

CITY FOCUS

SPRING 2007

Economic Development: It All Begins with You

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McGraw-Hill Higher Education



Straka Johnson Architects/Sedgwick CMS



Grand River Center



Theisen's Headquarters



THE CITY OF
DUBUQUE

Masterpiece on the Mississippi



Roy D. Buol
Mayor



Ann Michalski
At-Large



Ric Jones
At-Large



Kevin Lynch
1st Ward



Karla Braig
2nd Ward



Joyce Connors
3rd Ward



Patricia Cline
4th Ward

City Manager's Message

Last year was one of the best years in Dubuque's history in terms of economic development activity. The City negotiated 14 development agreements in a 12-month period. After reviewing records back to 1983, we determined the City has never negotiated more than four development agreements in a single year!

As the City works on economic development, staff are carrying out the mission, goals, and priorities as set by the City Council. This issue of *City Focus* will highlight some of the organizations which coordinate many of Dubuque's economic development projects; but, in reality, it all begins with you. Your time, talent, and resources are what fuels Dubuque's economic engine.

Every day, people are making decisions about investments of capital: businesses, developers, governments, not-for-profit organizations, philanthropists, individuals, and families. They base their decisions on many factors, but chief among them is the character of the community.

Dubuque has shown its character by responding to the challenges of the past, including the 1980s when Dubuque averaged 8.9% unemployment and lost 7.8% of its population. However, there are several economic development challenges that will hopefully be addressed in partnership with the economic development groups listed on page 7 and others. Business retention, business recruitment, and workforce development are three keys, along with maintaining and enhancing our quality of life.

To continue the City's momentum in economic development, we all need to be aware of these important issues:

1. The City must continue to provide a high level of service at an affordable price. The Mayor and City Council have approved 13 years of no property tax increases to the average homeowner's City property taxes, with six of these years showing a decrease. Compared to the highest taxes and fees of the nine other large cities in Iowa, the City of Dubuque leaves \$29 million a year in the pockets of taxpayers to be spent on necessities or invested back into the community.
2. The community needs to embrace and support the Greater Dubuque Development Corporation's new "Destination for Opportunity" five-year, community growth campaign, described on page 5 of this publication.
3. The Iowa 32/Southwest Arterial project must become a reality. It will connect the major highways and industrial parks in our community, relieve traffic on Highway 20 and Kelly Lane, serve businesses on the north end, and create places for the community to grow. This can only be accomplished through the partnerships that include the organizations listed on page 7 and the continued support of U.S. Senator Tom Harkin, U.S. Senator Charles Grassley, U.S. Representative Bruce Braley, Iowa Governor Chet Culver, State Representative and Speaker of the House Pat Murphy, State Representative Pam Jochum, State Representative Ray Zirkelbach, State Representative Tom Schueller, State Representative Steve Lukan, State Senator Mike Connolly, State Senator Tom Hancock, and State Senator Roger Stewart.

As Mayor Buol has said, "The next five years will define the next 50 for Dubuque." Your belief in Dubuque has charted a course for a bright future.

Sincerely,

Michael Van Milligen
City Manager



Grover Appointed Chamber President

In November 2007, Dubuque Area Chamber of Commerce Board of Directors Chair Kevin Lynch announced the selection of Molly Grover as the Chamber's new president and chief executive officer.

Grover was born in Dubuque and raised throughout the Midwest, but she says she always maintained a special fondness for the Dubuque area. Her favorite childhood memories are of those spent on the banks of the Mississippi River.



Molly Grover

Grover attended Winona State University, Minnesota, where she obtained her bachelor of science degree in elementary education.

In her almost 11-year tenure in the chamber industry, Grover has served as the chamber president with three different chambers: Oregon, Illinois; Rochelle, Illinois; and Cartersville, Georgia.

Along with her chamber executive experiences, Grover's involvement includes the U.S. Chamber of Commerce, American Chamber of Commerce Executives, ICA Alliance, Iowa Chamber of Commerce and Rotary Club.

