



Approved

**MINUTES
CITY OF DUBUQUE LONG RANGE PLANNING ADVISORY COMMISSION
REGULAR SESSION**

5:30 p.m.

Wednesday, April 20, 2016

City Council Chamber, Historic Federal Building

Commissioners Present: Chairperson Chad Darter; Commissioners Jim Prochaska, Alan Vincent, Mark Dolson, John Pregler and Charles Winterwood.

Commissioners Excused: None.

Commissioners Unexcused: Joshua Clements.

Staff Members Present: Laura Carstens and David Johnson.

CALL TO ORDER: The meeting was called to order by Chairperson Darter at 5:30 p.m.

CERTIFICATION OF COMPLIANCE: Staff presented an Affidavit of Compliance verifying that the meeting was being held in compliance with the Iowa Open Meetings Law.

MINUTES: Motion by Prochaska, seconded by Vincent, to approve the minutes of February 17, 2016 as submitted. Motion carried by the following vote: Aye – Vincent, Prochaska, Winterwood, Pregler, Darter and Dolson; Nay – None.

TIF Presentation: Rick Dickinson, President and CEO of Greater Dubuque Development Corporation, presented information on TIF Districts. Mr. Dickinson thanked the Commission for their service and offered his services to the Commission for review of future Urban Renewal Districts.

Mr. Dickinson reviewed the role of the Greater Dubuque Development Corporation. He reviewed the history of TIF, noting the amount of investment TIF has had in the city of Dubuque as well as the amount of private investment that TIF leverages. He reviewed how TIF promotes investment in the city of Dubuque as well the different types of TIF districts. He explained that without perpetual TIF, there would be no industrial parks or the technology park in the city of Dubuque. He noted the importance TIF has on the creation of jobs. He reviewed recent work force data and the importance of work force retention and development. He noted Dubuque currently has 60,100 people working in Dubuque County. He noted the increase of 1,100 net new jobs over the past year, and that Dubuque leads job growth per capita in the state.

Mr. Dickinson explained how Dubuque uses TIF. He stated Dubuque is careful to use TIF on projects that would otherwise not be done. He reviewed the recruitment process explaining how site locators work in recruiting outside businesses, noting businesses will use site locators to send out informal anonymous inquiries to communities to solicit incentives or leverage negotiations. He noted companies look at many demographic and financial factors for communities, but also proximity to transportation and availability of land. He reviewed how competitive economic development is in recruiting outside business, noting a number of examples where Dubuque lost out on opportunities because it judiciously uses TIF.

Mr. Dickinson reviewed how residential TIF is used in wholesale fashion by other communities, and why the City of Dubuque does not do it in the same way, but is selective in its use. He noted TIF is the only meaningful tool communities have to entice business. He reviewed the role of the Greater Dubuque Development Corporation. He noted GDDC addresses business recruitment and retention, work force solutions, recruits nationally, recruits retail, supports sustainable innovations and also works with Start-Up Dubuque.

The Commission questioned whether TIF is offered for existing buildings. Mr. Dickinson explained only new increments on new value are eligible for TIF. Mr. Dickinson explained how TIF is used, noting the difference between annual TIF rebates and up front TIF loans. He noted after 10 years, the tax increment goes back on the tax rolls. He stated the only exception is perpetual TIF districts.

The Commission questioned how GDDC knows whether a project would have been completed without the benefit of TIF. Mr. Dickinson noted other communities are always offering incentives and it is anecdotal evidence only.

The Commission questioned how TIF relates to school tax. Mr. Dickinson reviewed how incentives work and valuation is retained by the city, noting State Code decides how that money is used.

Mr. Dickinson and the Commission discussed the cost of development in the city of Dubuque. Mr. Dickinson reviewed why predevelopment costs are so high in the city. He explained why developers are incented to develop in rural areas. He stated most people in neighboring communities commute to work in Dubuque. He explained housing is cheaper outside of the city because of a lack of development standards, their use of TIF, and topography. Mr. Dickinson reviewed taxes and fee comparisons with neighboring communities.

The Commission questioned how the city of Dubuque analyzes the long-term risks associated with TIF. The Commission asked how TIF affects revenue from the general fund and how it impacts maintenance and infrastructure funding. The Commission

asked about the actual cost of deferred revenue and deferred maintenance as a result of TIF.

Mr. Dickinson noted TIF does not impact fees for enterprise funds for water and sewer, which support infrastructure. He explained the City cannot lose what it never had. Mr. Dickinson acknowledged some communities do abuse TIF, but Dubuque uses it judiciously and fairly. Mr. Dickinson reviewed how TIF is used for residential, commercial, and industrial development in Dubuque, noting Dubuque does not provide TIF for retail projects.

The Commission again questioned how the City and GDDC know TIF was a deciding factor in business's decisions to locate in Dubuque. The Commission stated there is a back-end cost to TIF, and Dubuque needs to be prepared and look at those issues. Mr. Dickinson noted anecdotal evidence is what shows projects will or will not come to Dubuque as a result of TIF. He explained Dubuque loses more projects than it gets. He noted some communities will give anything to entice a business where Dubuque doesn't. He noted there are a number of people that dislike TIF, some of whom operate in academic circles; however, he felt they do not have a complete understanding of how competitive economic development is throughout the state.

The Commission thanked Mr. Dickinson for coming and explaining the benefits of TIF and how it's used. Mr. Dickinson thanked the Commission for their time and again offered GDDC's assistance to the Commission for review of urban renewal district projects.

City Council Goal Setting: Planning Services Staff facilitated the City Council goal setting exercise with the Commission.

City of Dubuque Comprehensive Plan RFP: Staff Member Carstens reviewed the status of the City of Dubuque Comprehensive Plan update and RFP. She noted Chairperson Chad Darter and GDDC CEO Rick Dickenson are serving on the consultant selection committee. Planning Services Staff reviewed the Commission's anticipated role in the project.

ADJOURNMENT: Motion by Vincent, seconded by Dolson, to adjourn. Motion carried by the following vote: Aye – Vincent, Prochaska, Winterwood, Pregler, Darter and Dolson; Nay – None.

The meeting was adjourned at 8:12 p.m.

Respectfully submitted,

Laura Carstens, Planning Services Manager

Adopted