



# TAX INCREMENT FINANCING

Creating and retaining jobs and  
facilitating growth in Dubuque, Iowa





# ECONOMIC TRANSFORMATION

“Would the last person to leave Dubuque please turn off the lights?”

Commonly repeated, 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.

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 as a financial incentive to companies that invest and create jobs in the urban renewal area. This is how the City of Dubuque built over 1,400 acres of industrial parks, now home to 56 businesses, including 47 local businesses that needed a place to expand.

TIF is the only meaningful local economic incentive available to Iowa cities and Dubuque's responsible use of TIF has created a nationally-recognized transformation. 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, work, and play.

## Maintaining Success

The City of Dubuque understands the need for increased transparency, fastidious data collection, and antipiracy language in TIF reform but cannot support reform that limits or sunsets the City's use of TIF for economic development and to address slum and blight. Even in these areas, the language should be narrowly crafted so as not to stifle economic and community development activities by cities. No language should be included that could limit or destroy job creation and economic development potential that exists in current TIF laws.

From small, local companies to global brands, over 70 projects in our community have benefitted from tax increment financing, including:

**70+**  
**PROJECTS**

- Advanced Data-Comm
- Andersen Window & Door
- AY McDonald Manufacturing
- Cottingham & Butler
- Dubuque Screw Products
- Dupaco Community Credit Union
- Giese Manufacturing
- Green Industrial Supply
- Heartland Financial Services
- Hodge Companies
- Hormel/Progressive Processing
- ITC Midwest
- Klauer Manufacturing
- McCoy Group
- Medline Industries
- Nordstrom
- Rite-Hite
- Rockfarm Holdings
- Rousselot, Inc
- Sedgwick CMS
- Simmons Pet Food Inc.
- Spahn & Rose Lumber Co.
- Tri-State Quality Metals
- Verena Street Coffee

# DUPACO COMMUNITY CREDIT UNION

**TIF Investment:**  
15 years of TIF rebates

**Project Investment:**  
\$38,000,000

**Employment Impact:**  
40 new jobs

## More Quality Jobs Where Employees Can Live, Work, and Play

Dupaco Community Credit Union is a not-for-profit financial cooperative owned and controlled by more than 112,000 members, most of whom live in Dubuque and the Tri-State area. The credit union was founded in 1948 by 10 employees of the Dubuque Packing Company.

Dupaco redeveloped 82,800 square feet of office space in a five-story building on Jackson St. in Dubuque's Historic Millwork District. The project was completed in 2022. As part of the project's development agreement, Dupaco agreed to expand its operation in Dubuque from



150 operations employees by at least 40 new full-time employees prior to October 1, 2023.

An additional component of the agreement is the required collaboration between the City, Dupaco, and other stakeholders in the area regarding the uses of existing infrastructure and transportation needs. Ongoing communication in the form of monthly meetings and annual reports highlight the ability for these types of agreements to bring the community together.

# SIMMONS PET FOOD

## National company chooses Dubuque and expands within 2 years

Simmons Pet Food, Inc., a family-owned business based in Arkansas, is the leading North American private-label and contract manufacturer of wet pet food with three locations in the US and one in Canada. Simmons purchased a vacant existing manufacturing facility in Dubuque in summer 2021. By summer 2022, they already expanded, introduced a second pet food line at the location, and hired additional employees. In spring 2023, they partnered with a local developer on a new \$25.5 million warehouse project, also supported by 10 years of TIF rebates.

The original and subsequent development agreements with Simmons required them to provide a total of 281 jobs but, as of December 2022, they had provided 441 new jobs in Dubuque!

**TIF Investment:**  
10 years of TIF rebates

**Project Investment:**  
\$71,000,000

**Employment Impact:**  
441 new jobs





## HORMEL /PROGRESSIVE PROCESSING

**TIF Investment:**  
5 years of TIF rebates

**Project Investment:**  
\$123,400,000

**Employment Impact:**  
381 new jobs

### Expansion After Just Four Years in Dubuque

Progressive Processing, LLC, a subsidiary of Hormel Foods Corporation, has a processing plant located in the Dubuque Industrial Center West. In 2014, the company expanded operations at its Dubuque location, moving the production of its bacon topping products and Spam line to the facility.

The original project, completed in 2014, created 91 new jobs and had a capital investment of \$34.4 million in new

equipment and building improvements. This expansion followed Progressive Processing's 2010 investment of \$89 million to construct the new facility at the site and create 196 jobs. An additional \$13 million investment in machinery and building improvements in 2019 allowed Hormel to increase production capacity and add two additional product lines to this facility, as well as another 58 new jobs. Today, Progressive Processing reports 381 jobs at its Dubuque facility.



