



CHAPTER 3

ECONOMIC PROSPERITY

CHAPTER AT A GLANCE

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CHAPTER 3

ECONOMIC PROSPERITY

Within the context of economic growth and prosperity, what do viability, livability, and equity really mean for Dubuque and its residents? For residents, this translates into a life lived with an equal chance of personal success, satisfaction, and economic opportunity in their preferred place. It seems simple, but it is not. The factors affecting individual or family choices in where to live and work are shifting dramatically. In some instances, the housing crash or other fallout from the recent Great Recession have limited these choices. In other situations, technological change has altered these choices, boosting the location appeal for cities like Dubuque. Within a regional context, Dubuque is positioned well for economic and workforce development. Over 396,000 college students attend an institution within a 100-mile radius of Dubuque, 3 million people live within 100 miles of Dubuque, and 67 million people live within a 500 mile radius of Dubuque.

Introduction

The Sustainable Dubuque model outlines four key principles of economic prosperity:

- ① Regional Economy
- ② Smart Energy Use
- ③ Resource Management
- ④ Community Design



REGIONAL ECONOMY



SMART ENERGY USE



RESOURCE MANAGEMENT



COMMUNITY DESIGN



Future economic vitality will require new ways of thinking and alternate approaches. Addressing workforce skills, talent development, and business growth represent variations of similar obstacles faced by cities of Dubuque's size and larger. They are regional and national challenges. For all of the Midwest, regional population decline due to population migration to the nation's South and West, has been problematic since the 1990s. The recent Great Recession and the collapse of the real estate market stymied relocation, but moves to these regions have again accelerated since 2012¹. Overall population growth nationally is now equally represented by domestic growth and immigration, and policy changes at the federal level may affect immigration.

Nationally, having enough workers to sustain long-term economic growth, in addition to demographic changes, underlies the local economic challenges facing Dubuque. In Iowa, overall net total migration is low, averaging approximately 3,500 new residents per year from 2010-2016.

During that time, Dubuque County's population increased by 3.6%, making it the seventh fastest growing County in the State behind Counties in the Des Moines metro area (Dallas, Polk, Story), Iowa City (Johnson), Cedar Rapids (Linn) and Davenport (Scott).

Dubuque exhibits recent growth in both native-born and immigrant populations. Continued population growth is essential with Dubuque's ability to attract investment—whether by existing or entrepreneurial businesses. The City of Dubuque continues to recognize and pro-actively adapt to address these trends.

The solutions inherent in this chapter's recommended actions are all local and long-term, even for Dubuque's most cutting-edge businesses serving global markets. The trends affecting each broader commercial sector—industrial, retail/restaurant, office, housing, or mixed-use—are indistinguishable from their likely impact on Dubuque's economy. **The City's continued ability to adapt to economic change will ultimately assure success, satisfaction, and opportunity for its residents and investors.**

¹ "Sun Belt Migration Reviving, New Census Data Show." William H. Frey. Brookings Institution, The Avenue, January 4, 2016.



□ Where Are New Dubuque Residents Coming From?

33%

Other Areas of Iowa

33%

Illinois + Wisconsin

33%

Elsewhere

From 2009-2013, approximately 1/3 of In-migration into Dubuque County was from other areas of Iowa, 1/3 came from the neighboring states of Illinois and Wisconsin, and 1/3 from elsewhere included 4% from Asia and 3.5% from California. *Source: Iowa State Data Center, based on U.S. Census Bureau data*

Employment

Dubuque has experienced strong employment growth since 1990, adding 15,000 jobs. Recent unemployment (3.4%) is at functional full employment³. Job growth is forecasted at 9.7% by 2025, with a 2.5% decline in population projected for this same period. The City, Greater Dubuque Development Corporation, Northeast Iowa Community College, and other partners continue to address local employment and workforce issues.

In addition to employment and workforce issues, Dubuque's technology infrastructure, particularly broadband, must become stronger. Dubuque's two largest employment sectors, manufacturing and health care, rely on technology to support their growth in products and services, for operating efficiencies, and to use their proprietary data for management purposes. The success of Dubuque's future entrepreneurs also depends on competitive and reliable access to technology.



Strong Employment Growth

- 15,000+ New Jobs Since 1990
- Average of 500+ New Jobs Per Year
- 3.4% Unemployment

Economic Policy

At a basic level, the best in technology infrastructure is needed for all of Dubuque's businesses to grow and add employees.

“

“Each quarter we ask CFOs [Chief Financial Officers] to rank what their top concerns are. The No. 1 concern this quarter is hiring and retaining qualified employees. We've been doing the surveys for 21 years, 85 quarters now. That's the first time that's been the No. 1 concern.”

- Dr. John Graham, Quarterly Global Survey of Senior Financial Executives, Duke University's Fuqua School of Business, 1st Quarter 2017.²

”

² As quoted in an interview with Kimberly S. Johnson in the Wall Street Journal, 19 June 2017, p. R1.

³ See the Economic Development Analysis appendix, p.12.

Workforce Skills Gap

The mismatch between the available workforce in numbers and skill sets remains a national issue. How these workforce issues affect Dubuque has been well documented by Greater Dubuque Development Corporation and Northeast Iowa Community College in their 2016 Greater Dubuque Region Skills Gap Analysis.

Recent predictions of job loss due to automation are dire⁴, but expanding public and private sector partnerships, similar to Dubuque's, facilitate a 'hyper-local' focus on three sets of issues--(1) growing local workforce skills, (2) developing future workers, and (3) recognizing what local employment sectors will expand. Technological change in manufacturing, Dubuque's largest employment sector, will require greater training and talent development to support advanced manufacturing skills and mitigate the job automation occurring throughout the sector. Manufacturing firms are also investing in improving their Dubuque facilities. Healthcare is among the sectors with automation proof job classes; several at higher wage rates.

