43	20	0.00%	\$14.74	\$1,045.37	12/1/2015
10	J	3/1/2001	\$4,411.00	10	2.00%	\$40.59	\$503.41	12/1/2010
11	K	5/1/2001	\$1,612.34	10	2.00%	\$14.84	\$214.59	3/1/2011
12	L	5/5/2001	\$53,855.00	10	2.00%	\$495.54	\$8,403.03	6/1/2011
13	M	9/1/2001	\$4,110.00	10	2.00%	\$37.82	\$801.67	5/11/2011
14	N	9/1/2001	\$33,580.50	10	2.00%	\$308.99	\$8,204.67	1/1/2011
15	O	11/1/2001	\$2,960.00	10	2.00%	\$27.24	\$583.57	11/1/2011
16	P	12/1/2001	\$59,820.00	10	2.00%	\$550.42	\$12,871.38	12/1/2011
17	Q	3/1/2002	\$15,970.23	10	2.00%	\$146.95	\$3,589.33	2/1/2012
18	R	4/1/2002	\$27,494.00	10	2.00%	\$252.98	\$8,055.70	9/1/2012
19	S	12/1/2002	\$17,060.00	10	2.00%	\$156.97	\$3,368.82	10/1/2011
20	T	1/1/2003	\$18,975.00	10	2.00%	\$250.00	\$1,151.25	1/1/2012
21	U	1/1/2003	\$3,000.00	10	2.00%	\$27.60	\$926.95	1/1/2013
22	V	5/8/2003	\$65,000.00	10	2.00%	\$598.09	\$23,823.62	7/1/2013
23	W	1/1/2004	\$130,000.00	10	2.00%	\$ 227.51**	\$121,148.86	5/1/2014
24	X	4/1/2004	\$11,055.52	10	2.00%	\$101.73	\$5,073.25	5/1/2014
25	Y	9/10/2004	\$130,000.00	10	2.00%	\$1,196.17	\$64,969.09	9/1/2014
26	Z	12/1/2004	\$65,000.00	15	4.50%	\$497.25	\$47,997.64	1/1/2020
27	AA	2/1/2005	\$130,000.00	10	2.75%	\$1,240.34	\$70,207.15	2/1/2015
28	BB	3/23/2007	\$130,000.00	15	6.25%	\$1,114.65	\$118,581.69	3/23/2022
29	CC	6/15/2007	\$6,400.00	10	6.25%	\$71.86	\$5,247.39	6/15/2017
30	DD	5/30/2008	\$130,000.00	10	3.25%	\$1,270.35	\$113,757.04	6/1/2018
31	EE	8/19/2008	\$46,703.00	10	3.00%	\$450.97	\$41,279.97	8/1/2018
32	FF	5/1/2009	\$8,300.00	15	3.25%	\$58.32	\$8,049.15	5/1/2024
Totals			<u>\$1,179,090.93</u>			<u>\$9,247.79</u>	<u>\$669,901.04</u>	

APPENDIX B

**Economic Development Loan Fund
2009 Status Report**

Loan	Borrower	Originated	Original Loan Amount	Term	Rate	Monthly Pymt.	Outstanding Balance as of 12/31/09	Maturity
1	A	1/15/2009	\$30,000	6	8.00%	\$526.00	\$26,641	1/14/2015
2	B	8/28/2007	<u>\$50,000</u>	7	4.00%	<u>\$680.00</u>	<u>\$35,546</u>	8/27/2014
TOTALS			<u>\$80,000</u>			<u>\$1,206.00</u>	<u>\$62,187</u>	

APPENDIX C

**MIF Loan Fund
2009 Status Report**

Loan	Borrower	Originated	Original Loan Amount	Term	Rate	Monthly Pymt.	Outstanding Balance as of 12/31/09	Maturity
1	A	8/28/2007	\$200,000	7	2.50%	\$2,600.00	\$136,733.00	8/27/2014
2	B	8/1/2008	<u>\$500,000</u>	7	0.00%	<u>\$5,952.38</u>	<u>\$404,752.00</u>	7/31/2015
TOTALS			<u>\$700,000</u>			<u>\$8,552.38</u>	<u>\$541,485.00</u>	

APPENDIX D

**Economic Development Authority
2009 Year End Financial Statements**

Hutchinson Community Development Corp - EDA (9109)

AS OF DECEMBER 31, 2009

BALANCE SHEET OPERATIONS

FULL ACCRUAL

INTERNAL USE ONLY

ASSETS	TOTAL
Cash	\$ 160,742
Accounts Receivable	-
TOTAL ASSETS	160,742
LIABILITIES	
Accounts Payable	662
Accrued Payroll & Vacation	954
TOTAL LIABILITIES	1,615
EQUITY	
Reserved - Land (Warrior Sale)	56,736
Unreserved	102,391
TOTAL FUND BALANCE	159,127
TOTAL LIABILITIES & FUND BALANCE	\$ 160,742

Hutchinson Community Development Corp - EDA (9109)

AS OF DECEMBER 31, 2009

Statement of Revenues & Expenditures

FULL ACCRUAL

INTERNAL USE ONLY

Object Code	Description	Budget	December	YTD	Available Balance
REVENUES					
4011	TAXES	155,145	70,456	142,380	12,765
4012	DELINQUENT TAXES	-	253	1,238	(1,238)
4013	PENALTIES & INTEREST	-	-	-	-
4141	HOMESTEAD CREDIT	-	5,230	10,459	(10,459)
4316	RENTS	23,414	500	23,414	(0)
4340	SALES OF PROPERTY	-	-	-	-
4625	INTEREST INCOME	1,000	600	450	550
4720	REFUNDS & REIMBURSEMENTS	1,000	-	8,197	(7,197)
4840	CONTRIBUTIONS & DONATIONS	-	-	1,000	(1,000)
	TOTAL REVENUES	180,559	77,039	187,138	-6,579
EXPENDITURES					
6110	WAGES REG.EMPLOYEES	83,834	6,034	76,368	7,466
6122	WAGES TEMPORARY EMPLOYEES	21,560	1,667	18,563	2,998
6131	VACATION PAY	-	-	2,051	(2,051)
6132	HOLIDAY PAY	-	402	3,459	(3,459)
6133	SICK PAY	-	40	865	(865)
6141	PERA-COORDINATED	5,690	437	5,580	110
6145	FICA-CITY PORTION	8,062	500	6,153	1,909
6150	MEDICARE	-	117	1,439	(1,439)
6160	EMPL.HEALTH & INS. BENEFIT	6,400	423	5,075	1,325
6167	HRA ADMINISTRATION FEE	-	-	36	(36)
6169	FLEX ADMINISTRATION FEE	-	-	50	(50)
6170	WORKERS COMP INSURANCE	-	51	629	(629)
	TOTAL SALARIES & FRINGE BENEFITS	125,546	9,671	120,267	5,279
6205	OFFICE SUPPLIES	800	-	25	775
6210	OPERATING SUPPLIES	3,500	972	2,762	738
	TOTAL SUPPLIES, REPAIRS, & MAINT.	4,300	972	2,788	1,512
6301	PROFESSIONAL SERVICES	8,000	92	12,023	(4,023)
6305	OTHER CONTRACTUAL	3,000	450	450	2,550
	TOTAL CONSULTING	11,000	542	12,473	(1,473)
6310	COMMUNICATIONS	3,200	214	2,240	960
6311	POSTAGE	800	19	679	121
6320	TRAVEL SCHOOL CONFERENCE	2,500	720	1,120	1,380
6321	CAR ALLOWANCE - TRAVEL	2,500	257	1,135	1,365
6330	ADVERTISING	-	-	370	(370)
6340	PRINTING & PUBLISHING	2,500	81	1,067	1,433
6370	CONTRACT REPAIR & MAINTENANCE	-	232	766	(766)
6385	DATA PROC EQUIPMENT RENTAL	950	14	215	735
	TOTAL OTHER SERVICE & CHARGES	12,450	1,537	7,593	4,857
6735	SOUTHWEST MN FOUNDATION	5,000	-	5,000	-
	TOTAL TRANSFERS	5,000	-	5,000	-
6901	DUES & SUBSCRIPTIONS	1,000	-	702	298
6902	TAXES	8,600	43	11,165	(2,565)
6909	MISCELLANEOUS	500	306	2,813	(2,313)
	TOTAL MISCELLANEOUS	10,100	349	14,680	(4,580)
7010	LAND	-	-	-	-
7015	IMPROVEMENTS TO LAND	4,000	-	-	4,000
7030	MACHINERY & EQUIPMENT	750	-	-	750
	TOTAL CAPITAL OUTLAYS	4,750	-	-	4,750
	TOTAL EXPENDITURES	173,146	13,072	162,801	10,345
Revenues over (under) expenditures		\$ 7,413	\$ 63,967	\$ 24,337	\$ (16,924)

Hutchinson Community Development Corp - EDA
AS OF DECEMBER 31, 2009
ECONOMIC DEVELOPMENT LOAN FUND (9114)
FULL ACCRUAL
INTERNAL USE ONLY

