



*Masterpiece on the Mississippi*



**TO:** The Honorable Mayor and City Council Members  
**FROM:** Michael C. Van Milligen, City Manager  
**SUBJECT:** Fiscal Year 2020 Budget Recommendation  
**DATE:** January 29, 2019

It is my goal that the Fiscal Year 2020 budget recommendation will reflect the City Vision and Mission Statements and be responsive to the goals and priorities established by the Mayor and City Council. I am pleased to report that the Fiscal Year 2020 budget recommendation includes a property tax rate decrease of 2.43%, which is more than the property tax rate decrease of 0.97% approved as part of the Budget Guidelines by the City Council on December 17, 2018. The Budget Guidelines reported a residential rollback of 56.1324% but the actual residential rollback is 56.9180%. This increase in rollback increases the taxable value for residential. This required a lower property tax rate to keep the average residential property at no property tax increase. This translates into the following:

|                                    | <b>% Change</b> | <b>\$ Change</b> |
|------------------------------------|-----------------|------------------|
| Property Tax Rate                  | -2.43%          | -\$0.26          |
| Average Residential Payment        | —%              | \$—              |
| Average Commercial Payment         | -1.48%          | -\$48.53         |
| Average Industrial Property        | -1.79%          | -\$87.16         |
| Average Multi-Residential Property | -7.07%          | -\$132.29        |

### 2035 VISION STATEMENT

Dubuque 2035 is a sustainable and resilient city and an inclusive and equitable community. Dubuque 2035 has preserved our Masterpiece on the Mississippi, has a strong diverse economy and expanding connectivity. Our residents experience healthy living and active lifestyles; have choices of quality, livable neighborhoods; have an abundance of fun things to do; and are engaged in the community.

## CITY MISSION STATEMENT

Dubuque city government is progressive and financially sound with residents receiving value for their tax dollars and achieving goals through partnerships. Dubuque city government's mission is to deliver excellent municipal services that support urban living; contribute to an equitable, sustainable city; plan for the community's future; and facilitate access to critical human services

## CITY OF DUBUQUE GOALS 2024

- ♦**Robust Local Economy:** Diverse Businesses and Jobs with Economic Prosperity
- ♦**Sustainable Environment:** Preserving and Enhancing Natural Resources
- ♦**Vibrant Community:** Healthy and Safe
- ♦**Partnership for a Better Dubuque:** Building Our Community that is Viable, Livable, and Equitable
- ♦**Livable Neighborhoods and Housing:** Great Place to Live
- ♦**Diverse Arts, Culture, Parks, and Recreation Experiences and Activities**
- ♦**Financially Responsible, High-Performance City Organization:** Sustainable, Equitable, and Effective Service Delivery
- ♦**Connected Community:** Equitable Transportation, Technology Infrastructure, and Mobility

**POLICY AGENDA** items are issues that need direction or a policy decision by the City Council, or need a major funding decision by the City Council, or issues that need City Council leadership in the community or with other governmental bodies. The policy agenda is divided into top priorities and high priorities.

## 2018-2020 POLICY AGENDA

### **TOP PRIORITIES (in alphabetical order)**

- Affordable Childcare Study and Funding
- Five Flags Center: Direction and Funding
- Inclusive Dubuque Support
- Major Streets Improvement: Plan, Direction, and Funding
- Poverty Reduction: Action Plan
- River Cruise Docking Facilities: Direction
- Winter Farmers Market: Location and Funding Support

### **HIGH PRIORITIES (in alphabetical order)**

- Bee Branch Floodwall Gates Funding
- Central Avenue Corridor: Economic Revitalization
- Crime Prevention Program: Maintenance
- Debt-Reduction Plan: Continuation
- Mental/Brain Health Strategy and Action Plan

**HIGH PRIORITIES (in alphabetical order, continued)**

- New Financial Software: Funding
- Pet-Friendly Community: Policy Direction and Actions
- Street Maintenance Program: Funding Level

**MANAGEMENT AGENDA** items are issues for which the City Council has set the overall direction and provided initial funding, may require further City Council action or funding, or are major management projects that may take multiple years to implement. The management agenda is divided into top priorities and high priorities.

**2018-2020 MANAGEMENT AGENDA**

**TOP PRIORITIES (in alphabetical order)**

- Campaign for Grade-Level Reading
- CHANGE Program: Implementation
- Crescent Community Health Center Expansion
- Dubuque's True North Housing Initiative
- Multicultural Family Center Expansion
- Riverfront Master Plan (US Army Corps of Engineers)
- Transit Vehicles Replacement
- Veterans Pond Development and Direction

**HIGH PRIORITIES (in alphabetical order)**

- City Performance Measurements/Open Data/Data Governance
- Citywide Departmental Work Order System
- Comiskey Park Renovation
- Community Security/Surveillance System Expansion
- Housing Needs Assessment Report
- Resident Satisfaction Survey
- Residential Housing Upgrade/Bee Branch HUD Flood Protection
- Water & Resource Recovery Center: Nutrient Trading

Creating an Equitable Community of Choice



# Creating an Equitable Community of Choice

A High-Performance Organization (and Community) that is Data-Driven and Outcome-Focused built on the four pillars of:

Resiliency

Sustainability

Equity

Compassion

Through **Planning, Partnerships, & People**

The background of the slide features a collage of four images. From left to right: a close-up of a field of green plants; a dense forest; a city skyline with buildings and a church steeple; and a bridge over water. These images are overlaid with the text "Through Planning, Partnerships, & People".

[www.cityofdubuque.org](http://www.cityofdubuque.org)

CMO24-111618

An article in the January 27, 2019, Telegraph Herald, written by Jeff Montgomery is illustrative on the issues faced related to poverty. In part, the article says:

"Data released last year by United Way of Dubuque Area Tri-States revealed that 33 percent of Dubuque County households were either in poverty or earned less than the basic cost of living.

That translated to more than 12,000 households that didn't make enough money to make ends meet.

In the city of Dubuque, the figure is even higher: 44 percent of households do not make enough to meet basic needs.

These persistent struggles might come as a surprise to some, given the county's meager unemployment rate. In December, the jobless rate in Dubuque County was 2.5 percent.

That is lower than the county's rate from one year earlier of 3 percent, as well as the national average of 3.9 percent.

A closer examination of data shows that for many local residents, getting a job doesn't equate to getting ahead.

### **Working poor**

The most recent United Way study utilized "point-in-time data," collected in 2016, to provide an updated snapshot of area residents' evolving struggles.

Growing financial hardships this decade can be attributed largely to an increase in one particular category, deemed ALICE.

ALICE is an acronym for Asset Limited Income Constrained, Employed. In short, it represents the working poor.

In 2010, 14 percent of Dubuque County households fell into that category; in 2016, it was 22 percent. In addition, 11 percent of households were below the poverty threshold in 2016, a slight increase from 10 percent in 2010.

In other local Iowa counties, a similar trend has unfolded.

In Clayton County, 19 percent of households were in the ALICE category in 2010 and 28 percent fell in that range in 2016. In Delaware County, the percentage increased from 16 percent to 22 percent; in Jones County, from 20 percent to 26 percent, and in Jackson County, from 18 percent to 22 percent."

"In addition to showing the sheer scope of financial hardships, the ALICE report also challenged long-held beliefs about what it takes to get ahead.

"This study showed it is not as easy as 'get a job,'" Peterson said. "There are many, many people who are working and struggling and facing barriers to being successful."

About four months after United Way released its data for Iowa, the organization followed with a comprehensive report detailing counties in Wisconsin. A similar pattern emerged.

In Grant County, 43 percent of residents were in poverty or below the ALICE threshold in 2016, up from 38 percent at the outset of the decade. The percentage falling within the ALICE category rose from 24 to 29 percent in that time frame.

In Crawford County, the ALICE group rose from 26 percent in 2010 to 28 percent in 2016; in Lafayette County, it rose from 21 percent to 26 percent; and in Iowa County, from 22 percent to 24 percent.

Illinois does not partner with United Way for its ALICE project.

However, a study released in 2018 estimated that more than 33 percent of Illinoisans are either poor or low-income. The report, compiled by anti-poverty organization Heartland Alliance, also determined that poverty was higher than it was before the Great Recession.

The study found there are more than 5,200 households receiving food stamps in Illinois House of Representatives District 89, which includes Jo Daviess County. More than 2,000 households are "rent-burdened," meaning they pay more than half of their income toward housing."

"The United Way ALICE study includes a "household survival budget," which highlights "the bare minimum that a household needs to live and work today."

For a single adult living in Dubuque County, the monthly total amounts to \$1,608. Such payments can be made with a full-time job earning \$9.65 per hour.

For a family of four, however, that figure balloons more than 300 percent. The ALICE study concludes a Dubuque County family with two adults, an infant and a preschooler must spend \$4,887 per month to meet basic needs."

"Census data show that there is reason for optimism when it comes to wages in Dubuque County.

Data from December placed the median wage for households at \$59,150. That is up from \$56,154 in December 2017.

For many residents, however, reaping the benefits of these changes is easier said than done.

Dubuque County residents with less than a high school education earn a median income of about \$21,200, while high school grads or those with an equivalency degree take in \$30,700. An associates degree bumps up the median wage to \$34,150, while a bachelor's degree ups it to \$45,750 and a graduate degree, \$58,600.

Kristin Dietzel, vice president of workforce solutions for Greater Dubuque Development Corp., said the numbers send a clear message.

"Education and training have to be the cornerstone to any long-term self-sufficiency," Dietzel said.

Opportunity Dubuque, a partnership between GDDC and Northeast Iowa Community College, allows participants to complete industry-driven certifications to upgrade their skills or launch their careers.

Dietzel explained that students can complete such courses free of charge, although she acknowledged that some barriers could exist.

The cost of transportation, for instance, could be prohibitive for some seeking to upgrade their skills. Caring for one's child during the training also has presented a quandary for some.

In late 2018, GDDC announced a pilot program in which roughly 50 Opportunity Dubuque participants would receive free child care during their training and for up to a year after securing new employment."

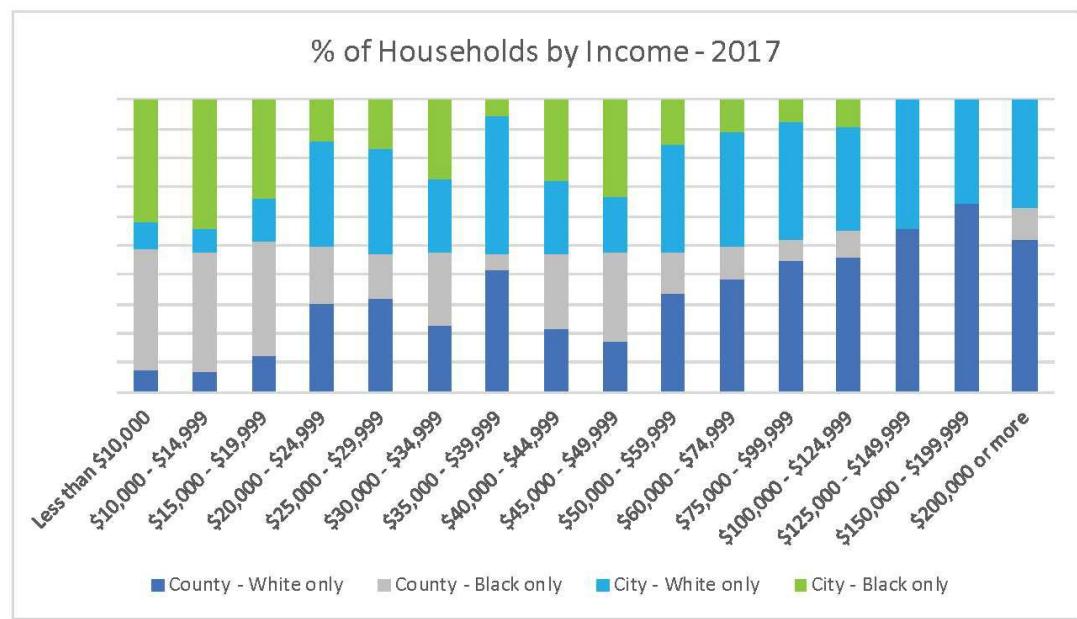
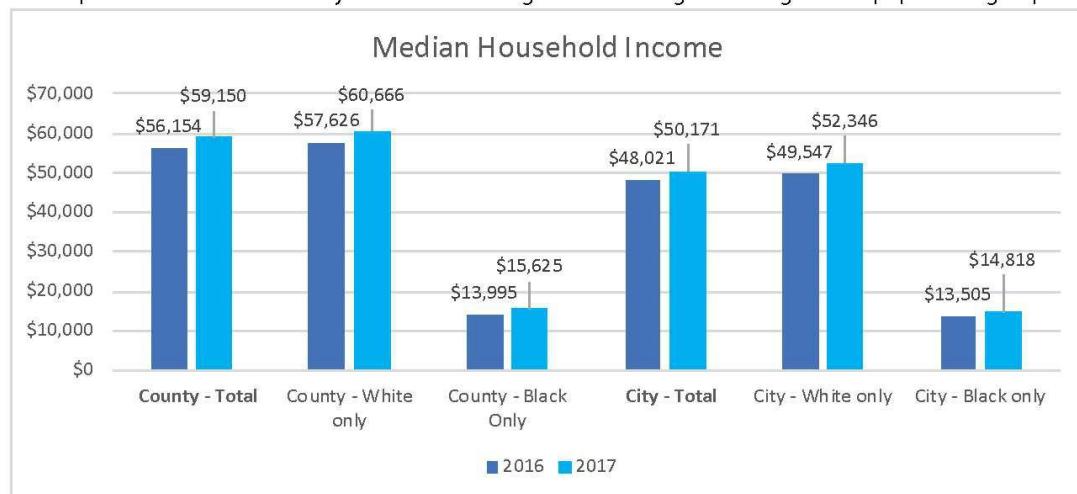
"Even for those eager to get ahead financially, it can be easy to get knocked off course.

The Federal Reserve in mid-2018 released its annual Survey of Household Economics and Decisionmaking. The report underscored the fragile foundation on which many Americans' financial plans are built.

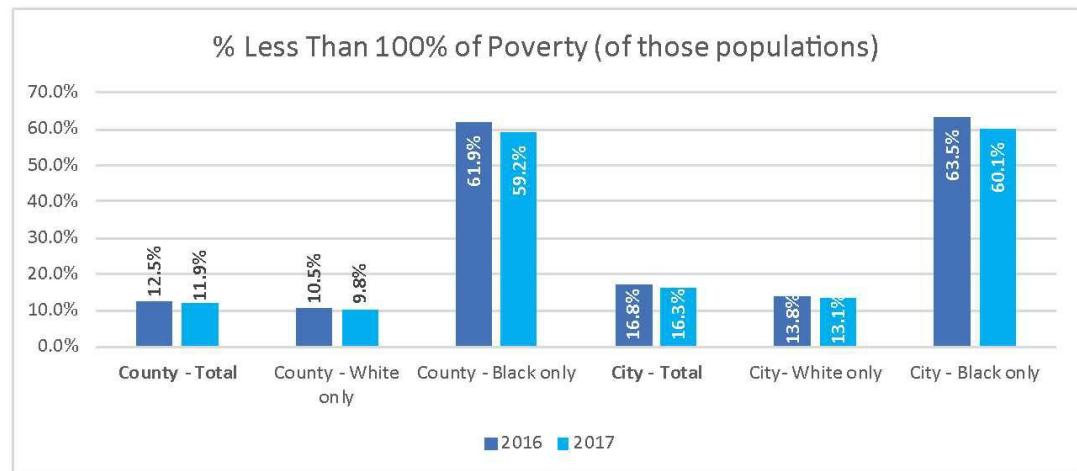
Forty percent of adults, if faced with an unexpected expense of \$400, said they would either not be able to cover it or would cover it by selling something or borrowing money. Twenty-five percent of adults, meanwhile, skipped necessary medical care because they could not afford the cost."

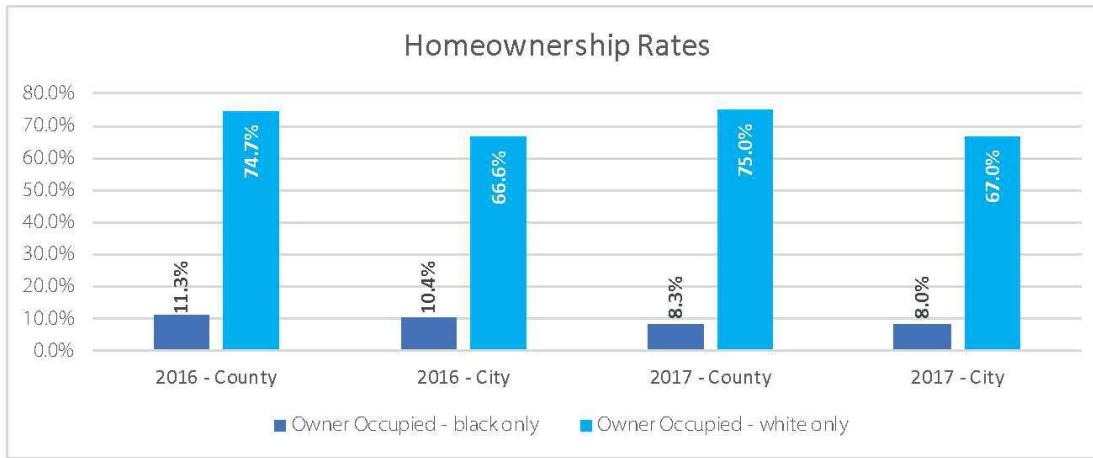
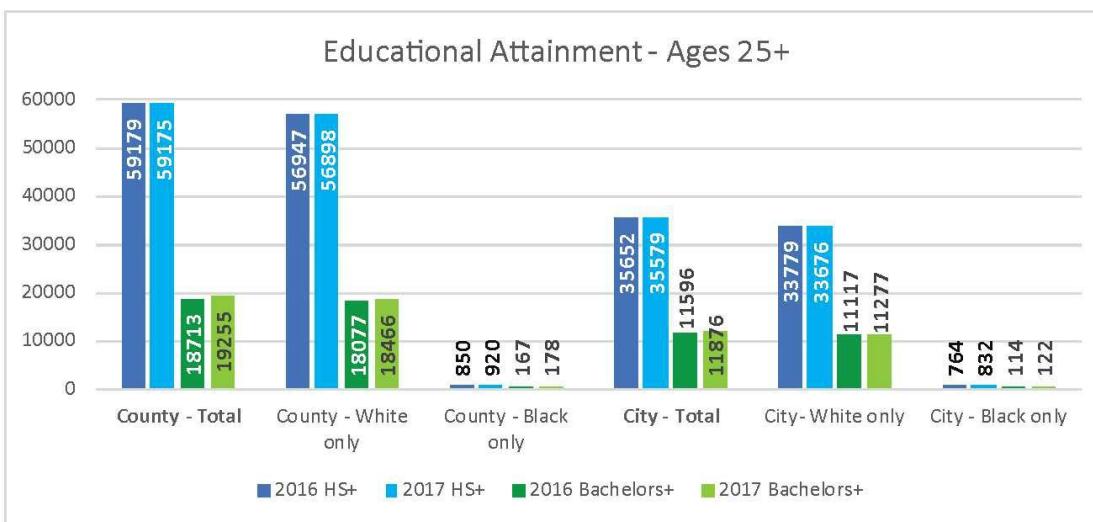
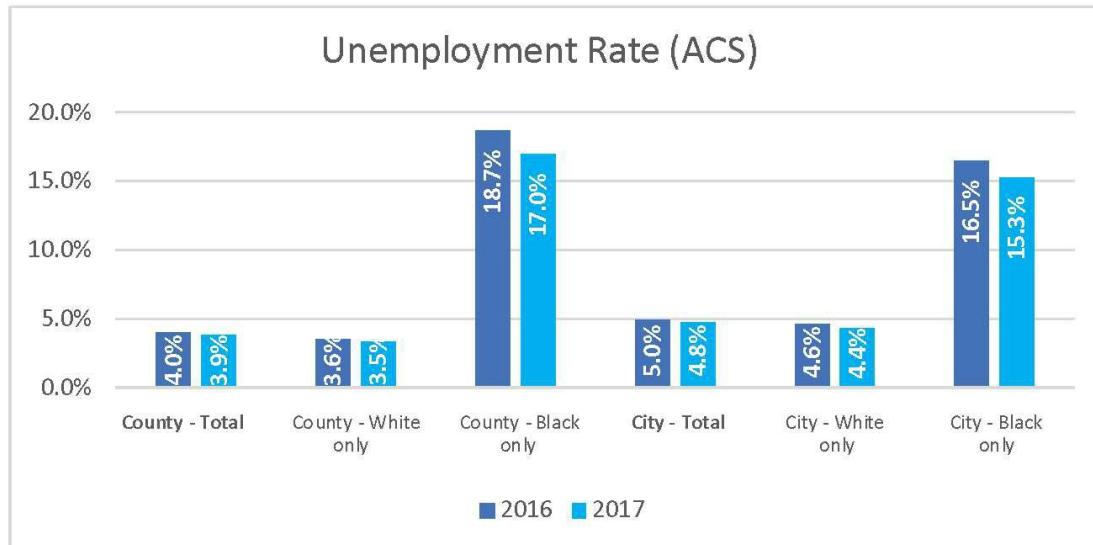
The Greater Dubuque Development Corporation provides information that the financial hurdles in Dubuque are even higher for the minority community:

Data represented from the ACS 5-year estimates. Margin of error is higher among smaller population groups.



\* Breaks out by percentage of that subgroup to show distribution. ex. 28.9% of the City - Black only subgroup make less than \$10,000 versus 6.3% of the City - White only subgroup.





**GDDC 2018 Economic Indicators Report**



**2018  
Economic Indicators  
Report**

Economic, Social, and Educational changes in our region affecting  
Greater Dubuque 2022 Goals of Job Creation, Median Household Income,  
Population, and Construction Investment.

# GREATER DUBUQUE 2022

## GOALS BREAKDOWN

### TO BE ACHIEVED BY JUNE 30, 2022:

**Job Creation**  
64,000

**Median Household Income**  
\$60,000

**Population**  
100,000

**Investment**  
\$800,000,000

Quarterly Action Dashboard (InfoAction & HR Action Reporting, primarily quantitative)  
Inform & validate lagging data with this "real time" data

#### Education/ Occupational Data

- Number of Businesses
- Top Occupational Openings
- Industry Composition
- Skills Gap Analysis
- # of Degrees Granted
- Certified School Enrollment
- % Students Proficient Reading & Math

#### Median Household Income

- % of Jobs by Wage Level
- Salary Trend
- % Paying More Than 35% on Mortgage/Rent
- % Eligible for Free/ Reduced Lunch
- Poverty Level
- SNAP recipients
- Average Income of In- and Out-migration

#### Population

- Migration Flow
- Cost of Living Composite
- Retail - Total Taxable Sales
- Vehicle Ownership

#### Investment

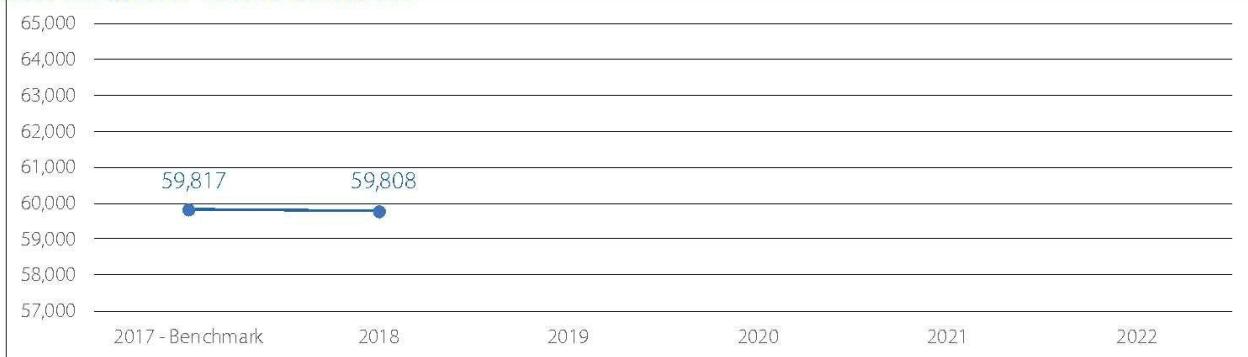
- Housing Units
- Median property value
- Mortgage Status
- Rental Vacancy Rate
- Median Rent
- Home & Property Sales

Note: The Dubuque Metropolitan Statistical Area (MSA) and Dubuque County are the same area for analysis.

# JOB CREATION

**GOAL: 64,000** *in Dubuque Metropolitan Statistical Area (MSA)/Dubuque County*

## JOB CREATION GOAL PROGRESS



## NUMBER OF BUSINESSES

**2016: 2,759 2015: 2,779**

| Number of Employees                      | 1-4   | 5-9 | 10-19 | 20-49 | 50-99 | 100-249 | 250-499 | 500-999 | 1000+ | Total |
|--|-------|-----|-------|-------|-------|---------|---------|---------|-------|-------|
| Businesses within the Dubuque MSA (2015) | 1,350 | 560 | 391   | 283   | 98    | 63      | 24      | 6       | 4     | 2,779 |
| Businesses within the Dubuque MSA (2016) | 1,324 | 511 | 422   | 302   | 95    | 69      | 27      | 6       | 3     | 2,759 |

% Small Businesses: 67% of all establishments have 10 employees or less

**TREND: UNCHANGED (2010 Census: 2,738 businesses)**

Dubuque MSA/Dubuque County

Source: U.S. Census Bureau, 2016 County Business Patterns Survey

## TOP 10 INDUSTRIES BY VOLUME OF JOBS 2013 & 2018

| INDUSTRY                                      | 2013 JOBS | 2018 JOBS | # CHANGE | % CHANGE |
|---|-----------|-----------|----------|----------|
| Manufacturing                                 | 8,953     | 9,509     | 556      | 6%       |
| Health Care and Social Assistance             | 8,436     | 9,130     | 694      | 8%       |
| Retail Trade                                  | 7,110     | 7,098     | (12)     | 0%       |
| Government                                    | 5,036     | 5,065     | 29       | 1%       |
| Accommodation and Food Services               | 4,472     | 4,560     | 88       | 2%       |
| Finance and Insurance                         | 3,644     | 4,486     | 842      | 23%      |
| Other Services (except Public Administration) | 3,351     | 3,661     | 310      | 9%       |
| Wholesale Trade                               | 3,220     | 3,061     | (159)    | (5%)     |
| Construction                                  | 3,037     | 3,051     | 14       | 0%       |
| Educational Services                          | 3,065     | 2,986     | (79)     | (3%)     |

Dubuque MSA/Dubuque County

Source: EMSI (QCEW Employees, Non-QCEW Employees, & Self-employed)

## FASTEST GROWING INDUSTRIES BY % JOB INCREASE 2013 &amp; 2018

| INDUSTRY                                      | 2013 JOBS | 2018 JOBS | # CHANGE | % CHANGE |
|---|-----------|-----------|----------|----------|
| Finance and Insurance                         | 3,644     | 4,486     | 842      | 23%      |
| Management of Companies and Enterprises       | 595       | 717       | 122      | 21%      |
| Transportation and Warehousing                | 1,996     | 2,354     | 358      | 18%      |
| Other Services (except Public Administration) | 3,351     | 3,661     | 310      | 9%       |
| Health Care and Social Assistance             | 8,436     | 9,130     | 694      | 8%       |
| Manufacturing                                 | 8,953     | 9,509     | 556      | 6%       |
| Real Estate and Rental and Leasing            | 541       | 556       | 15       | 3%       |
| Accommodation and Food Services               | 4,472     | 4,560     | 88       | 2%       |
| Government                                    | 5,036     | 5,065     | 29       | 1%       |
| Construction                                  | 3,037     | 3,051     | 14       | 0%       |

Dubuque MSA/Dubuque County

Source: EMSI (QCEW Employees, Non-QCEW Employees, &amp; Self-employed)

## TOP 10 JOBS BY VOLUME 2013 &amp; 2018

| OCCUPATION   | 2013  | 2018  |
|--|-------|-------|
| Retail Salespersons  | 1,910 | 1,787 |
| Cashiers   | 1,643 | 1,644 |
| Registered Nurses  | 1,316 | 1,501 |
| Combined Food Preparation and Serving Workers, Including Fast Food | 1,387 | 1,490 |
| Office Clerks, General   | 1,397 | 1,356 |
| Assemblers and Fabricators, All Other, Including Team Assemblers   | 1,274 | 1,302 |
| Heavy and Tractor-Trailer Truck Drivers                            | 1,083 | 1,219 |
| Customer Service Representatives                                   | 1,096 | 1,189 |
| General and Operations Managers                                    | 882   | 940   |
| Janitors and Cleaners, Except Maids and Housekeeping Cleaners      | 982   | 919   |

Dubuque MSA/Dubuque County

Source: EMSI (QCEW Employees, Non-QCEW Employees, &amp; Self-employed)

## FASTEST GROWING OCCUPATIONS BY % INCREASE 2013 &amp; 2018

| OCCUPATION                                       | # CHANGE | % CHANGE |
|--|----------|----------|
| Computer Occupations, All Other                  | 45       | 66%      |
| Claims Adjusters, Examiners, and Investigators   | 84       | 61%      |
| Personal Care Aides                              | 212      | 57%      |
| Insurance Claims and Policy Processing Clerks    | 47       | 49%      |
| Clergy   | 54       | 36%      |
| Mobile Heavy Equipment Mechanics, Except Engines | 40       | 34%      |
| Human Resources Specialists                      | 67       | 33%      |
| Insurance Sales Agents                           | 138      | 33%      |
| Managers, All Other                              | 59       | 33%      |
| Industrial Truck and Tractor Operators           | 84       | 22%      |

Dubuque MSA/Dubuque County

Source: EMSI (QCEW Employees, Non-QCEW Employees, &amp; Self-employed)

**HIGHER EDUCATION GRADUATES**

| 2011  | 2016  | 2017  |
|-------|-------|-------|
| 4,881 | 5,518 | 5,274 |

Source: EMSI (IPEDS)

