

The Economic Environment

- Regional climate is healthy. Nationally- people moving from pricey metro areas to affordable
- Interest rates set to rise. This will prompt development and then ultimately slow it a bit
- New Jobs Ohio campaign – Ohio – “It’s On”
- Ohio and Cleveland are enjoying a “bounce” – RNC, Cavs, Indians
- Hudson is shedding its reputation as a “tough place to do business”.

The next 5-7 years will *transform* Hudson!

In 2017

- North Main Street facelift complete
- Windstream bus, salt and electric property cleared
- Downtown Phase II started
- Velocity Broadband basic business build out complete
- New bus garage and salt facility begun
- Hudson Crossing – 4-5 new industrial buildings
- Seasons Greene will have a tenant
- Merino Property plan may become clear

By 2024

- Downtown Phase II completed
- School campus reconfigured
- New Public Works and HPP Facility
- New Town Hall
- YDC (Hines Hill Road) under development
- Fiber to homes???
- Connectivity plan largely complete

Hudson's Differentiators

- Town's history and appeal
- Downtown Phase II combines living and working
- High Education level of population
- Well located business parks
- Top Flight Public schools with a new comprehensive campus plan
- 190 year old, Top 15 Boarding School- Western Reserve Academy
- Seton Catholic School, Hudson Montessori
- Proximity to U of A, KSU, CWRU, CSU
- Gigabit Broadband
- Route 8 and Turnpike go thru Town
- Numerous Parks and Great Connectivity plan

S – Town appeal – Live, Work, Play

W – Taxes, high cost land

O – Phase II, Velocity Broadband, YDC

T – Lingering perceptions, Council terms expiring in 2017. Limited land must get highest and best use.

My Measurable Goals

- Amount of available space (office and residential)
- Ratio of private and public investment in dollars
- # of business calls to retention or assistance
- # of times ED partners are accessed/used

My Personal Goals

- Be consistently *Proactive* not Reactive
- Bury the “old Hudson narrative” once and for all
- Engage and enlist business leaders who live here – create apostles
- Attract young people and their businesses to return
- Get Phase II RIGHT

Development Opportunities- Identified

See table below showing industrial and office parks, key development.

	<u>Property</u>	<u>Owner</u>	<u>Description</u>	<u>Ideal Use</u>	<u>Comments</u>
1	Hudson Crossing	Premier Dev	Park, 9 lots	HQ, Office	4 new buildings
2	Seasons Greene	Shutsa	Park 5 lots	HQ mfg	Strong interest from Chinese Polymer co. First real interest
3	Downtown Phase II	City	Offices/Homes	HQ Office	
4	Hudson Industrial Park	JoAnn	Lots/Bldg	HQ mfg	13 acre lot, one smaller, 28,000 sq ft bldg
5	YDC	City	TBD	HQ	170 acres, Turnpike Frontage. Infrastructure needs
6	Merino	Merino	adj to F&M	F&M extension	Plans are unclear
7	Lot 7	Murdough	Land in F&M	Inn	Height variance needed
8	Owen Brown and Morse	McGrainor	land	Parking structure	Testa to inquire
9	Darrowville	Kurtz/Erbaugh/Caniglia	land	Retail/Food	Plan to get three parties at same table soon
10	JoAnn Outlots	JoAnn	2 lots	Retail/Food	2 lots bat \$350k per acre
11	Sulentich land on Rt 91	Sulentich et al	70+ acres	Housing, Hotel	this is the land on west side of 91 between John Clark and Barlow
12	Windstream Bldg	Windstream	Bldg	Retail/Office/Loft	Prime location. Largely empty
13	Little Tikes	MGA Entertainment	Bldg, land	Mixed use	Owner wants mixed use development similar to his in Chatsworth CA
14	Western Reserve Hospital	WRH	land	Medical	Lawsuits w Summa over. Meet with CEO soon.

S – 3 office parks, Downtown Phase II and large undeveloped tract

W – Expensive land, somewhat removed from center of town

O – Downtown Phase II will bring “next generation” businesses

T – Must get Phase II right

Retention

- Plan was to begin with largest employees based on # of W-2's issued
- Have met with 85% of Top 20 employers since taking this job
- Goal is to meet in person 1-2 times per year with the Top 20 employers
- Strive for 2 meetings per week- Rhonda Kadish schedules my Thursday afternoons
- Tier retention efforts emphasizing Chamber of Commerce, electronic updates and walk-arounds for most retail to small businesses
- Focus Business Appreciation Breakfast and Awards on smaller businesses. Cooperate closely with Chamber of Commerce to address and involve smaller businesses
- Institute a newsletter for regular updates to smaller businesses