Dubuque's educational institutions and emerging tech-oriented businesses and employers represent a resource for growth--as partners in local training, mentors, potential employers, and teaching code to school children. With this group of existing companies as a foundation, local, state, and regional resources and partners, and Dubuque's recent tech start-up showcases (Technori), Dubuque can develop another growth sector and continue diversification of the local economy. This technology-sector growth has significant potential given the research and growing number of startups in the ag-tech, bio-tech, med-tech, and analytics/big data fields currently underway at Iowa universities.



ECONOMIC PROSPERITY QUICK POLL:
Q: What key factors contribute to poverty in Dubuque?



A: Low Wages of Employment

48% of quick poll respondents (90 individuals) identified employment opportunities as a key factor contributing to poverty. In written comments, statements like "wages are strikingly low in Dubuque" and "all work should pay a living wage" were common.

□ Making the Case for More Fiber-Based Bandwidth

"Dubuque requires more fiber-based bandwidth to support internet connectivity, the establishment of some venture capital within the City, strong computer science and engineering graduates from the local and regional universities, and public/private partnerships that would make the City's commercial space tech-ready and affordable for purchase or lease.

The City's universities would also have an opportunity to re-imagine their computer science, information technology, electrical engineering, analytics programs to best serve this vision.

Similarly, Dubuque's elementary and high school programs, makerspaces, and co-working spots have an opportunity to begin computer science, information technology, electrical engineering, and coding education for the City's kindergarten - 12th grade population to excite them about new opportunities in the City and retain them in the long term/channel them to these programs in higher education."

- Emily Goodman, PhD, Assistant Professor, Clarke University



⁴ Late 2016 information indicates that 47% of existing jobs will be eliminated within 25 years according to an Oxford University study published by the Oxford Martin Programme on Technology and Employment entitled *The Future of Employment* by Carl Benedikt Frey and Michael Osborne analyzing U.S. employment data from 2013.

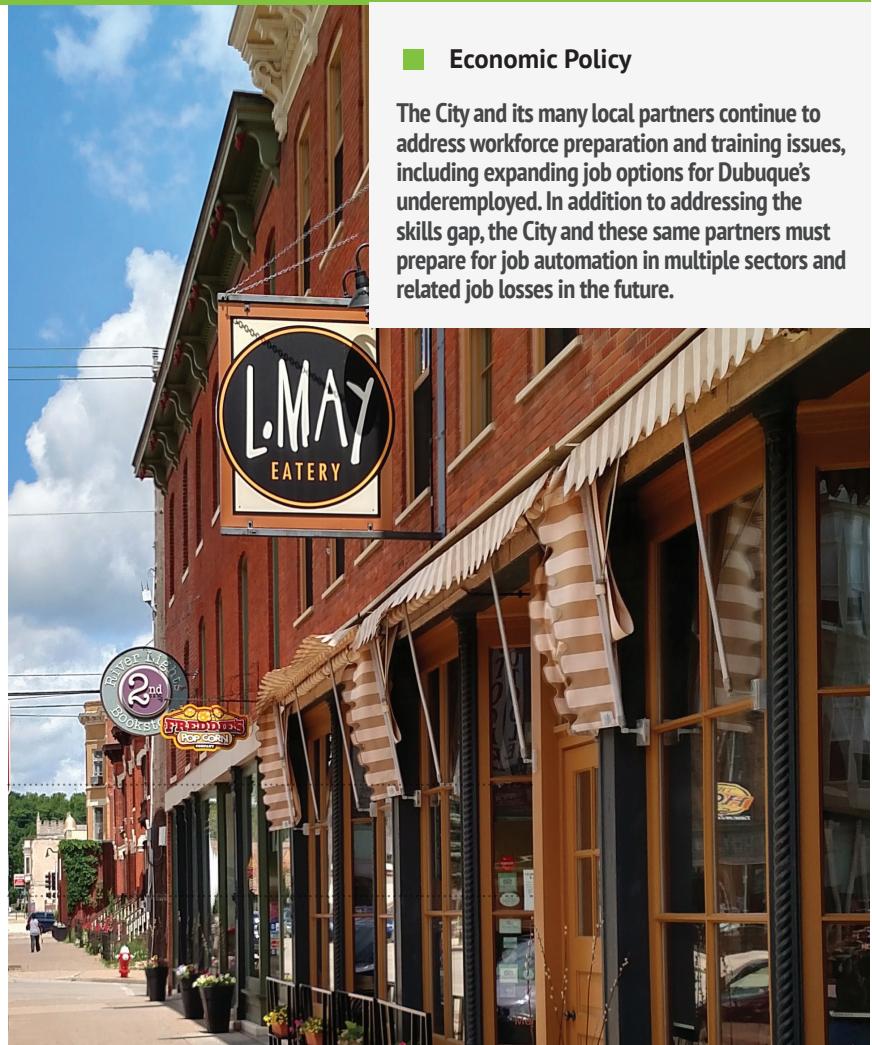
Workforce Retention and Recruitment

Workforce retention and recruitment represent an opportunity for Dubuque by applying a dual approach – (1) focus on workers who prefer a Dubuque lifestyle and cost of living, and (2) ensure long-term job prospects and employee benefits match what employees want and need. The current message is that workforce recruitment is a broader, national competition, with larger cities reaping most of the talent benefits. This message is somewhat over-simplified. As an example, despite the well-publicized Millennial preference for urban locations, an estimated 26% express a preference for small town or rural living. Cities, like Dubuque, can differentiate their local or regional benefits versus how they compare nationally. The City's commitment to inclusiveness is one of these benefits. The City's employers and economic development partners can emphasize how to motivate and engage the City's future workforce.

Dubuque's largest employers will likely remain in Dubuque and the City and its partners have an opportunity to enable the growth of current smaller employers within the City or Dubuque region. All employers and the City, by extension, can focus on those prospective employees receptive to Dubuque's many community assets. These same recruitment targets need to understand how their career can thrive with Dubuque's employers. Honest expectations about living in Dubuque are also part of this overall understanding. Recognizing the importance of professional growth to new hires must be part of any Dubuque employer's culture, including real and progressive development programs and ongoing communication and training in support of employee careers. Placing an equal emphasis on how a spouse or partner perceives their fit and opportunities in Dubuque must be part of recruit targeting.