**HIGHER EDUCATION ENROLLMENT**

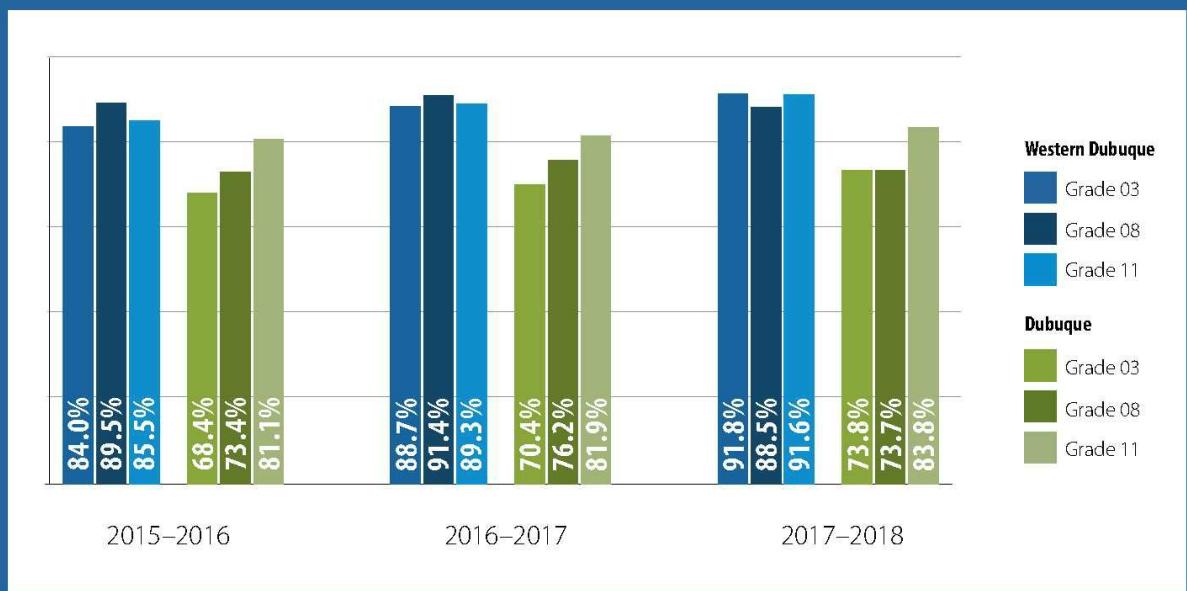
|           | Undergraduate & Graduate | Continuing Education, Adult Education, Certificate/Licensure | Massage & Cosmetology | Total  |
|-----------|--------------------------|--|-----------------------|--------|
| 2014-2015 | 30,456                   | 33,462   | 301                   | 64,309 |
| 2016-2017 | 27,096                   | 26,208   | 362                   | 53,666 |

Source: EMSI (IPEDS)

**K-12 DUBUQUE AND WEST DUBUQUE CERTIFIED ENROLLMENT**

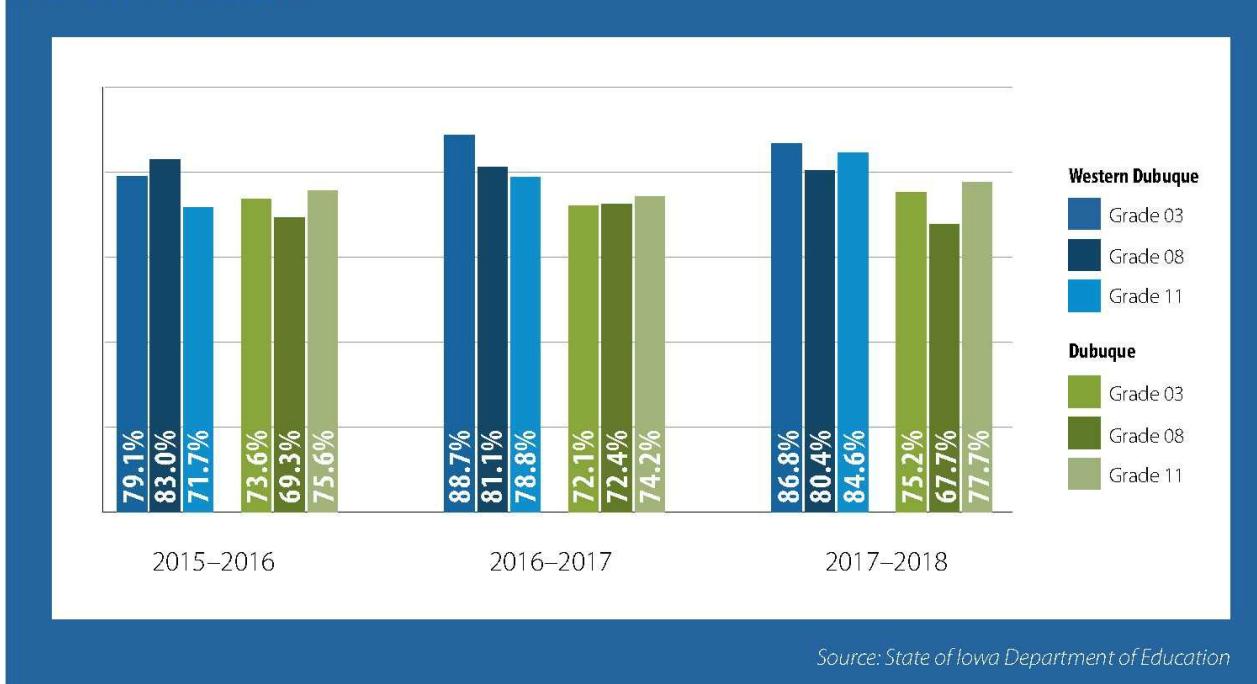
|           | Dubuque | Western Dubuque | Holy Family System | Private Schools in West Dubuque |
|-----------|---------|-----------------|--------------------|---------------------------------|
| 2016-2017 | 10,360  | 3,297           | 1,737              | 1,367                           |
| 2017-2018 | 10,506  | 3,099           | 1,592              | 1,369                           |

Source: State of Iowa Department of Education

**MATH PROFICIENCY**

Source: State of Iowa Department of Education

## READING PROFICIENCY

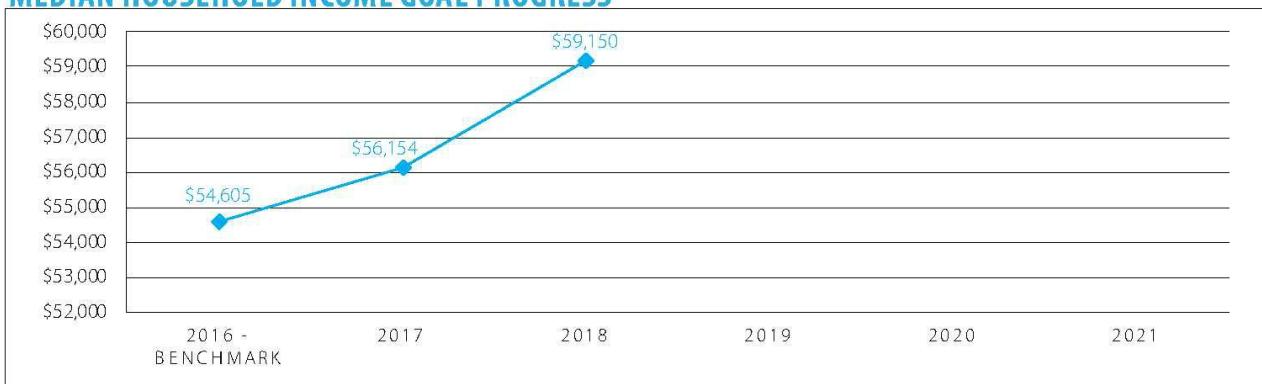


Source: State of Iowa Department of Education

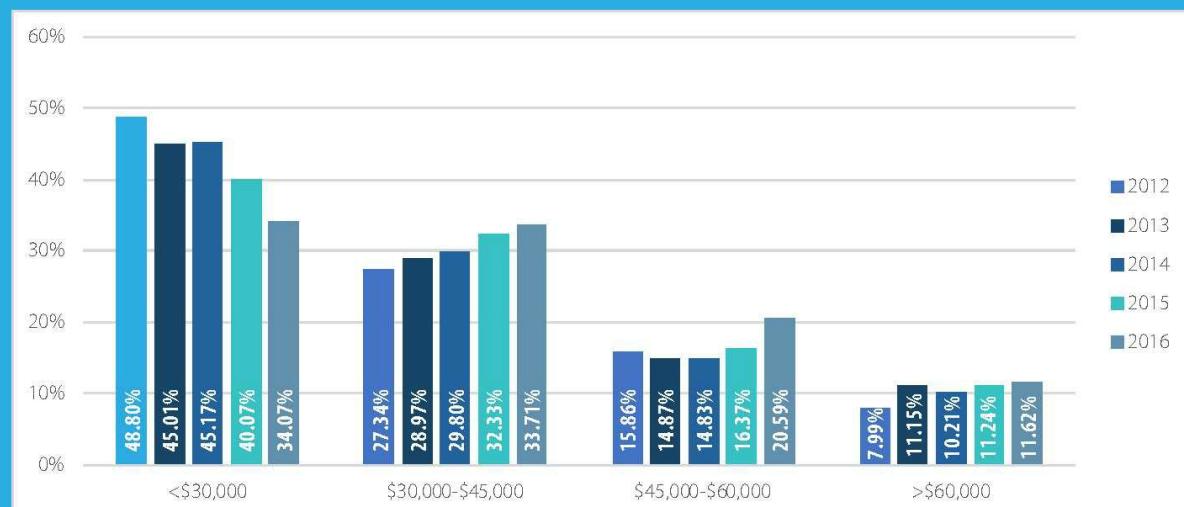
## MEDIAN HOUSEHOLD INCOME

GOAL: \$60,000

## MEDIAN HOUSEHOLD INCOME GOAL PROGRESS



## SALARY TREND 2012–2016: % OF JOBS IN MARKET BY WAGE LEVEL



Dubuque MSA/Dubuque County

Source: Bureau of Labor Statistics

## MEDIAN ANNUAL SALARY 2013–2017



Dubuque MSA/Dubuque County

Source: Bureau of Labor Statistics, Occupational Employment Statistics

## POVERTY RATE 2013–2017



Dubuque MSA/Dubuque County

Source: U.S. Census Bureau, Small Area Income and Poverty Estimates

## POVERTY BY OTHER INDICATORS

|   | TOTAL NUMBER IN SUBSET |        | % BELOW POVERTY LEVEL |       | MARGIN OF ERROR |           |
|---|------------------------|--------|-----------------------|-------|-----------------|-----------|
| AGE                                       | 2016                   | 2017   | 2016                  | 2017  | 2016            | 2017      |
| Below 18                                  | 21,935                 | 21,883 | 17.5%                 | 15.8% | +/- 2.3%        | +/- 2.1%  |
| 18 to 34 years                            | 19,879                 | 19,882 | 18.4%                 | 17.9% | +/- 1.8%        | +/- 1.9%  |
| 35 to 64 years                            | 35,958                 | 35,848 | 7.5%                  | 7.4%  | +/- 0.9%        | +/- 0.8%  |
| 65 years and older                        | 14,904                 | 15,143 | 9.4%                  | 9.2%  | +/- 1.6%        | +/- 1.6%  |
| <b>RACE &amp; HISPANIC ORIGIN*</b>        |                        |        |                       |       |                 |           |
| White/Caucasian alone                     | 86,888                 | 86,810 | 10.5%                 | 9.8%  | +/- 0.9%        | +/- 0.9%  |
| Black/African American alone              | 2,240                  | 2,437  | 61.9%                 | 59.2% | +/- 12.1%       | +/- 9.9%  |
| Asian alone                               | 1,226                  | 1,200  | 12.1%                 | 17.0% | +/- 7.4%        | +/- 8.2%  |
| Two or more races                         | 1,666                  | 1,477  | 45.6%                 | 40.8% | +/- 13.3%       | +/- 11.4% |
| Hispanic or Latino origin (of any race)   | 1,957                  | 1,987  | 41.0%                 | 32.0% | +/- 10.6%       | +/- 11.3% |
| <b>OTHER</b>                              |                        |        |                       |       |                 |           |
| Less than high school graduate            | 4,527                  | 4,584  | 23.2%                 | 23.5% | +/- 3.7%        | +/- 4.1%  |
| Employed, civilian labor force 16 years+  | 49,637                 | 49,714 | 6.7%                  | 6.4%  | +/- 0.7%        | +/- 0.7%  |
| Female Householder Families with Children | 2,478                  | 2,278  | 47.9%                 | 47.2% | +/- 6.1%        | +/- 7.3%  |

\* Smaller populations have a higher margin of error

Source: American Community Survey 5-year estimates

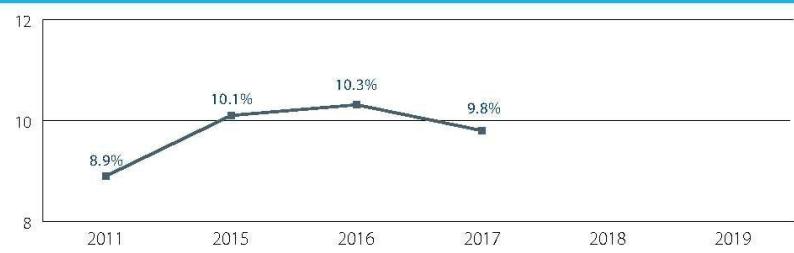
## FREE AND REDUCED LUNCH PROGRAM PERCENTAGE

| District        | Year | Total Enrollment | Free Lunch | Reduced Lunch | % on Free/Reduced Lunch |
|-----------------|------|------------------|------------|---------------|-------------------------|
| Dubuque         | 2015 | 10,472           | 3,213      | 675           | 37.13%                  |
| Dubuque         | 2016 | 10,419           | 3,244      | 604           | 36.93%                  |
| Dubuque         | 2017 | 10,360           | 3,152      | 532           | 35.56%                  |
| Dubuque         | 2018 | 10,293           | 3,219      | 584           | 36.95%                  |
| Western Dubuque | 2015 | 3,107            | 610        | 242           | 27.4%                   |
| Western Dubuque | 2016 | 3,178            | 713        | 276           | 31.1%                   |
| Western Dubuque | 2017 | 3,297            | 742        | 295           | 31.45%                  |
| Western Dubuque | 2018 | 3,276            | 697        | 323           | 31.14%                  |

Source: State of Iowa Department of Education

## SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) PARTICIPANTS

## Percent of Households on cash public assistance or SNAP

2011: 3,312  
of 36,984 Total Households2017: 3,743  
of 38,076 Total Households

Dubuque MSA/Dubuque County

Source: American Community Survey 2013-2017 5-year Estimates

## AVERAGE HOUSEHOLD INCOME OF RESIDENTS MOVING IN OR OUT



Dubuque MSA/Dubuque County

Source: Internal Revenue Service

## PERCENT OF INCOME TOWARDS HOUSING

|   |       |
|---|-------|
| % with Mortgage and Owner Costs At or Exceeding 35% of Income | 13.7% |
| % with Gross Rent At or Exceeding 35% of Income               | 37.2% |

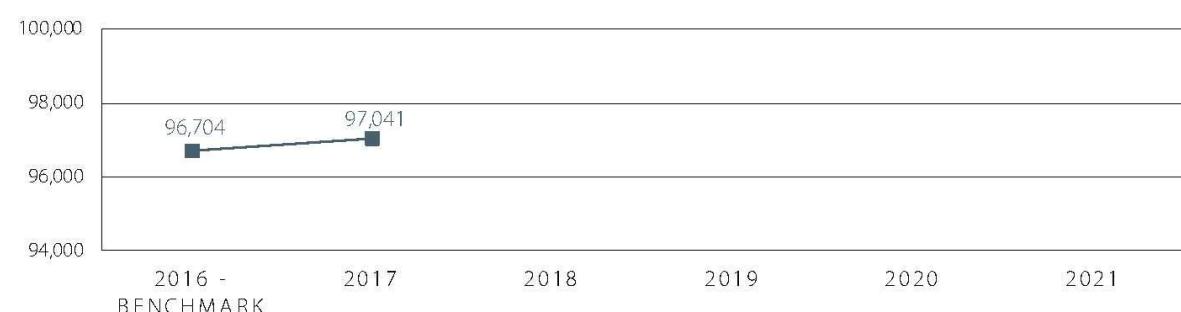
Dubuque MSA/Dubuque County

Source: American Community Survey 2013-2017 5-year Estimates

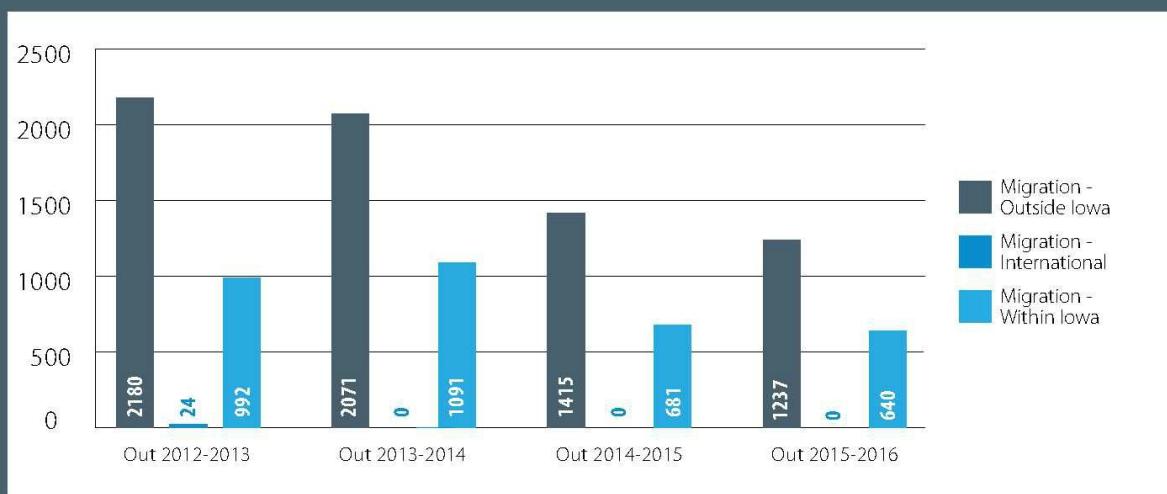
# POPULATION

## GOAL: 100,000

### POPULATION GOAL PROGRESS



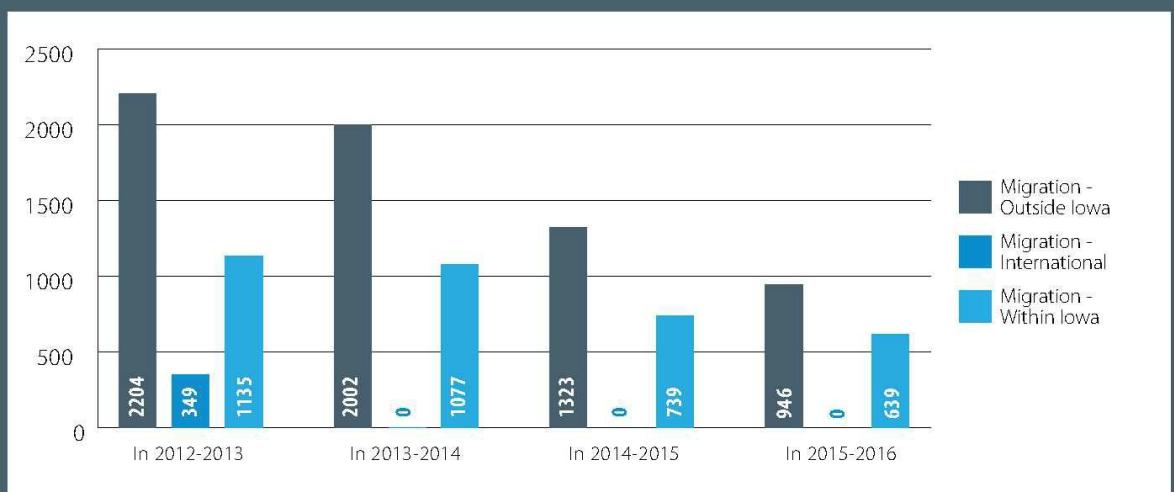
## DUBUQUE COUNTY OUTFLOW (ESTIMATED FROM TAX RETURNS)



## TOP OUTFLOW LOCATIONS

| NUMBER OF INDIVIDUALS | COUNTY            | STATE |
|-----------------------|-------------------|-------|
| 113                   | Jo Daviess County | IL    |
| 94                    | Linn County       | IA    |
| 89                    | Cook County       | IL    |
| 83                    | Jackson County    | IA    |
| 78                    | Grant County      | WI    |
| 74                    | Dane County       | WI    |
| 60                    | Polk County       | IA    |
| 59                    | Johnson County    | IA    |
| 52                    | Scott County      | IA    |
| 46                    | Jones County      | IA    |

## DUBUQUE COUNTY INFLOW (ESTIMATED FROM TAX RETURNS)

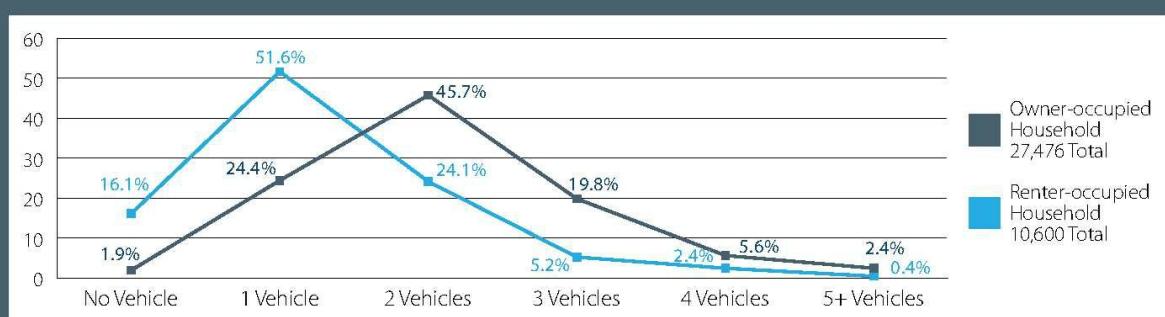


## TOP INFLOW LOCATIONS

| NUMBER OF INDIVIDUALS | COUNTY            | STATE |
|-----------------------|-------------------|-------|
| 97                    | Jackson County    | IA    |
| 96                    | Jo Daviess County | IA    |
| 95                    | Grant County      | WI    |
| 91                    | Cook County       | IL    |
| 72                    | Linn County       | IA    |
| 52                    | Delaware County   | IA    |
| 51                    | Scott County      | IA    |
| 49                    | Johnson County    | IA    |
| 48                    | Black Hawk County | IA    |
| 48                    | Jones County      | IA    |

Source: Internal Revenue Service

## VEHICLE AVAILABLE BY HOUSEHOLD



Dubuque MSA/Dubuque County

Source: American Community Survey 2013-2017 5-year Estimates

## COST OF LIVING COMPOSITE

*This index measures the relative price levels for consumer goods and services. The average of all participating areas equals 100 and each index is read as a percentage of the average for all places.*

|                         | 2016 INDEX (%WEIGHT) | 2017 INDEX (%WEIGHT) |
|-------------------------|----------------------|----------------------|
| <b>Composite (100%)</b> | 89.3%                | 89.2%                |
| <b>Grocery</b>          | 98.3%                | 96.8%                |
| <b>Housing</b>          | 67.3%                | 69.4%                |
| <b>Utilities</b>        | 91.1%                | 88.4%                |
| <b>Transportation</b>   | 88.9%                | 100.4%               |
| <b>Health</b>           | 91.6%                | 92.7%                |
| <b>Miscellaneous</b>    | 102.5%               | 99.1%                |

Dubuque MSA/Dubuque County

Source: Council for Community & Economic Research, 2017 Annual Averages

## RETAIL—TOTAL TAXABLE SALES

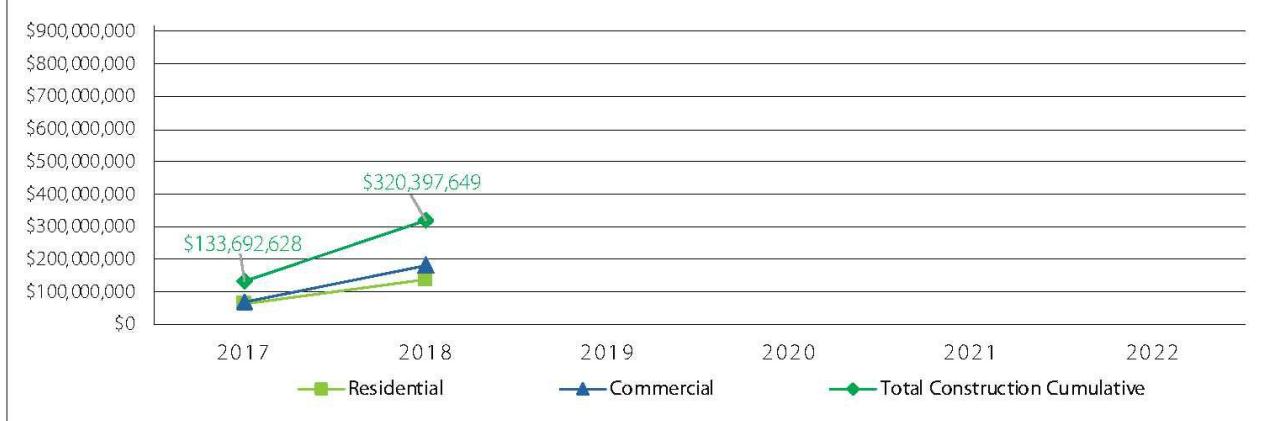
|   | FY2016          | FY2017          | % Change |
|---|-----------------|-----------------|----------|
| <b>Real total taxable sales</b>               | \$1,337,418,688 | \$1,324,993,666 | -0.9%    |
| <b>Number of reporting firms (annualized)</b> | 2,720           | 2,724           | 0.1%     |
| <b>Population</b>                             | 96,759          | 96,873          | 0.1%     |
| <b>Average sales per capita</b>               | \$13,822        | \$13,678        | -1.0%    |
| <b>Average sales per firm</b>                 | \$491,788       | \$486,370       | -1.1%    |

Source: Iowa State University, Retail Trade Analysis FY 2017

# INVESTMENT

## GOAL: \$800,000,000

### INVESTMENT GOAL PROGRESS



### HOUSING DATA

|  | 2016                                | 2017                                |
|--|-------------------------------------|-------------------------------------|
| <b>Total Housing Units</b>                           | 40,424                              | 40,818                              |
| <b>Median Property Value of Owner-Occupied Units</b> | \$153,000                           | \$157,200                           |
| <b>Mortgage Status of Owner-Occupied Units</b>       | 60.2% Mortgage<br>39.8% No Mortgage | 61.0% Mortgage<br>39.0% No Mortgage |
| <b>Rental Vacancy Rate</b>                           | 6.4%                                | 6.5%                                |
| <b>Median Rent</b>                                   | \$720                               | \$742                               |

Source: American Community Survey 2013-2017 5-year Estimates

### HOME & PROPERTY SALES

Residential Home Sales - Dubuque Area: **1,054** (2017), 3% Increase over 2016  
 Commercial/Industrial Sales: **27** (2017), 23% Increase over 2016

Source: East Central Iowa Association of REALTORS 2017 Data

# FINDING DUBUQUE'S TRUE NORTH CENSUS TRACTS 1&5

*The Dubuque's True North area includes Census Tract 1, Block Groups 1 & 3 and Census Tract 5, Block Groups 1, 2, 3, & 4. Data in this chart is unavailable at the Block Group level. Census Tract 1, Block Group 2 is the only block group included in this data that is not in the Dubuque's True North area.*

|   | COUNTY   |          | TRACTS 1 & 5 |          |
|---|----------|----------|--------------|----------|
|   | 2016     | 2017     | 2016         | 2017     |
| Employment  | 66.2%    | 66.1%    | 59.6%        | 61.5%    |
| Commuting to work by walking or public transportation | 4.9%     | 4.7%     | 20.5%        | 18.1%    |
| Median Household Income                               | \$56,154 | \$59,150 | \$27,746     | \$30,299 |
| Poverty Level   | 12.5%    | 11.9%    | 35.2%        | 33.6%    |
| SNAP Participation for past 12 months                 | 9.7%     | 9.8%     | 31.3%        | 30.3%    |

*Source: American Community Survey 2013-2017 5-year Estimates*

## **Greater Dubuque Development Corporation 2018 Community Perception Survey**

One of the many benefits that will result from the True North expanded partnership with the community is the "Greater Dubuque Development Corporation 2018 Community Perception Survey" conducted in September 2018. This is the second year of the survey.

While I believe this poll indicates there is much work to be done, I also believe the results are notable:

- Only 11% disagreed with the statement, "Dubuque is a Safe Place to Live."
- Only 7% disagreed with the statement, "Dubuque is a Good Place to Live."
- Only 8% disagreed with the statement, "Dubuque is a Good Place to Work."
- Only 17% disagreed with the statement, "Dubuque is on the Right Track."
- From across the city, a disappointing 25% disagreed with the statement, "I Feel Safe in the North End."
- From across the city, a disappointing 37% disagreed with the statement, "I Feel Safe in the Downtown."
- Only 10% disagreed with the statement, "Diversity is Beneficial in Our Community."
- 

## **GDDC Business Retention and Expansion Interviews**

The results of the GDDC Business Retention and Expansion interviews (344) of regional corporate chief executive officers through July 1, 2018, show 67.5% with increased sales, 51% reporting increased market share, and 38% reporting plans to expand.