ASSETS	TOTAL
Cash	\$ 86,544
Accounts Receivable	
Stritesky Property	32,461
Notes Receivable	
Warrior Manufacturing	35,546
Ashwill Industries	26,641
Deposits (MCCF)	25,000
Total Notes Receivable	<u>87,187</u>
Accrued Interest	-
TOTAL ASSETS	<u>206,192</u>
 LIABILITIES	
Accounts Payable	-
Deferred Revenues	119,648
TOTAL LIABILITIES	<u>119,648</u>
 EQUITY	
Fund Balance	
Reserved	-
Unreserved	86,544
TOTAL FUND BALANCE	<u>86,544</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 206,192</u>

ECONOMIC DEVELOPMENT LOAN FUND (9114)
Statement of Revenues & Expenditures
FULL ACCRUAL
INTERNAL USE ONLY

Object Code	Description	Budget	December	YTD	Available Balance
REVENUES					
4625	INTEREST EARNED	2,500	428	1,296	1,204
4705	LOAN REPAYMENTS	10,000	680	13,420	(3,420)
4706	COMMERCIAL LOAN REPAYMENTS	-	-	-	-
4825	OTHER FUND TRANSFERS	-	-	23,380	(23,380)
	TOTAL REVENUES	12,500	1,108	38,096	(25,596)
 EXPENDITURES					
6301	PROFESSIONAL SERVICES	-	-	23,380	(23,380)
6650	LOAN	50,000	-	11,603	38,397
	TOTAL EXPENDITURES	50,000	-	34,983	15,017
 Revenues over (under) expenditures		<u>\$ 37,500</u>	<u>\$ 1,108</u>	<u>\$ 3,113</u>	<u>\$ 40,613</u>

Hutchinson Community Development Corp - EDA
AS OF DECEMBER 31, 2009
ENERGY LOAN FUND - DOWNTOWN LOAN FUND (9115)
FULL ACCRUAL
INTERNAL USE ONLY

ASSETS	TOTAL
Cash	\$ 361,672
Loans Receivable	690,573
Cenex Property - Capital Asset	157,195
Wright Property - Capital Asset	44,134
TOTAL ASSETS	<u>1,253,574</u>
LIABILITIES	
Accounts Payable	-
Deferred Revenues (loans receivable)	690,573
TOTAL LIABILITIES	<u>690,573</u>
EQUITY	
Invested In Capital Assets	201,329
Unreserved	361,672
TOTAL FUND BALANCE	<u>563,001</u>
TOTAL LIABILITIES & FUND BALANCE	<u><u>\$ 1,253,574</u></u>

ENERGY LOAN FUND - DOWNTOWN LOAN FUND (9115)
Statement of Revenues & Expenditures
FULL ACCRUAL
INTERNAL USE ONLY

Object Code	Description	Budget	December	YTD	Available Balance
REVENUES					
4625	INTEREST EARNED	2,500	1,959	6,083	(3,583)
4706	COMMERCIAL LOAN REPAYMENTS	120,000	7,780	109,965	10,035
4720	REFUNDS & REIMB.	-	-	195,200	(195,200)
	TOTAL REVENUES	122,500	9,738	311,248	(188,748)
EXPENDITURES					
6370	CONTRACT REPAIR & MAINT.	-	-	-	-
6650	LOANS	200,000	1,300	27,508	172,492
6909	MISCELLANEOUS	-	-	195,490	(195,490)
7010	LAND	-	-	-	-
	TOTAL EXPENDITURES	200,000	1,300	222,998	(22,998)
Revenues over (under) expenditures		<u>(77,500)</u>	<u>8,438</u>	<u>88,250</u>	<u>(165,750)</u>

Hutchinson Community Development Corp - EDA
AS OF DECEMBER 31, 2009
MINN. INVEST. LOAN FUND (9120) - (Warrior Manuf. & Customer Elation)
FULL ACCRUAL
INTERNAL USE ONLY

ASSETS	TOTAL
Cash	\$ 171,939
Grants Receivable	\$ 500,000
Loans Receivable	
Loan (Warrior Manuf.)	136,733
Loan (Customer Elation.)	404,752
Total Loans Receivable	<u>541,485</u>
TOTAL ASSETS	<u>1,213,424</u>
LIABILITIES	
Accounts Payable	-
Deferred Revenues (note receivable)	541,485
Deferred Revenues (grant receivable)	500,000
TOTAL LIABILITIES	<u>1,041,485</u>
EQUITY	
Unreserved	171,939
Reserved	-
TOTAL FUND BALANCE	<u>171,939</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 1,213,424</u>

MINN. INVEST. LOAN FUND (9120) - (Warrior Manuf. & Customer Elation)
Statement of Revenues & Expenditures
FULL ACCRUAL
INTERNAL USE ONLY

Object Code	Description	Budget	December	YTD	Available Balance
REVENUES					
4625	INTEREST INCOME	-	851	2,226	(2,226)
4705	LOAN REPAYMENTS	-	8,553	102,636	(102,636)
4706	COMMERCIAL LOAN REPAYMENTS	-	-	-	-
4720	REFUNDS & REIMB.	-	-	-	-
	TOTAL REVENUES	<u>-</u>	<u>9,404</u>	<u>104,862</u>	<u>(104,862)</u>
EXPENDITURES					
6650	LOANS	-	-	-	-
6909	MISCELLANEOUS	-	-	-	-
7010	LAND	-	-	-	-
	TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures		<u>-</u>	<u>9,404</u>	<u>104,862</u>	<u>(104,862)</u>

APPENDIX E

Adopted EDA Budget, 2010

Hutchinson EDA 2010 Budget

Updated: 11 November 2009

Dept. Code **2950.**

Object Code / Description

	2007	2008	2009	2010	
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Notes</u>
REVENUES					
4011 Taxes	127,774	134,496	155,145	165,024	6.37% levy increase
4012 Delinquent Taxes	0	1,189	0	0	
4013 Penalties & Interest	0	24	0	0	Stritesky = 73.37 acres
4141 Homestead Credit	10,235	10,478	0	0	@ \$227.20 = \$16,669.66
4316 Rents	14,122	21,049	23,414	0	
4625 Interest Income	1,184	2,123	1,000	1,000	Wetherell = 12 mo
4720 Refunds & Reimbursements	<u>1,000</u>	<u>1,500</u>	<u>1,000</u>	<u>1,000</u>	@ \$500 / mo = \$6,000
TOTAL REVENUES	<u>154,315</u>	<u>170,859</u>	<u>180,559</u>	<u>167,024</u>	

	2007	2008	2009	2010	
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	
EXPENDITURES					
6110 Wages Reg. Employees	68,555	73,294	83,834	83,834	wage freeze
6121 Wages, Temporary Emp.	19,610	17,309	21,560	20,500	cut
6131 Vacation Pay	2,155	3,725	0	0	
6132 Holiday Pay	3,129	3,342	0	0	
6133 Sick Pay	2,106	1,068	0	0	
6141 PERA - Coordinated	4,740	5,286	5,690	5,690	
6145 FICA - City Portion	5,151	5,955	8,062	8,062	
6150 Medicare	1,208	1,393	0	1,400	
6160 Empl. Health & Ins. Benefit	5,935	6,354	6,400	6,400	
6170 Workers Comp Insurance	583	602	0	650	
Total Salaries & Fringe Benefits	<u>113,172</u>	<u>118,328</u>	<u>125,546</u>	<u>126,536</u>	
6205 Office Supplies	47	449	800	700	cut
6210 Operating Supplies	1,455	3,804	3,500	3,500	
Total Supplies, Repairs & Maint.	<u>1,502</u>	<u>4,253</u>	<u>4,300</u>	<u>4,200</u>	
6301 Professional Services	<u>1,000</u>	<u>29,682</u>	8,000	6,000	cut
6305 Other Contractual	0	450	3,000	3,000	
Total Consulting	<u>1,000</u>	<u>30,132</u>	<u>11,000</u>	<u>9,000</u>	
6310 Communications	3,352	2,260	3,200	3,200	
6311 Postage	206	269	800	400	cut
6320 Travel/School/Conference	2,493	4,494	2,500	1,900	cut
6321 Car Allowance - Travel	564	1,138	2,500	2,500	
6340 Printing & Publishing	1,188	650	2,500	1,500	cut
6370 Contract Repair & Maintenance	0	0	0	0	
6385 Data Proc Equipment Rental	450	0	950	950	
Total Other Services & Charges	<u>8,253</u>	<u>8,811</u>	<u>12,450</u>	<u>10,450</u>	
6735 Southwest Foundation	4,000	5,000	5,000	5,000	
6901 Dues & Subscriptions	4,207	563	1,000	1,000	
6902 Taxes & Assessments	17,069	9,538	8,600	9,600	increase
6909 Miscellaneous	371	893	500	500	
Total Miscellaneous	<u>25,647</u>	<u>15,994</u>	<u>15,100</u>	<u>16,100</u>	
7015 Improvements to Land	8,890	6,493	4,000	0	Gateway
7030 Machinery & Equipment	600	0	750	700	cut
Total Capital Outlays	<u>9,490</u>	<u>6,493</u>	<u>4,750</u>	<u>700</u>	
TOTAL EXPENDITURES	<u>159,064</u>	<u>184,011</u>	<u>173,146</u>	<u>166,986</u>	
BALANCE	<u>- \$4,749</u>	<u>- \$13,152</u>	<u>\$7,413</u>	<u>\$38</u>	