Grover could be "poster child" for the "Come Home to Dubuque" workforce development campaign. "I feel

extremely fortunate to have the opportunity to come home to Dubuque. I was born here, my family is here, the Dubuque area is my favorite place and has always represented home to me. I love the Chamber industry and I love this area. If I am the poster-child for 'Come Home to Dubuque,' it is a banner I wear with pride and gratefulness!"

In a recent *Telegraph Herald* "Newsmakers" interview, Grover explained her philosophy on the Chamber of Commerce's role in economic development. "The Chamber of Commerce is about service after the sale. Economic development is about creating jobs and creating wealth for the community. Both are necessary in order to create a dynamic business community. A Chamber of Commerce is a partner with economic development on several different levels, from tourism to business retention. Service after the sale is imperative to creating a conducive atmosphere to attract, retain and develop the existing business community."

"When a business announces their expansion or a business is recruited to the area, another chapter of the story begins. The business will need support services, resources, advocacy, and quality of life attributes for welfare of their business, their employees, their future workforce and their future success," added Grover. "The Chamber of Commerce's responsibility is to promote and work with the businesses to ensure our area is the best place to live, work and do business." ♦

Blouin Joins Greater Dubuque Development

Mike Blouin joined the Greater Dubuque Development Corporation as president in January to help bolster Dubuque's national business development efforts.

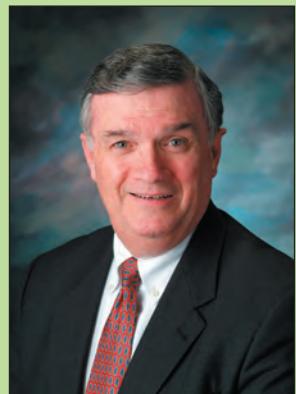
Blouin was most recently Iowa's top economic development official and is a former member of the U.S. Congress, the Iowa Senate and the Iowa House. Blouin has also successfully led the economic development efforts of Iowa's two largest cities, serving as the CEO of both the Greater Des Moines Partnership and the Cedar Rapids Chamber of Commerce.

In conjunction with Blouin's appointment, Greater Dubuque Development restructured the organization with Director Rick Dickinson assuming the new title of Executive Director and Chief Operating Officer (COO). Both Dickinson and Blouin will report directly to the Greater Dubuque Development Board of Directors.

Dickinson noted that despite Dubuque's #1 ranking in Iowa and a recent Top 25 rank among U.S. cities for job growth, complacency is not an option. Dickinson said that Blouin's move is a clear sign that Greater Dubuque will continue to push the boundaries of economic development.

Greater Dubuque Development Board Chairman David Becker noted that while Dubuque's job growth

has been impressive, it won't secure the future. Becker cited Blouin's vast experience and rapport with national, blue-chip companies as a way to enhance the organization and move Dubuque forward. "Let's face it, there's a lot of talk and discussion about moving companies and communities from 'good to great.' At Greater Dubuque Development, we're not just talking. We are doing," said Becker.



Mike Blouin

Blouin said he was impressed with Greater Dubuque Development's decision to create a national marketing strategy. "The Greater Dubuque Development Corporation, its staff and investors, as well as tri-state public officials, have made Dubuque a great place to live and pursue a career. My role will be to work with this team and build on that greatness. I am committed to making this happen and look forward to getting started." ♦

Building A Greater Dubuque

In 2003, Dubuque business leaders embarked on an ambitious and crucial mission – create more than 5,000 new jobs over the next five years. Dubuque had much to be proud of already. The area's economy and workforce were growing. New highways and roads improved transportation access, and land was primed for development.

That wasn't enough for the Greater Dubuque Development Corporation; the economic development group created in the 1980s to rejuvenate the local economy. It was time to be bold and visionary, said Rick Dickinson, the group's executive director and chief operating officer. To bring Dubuque's economy to the next level "we needed more than a hand-to-mouth annual approach," he said.



Rick Dickinson

The answer was the River Valley Initiative. The five-year fund-raising campaign sought to create 5,100 new jobs and spur \$200 million in commercial construction by 2008. More than 100 businesses contributed \$2.3 million to the effort. They were rewarded when the campaign hit its goals in just four years. The River Valley Initiative "focused the community on job creation and business expansion," said Dubuque Mayor Roy Buol. "It really provided that focus and the funding that was needed to make it happen."

