



Des Moines Area Association of Realtors

Debi Durham | Director | Iowa Economic Development Authority



**BUILDING A
BETTER IOWA**

EDUCATING OUR
CHILDREN FOR A
KNOWLEDGE
ECONOMY

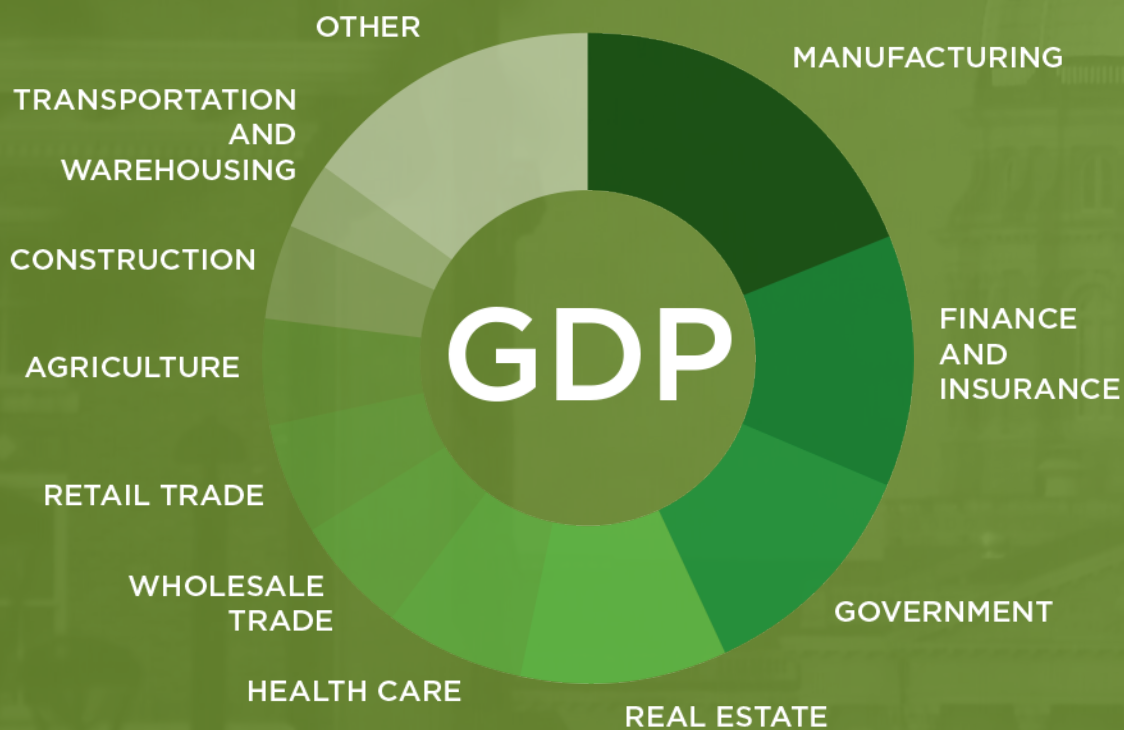
TRAINING
FOR THE JOBS
OF TOMORROW

**GOVERNOR
KIM REYNOLDS &
LT. GOVERNOR
ADAM GREGG**

CREATING A
COMPETITIVE
BUSINESS
CLIMATE

DEVELOPING THE
MOST INNOVATIVE
ENERGY POLICY
IN THE COUNTRY

Iowa's Economy

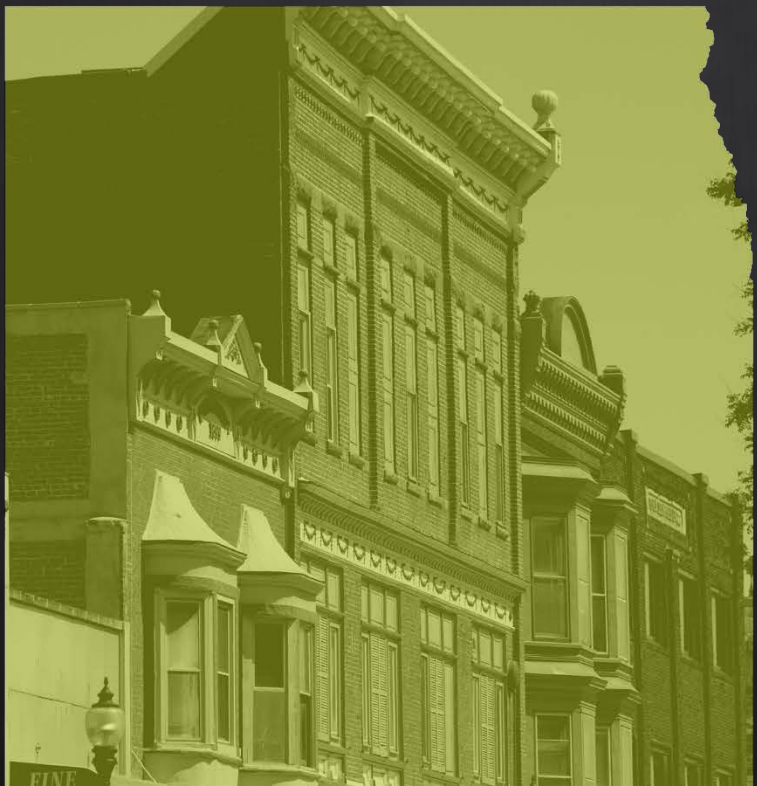


IOWA'S GDP IN 2016 WAS
\$162.7 BILLION

IOWA HAS A
AAA RATING
AND IS ONE OF THE BEST RUN STATES IN U.S.



