

## Fort Collins is Thinking Way Outside the Box

Mason Corridor promises to change Fort Collins in fundamental ways; transportation is just part of this true “lifestyle” center

BY BY TIM MADDOCKS  
FOR FORT COLLINS NOW,

Hair combed back, sunglasses on, hands on the wheel, Eric Nichols eased his Mercedes Benz through a right hand turn on to Mason Street from Harmony Road.

“Here we are,” Nichols said, nodding toward the railroad tracks running parallel west of the street. “And this thing will be zipping right along”

What Nichols, a commercial real estate broker with Realtec, was talking about is the future of the Mason Corridor. The train tracks he alluded to have a 100 foot right-of-way running alongside, and in the next few years, rapid-pace, energy efficient buses will run parallel of College Avenue from Harmony Road to Cherry Street downtown.

The bus system is just part of the grand plan for the corridor that not only will drive transportation in the city for decades to come, but development—both residential and commercial—as well.

The Federal Transportation Authority approved a grant for the Fort Collins' rapid transit system in December, which will provide 80 percent of the \$74 million project.

And while it won't be until 2011 that the bus service starts its engines, the Fort Collins development community isn't waiting.

Nichols, who has 19 years of real estate brokerage experience, sees more than just a new bus system. Nichols sees opportunity. He has, in fact, already brokered a deal with out-of-state investors for the Safeway plaza on College Avenue and Mulberry Street.

Driving down Mason further south, Nichols pointed at the Target plaza, but he wasn't looking at Target so much as the box-style retail building, the type of building that's strewn all along the corridor.

“Look at this thing—one story building, massive field of parking. You could have five stories here,” Nichols said, pointing to the half empty parking lot. “You could have structured parking, you could have easily 5-, 6-, 7-, 800 percent increase in square footage sitting right here.”

Indeed, as much as the Mason Corridor is about improving efficiencies in transportation, it's also about increasing efficiencies in development.

The Transportation Oriented Development Overlay Zone, created by city planners in 2006, was designed specifically for the Mason Corridor, providing incentives to developers to build high-density, mixed-use residential and retail buildings. Previous to the overlay zone, buildings south of Old Town could only be four or five stories high along the south end of the corridor, but now if developers meet certain requirements, buildings can go as high as seven or eight stories. (Old Town zoning is different, where layers of zoning provide different standards and height allowances.)

If developers build office or retail space on the first floor and provide residential units on upper floors, they can add a story to the existing three- or four-story limit. If they provide structured parking or amenities for affordable housing, they can add another story. And if they provide structured parking and amenities for affordable housing, they can add three stories to the existing limit.

Buildings along the corridor can potentially be seven or eight stories, depending on where they sit in the zoning scheme.



- Photo by Jim Rydbom



- Lourie Zipf

The idea is that alternative transportation will serve as an “economic engine” along the corridor. According to the city’s Mason Corridor financial analysis, 60 percent of the city’s employment is along the corridor. And with a newfound rapid connection to Colorado State University, Old Town, and South College Avenue retail centers, the Mason Corridor aims to attract development along the corridor, spurning an economic boost.

In fact, it already has. The Wild Oats building on South College Avenue has been sitting dormant for years, aside from an Anytime Fitness tucked in the corner of the building.

The front of the building is blank and windows are dark. Planters are empty and landscaping has grown wild with weeds. Atop the entrance front, peeled glue and pale residue of a long-gone sign reads, “Wild Oats Market.”

But the box-style building sold for \$7 million to New Vista Holdings LLC in March. Plans for it have not yet been announced.

Jason Ortiz of Marcus and Millichap Real Estate Investment Services brokered the deal. He said that the proximity to the Mason Corridor was the primary reason for the investment.

Ortiz also brokered a deal for a development by Capstone Development Corp. on the corner of Prospect Road and College Avenue, right along the Mason Corridor. The development, named Choice Center, will provide housing for as many as 700 students and has a mixed retail aspect to it; although, Ortiz said, specific development details are not yet ready to be released.

