

October 19, 2023

**Debi Durham**

Director

Iowa Economic Development Authority

Iowa Finance Authority

# *LADG Partners Forum*





**BUSINESS**

**COMMUNITY**

**PEOPLE**



**ADVANCED  
MANUFACTURING**



**BIOSCIENCES**



**FINANCE AND  
INSURANCE**



**INFORMATION TECHNOLOGY**



**EDUCATIONAL TECHNOLOGY**



**WORKFORCE**



**INFRASTRUCTURE**



**SUSTAINABILITY**



**INNOVATION**



**ECONOMY**



**COMPETITIVE INITIATIVES**



**QUALITY OF LIFE/  
ARTS & CULTURE**



# *Workforce*

# State of the Workforce

**UNEMPLOYMENT  
RATE**

**3.0%**

Source: Iowa Workforce Development, September 2023

**68.6%**

**LABOR FORCE  
PARTICIPATION**

Source: Iowa Workforce Development, September 2023

**JOBS RECOVERED  
SINCE PANDEMIC**

**170,900**

(+3,300 ABOVE)

Source: Iowa Workforce Development, August 2023

**WAGE GROWTH**

**+5.7%**

(AVERAGE ANNUAL WAGE)

Source: BLS, 2022



# Iowa's Labor Force Participation

- **Labor force levels are recovering**
  - Up to 1.74 million, only 9,000 below pre-pandemic high
- **Manufacturing employment in Iowa is strong**
  - April number hit highest level since May 2008
- **Nationally, women's employment has hit a record high**
  - Women's employment in Iowa has recovered faster than national
- **Iowa has seen growth while neighboring states have lost (IL and MN)**
  - July 2023 (latest data): Iowa had 78,000 job openings and 47,700 unemployed people
  - Where people are moving from (Source: IRS)
    - California
    - Illinois
    - Nebraska
    - Hawaii
    - New York



