

Scottsdale No. 25 on 'best places' list

Jane Larson - May. 14, 2008 11:28 AM
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SCOTTSDALE - Now that entrepreneurs can choose to live almost anywhere that broadband connections and convenient airports exist, more are turning the relocation decision into both a business and personal one.

So it was only a matter of time that some list maker melded those traditional and always contentious rankings of the best places to live with the best places to start a business.

And thus we get Scottsdale ranking No. 25 among "The 100 Best Places to Live and Launch," as picked by *Fortune Small Business* magazine. Only two other [Arizona](#) communities, Oro Valley at No. 44 and Prescott at No. 92, made the list.

Topping the list was Bellevue, Wash., for its talented workforce and growing downtown. The state with the most communities ranked, at nine, was [California](#).

It was the first time the magazine, part of the Time Inc. empire, had compiled such a list based on business launch-ability and livability. It published the rankings on its Web site in late March and in its print edition in April.

Writers and editors looked for "towns that combine a great business environment with alluring leisure opportunities," the magazine said.

Selected from 4,000 places

From a consultant's list of 4,000 places, they crunched numbers ranging from tax rates and startup activity to housing affordability (within 120 percent of the metro area's median), then looked for natural beauty and active downtowns.

They cut the list to 1,000 places, then interviewed local officials and business owners to narrow it down to the 100 best places, writer/editor Maggie Overfelt said.

Overfelt got the metro Phoenix assignment in part because her father recently moved from California to Gilbert and started his own accounting practice. She said she zeroed in on Gilbert, Tempe and Scottsdale, and the staff ended up giving the Scottsdale the nod because of its nightlife and downtown retail scene.

"We wanted that nightlife, that livability criteria," she said.

Tourists, entrepreneurial spirit

Scottsdale fit the best-places bill with its large entrepreneurial community and high volume of tourist traffic, capped off by the ability to hike Camelback Mountain, golf, and dine at

five-star restaurants, Overfelt wrote. She pegged Scottsdale's other "pros" as its culture and nightlife, and its "cons" as its relatively high cost of [commercial](#) space and lots of competition.

She also said warehouse space and the overall cost of living are more affordable than in other major cities. Affluent tourists and Scottsdale's revitalized downtown also made the city stand out.

Boutique owner Joy Li, who has lived in Scottsdale for eight years and opened Studio Joy Li in November at the Scottsdale Waterfront, called the magazine's description pretty accurate.

"It's a wonderful place to live as far as quality of life, and you can have the support of the community, the state and the city in encouraging small businesses," she said.

Scottsdale is up-and-coming

Compared to saturated markets like New York and Los Angeles, Li thinks Scottsdale is an up-and-coming place where clients previously couldn't find her contemporary clothing designs. She gets resort guests from Minnesota, Colorado and New York who then go home and rave about their finds.

"The word of mouth is unbelievable. It's very powerful," she said. "They're taking the word and spreading it out in different parts of the country."

These types of rankings help spread the word about Scottsdale, but they typically are not companies' sole reason for locating here, said Harold Stewart, acting general manager for Scottsdale's Economic Vitality Department. Available land and the quality of education are part of the mix, too. And while Scottsdale's commercial space is expensive compared to other parts of the Valley, that is part of being a successful community, he said.

"The value of a ranking like that is that it helps you become part of their list of chosen places to explore," Stewart said. "It's a very beneficial thing, very helpful for us to say . . . 'Look at our ranking.' "

Fortune Small Business plans to revisit the list again next year, Overfelt said. It's eager to collect more statistics and hear the opinions metro Phoenix small-business owners have of what does or doesn't make their community good for living and launching.