Economic Policy

The City and its many local partners continue to address workforce preparation and training issues, including expanding job options for Dubuque's underemployed. In addition to addressing the skills gap, the City and these same partners must prepare for job automation in multiple sectors and related job losses in the future.



 **26%** 1 in 4 Millennials Prefer Small Town or Rural Living

To retain current and future workers, the promise of opportunity and professional development must be real and a part of each employer's commitment to offering the best in career opportunities and benefits.

Non-traditional work opportunities are also a component of workforce recruitment and retention. The Economic Development Analysis in the appendix describes the changing nature of work and employer-employee relationships. For Dubuque, employers might choose to make increasing use of freelance and contract employees who work on-site or remotely on a project-by-project basis. Assuming future tech sector growth in Dubuque, this presents options for both employee and entrepreneurial growth.^{5.1} The data in Greater Dubuque Development Corporation's 2017 Laborshed Analysis indicates potential employee interest among certain categories of workers -- underemployed, homemakers, and retired persons, in jobs with flexible full-time and part-time hours.^{5.2}

^{5.1} Ikenna Njezmanie, "How Can Firms Located in Rural Areas Position Themselves to Attract and Retain Millennial Talent." Cornell University ILR School. Spring 2016.

^{5.2} Greater Dubuque Development Corporation and Iowa Workforce Development, 2017 Laborshed Analysis, March 2017, pp. 26-29.

Occupational Diversity

Occupational diversity represents one component of every city's economic resiliency. When combined with the remaining two components, (1) industry diversity and (2) worker-class diversity⁶, research indicates that communities with a diverse local economy among sectors, types and classes of jobs are less subject to economic volatility and more likely to experience economic growth. These same communities are also more open to innovation and new ideas as a by-product of resiliency. Dubuque performs well in occupational diversity and industry diversity, based upon the City's continuous efforts to diversify the local economy since the 1980s after experiencing the loss of major employers and 23% unemployment. Recent economic resiliency data indicates Dubuque's strength in occupational diversity. Recent regional data indicates that eleven (11) labor categories employ 10,000 or greater.⁷

Economic Policy

Increasing the numbers and percentages of classes of jobs, particularly self-employed workers, will be important to the City's future.



▲ Retro Cakes & Cupcravery | 1736 Central Ave, Dubuque IA

Incomes and Wages

Like the skills gap, wage and income stagnation remains a national issue. The Economic Policy Institute and others have documented the lack of real wage growth, despite increasing jobs numbers and declining unemployment rates. Inflation remains low. Costs of consumer goods have not increased by more than 2.2% annually since 2007,⁸ but wages have not kept pace in many parts of the U.S. (See Figure 3.1 on following page)

According to Pew Research, real average wages nationally increased by 7.5% between 2000 and 2015. Wage growth in Iowa during this same period is an estimated 2%. Data from the Iowa Workforce, as displayed in Figure 3.2 on the following page, show a breakdown of sector employment for Dubuque County indicating average weekly wages. Dubuque's strong manufacturing and health care sectors have higher average weekly wages. The remaining three sectors, among the City's five largest employment sectors, have lower wage rates. Among the subsequent five sectors, wage rates are generally higher. Many of the jobs specific to these sectors are also less subject to future automation, according to the U.S. Bureau of Labor Statistics. Supporting business growth in these important local sectors will continue the City's economic diversification and add jobs.

Economic Policy

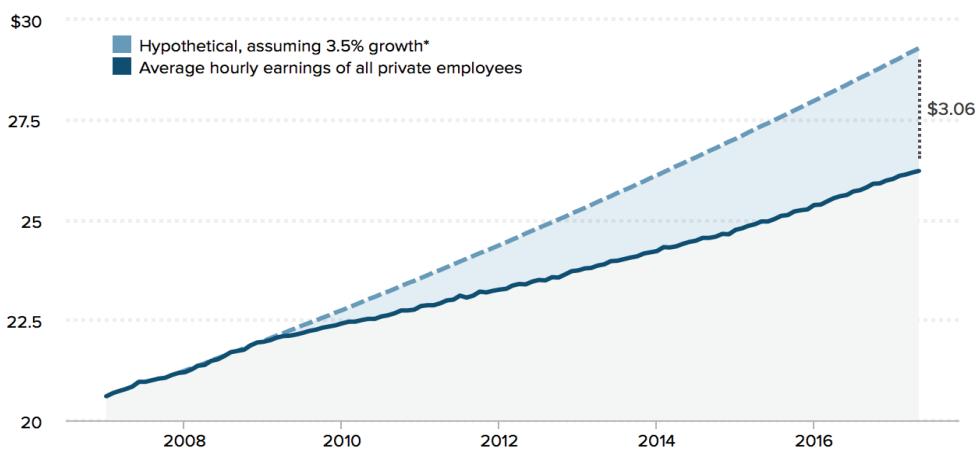
For Dubuque's future, emphasizing sector growth and the 'hyper-local' focus, described in addressing workforce issues and investing in a local talent pipeline, will support diversification of the local economy and incremental income growth.

⁶As defined in 2017 Wallet Hub and University of Minnesota analysis using 2015 U.S. Census data, industry or sector diversity is readily identifiable and reflects the major NAICS employment sectors for each city, such as Wholesale Trade or Retail Trade. Occupational diversity describes the types of occupations available in particular city, such as sales and office occupations. Worker-class diversity indicates the numbers or percentages of categories, such as self-employed workers or private sector wage and salary workers. | ⁷Ibid and Greater Dubuque Development Corporation and Iowa Workforce Development, 2017 Laborshed Analysis, March 2017, p. 9. | ⁸U.S. Bureau of Labor Statistics, Consumer Price Index All Urban Consumers/ U.S. Cities., 2007-2017.

