



Hugs

CAFÉ INC.®



Hug Greenhouse

Kit's Story

- Hired as a Hugs Greenhouse Associate in April 2022; first job since high school
- Completed a year - long Disney College Program in Orlando, Florida during 2024
- Moved back to McKinney and returned to Hugs in February 2025
 - Started as unpaid intern
 - Hired as Marketing Associate
 - Promoted to Administrative Coordinator, leading Ambassador Program



Hugs Greenhouse Then and Now

- **2018** – Founded with the construction of our barn and greenhouse
- **2019–2024** – Expanded operations by adding a greenhouse & multiple growing pads to increase production capacity
- **2025** – Achieved a major milestone by purchasing the land where our greenhouses operate
- **Present Day** – Operating at full capacity with no remaining space for expansion



Workforce Development & Job Creation

- 3 new greenhouses and a propagation house will immediately increase production and enable us to:
 - Support expanding partners
 - Add new wholesale accounts
 - 5,600 hours for mission-based staff
 - 1 new salaried staff
 - 6 new mission based staff
 - Professional Development for staff



Volunteer Engagement & Community Impact

Increase volunteer capacity by 1,600 hours annually.

This growth strengthens community connection, fosters inclusion, and broadens awareness of Hugs' mission across McKinney and surrounding areas.



Operational Efficiency & Capacity Expansion

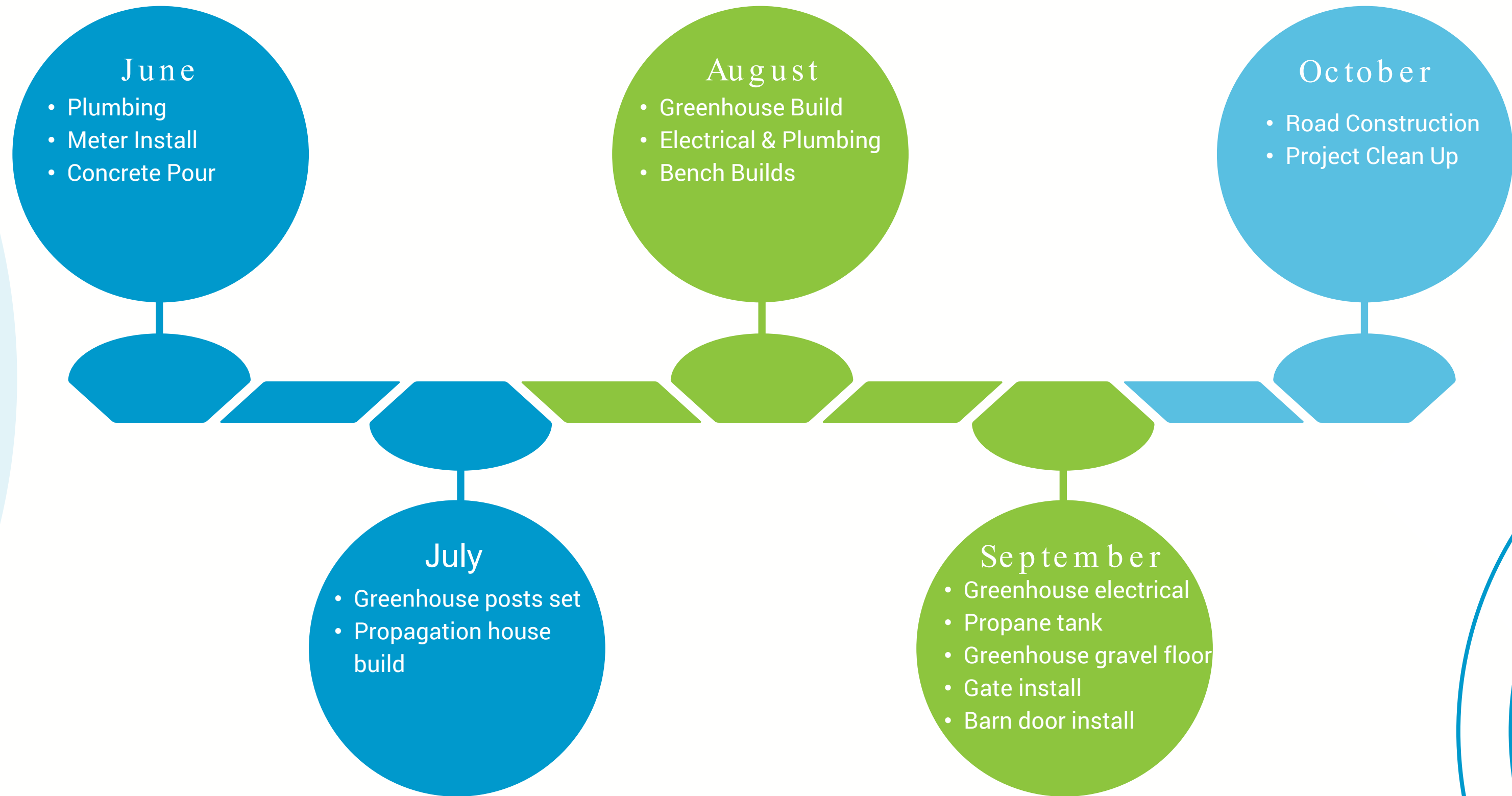
The proposed site improvements will directly enhance efficiency, safety, and scalability of greenhouse operations.