## TRI-STATE QUALITY METALS

**TIF Investment:**  
10 years of TIF rebates

**Project Investment:**  
\$5,150,000

**Employment Impact:**  
10 new employees

### Fabricator Finds New Home for Growth

Tri-State Quality Metals, LLC is a sheet metal fabrication manufacturer formed in 2010 in Peosta, Iowa. The company performs laser cutting of sheet metal, as well as plasma cutting, bending, drilling, tapping, sawing, and or/welding to create customized parts. Tri-State Quality Metals also provides services including plating, machining, sheering, and painting that are outsourced to other area manufacturers. The company has grown from a local customer base to one that is regional, serving manufacturers in eastern Iowa, northwestern Illinois, and southwestern Wisconsin. The largest customer, Rite-Hite, sells products to worldwide markets. In addition, Tri-State Quality Metals produces parts for companies that ultimately sell to international manufacturers such as John Deere, Caterpillar, and Volvo.

In 2014, the Tri-State Quality Metals constructed a new \$3.4 million, 44,000 square-foot production facility in the Dubuque Industrial Center South. The expansion allowed the company to add 10 new employees, bringing its total number of employees to 23. In 2023, the Tri-State Quality Metals constructed a \$1.75 million, 31,500 square-foot expansion to their facility. This expansion did not require additional TIF but was made possible by the original TIF support.



## ROASTING SOLUTIONS /VERENA STREET COFFEE

**TIF Investment:**  
10 years of TIF rebates

**Project Investment:**  
\$10,200,000

**Employment Impact:**  
20 new jobs

### New Facility Meets Needs of Coffee Roaster's Growing Market

Roasting Solutions/Verena Street Coffee opened their new state-of-the art production facility and national headquarters in the Dubuque Industrial Center South in 2016. The 34,000 square-foot facility is nearly five times larger than its previous facility. Roasting Solutions invested over \$10.2 million on the project which created 10 new jobs.

Roasting Solutions is a privately-held, family-owned organization founded in 2010. The company roasts and packages its coffees at its Dubuque facility. Verena Street coffee can currently be found in over 750 grocery stores, club stores, warehouse stores, and mass merchandisers in Iowa, Illinois, Wisconsin, Minnesota, Nebraska, surrounding areas, and online.



## RITE-HITE

**TIF Investment:**  
10 years of TIF rebates

**Project Investment:**  
\$8,900,000

**Employment Impact:**  
138 new jobs

### Project Creates Operational Efficiencies for Manufacturer

Rite-Hite manufactures doors, seals and shelters, barrier systems, and other aftermarket products at its Dubuque production facility at 4343 Chavenelle Drive in the Dubuque Industrial Center. The company employs 270 at its Dubuque location where it began a \$8.9 million expansion project to add 138,000 square feet of manufacturing space and 24 new employees in 2017. Rite-Hite's expansion includes a total capital investment of over \$8.9 million.

In addition to the new production space, the project includes a partial remodel of offices, and approximately \$420,000 for new machinery and equipment. The project improved productivity and operational efficiencies and expanded research and development capabilities. Today, Rite Hite employs 407 employees at its expanded facility.



## THEISEN SUPPLY INC.

### Family-Owned Company Invests in Distribution Center

A local company whose owner is very generous with non-profit agencies across the state was looking to expand for the second time in a five-year period. A consultant advised Theisen Supply to relocate its proposed distribution center outside of Dubuque, closer to a major US interstate highway. Jim Theisen, then president and CEO, credited programs like TIF with helping make the decision to stay in Dubuque. The \$2.8 million investment is located in Dubuque's Industrial Center West—helping the company maintain 48 full-time positions and create 32 additional positions to date.

The 160,000 square-foot distribution center supplies Theisen's 22 stores in Iowa and two in Wisconsin—up from 15 stores in 2007. The extra space allows the company to maximize its buying potential and offer the lowest prices and best selection of products to their loyal customers...a definite win for Iowans!

**TIF Investment:**  
5 years of TIF rebates

**Project Investment:**  
\$4,800,000

**Employment Impact:**  
117 jobs

## ROCKFARM HOLDINGS, INC.

### Worldwide Company Relocates to Dubuque

Rockfarm Holdings, Inc., a worldwide supply chain management, technology, and consulting company, announced plans in 2014 to relocate their corporate operations to Dubuque, bringing 48 positions into the city. The company invested over \$2.2 million to construct its new headquarters in the Dubuque Technology Park.

The project was completed in 2015. Employees from all three companies under the Rockfarm umbrella – Rockfarm Logistics, RT&T Logistics and Gabbro Global – are working together in the same building. Most recently, Rockfarm Holdings reported housing 62 jobs at its facility.