APPENDIX F

**Economic Development Authority
Statements of Financial Position, 2005 – 2009**

Hutchinson Economic Development Authority

Statement of Financial Position, 2009

As of December 31, 2009 (UNAUDITED)

Cash		
Operations	\$160,742	
Downtown Revolving Loan Fund	\$361,672	
Economic Development Revolving Loan Fund	\$86,544	
Minnesota Investment Fund (MIF) Loan Fund	<u>\$171,939</u>	
Total Cash		\$780,897
Deposits		
Minnesota Community Capital Fund	<u>\$25,000</u>	
Total Deposits		\$25,000
Grant Receivable		
Minnesota Investment Fund	<u>\$500,000</u>	
		\$500,000
Loans		
Downtown Loans	\$690,573	
Economic Development Loans	\$62,187	
Minnesota Investment Fund (MIF) Loans	\$541,485	
Land Write-Down Loans (forgivable)	<u>\$116,204</u>	
Total Loans		\$1,410,449
Real Estate (Book Value)		
Wetherell Property (1.797 acres @ \$30,000 / acre)	\$53,910	
Stritesky Property (77.76 acres @ \$5,208 / acre)	\$405,000	
Goebel Property (5.7 acres @ \$26,585.32 / acre)	\$151,536	
Cenex / Wright Property (3.03 acres, 3rd Ave. NW)	\$351,329	
Hackbarth Property (44.79 acres)	\$940,800	
Hackbarth Property (6.99 acres, 5th Avenue, n/s)	\$127,200	
Hackbarth Property (5.65 acres, 5th Avenue, s/s)	<u>\$197,750</u>	
Total Real Estate		\$2,227,525
TOTAL ASSETS		<u>\$4,943,871</u>
LIABILITIES		
Real Estate		
Cenex Property (repay CIF)	(\$150,000)	
Cenex Property (1.75 ac. @ \$32,967 / ac.; former RR right-of-way)	(\$57,692)	
Hackbarth Property (Land Acquisition - to CIF)	(\$973,914)	
Hackbarth Property (Infrastructure - to CIF)	<u>(\$364,200)</u>	
Total Payable		(\$1,545,806)
TOTAL LIABILITIES		<u>(\$1,545,806)</u>
EDA EQUITY		<u>\$3,398,065</u>

Note: CIF = Community Investment Fund

Hutchinson Economic Development Authority

Statement of Financial Position, 2008

As of December 31, 2008 (UNAUDITED)

Cash		
Operations	\$109,796	
Downtown Revolving Loan Fund	\$324,140	
Economic Development Revolving Loan Fund	\$109,349	
Minnesota Investment Fund (MIF) Loan Fund	<u>\$67,003</u>	
Total Cash		\$610,288
Deposits		
Minnesota Community Capital Fund	<u>\$25,000</u>	
Total Deposits		\$25,000
Loans		
Downtown Loans	\$713,067	
Economic Development Loans	\$59,184	
Minnesota Investment Fund (MIF) Loan	\$640,334	
Land Write-Down Loans (forgivable)	<u>\$141,503</u>	
Total Loans		\$1,554,088
Real Estate (Book Value)		
Wetherell Property (1.797 acres @ \$30,000 / acre)	\$53,910	
Stritesky Property (77.76 acres @ \$5,208 / acre)	\$405,000	
Goebel Property (3.86 acres @ \$26,585.32 / acre)	\$102,619	
Cenex Property (2 acres total)	\$300,000	
Hackbarth Property (68.07 acres @ \$15,425 / acre)	<u>\$1,050,000</u>	
Total Real Estate		\$1,911,529
TOTAL ASSETS		<u>\$4,100,905</u>
LIABILITIES		
Real Estate		
Cenex Property (repay City Development Fund)	(\$150,000)	
Hackbarth Property (repay City Development Fund)	(\$200,000)	
Hackbarth Property Contract for Deed (5 yrs @ \$192,487)	<u>(\$962,435)</u>	
Total Payable		(\$1,312,435)
TOTAL LIABILITIES		<u>(\$1,312,435)</u>
EDA EQUITY		<u>\$2,788,470</u>

Hutchinson Economic Development Authority

Statement of Financial Position, 2007

As of December 31, 2007 (UNAUDITED)

Cash		
Operations	\$157,841	
Downtown Revolving Loan Fund	\$463,826	
Economic Development Revolving Loan Fund	\$90,338	
Minnesota Investment Fund (MIF) Loan Fund	<u>\$10,400</u>	
Total Cash		\$722,405
Grant Receivable		
Minnesota Investment Fund	<u>\$500,000</u>	
		\$500,000
Deposits		
Minnesota Community Capital Fund	<u>\$25,000</u>	
Total Deposits		\$25,000
Loans		
Downtown Loans	\$674,256	
Economic Development Loans	\$70,692	
Minnesota Investment Fund (MIF) Loan	\$190,875	
Land Write-Down Loans (forgivable)	<u>\$106,978</u>	
Total Loans		\$1,042,801
Real Estate (Book Value)		
Wetherell Property (1.797 acres @ \$30,000 / acre)	\$53,910	
Stritesky Property (77.76 acres @ \$5,208 / acre)	\$405,000	
Goebel Property (3.86 acres @ \$26,585.32 / acre)	\$102,619	
Cenex Property (2 acres total)	<u>\$300,000</u>	
Total Real Estate		\$861,529
TOTAL ASSETS		<u>\$3,151,735</u>
LIABILITIES		
Real Estate		
Stritesky Property Contract for Deed	(\$42,000)	
Cenex Property (repay City Development Fund)	<u>(\$150,000)</u>	
Total Payable		(\$192,000)
TOTAL LIABILITIES		<u>(\$192,000)</u>
EDA EQUITY		<u>\$2,959,735</u>

Hutchinson Economic Development Authority

Statement of Financial Position, 2006

As of December 31, 2006 (UNAUDITED)

Cash		
Operations	\$132,947	
Downtown Revolving Loan Fund	\$596,215	
Economic Development Revolving Loan Fund	<u>\$122,664</u>	
Total Cash		\$851,826
Grant Receivable		
Re4development Grant Reimbursement	<u>\$145,000</u>	
		\$145,000
Deposits		
Minnesota Community Capital Fund	<u>\$25,000</u>	
Total Deposits		\$25,000
Loans		
Downtown Loans	\$633,633	
Industrial Park Loans	\$26,951	
Land Write-Down Loans (forgivable)	<u>\$64,323</u>	
Total Loans		\$724,907
Real Estate (Book Value)		
Wetherell Property (3.87 acres @ \$27,741 / acre)	\$107,358	
Wetherell Property (1.797 acres @ \$22,000 / acre)	\$39,534	
Stritesky Property (77.76 acres @ \$5,208 / acre)	\$405,000	
Goebel Property (5.698 acres @ \$26,585.32 / acre)	<u>\$151,483</u>	
Total Real Estate		\$703,375
TOTAL ASSETS		<u>\$2,450,108</u>
LIABILITIES		
Real Estate		
Stritesky Property Contract for Deed	<u>(\$86,000)</u>	
Total Payable		(\$86,000)
TOTAL LIABILITIES		<u>(\$86,000)</u>
EDA EQUITY		<u>\$2,364,108</u>

Hutchinson Economic Development Authority
Statement of Financial Position, 2005

As of December 31, 2005 (UNAUDITED)

Cash		
Operations	\$315,517	
Downtown Revolving Loan Fund	\$529,646	
Economic Development Revolving Loan Fund	<u>\$116,444</u>	
Total Cash		\$961,607
Deposits		
Minnesota Community Capital Fund	<u>\$25,000</u>	
Total Deposits		\$25,000
Loans		
Downtown Loans	\$706,776	
Industrial Park Loans	\$31,308	
Land Write-Down Loans (forgivable)	<u>\$90,238</u>	
Total Loans		\$828,322
Real Estate (Book Value)		
Wetherell Property (5.667 acres @ \$22,000 / acre)	\$124,674	
Stritesky Property (77.76 acres @ \$5,208 / acre)	<u>\$405,000</u>	
Total Real Estate		\$529,674
TOTAL ASSETS		<u>\$2,344,603</u>
LIABILITIES		
Real Estate		
Stritesky Property Contract for Deed	<u>(\$132,000)</u>	
Total Payable		(\$132,000)
TOTAL LIABILITIES		<u>(\$132,000)</u>
EDA EQUITY		<u>\$2,212,603</u>

APPENDIX G

Hutchinson EDA Land Holdings

Hutchinson EDA Land Holdings

INDUSTRIAL PARK

<u>Name</u>	<u>Location</u>	<u>Acres</u>	<u>Developable Acres</u>	<u>Price Per Acre</u>	<u>Total</u>	<u>Notes</u>
Energy Park	Blk 1, Lot 1	3.09	3.09	\$30,000	\$92,700	
Energy Park	Blk 2, Lot 1	7.5	7.5	\$30,000	\$225,000	
Energy Park	Blk 2, Lot 2	11.38	7.88	\$30,000	\$236,400	
Energy Park	Blk 2, Lot 3	13.5	8.78	\$30,000	\$263,400	
Energy Park	Blk 3, Lot 2	9.32	4.11	\$30,000	\$123,300	
Energy Park	Blk 3, Lot 3 5th Ave. (n/s)	6.99	3.18	\$40,000	\$127,200	
Energy Park / Hackbarth	5th Ave. (south side)	5.65	?	\$35,000	\$197,750	Will need retention pond.
Wetherell Property	1140 5th Avenue SE	1.79	1.79	\$30,000	\$53,910	Customer Elation has option
Goebel Property	1020 5th Avenue SE	3.86	3.86	\$26,585	\$102,619	
Goebel Property	1030 5th Avenue SE	1.84	1.84	\$26,585	\$48,917	
Stritesky Property	765 Railroad Street SE	<u>77.76</u>	?	\$5,208	<u>\$405,000</u>	
TOTALS		<u>142.68</u>			<u>\$1,876,196</u>	

