

Local Housing Creation, Access, & Affordability:

Programs & Incentives

Increasing opportunities for quality,
affordable housing in Dubuque

www.cityofdubuque.org/incentives





QUALITY, AFFORDABLE HOUSING AND ITS IMPACT ON DUBUQUE

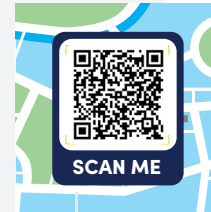
As a high priority of the Dubuque City Council and component of the City's Equitable Poverty Reduction and Prevention Plan, the City of Dubuque offers a variety of financial resources to encourage property owners to create and maintain quality, affordable housing in Dubuque.

Affordable housing promotes economic stability, health and well-being, education, community development, social equity, poverty alleviation, and resilience. By addressing housing affordability, communities can support their residents' overall well-being, and create a more prosperous and sustainable future.

The City of Dubuque offers a variety of resources to homeowners, commercial property owners, and rental property owners.

Use the incentives map to learn more about these programs and determine your property's eligibility.

www.cityofdubuque.org/incentives



Dubuque's local incentive programs can be combined with State and Federal programs – helping your business make the most of its resources.

The **Iowa Economic Development Authority** administers several programs to assist individuals, communities, and businesses in business and community development.
[Learn more at **www.iowaeda.com**](http://www.iowaeda.com)

The **Iowa Finance Authority** administers programs that provide affordable financing resources for individuals and their goals, from mortgage or down payment assistance and rental programs that provide affordable homes, to low-cost funds for drinking water, help for beginning farmers and more.

[Learn more at **www.iowafinance.com/programs-for-property-developers/**](http://www.iowafinance.com/programs-for-property-developers/)

The **State Historical Society of Iowa** administers programs that help preserve and bring new life to Iowa's history.
[Learn more at **iowaculture.gov/history**](http://iowaculture.gov/history)

The **U.S. Environmental Protection Agency (EPA)** administers programs that offer support to projects that protect and better human health and the environment.
[Learn more at **www.epa.gov**](http://www.epa.gov)

The **U.S. Department of Housing and Urban Development (HUD)** administers programs that offer support to projects that create strong, sustainable, inclusive communities and quality affordable homes for all.
[Learn more at **www.hud.gov**](http://www.hud.gov)

The **U.S. Department of Commerce** administers programs that offer support to projects that create the conditions for economic growth and opportunity.
[Learn more at **www.commerce.gov**](http://www.commerce.gov)

LOCAL MULTI-RESIDENTIAL / RENTAL PROPERTY INCENTIVE PROGRAMS

Department contact information:

● Economic Development
563.589.4393
www.cityofdubuque.org/econdev

● Housing & Community Development
563.589.4230
www.cityofdubuque.org/housing

● Planning Services
563.589.4210
www.cityofdubuque.org/planning

● Downtown Housing Incentive

To qualify, a project must assist in the creation of new market-rate downtown rental units within the Greater Downtown Urban Renewal District. The project must be a rehabilitation of an existing structure and located above the commercial component on the first floor of the building unless the project is rehabilitating or reusing a former church or school building. Maximum of \$10,000 per unit.

● Downtown Urban Renewal Housing Incentive

Encourages the use of available downtown buildings and infill sites by offering developers the choice between 10 years of tax abatement followed by 5 years of tax-increment financing (TIF) rebates OR 15 years of TIF rebates. Eligibility is limited to multi-family projects in the Greater Downtown Urban Renewal Area.

● Downtown Rehabilitation Grant

To qualify, the project property must be located in Greater Downtown Urban Renewal District. The grant is a 1:1 matching grant up to a maximum of \$35,000 to reimburse developers for primarily façade improvements on downtown structures, including:

- Documented costs that improve the overall appearance of the property, generally materials and labor.
- Documented costs related to hiring a financial consultant to evaluate the project's feasibility. (Fees associated with tax credit applications are considered reimbursable costs under this grant.)
- Documented predevelopment costs, such as design, architectural, and engineering fees associated with the rehabilitation of the property.

