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## 2001 Choice Cities Named by Outlook Magazine

By Brad Patterson

The 2001 Choice cities – the most desirable cities into which a business can relocate or expand – are a varied lot.

There are some cities that will be familiar to readers of Outlook Magazine, having made previous lists. There are some new cities on this year's list, a few of which may surprise even the most knowledgeable site selection executives. On this year's list, there are nine cities that are the capitals of their respective states, two that would be commonly referred to as "College Towns," and seven of the 2001 Choice Cities that also made the list last year. There are warm weather cities, cities from northern climates, and coastal cities as well as cities without any water near them.

As we pointed out last year, the rankings are based on certain criteria, but for any individual business, this is a subjective list. What is right for one business in a particular city may not be right for another business. Ranking anything is not an exact science.

The criteria the magazine's editors used to make up this list included Department of Labor Statistics, U.S. Census Data, reports from the Federal Reserve and from the Conference Board and information from the U. S. Conference of Mayors. All of the data was analyzed by means of specialized software that ranks cities based on such criteria as crime, business development, etc. This software was created specifically for the World Economic Development Alliance and generated a statistical profile, with assigned values to all the potential variables that would make one metropolitan area or another a CHOICE city.

### HONORARY NUMBER ONE CHOICE CITY

#### **NEW YORK, NEW YORK**

After the incredibly tragic events of September 11, all Americans have become honorary New Yorkers. Certainly, the terrorist act has had and will continue to have an impact on the city's economy. But New York still remains the financial capital of the world. Wall Street still functions, the Yankees are attempting to win another World Series title and the city that never sleeps is wide-awake. If anything, the attack on the World Trade Center has given the city a new image, a softer image, if you will. No one who has witnessed the heroic efforts of the city's rescue workers will ever look at New York the same way. For any business, large or small, New York is still a great location to expand or move a business.

Listed in alphabetical order, here are the 2001 Choice Cities:

## **ALBUQUERQUE, NEW MEXICO**

If there is such a thing as a 'Well-Kept Secret,' among the Choice Cities, it might be Albuquerque. One does not hear Albuquerque mentioned often when discussing pros and cons of moving a business to the city. New Mexico is the 'Land of Enchantment,' and Albuquerque is its gateway. The economy of Albuquerque is propelled by a rapidly growing set of high technology industry clusters, an expanding teleservices industry and a number of highly respected research facilities. In fact, the metro Albuquerque area is sometimes referred to as "Silicon Mesa."

The government (Los Alamos Laboratory, Kirtland Air Force Base) is the largest employer in the area, but Albuquerque ranks right at the top of the list as the largest exporter of high tech products, and is among the top 50 cities in business expansion and relocation.

With a mild climate and the Sandia Mountains on the East and the Rio Grande River to the West, Albuquerque offers much to the outdoorsy types. The University of New Mexico adds to the ambiance of the city, which now has a population of more than 500,000.

## **ATLANTA, GEORGIA**

Atlanta makes the list of the Choice Cities for the third straight year. The city remains home to 25 Fortune 1,000 companies, including Coca-Cola and Delta Airlines. The site of the 1996 Summer Olympics, Atlanta is also the headquarters for CNN and its other worldwide news networks.

Hartsfield Airport now has the title as the busiest airport in the world. An easy to navigate public transportation system makes Atlanta popular among downtown workers. Also the capital of the state of Georgia and the home to several colleges and universities, Atlanta has no shortage of cultural events.

The 10-county Atlanta Region covers a land mass of 3,000 square miles and is home to more than 3.2 million people, and the area continues to be one of the fastest-growing in the country, ensuring a healthy number of workers available for any type of industry.

## **AUSTIN, TEXAS**

Another state capital that is also home to the University of Texas, Austin has a welcome mix of real estate, infrastructure and a skilled workforce to offer companies looking to relocate. At least 88 percent of Austin's eligible workforce has some college education.

Apple Computer and Lotus Development Corporation are just two companies that have recently expanded into Austin. Austin also made the list of America's Most Wired Cities compiled by *Yahoo! Internet Life*. Austin ranked behind only San Francisco and San Jose. There are no state corporate income taxes or personal income taxes. In fact, Austin's overall business costs are 6.1 percent below the national average. Texas is a 'Right to Work' state and labor union involvement is estimated to be less than 1 percent.