**VISITOR & TALENT ATTRACTION PLAN**  
**[thisisiowa.com](http://thisisiowa.com)**



# Travel Is the First Step in Thinking About Moving to a New City

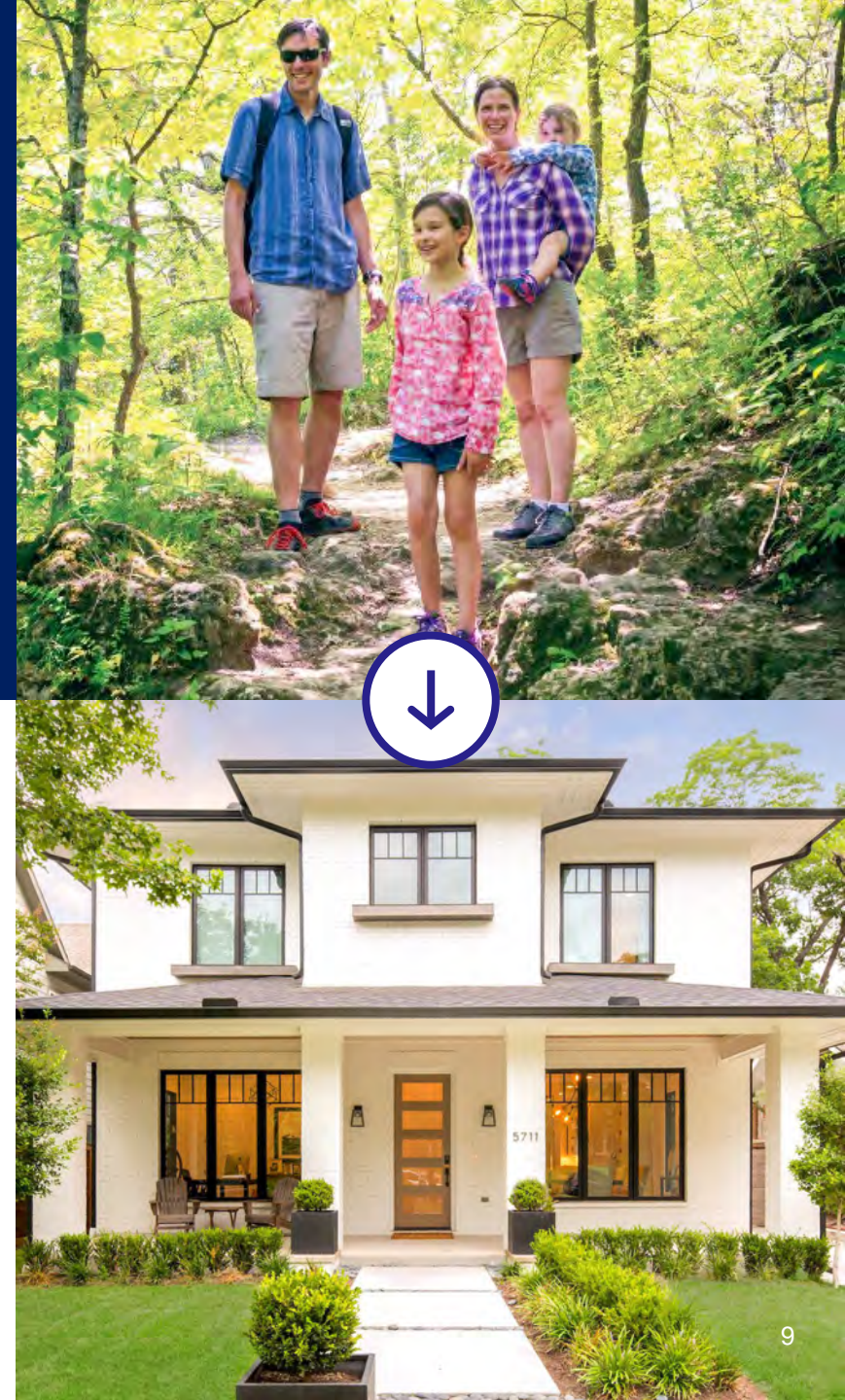
## TRAVEL FEEDS WORKFORCE

**64%**

of U.S. adults seriously considered moving to a new place as a result of visiting.

“

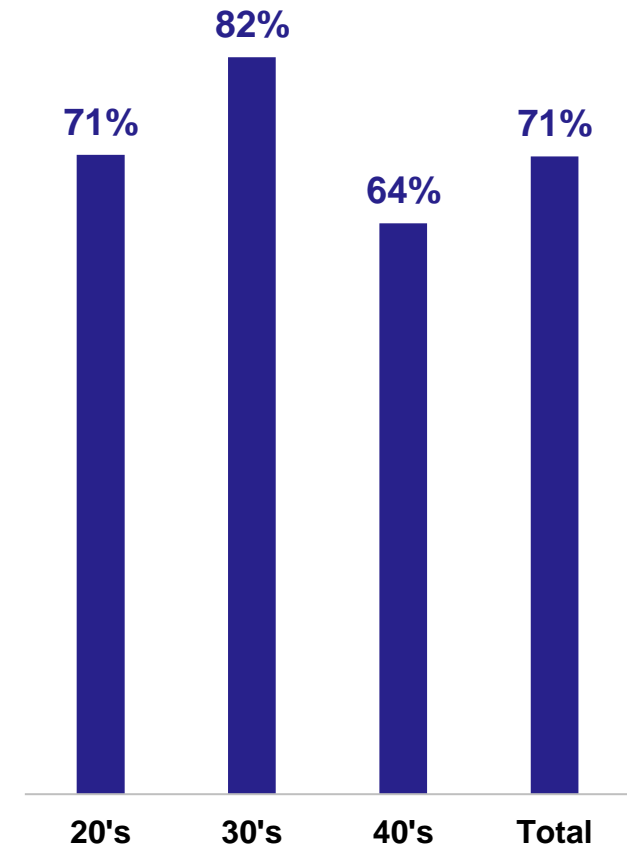
If we can get them to our location, we have a much better sell. They have to see the place to be convinced.”



