Dramatic immigration raid left mark on town

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By JIM OFFNER
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POSTVILLE — As the sun's first rays fell on Postville on May 12, 2008, no one could anticipate the intensity of the spotlight that would focus on this drowsy little farm town before the day was over.

Within hours, the very mention of Postville would conjure images of black helicopters, SWAT teams and an immigration raid that tore apart the town of around 2,300 people and its largest employer.

Before noon, helicopters were circling over the city. A convoy of government vehicles charged toward Agriprocessors Inc., the largest kosher meatpacking plant in the U.S.

“I lived in Minneapolis, and I got a phone call that told me to turn on the TV,” said Tony Gericke, a Postville native and current chamber of commerce president who was a corporate attorney at the time.

“I said, ‘Which channel?’” Gericke said.

“All of them,” was the reply.
Traffic moves on North Lawler street in the downtown Postville on April 17. After years after the ICE raid on Agrlprocessors the town is bouncing back.

Attorney and Postville Chamber of Commerce President Tony Gericke talks about why he moved from Minneapolis back to his hometown of Postville.

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Town's post-raid history continues to unfold
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Gericke watched with astonishment as news cameras flashed dramatic images of what was the largest immigration raid in U.S. history at the time.

"Black helicopters and guys in SWAT suits," Gericke said, shaking his head.

From the moment U.S. Immigration and Customs Enforcement agents stormed the buildings of "Agri" in local parlance, the isolated world of Postville changed, some say forever.

ICE agents detained 389 undocumented workers at the plant, which had a total workforce approaching 1,000.

Another chapter
Five years later, Postville's history is a two-chapter story: before the raid and after.

The second chapter continues to unfold. Agriprocessors went into bankruptcy. Much of its management - including vice president Sholom Rubashkin - went to prison.

The plant now operates under a new owner, Agri Star Meat & Poultry LLC, based in Brooklyn, N.Y.

Agri Star officials did not return calls requesting comment for this story.

The meatpacker still plays a central role in Postville's economy, although not as large as it once did, said Postville Mayor Leigh Belyea.

The local farmer, 14-year city councilman and community organizer was elected to his current post in 2009.

"They have about 700 workers, and their mixed production has never gotten back to the normal, but preraid, they were doing about 1,000 head of cattle per day," Belyea said. "They have increased their poultry a lot. That is their high-profile item."

Many local business men and residents declined to discuss the raid. Belyea empathized.

"We never looked back after the raid," he said. "We just went ahead as a town and kept on going. We never felt sorry for ourselves. We knew we were always going to be here, and we kept going."
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Nobody seems to know, though, who owes the money, Rekow said.

“The city and the school are owed tax money from the Rubashkins, but apparently the administrator of the bankruptcy sold (the plant) to the new owner free and clear,” Rekow said.

The local tax base took a hit from the events of five years ago, said Darcy Radloff, Postville city clerk administrator since 2006.

“After the bankruptcy of Agri, a lot of homes started being foreclosures,” Radloff said.

She said 158 of the town's total housing stock of 600 units went into foreclosure.

A property reassessment last year also lowered tax collections, and cost the city $60,000 from next year's budget, Radloff said.

The city's operating budget, meanwhile, remains at the pre-raid level of “a little over” $3 million annually, she said.

The housing market in Postville has been sluggish, said Jack Sweeney, a Waukon real estate agent who had four of his total of 50 listings in Postville at the end of April.

“Three banks ended up with a lot of homes that the Jewish had bought,” he said.

Those bank-owned homes depress prices, he said.

But he doesn’t blame the raid and its fallout exclusively for the slower housing market.

“It isn’t just the raid, but the economy, too,” Sweeney said.

The market is showing some signs of coming back.

Allamakee County also lowered assessments to 75 percent of previous values due to market stagnation. But progress takes time.

“There’s only a certain amount of buyers out there,” Sweeney said.

Signs of life

There are signs of economic life beyond the reorganized meatpacking plant.

One bright spot is a Dollar General, which opened two years ago.

“It does a fairly large business, and we saw that with the local option sales tax (revenue) increases that we noticed after they arrived,” Radloff said.

Lupé Martinez, an employee of Dollar General, came to Postville with two cousins from Mission, Texas, about a month after the raid.

They planned to work at Agriprocessors for $10 an hour. But none of them liked it, and they went back to Texas when Agriprocessors shut down in November of that year, Martinez said.

“It’s nice to live out there, but there aren’t that many jobs, so that’s why we came back here,” Martinez said.

The three returned to Postville the following April to work for Agri Star, but the two cousins ended up heading back to Texas once again.

Martinez found a spot at Dollar General when it opened.

Rekow pointed to other indications of economic revival.

“We’ve got three contractors in town, and they do a lot of concrete work and a lot of bidding in the city and do a lot of work in town,” he said. “A contractor moved into town and built a nice big building. We’ve had new businesses start up. Not all of them make it, but we’ve always been a progressive town, and we still are.”

An influx of refugees from Somalia, many of whom came to work for Agri Star, has brought a new dynamic to the business community, Radloff said.

“Within the last year, there’s a new Somali food store that’s opened, and just recently, an African clothing store,” she said.

A new kosher food store, Glatt Market, opened downtown, replacing a store that closed in the fallout of the Agriprocessors bankruptcy. A Mexican grocery store that closed after the raid came back at a different location under the same ownership, Radloff said.

“We’ve had maybe nine new businesses since the raid,” she said.

Gerike said Postville is trying to build its business environment, but faces the same hurdles as many small towns.

“The heart of downtown and the retail businesses just don’t exist anymore,” he said.

“You can just walk up and down the street here and you can see we’ve got any number of shuttered buildings. Twenty years ago ... we had a movie theater down the street here. We had a restaurant across the street from the movie theater. There were two grocery stores in town. There was a video store company that was here. A lot of those things have disappeared and nothing has come to fill the gaps.”

But Gerike can point to a number of successes — an accounting firm, the local newspaper, a car-repair garage and several barber shops and hair salons — among the long-running commercial enterprises in the business district.

Gerike counts himself among the new businesses. He left the corporate world recently, an African clothing store,” she said.

The chamber is actively recruiting members, which can lead to growth, Gerike said.

“As far as attracting that kind of stuff, we’re always kind of spit-ballin’ ideas around, but really it almost seems like you need a larger business,” he said.

Among Postville’s major employers is Norplex-Micarta, a plastics factory.

“They’ve been here as long as I’ve been alive,” Gerike said. “On the other side, they fuel a lot of employment in this town, and you get a lot of people that come into town specifically to work there that maybe don’t live here. But you’ve got to have the bodies to make that kind of stuff work.”

Growth is still a dream to come back to a small town,” he said. “I finally had the financial ability to kind of move back and open up my own shop.”

Small-town ‘challenges’

Numerous attempts to start new businesses have met with varying degrees of success.

The same time, I think everybody would like to see some of these empty storefronts be filled with something.”