DOWNTOWN

Cenex Redevelopment	220 3rd Avenue NW	<u>3.03</u>	0.7575 (32,997 sf)	\$3.06 psf	25% shore land district limitation 131,545 sq. feet total area
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APPENDIX H

Results of Manufacturers Census



Manufacturers Census

2009

Sponsored by:



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Cover Letters





2 Main Street South
Hutchinson, MN 55350
Ph: 320.587.5252
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Fax: 320.587.4752
info@explorehutchinson.com

Manufacturer's Census

In 2009, our Hutchinson Leadership Institute participants created five project groups. Each group planned and executed a particular project. One of the groups decided to focus their efforts towards economic development.

After meeting with the Hutchinson Economic Development Authority Director, Miles Seppelt, they decided to create and distribute a manufacturer's census and then follow-up that census with personal visits. Through the partnership of the Hutchinson Economic Development Authority and the Hutchinson Area Chamber of Commerce, CVB, a list of 34 prospective manufacturers was created. From this list, 17 completed the survey and received follow-up visits from the project participants and EDA staff. The data collected from these surveys and visits was combined into the enclosed report.

The census was developed to help identify business trends, services used, gaps in services, and business concerns. This information assists us in better understanding the needs of our area manufacturers.

The EDA and Chamber staff thought you would like to review this information and find it helpful in the operation of your business.

From the offices of the Hutchinson Area Chamber, CVB and the Hutchinson EDA, we wish you and your business all the best in 2010!

Sincerely,

A handwritten signature in blue ink that reads "Bill Corby".

Bill Corby
President



Hutchinson Area:

In an effort to better understand the current concerns and challenges that face local manufacturers, the Hutchinson Economic Development Authority (EDA) in conjunction with the Hutchinson Area Chamber of Commerce developed and executed a manufacturer census, known as the 2009 Hutchinson Manufacturer Census.

The City of Hutchinson is known for high tech precision manufacturing as it counts for a significant portion of our local economy. The Hutchinson EDA and Chamber of Commerce both know the presence and growth of this sector is vital to the health of our community. Our goal is to develop, align and better tailor community resources and services to address the specific challenges and needs of local manufacturers.

Without the support of the Hutchinson area Chamber of Commerce, Ridgewater College and participating manufacturers this project would have not been possible. Therefore, on behalf of the Hutchinson EDA, I would like to thank everyone for your valuable time and effort.

The EDA is very excited and optimistic about the future of our community. We hope that you find this report informational and wish you every success in 2010!

Sincerely,



Miles R. Seppelt
Economic Development Director

Demographics

Table: 1

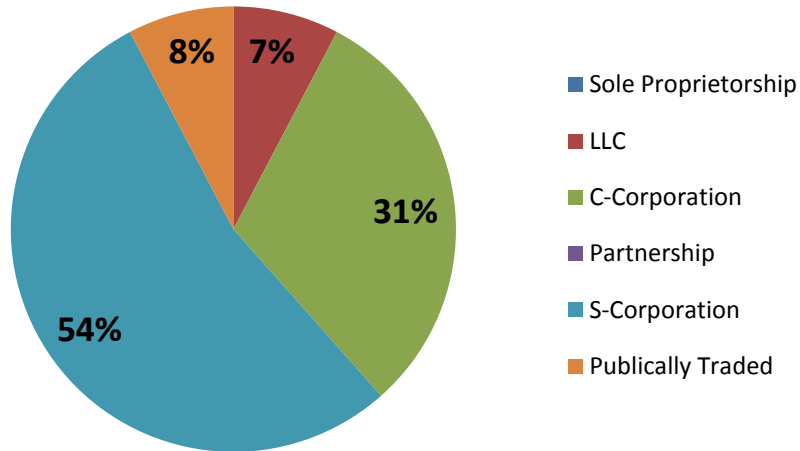
Business Classification

Table1: (above) shows the 2009 breakdown of business classifications in the city of Hutchinson. 54% of surveyed Manufacturers are S-Corporations.

Table 2:

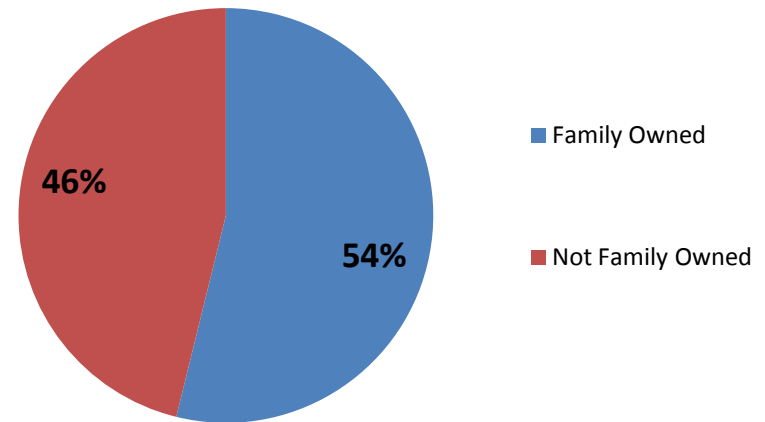
Family-Owned Business

Table 2: (above) shows the 2009 breakdown of family-owned businesses in the city of Hutchinson. 54% of surveyed respondents are family owned.

Table 3:

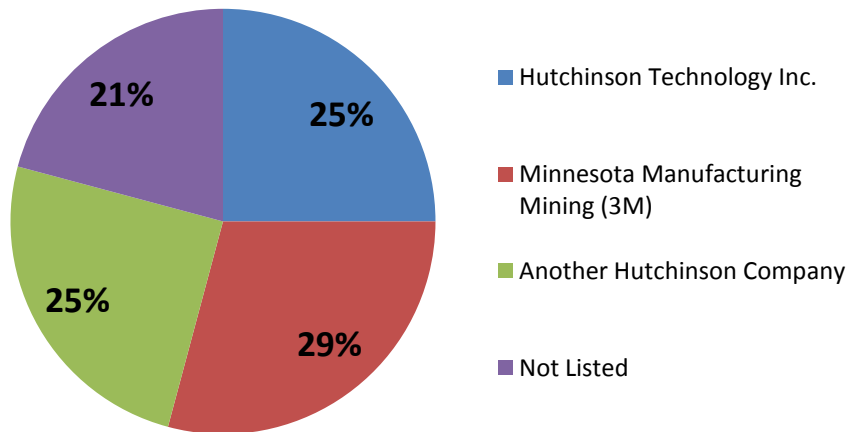
Business Supplier for:

Table 3: (above) shows the 2009 breakdown of where companies surveyed in Hutchinson supply product. 54% of Manufacturers supply either 3M or Hutchinson Technology.

Table 4:

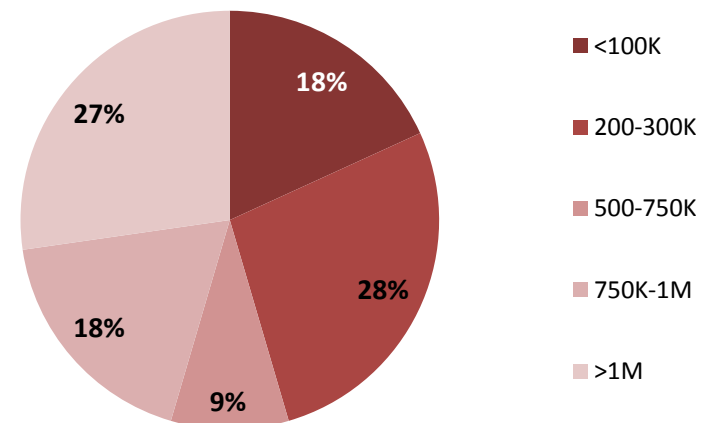
Gross Annual Payroll

Table 5: (above) shows the 2009 breakdown of manufacturers annual payrolls in the City of Hutchinson; out of ten responses.