# Consumers Are Open to Relocating



**Likelihood to consider moving  
for the right opportunity**  
Scale of 0 (not likely at all) to 10 (very likely)



**7 in 10**

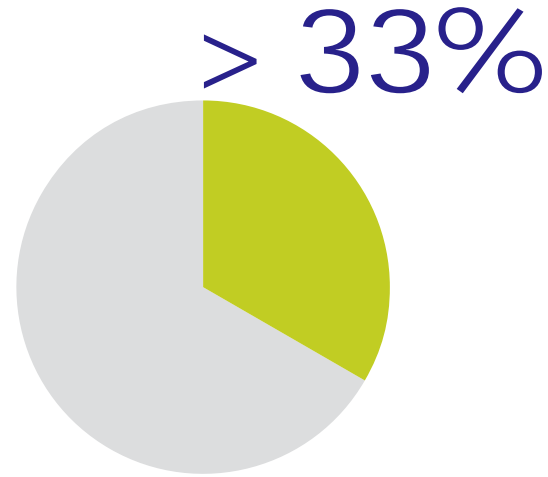
are likely to consider moving  
for the right opportunity.

Likelihood is highest among

**30-somethings.**

This is up since we last tested it.

# Market Research Findings

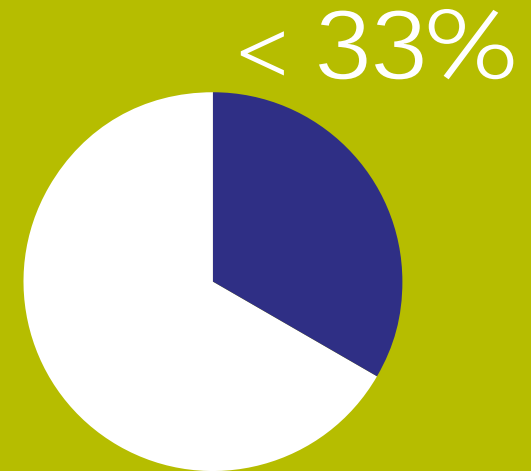


**More than 1 in 3 respondents are dissatisfied with their current cost of living. Iowa is #1 in cost of living.**

Top quality of life factors for considering a move:

- **Cost of living**
- **Safety**
- **Culture**

**Nearly 1 in 3 respondents have concerns about safety where they live. Safety is rated as one of the top-performing attributes for Iowa.**





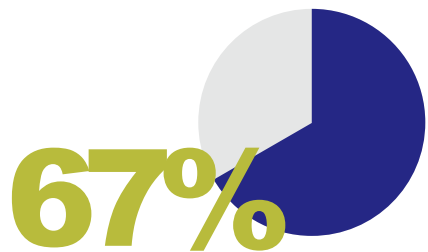
# This Is Iowa

## Making An Impact

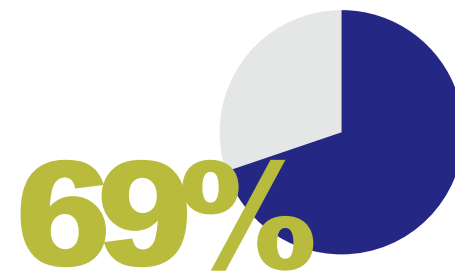


The number of positive perceptions has **increased by 20%**

“Iowa has fun recreational opportunities” **jumped 20%**



“Iowa has beautiful natural landscapes” increased from 46% to 67%



“Iowa has friendly people” climbed from 51% to 69%

# Talent Attraction Strategies



#1

## **Workforce Research**

Understand workforce audiences within Iowa's key industries and markets in order to better target them

#2

## **Quality of Life/Talent Attraction Marketing**

Build on our strong marketing with a more cohesive campaign targeting out-of-state job seekers

#3

## **Alumni Partnerships**

Partner with Iowa universities to target out-of-state alumni and, through events and marketing, encourage consideration of building a life or business in Iowa

#4

## **Lead Generation**

Launched pilot lead generation program as part of a larger marketing strategy focused on talent attraction - contract with RoleCall