Area employment reached a record 57,300 in November 2006, the *Telegraph Herald* reported, an increase of 5,300 in just four years. Average hourly wages surged from \$13.19 when the River Valley Initiative was launched to \$15.86. The *Des Moines Register* reported that Dubuque bested all Iowa cities in job growth between 2003 and 2006. Dubuque County, comprising just three percent of the state's population, produced 8.9 percent of all private sector jobs created in Iowa, according to Iowa Workforce Development figures. Dubuque ranked in the top three cities from 2000 to 2006, just behind Iowa City and Des Moines with a 7.3 percent increase in the number of jobs.

Businesses are expanding and building new offices and plants in many parts of the community, from Dubuque's downtown and Port of Dubuque to the Dubuque Industrial Center West and Dubuque Technology Park. Commercial construction from January 2003 to November 2006 totaled more than \$254 million. Dubuque's growth is turning heads across the country.

A national Web site ranked Dubuque's job growth between 2005 and October 2006 in the nation's top 25. Economy.com, a division of Moody's, placed the city at 22nd, between Austin, Texas and Orlando, Florida, among 387 U.S. cities for the rate of job growth during that time period. Dubuque's

job growth led the entire Midwest and outpaced other major metro areas such as Tampa, Fla.; San Antonio, Texas; Milwaukee, Wis.; and Seattle, Wash.

The May 2005 issue of *Inc.* magazine ranked Dubuque 62nd among 270 metro areas on the list of "Best Cities to Do Business in America." The city climbed 177 spots from the previous year.

How did it happen?

Leaders decided to focus much of their effort on businesses in their own backyard. They believed "the greatest return on investment was to pay attention to existing business and industry, and the greatest likelihood of growth would come from those that had already chosen to be here," Dickinson said. Dozens of Dubuque companies old and new have contributed to a business renewal in the area revamping old plants and building new offices and headquarters.

Projects in the last year alone include:

- Mi-T-M Corporation of Peosta, which built a 400,000 square foot facility and created 44 new jobs.
- John Deere Dubuque Works added two forestry production lines, and Deere & Co.'s forestry engineering headquarters relocated from Woodstock, Ontario to Dubuque. Employment has increased by 130 jobs.
- Namasco's \$6 million expansion at its current site created 40 new jobs.
- McGraw-Hill is building an \$18 million, 135,000 square foot, four-story office building at the Port of Dubuque. The company also will create 24 new full-time and several part-time jobs.
- Theisen's Supply Inc. invested \$5 million in a new 110,000 square foot state-of-the-art distribution center at Dubuque Industrial Center West. The project includes a 20,000 square foot office for the company's headquarters and will create 10 new jobs.
- Uelner Precision Tools and Die plans to add about 4,600 square feet to its existing facility.
- Dubuque Screw Products Inc. is building a 30,000 square foot building in the Dubuque Industrial Center West and creating 10 new jobs.
- Cottingham & Butler plans to renovate additional space in the Security Building and add 90 more positions.
- National Dentex is relocating to a \$1.3 million building in the Dubuque Industrial Center West and adding 10 new jobs.
- Giese Manufacturing will spend \$1.3 million in an expansion that includes an 18,000 square foot addition onto its current building at the Dubuque Industrial Center West. The company also will create 15 new jobs.

Dubuque also caught the attention of companies outside of the area.

- Sedgwick Claims Management Services of Memphis, Tenn., has opened a temporary office in downtown Dubuque, creating more than 100 new jobs. Their permanent residence will be a new office facility with room to grow in the Dubuque Technology Park.
 - Kunkel, Bounds & Associates Inc. of Mineral Point, Wis., will build a \$1.8 million, 10,000 square-foot office corporate headquarters in the Dubuque Technology Park. The company also will create 24 new jobs.

