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For Release March 6, 2026

## Balanced Local Economies Deliver Strong Statewide Returns

The Iowa League of Cities today announced the results of a newly commissioned economic impact study highlighting the powerful role Iowa's cities play in driving statewide prosperity. The findings confirm that communities of all sizes — from small rural towns to larger regional hubs — are critical contributors to Iowa's economic strength.

"Iowans have long been known for their strong work ethic," said Alan Kemp, Executive Director. "This study proves that no matter where Iowans choose to live, their communities generate meaningful economic value that strengthens the entire state."

The study examined eight representative cities across the state: Bennett, Corydon, Council Bluffs, Dallas Center, Decorah, Kimballton, Mason City, and Spencer. Despite differences in population size, geography, and industry mix, each city demonstrated measurable and meaningful economic contributions to the state.

A key finding of the study shows that **for every \$1 of property taxes collected by cities, \$160 is generated in the Iowa economy**. Of that total, \$96 represents direct value added within the community, while an additional \$64 ripples outward across the state.

The data further reveal that economic impact is not limited to larger cities. In fact, the smallest case study city, with a population of just 281 residents, outperformed three larger case study communities in overall economic contribution. This underscores the vital importance of Iowa's nearly 500 cities with populations under 500 residents.

"Our city maintains essential infrastructure — roads, water, sewer, and public safety — that enables farms, businesses, and commuters to thrive," added Christina Eicher, city council member for Bennett.

The findings emphasize the importance of preserving cities' ability to build and maintain balanced property tax bases. Effective economic development tools enable communities to attract investment, diversify industries, and create sustainable growth, strengthening Iowa's economy from the ground up.

The study reinforces a clear message: balanced local economies deliver strong statewide returns. Supporting cities of all sizes ensures continued economic vitality across Iowa and protects the long-term prosperity of residents and businesses alike.

For more information about the study and its findings, visit our website at:  
[www.iowaleague.org/publications/legislative-advocacy-toolkit/](http://www.iowaleague.org/publications/legislative-advocacy-toolkit/).

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*The Iowa League of Cities is the oldest, continuously operating municipal league in the country. Founded in 1898, the League is a not-for-profit organization that serves as the unified voice for cities, providing advocacy, training and guidance to the cities of Iowa.*