# *Infrastructure*

# Investments in infrastructure

IOWA HAS INVESTED OVER  
**\$500 MILLION**  
IN CHILD CARE INITIATIVES

IOWA HAS INVESTED  
**\$100 MILLION**  
FOR COMMERCIAL AVIATION  
INFRASTRUCTURE PROJECTS

IOWA HAS INVESTED  
**\$430 MILLION**  
TO DEVELOP NEW HOUSING

IOWA'S INVESTMENTS IN  
**BROADBAND**  
INFRASTRUCTURE  
ARE EXPECTED TO REACH NEARLY  
**\$1 BILLION**  
BY 2028



**HOUSING DEMAND IS EXPECTED TO  
GROW BY 24,617 HOUSEHOLDS BY 2030.**

*SOURCE: MYSIDEWALK IOWA HOUSING AND COMMUNITY DASHBOARD, 2023*

**17,181 OF IOWA'S EXPECTED 2030  
HOUSING DEMAND WILL NEED TO BE  
OWNER-OCCUPIED UNITS, AND 7,436  
WILL NEED TO BE RENTAL UNITS.**

*SOURCE: MYSIDEWALK IOWA HOUSING AND COMMUNITY DASHBOARD, 2023*

# Housing Assistance

- **Workforce Housing Tax Credits (WHTC)**
  - Tax benefits to developers to provide housing in Iowa's communities
- **Federal Low-Income Housing Tax Credits (LIHTC)**
  - Tax incentives to investors for the development, acquisition and rehabilitation of income-restricted rental properties
- **Historic Preservation Tax Credits**
  - Encourages the sensitive rehabilitation and reuse of historic structures (e.g., schools, factories, hotels)
- **Redevelopment Tax Credits**
  - Tax credits to redevelop underused industrial and commercial property



Irish Hospital Apartments – Forest City Workforce Housing Tax Credit



Waverly Historic Lofts  
Low-Income Housing Tax Credit

Contact: Derek Folden at [derek.folden@iowafinance.com](mailto:derek.folden@iowafinance.com) or 515.452.0437

# Downtown Resource Center

Helps communities learn about the importance of downtown development and how to make downtowns more viable

- Community Catalyst Building Remediation Program
  - Grants for redevelopment projects that stimulate economic growth and reinvestment in the community
- Main Street Iowa
  - Recognized as one of the most successful state programs in the nation
- Challenge Program
  - Grants for improvement projects to revitalize Iowa's historic main streets

Contact: Jim Engle at [james.engle@iowaeda.com](mailto:james.engle@iowaeda.com) or 515.348.6180



Masonic Block – McGregor  
Community Catalyst Grant



Kass Building – Le Mars  
Challenge Grant

# Child Care Task Force Recommendations

**PARTNERSHIPS**  
**SHARED SERVICES**

**SLOTS**

**CHILD-STAFF RATIOS**

**BEND THE COST CURVE**

**FINANCIAL INCENTIVES FOR BUSINESSES**

- **Over \$500 million invested in child care initiatives**
- Increase in the number of 2-year-olds and 3-year-olds allowed in the care of an individual provider
- Child Care Management System
  - 2,089 child care slots added since June 2022
- Iowa Women's Foundation hired employer engagement director in partnership with IEDA



Cedar Valley Kids  
Child Care Challenge Program

*Bringing together the business and child care communities to create a model where businesses can reserve spots to recruit and retain talent*

# Empower Rural Iowa

- FY24: Awarding \$477,366 for a total of 31 grant awards across 7 different grant programs
- Iowa United First Aid pilot projects are underway in Van Buren, Cass, and Calhoun counties
- 4th Annual Leadership Exchange event in Nevada next week on October 26-27 with over 100 registered attendees
- New direction for Empower Rural Iowa in 2024 with an increased focus on innovation and streamlining operations, including reducing to one task force
- Invitation to attend the joint Empower Rural Iowa and Iowa Rural Development Council meeting on December 13 in Grinnell

Contact: Liesl Seabert at [rural@iowaeda.com](mailto:rural@iowaeda.com) or 515.348.6154





*Sustainability*

# Renewable Energy Portfolio

IOWA RANKS

**1<sup>st</sup>**

IN ELECTRICITY  
GENERATED  
FROM CLEAN  
POWER SOURCES

*Source: American Clean Power, 2023*

**62%** OF IOWA'S TOTAL  
POWER OUTPUT  
COMES FROM  
**RENEWABLE RESOURCES**

*Source: American Clean Power, 2023*

IOWA HAS THE CAPACITY TO GENERATE

**13,278**

**MEGAWATTS OF CLEAN ELECTRICITY**

*Source: American Clean Power, 2023*

# Carbon and Renewable Hydrogen Opportunities

- Governor's Carbon Sequestration Task Force
  - Vision Statement: Iowa will be the leading state for creating carbon value through agricultural stewardship & energy generation
- Positioning for Growth in Hydrogen
  - Iowa is a great fit for development of renewable hydrogen (H<sub>2</sub>) & can further maximize our energy and agricultural resources and industry partnerships