Key improvements include:

- Install entry gate
- Improved driveway
- Addition of heaters in the work barn
- Legally compliant relocation of the septic system
- Installation of three new greenhouses and a propagation house
- Upgrade to a larger propane tank
- Development of improved walkways between greenhouses & structures
- Increase in hours of mission - based staff.
- **\$150,000 additional revenue annually**
 - Bedding Plants- additional 15,600 flats annually
 - Poinsettias- additional 13,000 plants annually
 - Perennials- additional 12,000 pots annually
 - Hanging baskets- additional 1,200 baskets annually



Construction Timeline



Greenhouse Expansion Budget

Expansion:

- Civil Survey Cost: \$6,000
- Greenhouses: \$298,822.81
- Propagation Greenhouse: \$195,446.70
- Site Improvements: \$124,703.44
- Hugs Salaried Labor: \$17,500
- Hugs Mission Based Staff: \$8,488.00

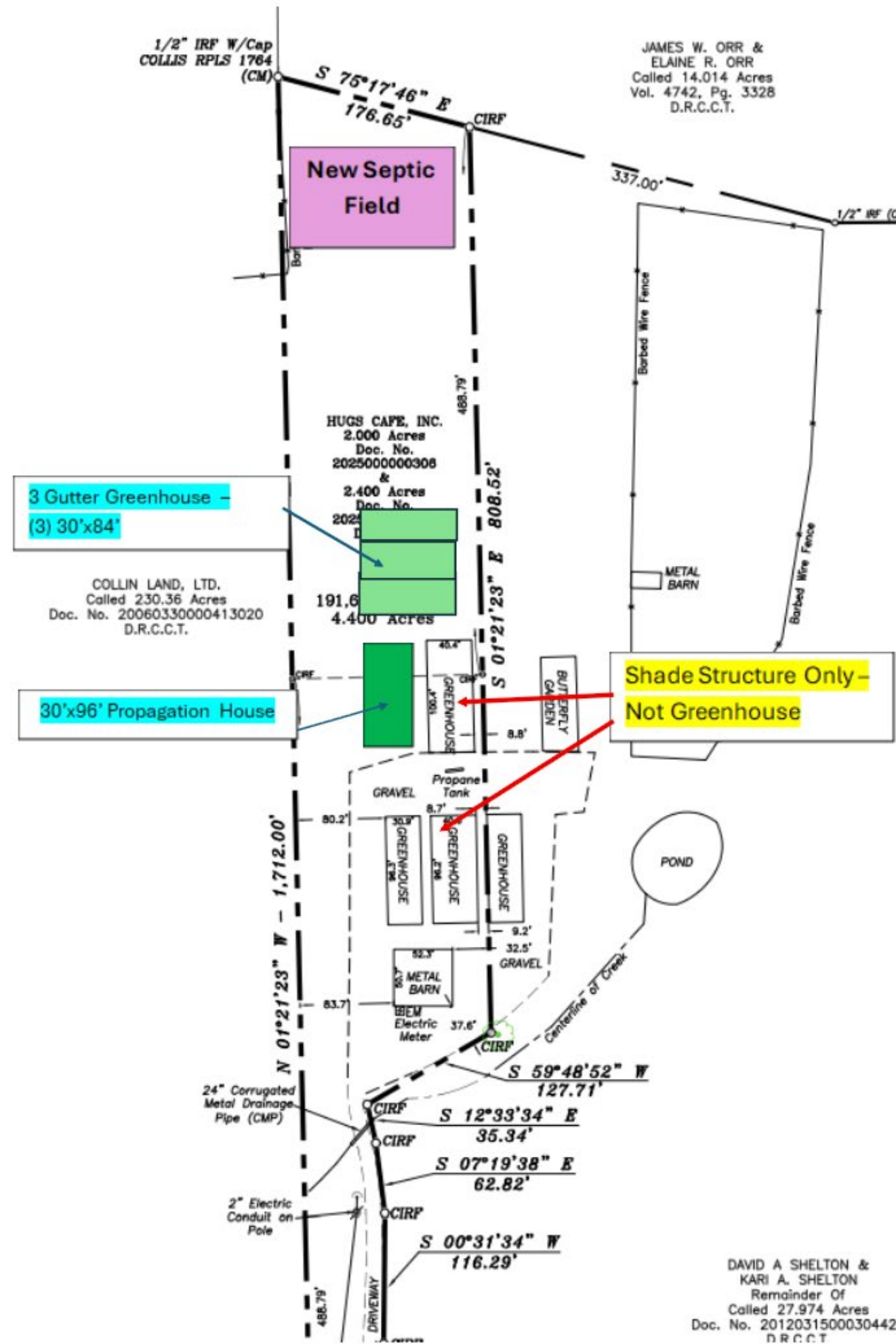
Investment to Date:

- \$512,639.50

Total Budget:

- \$1,163,467.00

Plans and Design





THANK YOU

The Hugs Team

Ruth Thompson
Lauren Smith
Eric Weinhagen
Bill Crump
Kit Marchal
Jennifer Buschman
Lindsey Pennington

and the rest of the crew