BUILDING COMMUNITIES



Historic Preservation

- » Provides state tax incentives for the sensitive rehabilitation of historic buildings - commercial and/or residential
- » From 2014-2017 (to date):
 - 200 HPCED awards have been made
 - These awards have been located in 37 counties
 - Credits awarded total \$169.5 million
 - Total project costs for these projects is \$786,108,100 (Or \$616,568,822 in “other funds”- besides HPCED credits)



Workforce Housing

- » Provides transferrable income tax credits and sales tax refunds to housing developers who develop eligible housing projects for workers
- » Eligible projects include those that are:
 - Developed on a brownfield or grayfield site
 - Repair or rehab dilapidated existing housing stock
 - Upper-story project
 - New construction in a community with demonstrated workforce housing needs
 - Unit cost cap of \$200,000, or \$250,000 for historic preservation project
- » Awarded \$20 million in FY16, FY17
- » In FY18, legislature passed a \$5 million “Small Cities” set-aside for small communities
 - Available to qualifying housing projects taking place in Iowa communities *except* those located in the 11 most populated counties in Iowa

MSI Challenge Grants

- » Stimulate rehab of significant commercial historic buildings, infill development in downtown districts, local revitalization efforts and the creation of jobs and business growth
- » Maximum grants: \$75,000
- » Communities that received grants in November 2017 include: Ames, Burlington, Chariton, Des Moines, Grundy Center, Jefferson, LeMars, Manning, Marion, Mt. Vernon, Oskaloosa, Ottumwa, Washington and Woodbine



Community Catalyst Building Remediation program

- » Program rules became effective in November 2017
- » Provides grants to communities for the redevelopment, rehabilitation or deconstruction of buildings to stimulate economic growth or reinvestment in the community
- » Maximum grants: \$100,000
- » **40% of funds will be awarded to cities with populations under 1,500**
- » Strong applications will show the potential of catalytic economic growth in the community; improve appearances & safety; make use of underutilized property, exhibit appropriate design standards; and be well-funded.

BUILDING UPON
OUR STRENGTHS





**FINANCIAL
SERVICES**

BIOSCIENCES

**ADVANCED
MANUFACTURING**

INFORMATION
TECHNOLOGY

Insurance and Financial Services

TOP 5 STATES FOR PERCENT OF GDP FROM INSURANCE



IOWA'S TECHNOLOGY INDUSTRY
EMPLOYS OVER
76,000
WORKERS

IOWA IS HOME
TO MORE THAN

130

INSURANCE COMPANY
HEADQUARTERS



Advanced Manufacturing

MANUFACTURING REPRESENTS

17.9%

OF IOWA'S GDP



\$29.1 BILLION
OF IOWA'S
GROSS STATE PRODUCT
IS GENERATED BY MANUFACTURING

MANUFACTURING EMPLOYS NEARLY
14%
OF IOWA'S TOTAL WORKFORCE

Food Manufacturing and Processing

IOWA ANNUALLY
PRODUCES MORE THAN
\$39 BILLION
IN FOOD PRODUCTS

IOWA IS HOME TO
36
OF THE LARGEST 100
FOOD MANUFACTURERS AND PROCESSORS

IOWA IS RANKED:

1st

CORN PRODUCTION
PORK PRODUCTION
EGG PRODUCTION



2nd

SOYBEAN PRODUCTION
RED MEAT PRODUCTION



Iowa Wind Industry

IOWA RANKS
2nd
IN THE NATION FOR
WIND-RELATED JOBS

36.6%
OF IOWA'S TOTAL
POWER OUTPUT
COMES FROM WIND

IOWA RANKS
2nd
IN WIND GENERATION

WITH A CAPACITY
TO GENERATE
6,974 MW



Year Of Manufacturing

- » Manufacturing is critical to Iowa's economy
 - Over 5,900 manufacturers contribute in excess of \$29 billion annually
 - From 2006-2016, manufacturing's annualized real GDP growth rate was flat, placing Iowa 29th nationally
- » ***During the Year of Manufacturing, the focus will be three-fold:***
 - Help Iowa manufacturers build a skilled workforce
 - Promote innovation and R&D within our manufacturing sector
 - Improve the global competitiveness of Iowa companies
- » Connect manufacturers to available resources – toolkit
 - www.iowaMFG.com



Biosciences

OVER
1,200
BIOSCIENCE ENTITIES
OPERATE IN IOWA

IN 2016, IOWA EXPORTED
\$270.1 MILLION
OF PHARMACEUTICAL PRODUCTS
TO 56 COUNTRIES

IOWA HAS THE
2nd
LARGEST SUPPLY OF
AVAILABLE BIOMASS



Biofuels

IOWA ACCOUNTS FOR OVER

25%

OF TOTAL
U.S. ETHANOL PRODUCTION



IOWA RANKS:

1st

ETHANOL
PRODUCTION

2nd

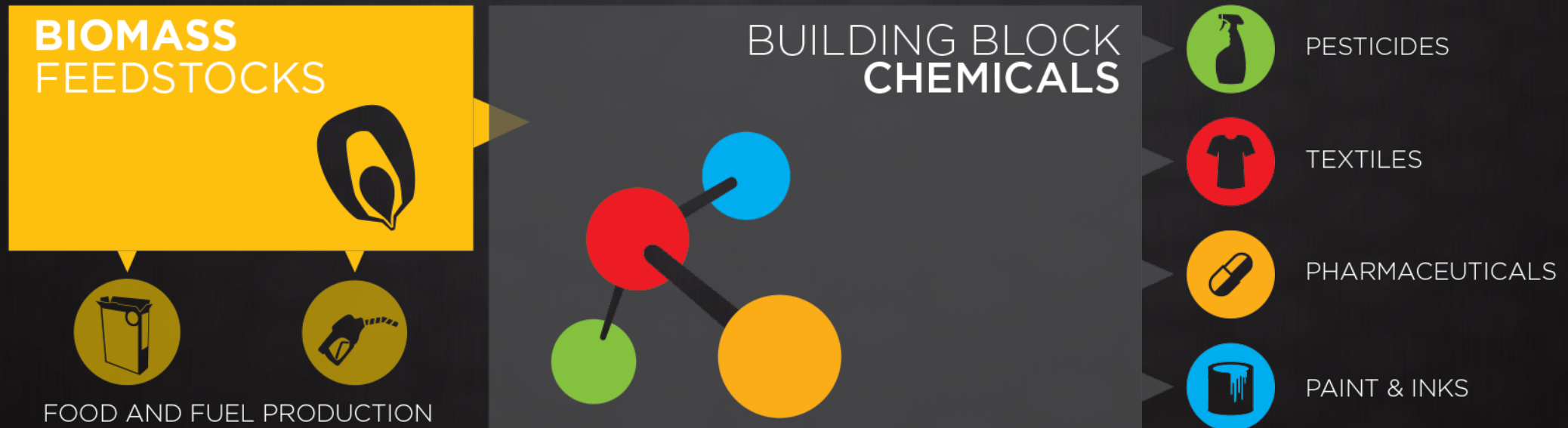
BIODIESEL
PRODUCTION

IOWA'S BIOFUELS PRODUCTION
IMPACTS OVER

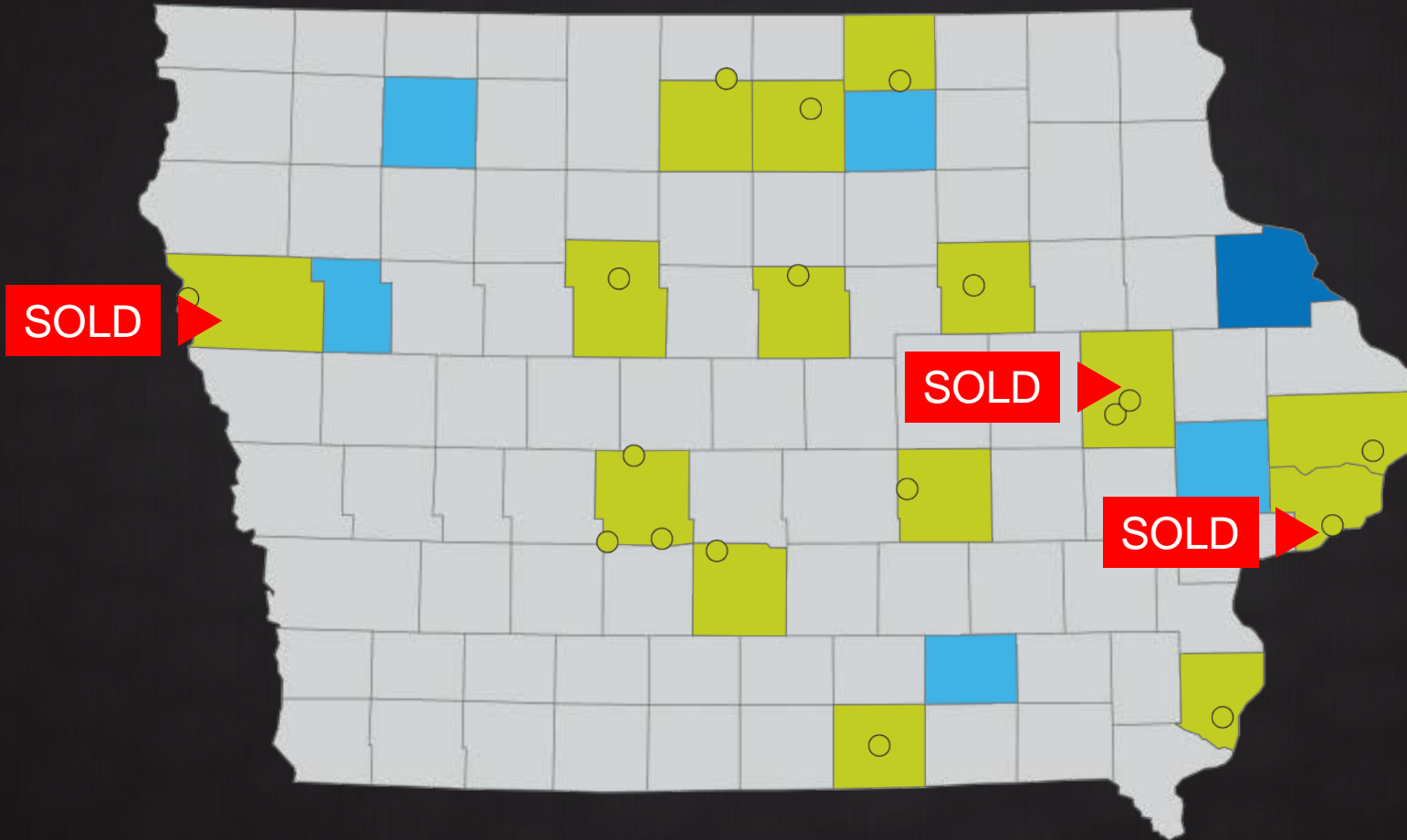
47,000 JOBS

Renewable Chemical Production





- » First-of-its-kind incentive program to encourage the production of biochemicals from biomass feedstocks
- » Biochemical production is the fastest growing segment in the biosciences industry