● Healthy Homes Program

Program participants may qualify for up to \$10,000 to create a healthier home OR up to \$20,000 for lead remediation plus an additional \$5,000 for other household hazards. The program addresses household hazards including mold, water intrusion, lead paint, allergens, asthma, carbon monoxide, home safety, pesticides, and radon. Available to low- to moderate-income residents, both renters and homeowners.

● Historic Preservation Revolving Loan Fund Program

Program participants may qualify for up to a \$25,000 loan. Property must be at least 50 years old and designated as a City Landmark, or individual historic property, or located in the following Historic Preservation Districts: Jackson Park, Cathedral, W. 11th Street, Langworthy, or Old Main. This loan fund provides positive incentives to owners of these historic properties to maintain and improve the community's architectural heritage.

Urban Renewal Housing Tax-Increment Financing (TIF)

Tax-increment financing (TIF) is an important and flexible tool used in communities for three main purposes: promoting economic development, eliminating slum and blight, and facilitating housing development.

- Housing TIF Affordable Unit Creation: Offers \$10,000 per affordable (Low-Income Housing Tax Credit) residential unit created for projects outside areas of concentration of poverty using the Housing TIF collected in current and future Residential TIF Districts. The number of units supported will be dependent on the availability of funds from this funding source.
- Market Rate Residential Subdivision, Multi-Family Units: Owner-occupied, attached/detached single-family home, multifamily units/apartments. Requirements: installation of fiber conduit, accept housing choice vouchers. Term: 10 years.
- Mixed-Income Residential Subdivision: Owner-occupied, attached/detached single-family home, multi-family apartments. Requirements: installation of fiber conduit, accept housing choice vouchers. Term: 10 years.
- Greater Downtown Multi-Family Units: Two or more residential rental units located within the Greater Downtown Urban Renewal Area. Requirements: accept housing choice vouchers. Term: 15 years.
- LMI Multi-Family Units: Two or more residential rental units, where at least 60% of the units are considered affordable as defined by the U.S. Department of Housing and Urban Development, located within City of Dubuque limits. Requirements: accept housing choice vouchers. Term: 15 years.

● Urban Revitalization Program (Tax Abatement)

Encourages the revitalization of buildings in the community's older neighborhoods by offering a property tax exemption for new improvements made to qualified residential and commercially assessed properties.

- **New Area Multi-Family Development:** Apartment/Townhouse. Requirement: must accept housing choice vouchers. Term: up to 10 years.
- **Existing Revitalization Area Residential Rehabilitation:** All residential. Requirement: must increase value by 10%. Term: 10 years.

LOCAL HOMEOWNER INCENTIVE PROGRAMS

Department contact information:

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|---|---|
| ● Housing & Community Development
563.589.4230
www.cityofdubuque.org/housing | ● Planning Services
563.589.4210
www.cityofdubuque.org/planning |
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- **First-Time Homebuyer Loan Program**
This City of Dubuque Housing & Community Development program provides long-term, no-interest (0%), \$5,000 loans to help an income-qualified resident purchase a first home at any location within the City of Dubuque limits.
- **Healthy Homes Program**
Program participants may qualify for up to \$10,000 to create a healthier home OR up to \$20,000 for lead remediation plus an additional \$5,000 for other household hazards. The program addresses household hazards including mold, water intrusion, lead paint, allergens, asthma, carbon monoxide, home safety, pesticides, and radon. Available to low- to moderate-income residents, both renters and homeowners.
- **Historic Preservation Revolving Loan Fund Program**
Program participants may qualify for up to a \$25,000 loan. Property must be at least 50 years old and designated as a City Landmark, or individual historic property, or located in the following Historic Preservation Districts: Jackson Park, Cathedral, W. 11th Street, Langworthy, or Old Main. This loan fund provides positive incentives to owners of these historic properties to maintain and improve the community's architectural heritage.
- **Homeowner Rehabilitation Loan Program**
Provides low-interest, long-term, loans up to \$25,000, to homeowners to rehabilitate their properties. The home must be code-compliant, and the project must be finished in its entirety upon completion of work performed with loan funds. Owner-occupied, single-family home, or duplex in the City of Dubuque, with qualifying households earning no more than 80% of area median income.
- **Housing Choice Voucher Homebuyer Program**
This HUD program assists housing choice voucher participants in purchasing a home. It is similar to the rental voucher program, but instead of payments going to a landlord, payments go to a mortgage lender.
- **Housing TIF Affordable Unit Creation**
Offers \$10,000 per affordable (Low-Income Housing Tax Credit) residential unit created for projects outside areas of concentration of poverty using the Housing TIF collected in current and future Residential TIF Districts. The number of units supported will be dependent on the availability of funds from this funding source.
- **Urban Revitalization Program (Tax Abatement)**
Encourages the revitalization of buildings in the community's older neighborhoods by offering a property tax exemption for new improvements made to qualified residential and commercially assessed properties.
- **Washington Neighborhood Homebuyer Loan Program**
Program provides long-term, no-interest (0%), loans in varying amounts based on household size and annual income to any owner-occupied, single family or duplex home in the Washington Neighborhood (11th Street to 32nd Street, Elm to Central).
- **Washington Neighborhood Homeowner Rehabilitation Loan Program**
Program provides low-interest, long-term loans, up to \$25,000, to homeowners to rehabilitate their properties for any owner-occupied, single family or duplex home in the Washington Neighborhood (11th Street to 32nd Street, Elm to Central).

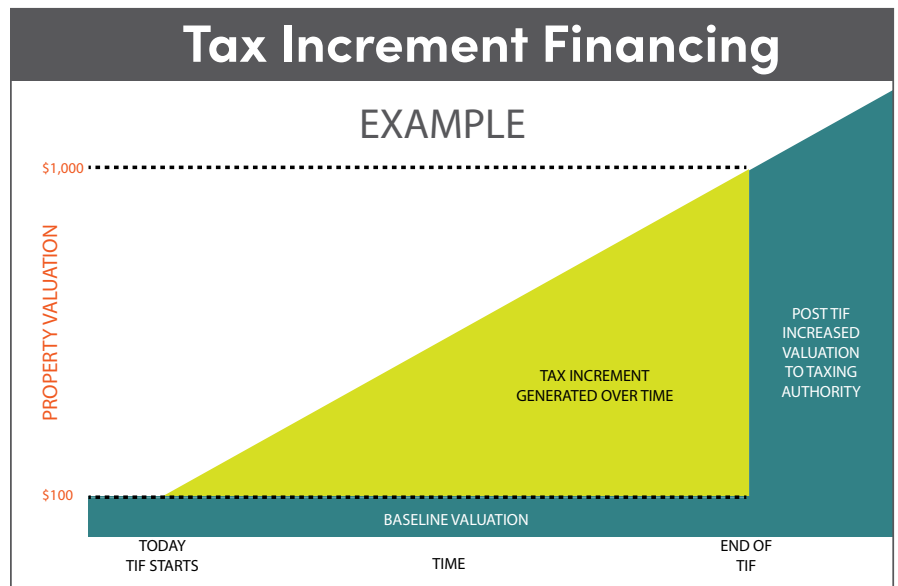
HOUSING TIF DISTRICTS



WHAT IS TAX-INCREMENT FINANCING (TIF)?

Tax-increment financing (TIF) is an important and flexible tool used in communities for three main purposes: promoting economic development, eliminating slum and blight, and facilitating housing development.

When a TIF district is created, a “base” valuation of the property value is established. The base valuation accounts for assessed values prior to the TIF designation. The tax revenue from this base value remains with all taxing authorities. Increases in the assessed value over time over and above the base are called the “increment.” The TIF authority (in this case, the City of Dubuque) may access the tax revenue generated by the increment, to fulfill the designated purpose of the district.



HOW IS TIF USED BY CITIES?

TIF is typically used by cities to fund public improvement projects or private project-based financial assistance, in conjunction with developing or redeveloping different parts of a city. This may include upgrading areas of the city suffering from slum and blight, helping residential development efforts, and enhancing economic development activities. Depending on the size of the project, cities may use the annual increment to provide project funding or may need to incur debt to finance an improvement, such as installing infrastructure.