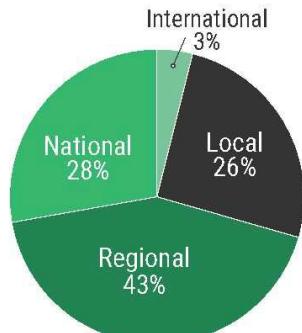
# INFOACTION Action DASHBOARD FY 17-18

*What CEOs, business owners, and top managers have told us*

## Company Visits

July 01, 2017 TO June 30, 2018

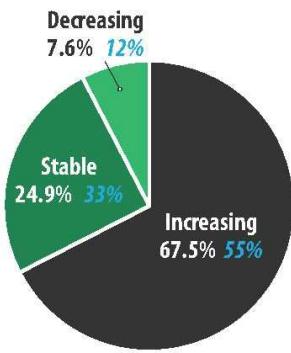
**344** TOTAL VISITS



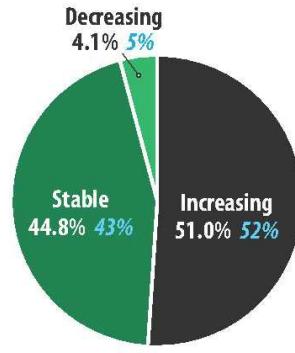
PRIMARY MARKET

## Sales & Market Share

FY16-17 in italics



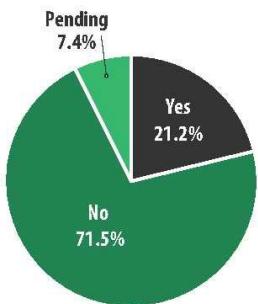
SALES



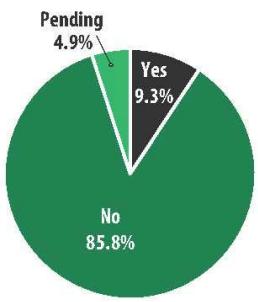
MARKET SHARE

## Company Plans

**38%**  
HAVE PLANS TO EXPAND



MANAGEMENT CHANGES



OWNERSHIP CHANGES

## Community Strengths & Weaknesses

FY16-17 in italics

### TOP 3 STRENGTHS



Community Leadership/  
Support/Partnerships



Quality of life/  
Amenities



Market Size/  
Connections/Loyalty

### TOP 3 WEAKNESSES



Workforce Challenges



Population/Market  
Size/Capacity



Transportation  
Road/Air

## Barriers to Growth *FY16-17 in italics*

**59%**  
36%

Workforce  
Challenges

**13%**  
25%

Population/Market  
Size/Capacity

**12%**  
16%

Land/Building/  
Availability-Cost

## Reasons to Expand Elsewhere *FY16-17 in italics*

**36%**  
31%

Workforce  
Challenges

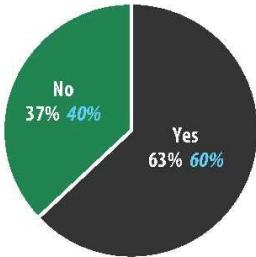
**25%**  
19%

Corporate  
Decision

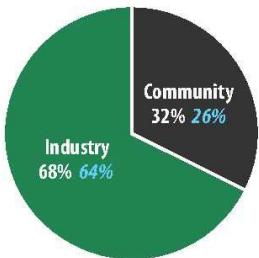
**23%**  
26%

Population/Market  
Size/Capacity

## Workforce Assessment *FY16-17 in italics*



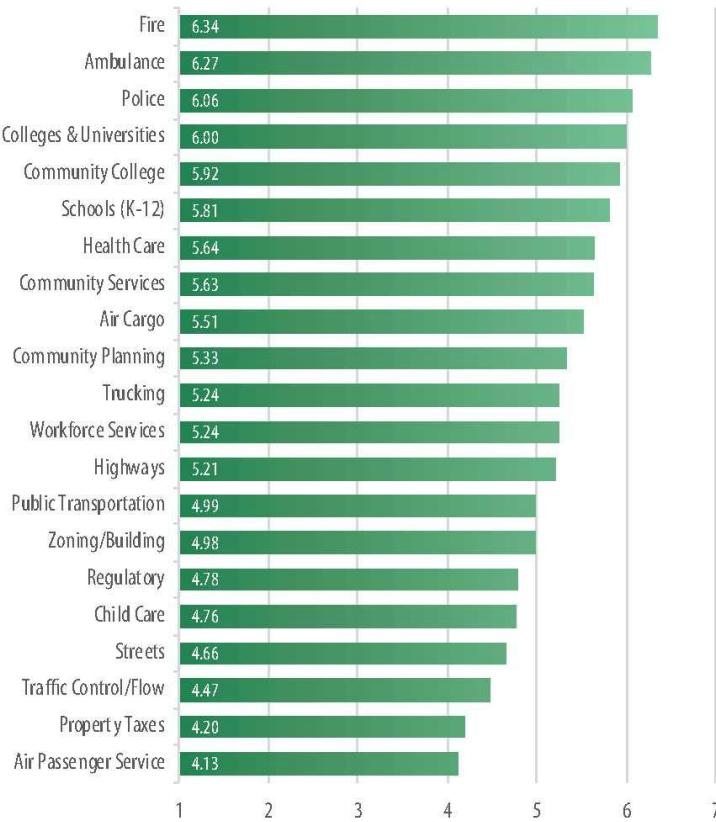
**RECRUITMENT  
CHALLENGES?**



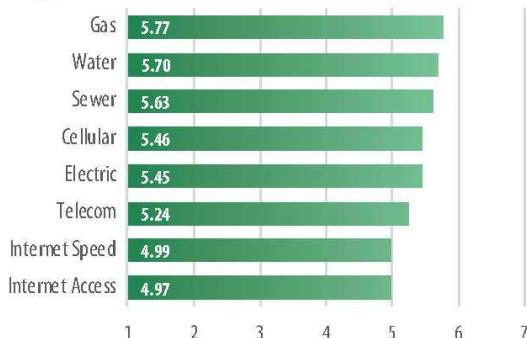
**IF YES, IT IS COMMUNITY  
OR INDUSTRY?**

## Community Services Index

Scale: 1 is poor, 7 is excellent



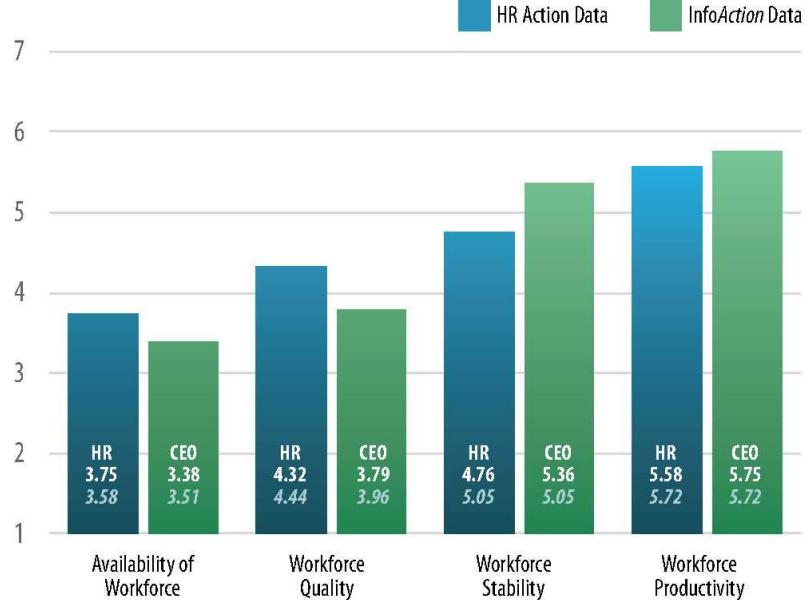
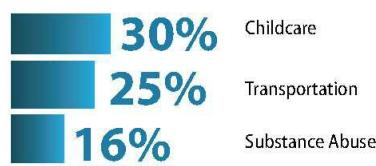
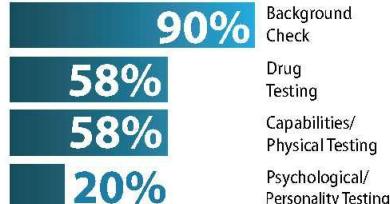
## Utility Services Index



GDDC Human Resources Professionals Action Interviews

**HR ACTION Action DASHBOARD 17-18**

**What Human Resources Professionals have told us**

**Company Visits July 01, 2017 to June 30, 2018****69 TOTAL VISITS****22,536 TOTAL EMPLOYEES****Personnel Rankings***FY16-17 in italics***PERSONAL BARRIERS TO EMPLOYMENT****PRE-EMPLOYMENT SCREENING**

**5,059 HIRED IN LAST 12 MONTHS** **742 UNFILLED POSITIONS**

|                         | # Hired in Past 12 Months | # of Unfilled Positions |
|-------------------------|---------------------------|-------------------------|
| Executive               | 5                         | 2                       |
| Mgmt. Salaried          | 149                       | 22                      |
| Non-Mgmt. Salaried      | 294                       | 73                      |
| Non-Mgmt. Hourly        | 3,280                     | 580                     |
| Contract - Professional | 216                       | 29                      |
| Contract - Temp         | 1,115                     | 36                      |

**Recruitment**

**84% UTILIZE @ccessdubuquejobs**

**67% PARTICIPATE IN CAREER FAIRS**

**64% OFFER A REFERRAL INCENTIVE**

**55% HOST INTERNS TO RECRUIT**

**39% USE INDUSTRY ASSOCIATIONS**

**20% USE IOWA WORKFORCE DEVELOPMENT**

**48% UTILIZE LINKEDIN**

**59% PLACE NEWSPAPER ADS**

**71% PLACE ONLINE ADS**

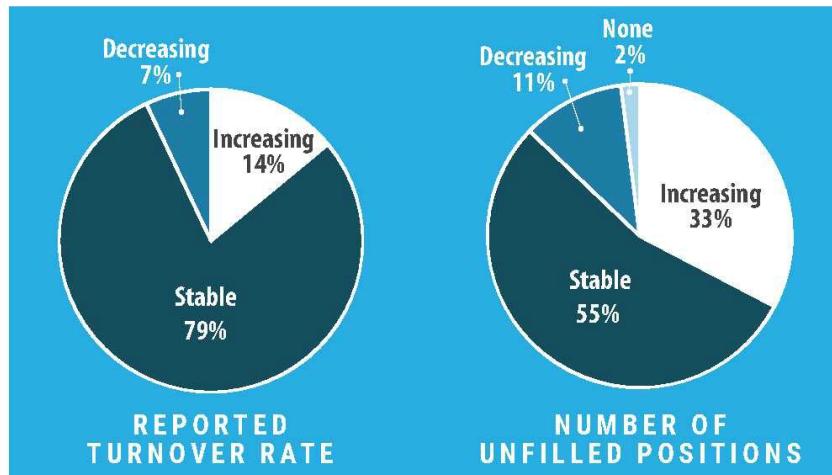
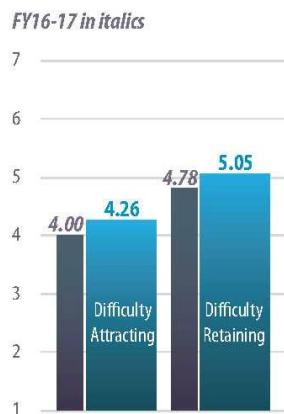
**Most Effective:**

- 1: ACCESSDUBUQUEJOBS**
- 2: EMPLOYEE REFERRAL**
- 3: OTHER ONLINE JOB BOARD**

**UNIQUE POPULATIONS**

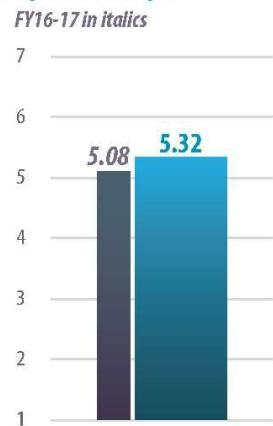
|            |                             |
|------------|-----------------------------|
| <b>80%</b> | Will Hire Ex-offenders      |
| <b>43%</b> | Have Diversity Program      |
| <b>41%</b> | Actively Recruit Veterans   |
| <b>20%</b> | Hire for Bilingual Skillset |

## TALENT ATTRACTION FROM OUTSIDE THE AREA



## EMPLOYEE ENGAGEMENT

The commitment the employee has to the success of the organization and its goals

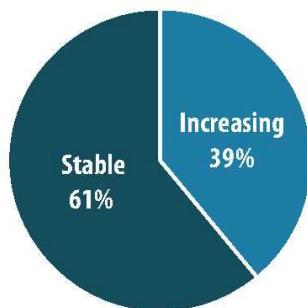


## Wages & Benefits *FY16-17 in italics*

**62% 62%**  
Believe **WAGES** are **At Market**  
**17% 25%**  
Believe **WAGES** are **Above Market**  
**39% 59%**  
Believe **BENEFITS** are **At Market**  
**53% 38%**  
Believe **BENEFITS** are **Above Market**

| Type of Benefit           | % of Employers Offering Benefit | Type of Benefit | % of Employers Offering Benefit |     |     |
|---------------------------|---------------------------------|-----------------|---------------------------------|-----|-----|
| Vacation - paid           | 98%                             | 100%            | Employee Referral Incentive     | 54% | 61% |
| Healthcare                | 95%                             | 97%             | Tuition Reimbursement           | 63% | 61% |
| Retirement match          | 94%                             | 97%             | Flex-time Schedule              | 53% | 53% |
| Family Leave              | 83%                             | 91%             | Part-time (Less than FT)        | 59% | 53% |
| Parking                   | 74%                             | 90%             | Volunteer Time                  | 31% | 37% |
| Sick Leave - Paid         | 84%                             | 87%             | Product Discounts               | 37% | 36% |
| Career Development        | 62%                             | 69%             | Spot Bonuses                    | n/a | 29% |
| Health & Wellness Program | 47%                             | 66%             | Work from Home                  | 30% | 29% |
| Bonus Program             | 56%                             | 63%             | Free Meals/Discount             | 19% | 19% |

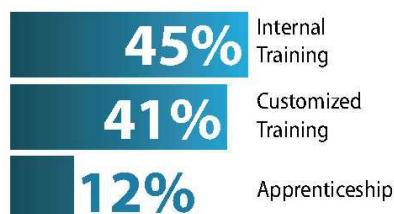
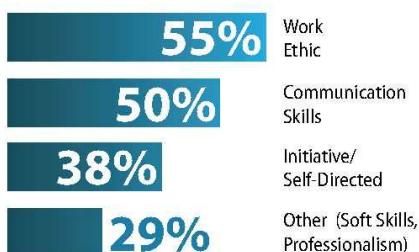
## COMPANY INVESTMENT IN EMPLOYEE TRAINING



**171+** **59%** **USING**  
**INTERNS**  
**INTERNS HOSTED** **6.2** **QUALITY**  
**OF INTERNS**

## Training

### TOP SKILLS GAP WITH NEW HIRES



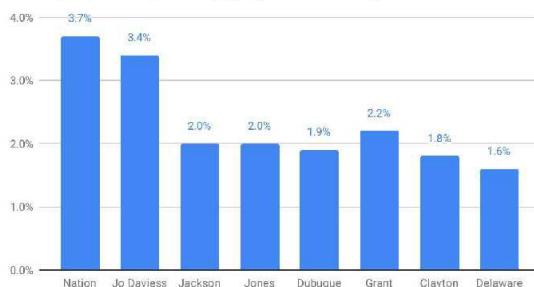
## PARTNERSHIP WITH K-12 EDUCATION



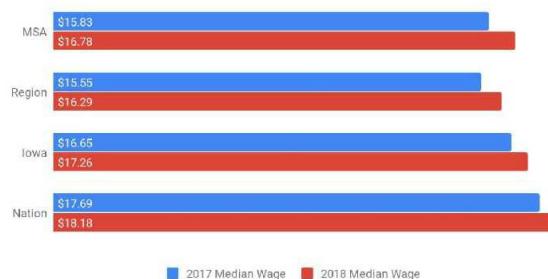
## Greater Dubuque Region Skills Gap Analysis Fall 2018

### Labor Market Overview

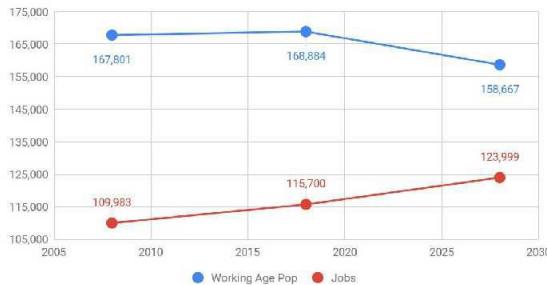
Unemployment by County (September 2018)



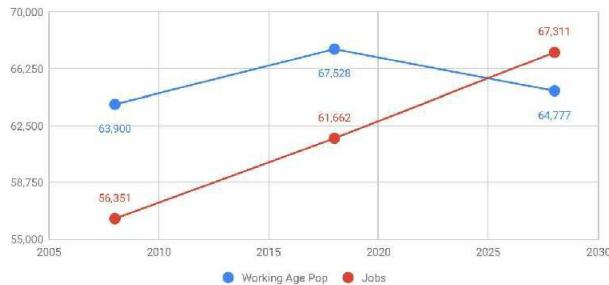
Median Wages by Location (2017 vs 2018)



Working Age Population and Jobs 2008 to 2028 (Region)



Working Age Population and Jobs 2008 to 2028 (MSA)



| Employment Growth (Region) |               |               |
|----------------------------|---------------|---------------|
| Region                     | '08 - '18 Chg | '18 - '28 Chg |
| Dubuque MSA                | 9.4%          | 9.2%          |
| Dubuque Region             | 5.2%          | 7.2%          |
| State                      | 4.8%          | 7.2%          |
| Nation                     | 8.4%          | 8.8%          |

| Working Age Growth (Region) |               |               |
|-----------------------------|---------------|---------------|
| Region                      | '08 - '18 Chg | '18 - '28 Chg |
| Dubuque MSA                 | 5.7%          | -4.1%         |
| Dubuque Region              | 0.6%          | -6.0%         |
| State                       | 4.4%          | -3.1%         |
| Nation                      | 7.1%          | -1.3%         |

- Employment in the Dubuque MSA is projected to grow (9.2%) above the projections for the region (7.2%), State of Iowa (7.2%) and the Nation (8.8%).
- While the working age population (age 15 to 69) is projected to decline nationally (-1.3%), greater declines are projected in Iowa (-3.1%), the Dubuque MSA (-4.1%), and the region (-6.0%).
- The region's unemployment rate remains low and below the national unemployment rate.
- The Dubuque MSA's median hourly earnings per worker of \$16.78 is (5.9%) increase over 2017 Median Hourly Earnings. The earnings are less (8.3%) than the National median.
- Of the 8 MSAs in the region, Dubuque ranks 5th.

Rochester \$20.65   Cedar Rapids \$18.71   Iowa City \$18.52   Davenport \$17.26  
 Dubuque \$16.78   Waterloo \$16.45   LaCrosse \$16.67   Platteville \$15.97

Greater Dubuque Skills Gap Analysis 2018



**Connect | Recruit | Develop | Retain**

## **Dubuque Works Strategic Plan 2017–2022**

***YEAR 1 UPDATE***

**Greater Dubuque Development Corporation**

**City of Dubuque**

**Community Foundation of Greater Dubuque**

**Dubuque Area Chamber of Commerce**

**Dubuque Area Labor Management Council**

**Dubuque Community School District**

**East Central Intergovernmental Association**

**Fountain of Youth**

**Holy Family Catholic Schools**

**Iowa Vocational Rehabilitation Services**

**IowaWorks of Northeast Iowa**

**Multicultural Family Center**

**Northeast Iowa Community College**

**Telegraph Herald**

**Travel Dubuque**

**United Way Services, Inc.**

**Western Dubuque Community School District**

*Dubuque Works is made possible through financial support provided by the City of Dubuque, Q Casino/Dubuque Racing Association, and the Dubuque County Board of Supervisors.*

## INTRODUCTION

The Greater Dubuque region has taken workforce solutions to the next level with Dubuque Works, a collaborative regional partnership of employers, funding partners, workforce experts, and educators.

Dubuque Works focuses on three goals:

- **HUMAN CAPITAL:** Partners identify and address recruitment, retention, and relocation needs as defined by Greater Dubuque employers;
- **SKILL DEVELOPMENT:** Partners build workforce capacity by enhancing training to meet employer demand;
- **COLLABORATION & EVALUATION:** Partners combine collaborative workforce efforts with quality research to generate evidence-based practices that improve performance and outcomes for local employers.

Dubuque Works is of vital importance to existing companies looking to expand, as well as prospective businesses considering a Dubuque location. Through Dubuque Works, the region is taking a proactive approach to ensure a steady pipeline of talent. Working together at the regional level, we can maximize recruitment and skill development of workforce success, regardless of national fluctuations in available talent.

## CONNECT, RECRUIT, DEVELOP, RETAIN

Our solutions to workforce challenges include a disciplined approach that uses community demographic data as well as data gathered from in-depth HR Action and InfoAction interviews with companies to develop custom solutions for the Greater Dubuque area. These include strategies to:

- **Connect** students, underemployed workers, and underrepresented populations to career exploration, education and training opportunities that will position them to pursue and attain high-demand jobs in our market.
- **Recruit** talent both locally and from across the country, including on our very own regional college campuses, through cutting-edge tools and regional promotion.
- **Develop** the technical, academic, and soft skills needed of our workforce now and into the future through collaborations with institutions of higher education, non-profits, and other federal, state, and local resources.
- **Retain** skilled workforce and top talent in the Greater Dubuque area through integrated partnerships with the business, non-profit, housing, workforce, health, recreation, and arts and culture communities.

**The following pages outline the strategies and outcomes for efforts over the past year. Items highlighted in green are programs funded by Dubuque Works.**

## 2017-2022 DUBUQUE WORKS STRATEGIC PLAN

### 1. Sustain or increase state and local funding of these critical workforce programs:

|                                    |  |                               |
|------------------------------------|--|-------------------------------|
| a. Dubuque Works                   | e. Iowa Workforce Training & Economic Development Fund | g. Promise Jobs               |
| b. Iowa PACE                       | f. Workforce Innovation Opportunity Act                | h. Home Base Iowa             |
| c. Iowa Adult Literacy & Education |  | i. Registered Apprenticeships |
| d. Iowa GAP tuition assistance     |  | j. Future Ready Iowa          |

**STRATEGY:** Engage local partners to support strategic investments and advocate collaboratively at state and local levels.

#### OUTCOMES:

- Community College Job Training program funding (GAP, PACE, Workforce Training and Economic Development) was sustained for FY19.
- Adult Literacy and Education funding was sustained for FY19.
- Promise Jobs funding was sustained for FY19.
- Workforce Innovation Opportunity Act Title 1 Adult, Dislocated Worker, and Youth programs were all reduced in FY19.
- Home Base Iowa staffing was sustained in FY19 and additional private funds have been raised for the program.
- Apprenticeship funding was increased \$1 million to expand registered apprenticeship and pre-apprenticeship programs.
  - Dubuque Community School District was awarded two grants to start pre-apprenticeship programs at Senior and Hempstead High Schools.
- Additional apprenticeship funding of \$1 million was secured as part of the *Future Ready Iowa* legislation for grants to apprenticeship sponsors for establishing programs in high-demand occupations.

**STRATEGY:** Ensure robust local implementation and communication of these programs to ensure strong outcomes, including sharing of personal success stories.

#### OUTCOMES:

- Sharing information on IowaWorks Apprenticeship workshops and Opportunity Dubuque information sessions via [AccessDubuqueJobs.com](http://AccessDubuqueJobs.com) and social media.
- Dubuque Works programs represented in bi-monthly BizTimes articles written by Greater Dubuque Development.
- [AccessDubuqueJobs.com](http://AccessDubuqueJobs.com) LinkedIn page established and updated by Greater Dubuque Development.

**STRATEGY:** Work with employers and state and local programs to understand and decrease adverse effects experienced by program participants due to misalignment of state and federal benefits with wage increases, i.e. "cliff effect".

#### OUTCOMES:

- United Way of Iowa identified "cliff effect" reform as a legislative priority.
- Gaining Opportunities' (formerly Circles USA) participants and program allies wrote letters to local and state officials highlighting the negative impact of the "cliff effect" on their lives.

**2. Increase retention of local college graduates and recruitment of regional college graduates with in-demand skills through strategic partnerships among educational institutional and employers, including robust internship and graduate placement models.**

**STRATEGY:** Increase relationships between regional employers and local college faculty, staff and students, utilizing the Employer College Connections manual, a how-to guide for employers.

**OUTCOMES:**

- Greater Dubuque Development updated the Employer College Connection guide to provide a model for college student engagement and internship programs.
- In partnership with a local Information Technology (IT) employer, the IT Sector Partnership hosted a meet and greet of approximately 75 IT faculty and employers to network and connect on engagement opportunities for students and graduates locally.
- Greater Dubuque Development hosted a College Career Professionals Visit for 28 individuals from 21 regional colleges and universities to network with 25 employers and learn about the community to better advise students post-graduation and for internships in the Greater Dubuque Area.

**STRATEGY:** Develop Dubuque-area recruitment tool for employers and partners to utilize at college events engaging millennials to consider making the Dubuque area their home after graduation.

**OUTCOMES:**

- Greater Dubuque Development published its *You can make it in Greater Dubuque* promotional brochure to highlight quality of life aspects of the community.
  - Distributed at college recruitment events through Greater Dubuque Development, employers, and other partners.
  - Provided to 132 college interns through presentations by Greater Dubuque Development staff.

**STRATEGY:** Increase utilization of *AccessDubuqueJobs.com* by both employers and students as a go-to resource to find internships and employment opportunities in the Greater Dubuque area.

**OUTCOMES:**

- From July 2016 to June 2018, increased employer investors 19% to 182 from 153.
- Reached a peak of internship postings in January 2018 at 42, 15 more than January 2017.
- Expanded digital promotion on Facebook and through Google AdWords including to regional metros.
- Piloted and implemented text message feature in to alert users of new jobs posted in their categories of interest.
- Increased career events and open houses posted on *AccessDubuqueJobs.com* and promoted weekly through Facebook.
- Signed *AccessDubuqueJobs.com* up as a user on college recruitment platforms, such as *Handshake*, for easy student access to area job opportunities and events.

**STRATEGY:** Increase participation of local college students in Leaders Luncheon, networking events, Future Young Professionals, utilizing new mentoring program, and other programs that encourage college students engagement within the community.

**OUTCOMES:**

**Greater Dubuque Development hosted or attended the following events:**

- Approximately 550 local college students attended six leaders luncheon events at local institutions of higher education.
- Greater Dubuque Development represented local employers through *AccessDubuqueJobs.com* at career fairs at University of Wisconsin-Platteville and University of Northern Iowa and at the Dubuque Networking and Etiquette event.
- Greater Dubuque Development represented local employers through *AccessDubuqueJobs.com* at two Telegraph Herald Job Fairs.
- Greater Dubuque Development participated in Clarke University and University of Dubuque mock interview programs.

Items highlighted in green  
are programs funded by  
Dubuque Works.

The Dubuque Area Chamber of Commerce hosted the following events or programs:

- Young Professionals (YP) network grew to 2000 members.
- YP Board added an Academic Outreach Director to develop a *Next Up* program to compliment the Chamber's YP program by connecting college students to YP through mentors. To date, the University of Dubuque has 30 *Next Up* members.

### **3. Increase access to local public transportation for college students and 2nd and 3rd shift workers in the City of Dubuque and Peosta.**

**STRATEGY:** Sustain campus and partner-funded access to the Jule transportation system for college students, increasing their access to employment and community amenities.

**OUTCOME:**

- The College Transit Partnership provides actively enrolled students at the participating colleges unlimited access to all of the Jule's routes and services for an annual fee of \$20 per student at University of Dubuque, Clarke University, and Loras College. This level of access is valued at \$500 per student annually.
  - 1,364 college students rode the Jule in FY18, representing 19-47% of the student body at each institution.

**STRATEGY:** Increase college population utilizing the Jule through campus and community awareness.

**OUTCOME:**

- Clarke University students reached an all-time-high ridership of 326 unique students completing 5,754 rides.

**STRATEGY:** Sustain increased evening hours of the Jule implemented in 2017 and work with public-private partnerships to expand Jule service to serve more employees on 2nd and 3rd shifts.

**OUTCOME:**

- Evening service (6:00-9:00 p.m.) was implemented in FY18, resulting in 21,404 additional rides over the previous year.

**STRATEGY:** Explore public-private partnership models and employer incentive models to provide transportation from Dubuque to Peosta Industrial park and Northeast Iowa Community College campus in Peosta.

**OUTCOME:**

- Greater Dubuque Development surveyed Peosta businesses, staffing agencies and Northeast Iowa Community College regarding willingness to fund transportation, shift times, and sizes.
- Regional Transit Authority (RTA) implemented a Dubuque to Peosta pilot with five routes from JFK Transfer to Kapp Dr. between 5:30 a.m. and 4:00 p.m. Dubuque Works promoted this pilot program via social media, newsletter, and information to the employers surveyed.

**CONTINUED ON FOLLOWING PAGE**

Dubuque Works Strategic Plan 2017–2022 YEAR 1 UPDATE **5**

**4. Support pathways to employment for individuals with significant barriers to employment such as ex-offenders, individuals with disabilities, individuals with mental health barriers, individuals with substance abuse barriers, unemployed and underemployed individuals, English Speakers of Other Languages, etc., which include access to 1:1 coaching and wrap-around services (child care, transportation, work related cost assistance).**

**STRATEGY:** Close the gap between minority unemployment and overall unemployment in the Greater Dubuque area through identification of barriers to target populations and connections to existing or newly developed solutions.

**OUTCOMES:**

- The State Workforce Development Board created the Minority Unemployment and Outreach Committee to address disparities in the minority unemployment rate in Iowa. The goal of the subcommittee is clear and measurable: to reduce unemployment in minority communities by five percent (or to the state average) in five years. Dubuque Works has representation on the state committee and hosted a listening session to identify barriers.
- Greater Dubuque Development promoted career fairs at the Multicultural Family Center through the Finders of Keepers newsletter and to Manufacturing Alliance and other sector partnership groups. Career Fairs were held by Sedona Staffing, John Deere (2), Sedgwick, Anderson Window, and Area Residential Care.
- Greater Dubuque Development presented workforce data and educational pathway opportunities through Opportunity Dubuque at the Black Men Coalition Manhood Project for high school students.
- Dubuque Works continued partial funding of Northeast Iowa Community College Outreach Success Coach to ensuring equity in recruitment of minority students into Opportunity Dubuque.
  - In FY18, the Outreach Success Coach recruited 49 minority students into Opportunity Dubuque out of 87 total recruited.

