

Tuesday, October 9, 2007

Group says Iowa City businesses set to grow

By [Lee Hermiston](#)
Iowa City Press-Citizen

Business in Iowa City is healthy and poised for growth, according to a report presented to the City Council Economic Development Committee.

The committee received the details of the report, which is based on data gathered in interviews by the Iowa City Area Development Group for the fiscal year 2007.

ICAD president Joe Raso told the committee Tuesday morning that two-thirds of the businesses interviewed reported that they are expecting to expand their local operations and will increase employment levels to create close to 700 new jobs.

Raso said those new jobs could mean big bucks for the community.

"When those jobs are created we should expect to see 26 million in expenditures in payroll economy," Raso said.

Mark Nolte, the business development director for ICAD, noted Iowa City and the surrounding area's business stability. According to their interviews, 67 percent of both Iowa City and Iowa City area businesses have plans to expand in the next three years. According to national data, only 59 percent of businesses nation wide plan to expand.

Also, 100 percent of the Iowa City businesses reported that their total sales are increasing, 96 percent stated they rolled out new products in the last five years and 100 percent plan to introduce new products in the next two years.

Weaknesses in the community were also addressed in the report. The most common concern expressed by businesses executives was the shortage of workers.

"That's the standard nationwide," Nolte said, noting the Iowa City area touts workers that on average are more skilled than those nationwide.

The other primary concern expressed by businesses executives related to transportation needs, specifically the Eastern Iowa Airport. Nolte said many businesses found the airport to not have adequate routes for their needs.

On the whole, however, Iowa City and the surrounding area rank higher in terms of quality, stability and productivity of the workforce than the national average, Nolte said. He noted Iowa City's prominent health care and educational opportunities as a reason.

"Our ratings for health care and education are just off the chart," he said. "This is a great place for companies to do business and they know that."

Committee members Bob Elliott and Regenia Bailey said they were impressed with the findings. Elliott told Raso and Nolte he would be interested in discussing it further.

"I'd like to digest this and buy you a Pepsi sometime and talk a little more," Elliott said.

[Return to article](#)

Copyright © 2005, Iowa City Press-Citizen.
Use of this site signifies your agreement to the [Terms of Service](#) (updated 1/3/2003).