A new airport will make getting in and out of the city easier and companies have a choice as far as their provider of energy services.

## **CHARLESTON, SOUTH CAROLINA**

Charleston is the second largest city in South Carolina with a population of just over 100,000. The location of the city, on the Atlantic Ocean and at the juncture of the Ashley and Cooper Rivers, Charleston has a bustling tourism industry. The very historic city is also connected to the military with a Naval Base located there. The military employed 19 percent of the area's workforce and pumped more than \$4 billion into the local economy.

Given the warm climate and the close proximity to the water, Charleston offers much water-related recreational activities, as well as offering year-round opportunities for sports enthusiasts.

The Port of Charleston is the largest containerized port on the Southeast Atlantic and manufacturers can import and export products all over the world. There are more than two miles of berthing space on the port. And, the Norfolk Southern and CSX rail system also allows for transportation of cargo between Charleston other major industrial markets in the U.S.

## **CHARLOTTE, NORTH CAROLINA**

Charlotte is also one of the fastest-growing metropolitan areas in the country. Also a repeat pick as a Choice City from 2000, Charlotte lies at the heart of the nation's ninth largest fifth largest urban region. It remains a major transportation hub, and is the financial, distribution and transportation center for the entire urban region. Besides its international airport, the Charlotte region is also the center of the country's largest consolidated rail system.

Charlotte is also the second largest financial center in America. Its banks contain \$855.5 billion in assets.

Located two hours east of the Appalachian Mountains and less than four hours west of the Atlantic Ocean, Charlotte also offers a mild climate, conducive to year-round recreational pursuits. It was ranked #1 among U.S. Cities in foreign firm growth by *Site Selection Magazine* and was noted as having the 'Nation's #1 Business Attitude' by *Fortune*.

## **CLEVELAND, OHIO**

For the longest time, Cleveland was a joke among American cities. Now, the city has seen its image completely transformed. Now, the publication *Partners for Livable Communities*, named Cleveland as one of four "Most Livable Cities" for this decade.

Cleveland has often been recognized as a model for urban rebirth as its downtown area has become the in spot for tourists and residents as well. From a business standpoint, Cleveland was ranked by Fortune

Magazine as being one of the 10 best cities for business in North America.

There are 28 Fortune 500 companies located in the Greater Cleveland area, making the region the fourth largest. It was voted as the third best metropolitan area for attracting new and expanded businesses. And, Cleveland is a player in International business as well. In fact, *World Trade Magazine* ranks Cleveland as one of the 10 best cities in the U.S. for achieving global business success. BP America, Finast Supermarkets and ICI Paints are just three of the 70 foreign owner firms that have major offices or headquarters in Cleveland.

## **COLORADO SPRINGS, COLORADO**

One could go on and on about the quality of life characteristics of Colorado Springs and forget to mention the business aspect. After all, with 250 days of sunshine a year, an average 18 minute commute, 15 golf courses, 124 city parks and more affordable housing than many of the cities on our list, Colorado Springs has much to offer.

While those quality of life advantages certainly help attract new business to the city, there must be something else that companies like Worldcom, Intel Corporation, and Gateway see in The Springs in order to make their home here. Maybe it's the highly educated workforce, or the fact that electricity rates are among the lowest in the nation. Or it could be that the corporate income tax is less than half of the national average. Maybe it's just the combination of a good business environment and the fact that Colorado Springs is located at the base of Pike's Peak, which inspired Katherine Lee Bates so much in the summer of 1893 that after a visit, she wrote the words to "America the Beautiful."

## **DENVER, COLORADO**

The second city from the Rocky Mountain State to make the list, and another state capital, Denver's proximity to the Rocky Mountains offers much in the way of recreational opportunities.

Making the Choice Cities list for the third consecutive year, Denver has seen no letup in its economic expansion. Once pigeonholed as a mining and resource development city, Denver now has a fully diversified economy that has become a leader in the telecommunications field. AT & T Broadband, Level 3 Communications and Quest Communications are all located in the Denver area and should keep the city well positioned in the new economy of the 21<sup>st</sup> Century.

