

# PERFORMANCE REPORT

PERFORMANCE RESULTS FOR FISCAL YEAR 2025



Economic Development

## EXECUTIVE SUMMARY

The Iowa Economic Development Authority (IEDA) is proud to create opportunities for businesses, communities and residents to thrive by driving economic growth and investment across the state. Each year, companies turn to IEDA for support – whether to expand operations, access international markets, or innovate through our targeted industries. Beyond business development, IEDA's work encompasses a multitude of community development initiatives that ensure Iowans have vibrant places to visit, live and work.

This report outlines IEDA's progress toward its strategic and operational goals in fiscal year 2025 (FY2025). IEDA tracked approximately 80 performance measures across programs focused on business growth, community development, housing, tourism and innovation.

### STRATEGIC AND OPERATIONAL GOALS 2025 PROGRESS



## PROGRESS MADE ON OVERALL IMPROVEMENT EFFORTS

Over the past year, the Iowa Economic Development Authority (IEDA) advanced its mission to strengthen Iowa's economy by empowering businesses, enhancing communities, and improving quality of life for residents across the state.

To build a culture where business can prosper, IEDA supported companies in modernizing and growing for the future. Through the Manufacturing 4.0 program, 33 Iowa manufacturers received grants to adopt cutting-edge technologies and improve operational efficiency. The agency also strengthened the state's insurance talent pipeline by helping 26 companies hire interns through the Insure Your Future initiative. In addition, IEDA assisted four companies in establishing employee stock ownership plans – promoting business continuity and broadening opportunities for employee ownership.

IEDA also worked to build communities where people want to visit and live by supporting tourism, cultural vitality and local entrepreneurship. For example, IEDA funded sports tourism events – through the Sports Tourism Marketing Fund and Regional Sports Authority Districts which attracted more than 900,000 attendees and generated significant economic activity statewide. In addition, Iowa's Main Street program continued to fuel downtown revitalization, helping create more than 200 new businesses in Main Street districts. IEDA also expanded access to recreation, culture, entertainment and educational opportunities by funding 15 new amenities in previously unreached counties. Altogether, these efforts helped draw an impressive 46.1 million tourist visits to Iowa.

At the same time, IEDA remained committed to raising the standard of living for lowans by supporting infrastructure, housing and workforce development. Through the Community Development Block Grant (CDBG) program, the agency improved water and sewer systems serving nearly 50,000 residents and helped develop community facilities that touched the lives of nearly 1,400 lowans. New jobs incentivized by IEDA's High Quality Jobs program offered an average wage of \$29 per hour, strengthening families and local economies. To meet the growing need for quality housing, IEDA helped fund the development or rehabilitation of more than 1,900 units through the Workforce Housing Tax Credit program.

Together, these achievements demonstrate IEDA's commitment to fostering a thriving business climate, creating vibrant destinations, and ensuring that all lowans have opportunities to live, work and prosper.

## FY2025 MAJOR ACCOMPLISHMENTS

### TOURISM

Generated **\$1.2 billion** in state/local taxes and attracted **46.1 million visits**, surpassing targets.

### WORKFORCE HOUSING TAX INCENTIVE PROGRAM

Funded **1,127 urban units** (target 1,000) and **817 small-city units** (target 500), addressing housing needs statewide.

### ENDOW IOWA TAX CREDIT PROGRAM

Secured **\$87 million in gifts** (target \$48M) and awarded **\$34 million in grants** (target \$22M), strengthening community foundations.

### HISTORIC PRESERVATION TAX CREDIT

Approved **36 projects** (target 15) and achieved a property valuation increase of approximately 34% (target 25%).

## FY2025 PERFORMANCE INDICATORS

Core Function/ Program	Measure/2025 Key Performance Indicator	Actual	Target Met?	Notes
State Targeted Small Business (TSB) program	Certify 120 new TSBs	142	Yes	
	Recertify 130 existing TSBs	82	No	Businesses closed and no longer required certification or did not respond to requests for documentation.
	Make 65 loans under the TSB program	24	No	Program paused processing loan applications in FY 2025.

Core Function/ Program	Measure/2025 Key Performance Indicator	Actual	Target Met?	Notes
High Quality Job Creation program	Create 1,500 incented jobs	833	No	The persistent high interest rate environment and reductions in headcount by large manufacturers around the state led to fewer large scale projects from companies in their supply chain.
	Retain 223 incented jobs	0	No	No projects came to the board requesting job retention. Discontinued after CY 2025
	Leverage \$2.363 billion in capital investment	\$679M	No	The persistent high interest rate environment and reductions in headcount by large manufacturers around the state led to fewer large scale projects from companies in their supply chain. Additionally, no data center projects requested board approval. Discontinued after CY 2025
	Incent an average wage of \$23.95 per hour plus benefits	\$29.00	Yes	Discontinued after CY 2025
Renewable Chemical Tax Credit program	Assist with production of 57 million lbs in chemicals	0	No	No applicants
Innovation Fund Tax Credit	Facilitate \$2 million invested in Iowa businesses by certified funds	\$1,544,861	No	The persistent high interest rate environment and headcount reductions at large manufacturers led to less business investment than anticipated. Additionally, no first-time applicants applied in FY 2025.