**STRATEGY:** Increase recruitment, completion and employment of Opportunity Dubuque graduates through strategic outreach, multiple offerings and delivery models, development of new, in-demand certificates, increased engagement with employers, and implementation of work experience component for individuals with multiple barriers.

**OUTCOMES:**

- New certificate programs in Solar and Automotive Technology implemented.
- 74 students enrolled in FY 18.
  - 53 students completed a program in FY 18.
  - 94% of FY 18 graduates who could be reached were employed or continuing their education.

**STRATEGY:** Fully implement and enhance Second Chance Hiring pathway for individuals with prior criminal backgrounds who have difficulty obtaining employment, including partnership with Fountain of Youth's *Real Talk on Elm Street* and mentoring programs, IowaWorks' Providing Opportunities for Ex-Offenders to Succeed (POETS) program, and other relevant programs.

**OUTCOME:**

- Employer meetings held regarding federal bonding and Work Opportunity Tax Credit programs.
- 12 students enrolled in second chance program; 7 completed training and are being assisted with employment.
- The Fountain of Youth served 80 adults through the *Real Talk* program. (*Real Talk* is focused on adults 18 and older, some of whom are currently incarcerated. The curriculum for this program includes *Getting Ahead while Getting Out* and consists of a 14-week program with an emphasis on examining where participants are now and helping to move them into contributing roles within the community becoming financially and personally responsible citizens.) 100% of program graduates are employed.

Items highlighted in green  
are programs funded by  
Dubuque Works.

- The Fountain of Youth served 40 young adults in the PIONEERS program. (The PIONEERS program for young adults includes *Getting Ahead in a Just Gettin' by World* and uses a holistic approach to help participants with financial literacy, interpersonal skills, building resources, and promoting stability.)

**STRATEGY:** Develop stronger employer partnerships with Iowa Vocational Rehabilitation Services to increase employment of individuals with disabilities who are seeking employment, including increasing utilization of Ticket to Work program.

**OUTCOMES:**

- Greater Dubuque Development presented Iowa Vocational Rehabilitation Services programs at the Spring Workforce Breakfast to encourage employers to build relationships to assist in employment of roughly 700 individuals on Iowa Vocational Rehabilitation caseloads in Dubuque, Clayton, and Delaware counties.
- Iowa Vocational Rehabilitation Services successfully placed 165 job candidates into community employment in FY18.
- In partnership with IowaWorks, IVRS hosted a reverse career fair for job seekers to display and present their talents and workforce abilities to employers.

**STRATEGY:** Build relationships among workforce partners and mental health providers, including substance abuse services, to enhance cross-referrals and improve pathways to employment for individuals from the mental health system and to increase employer ability to access to mental health services for their employees.

**OUTCOMES:**

- Reconvened Mental Health Stakeholder group with representation from services providers, United Way, Community Foundation of Greater Dubuque, and City of Dubuque to expand work of initial mental health needs assessment.
- A group convened to support mental health in the Greater Dubuque area as it relates to the Department of Corrections. The goal of this group is to improve knowledge and understanding of the needs of the population and to work together to improve supports and services needed.
- United Way continues to work with 11 funded partners to track agreed upon, client-level outcomes for mental health services in our service area.

**STRATEGY:** Enhance workforce and employment services and improve outreach to English Speakers of Other Languages to increase engagement with this community in workforce opportunities.

**STRATEGY:** Increase participation in existing programs serving the target and utilization of existing resources in the community through targeted outreach and intentional partnerships with service providers.

**OUTCOMES:**

- The Gaining Opportunities program (formerly known as Circles USA) reported that 21 out of 28 participants completed the *Getting Ahead in the Workplace* curriculum.
- The Gaining Opportunities program led two Workplace Stability events were held in the community for area employers, focusing on how employers can enhance their internal communication across socioeconomic employee groups to reduce employee turnover, increase performance and increase profitability. More than 100 people attended the two trainings.

**5. Increase student exposure to high-demand and high-wage occupations through support of preK-12 workforce readiness programming, including the following:**

|   |                          |                              |
|---|--------------------------|------------------------------|
| a. Concurrent enrollment                          | d. Tech WORKS            | h. Future Ready Iowa website |
| b. Career Learning Link                           | e. Business After School | i. Junior Achievement        |
| c. Iowa Career and Technical Education Task Force | f. iJag                  | j. Mentorship programs       |
|   | g. HEART program         |                              |

**STRATEGY:** Increase communication of local labor market information to educators, counselors, parents and students, including job outlook and wage information, through the Future Ready Iowa portal.

**OUTCOMES:**

- Northeast Iowa Community College and a local Human Resources panel led a session in spring 2018 for Dubuque school district counselors to promote alternative pathways to employment (i.e. tuition reimbursement, certificate training options, etc.).
- Dubuque Community School District established a college and career readiness subcommittee to implement action plan for new school board goal of increasing the number of students having a college/career experience to 100% by 2023.

**STRATEGY:** Sustain Career Learning Link model, which introduces high school students to high-demand career pathways, including work-related experiences and coursework.

**OUTCOMES:**

- Dubuque Community School District enrolled 199 students and Western Dubuque School District enrolled 100 in the Career Learning Link program:
  - 99 students have participated in workplace tours, and 110 in job shadows;
  - Career Coaches in the program have conducted 586 career & academic coaching sessions;
  - Students have completed 105 Certified Nursing Assistant certificates, four construction certificates, and nine Emergency Medical Technician certificates.

**STRATEGY:** Support implementation of Dubuque's Local College Access Network (LCAN) grant.

**OUTCOMES:**

- Dubuque Works was represented on panel to key stakeholders in January 2018.
- Dubuque works has committed \$1200 matching funds to LCAN grant administered by the Community Foundation of Greater Dubuque.

**STRATEGY:** Engage employers to participate in preK-12 workforce development and exposure opportunities through sector boards participation and direct outreach, including increased opportunities for K-12 instructors to participate in externships or partner with the private sector.

**OUTCOMES:**

- Information Technology Sector Partnership employers provided input to Dubuque Community School District's evaluation of its Information Technology track for students, including new course development.
- Area sheet metal workers participated in classroom presentations thorough Dubuque Area Labor Management to 133 students.

**STRATEGY:** Implement college and career readiness course in grades 9-12 to expose students to career "soft skills."

**OUTCOMES:**

- Hempstead and Senior High Schools both offer Concurrent Courses (college credit and high school credit earned in high school, taught by a teacher accredited to teach for the college):
  - CUSTOMER SERVICE STRATEGIES
  - PRE-EMPLOYMENT STRATEGIES

**STRATEGY:** Host career exploration events and industry tours for students in middle and high school to expose them to career opportunities in the tri-state area.

**OUTCOMES:**

- 75 students participated in the Business After School program to tour Cartegraph, IIW, John Deere Dubuque Works, Unified Therapy Health Services, and Mercy Medical Center.

- Piloted employer job fair component at the Hempstead High School career awareness fair. Six employers (Sedgwick, Portzen Construction, Conlon Construction, Dupaco Community Credit Union, Hormel and Stonehill Franciscan Services) participated.
- 40 students participated in Youth Education and Employment Program through the Multicultural Family Center in 2018 with 14 business partners. Students experienced workplace tours and presentations from professionals regarding college and career readiness.
- Dubuque Area Labor Management hosted career fairs at Senior and Hempstead High Schools. Attendance at Senior was 694 students and 22 companies, and attendance at Hempstead was 2,250 students and 43 companies.
- Dubuque Area Labor Management's 8th Grade Career Exploration Fairs hosted 1,300 students from Dubuque and East Dubuque at three events.
- Dubuque Area Labor Management hosted tours for students at Design Mill (8 students), Apprenticeship Training Center for Iron Workers and Carpenters (40 students), Apprenticeship Training Center for Electricians, Plumbers/Pipefitters (9 students) and Hormel (6 students)
- Dubuque Area Labor Management hosted a Construction Expo with 18 schools or programs participating and 259 students attending.
- Dubuque Area Labor Management hosted 32 students and their parents at "Become an Engineer Night".

*Items highlighted in green are programs funded by Dubuque Works.*

**STRATEGY:** Increase participation in Tech WORKS for students interested in pursuing a career in the trades.

**OUTCOMES**

- 58 students currently enrolled in Tech WORKS (32 pre-engineering, 12 manufacturing, & 14 construction); the program had 26 graduates in 2017-2018.

**6. Expand pathways for opportunity youth and adults to re-engage in employment and training by completing a high school diploma or a high school equivalency degree, and then continuing a pathway to further education and employment.**

**STRATEGY:** Develop a pathway for individuals without a high school diploma to achieve a High School Equivalent Degree (HSED) and Opportunity Dubuque training.

**OUTCOMES:**

- Re-engage Dubuque completed its 6th year of student outreach. The program staff engaged 157 students to complete a high school diploma or High School Equivalency Degree (HSED) in FY 18; 29 students earned a high school diploma and 11 completed the HSED.

**STRATEGY:** Sustain and enhance Re-engage Dubuque to improve program graduates' ability to continue directly into career training following completion of high school diploma or equivalency.

**7. Support integrated partnerships with City and non-profit service providers in Housing, Education, Workforce, Health, and Arts and Culture to reduce duplication of services to low-income residents and enhance client success to achieve economic stability.**

**STRATEGY:** Ensure relationship among multiple service providers/coaches, including ability to share data and information, to improve client handoffs and services.

**STRATEGY:** Ensure Dubuque Works supported programs are well-known by service providers outside the workforce sector to increase collaboration, alignment of systems and processes, and cross-referrals.

**OUTCOMES:**

- Northeast Iowa Community College implemented Success Team monthly meetings to increase referrals of eligible candidates to Opportunity Dubuque. To date, the team:
  - Created a shared vision statement;
  - Signed memorandum of agreement;
  - Adopted a common referral form to share information regarding student/clients for partners to share information regarding student/clients to improve customer experience and increase referrals.

**8. Support disaggregation of all program data, workforce data, and population data to identify inequities and bias, support equity education opportunities and utilize an equity lens to inform decisions.**

Items highlighted in green are programs funded by Dubuque Works.

**STRATEGY:** Continue to disaggregate data and set targets to reduce disparities or gaps.

**OUTCOMES:**

- Dubuque Works adopted the goals of the State of Iowa Minority Unemployment and Outreach Standing Committee to reduce minority unemployment rates by 5 percentage points or to the state average by 2022.
- Dubuque Works disaggregated American Community Survey and EMSI jobs survey data by race/ethnicity to identify disparities based on race/ethnicity related to education, employment, household make-up, and other factors.

**STRATEGY:** Share information and partner with Inclusive Dubuque network to enhance equity of Dubuque Works' programming.

**OUTCOME:**

- Dubuque Works shared disaggregated workforce and program data with the Community Foundation of Greater Dubuque for the Community Data Walk hosted in March 2018 for community leaders to look at community data and explore key issues like academic achievement, childcare, economic opportunity, and equity and inclusion.

**STRATEGY:** Enhance HR Action survey to ask better questions of employers about equitable hiring practices.

**OUTCOME:**

- In partnership with the City of Dubuque's Human Rights Department, Greater Dubuque Development enhanced the confidential survey tool to include several questions that provide information on employers' diversity, equity and inclusion efforts and outcomes, including collection and interaction with equity data.

**9. Support community development and marketing strategy that attracts millennial and other workforce, including social media campaign and other joint marketing of the Greater Dubuque area.**

**STRATEGY:** Utilize data from newcomer focus groups and millennial roundtables to identify regional strengths and challenges in attracting millennial and other workforce and to develop a shared marketing strategy for the Greater Dubuque area.

**OUTCOME:**

- Greater Dubuque Development shared focus group results with City of Dubuque leadership, Dubuque Works partners, its local HR Advisory committee, and the public through the Spring Workforce Breakfast.

**STRATEGY:** Partner with Travel Dubuque (formerly Dubuque Visitors and Convention Bureau) to leverage existing market reach in implementation shared marketing strategy.

**OUTCOME:**

- Travel Dubuque presented on 2018 recruitment strategy and success in attracting target demographic of millennial women and women with children to the Travel Dubuque website.
- Subcommittee began meeting on development of community marketing strategy in May 2018. Strategy will include outreach via social media, focus on quality of life amenities and include a plan to export the strategy to Dubuque Works partners and employers.

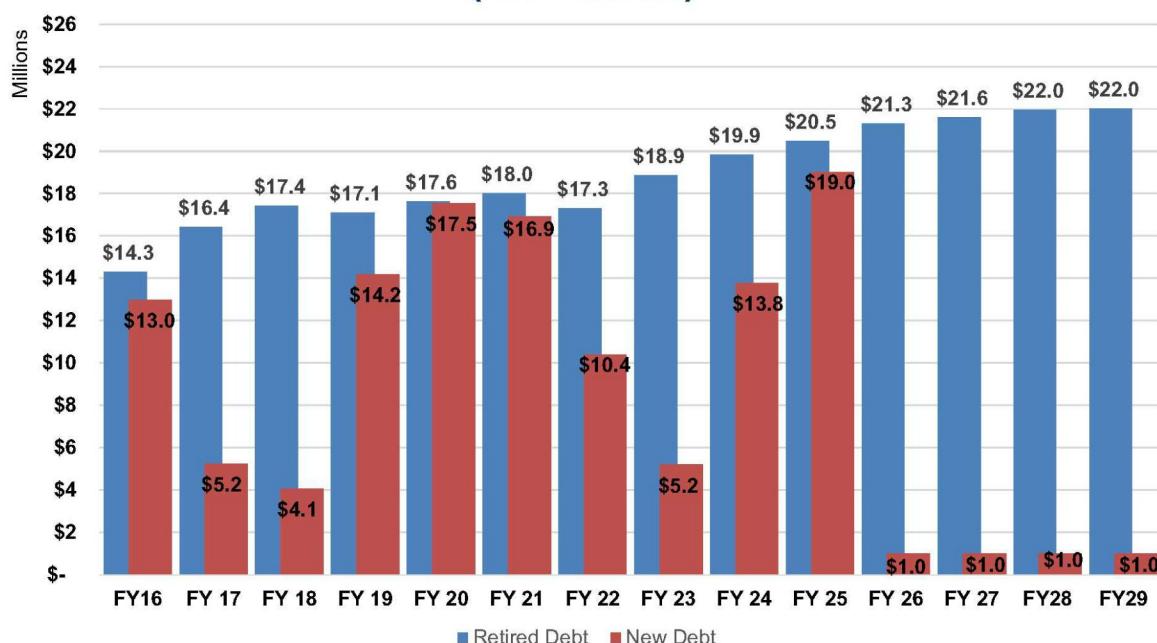
## Fiscal Year 2020 Budget Recommendation

The goal of the Fiscal Year 2020 budget recommendation is to maintain the momentum of our community. The budget has been built around the vision, mission, goals, priorities and direction provided by the Mayor and City Council at the August 2018 goal setting session, with input from the community. A series of six public hearings will now be held by the Mayor and City Council before adopting a final budget on March 7, 2019. The Fiscal Year 2020 budget year begins on July 1, 2019.

While in August 2015 the Mayor and City Council directed staff to start reducing the amount of City debt, previous investments are still paying dividends. With the current City strategy of more pay as you go investments and the acceptance that some debt will be issued each year, with a goal to retire more debt each year than is issued, the City will continue to be able to leverage past investment and create new opportunities to improve quality of life for residents, create jobs and maintain infrastructure.

Again in Fiscal year 2020 City staff has been able to meet that goal of retiring more debt than is being issued, though in Fiscal Year 2020 it was a significant challenge.

### Retired Debt Versus New Debt (In Millions)



\* Five-Year Average of New Debt FY16-FY20 \$10,800,907

\*\*Five-Year Average of New Debt FY20-FY24 \$12,762,068

While accomplishing the Mayor and City Council priorities, the goal is to minimize the costs for the residents and businesses.

### Property Taxes

**The Fiscal Year 2020 recommended City property tax rate of 10.3314 per thousand is a 2.43% decrease from Fiscal Year 2019, which follows a 2.79% decrease in Fiscal Year 2018, and a 2.47% decrease in Fiscal Year 2017.**

**The average homeowner would see no change in their property tax payment for the City portion of their property tax bill. The average commercial property would see a 1.48% (\$48.53) decrease, the average industrial property a 1.79% (\$87.16) decrease, and the average multi-residential property a 7.07% (\$132.29) decrease.**

Fiscal Year 2020 follows Fiscal Year 2019 where the average homeowner saw an increase of 1.92% (\$14.47) in their property tax payment for the city portion of their property tax bill, the average commercial property saw a 0.07% (\$2.21) decrease, the average industrial property saw a 0.97% (\$47.87) decrease, and the average multi-residential property saw a 7.21% (\$145.26) decrease.

### **City Property Tax Rate Comparison for Eleven Largest Iowa Cities**

| Rank | City                   | Tax Rate         |
|------|------------------------|------------------|
| 11   | Council Bluffs         | \$18.2629        |
| 10   | Des Moines*            | \$18.1548        |
| 9    | Waterloo               | \$17.4560        |
| 8    | Davenport              | \$16.7800        |
| 7    | Iowa City              | \$16.1831        |
| 6    | Sioux City             | \$16.0707        |
| 5    | Cedar Rapids           | \$15.2162        |
| 4    | West Des Moines*       | \$12.5730        |
| 3    | Ankeny*                | \$11.3890        |
| 2    | <b>Dubuque (FY 20)</b> | <b>\$10.3314</b> |
| 1    | Ames                   | \$10.0686        |
|      | AVERAGE w/o Dubuque    | \$15.22          |

\*Includes the transit tax levy adopted by the Des Moines Area Regional Transit Authority for comparability.

**Dubuque has the SECOND LOWEST property tax rate as compared to the eleven largest cities in the state. The highest rate (Council Bluffs) is 76.77% higher than Dubuque's rate, and the average is 47.27% higher than Dubuque.**

**At the end of the Fiscal Year 2019 budget cycle for all cities, the highest ranked city was 72% higher than Dubuque and the average was 45% higher than Dubuque, so there is a significant possibility that in Fiscal Year 2020 Dubuque will not only maintain its position as second lowest property tax rate but also improve its relative position to the other large cities in Iowa.**

**Property Taxes per Capita**  
**Comparison for Eleven Largest Iowa Cities**

| Rank | City                   | Taxes Per Capita |
|------|------------------------|------------------|
| 11   | West Des Moines        | \$1,149.36       |
| 10   | Iowa City              | \$907.74         |
| 9    | Council Bluffs         | \$824.55         |
| 8    | Cedar Rapids           | \$824.24         |
| 7    | Ankeny                 | \$784.03         |
| 6    | Davenport              | \$769.30         |
| 5    | Des Moines             | \$695.91         |
| 4    | Waterloo               | \$600.35         |
| 3    | Sioux City             | \$545.75         |
| 2    | Ames                   | \$525.91         |
| 1    | <b>Dubuque (FY 20)</b> | <b>\$455.27</b>  |
|      | AVERAGE<br>w/o Dubuque | \$762.71         |

**Dubuque has the LOWEST taxes per capita as compared to the eleven largest cities in the state. The highest (West Des Moines) is 152.45% higher than Dubuque's taxes per capita, and the average is 67.53% higher than Dubuque.**

**In Fiscal Year 2019 Dubuque was at \$459.08 per capita, so this year's \$455.27 is almost a 1% reduction.**

The projected Fiscal Year 2020 property tax asking of \$26,296,081 is a -\$198,123 (-0.75%) decrease from Fiscal Year 2019. The total Fiscal Year 2020 budget recommendation (\$191,272,643) is 9.42% more than the current budget year (Fiscal Year 2019). The Fiscal Year 2020 operating budget recommendation is \$134,086,573 and the Fiscal Year 2020 Capital Improvement Program budget recommendation is \$57,186,070.

After the local option sales tax was passed by referendum in 1988 with 50% of revenue going to property tax relief, the average property tax classification over that 30 years has seen the following results:

|   | Prior to Sales Tax FY 1988 | FY 2020    | \$ Difference | % Difference |
|---|----------------------------|------------|---------------|--------------|
| Property Tax Rate                         | \$ 14.5819                 | \$ 10.3314 | -\$4.2505     | -29.15%      |
| Average Residential Payment               | \$ 512.38                  | \$ 770.17  | +\$257.79     | +50.31%      |
| Average Commercial Payment                | \$ 2,490.61                | \$3,229.69 | +\$739.08     | +29.67%      |
| Average Industrial Property               | \$ 6,975.00                | \$4,782.73 | -\$2,192.27   | -31.43%      |
| Average Multi-Residential Property (FY15) | \$ 2,472.99                | \$1,737.92 | -\$735.07     | -29.72%      |

## Position Eliminations, New Positions and Unfrozen Positions

The Fiscal Year 2020 recommended budget increases full-time equivalents by 14.48 FTE, decreases part-time equivalents by 5.03 FTE, and increases seasonal equivalents by 0.96 FTE, **resulting in a net increase of 10.41 full-time equivalents**. There are 9 positions that are being converted into full-time from part-time. The following chart summarizes the personnel changes recommended in Fiscal Year 2020:

| Department           | Position                                | Type      | FY 2020 Cost (Savings) Includes Benefits | FTE   |
|----------------------|---|-----------|--|-------|
| Airport              | Line Service Worker                     | Part-Time | \$ 47,769                                | 1.20  |
| Budget               | Budget Director                         | Full-Time | \$ (154,947)                             | -1.00 |
| Finance and Budget   | Director of Finance and Budget          | Full-Time | \$ 171,342                               | 1.00  |
| Finance and Budget   | Budget Manager                          | Full-Time | \$ 107,999                               | 1.00  |
| Finance and Budget   | Finance Manager                         | Full-Time | \$ 107,999                               | 1.00  |
| Budget and Finance   | Payroll Accountant                      | Full-Time | \$ 70,965                                | 1.00  |
| City Clerk           | Clerical Assistant (Limited Term)       | Seasonal  | \$ 6,579                                 | 0.50  |
| City Manager         | Management Intern (ICMA)                | Part-Time | \$ (31,605)                              | -0.60 |
| City Manager         | Management Intern (ICMA)                | Full-Time | \$ 26,233                                | 1.00  |
| City Manager         | Clerical Intern                         | Seasonal  | \$ 3,880                                 | 0.25  |
| Economic Development | Project Coordinator                     | Full-Time | \$ (81,322)                              | -1.00 |
| Economic Development | Assistant Economic Development Director | Full-Time | \$ 95,954                                | 1.00  |
| Economic Development | Intern                                  | Seasonal  | \$ 7,827                                 | 0.25  |
| E911                 | Public Safety Dispatcher                | Full-Time | \$ 25,247                                | 1.00  |
| Engineering          | Confidential Account Clerk              | Part-Time | \$ (56,353)                              | -1.25 |
| Engineering          | Confidential Account Clerk              | Full-Time | \$ 53,904                                | 1.00  |
| Engineering          | I&I Inspector                           | Part-Time | \$ (1,196)                               | -0.02 |
| Finance              | Finance Director                        | Full-Time | \$ (125,074)                             | -1.00 |
| Finance              | Assistant Finance Director              | Full-time | \$ (110,888)                             | -1.00 |
| Finance              | Payroll Specialist                      | Part-Time | \$ (46,659)                              | -0.70 |
| Fire                 | Firefighter                             | Full-Time | \$ 68,287                                | 1.00  |
| Health Services      | Animal Control Officer                  | Full-Time | \$ 81,322                                | 1.00  |
| Health Services      | Animal Control Officer                  | Part-Time | \$ (50,695)                              | -0.72 |
| Housing              | Lead Paint Assistant                    | Full-Time | \$ 42,096                                | 0.62  |
| Housing              | Lead Paint Inspector                    | Full-Time | \$ 92,165                                | 1.24  |
| Housing              | Lead Paint Supervisor                   | Full-Time | \$ 40,113                                | 0.37  |
| Housing              | Resiliency Coordinator                  | Full-Time | \$ (81,312)                              | -0.75 |
| Legal Services       | Civil Rights Specialist                 | Full-Time | \$ 77,763                                | 1.00  |
| Parks                | Laborer                                 | Seasonal  | \$ —                                     | 0.05  |
| Police               | School Resource Officer                 | Full-Time | \$ (3,968)                               | 1.00  |
| Public Information   | Applications Specialist                 | Full-Time | \$ 41,264                                | 0.50  |
| Public Information   | Communications Specialist               | Part-Time | \$ (26,130)                              | -0.37 |
| Public Information   | Communications Specialist               | Full-Time | \$ 40,393                                | 0.50  |

| Department                  | Position                   | Type      | FY 2020 Cost (Savings) Includes Benefits | FTE          |
|-----------------------------|----------------------------|-----------|--|--------------|
| Multicultural Family Center | Receptionist               | Part-Time | \$ 6,995                                 | 0.48         |
| Multicultural Family Center | Field Supervisor           | Seasonal  | \$ 2,367                                 | 0.16         |
| Recreation                  | Field Supervisor           | Seasonal  | \$ 1,657                                 | 0.23         |
| Recreation                  | Recreation Leader          | Seasonal  | \$ 866                                   | 0.24         |
| Recreation                  | Pre-School Instructor      | Seasonal  | \$ 3,649                                 | 0.10         |
| Recreation                  | Snack Bar Manager          | Seasonal  | \$ (2,017)                               | -0.07        |
| Recreation                  | Concession Worker          | Seasonal  | \$ (409)                                 | -0.02        |
| Recreation                  | Dock Worker                | Seasonal  | \$ (2,185)                               | -0.09        |
| Recreation                  | Cashier                    | Seasonal  | \$ (3,398)                               | -0.14        |
| Transportation Services     | Bus Operators              | Full-Time | \$ 174,387                               | 3.00         |
| Transportation Services     | Bus Operators              | Part-time | \$ (143,419)                             | -3.05        |
| Water                       | Confidential Account Clerk | Full-Time | \$ 56,951                                | 1.00         |
| Water                       | Secretary                  | Part-Time | \$ (22,923)                              | -0.50        |
|                             | <b>FY 2020 Total</b>       |           | <b>\$ 511,473</b>                        | <b>10.41</b> |