“

The value of our investment decision in Nevada as represented by the operation of our biorefinery continues to deliver dividends, for the future... The decision to integrate the production of green hydrogen production reflects the natural evolution of our vision to position Nevada as advance renewable energy center. To be successful, this vision is supported by Iowa's leadership to secure a hydrogen hub for the state and its regional state partners – the time is right, and this is the place to be.”

**Greg Northrup**  
President & CEO  
VERBIO North America



A man with glasses and a blue t-shirt is sitting at a desk in a workshop, holding a prototype of a device. The background shows various tools and equipment. The word "Innovation" is overlaid in a large, white, italicized font.

*Innovation*

# Iowa Manufacturing



**\$3.4.7**  
BILLION, OR 18% OF IOWA'S  
**GROSS STATE PRODUCT  
IS GENERATED BY  
MANUFACTURING**

Source: Bureau Of Economic Analysis, 2022

**60%** OF IOWA'S EXPORTS  
COME FROM THE  
**MANUFACTURING INDUSTRY**

Source: WISERTrade, 2022

MANUFACTURING EMPLOYS  
**14.5%**  
OF IOWA'S TOTAL  
**WORKFORCE**

Source: Bureau of Labor Statistics, 2022

MANUFACTURING  
JOBS PAY

**20%**

MORE THAN THE AVERAGE  
**PRIVATE SECTOR JOBS**

Source: Bureau of Labor Statistics, 2022

# Supporting Adoption of Automation

Iowa is helping manufacturers integrate smart technology into their operations to remain globally competitive through the fourth industrial revolution.

## Manufacturing 4.0 Plan - [iowamfg.com](http://iowamfg.com)

- Supplier Connection Portal
- Bonus depreciation
- Grants for small to medium size manufacturers that invest in smart technologies

“The Manufacturing 4.0 Innovation Grant is allowing Fox River Mills to match our leadership position in the market around product innovation and a progressive business model, with an advanced technology solution that enables agility, speed and efficiency. Through our early work around discovery and our move into the selection phase we have a line of sight now to the game changer this will be for our team, our business and ultimately our community.”