■ FIGURE 3.1

Mind the Wage Gap

Cumulative nominal average hourly earnings, actual and hypothetical if they had grown at 3.5% since the recession began, 2007-2017



Nominal wage growth consistent with the Federal Reserve Board's 2% inflation target, 1.5% productivity growth, and stable labor share of income. Source: EPI Analysis of Bureau of Labor Statistics Current Employment Statistics public data series



VOICES OF DUBUQUE

"My vision of Dubuque is to be a place where workers are paid a living wage and where there are job opportunities for low-skilled workers."

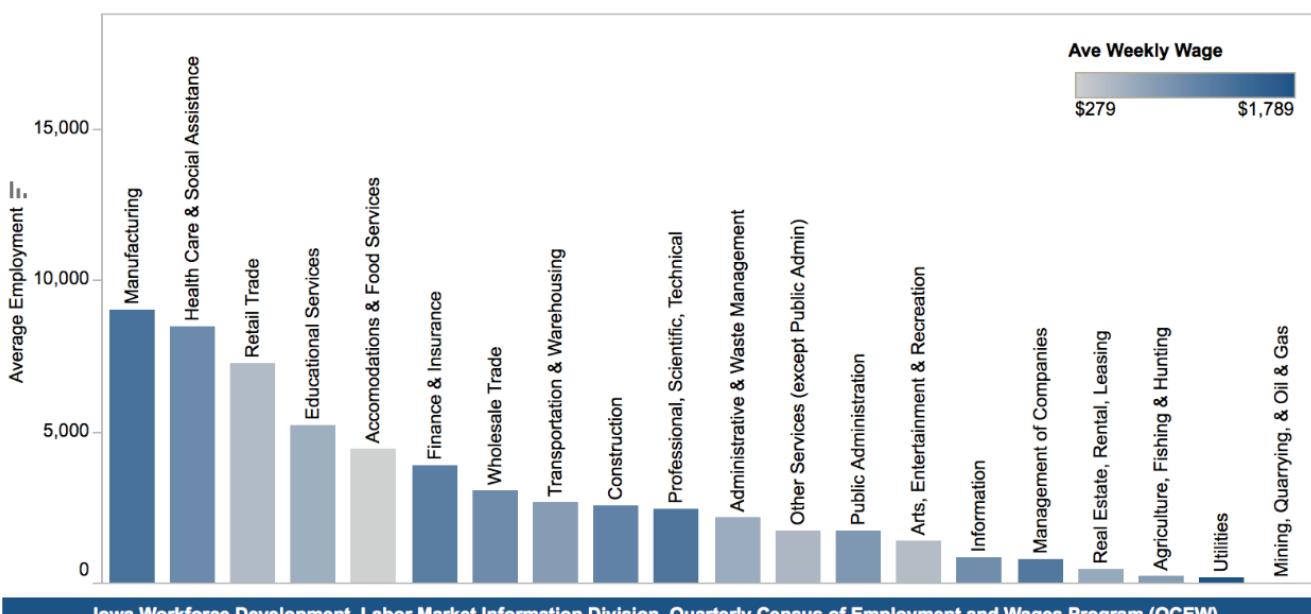
"My vision is to have a community without poverty. Many Dubuquers currently live at or below the poverty line. In order to make our community stronger and sustainable, we need to ensure everyone has access to a living wage in order to be able to support themselves and their families."

- Ideas shared via the project website and app

■ FIGURE 3.2

Dubuque County Employment

2016 Quarter 4 | Shade determined by the Average Wage



Economic Policy

The fundamental questions for Dubuque are not just how to compete for talent but what talent will be needed and what will be done locally to identify opportunities to develop and retain talent.



'Millenials' Voted #2 Top Trend Likely to Guide Economic Prosperity

▲ Economic Prosperity Workshop at Hotel Julien

Attracting Young Professionals

Millennials are expected to comprise half of the nation's workforce by 2020—the best-educated and most diverse generation in U.S. history. Attracting young professionals, particularly Millennials, is a common goal for all cities and their employers. Larger cities count on talent attracted from elsewhere for business and employment growth. This external talent typically has higher levels of educational attainment than the local workforce. For Millennials, key criteria for their relocation decisions include: welcoming of new ideas and residents; acceptance of diversity; opportunities for civic engagement; and amenities for a young adult lifestyle—shopping, culture, entertainment, and nightlife. Chapter 5 on Social + Cultural Vibrancy addresses many of these issues in Dubuque. A recent Philadelphia survey of young professionals new to that city indicates the importance of these criteria—only 43% of new residents stated that a job opportunity was their primary reason for moving to the city.⁹

Nearly 6 out of 10 Young Professionals (57%) said that their primary reason for moving to the city was something other than a job opportunity, according to a recent Philadelphia survey.

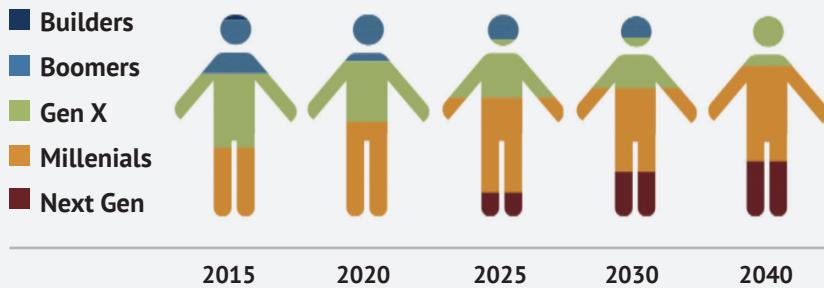
The establishment of a local talent pipeline versus seeking external talent will be critical for Dubuque's future. Joint business efforts in several cities are investing in pipelines for local talent, formulating goals to increase educational attainment in their communities and states. Some cities are actively communicating with former residents who left the region to attend colleges elsewhere. Other college communities, similar to Dubuque, maintain active relationships with alumni after graduation, encouraging former students to return to invest in their college town. In Dubuque, a regional office of a professional practice focuses their recruitment efforts on nearby universities, identifying young professionals interested in working at their Dubuque offices. Larger corporations are creating a 'development culture' to ensure ongoing opportunities for talented staff. Building the local talent pipeline ultimately requires all of these initiatives.