Core Function/ Program	Measure/2025 Key Performance Indicator	Actual	Target Met?	Notes
Innovation Entrepreneurial Investment program	Increase number of entrepreneurs served by 5%	0	No	No applications were accepted for the program during FY 2025. Discontinued after FY 2025
	Increase number of referrals from EIA awardees to innovation state assistance programs by 5%	0	No	No applications were accepted for the program during FY 2025. Discontinued after FY 2025
Manufacturing 4.0 program	Report an increase in number of units produced in 60% of completed projects	59%	No	
	Report an increase in annual revenues in 80% of completed projects	78%	No	
Insurance Development	Secure 25 insurance companies to participate in the Insure Your Future internship program	26	Yes	
	Meet with 25 insurance companies to encourage additional growth and reinvestment in Iowa	48	Yes	
Employee Stock Ownership Plan (ESOP) Assistance program	Provide assistance to 3 new companies	4	Yes	
International Export Assistance	Secure 20 new companies to use IEDA services	17	No	
	Secure company satisfaction score of 4 or higher on trade development and export growth scores	4.93	Yes	

Core Function/ Program	Measure/2025 Key Performance Indicator	Actual	Target Met?	Notes
Foreign Representation	Facilitate 50 company sales interactions in defined IEDA trade regions that lead to international export/trade development for Iowa	188	Yes	
	Increase number of trade leads and contacts that result in international business development for Iowa companies by 10% from FY 2024	Data not available	N/A	Discontinued after FY 2025
International Trade/ Partner State program	Engage 80% of active Partner States in program activities	83%	Yes	
Tourism Office	\$1.2 billion in state and local taxes	\$1.2B	Yes	
	40 million tourist visits	46,100,000	Yes	Discontinued after FY 2025
Sports Tourism Marketing fund	Host 200,000 attendees at funded events	333,495	Yes	Discontinued after FY 2025
	50% of attendants from out of state visitors	42%	No	Discontinued after FY 2025
Regional Sports Authority Districts	Host 500,000 attendees at funded events	611,610	Yes	
	Generate 100,000 hotel/motel room nights associated with funded events	148,975	Yes	
Energy Infrastructure Revolving Loan fund	Award 3 energy infrastructure projects	2	No	Program only received two applications.
	Increase number of marketing and technical assistance meetings and events implemented by IEDA staff by 20%	15	N/A	Number represents emails (15), meetings (2), and events (3) marketing program. The goal is % increase, but baseline number is unknown so can't measure % increase.

Core Function/ Program	Measure/2025 Key Performance Indicator	Actual	Target Met?	Notes
Iowa Energy Center Grant program	Host 8 outreach events/ presentations to organizations representing private industry	3	No	Grant program did not accept applications between August 2023 and March 2025.
	Increase number of awards made to implementation-ready projects by 100%	0	No	
Downtown Development and Main Street Iowa	Create 500 new jobs in Iowa downtown districts	563	Yes	
	Leverage \$150 million of local private investment in designated Main Street districts	\$134M	No	Local property owners did not undertake as many investments in Main Street properties in FY 2025. This changes appears to be driven by high interest rates and general economic concerns. This is a trend that the National Main Street Center has identified nationwide.
	Create 120 new businesses in designated Main Street districts	227	Yes	
	Impact 200 communities with the Iowa Downtown Resource Center technical resources and services	227	Yes	
	Create 50 housing units through Iowa Downtown Resource Center funding programs	43	No	The Downtown Resource Center did not receive as many grant applications, primarily Main Street Challenge Grant applications, for projects that included residential development.
	Leverage a 1:1.25 ratio of local investment through Iowa Downtown Resource Center funded projects	4	Yes	
	Increase property valuation of Iowa Downtown Resource Center funded projects by 25%	181%	Yes	