For more information on Dubuque's Housing TIF Districts, contact the City of Dubuque Economic Development Department: 563.589.4393
econdev@cityofdubuque.org



TIF FOR HOUSING INFRASTRUCTURE

Cities can use Tax Increment Financing (TIF) to pay the cost of

- streets,
- water,
- sanitary and storm sewers,
- parks,
- trails, and
- related public improvements

for new housing development by creating Housing TIF Districts.

Housing TIF Districts support reinvestment and redevelopment activities in the urban renewal area and support revitalization within the area and the community for low- and moderate-income families. Cities can establish Housing TIF Districts within their corporate limits and within two miles of their corporate boundaries with the consent of the County Board of Supervisors.

Housing TIF in Dubuque

The City of Dubuque's use of Housing TIF is a Dubuque City Council priority. The City Council's 15-year vision statement for Dubuque calls for a "strong, diverse economy and expanding connectivity" and "choices of quality, livable neighborhoods." Using Housing TIF enables Dubuque to implement projects to pursue that vision and support workforce retention and development, increase the local tax base, and address the city and school district's stagnant population growth.

Positive CHANGE through Housing TIF

By state law, when TIF is used for housing development, approximately 38 percent of the future tax increment revenues from the project must be used to provide housing assistance to low- and moderate-income families whose incomes are no greater than 80 percent of the median income anywhere in the city. This is starter housing for Dubuque's current and future workforce, and our most vulnerable residents, the elderly and disabled.

Initial plans call for much of the affordable housing assistance to be provided in downtown neighborhoods through the City's CHANGE (Comprehensive Housing Activities for Neighborhood Growth & Enrichment) Program.



Before and after photos of a housing rehabilitation project

From 2016-2023, Dubuque's six Housing TIF districts are projected to generate \$3.1 million for affordable housing

Dubuque's TIF Districts

The City of Dubuque has created six Housing TIF Districts, all with Dubuque County's consent.

The Timber Hyrst Housing TIF District was formed in 2014 to promote additional residential options in Timber Hyrst Subdivision in the city, by assisting with the funding of road and utility improvements along portions of North Cascade Road. These improvements are facilitating safer travel along the road that serves as a main artery from the city of Dubuque to the Southwest Arterial by straightening some of the curves on North Cascade Road in both the city and the county. It has also allowed the City to install some needed water, sanitary, and storm sewer infrastructure.

The English Ridge Housing TIF District was formed in 2015 to promote the creation of additional residential options in Dubuque, as well as to provide funding for water main installation.

The South Pointe Housing TIF District is intended to generate funds for improved roads and utilities in the designated area, as well as provide funding to assist with affordable housing anywhere within the city of Dubuque.