For Millennials, key criteria for relocation decisions include welcoming of new ideas and residents; acceptance of diversity; opportunities for civic engagement; and amenities for a young adult lifestyle.

⁹ Equal Measure, "Key Insights into Talent Attraction and Retention Efforts in Philadelphia." Fall 2015. Also, supported by Campus Philly, Greater Philadelphia Chamber, and City data.

□ World Population by Generation | #MillennialTakeover

Worldwide and in the U.S., Millennials are the largest generation yet – some 2.3 billion strong. Millennials are expected to comprise half of the nation's workforce by 2020—the best-educated and most diverse generation in U.S. history. (U.S. Census Bureau)¹⁰



"We are trying to be competitive when it comes to recruiting talent from around the world and across the country..." Sarah Harris, Vice President, Greater Dubuque Development Corporation quoted in the article by Jeff Montgomery, "What's in Your Paycheck?"

- Telegraph-Herald Online, March 15, 2015.



Entrepreneurship

Dubuque and its economic development partners—local, regional, and statewide—continue to provide support to area entrepreneurs through StartUp Dubuque. The current effort has existed for just over two years, serving over 200 businesses since inception, and multiple partners and resources to address the needs of the area's new and growing businesses. StartUp Dubuque represents the beginnings of an entrepreneurial ecosystem for the Dubuque area. With improved access to technology and tech infrastructure, additional tech entrepreneurs could start businesses, adding to downtown's nascent tech-related cluster.

Throughout the Imagine Dubuque planning process, access to capital was identified as a local issue specific to the growth of entrepreneurial businesses. For new businesses that prove out successful business concepts, the City, Greater Dubuque Development Corporation, and Northeast Iowa Community College can identify and promote a range of traditional and emerging funding resources. Also, acceptance of diversity, given the importance of immigration to successful entrepreneurial growth nationally, should be a future component of overall business growth and of retaining talent, recruited and local, in Dubuque.



▲ When asked what they wanted to see in Dubuque, high school students noted a desire for more "start-ups and small business success."

¹⁰ Millennials, or Generation Y, are typically defined as the generation born between 1980 and 1995. Various sources use slightly different sets of birth years. For example, the U.S. Census Bureau defines Millennials as the generation born between 1982 and 2000. They are the children of Baby Boomers and represent the largest living generation, or 75.4 million Americans, according to the Census Bureau and analysis by the Pew Research Center. They began entering the workforce in the early to mid-2000s. The size and potential of this generation will affect the workforce for decades, according to these same sources.



■ Economic Policy

Dubuque will need to build upon its current work to ensure economic prosperity by creating an innovation culture that enables local employers to invest in the local workforce, supports entrepreneurial growth and investment in all neighborhoods, and emphasizes the expansion of the City's small and mid-sized firms.

▲ View of Downtown Dubuque and the Mississippi River from atop a bluff.

Equity and Economic Prosperity

Dubuque's commitment to equity establishes a community value that incorporates the local desire for economic inclusiveness. As a concept, equity requires that regional and local entities, typically focused on traditional economic development work, understand that inclusion is part of that work. Equity also entails the engagement of regional or local groups that have distrusted economic development work, given their exclusion from past economic programs, successes, or strategies. This past extends to all uses—housing, retail and commercial, and employment. Inclusive Dubuque is addressing these past inequities, with more to be accomplished. For Dubuque, the fundamental basis for community equity will be how the community reacts to ongoing economic disruption and re-imagines solutions. Technological advances will remain the primary economic disrupter. These disruptions will affect all residents.

As noted in the employment section, ensuring access to technology and connectivity will be critical to future business growth. It will also be critical for workers of all ages and experience levels in maintaining their work skills to obtain and advance in their chosen field. For example, programs to teach construction trades like carpentry or electrical would help create a strong local workforce while offering motivated individuals an opportunity to start a business. How residents access employment and travel to their jobs in Dubuque and Dubuque County will be critical to sustained economic opportunities for residents and the City's overall growth.

"I thought, if I can just make that right amount of money to take care of my family, then all would be well in the world. I now know you have to be rich in other resources as well, in order to be a success."

-Erica (Circle Leader) Dubuque Circles® Initiative, <http://www.cityofdubuque.org/1398/Circles-Initiative>

"Disruptive market dynamics are transforming the rules of success and challenging how we help society adapt."

-Amy Liu, "Building Inclusive Economies: My Speech at Michigan's Mackinac Policy Council," The Avenue, Brookings Institution, June 26, 2017.

Economic Policy

Dubuque's housing market remains poised for growth, given recent market improvements in sales numbers and prices. The bases of all future housing growth, specifically the City's employment growth and new household formation, will be critical components of housing product absorption and guide what will be built where.



▲ New housing development under construction in Dubuque.

Housing

Dubuque's housing market remains poised for growth, given recent market improvements in sales numbers and prices. With economic growth and market absorption, Dubuque can add new housing types that appeal to the City's existing and future residents and their lifestyles. Certain housing challenges exist. In a recent study of incomes and wage rates needed to rent a two bedroom-unit, Iowa ranks 47th among the states when ranked from most to least expensive.¹¹ However, this same study indicates pressures on Dubuque renter households in affording local rents due to current wages. The ability to support additional housing products, both rental and owned, for residents at all income levels will result from both population and employment growth.

Variety of Housing Products

The City has historic homes and areas suitable for new single-family housing development. In addition, Dubuque has multiple strong housing programs available to residents to ensure sustained improvements and investments in housing stock in residential neighborhoods throughout the City. Senior housing units continue to be developed in Dubuque. The City of Dubuque has also committed to using Tax Increment Financing, to incent local housing development. Tax Increment Financing remains the best local financing mechanism to support local economic development, whether in Dubuque, Iowa, or elsewhere in the U.S. The use of Tax Increment Financing for potential new housing development can complement the City's current housing programs.