Recent Retention Meetings

- | | |
|--------------------------------|-------------------------|
| ➤ Akhia | ➤ Megalight |
| ➤ Allstate | ➤ Northend Market |
| ➤ Binary Defense Systems | ➤ RAMCO |
| ➤ CompMed Analysis | ➤ Riley's Clothiers |
| ➤ First National Bank | ➤ Suburban Sit |
| ➤ GTS | ➤ UBS |
| ➤ Hudson Fine Arts and Framing | ➤ Universal Screen Arts |
| ➤ Hudson's Restaurants | ➤ WBC Group LLC (Meyer) |
| ➤ Kurtz & Co. | ➤ WRA |
| ➤ Little Tikes | ➤ Yours Truly |
| ➤ Kobelco | |

Next on schedule:

- Aris Radiology
- Heinen's
- JoAnn Stores
- Wolters-Kluwer
- Gables of Hudson
- Laurel Lake

S – 24 years of residing in Hudson means I know many business leaders

W – Can only see 20-25% of all businesses at scheduled rate

O – Devise new way to communicate with small businesses and retailers. Use Velocity to retain.

T – Two largest employers are similar in size and vulnerable to changes in their industries- JoAnn in retail and Allstate with move to "cloud"

Attraction

- Focus on regional awareness of Hudson w select national /international efforts
- Focus on higher paying industries that value Hudson locale and can afford to be here
- Increased “wooing” of companies. Roll out the red carpet!
- Find fiber hungry businesses
- Initiate twice yearly – May/Nov- Executive Breakfasts at CCH for CEO’s of large NEO businesses that live in Hudson. Plan to co-sponsor these with Hudson Community Foundation. Akhia to brand these.
- Restate HEGB in 2017

S – Hudson appeals to higher paying sectors

W – High priced land. High taxes

O – Velocity Broadband, FTTH? Hudson Crossing, Phase II

T – Council terms up, tax credit reduction? school levy?

Immediate Attraction Priorities

- Capitalize on ForTec
- Finalize Deal for Assurance Health
- Get Top Polymer into Seasons Greene
- Pre-Sell first Phase II office building

Office Space

Top Opportunities for Lease & Sale

<u>Address</u>	<u>Owner</u>	<u>Sq Ft</u>	<u>Price</u>	<u>Rent</u>	<u>Comments</u>
300 Executive Pkwy	Pilot Cat	47000	\$5,700,000	\$18.50	
1140 Terex	PASCO	32000	\$3,950,000		
2180 Barlow	Little Tikes	24000		\$10.00	
Corporate Drive				\$15.00	
Omni by the Lakes	Findlay	7000		\$15.00	
First and Main	Murdough	7000		\$25.00	

Industrial Space

Top Opportunities for Lease & Sale

<u>Address</u>	<u>Owner</u>	<u>Sq Ft</u>	<u>Price</u>	<u>Rent</u>	<u>Comments</u>
Hudson 125 SPEC	Premier	125000		TBD	two prospects for space
Seasons Greene SPEC	Shutsa	80000		TBD	not yet started
RAMCO 1	City	63000	\$2,000,000		
5600 Hudson Industrial	Steuer	30600	\$2,000,000		

ECONOMIC DEVELOPMENT OUTLOOK 2017

**Hudson Crossing
Premier Development
9 lots, 123 acres**

<u>Lot/Parcel</u>	<u>Company</u>	<u>Sector</u>	<u>Origin</u>	<u>Own/ Lease</u>	<u>Sq. Ft.</u>	<u>Jobs now</u>	<u>New jobs</u>	<u>Payroll</u>	<u>Incentives</u>	<u>Start Date</u>	<u>Comments</u>
Existing											
5	WBC Group LLC	health/ well	new co		63000	186		9,745,000	CRA 100/25, JCTC	n/a	
Exist Total					63000	186		9,745,000			
New											
4	Hudson 125			Lease	125000		60	3,000,000	CRA 100/25	begun	2 prospective tenants
3	ForTec Medical	health	Streetsboro	Own	684000	83	50	9,350,000	CRA 100/25	May	
1	Hudson 21	well	Franchise	Lease	21000		50	1,300,000	CRA 50	begun	Goldfish is 1/3 of building
8	Assurance Health	health	Illinois HQ	Own	13000		59	3,800,000	will apply	April	meet w C- suite next week
New Total					236000	83	219	17,450,000			
All Totals	5 buildings commit/up				299000	269	219	27,195,000			488 jobs now or promised
Lots left	Planned Use										
2	Class A office										
9	Class A office										
6	TBD										
7	TBD										

