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Sacramento the worst town for business? Experts weigh in



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Sacramento recently [finished dead last](#) for business friendliness in a [survey of small businesses](#) of 82 major cities. The survey, by Thumbtack.com, hit the River City with a report card of mostly Fs in areas like tax code, regulations and ease of starting a business.

Do these surveys hurt Sacramento's ability to grow jobs?

Not really, said [John Boyd](#), founder of The Boyd Co., a Princeton, N.J.-based site selection firm. Corporate leaders care about actions by decision makers in a community. And Sacramento has that, said Boyd. He pointed to Mayor [Kevin Johnson](#) brokering a business deal to retain the **Sacramento Kings** and a [developing CEO group](#) formed to focus on business attraction.

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"It's all about reputation and image. (Mayor Johnson) is the go-to guy now," Boyd said. And the nascent Greater Sacramento Area Economic Council shows "a revival. New leadership. That task isn't easy."

As for the city's geographic attributes, some note that even if the massive Tesla battery factory lands in Reno, where the [company has broken ground](#), there would be an extraordinary multiplier effect for Sacramento jobs. The electric car industry will need suppliers, and Sacramento is right between Reno and the company headquarters in Fremont.

"Tahoe has limited space and environmental constraints," Boyd said. "It's going to be a good time for economic development practitioners in Sacramento if indeed the Gigafactory goes to Reno."

These kinds of business friendliness surveys make for good marketing materials, but they hold little

sway on corporate location decisions, said [Barbara Hayes](#), CEO of the **Sacramento Area Commerce & Trade Organization**.

She thinks Sacramento's bad rap comes from being situated in the heart of California, which generally fared poorly on the Thumbtack survey.

Hayes also noted that Sacramento's best grade – a C in "ease of hiring" – was perhaps the most relevant on the scorecard and shows the region's abundance of professional talent, a primary factor for site-seeking big businesses.

Allen Young covers state legislation, regulation and contracts, as well as economic news, international trade and economic development for the Sacramento Business Journal.