Bobby Warren, CEO - Fox River Mills, Osage



OVER  
**1,800**  
BIOSCIENCE  
ENTITIES OPERATE  
IN IOWA

Source: Biotechnology Innovation Organization, 2022

IOWA RANKS

**2<sup>nd</sup>**  
IN BIOMASS  
CAPACITY

Source: U.S. Department of Energy

IN 2022,  
IOWA EXPORTED  
**\$470.3 MILLION**  
OF PHARMACEUTICAL PRODUCTS TO  
75 COUNTRIES

Source: WISERTrade, 2022

# Bioscience Opportunities

**MEDICAL  
INNOVATIONS**

**BIOBASED  
PRODUCTS**

**PRECISION &  
DIGITAL  
AGRICULTURE**

**VACCINES,  
DIAGNOSTICS  
&  
IMMUNOTHERAPEUTICS**



# *Economy*

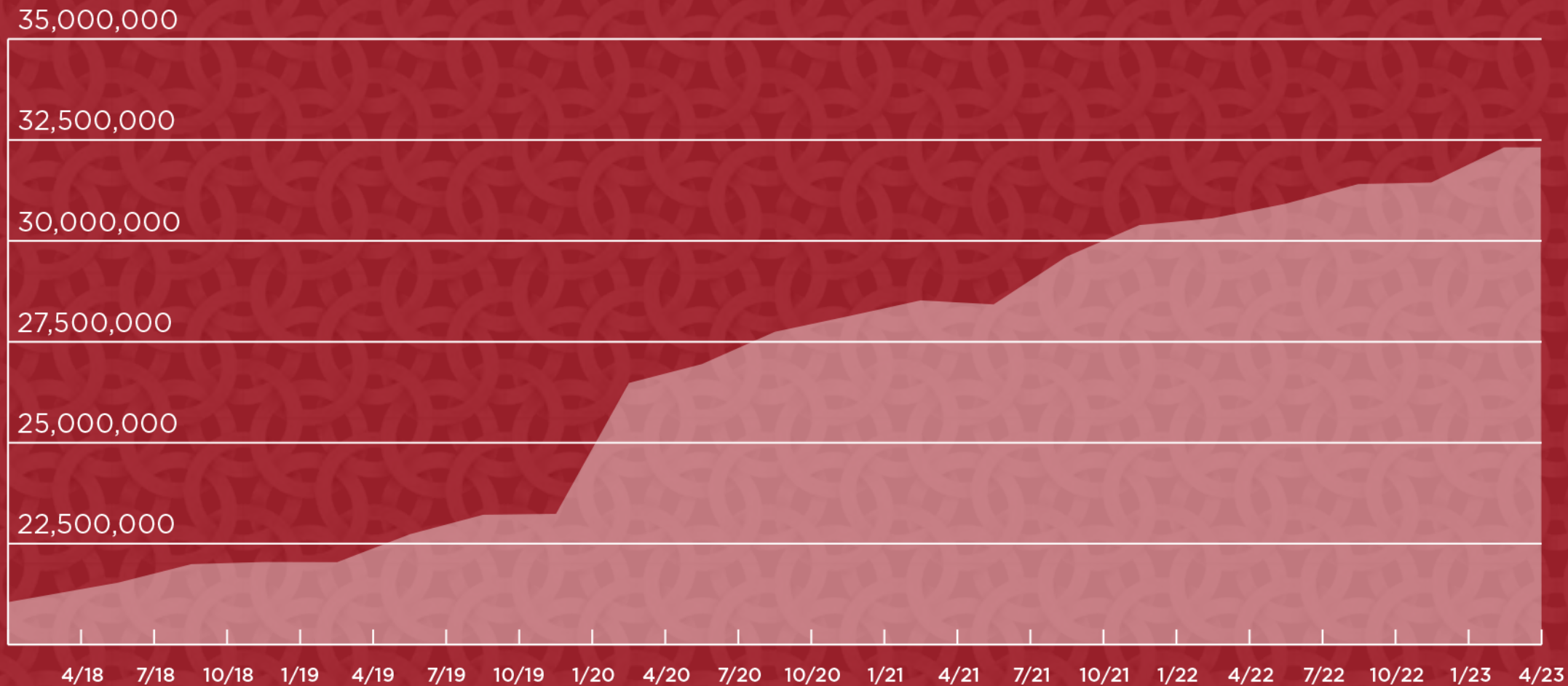
“THE WAR IN UKRAINE COMPOUNDED BY ATTACKS ON ISRAEL MAY HAVE FAR-REACHING IMPACTS ON ENERGY AND FOOD MARKETS, GLOBAL TRADE, AND GEOPOLITICAL RELATIONSHIPS. **THIS MAY BE THE MOST DANGEROUS TIME THE WORLD HAS SEEN IN DECADES.**”

- *Jamie Dimon*  
CEO, JPMorgan Chase & Co.