Tax Increment Financing has become essential to compete for much needed development. Housing Tax Increment Financing is used judiciously in Dubuque to benefit both public and private development efforts through the use of tax increment funds in form of rebates for the creation of public infrastructure to facilitate new residential development. In Dubuque, 38.1% of the increment is required by state law to benefit the creation of affordable housing in the city.

Dubuque's comprehensive housing incentives to stabilize or enable rehabilitation of historic residential building stock remain effective, attracting purchasers to Dubuque's historic neighborhoods. Successful multi-family housing developments, particularly in downtown Dubuque, have used Historic Tax Credits and New Markets Tax Credits, in addition to local and state incentives and funding sources. This includes the City's Comprehensive Housing Activities for Neighborhood Growth and Enrichment, or CHANGE program. This program integrates resources, including funding, for homeowners, rental property owners, renters, and the local real estate community.

Household data, as described in the Economic Development Analysis Report in the appendix, notes that area population and household growth is occurring in Dubuque County, outside of the City of Dubuque. The local desire for increased variety in the City's available housing products should necessarily match market absorption.

¹¹ "Out of Reach 2017: The High Cost of Housing." National Low Income Housing Coalition.

Housing Market Segments

Rent vs. Own

Multiple market factors will determine future housing development in Dubuque. First time buyers and downsizing 'Baby Boomers' are influencing not just the broader housing market but housing design. Households of all sizes and types are choosing to rent versus purchasing homes, regardless of housing type, or product. Millennials, entering their household formation years, are waiting to purchase homes, often opting for something larger than a starter home. Recent examples of housing development in Dubuque that appeals to both market segments is the Millwork District's upper story housing.

Attracting Families

With indications of positive housing demand in Dubuque, understanding how Dubuque can strengthen its appeal to families with children will remain important for livability and the City's viability in terms of population growth. The higher level of population growth elsewhere in Dubuque County indicates that some families prefer larger homes on larger lots. For most families, the buying decision is driven by several factors, the most important being the home's location near the best local schools. Dubuque's ability to meet the buying criteria of these families, assuming the product's market viability, will supplement the City's range of available housing. It will also ensure that development occurs at the best locations for housing sales. Recognizing and directly addressing what potential buyers want and why they should choose Dubuque will enable and strengthen the City's single-family housing options.

Opportunity for Multi-Family

Dubuque also has an opportunity to add market rate multi-family units—rental or owned—to their overall housing offering. Multi-family units can accommodate the needs of seniors and Millennials, as they transition from or to single-family home ownership. Condominium development, while representing smaller unit numbers, has been more successful in markets like Dubuque. As a community with multiple colleges and universities, new age-restricted units affiliated with these institutions can engage current and new residents in the Dubuque community.



Economic Policy

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High Schoolers Want More "Hip" Housing Options



At an Imagine Dubuque Focus Group with High Schoolers, students noted that one of the things preventing them from wanting to move back to Dubuque after college was the lack of hip housing. They noted that they wanted more apartments downtown and housing options similar to the Millwork District.

Business

Dubuque's efforts over the last thirty years to diversify its economy continue to result in employment growth. The City's Economic Development Department works closely with several partner organizations, including Greater Dubuque Development Corporation, to help fulfill the needs of businesses looking to build, relocate, or expand in Dubuque.

Tax Increment Financing is one of the few tools available for business growth. A number of other tools are available to encourage business growth including low-interest loans, land discounts, and Iowa's state programs. Partnerships between Dubuque's public sector, major institutions, and private sector interests have championed business growth, recognizing that economic vitality will make Dubuque better for residents, investors, and visitors.



▲ Inspire Cafe | Millwork District

□ Tools to Encourage Business Growth



LOW-INTEREST
LOANS



LAND
DISCOUNTS



TAX INCREMENT
FINANCING



STATE
PROGRAMS



PARTNERSHIPS



▲ Roshek Building | Downtown Dubuque



Economic Policy

Manufacturing in Dubuque is part of the City's history and will remain part of its future.



Restore the old Dubuque Brewing & Malting Company building and put in stores, restaurants, microbrewery, apartments. Similar to what was done with the warehouse district.

- Idea shared via the project website

▲ Historic Dubuque Brewing & Malting Company

Industrial

The industrial sector of Dubuque will continue to be affected by regional, national, and global trends. Nationally, the sector faces automation, the effects of technology and data, and a decline in overall employment. These factors will affect Dubuque's manufacturers, but opportunities exist.

With full employment, training and attracting highly skilled manufacturing workers will remain critical to Dubuque's industrial employers. The expansion of Dubuque's small to mid-size companies, generally with 10-60 employees, will be important to industrial sector growth. A secondary benefit from the growth of these businesses is their commitment to the community and their workers, given their role as area residents and investors. In addition, the opening of the Southwest Arterial presents three key opportunities as listed at right.