**Seasons Greene
John A. Shutsa, Sr.
5 lots, 136 acres**

<u>Lot/ Parcel</u>	<u>Company</u>	<u>Sector</u>	<u>Origin</u>	<u>Own/ Lease</u>	<u>Sq Ft</u>	<u>Jobs now</u>	<u>New jobs</u>	<u>Payroll</u>	<u>Incentives</u>	<u>Start Date</u>	<u>Comments</u>
	SPEC building				80000						Geis to build
	Top Polymer	Polymer	China	Own	50000		40		TBD	2017	JobsOhio lead finalist

**Hudson Industrial Parkway
JoAnn Stores**

<u>Lot/ Parcel</u>	<u>Inventory /Planned</u>	<u>Sector</u>	<u>Origin</u>	<u>Own/ Lease</u>	<u>Sq Ft</u>	<u>Jobs now</u>	<u>New jobs</u>	<u>Payroll</u>	<u>Incentives</u>	<u>Start Date</u>	<u>Comments</u>
	RAMCO	Mfg		Own	165000				CRA 100/25	2018	German JV may double space
	Steuer Building	vacant			30600						For Sale \$2,000,000
	13 acre lot										
	14 acre lot										

The YDC Property

I view this property as our “diamond in the rough”. Infrastructure needs are being addressed and given this, I am focused on our commercial parks and Phase II.

Regional awareness of this property’s existence is growing. I have met with strategy firms eager to help us with the vision for this parcel and even mentioned it as a HQ to a company. I believe the next best step is to share our ideas with the senior business leaders residing here and ask for their input. Will begin to advertise nationally on LoopNet in 2017

Marketing Plan 2017 and beyond

- Shift emphasis to from local to regional awareness
- No local/Hudson advertising (including VBB)
- Limit print to Crain’s article/ad
- Sample NPR drive time
- More outgoing PR from us to marketplace
- Tune up Existing Hudson website and social sites for ED
- Initiate twice yearly sessions with senior business leaders in Hudson
- Revitalize HEGB

Social Media/Internet

Ramp up social media now. Find ED intermediaries/partners who have embraced this. I saw a powerful presentation on this recently. I see LinkedIn, Instagram, Twitter as useful. Not sure about Facebook. I am ready and able to take pictures of new buildings in Hudson Crossing, Phase II and elsewhere. We need to post weekly and blog at least monthly. It is time for this and the audience will grow.

Our city website is quite effective for residents. It needs a bit of fine tuning for Economic Development. We have asked Akhia to help with additional ED related infographics. I will address other content.

S – Velocity Broadband, ready to build sites, Pre-sell Downtown

W – Limited budget

O – Become a fresh voice. Social media cost is effort, not dollars. “Intelligent” communities do this!

T – We are being left behind by communities with these skills or big ad budgets.

The use of Velocity Broadband for attraction

Broadband is a factor in EVERY Attraction and Retention discussion. My fluency is improving rapidly as I have become involved in the business model aspects of VBB. Hudson Crossing is filling with buildings that will require this offering. Velocity is a decided advantage in securing new business. This, despite the fact that many prospective businesses have focused on Hudson without knowing about VBB initially.

In retention situations I have seen a clear reluctance to move to a new location that lacks a similar offering.

I look forward to continued dialogue with the Broadband team around business operations as well as the opportunity to explore partnerships with area entities interested in what we have here. I am working on a strategy outline for this business in 2017.

Briefly – I advocate continued execution on the build out and reaching the businesses we have sold but not turned on. We need to get to the park where activity is growing - Hudson Crossing. In 2017 we need to visit 6-8 of our most sophisticated potential users to gain their input. This will allow us to develop a minimum viable product (MVP) for them. With this result we will gain high end takers and the revenue they bring. This ultimate build will ensure service quality and redundancy for all VBB customers. Once this is complete we should look to potential partners outside of Hudson with an eye to scale and revenue potential. All of this comes before FTTH.

My Economic Development Partners

Maintain involvement with:

- Team NEO
- Greater Akron Chamber
- Development Finance Authority
- International Economic Development Council
- NEFCO
- NEOTEC
- MAEDC
- Ohio Economic Development Association
- Northern Ohio Development Exchange
- Hudson Chamber of Commerce
- Destination Hudson
- Hudson Rotary
- Town's "behind the scenes" influencers

Conferences / Education

- Stay abreast of Intelligent Communities Forum
- Attend International Economic Development Council in Toronto in 2017
- Remain active in Ohio Economic Development Association (OEDA)
- Initiate OEDA educational track towards certification

ED related projects underway

- Phase II- work with Testa to pre-sell and design project
- RAMCO – water to bldg. List and sell property. Recycle proceeds
- Windstream P&S complete
- VBB business oversight
- Develop ED content for HCTV
- LEAN training