Denver's population has more than doubled since 1960, and it's an educated population. A greater percentage of Denver's population is high school and college graduates than in any other major metropolitan area in the U.S.

## **DES MOINES, IOWA**

In the words of Ray Kinsella in 'Field of Dreams,' this isn't heaven, "It's Iowa."

All clichés aside, today Des Moines – the capital of the state – is home to more than 200,000 people, and is the third largest insurance center in the world with nearly 60 life, health and casualty insurance companies located here. The climate-controlled skywalks system makes getting around easy, and the skywalks make up more blocks per capita in Des Moines than any comparable city in the U.S.

Currently, the city has low unemployment (2%), a highly educated workforce and a low cost of housing. Any business looking to relocate to Des Moines would also find workers interested in the average travel time to work, which is only 18 minutes.

## **FORT WORTH, TEXAS**

Fort Worth is part of the North Texas area, and is commonly mentioned as being part of the ‘Dallas-Fort Worth Metroplex.’ But the city is differentiating itself from other Texas cities in a number of ways.

Will Rogers referred to Fort Worth as the city "Where the west begins." And, the city is proud of its Old West roots. The Texas Cowboy Hall of Fame is located in Fort Worth. The largest zoological display in the country this year is at the renowned Fort Worth Zoo.

But companies like American Airlines and Radio Shack, which are located here, understand why Fort Worth has been ranked as one of the top places to do business by *Newsweek* and *Fortune* Magazines. Operating costs are lower here than in many other cities and there is an educated workforce, with 21 colleges and universities located within 30 miles of Fort Worth.

## **INDIANAPOLIS, INDIANA**

The capital of the Hoosier State has also become a sports capital. Home to the three largest one-day sporting events in the world – the Indy 500 motor race, the Brickyard 400 NASCAR race, and the SAP United States Grand Prix – the Indianapolis Motor Speedway brings an economic impact to the city the equivalent of hosting three Super Bowls annually.

Indianapolis is also home to the NCAA, as well as the NFL’s Colts and the NBA’s Pacers. From 1977 – 1998, the direct economic impact of amateur sports in Indianapolis was \$1.18 billion.

For businesses, transportation is always vital. Indianapolis is known as the ‘Crossroads of America,’ and more Interstate highways intersect this city than any other does.

## **JACKSONVILLE, FLORIDA**

If you are looking for a city that is "hot" when it comes to relocation, look no farther than Jacksonville. In the past five years, more than 50,000 new jobs have been created as a result of companies expanding into or relocating to Jacksonville. *Expansion Management Magazine* ranks Jacksonville as No. 1 in the country as a site for expansion or relocation.

A central location with access to road, rail, sea and air transportation has made the city a hub of the southeast United States. Jacksonville's deep-water port is the 14<sup>th</sup> largest in the U.S. and handles international shipments.

*Money Magazine* just named Jacksonville as one of Top Ten places to live. With a median age of 35.0, Jacksonville is the "youngest" major city in Florida.

## **LAS VEGAS, NEVADA**

The "Entertainment Capital of the World" welcomes 32 million visitors a year. But there is a lot more to Las Vegas than the Strip, famous entertainers and the casinos.

Las Vegas remains the fastest-growing city in the country, which has resulted in great opportunities for employers and employees alike. A near-perfect climate, favorable cost of living, healthy job market and a business-friendly environment makes the city a popular place for business. *Inc. Magazine* just rated Las Vegas as the No. 1 entrepreneurial city in America, citing the 17,000 new businesses that started in the area last year. *Fortune Magazine* named it as the No. 2 city in the country in which to do business.

Residents here pay no personal income tax and business owners are not subject to corporate income tax, nor franchise, inventory or unitary taxes.

## **MADISON, WISCONSIN**

Another state capital/college town, Madison has a great deal to offer for workers of any age. With a population of 206,042 in 2000, Madison is projected to have a population of 219,909 by 2010.

Biotechnology, medical/biomedical research, microelectronics, software and other computer-related firms dominate Madison's research community. More than 20,000 people are employed in those areas. Agriculture is also important to the Madison area.