# U.S. Federal Debt Q2 2018 – Q2 2023

Total Public Debt, Millions of Dollars, Quarterly, Not Seasonally Adjusted

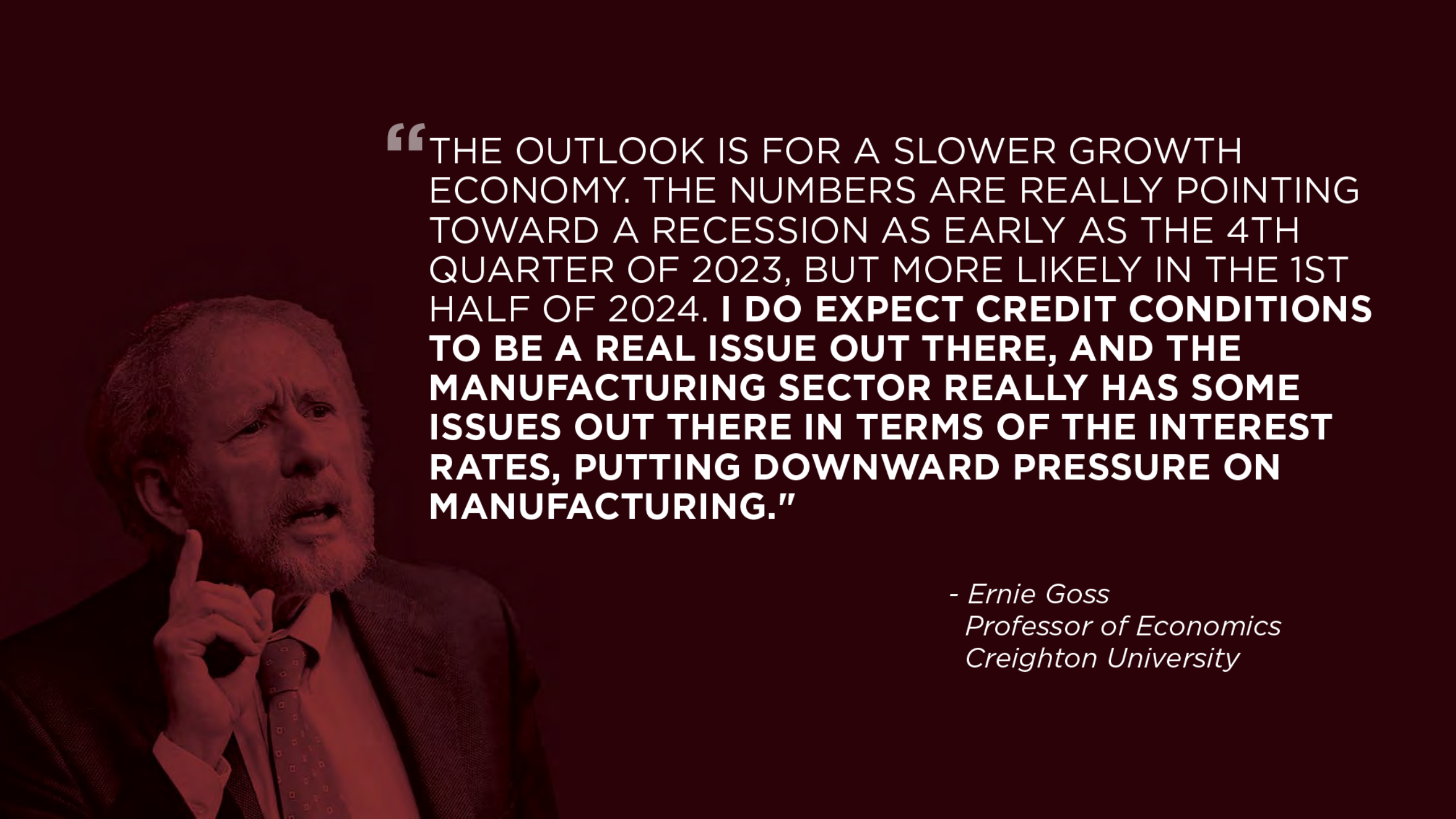


Source: Federal Reserve Bank (FRED), St. Louis



# Economic Risks

- Middle East conflict impact on oil, concern for global economic downturn
  - Crude oil prices up 7% since October 4; crude futures for December up 8%
- War in Ukraine continues to impact grain exports and food prices could continue to rise
- Mississippi river near record low – some estimates indicate flow of goods reduced by 45%
  - For every foot of draft lost on a barge, 6,000 bushels of soybeans can't be loaded
- Through August, soybean exports are down 8% and corn exports are down 35% (Source: WISERTrade)



**“THE OUTLOOK IS FOR A SLOWER GROWTH ECONOMY. THE NUMBERS ARE REALLY POINTING TOWARD A RECESSION AS EARLY AS THE 4TH QUARTER OF 2023, BUT MORE LIKELY IN THE 1ST HALF OF 2024. I DO EXPECT CREDIT CONDITIONS TO BE A REAL ISSUE OUT THERE, AND THE MANUFACTURING SECTOR REALLY HAS SOME ISSUES OUT THERE IN TERMS OF THE INTEREST RATES, PUTTING DOWNWARD PRESSURE ON MANUFACTURING.”**