Joseph A. Labetti, Sedgwick CMS senior vice president and director of strategic services, compliments Dubuque officials for easing the company's decision making process, from providing the right information to staying true to their promises. The Dubuque team was knowledgeable, honest and focused on helping the company, he said. "They put us first," Labetti said.

Greater Dubuque Development didn't accomplish this mission alone. The development corporation works closely with city, county, state and federal officials to help businesses. Partners include regional and state development groups as well as utility and telecommunications companies, local developers, educational institutions, business groups and local employers. Those partnerships will be vital as the group looks forward to the next five-year campaign.

With the successful early conclusion of the River Valley Initiative, a new feasibility study has been completed that outlines the goals for the next five years.

The new campaign will focus on business retention and expansion, a national marketing program and work force retention and recruitment.

Greater Dubuque Development also has made a powerful addition to its staff with the hiring of Mike Blouin, former director of the Iowa Department of Economic Development, to the post of president. Dickinson will hold the new title of executive director and chief operating officer. Blouin will focus on national and international business development.

Greater Dubuque also has assumed management of the "Dubuque: Your hometown. Your future" campaign and the "Access Dubuque Jobs" website (www.accessdubuquejobs.com) in partnership with the *Telegraph Herald*, Iowa Workforce Development, and Dubuque Area Chamber of Commerce. "Now is the time to invest in continued growth instead of just kicking back and saying things are good enough," Dickinson said. "The mission of the next five-year campaign is to make greater Dubuque a destination of opportunity."

Rest assured that community leaders are already working on that goal. Imagine ... a Greater Dubuque. Together we can ... ♦

"Greater Dubuque: Destination for Opportunity" Campaign Unveiled

Focus

Based on the results of a feasibility study conducted of business and community leaders in December of 2006, the board of directors of Greater Dubuque Development have adopted the following action plan to successfully achieve the goals set forth in the "Greater Dubuque: Destination for Opportunity" campaign. The action plan has three primary elements to continue the economic success in the Greater Dubuque area. They include Business Retention & Expansion, Workforce Development: Recruitment & Retention, and New Business Recruitment.

Goals

The campaign objectives are significantly more aggressive than those adopted just four years ago—secure the financial resources necessary to fund an organization and the activities that will achieve measurable outcomes regarding workforce development, population growth, increased wages, and record commercial construction within a five-year period. Our past success has raised the bar to a new level of expectations which we can achieve.

"Destination for Opportunity" Goals

1. New Jobs: Create 5,500 net new jobs.
2. Wage Levels: Targeted wages for new jobs will be \$16.00+ per hour or an average annual income of \$33,280.
3. New Commercial Construction: \$300 million in new commercial construction projects in Dubuque County.
4. Population Growth: Grow the projected Dubuque County population by 6% (5,357) from 89,143 in 2000 to 94,500 in 2012.

Campaign Funding

The campaign will be funded by business leaders, community leaders, foundations, and individuals—all will be investing to make Greater Dubuque a "Destination for Opportunity."



City's Role in Economic Development

The Dubuque City Council's 2022 Vision Statement says, "The city of Dubuque is a progressive, sustainable city **with a strong, balanced economy** and connections to the world." Additionally, one of the City Council's five-year goals is "**partnering for a better Dubuque**." Those two goals are foremost in the City's role in local economic development efforts.

Economic Development in Dubuque is a multi-organizational partnership highlighted by the efforts of the Greater Dubuque Development Corporation (GDDC), Dubuque Area Chamber of Commerce, and the City of Dubuque Economic Development Department. Additional partners in progress are listed on page 7. The roles of each are different, but they all work cooperatively to see Dubuque grow.

The Chamber of Commerce concentrates on convention and tourism business, legislative advocacy, and transportation issues. They are also a partner in workforce development and recruitment.

Both the City and GDDC shepherd individual projects from first contact to project completion, but GDDC serves several distinct functions in promoting economic development in Dubuque. One function is to market the community to businesses who are looking to expand or relocate their operations. GDDC responds to requests from businesses for information about the area. This information may include: community demographics, area labor information, community history, community goals, and potential growth in the area.