Certified Site Program



LEGEND

-  Certified Sites
-  County w/ Certified Site
-  Step 3
-  Step 2

Mega Site Project

- » Proactively evaluated state to determine areas with likelihood to develop a mega site
- » Thoroughly reviewed critical requirements for site certification including:
 - Interstate, rail and airport access
 - Workforce availability
 - Contiguous acreage (1,000+ acres)
 - Environmental constraints
- » Three locations (western, central, eastern) were selected to potentially pursue mega site certification, with the western location suggested to move forward in near term (next 12 months)
- » Several preliminary actions are required prior to entering certification process
 - Land availability
 - Infrastructure – pipelines extensions, rail ROW, etc.
 - Potential environmental constraints
- » Once preliminary actions indicate potential to move forward, IEDA will provide some financial assistance to help offset early engineering studies



ENHANCING EXISTING ASSETS



Innovation

STATE ASSISTANCE

STEM Internships
Apprenticeship Program
SBIR Technical Assistance
Proof of Commercial Relevance
Demonstration Fund
Acceleration Fund

PARTNERSHIPS

Iowa Innovation Council
Iowa Innovation Corporation
VentureNet Iowa
Accelerators
Technology Association of Iowa
Iowa Biotech Association



INNOVATION
ECOSYSTEM

ADDITIVE MANUFACTURING NETWORK

Iowa State University 3D Metal Printing
University of Northern Iowa – Metal Casting
Center/TechWorks
University of Iowa Medical Device Prototyping Center

UNIVERSITIES R & D

Iowa State University
• ISU Research Park
• Center for Industrial
Research and Service
University of Iowa
BioVentures Center

INVESTMENT

R&D Tax Credits
Iowa Innovation Fund
Angel Tax Credits



Bioscience Opportunities

**MEDICAL
DEVICES**

**BIOBASED
CHEMICALS**

**PRECISION
AGRICULTURE
TECHNOLOGY**

VACCINES

IOWA ENERGY PLAN

www.IowaEnergyPlan.org

Economic Development and Energy Careers	Iowa's Energy Resources	Transportation and Infrastructure	Energy Efficiency and Conservation
<ul style="list-style-type: none">• Energy workforce development• Technology-based R&D (e.g. energy storage pilot projects)	<ul style="list-style-type: none">• Biomass conversion potential	<ul style="list-style-type: none">• Natural gas expansion• Grid modernization vision• Alternative fuel vehicles	<ul style="list-style-type: none">• Access to energy efficiency in underserved areas

» Iowa Energy Center – transferred from ISU to IEDA (effective October 1, 2017)

Unleashing Iowa's Energy Potential

- » Implementation of the 2016 State Energy Plan included formation of a Biomass Conversion Action Committee, led by IEDA
- » The committee met regularly throughout 2017 working toward the completion of a Biomass Conversion Action Plan, set for release in early 2018
- » The Action Plan will provide strategies to strengthen the bioeconomy of the state and coordinate resources related to the bio-industry



BUILDING A
KNOWLEDGE - BASED,
SKILLED WORKFORCE



Quality Education and Skilled Workforce

IOWA HAS A

91%

**HIGH SCHOOL
GRADUATION RATE**



1.69 MILLION

**IOWA'S LABORFORCE
PARTICIPATION RATE**

IS ONE OF THE HIGHEST IN THE U.S.

IOWA RANKS

2nd

**IN CONCENTRATION OF SCIENCE
AND ENGINEERING BACHELORS DEGREES**

CONFERRED PER 1000 PEOPLE AGES 18-24

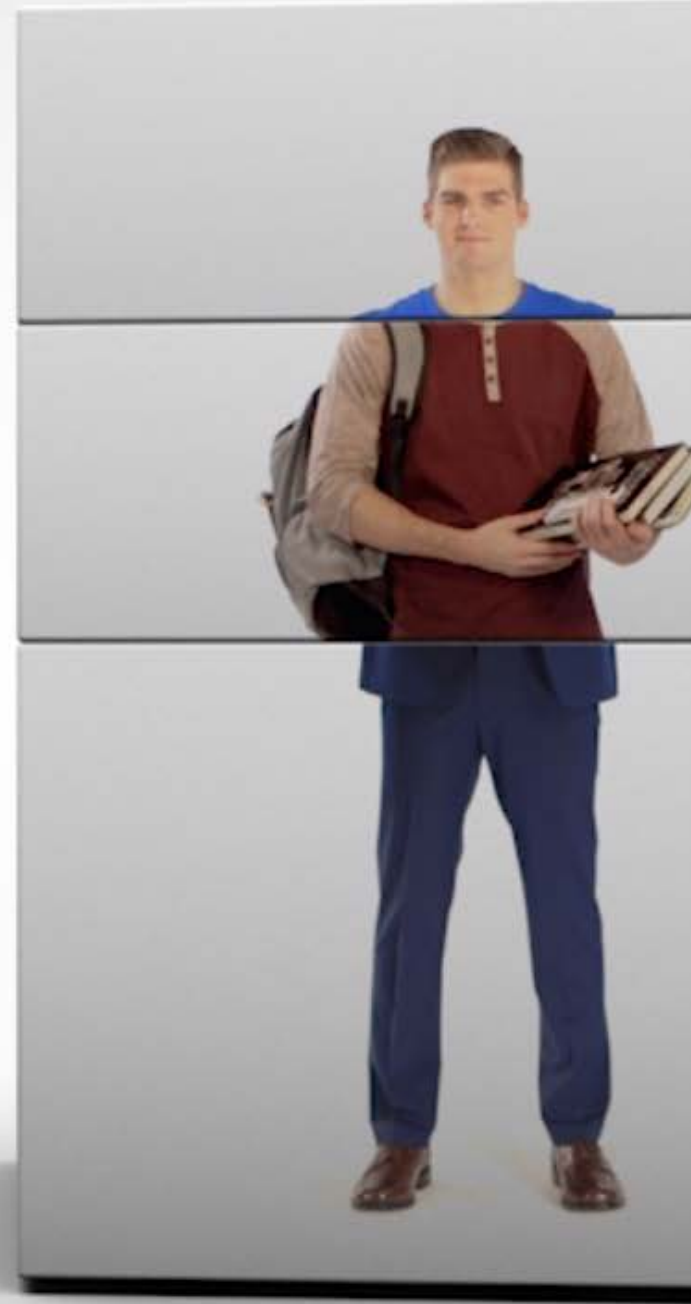
Your **IOWA** future is looking bright.