Table 5:

Employees per Manufacturer:

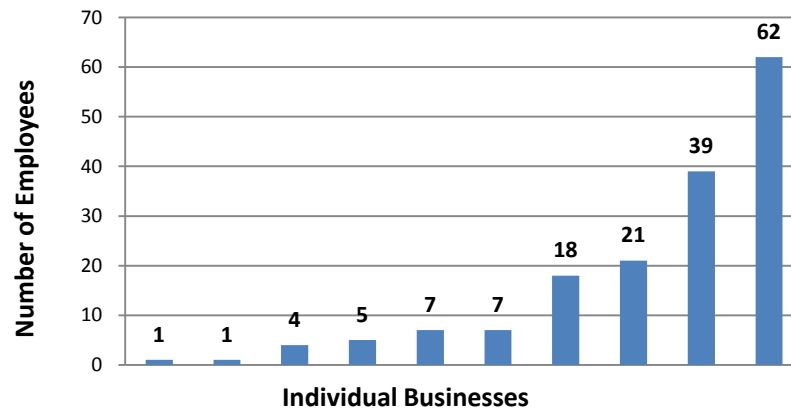


Table 6: (above) shows the 2009 number of employees working at surveyed manufacturing facilities; there were 11 responses an outlier of 1,350 was excluded from Table 6.

Facilities

Table 8: **Size of Manufacturing Facility, Sq. Ft.**

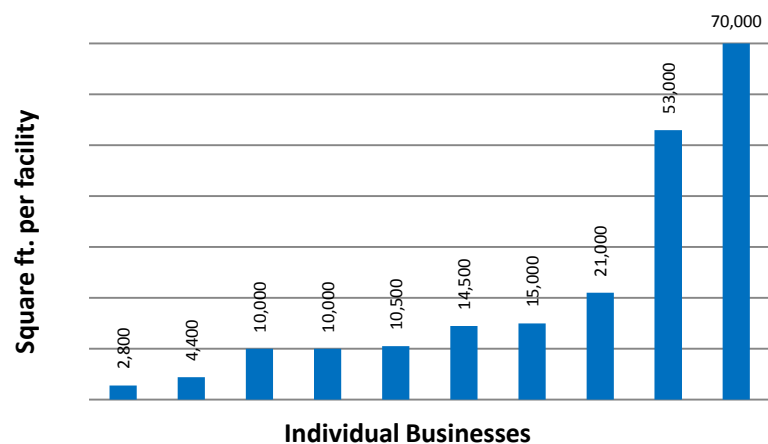


Table 9: (above) shows the amount of square feet per surveyed manufacturing facility; there were 11 responses an outlier of 1,500,000 was excluded.

Table 9: **Owned vs. Leased Facilities**

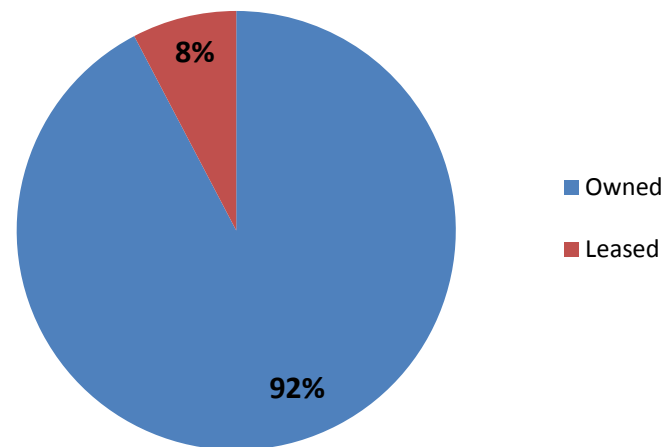


Table 10: (above) shows the number of leased compared to owned manufacturing facilities in Hutchinson; 13 responses

Table 10:

Age of Facilities

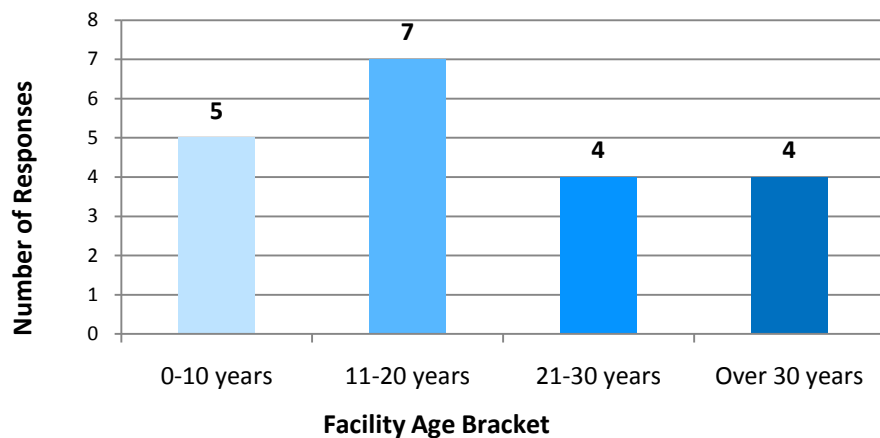


Table 11: (above) shows number of responses per "age bracket" in regards to how old manufacturers' facilities are in Hutchinson; 20 responses

Table 11:

Condition of Facilities

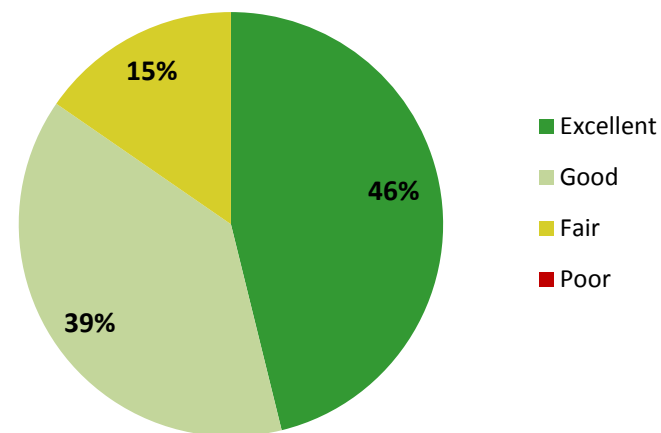


Table 12: (above) shows Hutchinson manufacturer responses for condition of facilities; 13 responses



Table 12: **Other Facilities Located in MN**

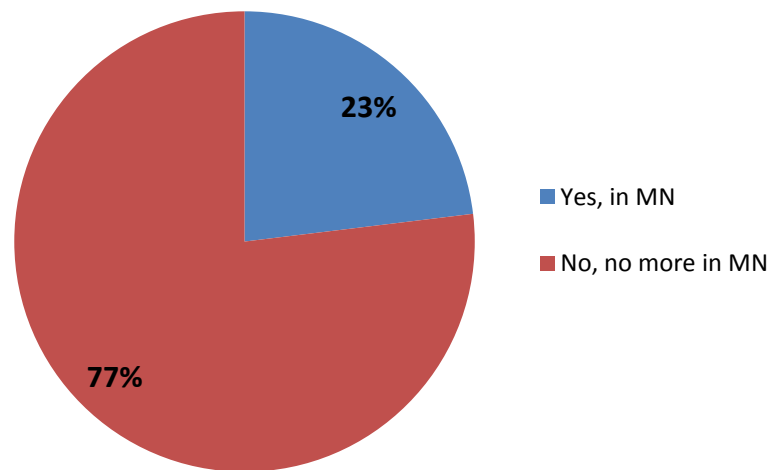


Table 13: (above) 23%percent of manufacturers in Hutchinson that have facilities elsewhere in Minnesota; 13 responses.

Table 13: **Room for Facility Expansion**

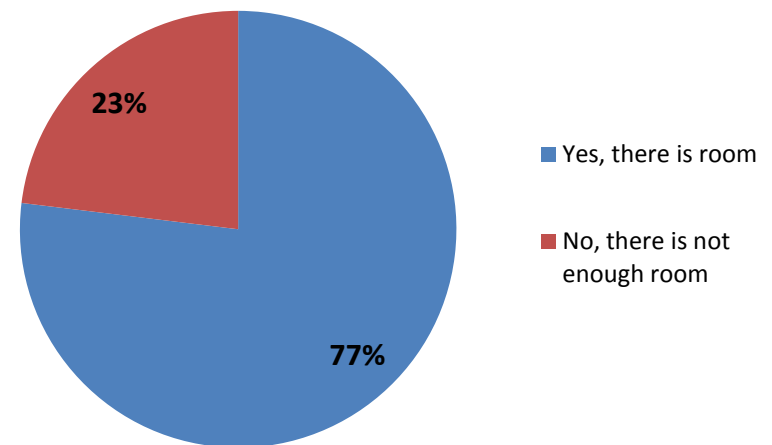


Table 14: (above) shows the percent of manufacturers in Hutchinson that have room for expanding their current facilities; 13 responses

City of Hutchinson



Table 14: **Hutchinson: as a place to do business**

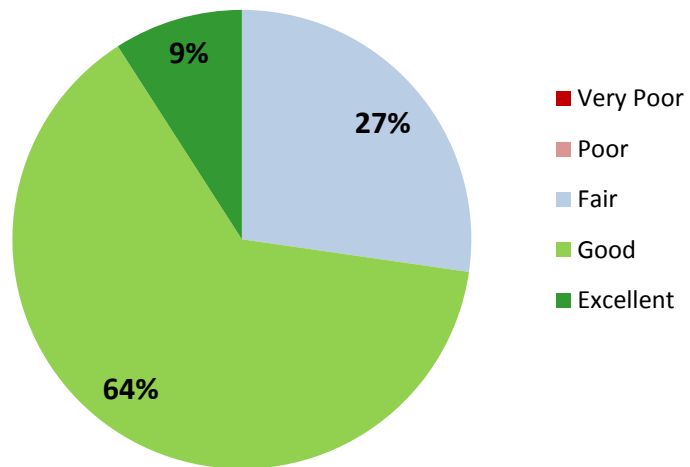


Table 16: (above) shows the how manufactures rated Hutchinson as a place to do business. Not one business had negative feedback; 11 responses.