To encourage local businesses to expand in Dubuque, GDDC has implemented the InfoAction program, led by Assistant Director Dan McDonald (563-557-9049 or danielm@greaterdubuque.org). The program involves GDDC staff meeting with local employers to assess how the business climate is going in Dubuque and to offer assistance if the business is anticipating growth in the area.

Once GDDC has encouraged a business to look strongly into expanding or relocating to Dubuque, they bring the business to the City's Economic Development Department. When businesses expand, they usually are pushing the financial limits and need financial support packages from the communities they are considering. The Economic Development Department provides access to several programs which can be tapped to encourage business growth in Dubuque. The following are some of the programs the City of Dubuque staff uses to encourage development:

- **Tax Increment Financing (TIF)** – An incentive program which captures the increased property taxes a business pays from improving their property. This incentive can be used to help pay for needed infrastructure improvements or to provide grants to the business. Businesses must commit to job creation in

the community or must have an extraordinary positive impact for the community to offer this incentive. This is not a lost revenue to the taxing districts because these projects would not have happened without assistance. After a maximum of 10 years, the taxing bodies begin receiving revenue.

- **Low-Interest Loans** – Loans for building improvements are available if a qualified project locates within certain areas of the city.
- **Land Discount** – The city provides a land discount for city-owned property if the business commits to significant job creation in the community.
- **State of Iowa Programs** like Community Economic Betterment Account (CEBA), Enterprise Zone Benefits, Revitalize Iowa's Sound Economy (RISE), and the Iowa Values Fund.



City of Dubuque Economic Development Staff: Secretary Julie Ehlinger, Assistant Director Aaron DeJong, and Director Dave Heiar.

The City and GDDC also work with the Dubuque Area Chamber of Commerce on workforce development, another important aspect of economic development. The availability of a qualified workforce is critical to the expansion of existing businesses and the recruitment of new businesses and industry. This is a particular challenge for Dubuque due to our aging population and flat population growth.

While 2006 was a record year for economic development projects in Dubuque, this recent success is due in part to the groundwork of past economic development directors for the City: Jim Burke (1977 - 2000) and Bill Baum (2001 - 2004). Current director Dave Heiar joined the City staff in March of 2005.

The partnership among GDDC, Chamber of Commerce, and the City's Economic Development Department has had much success in improving the business climate for Dubuque. The three organizations will continue to work together with the goal to create more opportunities for everyone in Dubuque. ♦

Partners for Progress

The City of Dubuque partners with numerous agencies and organizations on economic development efforts.

Alliant Energy

Cindy Lenz, Economic & Community Development Manager
608-342-4103, CindyLenz@alliantenergy.com

Aquila

Mark Ernst, Eastern Iowa Operations Manager
563-583-0415 ext. 15, mark.ernst@aquila.com

Dubuque Area Chamber of Commerce

Molly Grover, President
563-557-9200, mgrover@dubuquechamber.com

Dubuque Area Labor Management Council

Charles Isenhart, Executive Director
563-582-8804, dalmc@mwci.net

Dubuque County

Wayne Demmer, Supervisor
563-589-4441, wdemmer@dbqco.org
Eric Manternach, Supervisor
563-589-4441, emanternach@dbqco.org
Donna Smith, Supervisor
563-589-4441, dsmith@dbqco.org

Dubuque Initiatives

Bill Callahan, President
563-589-2059, wcallahan@dubuquebank.com

Dubuque Main Street

Dan LoBianco, Executive Director
563-588-4400, dandmsl@qwest.net

East Central Intergovernmental Agency

Kelley Deutmeyer, Executive Director
563-556-4166, kdeutmeyer@ecia.org
Jerry Schroeder, Economic Development Director
563-556-4166, jschroeder@ecia.org

Greater Dubuque Development Corporation

Rick Dickinson, Executive Director & Chief Operating Officer
563-557-9049, rickd@greaterdubuque.org

