



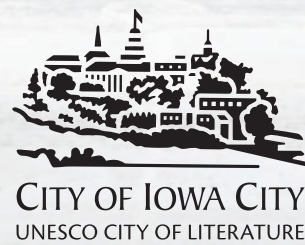
# Do Business **IN** **IOWA CITY**

Iowa City is a vibrant Big Ten university urban center that is centrally located to several major markets and offers a unique blend of opportunities for businesses seeking growth, innovation, and a thriving community.



**FOR MORE INFORMATION, CONTACT:**

Economic Development Coordinator  
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AWARD-WINNING COMMUNITY

In recent years, Iowa City has been named:

- a Top 100 Place to Live in the U.S.;
- an SBA Small Business Community of the Year;
- the 4<sup>TH</sup> Best City for Working Parents; and
- the 13<sup>TH</sup> Happiest City in The U.S., among many other national rankings.

In 2021, Iowa was ranked the

# #1

state in the U.S. for opportunity, based on affordability, economic opportunity, and equality.



# ONE OF THE BEST PLACES TO LIVE IN THE U.S.

Iowa City is known for its world-class arts scene, cultural diversity, and family-friendly atmosphere — making it the ideal location for everyone -from energetic entrepreneurs looking to find their footing to established businesses with an ambitious growth trajectory!



### THE NATION'S FIRST UNESCO CITY OF LITERATURE

For more than 80 years, Iowa City has been teaching the world to write. In 2008, Iowa City joined Edinburgh, Scotland; and Melbourne, Australia; to become the third UNESCO City of Literature. This is a distinguished honor recognizing Iowa City's deep literary history and world-renowned writing institutions which attract authors and artists from across the globe.



### EPICENTER FOR INNOVATION & CREATIVITY

This is a place where ideas flourish into international success. As a regional epicenter for arts & culture, Iowa City carries this culture of creativity and innovation into the business sector — home to several Fortune 500 companies plus innovative, research-driven med, ed, and tech startups incubated through the University of Iowa's resources.

### ENERGY & CLIMATE ACTION LEADER

The Iowa City area electrical utility delivers 100% wind-powered renewable energy to its customers, while offering a 99.9% reliability record and **electric rates that are 42% below the national average.** This helps Iowa produce more wind energy than any other state and rank 4th overall among states with the highest renewable energy use.

**DID YOU KNOW?** Iowa City met its goal to achieve a 45% reduction in community-wide greenhouse gases by 2030 ten years early. Our City is well on its way to meeting its Net Zero by 2050 goal! Plus, Iowa City offers innovative grant programs to help local businesses meet their own sustainability goals.

# HOME OF THE Hawkeyes

Iowa City is anchored by the University of Iowa and University of Iowa Hospitals & Clinics, with nearly 31,000 employees, over 32,000 students enrolled, and continued growth on both fronts.

The academic and research mission of the University, along with the healthcare services and employment provided at the hospitals and clinics, have a stabilizing influence on the economy and consistently

position the area for growth. As a center of culture, athletics, education, and commerce, the University attracts millions of visitors throughout the year. The UI campus is integrated into Downtown Iowa City, fostering a deep town-gown relationship.



## COMMERCIAL & INDUSTRIAL ECONOMIC INCENTIVES

Iowa City offers a variety of commercial & industrial tax incentives, tax exemption programs, and grant programs designed to help your business locate, grow, and thrive in our community. Paired with the state's tax credit and workforce development programs, Iowa City represents a supportive business environment for main street businesses, growing startups, and established companies alike.

## READY-TO-OPEN BUSINESS SITES

From home-grown commercial districts in the Downtown and South of 6 Districts to rail-ready greenfield sites in the Iowa City Industrial Park, no matter your business needs, Iowa City offers many ready-to-build and ready-to-open location options.

## GREEN & AFFORDABLE COMMUTER OPTIONS

In addition to the many transportation options for your business, the City offers city-wide free, 30-minute public transit service, a robust network of bike lanes and trails, and ample downtown parking options, offering several affordable or no cost, convenient ways for employees to get to work.



## EFFICIENT & COST-EFFECTIVE TRANSPORTATION HUB

Located at the intersection of convenient access to I-80, I-380/HWY 218, and state HWY 1, Iowa City sits within a 500-mile radius of five major Midwest cities: Minneapolis, Chicago, St. Louis, Kansas City, and Omaha.