So you're curious about Iowa. Maybe you heard that Iowa is a great place to launch a career, or maybe you want to live larger for less money. Or maybe you're just looking for a change of pace.

Whatever brought you here, whatever you're into, you're about to find out that Iowa has a little something for everyone.

DISCOVER IOWA 

GET YOUR IOWA BOX OF SWAG 



My **IOWA** Future.com Lifestyle Careers

travel IOWA.

ROAD TRIP! Load your gear, grab some snacks and blast off on an out-of-Iowa adventure. Some of Iowa's best escapes are only a short drive away.

TAKE A HIKE

By [The Traveler's Guide](#), explore ancient trails across the state, the likes of which are unparalleled anywhere else in the world, except in China. The centerpiece of the 1,000 National Science Highway, these breathtaking natural formations are composed of fine, rich soil deposited by wind over millennia.

HEAD WEST

SET TO STUN

Are murder houses? Check. [Check out the future](#) of the place of Captain James T. Kirk? Beam me up, Scotty! In [Iowa](#), and beyond, visit 23 unexpected Iowa attractions you'll find only in Iowa.

ADVENTURE ON

EURO-TRIP

From the authentic [Danish stovetop](#) in Mt. Vernon to the [German Amish](#) [cidering](#), to Dutch traditions in [Hull](#), [Newark](#), [Stark](#), [Dutch](#), [Dunkirk](#), [German](#) and [Hanseatic](#) heritage is on full display at Iowa's thriving historic European communities.

PROST!

FLOWER POWER

Iowa's dozens of botanical gardens and arboreta showcase many thousands of species of flowers, trees, shrubs and other plants. Whether you want to hike with 80 kinds of butterfly in [Zoo](#), [Weisman Gardens](#), get lost in 400 acres of the Iowa Arboretum in [Marion](#), wander a formal English garden in [Dubuque](#), or experience something new at the sensory garden in [Waverly](#), you're sure to find your green thumb in Iowa.

BRANCH OUT

BIKE IOWA

Iowa is crisscrossed by 1,800 miles of trails, allowing you to pedal across town or across the state on hundreds of scenic loops and town-city trails. Join the Taco Ride, sip at a local brewery or see the countryside from your seat on one of these great routes. Looking for a few must-rides? Check out the trails in [Cedar Rapids](#) and [Cedar Falls](#) - and don't forget your helmet.

CLIP IN

Workforce Initiatives

» Elevate Iowa

- Significant enrollment increases in community college manufacturing and skilled trade programs
- Regional programming in collaboration with colleges

» Home Base Iowa

- 76 HBI communities / 21 CHAMPS
- 2700+ veterans hired

» Apprenticeships

- Expanded 260F funding to support more apprenticeships
- Continue to work with partners to build existing apprenticeship programs and encourage the creation of new programs

» Future Ready Iowa

- 70% of Iowans with some education/training beyond high school by 2025

» STEM / Internships

- In FY17, 94 companies were awarded funding of \$759,500 to hire 245 interns via the Iowa Student Internship program
- In FY17, 32 companies were awarded funding of \$1,115,793 to hire 296 interns via the STEM Internship program

“Across Iowa, businesses, schools, developers and government are coming together to build a new home for innovation in America’s heartland.

We see that commitment in Iowa’s education system and in the value that you place on creativity, adaptability and new ways of thinking.

At Apple, we admire what you guys have accomplished, and we want to be a part of it.”