There is no shortage of testimonials to attract companies and/or workers to Madison. *The Ladies Home Journal* listed Madison on its list of Top Ten Cities for Women (and families), *Family Fun Magazine* touted Madison as one of the nation's best small cities for families, and *Money Magazine* ranked Madison in 1998 as the No. 1 mid-sized city in which to live. Madison has made the "top" list of best bicycling towns, was ranked as one of America's most "enlightened" towns, and was named as a top town for those who canoe.

## **NASHVILLE, TENNESSEE**

Nashville – and Davidson County – is home to 569,891 people according to the 2000 census. What makes Nashville such an attractive business location is the varied economy. No one industry dominates Nashville's business outlook.

Such companies as Gaylord Entertainment, Shoney's, USA Dollar General and Genesco all have headquarters in 'Music City, USA.' Tourism, Printing and Publishing, Music Production, Technology Manufacturing and Health Care Management are all major industries in the Nashville area.

*Forbes Magazine* named Nashville as one of the 25 cities that are likely to have the country's highest job growth over the next five years. And, *Expansion Management Magazine* ranks Nashville as the fifth most popular U.S. city for corporate relocations.

## **OMAHA, NEBRASKA**

Omaha, about as centrally located in the United States as possible, has a population of 390,000. Within a 50-mile radius, there are more than one million people. The city has shown steady population growth for five decades. And, the median age of the population of Omaha is 33.8 years, compared to the national medium of 35.4.

After quality of life factors and economic issues were analyzed, *Forbes Magazine* recently named Omaha as one of the top 15 regions in the nation. *Redbook* called Omaha one of the Ten Best Cities for working mothers – an important distinction for companies looking to retain quality workers.

Quality telephone service and the central location has made Omaha the "800 number capital of the nation." There are more than 20 telecommunications centers in the city, currently employing approximately 20,000.

## **ORLANDO, FLORIDA**

One always starts with the weather and tourist attractions when discussing the economic profile of Orlando, another city on the Choice list for the second year in a row. Of course, quality of life issues are important to attracting new employers and new employees to the Orlando area. But, the city is more than just Disney World and golf courses now.

A strong pro-business environment awaits any company moving to the Orlando area. Florida ranks sixth lowest in corporate income taxes and has no state income tax. Orlando is projected to be the second-fastest employment and population market through 2008, according to a recent Woods & Pole publication. That rapidly growing population is young, well educated and diverse.

Even with Lockheed-Martin, American Automobile Association, Tupperware and Oracle already here, there are enough employees to go around. There are an astounding 269 new businesses established in the Orlando area EACH WEEK!

## **PHOENIX, ARIZONA**

Phoenix ranks third in employment growth nationally. The city now has a population of 1.3 million people (6<sup>th</sup> largest in the U.S.) and anchors a metropolitan area of 3.1 million.

Phoenix offers businesses an advantageous tax structure and operating costs that are nearly 20 percent lower on average than any other major U.S. metropolitan area. Arizona is a right-to-work state and it has one of the lowest primary property tax rates in the nation. Phoenix also offers airline hubs, educational institutions, a skilled and diversified workforce and a telecommunications infrastructure to businesses looking to expand or relocate.

Oh, and the weather in the "Valley of the Sun" is conducive to attracting quality employees as well. *Inc. Magazine's* 'Entrepreneurial Hot Spots' ranked Phoenix No. 1 out of 50 large metropolitan areas in which to start or grow a business. America West Airlines and the Del Webb Corporation are just two of the publicly held companies located in Phoenix.

## **RALEIGH/DURHAM/CHAPEL HILL, NORTH CAROLINA**

The three cities are almost intertwined, and together they make up one of the hottest areas in the country for business expansion. About the only times these cities don't agree is when the fans of the Carolina, Duke and N.C. State basketball programs discuss the merits of their favorite teams. From a business standpoint, the Research Triangle area is one of the most appealing areas in the country.