**Looking at the FY 2020 recommended budget, the current budget year (Fiscal Year 2019) and previous budget years (Fiscal Year 2018 and 2017), 46.50 FTE positions have been eliminated:**

| Department      | Positions Eliminated          | Type | FY 2017 Savings (Includes Benefits) | FY 2018 Savings (Includes Benefits) | FY 2019 Savings (Includes Benefits) | FY 2020 Savings (Includes Benefits) | FTE   |
|-----------------|-------------------------------|------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------|
| Budget          | Budget Director               | FT   |                                     |                                     |                                     | \$ 154,947                          | -1.00 |
| Building        | Building Inspector II         | PT   |                                     | \$ 66,112                           |                                     |                                     | -0.75 |
| Building        | Building Inspector II         | FT   |                                     |                                     | \$ 86,938                           |                                     | -1.00 |
| CMO             | Management Intern (ICMA)      | PT   |                                     |                                     |                                     | \$ 31,605                           | -0.60 |
| ED              | Arts Coordinator              | PT   |                                     | \$ 28,836                           |                                     |                                     | -0.50 |
| ED              | Project Coordinator           | FT   |                                     |                                     |                                     | \$ 81,322                           | -1.00 |
| Engineering     | Limited Term Engineering Tech | FT   | \$ 75,126                           | \$ 4,900                            |                                     |                                     | -1.00 |
| Engineering     | Environmental Engineer        | FT   | \$ 125,359                          |                                     |                                     |                                     | -1.00 |
| Engineering     | I&I Inspectors                | FT   | \$ 146,953                          |                                     |                                     |                                     | -2.00 |
| Engineering     | Confidential Account Clerk    | PT   | \$ 5,274                            |                                     |                                     |                                     | -0.12 |
| Engineering     | Engineering Aide NA           | Seas | \$ 58,584                           |                                     |                                     |                                     | -1.50 |
| Engineering     | Engineering Assistant         | Seas | \$ 25,808                           |                                     |                                     |                                     | -0.50 |
| Engineering     | Confidential Account Clerk    | PT   |                                     |                                     |                                     | \$ 56,353                           | -1.25 |
| Engineering     | I&I Inspector                 | PT   |                                     |                                     |                                     | \$ 1,196                            | -0.02 |
| Finance         | Finance Director              | FT   |                                     |                                     |                                     | \$ 125,074                          | -1.00 |
| Finance         | Assistant Finance Director    | FT   |                                     |                                     |                                     | \$ 110,888                          | -1.00 |
| Finance         | Payroll Specialist            | PT   |                                     |                                     |                                     | \$ 46,659                           | -0.70 |
| Health Services | Animal Control Officer        | PT   |                                     |                                     |                                     | \$ 50,695                           | -0.72 |

| Department              | Positions Eliminated            | Type | FY 2017 Savings (Includes Benefits) | FY 2018 Savings (Includes Benefits) | FY 2019 Savings (Includes Benefits) | FY 2020 Savings (Includes Benefits) | FTE   |
|-------------------------|---------------------------------|------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------|
| Housing                 | Assisted Housing Supervisor     | FT   |                                     | \$ 87,011                           |                                     |                                     | -1.00 |
| Housing                 | Lead Paint Supervisor           | FT   |                                     |                                     | \$ 59,464                           |                                     | -0.62 |
| Housing                 | Lead Paint Inspector            | FT   |                                     |                                     | \$ 99,050                           |                                     | -1.24 |
| Housing                 | Lead Paint Assistant            | FT   |                                     |                                     | \$ 45,191                           |                                     | -0.62 |
| Housing                 | Resiliency Coordinator          | FT   |                                     |                                     |                                     | \$ 81,312                           | -0.75 |
| Legal                   | Assistant City Attorney         | FT   |                                     | \$ 153,256                          |                                     |                                     | -1.00 |
| Parking                 | Laborer                         | FT   |                                     | \$ 75,243                           | \$ 75,140                           |                                     | -2.00 |
| Parking                 | Parking Meter Service Worker    | FT   | \$ 71,104                           | \$ 72,526                           |                                     |                                     | -1.00 |
| Parking                 | Laborer                         | PT   | \$ 37,331                           | \$ 38,078                           |                                     |                                     | -0.50 |
| Parking                 | Ramp Cashier                    | PT   | \$ 1,844                            | \$ 1,881                            |                                     |                                     | -0.05 |
| Parking                 | Parking Supervisor              | FT   |                                     |                                     | \$ 95,113                           |                                     | -1.00 |
| Parking                 | Confidential Account Clerk      | FT   |                                     |                                     | \$ 59,170                           |                                     | -1.00 |
| Parking                 | Parking System Technician       | FT   |                                     |                                     | \$ 78,903                           |                                     | -1.00 |
| Parking                 | Customer Service Representative | PT   |                                     |                                     | \$ 23,602                           |                                     | -0.55 |
| Parks                   | Park Ranger                     | FT   | \$ 76,249                           | \$ 77,774                           |                                     |                                     | -1.00 |
| Parks                   | Custodian                       | PT   | \$ 4,696                            | \$ 4,790                            |                                     |                                     | -0.10 |
| Parks                   | Laborer                         | Seas |                                     |                                     | \$ 14,019                           |                                     | -0.52 |
| Police                  | Corporal                        | FT   |                                     |                                     | \$ 112,511                          |                                     | -1.00 |
| Public Information      | Communications Specialist       | PT   |                                     |                                     |                                     | \$ 26,130                           | -0.37 |
| Public Works            | Laborer                         | Seas |                                     |                                     | \$ 36,105                           |                                     | -1.31 |
| Recreation              | Custodian                       | PT   | \$ 4,696                            | \$ 4,790                            |                                     |                                     | -0.10 |
| Recreation              | Snack Bar Manager               | Seas |                                     |                                     |                                     | \$ 2,017                            | -0.07 |
| Recreation              | Concession Worker               | Seas |                                     |                                     |                                     | \$ 409                              | -0.02 |
| Recreation              | Dock Worker                     | Seas |                                     |                                     |                                     | \$ 2,185                            | -0.09 |
| Recreation              | Cashier                         | Seas |                                     |                                     |                                     | \$ 3,398                            | -0.14 |
| Transit                 | Confidential Account Clerk      | FT   |                                     | \$ 62,509                           |                                     |                                     | -1.00 |
| Transit                 | Dispatcher                      | PT   |                                     | \$ 29,571                           | \$ 48,966                           |                                     | -1.46 |
| Transit                 | Service Worker                  | PT   |                                     | \$ 41,468                           |                                     |                                     | -0.70 |
| Transit                 | Bus Operator                    | PT   |                                     |                                     | \$ 6,639                            |                                     | -0.12 |
| Transit                 | Assistant Operations Supervisor | PT   |                                     |                                     | \$ 54,368                           |                                     | -0.75 |
| Transit                 | Customer Service Representative | PT   |                                     |                                     | \$ 23,603                           |                                     | -0.55 |
| Transit                 | Marketing Intern                | Seas |                                     |                                     | \$ 15,537                           |                                     | -0.50 |
| Transportation Services | Bus Operators                   | PT   |                                     |                                     |                                     | \$ 143,419                          | -3.05 |
| W&RRC                   | Lab Intern                      | Seas | \$ 4,974                            |                                     |                                     |                                     | -0.16 |
| W&RRC                   | Assistant Manager               | FT   |                                     |                                     | \$ 86,873                           |                                     | -1.00 |

| Department                        | Positions Eliminated    | Type | FY 2017 Savings (Includes Benefits) | FY 2018 Savings (Includes Benefits) | FY 2019 Savings (Includes Benefits) | FY 2020 Savings (Includes Benefits) | FTE           |
|-----------------------------------|-------------------------|------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---------------|
| W&RRC                             | Plant Operator Grade II | FT   |                                     |                                     | \$ 79,663                           |                                     | -1.00         |
| W&RRC                             | Plant Operator Grade IV | FT   |                                     |                                     | \$ 85,473                           |                                     | -1.00         |
| Water                             | Plant Manager           | FT   |                                     |                                     | \$ 125,708                          |                                     | -1.00         |
| Water                             | Plant Operator          | FT   |                                     |                                     | \$ 74,959                           |                                     | -1.00         |
| Water                             | Secretary               | PT   |                                     |                                     |                                     | \$ 22,923                           | -0.50         |
| <b>Total Positions Eliminated</b> |                         |      | <b>\$ 195,920</b>                   | <b>\$ 1,185,923</b>                 | <b>\$1,391,895</b>                  | <b>\$ 940,532</b>                   | <b>-46.50</b> |

**Over a four-year period (Fiscal Year 2017, Fiscal Year 2018, Fiscal Year 2019 and Fiscal Year 2020) the City will have eliminated 46.50 full-time equivalent positions and added 41.77 full-time equivalent positions resulting in -4.73 net change in number of employees over that four-year period.**

Since 1981, the City has minimized the number of positions added. If the Fiscal Year 2020 staffing changes are approved, the City will have reduced its full-time workforce by 2.1% since 1981. This was achieved in spite of all the new services that have been added in that time period including staff-intense activities like recycling and combined county-wide public safety dispatching. Also, the number of sworn Police Officer positions has increased by 36 over that time period.

**The hiring freeze ended during Fiscal Year 2019 and most of the positions were funded only a partial fiscal year in FY 2019.** The additional new costs related to the lifting of the hiring freeze in Fiscal Year 2020 are as follows:

| Department                           | Position                                   | FY 2020 Cost (Includes Benefits) | FTE         |
|--------------------------------------|--|----------------------------------|-------------|
| Human Rights                         | Full-time Community Engagement Coordinator | \$ 40,886                        | 1.00        |
| Human Rights                         | Full-time Training/Workforce Development   | \$ 40,886                        | 1.00        |
| Park                                 | Full-time Assistant Horticulturalist       | \$ 40,189                        | 1.00        |
| Park/Public Works                    | Full-time Assistant Horticulturalist       | \$ 40,189                        | 1.00        |
| Park                                 | Full-time Maintenance Worker               | \$ 54,140                        | 1.00        |
| City Manager's Office                | Part-time Management Intern (ICMA)         | \$ 16,806                        | 0.60        |
| City Manager's Office                | Full-time Secretary                        | \$ 30,124                        | 1.00        |
| Information Services                 | Full-time Help Desk Technical Support      | \$ 31,858                        | 1.00        |
| Engineering                          | Full-time Traffic Engineering Assistant    | \$ 58,055                        | 1.00        |
| Police                               | Full-time Records Clerk                    | \$ 29,337                        | 1.00        |
| <b>Total Additional FY 2020 Cost</b> |  | <b>\$ 382,470</b>                | <b>9.60</b> |

Debt

The City will issue \$44,941,848 in new debt in the recommended 5-year CIP, mostly for fire truck and pumper replacements, fire station expansion, sanitary sewer improvements, additional downtown parking, and maintenance of Five Flags (if there is no referendum or the referendum does not pass).

| Project                                  | FY 2020    | FY 2021      | FY 2022      | FY 2023      | FY 2024    | Total        |
|--|------------|--------------|--------------|--------------|------------|--------------|
| East/West Corridor                       | \$ 450,000 | \$ 150,000   |              |              |            | \$ 600,000   |
| Vehicle Replacement                      | \$ 372,420 | \$ 426,522   | \$ 187,201   |              |            | \$ 986,143   |
| Ladder and Pumper Replacement            | \$ 291,667 |              | \$ 1,557,550 |              | \$ 405,200 | \$ 2,254,417 |
| Jackson Park Restrooms                   | \$ 250,000 |              |              |              |            | \$ 250,000   |
| Catfish & Granger Interceptor            | \$ 243,000 | \$ 1,251,000 | \$ 1,940,000 |              |            | \$ 3,434,000 |
| Replace Snow Equipment                   | \$ 230,000 |              |              |              |            | \$ 230,000   |
| Asset Management Plan                    | \$ 164,000 | \$ 237,000   | \$ 121,000   |              |            | \$ 522,000   |
| Rehab Runway Lighting                    | \$ 156,400 |              |              |              |            | \$ 156,400   |
| Cedar and Terminal Mains and Lift        | \$ 153,000 | \$ 750,000   | \$ 1,416,000 | \$ 2,260,000 |            | \$ 4,579,000 |
| Final Clarifier                          | \$ 130,000 | \$ 130,000   | \$ 130,000   | \$ 130,000   |            | \$ 520,000   |
| Track Line Cleaning & Lining             | \$ 100,000 | \$ 187,790   |              |              |            | \$ 287,790   |
| GRC Replace Carpet                       | \$ 88,000  |              |              |              | \$ 120,000 | \$ 208,000   |
| Replace HVAC Fire Headquarters           | \$ 80,000  | \$ 168,924   | \$ 344,605   |              |            | \$ 593,529   |
| CCTV Inspection                          | \$ 75,000  | \$ 285,000   | \$ 180,000   | \$ 180,000   | \$ 180,000 | \$ 900,000   |
| Clock Tower Plaza Rehab                  | \$ 33,000  | \$ 67,000    |              |              |            | \$ 100,000   |
| Central-White 2-Way Conversion Study     | \$ 20,000  |              |              |              |            | \$ 20,000    |
| Chavenelle Road Rehab                    |            | \$ 2,700,000 |              |              |            | \$ 2,700,000 |
| Development of McFadden Farm             |            | \$ 2,616,995 |              |              |            | \$ 2,616,995 |
| Sanitary Sewer Ext Existing Developments |            | \$ 600,000   | \$ 1,200,000 |              | \$ 231,786 | \$ 2,031,786 |
| E 12th and Elm Parking Lot               |            | \$ 589,000   |              |              |            | \$ 589,000   |
| River Dock Expansion                     |            | \$ 462,500   |              |              |            | \$ 462,500   |
| ABC Building Demo                        |            | \$ 417,000   |              |              |            | \$ 417,000   |
| Federal Building Renovation              |            | \$ 391,800   |              |              |            | \$ 391,800   |
| Auburn and Custer Sewer                  |            | \$ 316,400   |              |              |            | \$ 316,400   |
| Riverfront Leasehold Improvements        |            | \$ 301,700   |              |              |            | \$ 301,700   |
| Stone Retaining Walls - Lowell St        |            | \$ 290,400   |              |              |            | \$ 290,400   |
| Jackson Park Amenities                   |            | \$ 250,000   |              |              |            | \$ 250,000   |
| General Ledger Software                  |            | \$ 250,000   | \$ 750,000   |              |            | \$ 1,000,000 |
| Central Avenue Corridor Initiative       |            | \$ 240,000   |              |              |            | \$ 240,000   |
| Heeb Street                              |            | \$ 230,000   |              |              |            | \$ 230,000   |

| Project                              | FY 2020             | FY 2121             | FY 2022             | FY 2023             | FY 2024             | Total                |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Entrance Sign Regrading and Lighting |                     | \$ 216,138          |                     |                     |                     | \$ 216,138           |
| Center Place Alley Sewer Rehab       |                     | \$ 110,000          | \$ 300,000          |                     |                     | \$ 410,000           |
| Central Streetscape Implementation   |                     | \$ 100,500          |                     |                     |                     | \$ 100,500           |
| Hempstead Sanitary Sewer             |                     | \$ 30,000           | \$ 250,000          |                     |                     | \$ 280,000           |
| Street Light Installation            |                     | \$ 12,000           |                     |                     | \$ 150,000          | \$ 162,000           |
| Five Flags Improvements              |                     |                     |                     |                     | \$ 4,800,000        | \$ 4,800,000         |
| Fire Station Expansion Relocation    |                     |                     |                     | \$ 806,000          | \$ 3,131,400        | \$ 3,937,400         |
| Locust St Ramp Rebuild               |                     |                     |                     |                     | \$ 3,000,000        | \$ 3,000,000         |
| Southfork Interceptor Sewer          |                     |                     |                     | \$ 34,181           | \$ 533,819          | \$ 568,000           |
| 7th Street Extension to Pine         |                     |                     |                     |                     | \$ 400,000          | \$ 400,000           |
| Cooper Place and Maiden Lane Sewer   |                     |                     |                     | \$ 30,000           | \$ 300,000          | \$ 330,000           |
| Phosphorus Removal                   |                     |                     |                     |                     | \$ 300,000          | \$ 300,000           |
| Arena Roof A/C Replacement           |                     |                     |                     |                     | \$ 225,000          | \$ 225,000           |
| Rehab Taxiway A                      |                     |                     |                     | \$ 525,000          |                     | \$ 525,000           |
| Twin Ridge Lagoon Abandonment        |                     |                     | \$ 465,000          |                     |                     | \$ 465,000           |
| Perry & Bradley St Force Main Improv |                     |                     |                     | \$ 260,000          |                     | \$ 260,000           |
| High Strength Storage                |                     |                     | \$ 522,155          | \$ 961,795          |                     | \$ 1,483,950         |
| <b>Total New Debt</b>                | <b>\$ 2,836,487</b> | <b>\$13,777,669</b> | <b>\$ 9,363,511</b> | <b>\$ 5,186,976</b> | <b>\$13,777,205</b> | <b>\$ 44,941,848</b> |

**In addition, the City will access \$18,868,490 of previously issued state revolving fund loans as the related capital improvement projects progress. The draw down on these previously issued loans is as follows:**

| Project                                   | FY 2020              | FY 2021             | FY 2022             | FY 2023     | FY 2024     | Total               |
|---|----------------------|---------------------|---------------------|-------------|-------------|---------------------|
| Sanitary Kerper Boulevard SRF             | \$ 1,390,000         |                     |                     |             |             | \$ 1,390,000        |
| Stormwater Upper Bee Branch & Sponsor SRF | \$ 247,668           | \$ 247,664          |                     |             |             | \$ 495,332          |
| Stormwater Flood Mitigation Project SRF   | \$ 9,000,000         | \$ 1,820,958        |                     |             |             | \$10,820,958        |
| Water Roosevelt Water Tower SRF           | \$ 2,982,200         |                     |                     |             |             | \$ 2,982,200        |
| Water CIWA Purchase & Improvements        | \$ 1,090,000         | \$ 1,060,000        | \$ 1,030,000        |             |             | \$ 3,180,000        |
| <b>Total Draw Downs</b>                   | <b>\$ 14,709,868</b> | <b>\$ 3,128,622</b> | <b>\$ 1,030,000</b> | <b>\$ —</b> | <b>\$ —</b> | <b>\$18,868,490</b> |

The City will retire \$91,675,928 of existing debt over the next five-years (FY20-FY24). The following chart shows the net reduction of debt from Fiscal Year 2020 - Fiscal Year 2024:

| Project                          | FY 2020          | FY 2021             | FY 2022             | FY 2023              | FY 2024             | Total                |
|----------------------------------|------------------|---------------------|---------------------|----------------------|---------------------|----------------------|
| New Debt                         | \$ 2,836,487     | \$ 13,777,669       | \$ 9,363,511        | \$ 5,186,976         | \$ 13,777,205       | \$ 44,941,848        |
| Previously Issued SRF Draw Downs | \$ 14,709,868    | \$ 3,128,622        | \$ 1,030,000        | \$ —                 | \$ —                | \$ 18,868,490        |
| Retired Debt                     | -\$17,618,998    | -\$18,014,968       | -\$17,320,037       | -\$18,868,537        | -\$19,853,388       | -\$91,675,928        |
| <b>Net Debt Reduction</b>        | <b>-\$72,643</b> | <b>-\$1,108,677</b> | <b>-\$6,926,526</b> | <b>-\$13,681,561</b> | <b>-\$6,076,183</b> | <b>-\$27,865,590</b> |

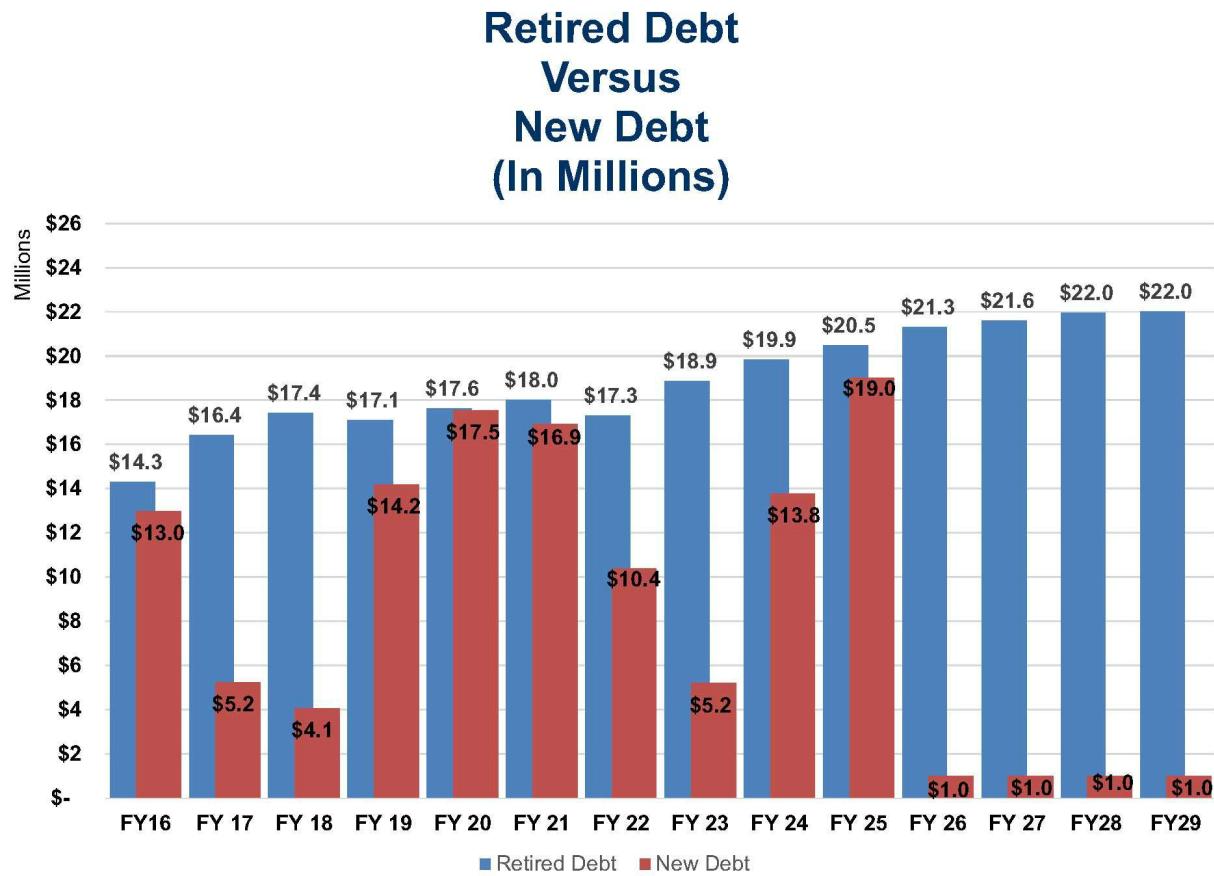
Outstanding General Obligation (G.O.) debt on June 30, 2020 is projected to be \$116,425,803 (51.14% of the statutory debt limit), **leaving an available debt capacity of \$111,235,671 (48.86%)**. In Fiscal Year 2016, the City was at 86.13% of statutory debt limit, so **51.14% in Fiscal Year 2020 is a 34.99% decrease in use of the statutory debt limit**.

The City also has debt that is not subject to the statutory debt limit, such as revenue bonds. Outstanding revenue bonds payable by water, sewer, parking and stormwater fees, will have a balance of \$150,450,197 on June 30, 2020 .

The total City indebtedness as of June 30, 2020, is projected to be \$266,876,000 (51.14% of statutory debt limit). The total City indebtedness as of June 30, 2016, was \$295,477,641 (86.13% of statutory debt limit). **The City is projected to have \$28,601,641 less in debt as of June 30, 2020.**

The combination of reduced debt and increased utility rates partially reflects the movement to a more "pay as you go" strategy, which could lead to larger tax and fee increases than with the use of debt.

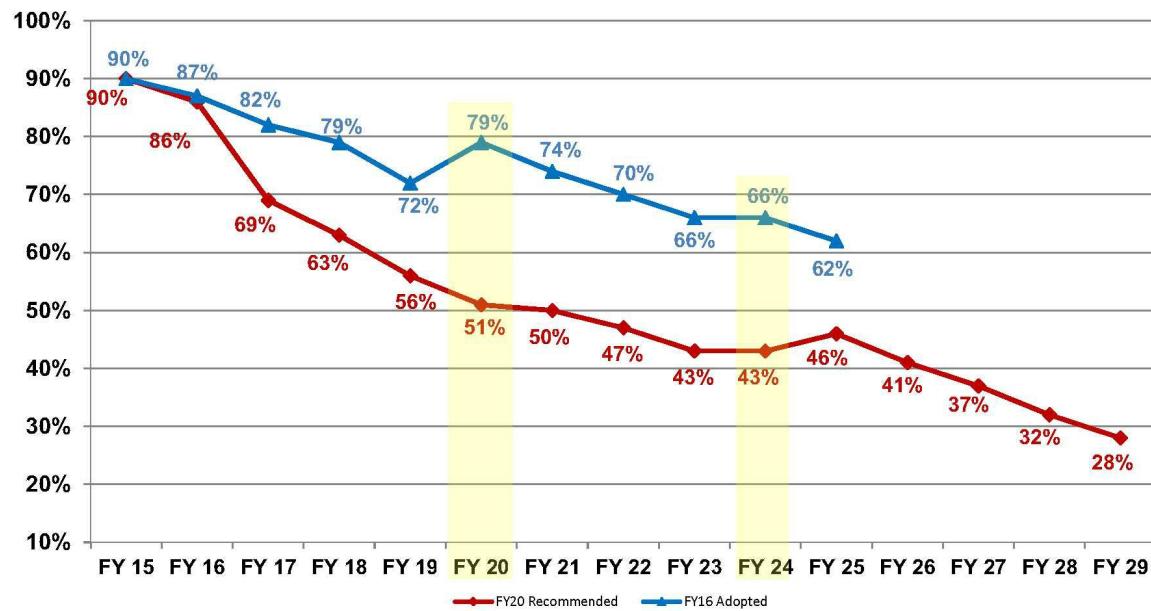
The following chart shows the amount of retired debt as compared to new debt. The new debt includes new debt issuances as well as draw downs on existing state revolving fund loans:



In August 2015, the Mayor and City Council adopted a debt reduction strategy which targeted retiring more debt each year than was issued by the City. This recommendation achieves that target throughout the 5-year CIP. I am pleased to report the recommendation will substantially beat overall debt reduction targets over the next five-and ten-year periods.

You can see that the Mayor and City Council have significantly impacted the City's use of the statutory debt limit established by the State of Iowa. In Fiscal Year 2015, the City of Dubuque used 90% of the statutory debt limit. In this budget recommendation, the Mayor and City Council are currently reviewing for Fiscal Year 2020, the use of the statutory debt limit would be 51%, and by the end of the recommended 5-Year Capital Improvement Program (CIP) budget in Fiscal Year 2024, the City of Dubuque would be at 43% of the statutory debt limit. Projections out 10 years to Fiscal Year 2029 show the City of Dubuque at 28% of the statutory debt limit. This is an improvement on the debt reduction plan adopted in August 2015, that first began implementation in Fiscal Year 2016.

**Statutory Debt Limit Used  
(as of June 30th)**

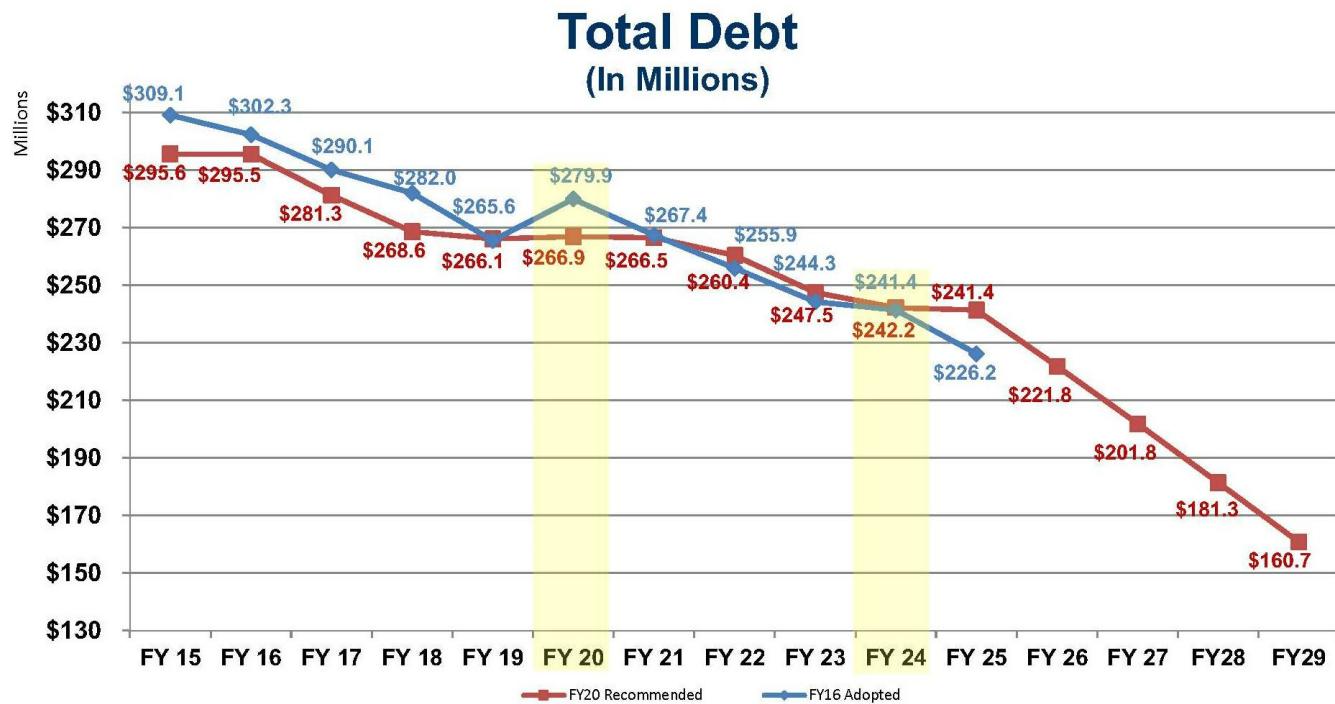


The following chart shows Dubuque's relative position pertaining to use of the statutory debt limit for Fiscal Year 2020 compared to the other cities in Iowa for Fiscal Year 2018 with a population over 50,000:

### Fiscal Year 2018 Legal Debt Limit Comparison for Eleven Largest Iowa Cities

| Rank | City                  | Legal Debt Limit (5%) | Statutory Debt Outstanding | Percentage of Legal Debt Limit Utilized |
|------|-----------------------|-----------------------|----------------------------|---|
| 11   | Des Moines            | \$ 569,816,717        | \$ 416,130,930             | 73.03%                                  |
| 10   | Sioux City            | \$ 213,569,727        | \$ 144,100,000             | 67.47%                                  |
| 9    | Davenport             | \$ 330,626,114        | \$ 211,165,000             | 63.87%                                  |
| 8    | Waterloo              | \$ 191,406,282        | \$ 108,225,490             | 56.54%                                  |
| 7    | Cedar Rapids          | \$ 518,039,169        | \$ 271,585,000             | 52.43%                                  |
| 6    | Ankeny                | \$ 245,580,138        | \$ 126,830,000             | 51.65%                                  |
| 5    | W. Des Moines         | \$ 359,449,675        | \$ 184,720,000             | 51.39%                                  |
| 4    | <b>Dubuque (FY20)</b> | <b>\$ 227,661,474</b> | <b>\$ 116,425,803</b>      | <b>51.14%</b>                           |
|      | <b>Dubuque (FY24)</b> | <b>\$ 246,428,101</b> | <b>\$ 105,406,783</b>      | <b>42.77%</b>                           |
| 3    | Ames                  | \$ 209,227,522        | \$ 65,480,000              | 31.30%                                  |
| 2    | Council Bluffs        | \$ 241,950,558        | \$ 68,725,096              | 28.40%                                  |
|      | <b>Dubuque (FY29)</b> | <b>\$ 272,076,536</b> | <b>\$ 76,004,423</b>       | <b>27.93%</b>                           |
| 1    | Iowa City             | \$ 274,723,837        | \$ 66,945,000              | 24.37%                                  |

By the end of the recommended 5-Year Capital Improvement Program (CIP) budget the total amount of debt for the City of Dubuque would be \$242.2 million (43% of the statutory debt limit) and the projection is to be at \$161 million (28% of statutory debt limit) within 10 years.