Tim Cook

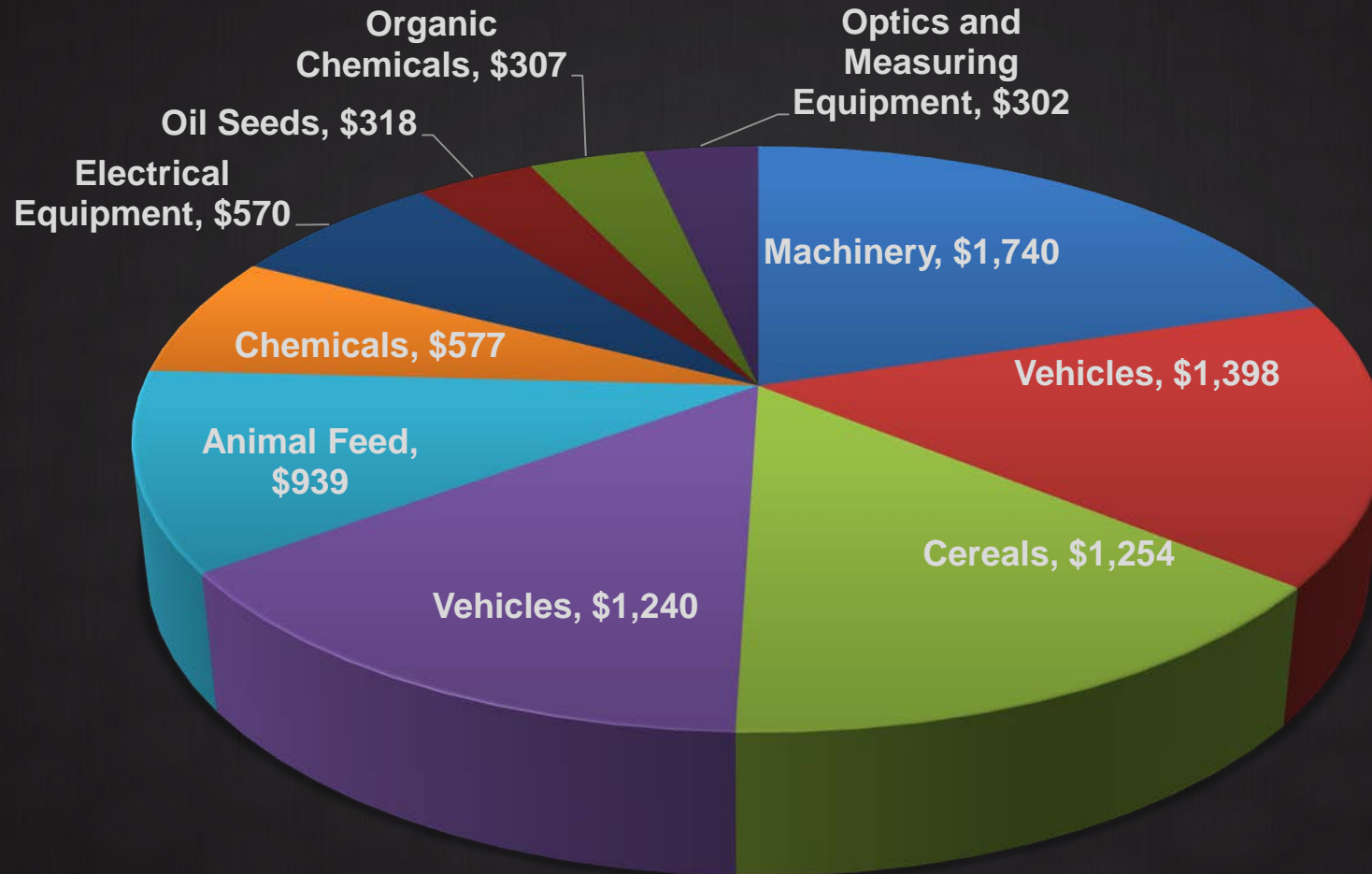
CEO
Apple

BUILDING GLOBAL RELATIONSHIPS



Iowa Exports

In Millions of USD (2016)



2014 Exports

\$15.1 Billion

2015 Exports

\$13.2 Billion

2016 Exports

\$12.1 Billion

Foreign Direct Investment in Iowa

FOREIGN FIRMS
HAVE OVER
\$9.4 BILLION
OF CAPITAL INVESTMENT
IN IOWA

14%
OF IOWA'S MANUFACTURING
EMPLOYMENT ARE WORKING
FOR FOREIGN FIRMS

783
FOREIGN-OWNED COMPANIES
OPERATE IN IOWA
EMPLOYING OVER
56,400



SOURCE: Brookings, JP Morgan Chase, BEA



AMPLIFYING OUR MESSAGE



YOUR NEXT BIG DISCOVERY: IOWA

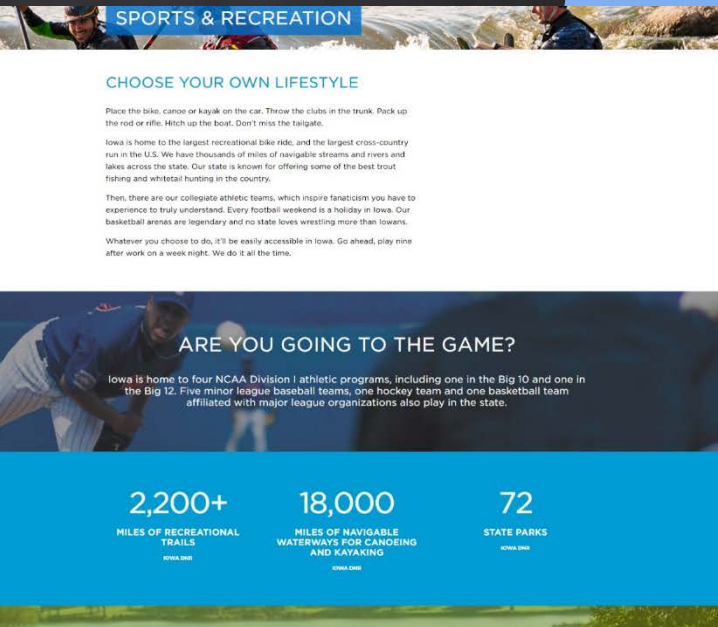
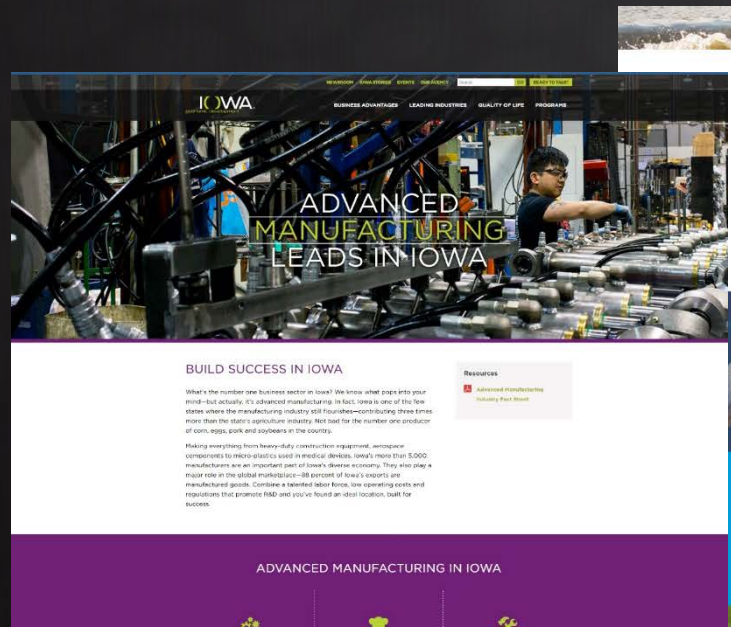
Iowa has earned its reputation as a bioscience epicenter with a continuous focus on innovation and collaboration. We work with bioscience companies to learn how we can help them continue to lead. Our research institutions transfer breakthroughs to the private market, and educate our concentration of engineers and scientists. Click below to discover how our agricultural roots created a location where animal health, bioproducts, crop genetics and human health companies thrive.