There is a lengthy list of awards and honors given the Triangle area as being among the absolute Best Places to Live in the U.S. A moderate climate and proximity to just about any recreational activity one wants is enough to make businesses want to relocate to the Triangle area. Then, there is the highly educated workforce (one in nine residents has an advanced degree) and the fact that 46 percent of North Carolina's high-technology industry is in this area.

IBM and Glaxo Wellcome are just two major corporations that have built research centers here. There is no one city that is dominant in the research triangle, but rather, several smaller communities anchored by Raleigh, Durham and Chapel Hill. Raleigh is the state capital and home to N.C. State, Duke is located in Durham and Chapel Hill is the home of the University of North Carolina.

## **RICHMOND, VIRGINIA**

Another repeat winner from last year, Richmond is still one of the 'hot' cities for relocation. The James River still plays a big role in Richmond's economic development and Richmond is a transportation hub.

Richmond is home to six Fortune 500 companies, and has become a major player in information technology, semiconductor manufacturing and other high-tech industries. The capital of the Commonwealth of Virginia, Richmond was ranked as "America's third hottest city for business relocation," according to *Expansion Management Magazine*, and was named as the top city in the United States for small business by *Entrepreneur*.

The City of Richmond offers business costs that are 5.2 percent below the national average, only a 6 percent state corporate income tax and building costs that are 16 percent below the national average. Virginia is the northernmost right-to-work state.

## **SAN ANTONIO, TEXAS**

"Remember..." San Antonio when thinking of relocating or expanding a business.

San Antonio is now the ninth largest city in America. The metropolitan area has grown 21.2 percent since 1990. It is located on the I-35 corridor, the fastest growing area of the state of Texas and the population is projected to grow at an annual rate of 1.9 percent through 2010. The Alamo City boasts a highly diverse workforce and certainly has historical ties to Mexico and the Latin America market.

The city's cost of living has consistently ranked among the lowest of all major U.S. cities. San Antonio has ranked below the national average in Cost of Living for 20 consecutive quarters. Housing, grocery and utility costs remain low. Affordable and available office space has been cited by a number of firms that have moved to San Antonio as one of the primary reasons, including SBC Communications, which recently moved its headquarters from St. Louis to San Antonio.

## **SAN DIEGO, CALIFORNIA**

San Diego is the only city from The Golden State to make this year's Choice Cities list. San Diego has much to offer any business looking to expand or relocate.

The city's economic planners have worked hard to ensure that the local economy, which used to be almost dependent on the defense industry, become diversified. The defense industry is still a big part of San Diego's economy but high-tech telecommunications firms and medical technology businesses have helped keep the city economy growing. Agriculture is also a big part of the economy. San Diego County ranks as the 10<sup>th</sup> largest agriculture producer in the nation and it has the second largest number of farms.

Oh, yes, San Diego is also regarded as having the most perfect climate in the United States.

## **SARASOTA, FLORIDA**

And, on the topic of nice weather, Sarasota, located on Southwest Florida's Gulf Coast, takes a back seat to no other city. Sarasota was ranked as one of America's 15 most livable communities, according to *Money Magazine*.

Home prices in the area are well below the national average, Florida residents do not pay any personal state income tax, and Sarasota County has a property tax rate that is among the lowest in the Sunshine State. The Sarasota School System has consistently been ranked highly in every survey.

The county has earmarked 7,500 additional acres for business development to handle the influx of new or relocated businesses coming to Sarasota. From a financial standpoint, it helps any business that eight of the top ten financial institutions have offices in Sarasota County.

### **SPRINGFIELD, MISSOURI**

Productivity is a trait that is appreciated by businesses. Sprint Business, Inc has ranked Springfield as one of 'The 50 Most Productive U.S. Cities'. The city's economic output has doubled since 1990.

Springfield, located in the southwest corner of Missouri, is within a 500-mile radius of nearly 50 percent of the nation's population. It is easily accessible from a number of highways and through a newly expanded airport.

The health care industry in the Springfield area employs 20,000 people with an economic impact of \$3 billion. Southwest Missouri State University, with 16,000 students, is the second largest institution of higher education in the state. Tourism is also very important to this city of 325,000 people. There are great many activities available for outdoor enthusiasts, and the city is only 35 miles from Branson, the 'Live Music Capital of the U.S.A.'

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