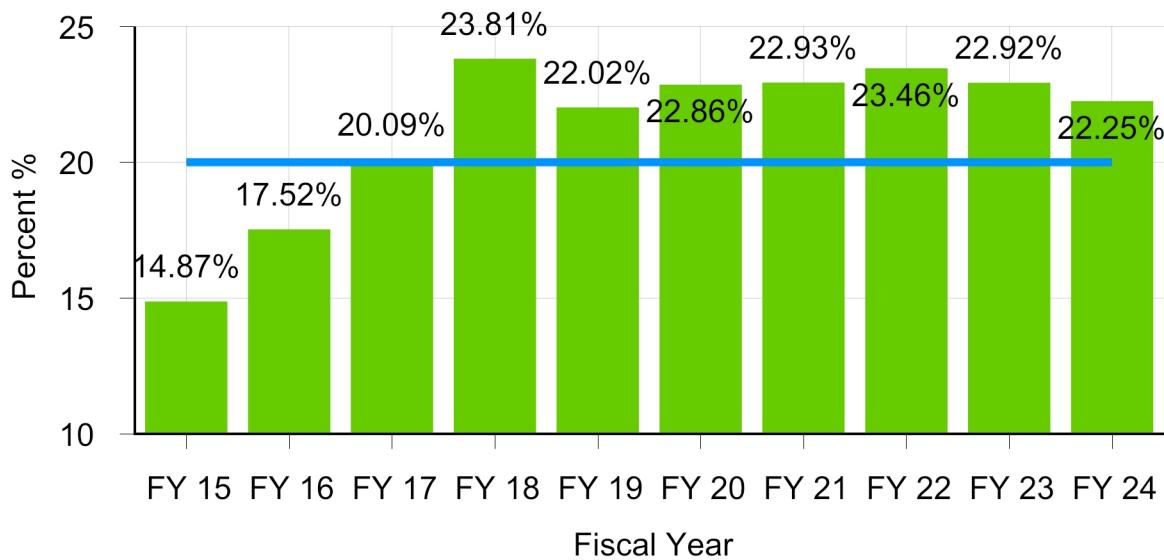


### General Fund Reserve

The City maintains a general fund reserve, or working balance, to allow for unforeseen expenses that may occur. Moody's Investor Service recommends a 20% General Fund Operating Reserve for "AA" rated cities. In May 2015, Moody's Investors Service downgraded Dubuque's general obligation bond rating from Aa2 to Aa3, but removed the negative future outlook. This followed two bond rating upgrades in 2003 and 2010, and one bond rating downgrade in 2014. In announcing the bond rating downgrade, Moody's noted the City's general fund balance/reserve declined.

| Fiscal Year | Fund Reserve<br>(As percent of General Fund revenues) | Reason for change from previous Fiscal Year   |
|-------------|---|---|
| FY 2015     | 14.87%  | Unchanged   |
| FY 2016     | 17.52%  | Increase due to capital projects not expended before the end of the FY and increase in general fund revenue                 |
| FY 2017     | 20.09%  | Increase due to capital projects not expended before the end of the FY and additional contributions to general fund reserve |
| FY 2018     | 23.81%  | Increase due to capital projects not expended before the end of the FY and additional contributions to general fund reserve |
| FY 2019     | 22.02%  | Decrease due to planned capital expenditures  |
| FY 2020     | 22.86%  | Increase due to additional contribution   |

**Fund Reserve as a Percent of General Fund Revenue**



The City of Dubuque has historically adopted a general fund reserve policy as part of the Fiscal and Budget Policy Guidelines which is adopted each year as part of the budget process. During Fiscal Year 2013, the City adopted a formal Fund Reserve Policy which states the City may continue to add to the General Fund minimum balance of 10% when additional funds are available until 20% of Net General Fund Operating Cost is reached.

After all planned expenditures plus an additional \$1,700,000 added to the fund balance in FY 2019, the City of Dubuque will have a general fund reserve of 19.76 percent of general fund expenses as computed by the methodology adopted in the City's general fund reserve policy or 22.02 percent of general fund revenues as computed by the methodology used by Moody's Investors Service. The general fund reserve cash balance is projected to be \$11,384,325 on June 30, 2019.

The intent is to increase the General Fund working balance or operating reserve by \$1,000,000 in Fiscal Year 2020. In subsequent years, the City will add to the operating reserve until 20% is maintained consistently. **In Fiscal Year 2017, the City had projected reaching this consistent and sustainable 20% reserve level in Fiscal Year 2022. This 20% level was actually reached in Fiscal Year 2017, five years ahead of schedule.**

The reserve will increase by \$2,800,000 (20.3%) from Fiscal Year 2019 - Fiscal Year 2024.

|   | FY2018       | FY2019       | FY2020       | FY2021       | FY2022       | FY2023       | FY2024       |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contribution  | \$1,050,000  | \$1,700,000  | \$1,000,000  | \$100,000    | \$100,000    | \$100,000    | \$100,000    |
| City's Spendable General Fund Cash Reserve Fund Balance | \$16,460,491 | \$15,485,326 | \$16,185,326 | \$16,285,326 | \$16,385,326 | \$16,485,326 | \$16,585,326 |
| % of Projected Revenue (Moody's)                        | 23.81%       | 22.02%       | 22.86%       | 22.93%       | 23.46%       | 22.92%       | 22.25%       |

**In October 2016, Moody's Investors Service upgraded the rating on \$18 million in City of Dubuque bonds issued to support the Bee Branch Watershed Flood Mitigation Project from A3 to A2.**

#### State Revolving Fund Sponsorship Projects and Green Project Loans

The City uses State Revolving Fund (SRF) loans for water and sanitary sewer projects whenever possible because of the **very low annual interest rate of 1.75% with an annual servicing fee of 0.25%.**

In 2009, legislation was passed in Iowa that allows water utilities that issue debt through the Clean Water State Revolving Fund Program to sponsor and help finance other water quality improvement (CWSRF) projects within or outside its service limits. This new funding mechanism, called Water Resource Restoration Sponsored Projects, will provide cities, counties, local watershed organizations, watershed management authorities, county conservation boards, and soil and water conservation districts a funding source to construct improvements throughout a watershed that keep sediment, nutrients, chemicals and other pollutants out of streams and lakes.

Repayment of a standard Clean Water SRF (CWSRF) loan includes the repayment of the original loan amount, the principal, and the cost to finance the loan, interest and fees. On a CWSRF loan with a sponsored project, the financing costs are reduced by the amount of the cost of the sponsored project improvements. Figure 1 shows a comparison between a standard CWSRF loan and a CWSRF loan with a sponsorship project. As shown, the total cost to the utility (the total of loan repayments) remains unchanged as the cost of funding for the sponsorship project is offset by a reduction in loan financing costs. In essence, two water quality projects are completed for the price of one.

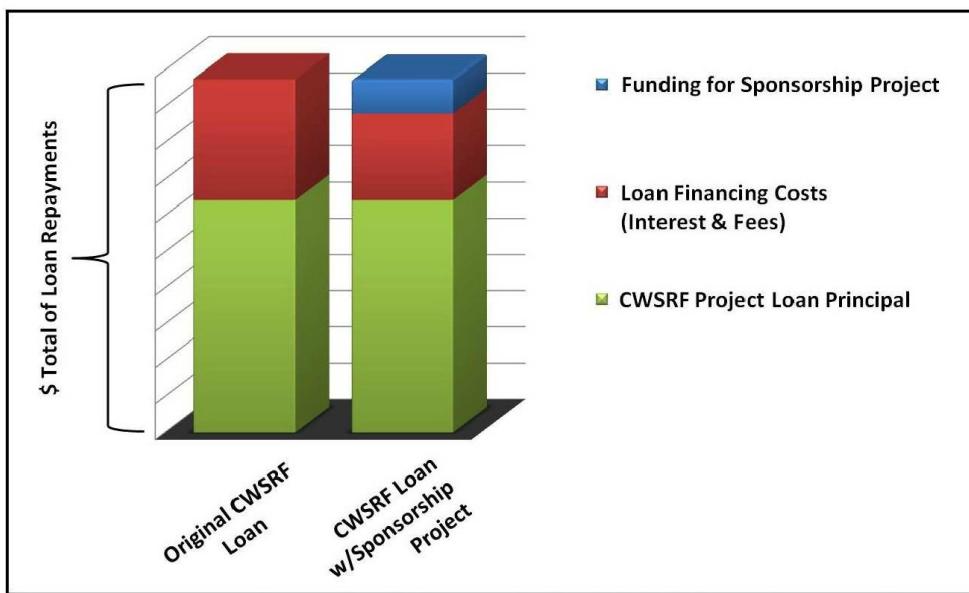


Figure 1. Loan repayment comparison between a standard CWSRF loan and a CWSRF loan with a sponsorship project.

After three years of the State of Iowa being unsuccessful in completing one of these modified loans, the City of Dubuque had the first successful application for the state when, in April 2013, the City was awarded \$9.4 million of the interest paid on the Water and Resource Recovery Center to be used to reconstruct over 70 Green Alleys in the Bee Branch Watershed. The principal for the Water & Resource Recovery Center Upgrade was increased from \$64,885,000 to \$75,145,579 and the interest rate plus annual servicing fee was decreased from 3.25% to 2.00% to add the Green Alley sponsorship project. This reduction allowed for increased proceeds **and resulted in a true interest cost of 1.96% and gross borrowing savings of \$11.4 million.**

The Fiscal Years 2010, 2011, and 2012 State Revolving Fund capitalization grants included requirements for certain percentages of the funds to be allocated for green projects. Each green infrastructure project receives a portion of loan forgiveness not to exceed 30%. In June 2015, the City of Dubuque Upper Bee Branch Creek Restoration Project (Upper Bee Branch Project) qualified for a Green Project Loan from the CWSRF Program in the amount of \$29,541,000. The loan includes a "principal forgiveness" provision. The amount of the loan to be forgiven is 20% of the total loan disbursements made under the loan agreement. **The amount of the loan to be forgiven when the project is completed is estimated to be \$5,908,200. The actual true interest cost for total funds received was not the 2.00% borrowing rate (1.75% interest and 0.25% administrative fee), but just 0.07% after reflecting the receipt of interest free funds (forgiven portion).**

Then, in August 2017, the City was awarded \$1.4 million in funding for improvements with the Catfish Creek Watershed through the State of Iowa Water Resource Restoration Sponsored Project program as part of the City's State Revolving Fund loan for the Upper Bee Branch Creek Restoration Project. The funding for the \$1.4 million in improvements will come from the interest payments on the City's Upper Bee Branch SRF loan. The Upper Bee Branch Creek SRF loan principal was increased to \$30,941,000 and the interest rate plus the annual servicing fee was reduced from 2.00% to 1.43%. **On a gross basis, the borrowing costs for the new loan were \$1.38 million less than the original loan.**

City Utilities

The water rate increase recommendation is 5.00%, the sanitary sewer rate increase recommendation is 4.50%, and the solid waste collection rate increase recommendation is 1.63%. The City Council previously approved a 6.83% stormwater rate increase for Fiscal Year 2020 and this recommendation does not change that amount.

The following are the utility rate comparisons for other cities in the State of Iowa:

**RATES AND COMPARISONS**

Water Rate Comparison for Largest Iowa Cities with Water Softening

| Rank     | City                    | Water Rate<br>(6,000 Gallons/<br>residence avg.) |
|----------|-------------------------|--|
| 7        | West Des Moines (FY 20) | \$34.78  |
| 6        | Des Moines (FY 20)      | \$32.71  |
| 5        | Iowa City (FY 19)       | \$31.69  |
| 4        | Ames (FY 20)            | \$31.17  |
| <b>3</b> | <b>Dubuque (FY 20)</b>  | <b>\$30.74</b>                                   |
| 2        | Council Bluffs (FY 20)  | \$29.60  |
| 1        | Cedar Rapids (FY 19)    | \$28.77  |
|          | Average w/o Dubuque     | \$31.45  |

Dubuque's water is some of the best in the world! The highest rate (West Des Moines (FY 20)) is 13.14% higher than Dubuque's rate, and the average is 2.32% higher than Dubuque.

Sanitary Sewer Rate Comparison for Eleven Largest Iowa Cities

| Rank     | City                | Sanitary Sewer<br>Rate<br>(Based on 6,000<br>Gallons/month) |
|----------|---------------------|---|
| 11       | Ankeny              | \$61.66   |
| 10       | Davenport           | \$56.52   |
| 9        | Des Moines          | \$49.28   |
| <b>8</b> | <b>Dubuque</b>      | <b>\$42.24</b>  |
| 7        | West Des Moines     | \$39.89   |
| 6        | Iowa City           | \$36.17   |
| 5        | Ames                | \$33.65   |
| 4        | Sioux City          | \$33.04   |
| 3        | Cedar Rapids        | \$32.43   |
| 2        | Waterloo            | \$28.40   |
| 1        | Council Bluffs      | \$22.94   |
|          | Average w/o Dubuque | \$39.40   |

The highest rate (Ankeny) is 45.98% higher than Dubuque's rate, and the average is 6.73% lower than Dubuque.

## Solid Waste Collection Rate Comparison for Eleven Largest Iowa Cities

| Rank     | City                | Solid Waste Monthly Rate |
|----------|---------------------|--------------------------|
| 11       | Ames                | \$26.25                  |
| 10       | Cedar Rapids        | \$22.53                  |
| 9        | Council Bluffs      | \$18.00                  |
| 8        | Iowa City           | \$17.10                  |
| 7        | Sioux City          | \$16.30                  |
| 6        | Ankeny              | \$16.25                  |
| <b>5</b> | <b>Dubuque</b>      | <b>\$15.61</b>           |
| 4        | Des Moines          | \$13.20                  |
| 3        | Davenport           | \$12.64                  |
| 2        | Waterloo            | \$12.00                  |
| 1        | West Des Moines     | \$10.55                  |
|          | Average w/o Dubuque | \$16.48                  |

**The highest rate (Ames) is 68.16% higher than Dubuque's rate, and the average is 5.59% higher than Dubuque.**

## Stormwater Rate Comparison for the Largest Iowa Cities with Stormwater Fees

| Rank     | City                | Stormwater Rate |
|----------|---------------------|-----------------|
| 10       | Des Moines          | \$13.44         |
| <b>9</b> | <b>Dubuque</b>      | <b>\$8.29</b>   |
| 8        | Cedar Rapids        | \$6.12          |
| 7        | Ankeny              | \$5.50          |
| 6        | West Des Moines     | \$5.45          |
| 5        | Iowa City           | \$5.00          |
| 4        | Ames                | \$4.95          |
| 3        | Sioux City          | \$2.80          |
| 2        | Davenport           | \$2.80          |
| 1        | Waterloo            | \$2.75          |
|          | Average w/o Dubuque | \$5.42          |

**The highest rate (Des Moines) is 62.12% higher than Dubuque's rate, and the average is 34.58% lower than Dubuque.**

### Improvement Packages

There were 142 improvement level decision packages requested in Fiscal Year 2020, of which 116 are being recommended for funding. The recurring general fund expenditures total \$830,923 and will also impact future budget years. The non-recurring general fund expenditures total \$442,051. The remaining improvement packages recommended for funding from non-property tax support total \$304,768.

### State-Funded Backfill on Commercial and Industrial Property Tax

Commercial and Industrial property taxpayers previously were taxed at 100% of assessed value; however, due to property tax reform legislation in Fiscal Year 2013, a 95% rollback factor was applied in Fiscal Year 2015 and a 90% rollback factor will be applied in Fiscal Year 2016 and each year beyond. The State of Iowa committed to backfill the loss in property tax revenue from the rollback and the backfill 100% in Fiscal Year 2015 through Fiscal Year 2017 and then the backfill was capped at the Fiscal Year 2017 level in Fiscal Year 2018 and beyond. **The Fiscal Year 2020 State backfill for property tax is estimated to be \$1,032,700.**

Elements of the property tax reform passed by the Iowa Legislature in 2013 have created a tremendous amount of uncertainty in the City's budget process. While the State has committed to provide some funding for the City revenue reductions caused by the decrease in taxable value for commercial and industrial properties, key State legislators have been quoted in the media as casting doubt on the reimbursements continuing. In addition, the State's previous budget shortfall and need to replenish general fund reserves could cause legislators to reduce or eliminate the backfill in a special legislative session. **The projected City budgets beginning in FY 2021 show a \$206,540 reduction in the State Backfill payments each year over a five-year period.**

The projected reduction of State backfill revenue to the general fund is as follows:

| Fiscal Year | State Backfill Reduction |           |
|-------------|--------------------------|-----------|
| 2021        | \$                       | 206,540   |
| 2022        | \$                       | 206,540   |
| 2023        | \$                       | 206,540   |
| 2024        | \$                       | 206,540   |
| 2025        | \$                       | 206,540   |
| Total       | \$                       | 1,032,700 |

In the Tax Increment Financing (TIF) Economic Development and Slum and Blight Urban Renewal Districts in each of the five fiscal years in this budget recommendation, there is some built-in protection against the possibility that, at some point in time, the State of Iowa might stop funding the property tax reform backfill payments. In these TIF areas, the City allocating backfill in Fiscal Year 2021 and beyond. Each year the State funds the backfill will give the City greater resources to accomplish the intended goals of the TIF district that can be carried into the next budget year. There are numerous unfunded needs.

### Local Option Sales Tax

The City is beginning to see stagnation in local option sales tax revenues. Sales tax receipts are projected to increase 1 percent over the revised FY 2019 budget (+\$45,169). This follows a 4.36% decrease in FY 2017 and 2.78% decrease in FY 2018. The estimates received from the State of Iowa show a 4.35% decrease in the first two payments estimated for FY 2020 as compared to the first two payments budgeted for FY 2019. The following chart shows the past four years of actual sales tax funds and projected FY 2020:

| Sales Tax Funds     | FY16           | FY17          | FY18          | FY19 Revised  | FY20 Recomm'd |
|---------------------|----------------|---------------|---------------|---------------|---------------|
| PY Quarter 4 (Half) | \$818,018      | \$748,170     | \$748,108     | \$732,174     | \$700,311     |
| Quarter 1           | \$1,102,922    | \$1,112,755   | \$1,080,294   | \$1,066,816   | \$1,098,820   |
| Quarter 2           | \$1,136,167    | \$1,146,296   | \$1,109,978   | \$1,098,596   | \$1,131,553   |
| Quarter 3           | \$960,705      | \$960,626     | \$939,923     | \$954,021     | \$982,642     |
| Quarter 4 (Half)    | \$374,085      | \$374,054     | \$366,087     | \$371,578     | \$382,726     |
| Reconciliation      | \$255,657      | \$103,185     | \$77,018      | \$217,699     | \$190,000     |
| Total               | \$4,647,554    | \$4,445,085   | \$4,321,408   | \$4,440,884   | \$4,486,053   |
| <b>% Change</b>     | <b>+10.10%</b> | <b>-4.36%</b> | <b>-2.78%</b> | <b>+2.76%</b> | <b>+1.00%</b> |

While it is easy to blame this on e-commerce (ex: Amazon.com), and that certainly is having an impact, it cannot be forgotten that in March 2016 the State of Iowa amended the sales and use tax exemption provided by Iowa Code Sec. 423.3(47) for items used by manufacturers to specifically exempt qualifying “replacement parts” and “supplies.” While we cannot quantify this because the State does not provide sales information, the impact has probably been substantial. Effective July 1, 2018, the State eliminated the sales tax on potable water and replaced it with a water excise tax which is a loss of revenue of \$132,000 per year.

### Gaming Revenue

Gaming revenues generated from lease payments from the Dubuque Racing Association (DRA) are estimated to increase \$85,928 from \$4,901,176 in FY 2019 to \$4,987,104 in FY 2020 based on revised projections from the DRA. This follows a \$45,165 increase from budget in FY 2019 and a \$159,046 decrease from budget in FY 2018.

In Calendar Year 2018, gross gaming revenues at the Q Casino is up 4% and the Diamond Jo is up 1%. Overall, the Dubuque gaming market is up 2.2% for Calendar Year 2018. Q Casino's increase is due to the hotel renovation, new restaurant (Farmhouse), and new gaming product and entertainment mix. The DRA has projected a 1% increase in gross gaming revenue for Calendar Year 2019.

The State of Illinois passed a Video Gaming Act on July 13, 2009 that legalized the use of Video Gaming Terminals in liquor licensed establishments including bars, restaurants, truck stops and certain fraternal and veterans' organizations. In the part of Illinois that affects the Dubuque market, the first year of operation of video gaming terminals generated \$1 million in revenue monthly. The use of video gaming terminals has now grown to \$9.4 million monthly for the five counties closest to Dubuque and in a direct line with Rockford, IL, which has limited revenue to the gaming market in Dubuque. The Q Casino and Diamond Jo Casino average monthly revenue is \$10.8 million. The number VGT machines have increased by 84% since 2013. The five counties in Illinois had 1037

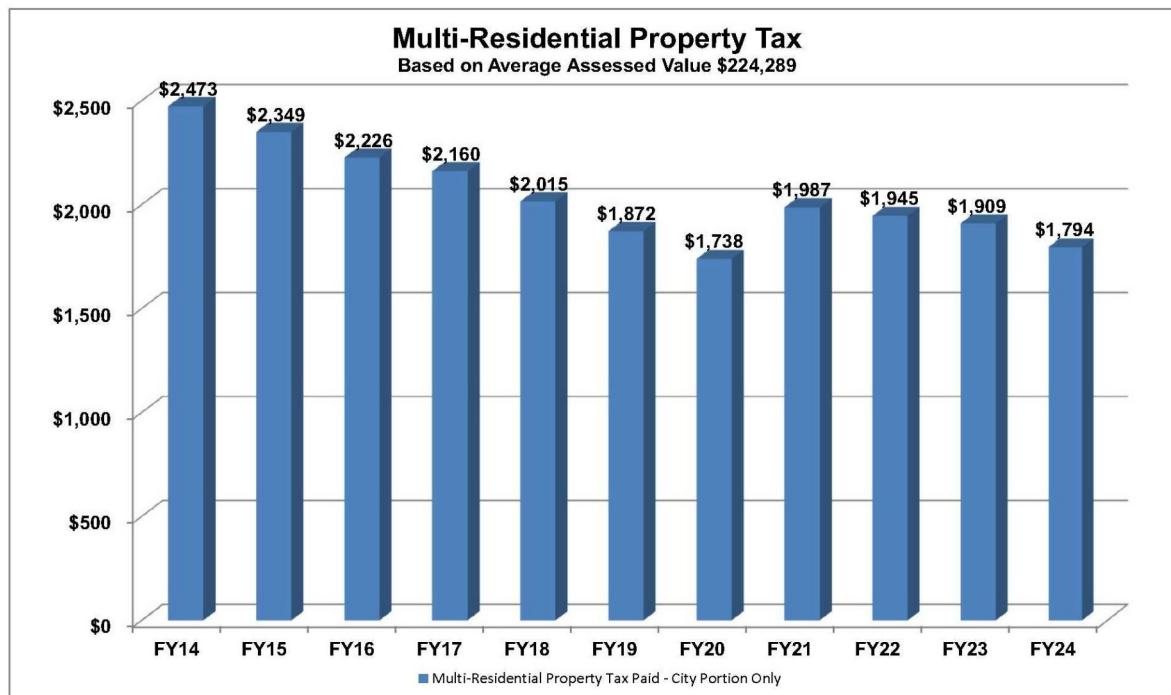
machines in 2013 and currently have 1906 machines. Currently, Q Casino has 833 Slot Machines and Diamond Jo has 916 for a total of 1,749 or 9% less. This is a similar impact of building approximately two more casinos halfway between Dubuque and Rockford.

### Multi-Residential Property Tax Classification

Beginning in Fiscal Year 2017 (July 1, 2016), new State legislation created a new property tax classification for rental properties called multi-residential, which requires a rollback, or assessment limitations order, on multi-residential property which will eventually equal the residential rollback. Multi-residential property includes apartments with three or more units. Rental properties of two units were already classified as residential property. The State of Iowa will not backfill property tax loss from the rollback on multi-residential property. The rollback will occur as follows:

| Fiscal Year  | Rollback % | Annual Loss of Tax Revenue |
|--------------|------------|----------------------------|
| 2017         | 86.25%     | \$331,239                  |
| 2018         | 82.50%     | \$472,127                  |
| 2019         | 78.75%     | \$576,503                  |
| 2020         | 75.00%     | \$690,766                  |
| 2021         | 71.25%     | \$1,343,477                |
| 2022         | 67.50%     | \$1,205,053                |
| 2023         | 63.75%     | \$1,292,051                |
| 2024         | 56.92%     | \$1,482,348                |
| <b>Total</b> |            | <b>\$7,393,564</b>         |

**This annual loss in tax revenue of \$690,766 in Fiscal Year 2020 and \$1,482,348 from multi-residential property when fully implemented in Fiscal Year 2024 will not be backfilled by the State.** From Fiscal Year 2017 through Fiscal Year 2024 the City will lose \$7,393,564 in total, meaning multi-residential rental property owners will have paid that much less in property taxes. Fiscal Year 2021 shows a revenue increase from FY 2020 because of an expected reassessment of values based on sales records. If this is not done the State of Iowa will issue an equalization order.



### Health Insurance

The City portion of city employee health insurance expense is projected to decrease from \$1,193 per month per contract to \$921 per month per contract or a 23% reduction (based on 562 contracts) in Fiscal Year 2020 (General Fund savings of \$1,266,501). The City of Dubuque is self-insured and actual expenses are paid each year with the City only having stop-loss coverage for major claims. Estimates for Fiscal Years 2021-2023 have been increased by 5.62% per year.

The City went out for bid for a third-party administrator in FY 2017 and the estimated savings have been exceeded from the new contract and actual claims paid. In addition, the Firefighters Collective Bargaining Group began paying an increased employee health care premium sharing from 10% to 15% on July 1, 2018 matching all other City employees (except the Police Collective Bargaining Group). During FY 2018, the City went out for bid for benefit provider for the prescription drug plan and there is an estimated \$243,808 in savings resulting from the bid award.

The following chart demonstrates the health plan cost savings due to a new third party administrator (TPA) for the health plan and a new pharmacy coalition:

| Fiscal Year   | Without TPA RFP            |          | With Wellmark and New Pharmacy Coalition |          |
|---|----------------------------|----------|--|----------|
|   | Amount                     | % Change | Amount                                   | % Change |
| 2016 Actual   | \$ 9,622,297               |          |  |          |
| 2017 Actual   | \$ 11,080,429              | 15.15%   |  |          |
| 2018 Projected  | \$ 11,780,712              | 6.32%    | \$ 8,928,974                             | -19.42%  |
| 2019 Projected  | \$ 12,525,253              | 6.32%    | \$ 8,357,073                             | -29.06%  |
| 2020 Projected  | \$ 13,316,849              | 6.32%    | \$ 8,794,727                             | -29.78%  |
|   | \$13,316,849               |          |  |          |
|   | \$8,794,727                |          |  |          |
| <b>FY20 Savings due to new TPA and Pharmacy Coalition</b> |                            |          |  |          |
|   | <b><u>-\$4,522,122</u></b> |          |  |          |

With Wellmark as the new third party administrator, FY 2018 actual savings was \$2,151,455 (19.42%) as compared to FY17 actual. The projected savings budgeted in FY 2018 was \$897,443. The actual health plan savings in Fiscal Year 2018 exceeded the budget by \$1,254,012, which increased the health insurance reserve. In FY 2019, the City projects a reduction in health costs (through December 2018 experience) of \$571,901 (6.4%) from FY 2018 actual. The reduction in health costs in Fiscal Year 2018 and the continued reduction in Fiscal Year 2019 allowed the City to reduce the City portion of city employee health insurance expense from \$1,193 per month per contract in Fiscal Year 2019 to \$921 per month per contract in Fiscal Year 2020, a 23% reduction (based on 562 contracts) in Fiscal Year 2020 (General Fund savings of \$1,266,501).

### Housing Tax Increment Financing

Dubuque's four Housing Tax Increment Financing (TIF) Districts (Timber-Hyrst, English Ridge, South Pointe, and Rustic Point) will generate an estimated \$11.0 million from Fiscal Year 2018 - 2024, with at least 37.9% (\$5.1 million) going to affordable housing needs, mainly through the CHANGE

program in partnership with groups like Community Housing Initiative, True North Development Corporation, and the HEART Program.

The successful use of Housing TIFs to create incentives for more residential development is important to encourage population growth in the city limits and increase assessed values. It is also important as the Dubuque Community School District is experiencing the fifth consecutive year of declining enrollment and, at 10,430 students, is 304 (2.8%) less than the near term peak year of 10,734 in school year 2006/2007.

### **Council Priorities and Individual Projects**

Dubuque city government is progressive and financially sound with residents receiving value for their tax dollars and achieving goals through partnerships. The City of Dubuque government's mission is to deliver excellent municipal services that support urban living; contribute to an equitable, sustainable city; plan for the community's future; and facilitate access to critical human infrastructure.

#### **Central Avenue Corridor Revitalization: Streetscape and Business Development**

The Central Avenue Corridor Initiative is focused on the Central Avenue Corridor from 14<sup>th</sup> to 22<sup>nd</sup> Street. The corridor features a wide variety of historic buildings offering commercial and retail opportunities on the ground floor and residential spaces on upper floors. The goal of the initiative is the economic revitalization of the corridor through community engagement, educational outreach, and community-informed streetscape and design. In FY 2019, the City Council awarded a contract through the Building Services Department to inventory the condition of all the downtown commercial buildings including this section.

The FY 2020 CIP includes funding for the Central Avenue Corridor Initiative (\$240,000 in FY 2021 and \$40,000 in FY 2022). A secondary capital improvement project for the Central Avenue Corridor is the Central Avenue Streetscape Master Plan Implementation and is funded in FY 2020 - 2022 (\$100,000 in FY 2020; \$120,000 in FY 2022; and \$20,000 in FY 2022). In addition, the City is funding the Downtown Rehabilitation Grant Program (\$100,000 in FY 2020, \$70,000 in FY 2021 and FY 2022, \$60,000 in FY 2023, and \$50,000 in FY 2024).

#### **Community-Wide Solar (Renewable Energy) Strategy**

A community-wide strategy that seeks to advance renewable energy adoption was undertaken in 2017; solar installations at residential, commercial, and utility scales were specifically targeted. The work builds on recommendations implemented through the Iowa Economic Development Authority's Rooftop Solar technical assistance in 2016, which aimed to reduce the soft costs of solar installations. Solar arrays were installed on the rooftops of five of Dubuque's six fire stations. Combined, the stations will avoid emitting approximately 3,740 tons of carbon dioxide over the life of the panels, or the equivalent of the annual electric use of 425 homes.

Alliant Energy funded and completed construction of "solar gardens" at two sites in Dubuque to form the largest solar development in the state of Iowa. This project was conducted in collaboration with the City of Dubuque and Greater Dubuque Development Corporation. Over 15,000 solar panels were installed on 21 acres of City-owned property north of Humke Road in Dubuque Industrial Center West. Over 3,500 solar panels were installed on six acres owned by A.Y. McDonald Mfg. Co.

along U.S. 61/151, near the 16th Street detention basin. In 2018, the project was awarded the EPA National Notable Achievement Award.

In 2019, the 50% by 2030 Community Climate Action & Resiliency Plan will be updated with mitigation and adaptation strategies to meet the community-wide goal. An Energy Strategy that includes efficiency and renewables, and analyzes both through an equity lens, will be incorporated into the Plan. Building on existing partnerships, data regarding energy use in municipal facilities will be analyzed in order to prioritize additional solar installations. Policies and existing funding sources will be examined in order to identify opportunities to incent and/or require energy efficiency and renewable energy improvements in existing buildings and new construction.