Adaptive Reuse

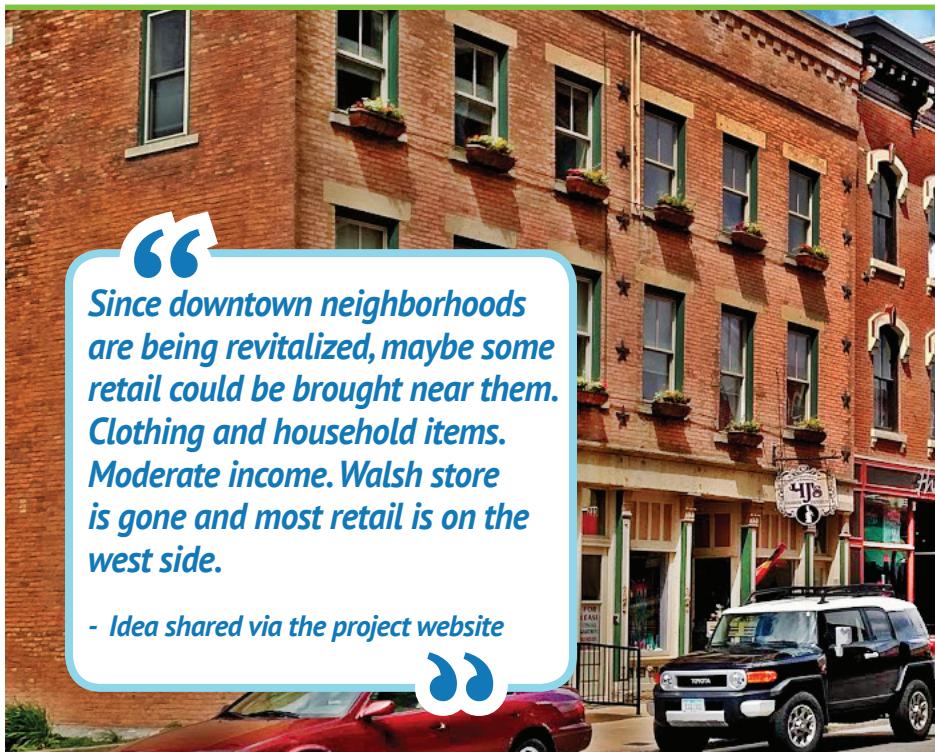
Large, underutilized industrial buildings in downtown Dubuque and in the Kerper Boulevard Industrial Park present an important option for underdeveloped space. Emerging large scale uses, such as data centers specific to mid-sized metropolitan areas and vertical agriculture, require significant square footage with few employees. These types of uses will decrease the overall vacancy rate, given downtown Dubuque's large footprint. These same uses also have minimal impact on downtown's growing service, institutional, and professional sector businesses, particularly parking.

Southwest Arterial Opportunities

- 1 Improved highway access to regional markets from industrial areas
- 2 Business growth for production and suppliers in nearby business parks
- 3 Increased service at Dubuque Regional Airport from business expansion



▲ Southwest Arterial Under Construction



“
Since downtown neighborhoods are being revitalized, maybe some retail could be brought near them. Clothing and household items. Moderate income. Walsh store is gone and most retail is on the west side.
”

- Idea shared via the project website

Economic Policy

As with all commercial sectors, the disruption within the broader retail sector, including restaurants, will continue.



▲ Downtown Dubuque

Retail + Restaurant

As with all commercial sectors, the disruption within the broader retail sector, including restaurants, will continue. Dubuque's primary retail corridors exhibit the significance of these changes, adapting as the local and regional market dictates.

Kennedy Mall

Dubuque's Kennedy Mall continues to position itself as a regional shopping destination for consumers within a 60-minute drive time. Dubuque's U.S. Route 20/Dodge Street retail businesses can capitalize on the Mall's market positioning and attract those same consumers. (Indirectly, exposing these same consumers to Dubuque's many amenities.) The market reality of this targeted positioning incorporates four continuing national trends

- 1 The recognition that per store occupancies, or square footage, will decrease, replaced by emerging uses at suitable locations.
- 2 An approach to retail center tenanting that incorporates new uses reflecting their individual regional markets.
- 3 The location preferences of national and regional retailers and restaurants for well-established retail areas, generally in denser or growing communities.
- 4 The sector's use of proprietary (internal 'Big Data') to invest in preferred locations. These tenanting trends are also applicable to the Northwest Arterial and Asbury Road.

Downtown Main Street

Dubuque Main Street, the City's nationally recognized local Main Street program, continues to comprehensively address downtown's economic vitality in partnership with the City of Dubuque and multiple other City and regional partners. Dubuque's downtown, as a center of employment and tourism, will retain a retail component with businesses selling through multiple channels and appealing to downtown's customer bases, including employees, visitors, and regional residents attracted to downtown's unique retail concepts. Within the broader retail context, restaurants and entertainment venues will support cultural institutions and tourism and provide amenities for Dubuque residents and the region. In addition to these more traditional downtown uses, Dubuque's downtown has the opportunity to incorporate start-up businesses and new uses, such as vertical farming or data centers, to occupy available square footage. Additional housing in Dubuque's downtown will add to downtown's vitality.





▲ Central Avenue, Dubuque IA

Central Avenue

The revitalization of the Central Avenue corridor's retail area is in the initial or catalyst phase. Just as engagement has been important to this Imagine Dubuque process, sustained engagement to identify economically viable businesses that can be supported by the neighborhood, the City, and the region will be important. These uses may not reflect traditional economic development guidance or represent familiar answers for Dubuque's leadership, but these uses must represent viable commercial solutions.

Equity, from a commercial district revitalization perspective, demands both inclusion and commercial uses that can succeed. To date, neighborhood efforts have successfully focused on housing improvements.

The next phase will require significant one-on-one outreach to emphasize the fundamental economics of reinvestment, working directly and collaboratively with anchor neighborhood businesses to both facilitate their revenue growth and provide what residents need.

“

Find a way to get home ownership back to businesses on Central Ave. Business on ground level (store front) with owner living on upper floors – this will help clean up the appearance of Central Ave and empty storefronts.