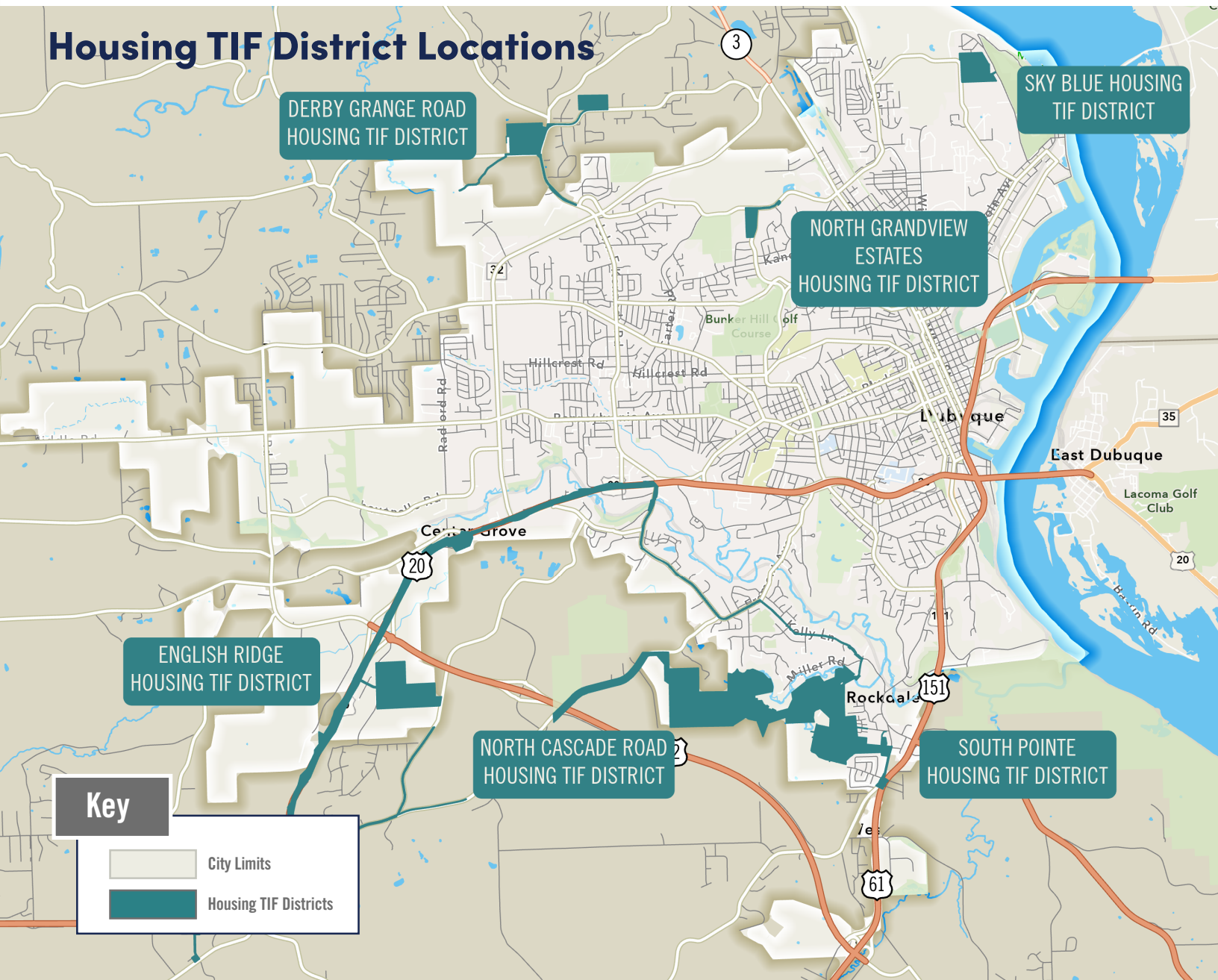
The Rustic Point Housing TIF District is intended to generate funds for the installation of sewer and water utilities related to housing and residential development, as well as supporting affordable housing anywhere within the city.

Sky Blue Estates Housing TIF District is intended to generate funds for improved roads and utilities in the Area, specifically, utility improvements and the addition of a water tower. Funding generated in the Area also assists with Low and Moderate Income (LMI) family housing anywhere within the City of Dubuque.

North Grandview Estates Housing TIF District is intended to generate funds for the development of a residential district (North Grandview Estates Subdivision) and infrastructure improvements including installation of fiber conduit and vaults, a retaining wall, a curb underdrain, and portions of trail development from the subdivision to the Bee Branch 32nd Street Detention Basin. Funding generated in the Area also assists Low and Moderate Income (LMI) housing anywhere within the City of Dubuque.

Each of these Housing TIF Districts has an Urban Renewal Plan that describes the specific use of tax increment funds, such as providing tax rebates, installing public infrastructure, or other planned expenditures. These Housing TIF Districts, consistent with state law, currently set aside approximately 38 percent of project cost increment, thus providing funding for the benefit of low- and moderate-income family housing opportunities anywhere in the city of Dubuque.

Housing TIF District Locations



THE CITY OF
DUBUQUE
Masterpiece on the Mississippi

Economic Development
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www.cityofdubuque.org/econdev

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