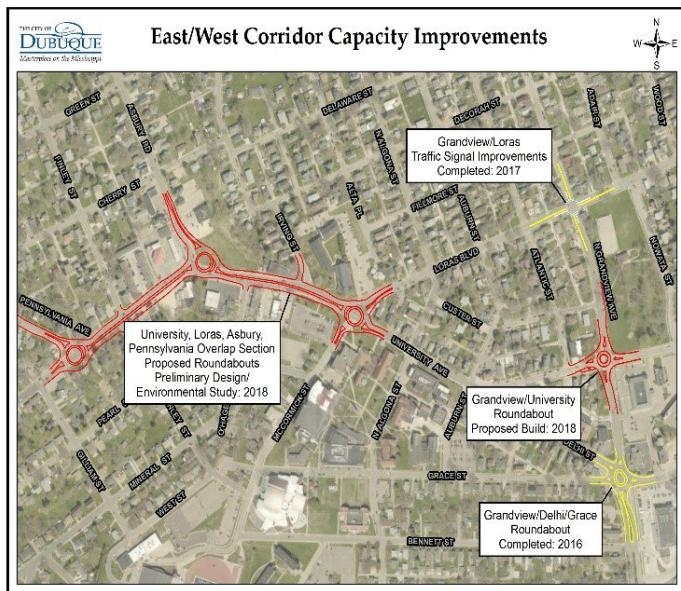
The FY 2020 CIP includes funding for the Downtown Non-Profit Weatherization Assistance to assist non-profits in the Greater Downtown TIF area to make energy efficiency improvements to their buildings, including weatherization measures, HVAC system upgrades, access alternative energy sources, and other work to decrease their utility bills.

### **East-West Corridor Study: Implementation**

The US Highway 20 corridor is the primary east-west route in the City of Dubuque and future traffic volume projections indicate US Highway 20 alone will not provide sufficient capacity for east-west travel in the City. Capacity along alternate east-west corridors will need to be improved to provide connectivity between the western growth areas and the downtown urban core. In February 2012, the City Council formally adopted the East-West Corridor Connectivity Study and directed City staff to begin implementation plans. The study included recommended improvements supporting complete streets concepts, multi-modal transportation, vehicle, pedestrian, bicycle, and recreational improvements. In 2016, the Grandview Ave. and Delhi Street intersection was converted to a roundabout. After an intensive community engagement and education process, the conversion has decreased delay times and has been met with overwhelmingly positive support.

In August 2017, the City Council listed the East - West Corridor Capacity Improvement Implementation as a “Top-Priority” in its 2017-2019 Goals and Priorities. In an effort to advance this top priority, the City has already completed the following improvements:

| <b>Project</b>                    | <b>Year</b> | <b>Cost</b>         |
|-----------------------------------|-------------|---------------------|
| Property Acquisition              | 2016        | \$ 853,300          |
| Grandview - Delhi Roundabout      | 2016        | \$ 827,000          |
| Loras - Grandview Traffic Signals | 2017        | \$ 370,300          |
| University - Grandview Roundabout | 2018        | \$ 1,200,000        |
| <b>Total Improvements To-Date</b> |             | <b>\$ 3,250,300</b> |



In July 2018, the City applied for an \$18.1 million U.S. Department of Transportation Better Utilizing Investments to Leverage Development (BUILD) grant request to assist in funding both multi-modal and capacity improvements within the identified East-West Corridors. Staff was notified in December 2018 that the City was not selected to receive a BUILD grant.

Following the BUILD grant announcement, the City has an opportunity to move forward and advance the development of East-West Corridor Capacity Improvements utilizing the new Iowa DOT Federal Aid SWAP Policy. Effective October 2018, the new Federal Aid SWAP Policy allows federal funds normally allocated to cities or counties to be replaced with State of Iowa Primary Road funds on a dollar-for-dollar basis. The goal of the new policy is to increase efficiencies and help local governments reduce the level federal oversight, regulations and requirements. Additionally, the use of Primary Road funds will be reimbursed at 100% of eligible costs which eliminates the requirement for local governments to provide a 20% local match.

In January 2019, the City began the process to de-federalize the East-West Corridor project by paying back the federal funds previously used for property acquisition. Staff will then work with the Iowa DOT to process a new funding agreement to allow for the use of state SWAP funds.

Once the SWAP funding agreement is in place, staff will be able to use the available funds (\$3,278,000) programmed in FY2018-2019, to complete the preliminary engineering and environmental (NEPA) study phase for intersection capacity improvements along University Avenue at Loras Boulevard, Asbury Road, and at Pennsylvania Avenue.

An additional \$8,750,000 is programmed from FY 2020 through FY 2022 for the East-West Corridor Study Implementation to fund improvements in the "Overlap Section". The section of University Avenue, from Pennsylvania Avenue to Loras Boulevard, referred to as the "Overlap Section" was recommended for converting the three intersections along University Avenue to roundabouts.

### **Chaplain Schmitt Island Veterans Pond Development**

The Dubuque Racing Association (DRA) entered into an agreement for improvements to the Veterans Memorial pond and area surrounding it on Chaplain Schmitt Island. The DRA is contributing \$3.22 million for the improvements. This will pay for 100% of the construction project. The City will maintain the improvements once complete through City staff or a private contractor. Maintenance costs will be reimbursed by the DRA. RDG has been retained to take the concept plan approved as a part of the agreement. The Chaplain Schmitt Project Advisory Committee to assist in moving the project forward. It is anticipated that the project will be complete by Memorial Day of 2020.

### **Crime Prevention Program Expansion**

Key issues for this new City Council High Priority include early intervention, identification of best practices and diversion options, identification and expansion of partnerships, data analysis to analyze crime statistics and identify locations of high impact crimes, the CHANGE program, restorative justice programs, and public information efforts to identify desired outcomes of existing programs.

Efforts underway and under development that support this priority include:

- Mental health and policing were topics throughout the report. In 2018, the Dubuque Police Department hosted Crisis Intervention Team (CIT) training and 15 officers were trained in the nationwide model, and 3 became trainers and train all new officers. Also in 2018, 10 officers received Mental Health First Responder training. The department continues to partner in several local groups on the topic of mental/brain health, to ensure individuals get treatment as opposed to incarceration.
- The police department is exploring options in the juvenile justice system beyond traditional court actions. The Dubuque Police Department is collaborating with Juvenile Court Services, the Dubuque Community School District and the Dubuque Y to develop and implement a program built around Restorative Strategies, which hold offenders responsible for their actions while avoiding the formal criminal justice system.
- The City is a member of the Government Alliance on Race and Equity (GARE), and the Police Department actively participates in regular conference calls with peers in law enforcement to discuss best practices for topics like equity in hiring and enforcement.
- The Dubuque Police Department added a new command position in 2018, increasing the authorized strength of the Police Department from 109 to 110 sworn positions. This new position absorbed oversight of special operations teams from other supervisors, thus allowing the supervisors to focus on proactive patrol and crime prevention efforts. Another Police Officer position is being recommended to be added in Fiscal Year 2020. This will start a 3 year process to add 3 Police Officer positions to strengthen the School Resource Officer program partnership with the Dubuque Community School District bringing the number of School Resource Officers to 8 and bringing the Police Department to an authorized strength of 113 sworn officers.

- Chief of Police Mark Dalsing provides the following table comparing annual crime statistics:

**"Part I" Crimes for Calendar Years 2012-2018**

Compiled by the Dubuque Police Department

| Performance Measures                  | CY12         | CY13         | CY14*        | CY15         | CY16         | CY17         | CY18         | Avg.         | CY18% Over/Under CY17 | CY18% Over/Under Average | CY18% Over/Under Peak Year |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------|--------------------------|----------------------------|
| <b>No. of Crimes Against Persons</b>  | <b>186</b>   | <b>208</b>   | <b>220</b>   | <b>265</b>   | <b>243</b>   | <b>203</b>   | <b>190</b>   | <b>216</b>   | <b>-6.4%</b>          | <b>-12.2%</b>            | <b>-28.30%</b>             |
| Murder                                | 2            | 0            | 0            | 5            | 1            | 2            | 1            | 2            | <b>-50.0%</b>         | <b>-50.0%</b>            | <b>-80.0%</b>              |
| Sexual Assault                        | 43           | 38           | 61           | 80           | 98           | 90           | 75           | 68           | <b>-16.7%</b>         | <b>10.3%</b>             | <b>-23.5%</b>              |
| Robbery                               | 21           | 32           | 20           | 27           | 26           | 16           | 29           | 24           | <b>81.3%</b>          | <b>20.8%</b>             | <b>-9.4%</b>               |
| Aggravated Assault                    | 120          | 138          | 139          | 153          | 118          | 95           | 85           | 127          | <b>-10.5%</b>         | <b>-33.1%</b>            | <b>-44.4%</b>              |
| <b>No. of Crimes Against Property</b> | <b>1,992</b> | <b>1,791</b> | <b>1,662</b> | <b>1,953</b> | <b>1,875</b> | <b>1,667</b> | <b>1,543</b> | <b>1,783</b> | <b>-7.4%</b>          | <b>-13.5%</b>            | <b>-22.5%</b>              |
| Burglary                              | 583          | 431          | 416          | 548          | 420          | 331          | 299          | 455          | <b>-9.7%</b>          | <b>-34.3%</b>            | <b>-48.7%</b>              |
| Burglary to Motor Vehicle             | 298          | 231          | 168          | 106          | 144          | 157          | 145          | 184          | <b>-7.6%</b>          | <b>-21.2%</b>            | <b>-51.3%</b>              |
| Theft                                 | 1,080        | 1,103        | 1,035        | 1,245        | 1,235        | 1,116        | 1,036        | 1,136        | <b>-7.2%</b>          | <b>-8.8%</b>             | <b>-16.8%</b>              |
| Theft of Motor Vehicle                | 31           | 26           | 43           | 54           | 76           | 63           | 63           | 49           | <b>0.0%</b>           | <b>28.6%</b>             | <b>-17.1%</b>              |
| <b>Total</b>                          | <b>2,178</b> | <b>1,999</b> | <b>1,882</b> | <b>2,218</b> | <b>2,118</b> | <b>1,870</b> | <b>1,733</b> | <b>2,000</b> | <b>-7.3%</b>          | <b>-13.4%</b>            | <b>-21.9%</b>              |

\* Switch to Sungard software August 2014

 High Year

For Uniform Crime Reports, Crimes Against Persons, the calendar year 2017 national average clearance rate was 45.6%, while the Dubuque Police Department's calendar year 2018 clearance rate is 88%.

The number of confirmed "shots fired" calls were down from 33 in the high year 2015, 26 in 2016, 20 in 2017, and to 5 in 2018 (a 85% decrease from 2015). Five shots fired is still not acceptable, but the continued reduction is an improvement.

To improve the safety of Dubuque's housing stock, the International Property Maintenance Code was adopted in July 2016 and applies to all property types and provides a standard for property maintenance and minimum requirements. During Fiscal Year 2019, an additional Housing Inspector position was added and the City Council approved a tiered rental inspection system.

The City's network of security and traffic cameras grew to nearly 1,120 in 2018. As part of the City's efforts to enhance street lighting, 11 new mid-block poles and LED lights were added to the Washington Neighborhood in summer 2017. As part of the City's efforts to enhance street lighting, the City now owns 2,307 street lights, of which 1,148 are LED. Alliant owns 2,612 street lights, of which 1,405 are LED.



## Comprehensive Plan

In September 2017 the Mayor and City Council adopted a new comprehensive plan, "Imagine Dubuque 2037: A Call to Action." The comprehensive plan serves as a guide for the community's physical, social, and economic development. It can only be considered successful through the input and implementation of the community at-large. Engaging the community in a conversation about the future of Dubuque was at the core of the Imagine Dubuque process. Comprehensive plans are policy guides. Unlike zoning or city codes, they are not regulatory in purpose or application. Information in the Comprehensive Plan is used in many facets of city life. **Of greatest note is its role in informing City Council goal setting, which creates the annual budget priorities and land use decisions; the plan is not a substitute for the annual City Council goal setting process.**

As stated in the plan, "It is hoped that you will heed this call to action. It is your responsibility to develop the action steps, create the strategies for success, be inclusive in your efforts, and make your community sustainable and resilient. These are your ideas and you have the responsibility to participate and move them forward."

It was imperative to city leadership that the process of developing the comprehensive plan be inclusive and representative of the community. A year of community outreach produced over 12,500 ideas from all sectors of Dubuque. This outreach took many forms, from casual conversations at pop-ups events such as the Farmers' Market to focus groups, workshops, surveys, and on-line submissions. Beginning with Dubuque's Vision 2000 process initiated in 1990, the City has developed a tradition of local community planning excellence, and the comprehensive plan integrates those past planning efforts into one consistent vision for the community's future.

The comprehensive plan serves as a guide for the community's physical, social, and economic development. It is a community-wide resource that can only be considered successful through the input and implementation of the community at-large. Engaging the community in a conversation about the future of Dubuque was at the core of the Imagine Dubuque Comprehensive Planning process. That focus on listening intently to residents and tackling community-wide challenges together is one of the key reasons Dubuque was named an All-America City by the National Civic League four times in just 10 years!

Communities are dynamic - economic conditions change, technology causes change, and people change. A comprehensive plan must, in turn, be dynamic.

The Fiscal Year 2020 recommended budget includes \$20,000 for continued consultant assistance with implementation of the 2017 Imagine Dubuque Comprehensive Plan. The Plan's Call to Action, making implementation a community-driven rather than City-led effort, requires a second year of consultant support to achieve a successful hand-off to City Planning Services staff to assume the role of the backbone organization.

## Traffic/Security Camera System

In 2018, the City has installed 52 new cameras, along with 4.75 miles of conduit and many miles of fiber that will allow for future camera installation. The following is a list of areas where cameras have been added in FY18.

| <b>New Cameras</b>                 | <b>Updated Cameras</b>     | <b>Updated Cameras</b>             |
|------------------------------------|----------------------------|------------------------------------|
| University at Nevada               | US 20 at NW Arterial       | US 151 at Maquoketa                |
| Grandview at University            | NW Arterial at Plaza Drive | Jackson at 20th                    |
| US 20 at Old Highway Road          | Central at 14th            | NW Arterial at Pennsylvania        |
| Locust at US 20                    | Main at 3rd                | NW Arterial at Central Ave (US 52) |
| Locust at Locust Connector         | US 20 at Crescent Ridge    | White at 11th                      |
| University at West Minster         | Pennsylvania at Hempstead  | Iowa at 9th                        |
| University at Pennsylvania         | Main at 12th               | Highway 151 at Jones Street        |
| Pennsylvania at Irving             | Main at 13th               | Highway 151 at Connector           |
| US 20 at Hill Street               | Main at 14th               | Highway 151 at 5th Street Ramp     |
| Windsor at 22nd St                 | Iowa at 12th               | Hill at Bryant St.                 |
| Windsor at Rhomberg                | Locust at 4th              | US 20 at Hill Street               |
| Rhomberg at Marshall School        | Locust at 5th              | Kerper and 151 Ramp                |
| Bluff at 9th                       | Iowa at 5th                | Kerper at 16th                     |
| Pennsylvania at Hempstead          | White at 5th               | Iowa at 9th                        |
| Kerper at Fengler                  | Loras at Walnut            | Jackson Park                       |
| Kerper at Shiras                   | Hill at 5th                | Locust at 16th St                  |
| Asbury Road at Western City Limits | Loras at Alta Vista        |                                    |
| NW Arterial at Central Ave (US 52) | Asbury at Bonson           |                                    |
| Rhomberg at Hawthorne              | Main at 9th                |                                    |

In addition to the new cameras, another 67 cameras were replaced because of newer technology or camera failure. These newer cameras have a higher resolution and Wide Dynamic Range feature which allows them to see better in all light conditions. Today, there are 620 Traffic/Security cameras recorded through the Traffic Operations Center in City Hall. The remaining 505 cameras are recorded at various servers throughout the City. The recommended budget has funding for additional cameras in the amount of \$495,138 from FY 2020 through FY 2024. Additional funding is also allocated to the network of fiber optics that supports the camera system; Traffic Signal Fiber Optics, West Locust Fiber Redundant Path, Fiber Infrastructure Management System, and Fiber Optic Conduit Miscellaneous (\$922,450).

### **Dilapidated Buildings/Structures**

City Council executed a contract for a dilapidated building/structure identification and assessment program beginning in the FY 2019. The total project cost is \$123,900 funded in FY 2019. The project will result in a complete inventory and evaluation of all buildings in the Greater Downtown Urban Renewal District (GDURD). Essential to this project will also be the development of a revitalization plan for buildings and areas identified in the assessment.

The project will be implemented in three phases: identification, evaluation, and planning. Phase one will include the identification of all buildings and structures in the GDURD deemed to be substandard and/or where an illegal activity or use is evident. The current property maintenance code will be used as the principle standard by which conditions are assessed. In phase two, the exterior of buildings and structures will be evaluated for their feasibility of rehabilitation. The third and final phase of the project will be development of the revitalization plan. The plan will be organized by building concentrations and neighborhood impact. The plan will involve inclusive community engagement opportunities to help

inform the community revitalization strategies, responsibilities, and resources necessary to address dilapidated conditions and revitalization on a neighborhood level.

Beginning in the Fiscal Year 2020 budget, there is a Downtown Urban Renewal Area Non-Profit Accessibility Assistance Program to assist with accessibility improvements to existing public buildings either owned or operated by the non-profit (\$100,000 each year) and a Downtown Non-Profit Weatherization Assistance to assist non-profits in the Greater Downtown TIF area to make energy efficiency improvements to their buildings, including weatherization measures, HVAC system upgrades, access alternative energy sources, and other work to decrease their utility bills.

### **Five Flags Center**

A work group of city staff reported to the City Council referendum time frames, referendum questions and a traffic study regarding the closure of 5th Street. Conventions, Sports and Leisure International completed Phase 2 planning for an expanded and improved Five Flags Civic Center based upon diving deep into scenario 4. The Phase 2 Study was received and filed by the City Council on December 21, 2018. The Fiscal year 2020 budget includes \$12,000 for elevator upgrades, \$50,000 in FY 2021 for exterior brick wall replacement, \$25,000 for accessibility building modifications and \$255,000 for arena stage deck replacement in FY 2022, \$200,000 for arena concert audio reinforcement in FY 2023, and \$6 million in FY 2024 to repair the existing facility if the City council chooses not to do a referendum or the referendum is held and fails.

### **Winter Farmers Market**

In September of 2018 the City Council approved an agreement with Four Mounds to use the former Colts building owned by the City from November of 2018 through February of 2019. Leisure Services and other city staff worked with Four Mounds and the Winter Farmers Market Volunteer Coordinator to look at locations available for the Winter Farmers Market. Winter Farmers Market has arranged to move the Winter Farmers Market in February 2, 2019 to the Roshek building

### **Pet-Friendly Community**

The Mayor provided information about a pet friendly community assessment and information related to it from the US Conference of Mayors. The City Council approved a pet friendly community action plan process at their November 19, 2018 meeting. Members have been requested and appointed. Staff is setting up meetings and agenda topics. The Council requested the results of the assessment be presented to them prior to the August, 2019 goal setting sessions.

### **Campaign for Grade Level Reading**

A Grade Level Reading Steering committee is being led by the Community Foundation of Greater Dubuque. One of their focuses is to develop a community solutions action plan. The Partners in Learning AmeriCorps program places AmeriCorps members to tutor children in the Dubuque Community School District kindergarten through third grade classrooms. For the last academic year (2017-2018) the AmeriCorps program was a huge success. 97% or 462 out of 476 students who worked with AmeriCorps members 30 times or more improved their FAST Composite Score and are assessments the Dubuque Community School District uses to assess student's reading proficiency.

### **Multicultural Family Center Expansion**

The money to fund the expansion has been approved prior and will be a part of the winter 2019 bond sale. The total construction budget is approximately \$1.56 million. 563 Design has been contracted for the final design, bid specification preparation and construction management for the project. It is estimated that the bid specification will be completed in the summer of 2019 with construction in later 2019 and early 2020.

### **Comiskey Park Renovation**

The \$1.2 million project is funded by city funds and grant funds. Saiki Design was approved by City Council to perform engagement, design, construction management and grant administration services for the project. Spring and summer of 2019 there will be engagement activities. The project is heavily weighed for engagement of our marginalized community members. It is anticipated that the project would be bid later in 2019 with renovation work potentially late 2019. Completion would be set for late summer or early fall of 2020.

### **Inclusive Dubuque: Continue Support & Participation**

As an Inclusive Dubuque network partner, the City's Equity Teams continued their work. The Core Team worked with six departments to complete departmental equity plans and also assisted three more departments in identifying internal teams and completing assessments so they can begin their department plans. The Recruitment & Retention Team established a City workforce data baseline along with parameters for ongoing data collection in preparation for the hiring of the Strategic Workforce Equity Coordinator. The Cash Out Team piloted an end of year equity reporting structure with Contracted and Purchase of Service partner, reviewed responses, and is now implementing quarterly reports and working with partners to discuss community level indicators and program performance measures for 2020 contracts. Other equity work included introductory equity and inclusion training for all new City hires and an in-depth four-day workshop for City staff and community partners.

Launched in 2013, Inclusive Dubuque is a local network of leaders from faith, labor, education, business, nonprofit, and government dedicated to advancing justice and social equity in our community. The network began informally in early 2012 with less than a dozen community organizations and businesses beginning a conversation about the need for a collaborative effort around inclusion and equity in Dubuque. Today, the network consists of over 70 organizations and individual community members. Quarterly meetings of the full network provide an opportunity for partners to share ideas, review recent community activities related to diversity, equity, and inclusion, and offer an opportunity for ongoing networking among the group's members.

The Housing & Neighborhoods Sector Group led by Tom LoGuidice (NAACP member) and Tom Smith (property owner) has been focusing recently on the Housing Choice Voucher program and developed a series of draft recommendations related to resident and housing provider education. In December, the group shared these initial recommendations and obtained feedback from network partners and other impacted community organizations.

## **Training Opportunities:**

### Best Practices in Diversity, Equity & Inclusion

In September of 2018 we kicked off the second year of this 9-month peer-learning training series with 40 registered participants from corporate, academic, governmental, and non-profit organizations. These monthly 2-hour learning opportunities empower participants to create pathways that lead to increased self-awareness, recruitment, retention and improved workforce culture. Members of the Peer Learning Council - a subset of the Inclusive Dubuque network, drafted the curriculum and facilitate the monthly sessions.

### RaceForward: Advancing Equity

CFGD partnered with the national action institute Race Forward, one of the pre-eminent organizations helping communities across the United States to improve outcomes for all communities with a particular emphasis on racial equity. Race Forward catalyzes local communities, government, and other public and private institutions to dismantle structural racial inequity. Their work to craft and apply strategies and tools to transform our nation's policies and practices to create equitable outcomes for all is perfectly suited for the work that lies ahead for Greater Dubuque to fulfill its potential as a healthy, welcoming community.

Beginning in August of 2018 and concluding in January of 2019, this series consisted of four, 8-hour days of training that were attended by 43 participants representing 20 different non-profit organizations from across the community. This combination of training, strategic planning, and technical assistance allowed participants to build shared language and definitions on racial equity; assess our readiness for action; learn how to most effectively apply racial equity analysis tools; and expand their local ability to build skills and collaboration for racial equity.

### **Business Leader Equity Cohort**

In the fall of 2018 the Community Foundation partnered with the business community to establish a working group made up exclusively of executives from the Dubuque region called the Business Leader Equity Cohort. This newly-formed cohort is a group of CEOs, Presidents, and other C-level representatives from major business in the community who come together to share experiences and learn best practices for creating a culture of diversity, equity and inclusion across their organizations - from hiring to customer relations. The cohort held its initial meeting in October of 2018, a subsequent meeting in January of 2019, and is planning to continue to meet on a bi-monthly basis. To date, leaders from 18 different businesses have participated and additional leaders have expressed interest in joining the cohort. The meetings are facilitated by Oather Taylor, a recently retired Director of Diversity and Recruitment at Alliant Energy.

### **Julien Dubuque International Film Festival (JDIFF)**

CFGD sponsored two films at the 2018 film festival. The movie *Joy*, shared the story of a young African-American woman who struggled with the conflict between her personal feelings about inclusion and the external image that she portrayed publicly to others. The movie *Los Lecheros* highlighted the plight of the immigrant workers on a Midwest dairy farm. Both of these movies align closely with the key values of our foundation - building awareness around the importance of ensuring equity and promoting economic opportunity for all people. This screening event was very well attended, and included a panel discussion with the movie's actors and directors.

### **PolicyLink/National Equity Summit - Chicago, IL**

Equity summits amplify the significant achievements and strategic breakthroughs of the equity movement, allowing participants to learn from each other, strengthen our movement, and accelerate

progress. CFGD supported 8 community members in joining thousands of others April 11-13, 2018, in Chicago. The attendees explored the complexity and urgency of building a multiracial coalition at this pivotal moment for our nation.

### **Washington Garden/Neighborhood Engagement**

CFGD partnered with two residents from the Washington Neighborhood who manage the neighborhood garden and engage with the residents, driven by the premise that face-to-face interactions with your neighbors promotes inclusion in our communities. Gardening activities, streetscape landscaping, and mural street painting were just some of the events hosted in the neighborhood that helped to bring residents together.

### **Equity Coordinator Position**

The Community Foundation of Greater Dubuque updated the Inclusive Dubuque Coordinator position description to align with current activities and has filled the new position of Equity Coordinator. Collins Eboh started in the position on January 2, 2019. The new Equity Coordinator will be responsible for:

- Supporting the Inclusive Dubuque Network;
- Supporting the Business Equity Leader Cohort;
- Coordinating training programs such as Best Practices in Diversity, Equity, and Inclusion and Race Forward's Racial Equity Training for non-profits;
- Managing grants with an equity component;
- Managing communications around equity;
- Partnering with CFGD staff to conduct collective impact equity work such as the Campaign for Grade Level Reading, Project H.O.P.E., and work on community mental health needs.

In the coming year, network partners will continue to work to address inclusion, equity, and workforce priorities in the community. An "Equity Report" will document community efforts. Internally, City staff will continue towards integrating equity into the organization's performance measures, focusing on the use of an equity lens to examine service delivery, community engagement, staff recruitment and retention, and the impact of purchased and contracted services.

### **Opportunity Dubuque**

The Opportunity Dubuque program was launched in 2012 to meet the needs of local employers who were experiencing difficulty hiring CNC Machinists and Welders through short-term certification through Northeast Iowa Community College. Since then, the program has expanded to include certificates of training in other areas of manufacturing, as well as construction, transportation, customer services and healthcare. To ensure student success, each student works with a success coach throughout the recruitment, training, and employment process. Due to initial low enrollment of minority participants in Opportunity Dubuque, Greater Dubuque Development partnered with Northeast Iowa Community College to hire an Outreach Success Coach in 2015 to intentionally engage minority students to enroll in the program. The program now includes two success coaches who build relationships within the community and among non-profits organizations that serve a wide range of student populations, including minority populations. Some examples of these organizations are Iowa Workforce Development, The Dubuque Dream Center, The Multicultural Family Center, City of Dubuque Housing, Resources Unite, Fountain of Youth, The Department of Corrections, The Department of Human Services, and Opening Doors. They also work closely with various community health and mental health facilities to help educate front line staff with Opportunity Dubuque program information. Because of these strong community relationships and targeted recruitment efforts, the

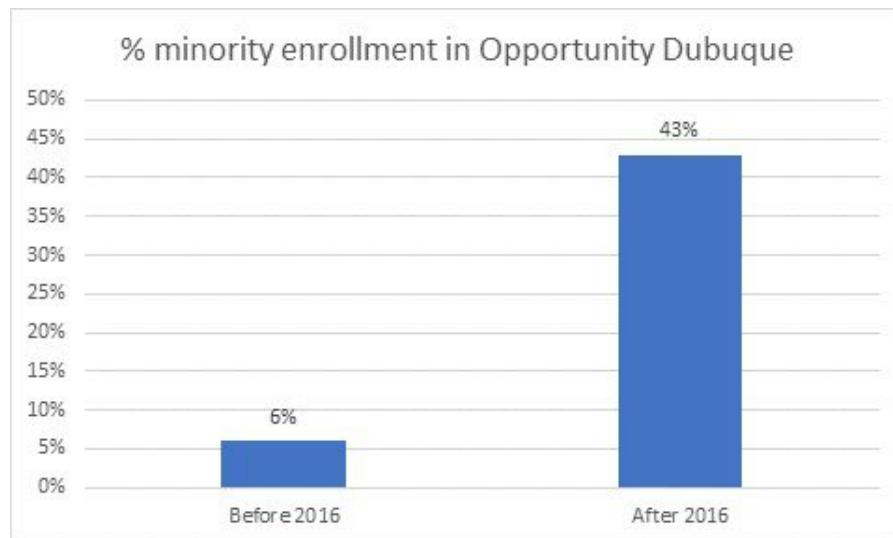
Opportunity Dubuque program significantly increased enrollment, completion and employment of minority populations. Once enrolled, success coaches work with students, including minority populations, to address barriers to completion of education and obtaining employment, such as transportation, childcare, and tuition. They also work with partner organizations to help connect the student with social supports such as housing/rental assistance, health care assistance, and food assistance.