Resources

-  [Iowa's Bioscience Industry Fact Sheet](#)

Redesigned Website

- » Launched refreshed website in early 2017
 - Responsive design accessible via desktops, tablets, mobile devices
 - Simplified navigation
 - Incorporated blog into site to drive traffic and time-on-site
- » Highlights targeted industries, certified sites, 50 states comparison



Tourism

» Tourism creates jobs

- 69,500 Iowans work in the tourism industry
- Tourism is a top 10 employer in Iowa
- More than half of travel industry employees in America earn middle-class wages or higher
- Tourism jobs can never be outsourced

» Tourism generates economic prosperity

- Visitors spend more than \$8 billion annually in Iowa
- Visitors generate \$500 million in state sales tax annually
- Visitors lower the tax burden for Iowans
- Visitor spending subsidizes public services for Iowans

#THISIOWA



See who's talking about Iowa....

Iowa ranks second for **worker quality**.
– *Chief Executive*

Iowa ranked 6th **Best Run State** in the U.S.
– *24/7 Wall St.*

Iowa has the second best **cost of doing business** of any state (U.S.).
– *Business Facilities*

Iowa is the **easiest location** for companies to purchase **renewable energy**.
-- *Chief Executive*

Iowa has one of the **healthiest manufacturing industries** in the country. – *Ball State University/Conexus Indiana report*

Iowa is the best state in the U.S. to pursue the American Dream.
-- *MarketWatch*

Iowa has the second best **cost of doing business** of any state (U.S.).
– *Business Facilities*

Iowa is ranked the U.S.' third-most livable state based on 43 factors.
– *CQ Press*

Iowa ranked 5th **Most Competitive State** in the U.S. – *Beacon Hill Institute Competitiveness Index*

RESULTS



Since January 2011...

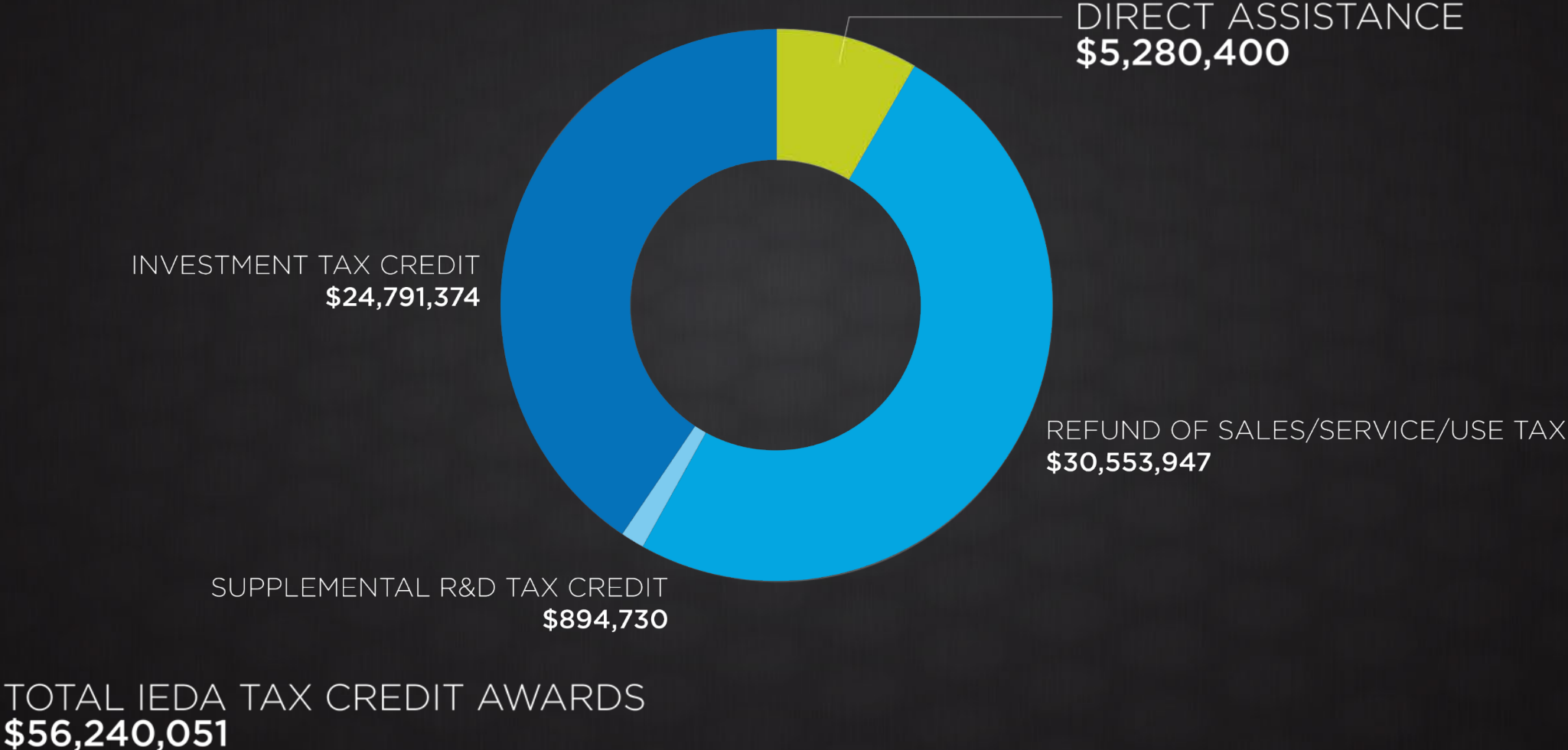
Total Capital Investment:

\$15,580,906,958



58,640
DIRECT AND INDIRECT
JOBS EXPECTED
IN IOWA ECONOMY

Awarded Projects - FY 2017



Tax Credit Cap



The PEW Charitable Trust named Iowa one of 10 states that excel in rigorously measuring the economic and fiscal impact of tax incentive programs.

Projects Awarded by Community Size

79



POPULATION
1 - 4,999

112



POPULATION
5,000 - 24,999

125



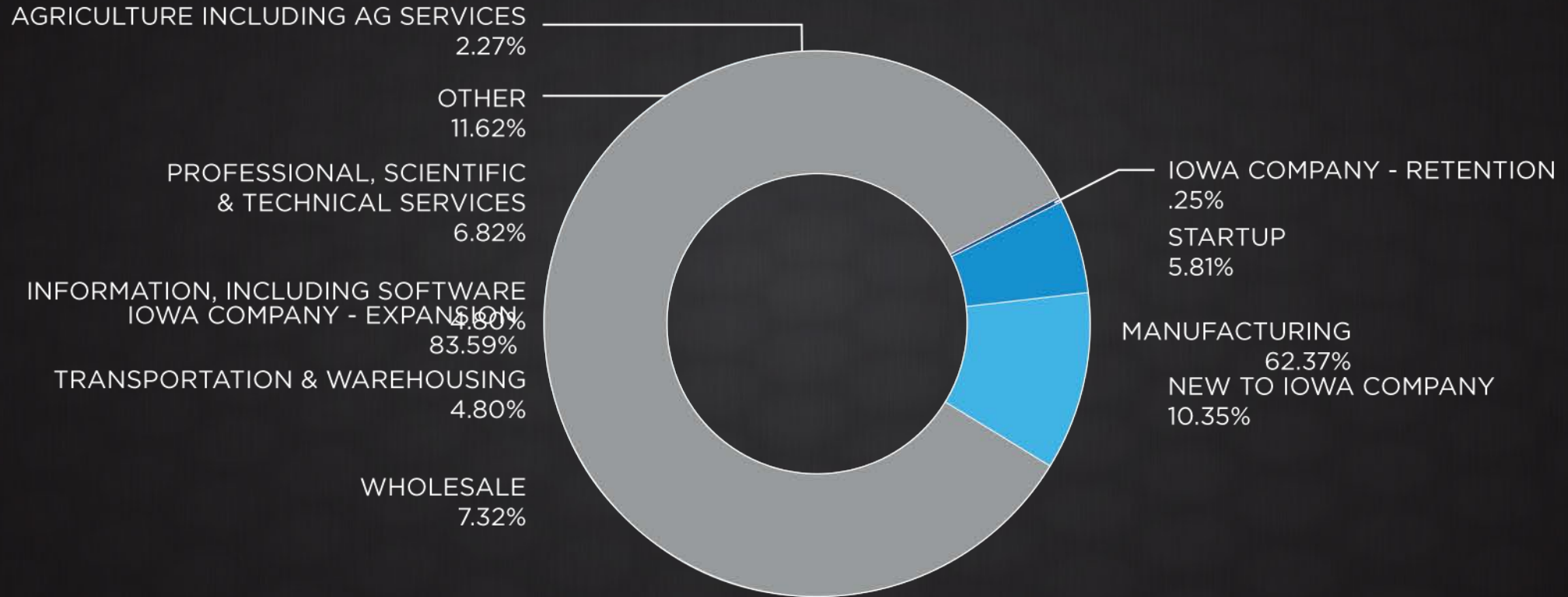
POPULATION
25,000 - 74,999

82



POPULATION
75,000 +

Project Industry Sectors and Breakdown





FUTURE OPPORTUNITIES



Tax Reform

- » The Tax Foundation ranked Iowa 40th overall on its 2017 State Business Tax Climate Index (47th for Corporate Tax and 33rd for Individual Income Tax)
- » Iowa's current corporate tax structure consists of four brackets and a top rate of 12%
- » Iowa's individual income tax has a nine bracket graduated-rate structure. The top marginal rate is 8.98%
- » The 2015 Battelle Report recommended that Iowa address its non-competitive tax environment
 - Reducing the complexity of the system
 - Simplifying the structure and rates
 - Lower corporate rates would allow for a reduction in HQJP credits, which are necessary to offset uncompetitive tax environment

Governor's Task Force on Tax Incentives Review

- » Bipartisan task force focused on analyzing every state tax credit
- » Recommendations before the start of the 2019 legislative session



www.iowaeconomicdevelopment.com

 IowaEconomicDevelopment

 BusinessIowa