Table 15: **Hutchinson: as a place to live**

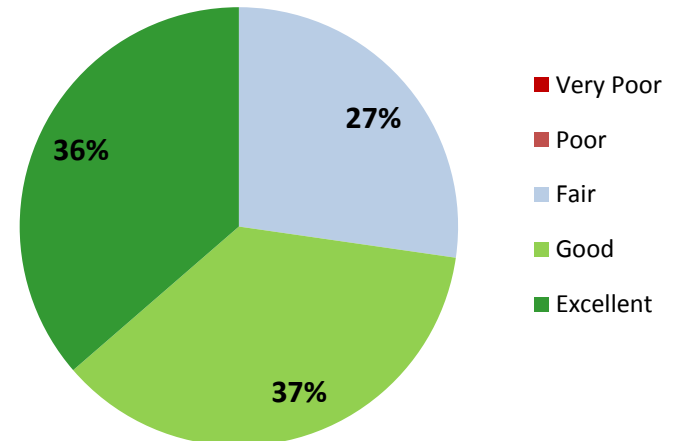


Table 17: (above) shows the how manufactures rated Hutchinson as a place to live. 73% rate Hutchinson as eith excellent or good; 11 responses

Table 17:

Hutchinson Ratings, by Category

Category:	<u>Very Poor</u> Response Value = 1		<u>Poor</u> (Responses) Response Value = 2		<u>Fair</u> (Responses) Response Value = 3		<u>Good</u> (Responses) Response Value = 4		<u>Excellent</u> Response Value = 5		Total Responses	Category:	Mean	Top 4	Bottom 4
K-12 EDU	0	0	0	0	5	15	3	12	2	10	10	K-12 EDU	3.70		
Higher EDU	0	0	2	4	4	12	2	8	1	5	9	Higher EDU	3.22		
Public Trans	0	0	3	6	5	15	1	4	0	0	9	Public Trans	2.78		2.78
City, Streets, etc.	1	1	0	0	4	12	4	16	0	0	9	City, Streets, etc.	3.22		
Air Service	0	0	3	6	5	15	0	0	0	0	8	Air Service	2.63		2.63
Telecommunications	0	0	0	0	5	15	5	20	0	0	10	Telecommunications	3.50		
Business Assistance	0	0	1	2	3	9	5	20	0	0	9	Business Assistance	3.44		
Sewage Treatment	0	0	0	0	4	12	3	12	0	0	7	Sewage Treatment	3.43		
Water/Waste Prices	0	0	1	2	5	15	1	4	0	0	7	Water/Waste Prices	3.00		
Recreational Opp.	0	0	1	2	2	6	5	20	2	10	10	Recreational Opp.	3.80	3.80	
Crime Rate	0	0	1	2	2	6	4	16	3	15	10	Crime Rate	3.90	3.90	
Proximity /Suppliers	0	0	3	6	3	9	4	16	1	5	11	Proximity/Suppliers	3.27		
Avail. of Buildings	0	0	1	2	4	12	4	16	0	0	9	Avail. of Buildings	3.33		
Availability of Land	0	0	0	0	4	12	4	16	0	0	8	Availability of Land	3.50		
Availability/Housing	0	0	0	0	3	9	5	20	1	5	9	Availability/Housing	3.78		
Availability of Labor	0	0	1	2	6	18	2	8	1	5	10	Availability of Labor	3.30		
Availability/Capital	0	0	0	0	7	21	0	0	2	10	9	Availability/Capital	3.44		
Cost of Buildings	0	0	1	2	5	15	2	8	0	0	8	Cost of Buildings	3.13		
Cost of Land	0	0	1	2	5	15	2	8	0	0	8	Cost of Land	3.13		
Cost of Housing	0	0	1	2	4	12	4	16	0	0	9	Cost of Housing	3.33		
Cost of Labor	0	0	2	4	3	9	5	20	0	0	10	Cost of Labor	3.30		
Quality of Labor	0	0	1	2	2	6	5	20	2	10	10	Quality of Labor	3.80	3.80	
Energy Reliability	0	0	0	0	2	6	8	32	0	0	10	Energy Reliability	3.80	3.80	
Energy Costs	1	1	2	4	6	18	2	8	0	0	11	Energy Costs	2.82		2.82
Local Taxes	1	1	1	2	8	24	0	0	0	0	10	Local Taxes	2.70		2.70



Table: 29

Rating Business Services & Assistance Organizations, by Perceived Value

Organization:	<u>Very Little</u> (Total Responses) Response Value = 1		<u>Little</u> (Total Responses) Response Value = 2		<u>Moderate</u> (Total Responses) Response Value = 3		<u>High</u> (Total Responses) Response Value = 4		<u>Very High</u> (Total Responses) Response Value = 5		Total Number of Responses	Organization:	Mean	Top 2	Bottom 2
Hutch Chamber of Commerce	0	0	1	2	3	9	4	16	3	15	11	Hutch Chamber of Commerce	3.82	3.82	
Hutchinson EDA	0	0	1	2	3	9	6	24	1	5	11	Hutchinson EDA	3.64	3.64	
Small Bussin. Develop. Center	1	1	1	2	4	12	5	20	0	0	11	Small Bussin. Develop. Center	3.18		
Southwest Initiative Found.	1	1	1	2	6	18	2	8	0	0	11	Southwest Initiative Found.	2.64		2.64
MN Workforce Center	0	0	1	2	2	6	5	20	1	5	11	MN Workforce Center	3.00		
Sml Business Manag. Program	1	1	2	4	3	9	3	12	2	10	11	Sml Business Manag. Program	3.27		
Mid-MN Develop. Commiss.	1	1	3	6	4	12	3	12	0	0	11	Mid-MN Develop. Commiss.	2.82		2.82



Trends

Table 6: **2008-09 Employment Change**

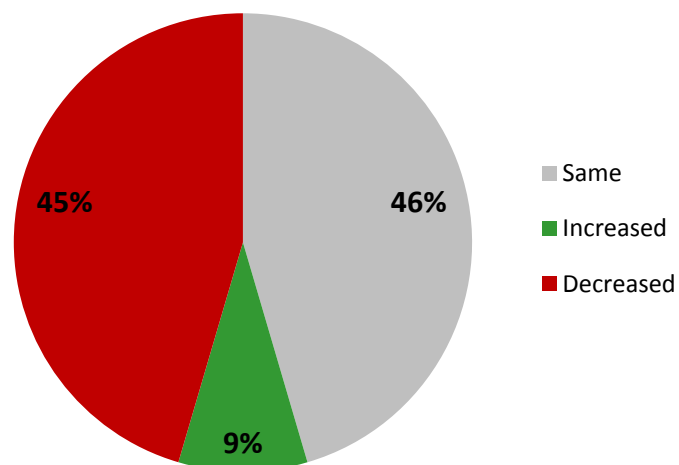


Table 7: (above) shows the 2008-09 breakdown of manufacturers' employment change in the city of Hutchinson; 11 responses.

Table 7: **2009-10 Expected Employment Change**

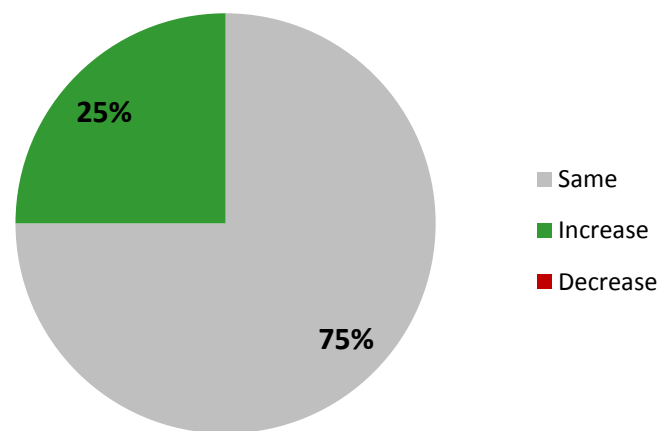


Table 8: (above) shows the expected 2009-10 manufacturers employment change in the city of Hutchinson; 12 responses. No additional layoffs were anticipated.

Table 16: **Change in Sales from 2008 to 2009**

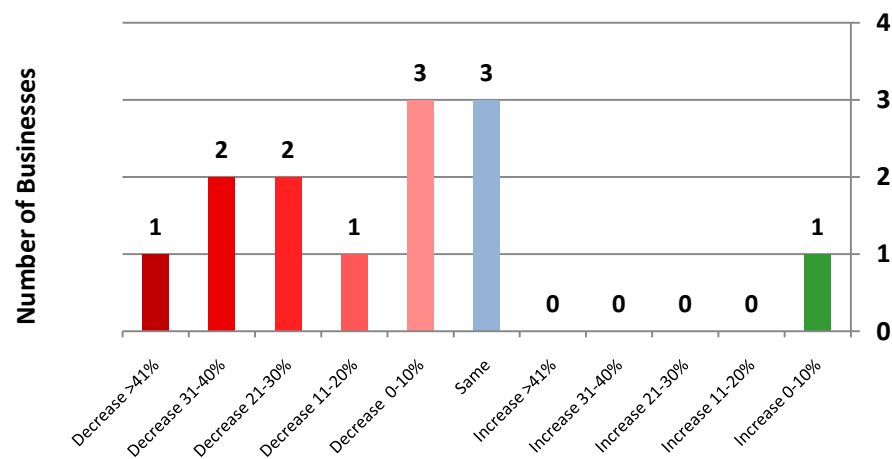


Table 18: (above) breaks down sales changes for surveyed businesses from 2008-2009; 13 responses.