Core Function/ Program	Measure/2025 Key Performance Indicator	Actual	Target Met?	Notes
Community Attraction and Tourism (CAT) program	Fund 5 projects in counties that have not had a state investment in recreational, cultural, entertainment or educational amenity in the previous 5 years	15	Yes	
Destination Iowa	Increase tourism spending and tourism-generated income per household by 10% in counties awarded	7%	No	Visitor spending overall in the state increased by 2.8% in CY 2024. These projects saw higher visitor spending than the state as a whole
	Increase number of new Primary Destinations in the state by 3	2	No	The program only received two applications.
Reinvestment Districts	Increase spending on visitor lodging and retail by 10% in the county of approved districts	3%	No	
Community Development Block Grant	Rehabilitate 40 downtown building facades	56	Yes	
	Create 12 upper story housing units in Iowa downtowns	16	Yes	
	Serve 50,000 individuals through improved water/sewer infrastructure	49,627	No	
	Serve 600 individuals through development of community facilities in Iowa communities	1,388	Yes	
	Process 100% of correctly submitted CDBG reimbursement claims within 30 days	81%	No	IEDA had staff turnover in FY 2025 that impacted the claims process. Training new staff and grant administrators resulted in longer processing times for some claim requests. In addition, some claims took longer to process as staff were working with recipients on compliance issues prior to releasing funds.

Core Function/ Program	Measure/2025 Key Performance Indicator	Actual	Target Met?	Notes
Nuisance Property and Building Remediation fund	Award 2 new projects in FY 2025	2	Yes	
	Leverage 15% private investment in each awarded project	0%	No	In FY 2025, the two awards made under this program were made in disaster impacted communities after the 2024 floods (Rock Valley and Sioux Rapids). IEDA did not require local match for these projects.
Employer Child Care Tax Credit	Award tax credits to 13 Iowa businesses	1	No	IEDA received one application. Discontinued after FY 2025
Endow Iowa Tax Credit	Issue 100% of tax credit certificates by May 1	100%	Yes	
	Award \$22 million in grants from Endow Iowa qualified funds (Community Foundations)	\$34 million	Yes	
	Receive \$48 million in gifts to Endow Iowa qualified funds (Community Foundations)	\$87 million	Yes	
Redevelopment Tax Credit	Allocate 100% of tax credits for underutilized industrial or commercial properties	100%	Yes	
	Increase property valuation of funded, completed projects by 25%	30%	Yes	
	Leverage \$10 of private investment for each \$1 awarded	\$10	Yes	
Historic Preservation Tax Credit	Complete review of 80% of Part 1, Part 2 and Part 3 applications before the review due date	100%	Yes	
	Increase property valuation of funded, completed projects by 25%	34%	Yes	
	Leverage \$4 of private investment for each \$1 of tax credits awarded	\$4	Yes	
	Award 15 historic preservation projects in FY 2025	36	Yes	

Core Function/ Program	Measure/2025 Key Performance Indicator	Actual	Target Met?	Notes
Empower Rural Iowa: Iowa United First Aid (IUFA)	Recruit and train 45 individuals	59	Yes	
	Produce an IUFA volunteer response time that is 25% faster than the average county ambulance response time	Data not available	N/A	
Empower Rural Iowa: Employee Ownership Initiative	Assist 5 businesses with succession planning	2	No	The Empower Rural Iowa Task Force experienced leadership changed in FY 2025 with both co-chairs departing. New leadership and new task force members continue to review programming as the task force evaluates priorities.
	Host 2 Continuing Legal Education presentations developed on business succession planning topics	1	No	The contract with Drake University for specific tasks tied to this initiative is no longer in place.
Empower Rural Iowa: Leadership Programming	Launch 5 new leadership programs	1	No	Empower Rural Iowa had budgeted for five leadership programs but only received one application. The task force continues to perform outreach on this program, review programming and evaluate priorities.
Empower Rural Iowa: Building Ownership & Organization by Strengthening Teams (BOOST) Programming	Increase communities assisted by 100% (from 2 to 4 communities)	150%	Yes	Discontinued after FY 2025
Empower Rural Iowa: Innovation Grant program	Award 10 projects	27	Yes	

Core Function/ Program	Measure/2025 Key Performance Indicator	Actual	Target Met?	Notes
Iowa Arts Council	Increase number of communities reached by training, assessments and technical assistance by 25%	33%	Yes	Discontinued after FY 2025
	Increase number of lowans receiving career development support by 10%	26%	Yes	Discontinued after FY 2025
	Secure a program participant satisfaction score of 80% or higher	98%	Yes	
Iowa Cultural Trust Grant program	Increase assistance provided to first-time and infrequent program applicants by 10%	105%	Yes	Discontinued after FY 2025
	Secure a program participant satisfaction score of 80% or higher	97%	Yes	Discontinued after FY 2025
Workforce Housing Tax Incentive program	Fund the development/rehabilitation of 1,000 units in urban communities	1,127	Yes	
	Fund the development/rehabilitation of 500 units in small cities	817	Yes	
	Fund projects in 3 counties that have not previously received a program award	28	Yes	