Iowa Department of Economic Development

515-242-4700, info@iowalifechanging.com

Iowa Department of Transportation

515-239-1101, www.dot.state.ia.us

Iowa Workforce Development

Eileen LeMay, Director
563-556-5800, Eileen.Lemay@iwd.iowa.gov

Northeast Iowa Business Accelerator

Brian Dalziel, Regional Director
888-642-2338 - ext. 250, dalzielb@nicc.edu

Northeast Iowa Community College

Greg Wilging, Economic Development Director
800-728-7367 - ext. 128, willgingg@portal.nicc.edu

Prosperity Eastern Iowa

Karen Adams, ECIA Regional Economic Development Coordinator
563-556-4166, kadams@ecia.org

Small Business Development Center

Terry Sullivan, Director
563-588-3350, sullivan@portal.nicc.edu

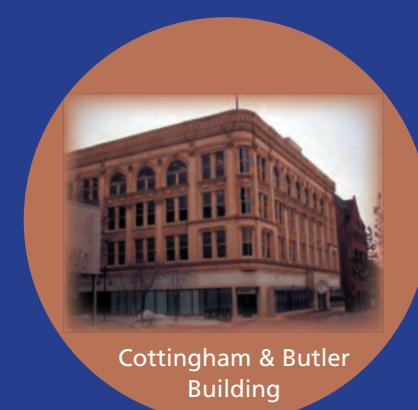
Federal Government



Dubuque Star Brewery



Giese Manufacturing



Cottingham & Butler Building



Dubuque Screw Products

Greater Dubuque Development Corporation

MISSION

It is our intent to help shape the future of the Greater Dubuque area instead of reacting to what has been set before us. Therefore, Greater Dubuque's staff and Board of Directors have embraced the acronym CREATE to not only describe our philosophy but outline what we do on a daily basis to promote economic development in our community.

Collaborate: The importance we place on communicating and working alongside other organizations—those within our community and those from surrounding areas.

Retain: Serving our community's existing industry—our first priority.

Expand: Facilitate the growth of existing companies.

Attract: Recruit new companies and industries to the area.

Transform: Guide the economy from a challenged past to our promising future.

Empower: The information, financial resources, services and tools in place to help guide entrepreneurs and to assist existing businesses in becoming even more successful.

EXECUTIVE COMMITTEE



L to R: Michael Donohue, Nicholas J. Schrup III, Rich Young, Doug Horstmann, Roy D. Buol, Pam Jochum, David Becker (Chairman), Tom Yunt, Michael C. Van Milligen, Lori Thielen, Dan Hammel, and Mark Ernst.



STAFF

L to R: Office Manager Karen Kluesner, Assistant Director Dan McDonald, Retail Services Coordinator Sandra Gonzales, President Mike Blouin, Executive Director and Chief Operating Officer Rick Dickinson, Marketing Manager Kimberly Davis, and Director of Retail Expansion Amy Wickham.

Clip and Send Your Comments to the City Manager's Office, 50 West 13th Street, Dubuque, IA, 52001-4864

Name _____

City _____ ST _____

Zip _____

Address _____

Phone _____

E-mail _____

Comments:

Dubuque City Council

Roy D. Buol, Mayor

Ann E. Michalski, At-large

Ric W. Jones, At-large

Kevin J. Lynch, 1st Ward

Karla A. Braig, 2nd Ward

Joyce E. Connors, 3rd Ward

Patricia A. Cline, 4th Ward

The Dubuque City Council meets at 6:30 p.m. on the first and third Monday of the month in the third-floor auditorium of the Carnegie-Stout Public Library, 360 West 11th Street.

Editorial Information

City Focus is a publication of the City of Dubuque. www.cityofdubuque.org

Editing & Layout:

Randy Gehl,

Public Information Officer

Contributors:

Greater Dubuque Development

www.greaterdubuque.org

Dubuque Area Chamber of Commerce

www.dubuquechamber.com

Feedback

The City of Dubuque welcomes your comments and suggestions about your city government or anything appearing in this publication. Inquiries must include your name, address, and telephone number, or an e-mail address so a response can be provided.

E-mail or use the form below and send to:

City Manager's Office

50 West 13th Street

Dubuque IA 52001-4864

publicinfo@cityofdubuque.org

563.589.4110 (phone)

563.589.4149 (fax)