**TIF Investment:**  
10 years of TIF rebates

**Project Investment:**  
\$2,200,000

**Employment Impact:**  
62 new jobs

# ROSHEK BUILDING

## History Meets High Tech

From a posh department store built in the 1930s, to a tired office building that had suffered from “urban renewal” in the 1970s, the Roshek Building was given new life in 2009 in the form of a \$40 million historic rehabilitation. The 250,000 square-foot, LEED Platinum rehab project now houses offices for Heartland Financial, Cottingham & Butler, RSM, and other local firms—with retail on the first floor catering to the needs of the building’s employees, as well as the greater downtown area.

The rehabilitation of this downtown icon has enabled local businesses to expand their downtown employment base while maintaining 1,144 jobs.



**TIF Investment:**  
**10 years of TIF rebates**

**Project Investment:**  
**\$40,000,000**

**Employment Impact:**  
**32 new jobs**

## Project Accolades

- Excellence in Economic Development in Historic Preservation-Led Strategies Award - Iowa Economic Development Authority
- Excellence in Economic Development Award in the Category of Public-Private Partnerships - International Economic Development Council
- J. Timothy Anderson Award - National Housing & Rehabilitation Association
- National Preservation Honor Award - National Trust for Historic Preservation
- Platinum LEED Certification - Leadership in Energy and Environmental Design Core and Shell Platinum - U.S. Green Building Council
- Best Development Award - 1000 Friends of Iowa
- Outstanding Total Building Rehabilitation Award - Dubuque Main Street
- Best Total Building Rehabilitation Award - Main Street Iowa
- Preservation Award - Dubuque County Historical Society

# KUNKEL & ASSOCIATES

## Making Iowa Competitive

Kunkel & Associates announced plans to relocate from Wisconsin to Dubuque in 2006. The company provides insurance consulting, commercial and personal insurance, employee benefits, claim consulting, and patient advocate services. The company invested \$1.8 million and built a 10,000 square-foot office complex in the Dubuque Technology Park, initially bringing 24 new jobs to Iowa. The facility also serves as the company’s corporate headquarters.

In 2015, Kunkel & Associates expanded its operation and invested over \$2.5 million to double their office space to 20,000 square feet. Along with the expansion, the company hired 16 new employees. The most recent job reporting showed Kunkel & Associates bringing their total employment to 76.

**TIF Investment:**  
**10 years of TIF rebates**

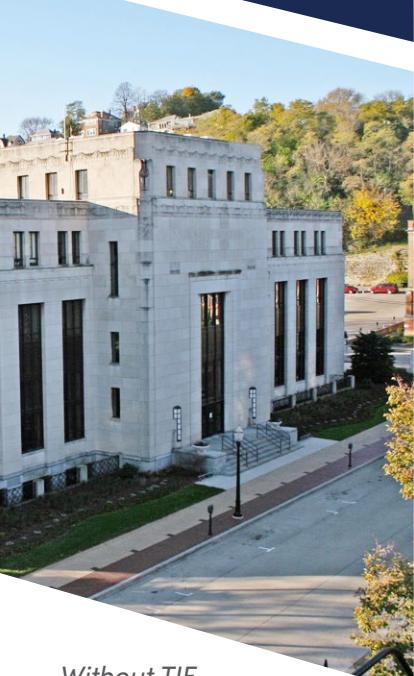
**Project Investment:**  
**\$1,800,000**

**Employment Impact:**  
**76 new jobs**



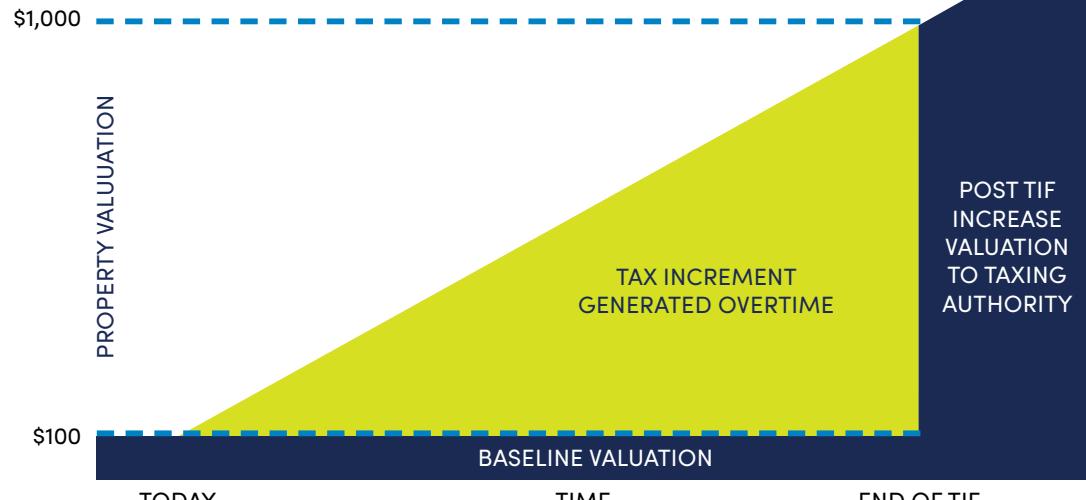
# TAX INCREMENT FINANCING

See example (right)