- **Rail:** The Iowa City Industrial Park is home to a rail-to-truck transload facility connecting to all 7 Class-I railroads plus numerous short line railroads.
- **Air:** With just a 20 or 60 minute drive, commercial air service is offered 20-miles (CID) or 63-miles (MLI) from Iowa City center. The Iowa City Municipal Airport provides general aviation services and is located within City limits.
- **Water:** Multiple barge terminals are located within a 100-mile radius.

### TOP NOTCH EDUCATION

Iowa City was named the **7th Most Educated City in America.**

**93.6%**  
of adults have a high school diploma

**47.6%**  
hold an undergrad degree

**22.6%**  
have an advanced degree

Our community's highly rated K-12 schools offer a **14:1 teacher:student ratio** and some of the highest reading and math proficiency levels in the nation.

Each of the City's three high schools rank among the **top 10 in the state.**



### EDUCATED, READY-TO-WORK LABORSHED

**Nearly 80% of Iowa City adults have at least some post-secondary education**, compared to approximately 50% statewide. Due to the strong and diverse local economy, and highly educated population, Iowa City's historically low unemployment is demonstrative of the area's stable economy.

- The Iowa City metro area population has **increased over 28%** since 2020, outpacing both the state and nation by nearly triple
- The city's laborshed area has a working age population of approximately **880,692**
- **76.5%** of those who are unemployed are seeking to accept work

# DOING BUSINESS IN IOWA

Iowa's strong record of fiscal responsibility, business-friendly state government, and a skilled and productive workforce make the state stand out. In fact, **The Council of State Governments ranked Iowa as the lowest-risk, highest resilience economy in the U.S.**



Iowa City's low cost of living makes a high quality of life accessible to working families.

LOW COST OF LIVING

- **MEDIAN HOME VALUE 36% lower** than the national average

- **COST OF LIVING 1% lower** than the state and **7% lower** than the national average

- **HOUSING COSTS 21% cheaper** than the US average

- **UTILITIES 15% less expensive** than the national average

## LEADING PERFORMER IN HEALTHCARE

Iowa City is home to one of the best and most trusted healthcare systems in the nation. The University of Iowa Medical Center is consistently ranked as the **#1 hospital in Iowa** and was recognized nationally in eight specialties by *U.S. News & World Report*. Plus, UI Health Care was named the **#1 "Most Humanizing" health care brand** and **19<sup>th</sup> "Most Trusted" health care brand** in the United States.

## LOW COST OF DOING BUSINESS

Iowa currently has the second lowest cost of doing business, which offers distinct operational advantages. Construction costs are 18% below the national average and industrial rental rates are 15% below the national average.

## IOWA IS A RIGHT-TO-WORK STATE

Right to Work law guarantees that no person can be compelled, as a condition of employment, to join or not to join, nor to pay dues to a labor union.

## LOW WORKERS COMPENSATION COSTS

Iowa's workers compensation costs are approximately 4% less than the national average, and the average cost of workers' compensation insurance for manufacturers in Iowa is 11% lower than the national average.

## COMPETITIVE PROPERTY AND SALES OR USE TAX ENVIRONMENT

In Iowa, there is:

- No personal property tax on corporate inventories of goods-in-process, raw materials or salable goods.
- No property tax on industrial machinery and equipment.
- No sales or use tax on purchases of industrial machinery, equipment and computers used for manufacturing or to process data by insurance companies, financial institutions, or certain commercial enterprises.
- No sales tax on materials used in the manufacturing process or fuel (electricity, natural gas, propane, or water) used directly in the manufacturing process.

## RESEARCH & DEVELOPMENT TAX CREDIT

Iowa is one of the only states in the U.S. to consistently offer a refundable Research & Development Tax Credit for up to 6.5% of the company's qualifying research expenditures in Iowa.

## IOWA CORPORATE INCOME TAX ADVANTAGES

The Iowa corporate income tax offers significant advantages for businesses when compared to other states. These include:

- The reduction or elimination of Iowa corporate income tax through state tax credits
- Single factor apportionment means that Iowa's tax is based solely on the percentage of sales income within the state
- 50% of federal taxes are deductible from Iowa's corporate income tax

## LEADER IN ENERGY, SUSTAINABILITY, & RESILIENCE

Iowa offers a low incidence of catastrophic natural disasters and ample access to renewable energy, producing more wind energy than any other state and ranking **4<sup>th</sup> among States with the Highest Renewable Energy Usage.**



## OUR PEOPLE



Perhaps the state's most valuable resource are our people. Iowans are well-educated and known for their accountability, commitment, and work ethic, leading to one of the highest labor participation rates in the country and 2018 ranking as **#1 in workforce quality.**