- Idea shared via the project website

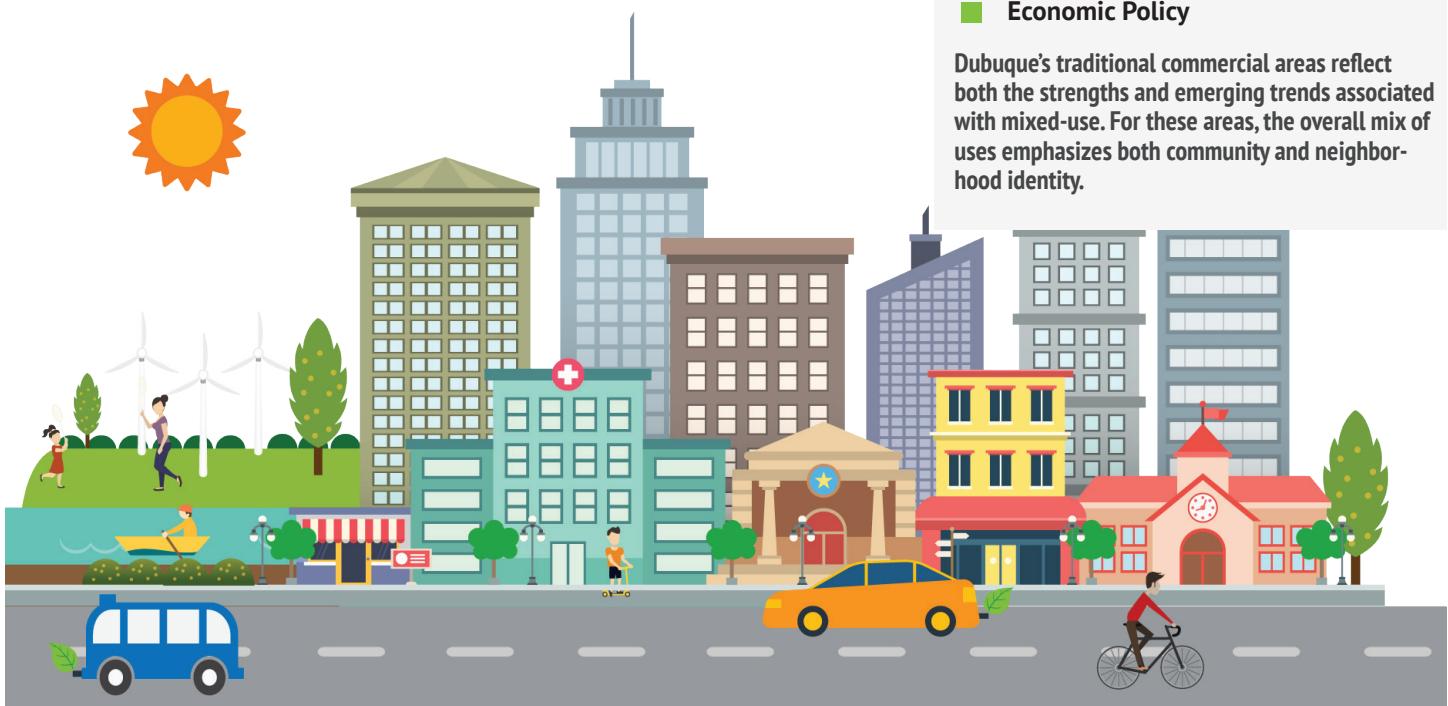
”

“

I imagine a revised and restored Central Part of Lower Dubuque. Removing blight – poverty and crime. The entire flats area should be earmarked.

- Idea shared via the project website

”



Economic Policy

Dubuque's traditional commercial areas reflect both the strengths and emerging trends associated with mixed-use. For these areas, the overall mix of uses emphasizes both community and neighborhood identity.

Mixed-Use

Dubuque's commitment to livability and viability continues to support mixed-use development, particularly in downtown neighborhoods. Dubuque's traditional commercial areas reflect both the strengths and emerging trends associated with mixed-use. For these areas, the overall mix of uses emphasizes both community and neighborhood identity. Dubuque's examples of successful mixed-use projects encompass office, residential, and commercial uses in various combinations of uses. Mixed-use appeals to the two largest demographic cohorts—Baby Boomers and Millennials.

Mixed-use improves walkability and represents efficient re-use, new development, or redevelopment near stores, services, and employment.

These trends are applicable to the type of new development suitable for other area in Dubuque, as described in this Plan's Land Use Chapter. Mixed-use also continues to evolve in response to the real estate trends described in the Economic Development Analysis Report in the appendix. It now extends to industrial parks, given retailer moves to industrial space to sell goods online and to consumers.



DENSITY

By building up instead of out, cities absorb urban growth in a more compact way. Density supports a mix of activities and transit services.



MIX

A city becomes more animated when there is a mix of activities. Different uses encourage shorter trips and more lively neighborhoods.



WALK + BIKE

The beneficial effects of mixed-use communities are keenly felt by pedestrians and cyclists. Vibrant, active streets where people feel safe are fundamental in city planning.

Source: Institute for Transportation Policy

Economic Recommendations

The City of Dubuque and its many economic development partners are doing the right things to grow the City's economy. Most important is the City's potential to build on these many past and ongoing successes. In addition to Dubuque's many creative strategies for growth, considering new approaches and adapting what works from elsewhere will also enable future growth. The following recommendations are specific to Dubuque's future economic prosperity:

Employment

- Continue ongoing efforts to diversify Dubuque's economy, including all sectors and all employment types and categories.   
- Convene local employers attracting talent from elsewhere and from the region, identify successes and challenges based upon local employer experiences, and develop a comprehensive 'hyper-local' approach to overall talent attraction and development, including a local talent pipeline.   
- Continue to strengthen existing start-up business and entrepreneurial programming to develop a comprehensive entrepreneurial eco-system. This system should include programs and resources, including funding, for entrepreneurs through Stage 2 growth. (Stage 1 and 2 entrepreneurs are described on page 10 in the Economic Development Analysis Report in the appendix.)  

Equity

- Continue the current work of Inclusive Dubuque, also formulate strategies to enhance economic resiliency and mitigate the impact of economic disruptions locally. 



Each recommendation listed relates to making Dubuque more viable, livable, and equitable. The symbols noted above correspond to these guiding principals and are listed along with the recommendations they pertain to.



Housing

- Work with local residential realtors to understand why families choose or do not choose Dubuque when purchasing a new home. Once understood, use this data to identify suitable development sites for new homes.  
- Foster the development of new and additional housing products in suitable locations throughout the City.   



Business

- Work with the City's broadband providers to ensure the City's technological future, given its implications for the City's business growth and employment growth.  
- Collaborate with Kennedy Mall ownership and surrounding major centers to support regional retail.  