Without TIF  
eligibility for public  
buildings, this building  
would become abandoned  
and fall into disrepair,  
inviting blight and crime  
in our urban center.

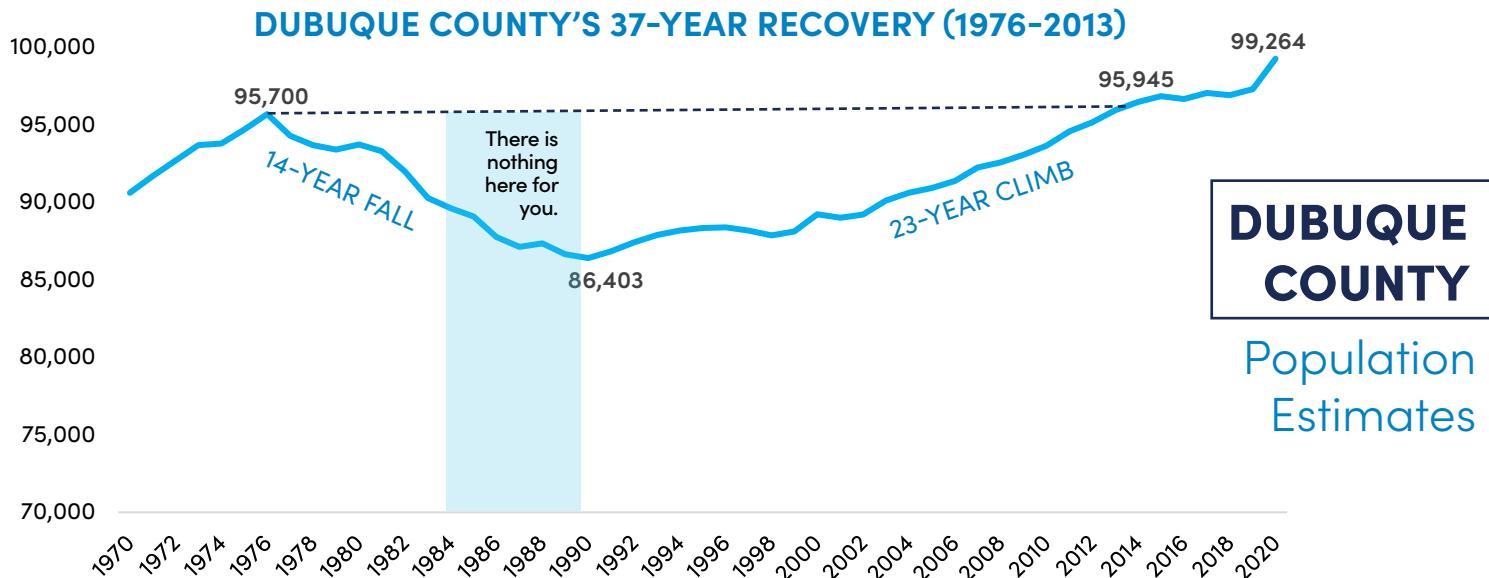
## EXAMPLE



## HISTORIC FEDERAL BUILDING

### Improved Access to Government

In the heart of downtown Dubuque, adjacent to Washington Park, Town Clock Plaza, and a senior housing facility, sits the Historic Federal Building – a multi-tenant building built in 1934 that houses the US Post Office, Juvenile Court Services, the City's Housing & Community Development Department, and others offering critical services to downtown residents and employees. With no private developer able to cash flow a rehab project of this neglected, Art Deco building and concern that the inevitable sale of the building by General Services Administration (GSA) would lead to further neglect and loss of tenants, the City acquired the building from the GSA for \$1 so as to preserve the building and these services in the city's urban core. The use of TIF for the stabilizing and initial building restoration also provided an opportunity for the City to improve citizen access to local government by providing office space for the City's growing Housing & Community Development Department, and transforming the former courtroom into a new City Council chambers with improved access for the public and state-of-the-art equipment for home viewers unable to attend in person.



**CONTACT US** City of Dubuque Economic Development | [www.cityofdubuque.org/econdev](http://www.cityofdubuque.org/econdev) | 563-589-4393