Table 18:

Change in Business from 2008 to 2009

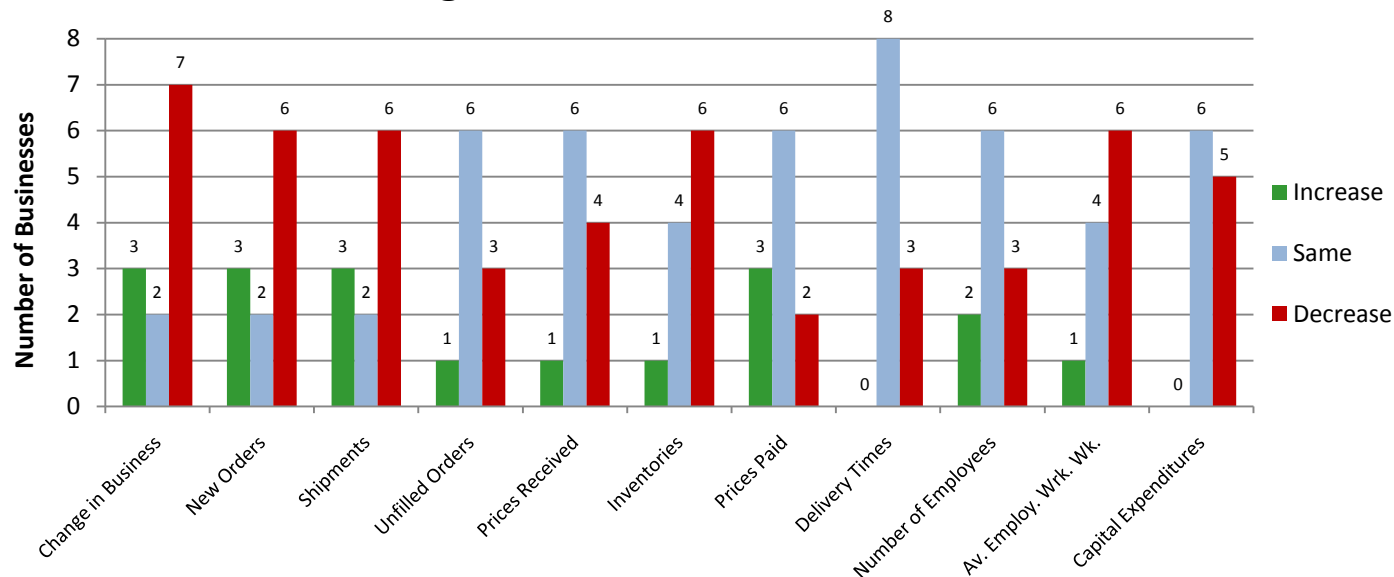


Table 18: (above) breaks down changes in business for Hutchinson Manufacturing companies according to several business indicators from 2008 to 2009: 13 responses.

Table 19:

Expected Change in Business from 2009 to 2010

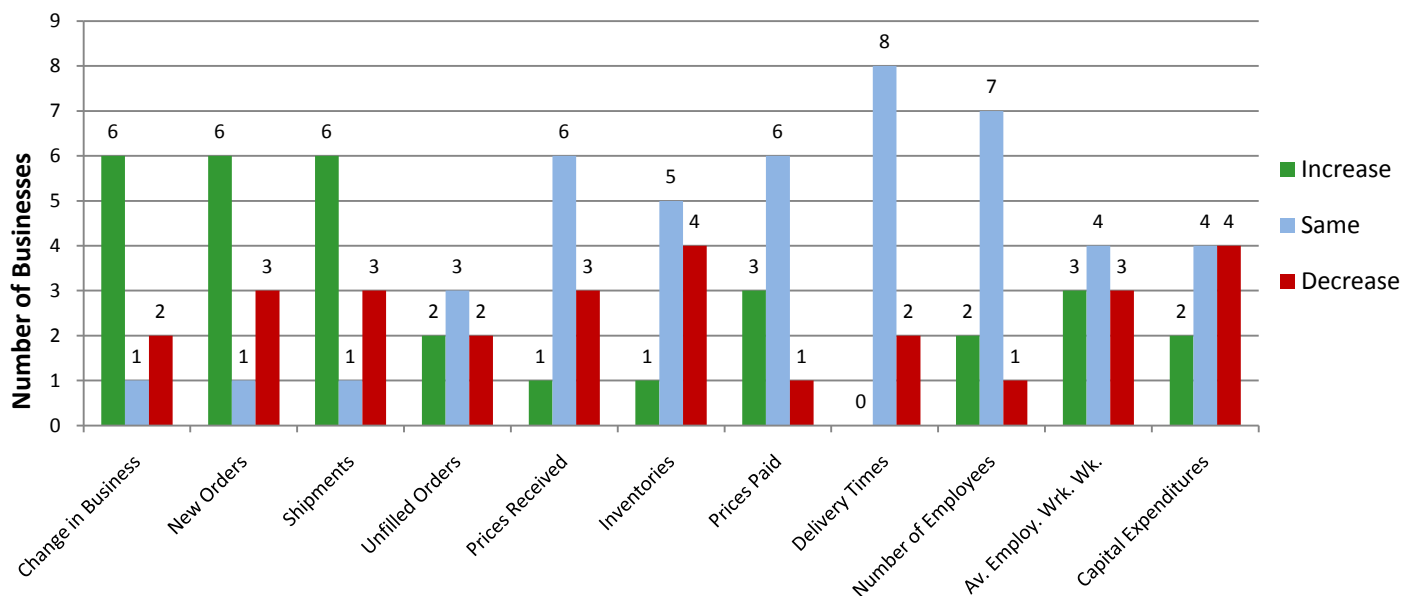


Table 19: (above) breaks down expected changes in business for Hutchinson Manufacturing companies according to several business indicators from 2009 to 2010: 13 responses.

Table 20:

Challenges for Hutchinson Manufactures

Challenges:	<u>Very Minor</u> (total votes) 1 = Value of one vote	<u>Minor</u> (total votes) 2 = Value of one vote	<u>Major</u> (total votes) 3 = Value of one vote	<u>Very Major</u> (total votes) 4 = value of one vote	Total Number Of Responses Total Value of Votes	Challenges:	Average Response	Most Challenging	Least Challenging
Availability of Capital	6 6	3 6	3 9	1 4	13 25	Availability of Capital	1.92		1.92
Cost of Capital	6 6	3 6	3 9	1 4	13 25	Cost of Capital	1.92		1.92
Finding Qualified Workers	7 7	1 2	4 12	1 4	13 25	Finding Qualified Workers	1.92		1.92
Labor Costs (Benefits)	2 2	2 4	4 12	3 12	11 30	Labor Costs (Benefits)	2.73	2.73	
Labor Costs (Wages)	3 3	3 6	4 12	1 4	11 25	Labor Costs (Wages)	2.27		
Resources (Cost)	3 3	5 10	3 9	1 4	12 26	Resources (Cost)	2.17		
Resources (Availability)	1 1	5 10	3 9	2 8	11 28	Resources (Availability)	2.55		
Taxes	0 0	1 2	4 12	4 16	9 30	Taxes	3.33	3.33	
Government Regulation	5 5	2 4	2 6	3 12	12 27	Government Regulation	2.25		
High Utility Rates	6 6	2 4	2 6	1 4	11 20	High Utility Rates	1.82		1.82
Current Low Demands	2 2	1 2	2 6	6 24	11 34	Current Low Demands	3.09	3.09	
Foreign Competition	6 6	2 4	2 6	2 8	12 24	Foreign Competition	2.00		

Workforce Training

Table 21: **Importance of Workforce Training**

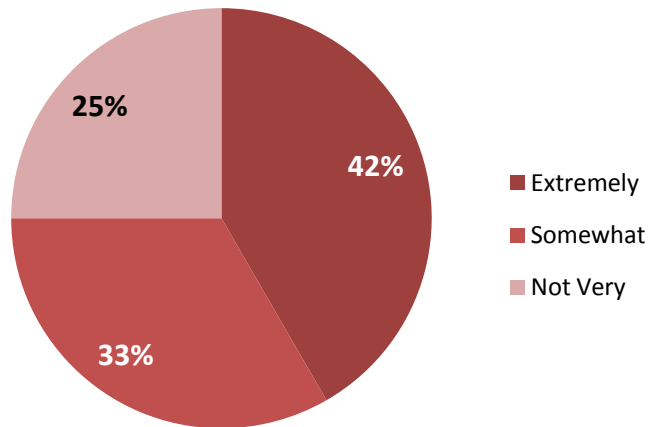


Table 21: (above) shows how manufacturers rated business and workforce training in relation to achieving their business goals. 42% of manufacturers rate workforce training as extremely important; 12 responses