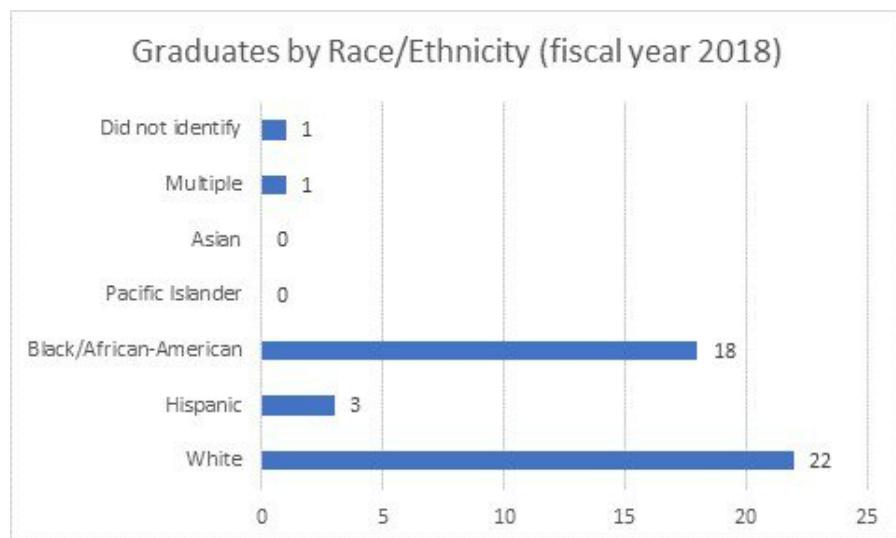
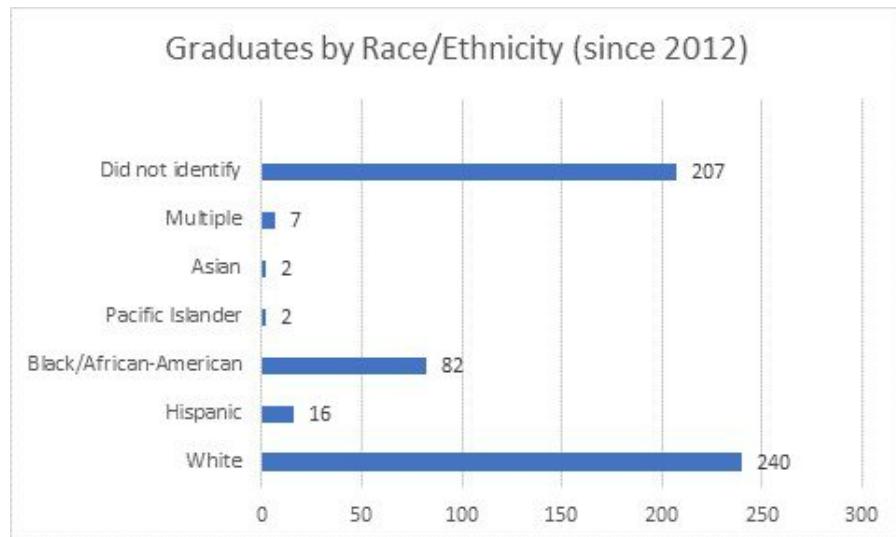
Since 2012, Opportunity Dubuque has had 708 enrollments and 556 successful graduates with an employment or continuing education rate of 95% within the first year after completion for those program staff have been able to contact (91% post-program contact rate). To date, 16 completers identify as Hispanic, 82 as African-American/Black, 2 as Asian, 2 as Pacific Islander, 7 as more than one race, and 240 as White/Caucasian. This represents 78% Caucasian/White completers and 22% minority completers. (Note: 207 participants chose not to identify their racial/ethnic status (37%)).

For the most recent fiscal year of the program (2018), 49% of completers (45) identified as minority: 3 Hispanic, 18 Black/African-American, 1 Multiple, 1 Unknown, 22 white. Before January 2016, only 24/356 (6%) of enrollees were minority students. Since January 2016, 141/328 (43%) of enrollees were minority, demonstrating significant success in minority outreach efforts.

Two success stories include the following:

- Tonna Winfrey, African American single mother, completed her CNA and Phlebotomy certificates through Opportunity Dubuque. She is now employed at United Clinical Labs.
- Rahkee Norman, African American male, completed the construction technology program, then went on to earn his Bachelor of Arts degree. He is now the owner of a construction company.





### River Cruise Docking Facilities

The City has seen a significant increase in riverboat traffic to the Port with the arrival of two new riverboats, America and Louisiane. Due to limited docking space in the Port and docking scheduling conflicts, it is sometimes necessary for riverboats to dock at the Hawthorne Street landing located at AY McDonald Park. However, this site only works as a docking area for some of the boats.

The City has hired a design consultant and is negotiating with Viking River Cruise Lines on a construction cost split between the City and Viking. The Fiscal year 2021 budget includes \$462,500 in City funding and the Fiscal Year 2022 budget includes \$412,500 in City funding to design and build the river cruise docks.

### Roosevelt Road Water Tower

The Roosevelt Street Water Tower project was identified as a solution to low operating water pressures in Zone 2 of the distribution system. Zone 2 encompasses the area in and around Roosevelt Street and Peru Road, including the Sky Blue Estates subdivision currently under development and the existing Alpine Park development and Eagle Valley Subdivision. The City has worked with Clapsaddle - Garber Associates, Strand Associates, Inc, and IIW, P.C., to identify efficient and economic solutions to manage the low-pressure issues experienced in Zone 2, along with a need to provide improved flows during fire flow conditions.

The new water tower would replace the existing Eagle Point Water Tower and other ancillary water infrastructure (\$3,983,000). Funding of the project is a combination of local funds and State Revolving Fund debt. The preliminary engineering report (PER) was completed (\$475,000) and approved by the Iowa Department of Natural Resources in January 2019. Following PER approval the project is scheduled for bid letting February 2019. A construction contract could be approved by the City Council in the first quarter of 2019.

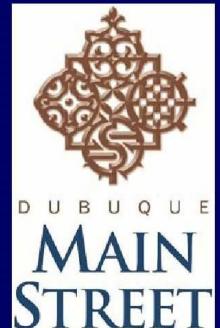
### Downtown Revitalization

Dubuque Main Street provided the following information on progress in downtown Dubuque:



**Downtown Revitalization**

| Improvement                | 1985 through December 2018 | % since 2000 |
|----------------------------|----------------------------|--------------|
| New Construction           | \$261 million              | 92%          |
| Building Rehabilitation    | \$391 million              | 91%          |
| Real Estate Sales          | \$183 million              | 75%          |
| Public Improvements        | \$128 million              | 94%          |
| Net New Jobs               | +4,293                     | 70%          |
| <b>Total Improvements:</b> | <b>\$780 million</b>       | <b>92%</b>   |



### Government Transparency

In September and October 2018, the City of Dubuque launched a new interactive budget simulation tool called Balancing Act. The online simulation invites community members to submit their own version of a balanced budget under the same constraints faced by City Council, respond to high-priority budget input questions, and leave comments. The Budget Office conducted community outreach with the new tool via print and digital marketing and presentations to the Institute of Managerial Accountants, Point Neighborhood Association, Young Professionals, Community Development Advisory Commission, Downtown Neighborhood, and at City Expo.

In November 2018, City staff hosted an evening public budget input meeting at the City Council Chambers in the Historic Federal Building. The Budget Office conducted community outreach with the new budget simulator tool to the Kiwanis Club and North End Neighborhood Association.

In December 2018, City staff presented the new budget simulation tool at the December 3, 2018 City Council meeting and hosted a Budget Simulator Workshop at the Carnegie-Stout Public Library in the Aigler Auditorium on December 8, 2018.

In January 2020, City staff presented the new budget simulation tool to the Sustainable University Dubuque class.

A total of 345 community members attended the budget presentations. There have been 1,020 page views of the Balancing Act budget simulator tool and 138 budgets have been submitted by the public as of January 21, 2019.

The input provided has been analyzed by City staff and evaluated by the City Manager for inclusion in the Fiscal Year 2020 budget recommendation as deemed appropriate, consistent with City Council priorities.

During Fiscal Year 2016, the City launched a web-based open data platform which can be found at <http://dollarsandcents.cityofdubuque.org>. The City of Dubuque's Open Budget application provides an opportunity for the public to explore and visually interact with Dubuque's operating and capital budgets. This application is in support of the five-year organizational goal of a financially responsible city government and high-performance organization and allows users with and without budget data experience, to better understand expenditures in these categories.

During Fiscal Year 2017, an additional module was added to the open data platform which included an interactive checkbook which will allow citizens to view the City's payments to vendors. The final step will be adding performance measures to the open data platform to allow citizens to view outcomes of the services provided by the City.

### Letter to State Legislators

As part of this budget message, I would like to provide the text of the letter I sent to our legislators this year encouraging them to help Dubuque focus on quality of life issues, on job creation, on job training, on our children's education and on the future as we deal with the biggest problem identified by business and industry and that is the availability of a skilled workforce and as we try to make Dubuque an "Equitable Community of Choice:"

Dear State Legislator:

The State of Iowa is an agricultural state and Dubuque supports ways that are devised to support agriculture and rural communities. The things that I advocate for like education, property tax backfill payments, Historic Tax Credits and Tax Increment Financing benefit all cities, counties and school districts, large and small. This does not diminish the fact that the economic engines in the State of Iowa are the population centers where most of the jobs are created and most of the state tax revenues are generated.

Dubuque has the lowest property tax rate per capita of the 11 largest cities in Iowa (those with a population larger than 50,000). In fact, Dubuque's property tax rate is 45% below the average of the 10 other cities. By the end of the current 5-year capital improvement program, the City will be utilizing only 37% of the statutory debt limit and currently has general fund reserves of 22%. Over the years, the City of Dubuque has reorganized and implemented technology improvements and actually has 27 fewer full-time employees than in 1981, even though the City now offers more services. Dubuque sets a very high standard when it comes to fiscal responsibility.

When it comes to job creation and economic development, Dubuque is a leader in the Midwest and in the State of Iowa.

"Would the last person to leave Dubuque please turn off the lights?" Residents used this dark humor to help deal with Dubuque's dire unemployment rate which hit 23% in January 1982. High school and college graduates left for more prosperous cities and states, taking their talent with them, with Dubuque losing almost 10% of its population in the 1980's.

Enter Tax Increment Financing. In 1985, the Iowa State Legislature amended urban renewal law to allow cities to use Tax Increment Financing (TIF) for economic development purposes. This tool simply directs the increase in property tax generated from property improvements to the city, which can use this increment to clean slum and blight and as a financial incentive to companies that invest and create jobs in the urban renewal area. This is how the City of Dubuque built 1,468 acres of industrial parks, now home to 55 businesses, including 47 local businesses that needed a place to expand.

The City of Dubuque has committed \$86 million in Tax Increment Financing incentives for businesses since 1990 in the industrial parks and in downtown Dubuque. This has leveraged \$490 million in private investment by these businesses. With the use of TIF, businesses in Dubuque have retained 3,988 existing jobs and created 6,428 new jobs. To date, 78 projects have benefited from the use of Tax Increment Financing.

Dubuque's responsible use of this only meaningful local economic incentive has created a nationally-recognized transformation. The Dubuque metropolitan statistical area (MSA) total employment for June 2018 was 60,500, a 61% increase since 1983 when total employment was 37,600. In October 2018, the Dubuque MSA's unemployment rate was 1.7%. Dubuque County's Median Household Income (MHI) rose from \$48,012 in 2009 to \$56,154 in 2016, a 14% increase. In this same period, the national MHI increased by only 2.5%. Dubuque has been ranked by Forbes, Kiplinger, the U.S. Conference of Mayors, the National Civic League, and the Milken Institute as one of the best cities in the United States to live and work.

This has all been achieved through Planning, Partnerships and People, leading to measurable outcomes. Dubuque believes in showing people we care, by our actions, so that they can have hope to achieve their personal goals, whatever they might be.

Here in Dubuque we are worried about one of our key partners, the State of Iowa.

The State of Iowa is underperforming in critical areas. It is ironic and troubling that we continue to hear about state legislation and rules that cut revenues available to local governments. Recently state legislation was proposed that would eliminate the promise to backfill past property tax reductions with state revenues, severely restrict the use of Tax Increment Financing (the only viable economic tool used by local governments to support growth in business investment and jobs) and eliminate or reduce Historic Tax Credits for building rehabilitation. These all threaten the ability of local governments to respond to local issues.

Information recently released by the State of Iowa Legislative Services Agency shows the change in population in counties across Iowa (Attachment I). It is a frightening trend that must serve as a wake-up call for all Iowans. If we want our children and grandchildren to be able to stay in Iowa and be successful, we must all work to make Iowa a place of choice, not only for businesses but also the workforce they will need to thrive. We should not be considering the elimination of economic development and community rehabilitation tools, but instead exploring how we can improve those tools to create more growth in jobs and population and to make the incentives more competitive. We should not be pursuing ways to starve cities, counties, and school districts of the funds they need. We should instead be looking to diversify sources of revenues so local governments can invest in the future for the benefit of the residents they serve, those here today and those we hope to be here in the future.

Iowa Percent Change in Population by County 2010-2017  
State of Iowa +3.2% (+99,356)

There are 99 counties in the state of Iowa. Only 23 showed any growth at all over a 7-year period from 2010 to 2017. If you only consider counties that had at least 1% growth and have a population of 25,000 or more, only 11 of the 99 counties met these criteria and four of them are in the Des Moines/Ames corridor. In fact, the Des Moines/Ames corridor accounted for 81,808 (82%) of the 99,356 of the state-wide population growth.

Even some of the counties that include some of Iowa's larger cities showed very little growth or an actual decline.

| COUNTY                         | % Population Change: 2010-2017 |
|--------------------------------|--------------------------------|
| Woodbury (Sioux City)          | +0.1%                          |
| Muscatine (Muscatine)          | +0.3%                          |
| Pottawattamie (Council Bluffs) | +0.0%                          |
| Jasper (Newton)                | +0.4%                          |
| Wapello (Ottumwa)              | -1.7%                          |
| Cerro Gordo (Mason City)       | -2.5%                          |
| Webster (Fort Dodge)           | -3.4%                          |
| Clinton (Clinton)              | -4.2%                          |

**Fortunately, Dubuque County showed a growth of 3.3%, achieving a population of 97,041.**

The picture is just as discouraging when you look at the Estimated Population Migration from 2010 to 2016 (Attachment II). This measurement represents the number of people who have moved to these counties vs. the number of people who have left. The State of Iowa experienced a net inflow of only 24,643 people during this 6-year period.

If you only consider counties that had a net positive change of at least 1,000 people, only 9 (9%) of the 99 counties met that criteria, with 4 of those in the Des Moines/Ames Corridor. **Fortunately, Dubuque County is one of those nine with a net migration increase of 1,389.**

Last year, legislation was introduced in the Iowa Senate to eliminate over 3 years the promised property tax backfill payments to cities, counties, and school districts. This would have cost the City of Dubuque \$344,233 in revenues in Fiscal Year 2019, \$688,465 in Fiscal 2020, and \$1,032,698 in Fiscal Year 2021 and each year beyond. This is on top of the loss Dubuque experiences from the reduction of property taxes from apartment buildings that will reach over \$1.2 million per year by Fiscal Year 2024 and is not being backfilled by the State. The legislation would have also reduced funding for the State of Iowa Historic Tax Credit Program (HTCP). This is a significant source of financing for private developers across the state as they renovate old buildings and repurpose them, like the projects in the Historic Millwork District that are creating commercial and retail space and hundreds of apartments for workforce housing.

Downtown historic redevelopment in Dubuque has added well over 2,100 permanent jobs in buildings that had been underutilized or were deteriorating or vacant for decades. Dubuque developers have completed 35 projects to date using the Iowa Historic Tax Credit Program. Just over \$42.5 million in Iowa HTCP funding has leveraged over \$143 million in private investment. Dubuque currently has 19 more projects in the works, with an estimated \$18.5 million in Iowa HTCP funding, which is expected to leverage approximately \$56 million in private investment.

Dubuque's responsible use of historic tax credits is nationally-recognized as noted in the Fall 2018 Preservation Magazine produced by the National Trust for Historic Preservation, in *Finding Dubuque: An Iowa City Redisovers Its Sense of Place* by Lisa Selin Davis:

"Never, in 15 years of writing about historic preservation, had I heard so many people utter the words "historic tax credits" with such passion and reverence...The tour helped me understand the unusually deep and detailed public-private partnerships that are making Dubuque a model of economic development and community revitalization.

As impressive as these buildings are, just as impressive is the preservation fever that has taken hold of the city. Preservation projects are creating ripple effects-bringing in new blood, welcoming long-lost Dubuquers home, and encouraging people from all over the city to participate in the salvation of historic Dubuque.

Anyone can restore a building. But Dubuque residents, together, are restoring a community."

Information recently released by the State of Iowa Legislative Services Agency shows the performance of Main Street Iowa communities from Fiscal Year 1987 - Fiscal Year 2018. Of the Urban Main Street communities over 50,000 population, Dubuque has leveraged \$716,853,589 in private and public dollars invested in acquisition and rehabilitation. This amount is the highest amount of any city and represents 37% of the \$1,912,278,450 grand total for the State of Iowa.

A 2018 report released by the Iowa Business Council, which represents many of the state's largest employers, should be a great cause of concern for the State of Iowa. When compared with how Iowa ranks among all 50 states in key metrics comparing the year 2000 with 2017, it is clear that Iowa needs to do more, not less, to support economic development, job growth, and workforce development:

|   | 2000 Ranking | 2017 Ranking |
|---|--------------|--------------|
| Median Household Income                   | 21           | 26           |
| Gross State Product                       | 29           | 30           |
| 8 <sup>th</sup> Grade Reading Proficiency | 11           | 17           |
| 8 <sup>th</sup> Grade Math Proficiency    | 12           | 14           |
| Education Attainment High School          | 9            | 11           |
| Education Attainment Bachelor Degree      | 22           | 34           |
| Gallup-Healthways Well-Being Index        | 7            | 19           |

Two bright spots in the analysis were:

|                                   | 2000 Ranking | 2017 Ranking |
|-----------------------------------|--------------|--------------|
| State Public-Pension Funded Ratio | 29           | 13           |
| State Business Tax Climate        | 46           | 40           |

We need healthy partners and partnerships to succeed. Locally we have that, and in the past we have had that with the State of Iowa. The State has given Dubuque a Vision Iowa grant, that led to over \$400 million in investment in the Port of Dubuque. The State has given Dubuque the Flood Mitigation State Sales Tax increment grant that has supported the \$227 million Bee Branch Creek Watershed Flood Mitigation project. The State has allowed cities and counties to use Tax Increment Financing, which has led to the retention and creation of thousands of jobs in our industrial parks and the revitalization of downtown, the Port of Dubuque and the Historic Millwork District. The State is now building the Southwest Arterial with the support of the City and County of Dubuque.

Please do not listen to those that say the way to prosperity for the State of Iowa is to cut revenues, programs and services, especially as they affect the least of our friends and neighbors who might have fallen on hard times, or who might be dealing with the issues of aging or who are disabled. Let's not look to states like Kansas and Oklahoma as models for our future. Let's look at states like Minnesota, our colder and snowier neighbor to the north, where agriculture is important as in Iowa and who thrives in spite of their weather challenges.

At the state level, please ask your legislative colleagues to stop pursuing billion dollar tax cuts when the State struggles to pay its bills today. Please ask your colleagues to stop looking at ways to restrict the use of Tax Increment Financing, one of the few viable economic development tools local governments have to create jobs and revitalize blighted areas.

Please ask them to stop looking at eliminating the Historic Tax Credit program that creates incentives for private developers to renovate historic buildings. Please ask them to stop considering going back on their promise to provide backfill payments from when the State reduced commercial and industrial property tax revenues to cities, counties and schools.

We need the State of Iowa to focus on how we can all work together to grow Iowa and to make our communities a place of choice where our children and grandchildren want to stay and new people want to come as we deal with the biggest problem identified by business and industry and that is the availability of a skilled workforce. We need to focus on quality of life issues, on job creation, on job training, on our children's education and on the future. To do that we need tools at the local level and we need healthy, engaged and active partners. Let's work together creating strategic initiatives around mental health, childcare, quality affordable housing, job training, workforce development, job creation and do all this looking through an equity lens. State of Iowa, you are our friend and we care about you. We want the State of Iowa and the City of Dubuque to have hope to achieve our goals working together.

Sincerely,



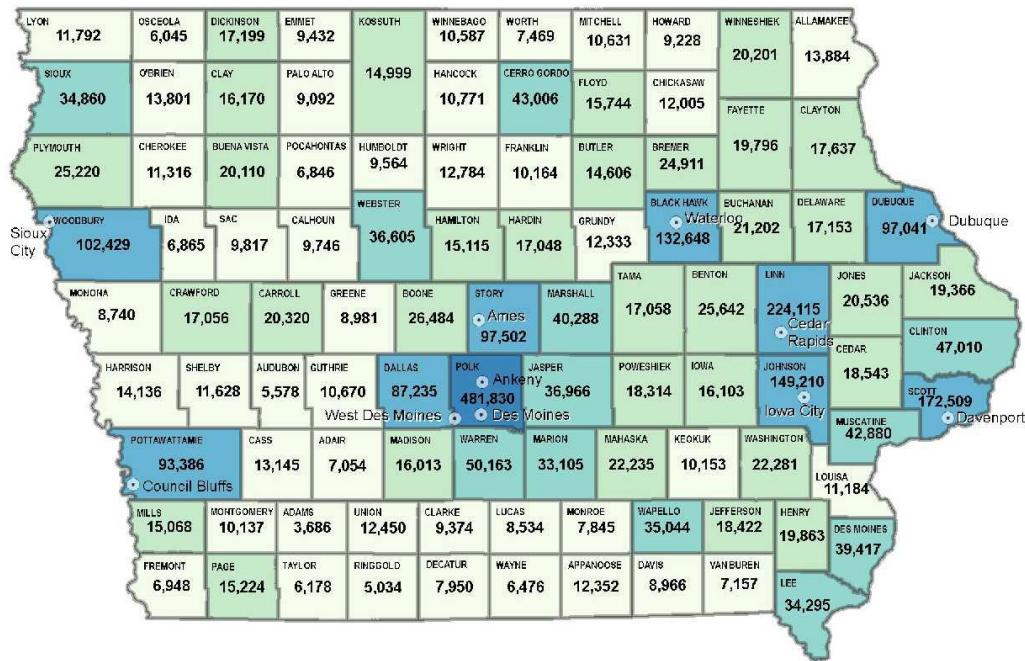
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Michael C. Van Milligen  
City Manager

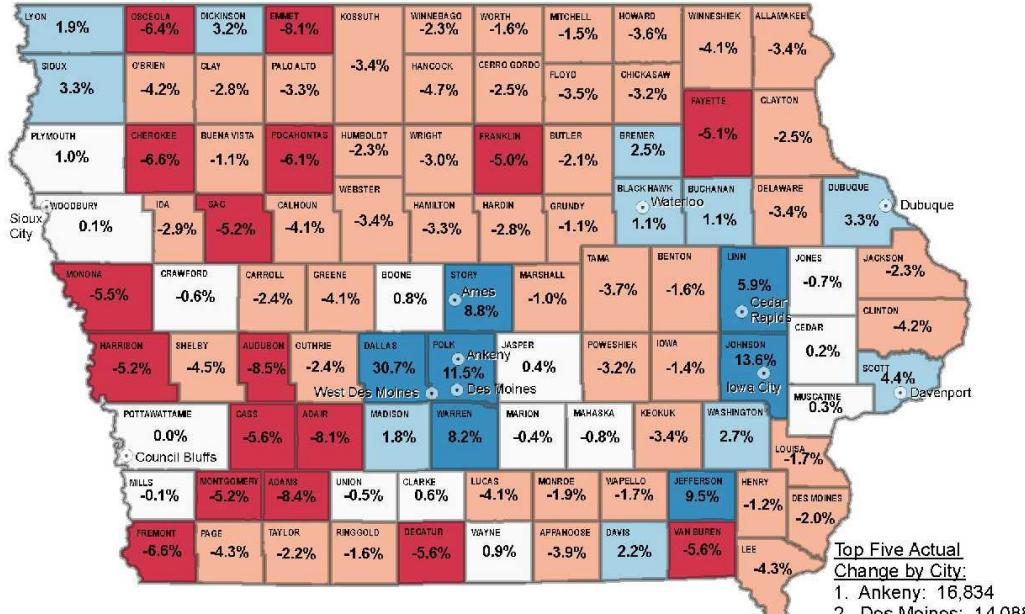
## Attachment I

## Population by County — 2017 Estimate

## Total Population



## Percent Change in Population — 2010-2017



## Top Five Actual Change by County:

1. Polk: 49,607
2. Dallas: 20,498
3. Johnson: 17,917
4. Linn: 12,458
5. Story: 7,875

## Top Five Actual Change by City:

1. Ankeny: 16,834
2. Des Moines: 14,086
3. West Des Moines: 8,999
4. Iowa City: 7,936
5. Ames: 7,533

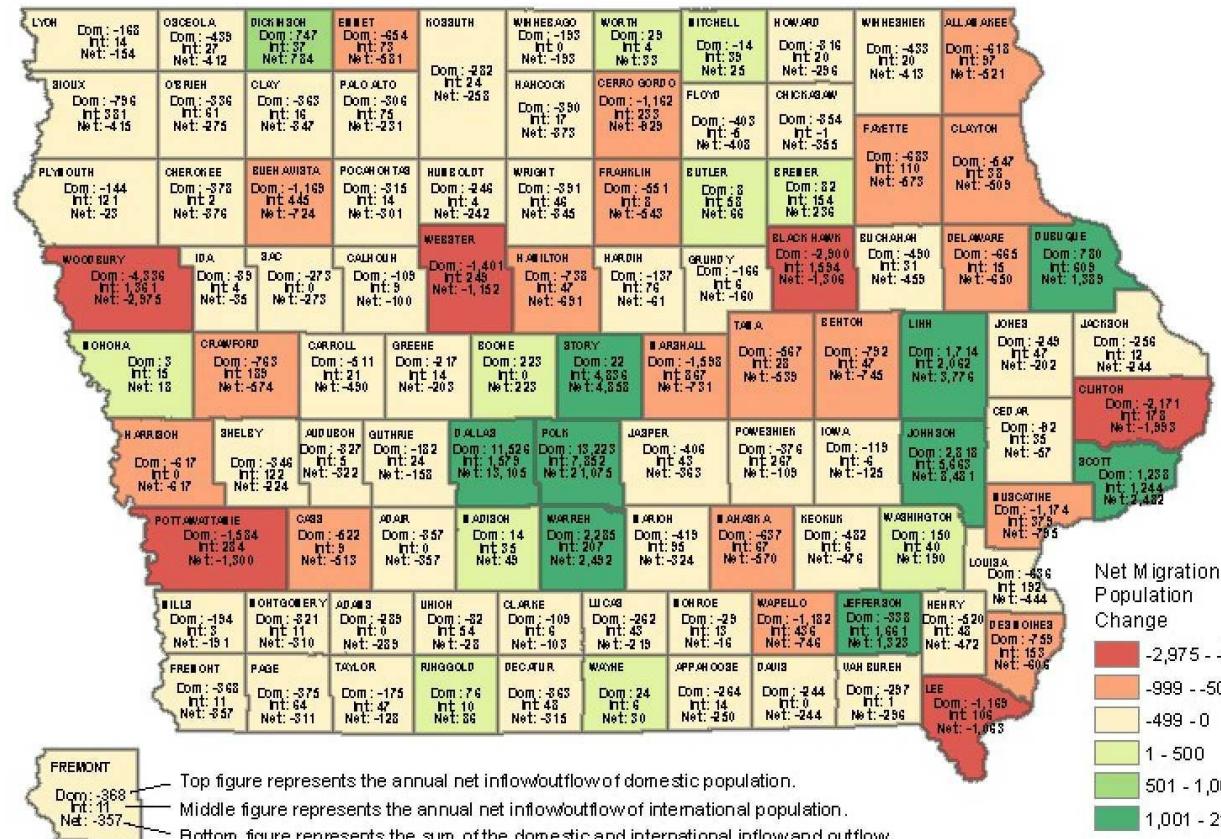
## Bottom Five Actual Change by County:

99. Clinton: -2,082
98. Lee: -1,552
97. Webster: -1,278
96. Cerro Gordo: -1,087
95. Fayette: -1,062

Sources: U.S. Census Bureau, 2017 Population Estimate; LSA calculations  
LSA Staff Contact: Michael Guanci (515.729.7755) [michael.guanci@legis.iowa.gov](mailto:michael.guanci@legis.iowa.gov)

## Attachment II

## Estimated Population Migration – April 1, 2010 to July 1, 2016



Statewide Estimated  
Five-Year Change – 2010-2016:

Domestic Change: -10,683

International Change: +35,326

Net Migration Change: +24,643

Statewide Estimated  
One-Year Change – 2015-2016:

Domestic Change: -3,392

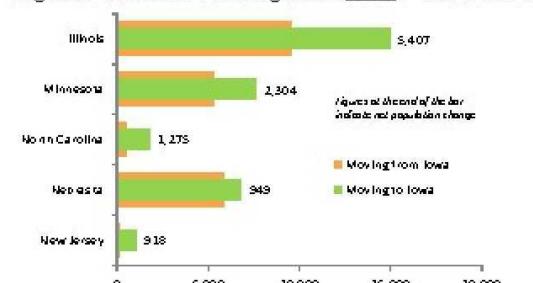
International Change: +6,336

Net Migration Change: +2,944

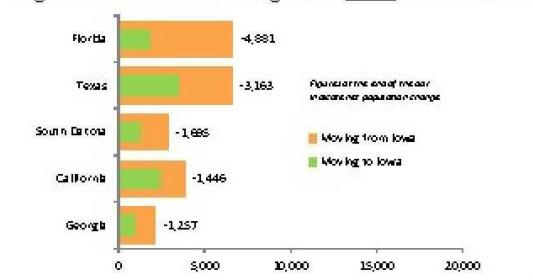
Top Five States of Total Population Moving To and From Iowa – 2015-2016



## Highest Domestic Net Migration Gain – 2015-2016



## Highest Domestic Net Migration Loss – 2015-2016



Sources: U.S. Census Bureau, Estimates of the Components of Resident Population Change, LSA calculations  
LSA Staff Contact: Adam Broich (515.281.8223) [adam.broich@legis.iowa.gov](mailto:adam.broich@legis.iowa.gov)

**Conclusion**

There will be six City Council special meetings prior to the adoption of the Fiscal Year 2020 budget before the state mandated deadline of March 15, 2019.

I want to thank Budget Director Jennifer Larson, Assistant City Manager Cori Burbach, Senior Budget Analyst Rachel Kilburg, Public Information Officer Randy Gehl, Office Manager Juanita Hilkin, Secretary Stephanie Valentine and Communications Assistant Natalie Riniker, for all their hard work and dedication in preparation of this budget recommendation.



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Michael C. Van Milligen  
City Manager

MCVM:jml