*- Ernie Goss  
Professor of Economics  
Creighton University*

A high-angle, warm-toned photograph of a woman and a man sitting at a wooden table, working together. The woman, on the left, has curly hair and is wearing a grey cardigan over a dark top. She is pointing at a black laptop. The man, on the right, is wearing a grey polo shirt and is pointing at a silver laptop. On the table between them are a white smartphone, a clear glass jar, and a white coffee cup. The background is a wooden wall. The text 'Competitive Initiatives' is overlaid in the center in a white, bold, serif font.

# *Competitive Initiatives*



#1

STATE FOR  
**FISCAL**  
RESPONSIBILITY

*Cato Institute, 2022*

**RECORD NUMBER**  
OF NEW IOWA  
**BUSINESSES**  
LAUNCHED IN **22**

*Iowa Secretary of State*

IOWA RANKS

**#3** **IN THE U.S.**  
FOR OPPORTUNITY

*U.S. News & World Report, 2022*

IOWA RANKS

**7<sup>th</sup>**  
IN WOMEN'S ECONOMIC AND  
**SOCIAL WELL-BEING**

*Wallethub, 2023*

IOWA RANKS **6<sup>th</sup>**  
IN THE U.S. FOR  
**CHILDREN'S**  
**ECONOMIC WELL-BEING**

*Annie E. Casey Foundation*

#1

**STATE TO RETIRE TO**

(BASED ON AFFORDABILITY, HEALTH CARE, CRIME, TAXES)

*InvestmentNews, 2023*

# Historic Tax Reform

- Tax Foundation ranking - improvement of 31 places with full phase implementation of reforms
- Lowers corporate tax from 9.8% to 7.1% in 2024, with ultimate target of 5.5% by 2026
- Single income tax bracket for all Iowans – will reach 3.9% by 2026 (CY 2022 top tax rate was 8.53%, in CY 2023 it is 6%)
- Eliminated retirement income tax starting in 2023

OPINION | REVIEW & OUTLOOK [Follow](#)

*Iowa's Bold Tax Reform*

**WSJ | OPINION**

*“These moves will help the Hawkeye State keep up amid intensifying Midwest tax competition.”*

A person is shown from the back, paddling a kayak on a body of water. The scene is overlaid with a warm, orange-tinted filter. The person's hair is tied back, and they are wearing a light-colored jacket. The water is calm, and the background is slightly blurred, suggesting a peaceful outdoor setting.

*Quality Of Life/  
Arts & Culture*



#1

FOR LOWEST  
HOUSING  
COSTS

WalletHub, 2023

IOWA RANKS IN THE TOP TEN  
**BEST STATES TO LIVE**

U.S. News & World Report, 2023

4<sup>th</sup>

LOWEST PERSONAL  
**INCOME TAX RATE**  
RATE BY 2026 (3.9%)

Wallethub, 2023

#1

FOR LOWEST  
**COST OF LIVING**

CNBC, 2023

# Unmatched Quality of Life

IOWA HAS MORE THAN  
**80** STATE  
PARKS

**2,300**  
MILES OF TRAILS

**18,000 MILES**  
OF NAVIGATABLE STREAMS

**2,000**  
COUNTY PARKS, CITY PARKS  
NATURAL AREAS AND TRAILS

NEARLY  
**53,000**  
ACRES OF IOWA'S LAND ARE FOR  
**RECREATIONAL ACTIVITIES**





# Investing in Iowa's Communities

- Destination Iowa
  - Provides grants to help communities move forward on transformational, shovel-ready tourism and quality of life attractions
- Enhance Iowa – Community Attraction and Tourism
  - Provides grants to assist projects that improve recreational, cultural, entertainment and educational attractions and enhance the vitality of the region and state



Pioneer Ridge Park Campground – Bloomfield



McKinley Park Aquatic Center – Creston

Contact: Alaina Santizo at [alaina.santizo@iowaeda.com](mailto:alaina.santizo@iowaeda.com) or 515.348.6162

Thank You

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