

BEST CITIES 2010: SALT LAKE CITY, UTAH

The talent pool is deep and costs are low in our number-five pick for Best Cities for the Next Decade.

By: Jenney Nalevanko

Two years ago, David Flynn owned a business that produced a hot memory drive and employed ten people. A California venture-capital firm tried to lure him to Silicon Valley, but he stayed put and raised \$111 million from a host of other top venture firms. Now he employs 250 people who make those drives and is looking to hire more. "We've been rewarded for sticking to our guns," says Flynn.

Talent is key to building a company, and CEO Flynn says that one of Salt Lake City's secrets is Utah's "very educated and deep talent pool." Plus, it doesn't hurt that "our offices are 15 minutes away from four ski resorts."

In addition to the city's strong venture-capital community, the Utah Governor's Office of Economic Development offers loans, grants and training to budding businesses. And the Economic Development Corporation of Utah, a public/private organization, fosters Salt Lake City's pro-business atmosphere by helping to attract new companies.

And you can't beat the cost of living and doing business in Salt Lake City. Utah has relatively low wages, taxes and operating costs. In fact, the cost of doing business is the third-lowest in the western U.S. and 18th-lowest in the country.

Salt Lake City is home to the University of Utah, internationally recognized for its research in genetics and health sciences, and a hotbed of new-business creation. "The U" is ranked by one measure as first in the country (along with the Massachusetts Institute of Technology) in launching start-up companies from research-based inventions. "The universities here are more than ivory towers on a hill," says Jonathan Johnson, president of Internet retailer Overstock.com, which is based in Salt Lake City. Johnson, who hires programmers, mathematicians and statisticians from Utah universities, says the local talent pool is noteworthy for its technical knowledge and outstanding work ethic.

The Salt Lake valley offers a variety of distinctive neighborhoods that boast walking-friendly centers. These hip, diverse districts provide easy access to locally owned retail shops, galleries, restaurants and coffee shops. With the help of the city's wide, bike-friendly streets, the proximity to such amenities makes it easy to live quite comfortably in these neighborhoods without much need for a car. They provide a small-town feel within steps of the heart of the city.

For those who crave a busier setting, downtown living is about to get a lot more popular. In 2008, Salt Lake's Downtown Alliance broke ground on the first phase of a revitalization project, City Creek Center, with an estimated price tag of \$3 billion. Project leaders hope the City Creek Center will become a lively destination for visitors and residents alike, introducing space for 80 new retailers, a performing-arts theater, fine dining restaurants, and more than 800 residential units. The project also includes plans for a covered pedestrian bridge, joining both sides of Salt Lake City's Main Street, where the city's existing businesses will certainly benefit from the additional foot traffic.