“In terms of 2008, Wild Oats selling was the largest transaction to close along the corridor after the corridor was approved. And that just tells you that people are starting to position their chess pieces, getting prepared,” said Ortiz. “And now we have an announcement for the first development (Choice Center) along the corridor, which is extremely exciting. It’s showing us that this is working.”

“But people have to realize it’s going to take time,” Nichols warned. “And you have get your head outside the box, because it doesn’t work if you’re thinking about it in terms of what you see right now.”

“It’s not just a \$70 million bus route,” Nichols said.

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Bruce Hendee founded BHA Design Inc., a sustainable and conservation landscape design company, and he teaches sustainable development at Colorado State University. Hendee said the idea of Transportation Oriented Development (TOD) is more than a century old, starting in the 1890s as part of the Garden City movement in cities like Chicago.

“It was based on creating communities separated by open space and connected by rail,” Hendee said.

TODs, of course, have since changed.

Hendee said that when the 1959 National Highway Defense Act created the interstate system, it eventually led to the creation of suburbs. People wanted to live in rural settings and drive into the city for work. “It was considered a healthier lifestyle.”

But as development began to catch up to the suburbs, communities became gridlocked.

Hendee said recent TOD techniques have evolved as a planning tool to help minimize suburban sprawl.

“That suburban model has created a huge dependence on oil,” Hendee said. “And it has also cost us a lot in terms of infrastructure—meaning utilities, fire, police protections—and all of those things tend to swell when we keep expanding.

And today we're suffering the consequence.”

Although Fort Collins is not a traditional suburb, the city is built in a way that as residents sprawl toward the edges of town, automobiles become a necessity. And as Fort Collins' population grows beyond 130,000, while remaining restricted to its growth management areas, the city hopes that TODs will create a manageable flow of traffic while promoting higher-density dwellings.

The focus of modern TOD models is to create higher-density housing atop retail and office developments, then placing those buildings near transit stations.

“The TOD model is created as a means to connect mass transit to highly livable areas, so that people don't need get in their cars as much, and you can get away from single-occupancy vehicles.”

The Mason Corridor will have 11 sheltered transit stations, between the Downtown Transit Center and a new South Transit Center, south of Harmony Road. The transit stations will be strategically placed near key intersections like Horsetooth Road, Drake Road and Laurel Avenue.

But it's not just people moving north-south along the corridor.

The transit stops will link to east-west bus routes, creating a grid of public transportation.

“You can go anywhere in the city. It will be a nice interconnected grid concept. Once you plug in the east-west component, it starts making more sense,” Hendee said. “You create this kind of working model where people can live work, play and get in a mass-transit vehicle to go from one place to another,”

With an effective public transportation system in Fort Collins, residents may no longer need to depend as much on cars.

“Yeah, well, right now the second highest cost that people have is the cost of owning an automobile besides a house. House is No. 1, cars are No. 2,” Hendee said. “If you see gas go up to \$5, \$6, \$7 a gallon then all of a sudden cars are going to become more expensive than the house. And people are going to start to look for alternatives for transit.”

Hendee, who also serves on a transportation subcommittee for UniverCity Connections, said the Mason Corridor can be seen as Fort Collins' zeitgeist. As people are becoming environmentally and economically conscious and as gas prices rise above \$4 a gallon, sustainable lifestyles become more attractive. Global issues can be seen reflected locally.

“It's absolutely a convergence of necessities,” Hendee said. “It's really interesting that the problems we are having with oil in the Middle East is directly related to global warming, and those two things are kind of coming together to create a new urban sense of place and desire.”

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One late afternoon in early May, Doug Johnson, director of UniverCity Connections, sat down at a Fort Collins coffee shop to talk about the Mason Corridor.

“It's really all about connectivity.”

Johnson used the word connectivity more than five times in the first few minutes of conversation. As he continued talking, his excitement grew and he began to wiggle about in his chair.

“And it has moved beyond a transportation corridor, and it's now an economic corridor,” Johnson said. “And that's the exciting piece.”

“Because it's an opportunity to develop additional commercial frontage, it's an opportunity to develop an alternative transit route and transit-oriented and student-oriented development, and,” pausing a moment, suddenly at a loss for

words, Johnson abruptly banged the table with his hand.

