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Salida's 'secret' starts to unfold

by Jill Jamieson-Nichols

Salida, nestled along the Arkansas River amidst Colorado's highest mountain peaks, is being discovered.

"Salida is kind of a secret, and people are finding it," said broker Thomas Morgan, owner of CM Commercial in Salida.

As developers create plans for new retail and hotels, a \$30 million hospital is under construction, and city officials are looking forward to finding a developer for 192 acres of land spanning U.S. Highway 50, the main east-west artery through town.

There has been a "big" jump in the number of properties changing hands, said City Planner Dara MacDonald. "We definitely have a feeling that a lot is happening, but I wouldn't say that's been reflected yet in building permits," she said.

Most of the new housing growth has occurred outside of the city, with Salida serving as a commercial hub.

"Salida is kind of getting discovered all over," said Richard Chick of Friend Ranch Investors Group LLC, which is planning a 608-acre golf course community 5 1/2 miles west of town that it hopes to annex into neighboring Poncha Springs. Chick said he has sold properties in other developments in the Salida area to people from the Front Range, as well as New Orleans, St. Louis, California and as far away as Cairo, Egypt.

Salida, 130 miles from Denver and 100 miles from Colorado Springs, was named one of Outside magazine's top 20 towns two years ago. A magnet for rafters, kayakers, mountaineers and other outdoors sports enthusiasts, it is beginning to be viewed as an alternative to Colorado's busy Front Range and pricey resort towns, according to Morgan. "They want to live in a location and environment that has all kinds of recreation that's still

affordable compared with these other places," he said.

Morgan studied listing prices for commercial lots under 7,500 square feet in the city of Salida compared with other towns and found that, at \$11 per sf, they were a bargain compared with Breckenridge at \$56 per sf, Durango at \$53 per sf and Ridgway at \$20 per sf.

While many of the areas he surveyed are on the Interstate 70 corridor and have major ski areas, "There are people from those areas moving here with their families and moving their businesses and opening businesses," he said.

"My wife and I have always thought of Salida as a blue-collar resort town," said David Kephart, owner of Simple Foods Market, a 1,700-sf natural foods store that is looking to expand. The city has many of the same amenities as Breckenridge, Durango, Telluride and other resorts, "But it has a real-town feel to it," said Kephart, who moved to Salida from Denver four years ago.

"For our business, the element that seems to be moving in is definitely good for us," he said, explaining newcomers tend to be used to shopping at Wild Oats and Whole Foods, "so they come to us educated, and they know what we're about."

He and his wife are planning a new 10,000-sf building on land they recently purchased at Highways 50 and 291. The store will occupy up to 5,000 sf. The remainder of the building, expected to get under way in about six months, will be available for lease.

A high-end boutique hotel of at least 34 rooms also is being planned in downtown Salida.

"It's something that the city needs," said John Diesslin, owner and president of Diesslin Structures Inc., who owns the city's former public works property on Highway 291 and is try-

ing to complete an assemblage that would take the hotel up to 50 rooms. The hotel, which would accommodate rafting groups and other visitors, including people who are coming into town to look at building expensive new homes, also is being driven by the Steam Plant Theater Performing Arts Center's efforts to build a new conference center in downtown Salida.

Diesslin, whose construction company is building the new Heart of the Rockies Regional Medical Center with Centennial-based Haselden Construction, also is considering developing some office/showroom spaces on five acres where the company's shop is located on Highway 291. Right now, Salida businesses that need warehouse space with showroom up front are out of luck, he said.

Much of the new activity in Salida is happening along the Highway 50 corridor, where Sonic Drive-In recently opened. Morgan is working with a developer who has land under contract near McDonald's for a national restaurant and 64-room Hampton Inn, which would include a conference and board room with video teleconferencing capabilities.

"Newer, nicer hotels are going to do really well here," said Morgan, adding the Hampton will cater to tourists, including people skiing at Monarch Ski Area, fly-fishing or riding all-terrain vehicles, for example; people passing through on Highway 50; and businesses that want to conduct corporate retreats in which they can offer employees rafting or horseback riding trips.

Developer Walt Harder is marketing two one-acre lots on Highway 50, just east of Salida's Wal-Mart Supercenter, for \$450,000 each and said he has seen some interest from national tenants. "Our demographics are just starting to reach the point

where national retailers can make a living here," said Harder, whose Starbuck Dairy development includes a 66-lot residential subdivision behind the commercial lots. Harder presold 70 percent of the residential lots at the former dairy farm, all to Salida residents, before infrastructure recently got under way, he said. Many of the lots were purchased as investments, he said.

Harder, who opened a Valvoline Express Care on Highway 50 a couple of years ago, also has a 40,000-sf building under contract north of town that will house a water bottling plant and other uses.

The city of Salida purchased the 192-acre Vandaver Ranch for water associated with it and now, to recoup its investment, is in the process of entitling the land. It hopes to find a master developer for the property this winter, MacDonald said.

The property will be divided into three zone districts that, along with parks and open space, will include a 63-acre residential area with 2,500 sf of commercial space; a 43-acre transitional residential mixed-use area with 210 residential units and 50,000 sf of nonresidential uses; and a village center with 400,000 sf of commercial on either side of the highway and 280 residential or "combination" units, which could include mixed-use buildings or hotels, for example.

Salida, population 5,700, is the county seat of Chaffee County, which had grown from 16,242 in 2000 to 18,519 as of the most recent count a year ago. Harder said while most newcomers are from the Front Range, he's also seeing people from New York, Texas, Florida and other states drawn to the climate, the mountains and the friendliness of a small town.

"I can't tell you how awesome it is to live here," Harder commented.▲