Table 22: **Staff Assigned to Employee Training**

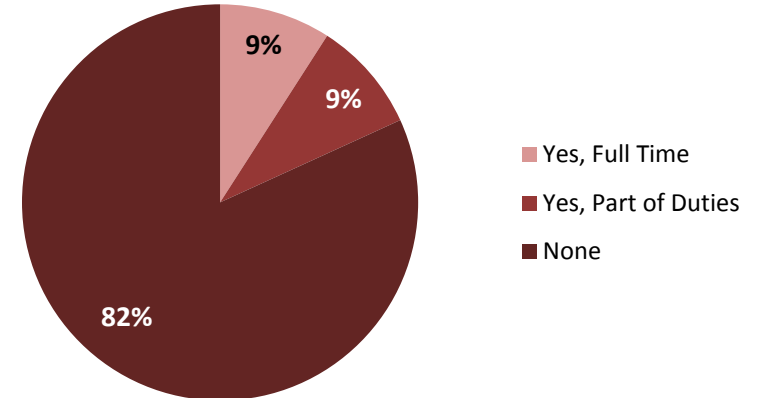


Table 22: (above) shows what level of staff manufacturers had assigned to employee training. 82% of manufacturers have no staff dedicated to employee training; 11 responses

Table 23: **Funding Allocated to Training Activities**

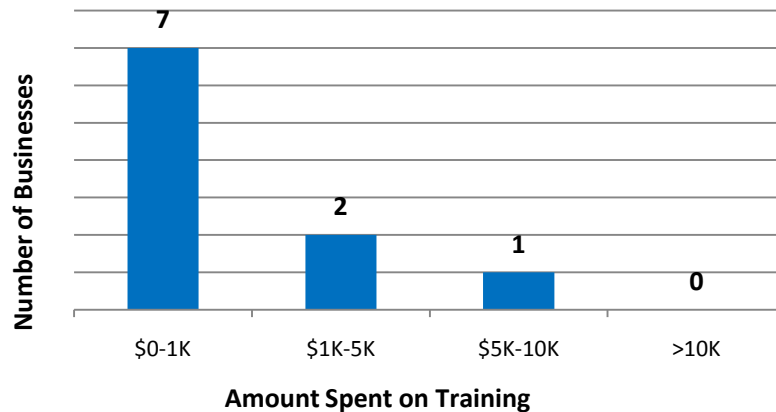


Table 23: (above) shows what level of funding manufacturers spend on employee training. Most companies allocated 1K or less to training; 10 responses.

Table 24: **Expected 2009 Change in Training**

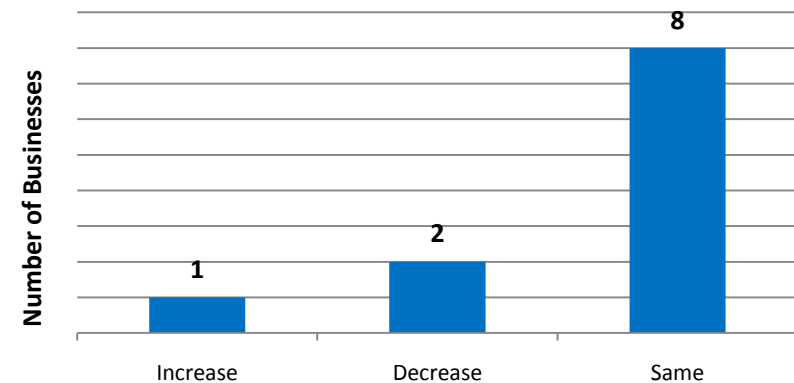


Table 24: (above) shows the expected changes in employee training for 2009; 10 responses. 3 companies expected changes; 11 responses

Table 26: **Best Means to Share Training Information**

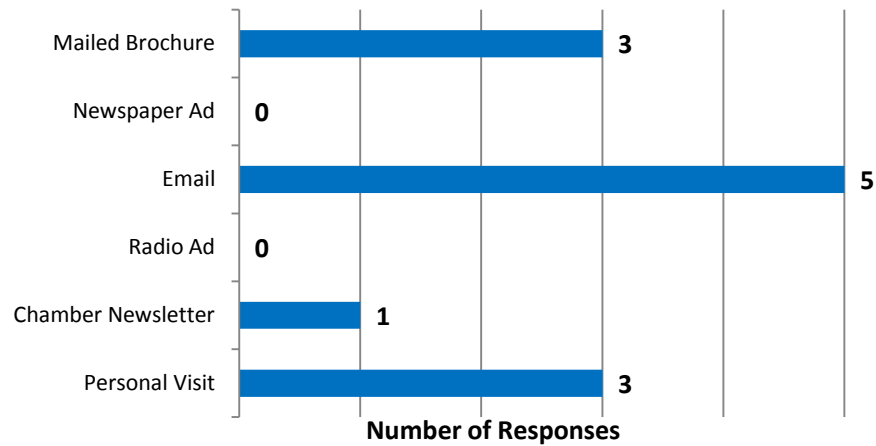


Table 25: (above) shows the best means to sharing training information for Hutchinson manufacturers'; 12 responses .

Table 27:

Familiar w/training services from Ridgewater

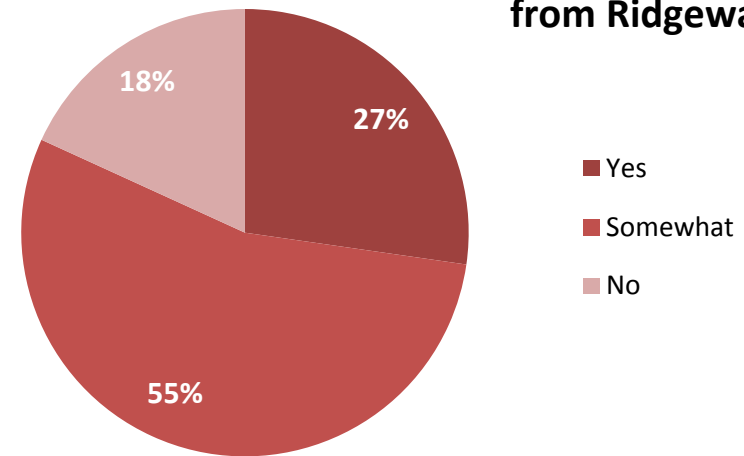


Table 26: (above) shows whether or not Hutchinson manufactures are familiar with Ridgewater College training services; 11 responses .

Table 28:

Factors that would increase training investment:

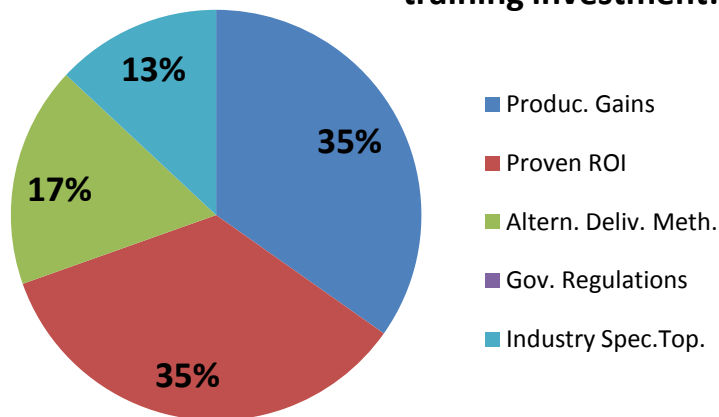


Table 27: (above) shows what motives Hutchinson manufactures have that would justify capital investment to training programs/services. By far the top two reasons were higher ROI and productivity gains; 23 responses .



Table: 25

Rate Employee Training, by Subject (Ridgewater College)

Subject:	Very Little (Total Responses) Response Value = 1		Little (Total Responses) Response Value = 2		Moderate (Total Responses) Response Value = 3		High (Total Responses) Response Value = 4		Very High (Total Responses) Response Value = 5		Total Number of Responses'	Subject:	Mean	Top 3	Bottom 3
Management	0	0	2	4	4	12	4	16	1	5	11	Management	3.36		
Leadership	0	0	2	4	3	9	4	16	2	10	11	Leadership	3.55		
Business Succession	1	1	1	2	2	6	3	12	3	15	10	Business Succession	3.60		
Marketing & Sales	1	1	1	2	0	0	4	16	5	25	11	Marketing & Sales	4.00	4.00	
Soft Skills	0	0	2	4	4	12	4	16	1	5	11	Soft Skills	3.36		
Language	4	4	4	8	0	0	1	4	1	5	11	Language	1.91		1.91
Computer	0	0	0	0	3	9	7	28	1	5	11	Computer	3.82	3.82	
Process	1	1	1	2	5	15	3	12	1	5	11	Process	3.18		3.18
Equipment	0	0	1	2	2	6	6	24	2	10	11	Equipment	3.82	3.82	
Maintenance	0	0	2	4	2	6	5	20	2	10	11	Maintenance	3.64		
Safety Training	0	0	2	4	2	6	2	8	4	20	10	Safety Training	3.80		
Indus. Emerg. Resp.	0	0	4	8	2	6	2	8	2	10	10	Indus. Emerg. Resp.	3.20		3.20