“Hell,” he said. “I get really excited talking about it.”

That afternoon, Johnson had just come from a UniverCity Connections meeting where CSU representatives and city representatives decided to hold a forum for the investment and development community to discuss the future of the Mason Corridor. The Mason Economic Corridor Investment Forum will be held on June 26 by invite only for the many players in the real estate community. Johnson calls it the city’s “showcase” to the investment community with a focus on “smart, green, sustainable, infill development oriented toward students and transit.”

UniverCity Connections, which is an initiative of the Northern Colorado Community Foundation, is a volunteer community group with people from many different backgrounds coming together to develop a common vision for a partnership between CSU and Old Town. Johnson considers UniverCity as the “honest broker” that can effectively engage the university, municipal and private agendas to create a “greater good.”

“The city has a vision, CSU has a vision, but we can’t do it alone. That \$70 million (for the Mason Corridor) isn’t going to go far in the grand scheme of things,” Johnson said. “So it’s really going to take effective public-private partnerships.”

One of the most important public players in the development of the corridor is CSU. The university has a student population of 25,000 but it’s also the city’s largest employer. CSU President Larry Penley has set a goal to increase student enrollment by 5,000 in the next 10 years.

Then take Old Town. It isn’t only the city’s center for arts and entertainment, but it’s also home to city government buildings. The south end of the corridor isn’t just retail centers. It’s a home to both families and tech employment. And the corridor connects everything.

“All of these things are interlinked. ... So let’s do some smart infill, let’s drive the density. Then that helps us meet our other goals of reducing our carbon footprint,” Johnson said. “And it’s all interlinked and then it’s good for the economy because then we can showcase that we’ve got cleaner air, we’ve got a strong arts and culture community, we’ve got a strong business community, we’ve got great connectivity and transit for employees, and that’s how you attract great companies and employment.”

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Certainly rapid bus transit between CSU campus and Old Town is logical—each has its obvious attractions.

But what about the south end of the corridor?

As Nichols continued the tour of the south end of the corridor, he slowed at an empty theater building, padlocked gates, illegible graffiti on the back door, empty movie poster cases and empty parking spaces.

“Here’s an old empty theater building and what are we using it for? They’ve gotta bunch of Dodge trucks (for sale) sitting here,” Nichols said.

Crossing Swallow and headed toward Drake Road, it’s strange to imagine a bus corridor with a lot of riders, a lot of traffic.

“Again, look at all this stuff—parking, one story buildings,” Nichols said. “Right now these buildings may be at their highest and best use, but down the line, who knows? There’s going to be a stop right here. But who would want to stop here?”

Buildings face College Avenue, and from behind it’s hard to tell what sort of businesses many of them are. The buildings

look dated and while there's lots of space for parking there are not many cars. Crossing over to the southern Kmart parking lot, the car traverses empty parking spaces to get to the front of the building. There's about 60 parking spots and only four cars.

"So this whole area is prime for redevelopment, this could go now. But the only way it makes sense is you have to look at it 15, maybe 20 years down the line—it's not going to happen overnight," Nichols said.

Nichols said development from Drake Road to Harmony Road is "auto-centric 1970s, 1960s land planning" and as gas prices rise and mixed-use residential and retail development replace older buildings, he believes people will accept a new lifestyle along the corridor.

"But the bottom line is it's economics and market acceptance," said Nichols.

And Ortiz, who has already brokered big deals along the corridor and admits that he has \$30 million to \$40 million dollars worth of investment in the works, agrees.

"There are mixed-use developments that have failed, because they haven't really listened to what the market needs," Ortiz said. "It's certainly something to be excited about but it's also something to be very cautious about."

Ortiz, however, said the city, with the introduction of the Mason Corridor and the TOD overlay zone, has provided "fertile soil" to take dilapidated areas and give them new life.

"For example, the Choice Center project," Ortiz said referring to the planned development on the corner of College Avenue and Prospect Road. "It's exciting to see how something like the corridor will stimulate and beautify a part of town that's very central."

"And so I think as you look at other opportunities along the corridor, you're going to see a lot of that happen."

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