



MICHAEL CIAGLO, THE GAZETTE

A TN Parker Construction worker helps to build the drive-thru at a new Arby's on Mesa Ridge Parkway near Fountain Mesa Road. The Markets at Mesa Ridge shopping center in Fountain has seen steady retail growth in an area now home to many shops including Lowe's Home Improvement Warehouse, Safeway grocery and a Denny's.

Keen on Fountain



RICH LADEN, THE GAZETTE

Since 2000, Fountain's population has grown about 75 percent to 26,353, and major retailers have taken notice.

Retailers swarm to growing city

BY RICH LADEN
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For years, city of Fountain residents had plenty of shopping and dining choices. All they had to do was drive to Colorado Springs, several miles north of town.

That's changed over the last decade or so.

Since 2000, Fountain's population has soared by about 75 percent to 26,353.

With several large employers, solid household incomes and affordable housing that attracts people who work in the Springs and Pueblo, Fountain has outgrown its reputation as a place that exists only to serve Fort Carson, the sprawling, nearby Army

post that nevertheless remain an economic engine for the community.

Retailers took note. A Safeway grocery, Lowe's Home Improvement Warehouse, Family Dollar, Walgreens, Applebee's, Kung Go and numerous fast-food restaurants set up shop in Fountain to serve homeowners and apartment dwellers who now live in the area or who are projected to come. Noodles & Co. and Jersey Mike's Subs also are coming.

Those stores and restaurants have joined Walmart, which has been in town for a quarter century, and other stores and restaurants

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rants — mom and pops and national chains.

Still, city officials and some members of the commercial real estate industry say Fountain remains underserved and is ripe for more retail growth.

City officials have fashioned a lengthy wish list of the types of retailers they'd like to see come to town: electronics and appliances, furniture, clothing, sporting goods, garden supplies and sit-down restaurants, among many others.

"There's a huge market here of about 100,000 people in our trade area, and there are so many stores that we don't have to create a full complement of what people, what residents in this area, want," said Lisa Cochrun, Fountain's economic development director.

"They don't really want to drive into the city (Colorado Springs) to get what they need," she added. "They want it here in their town."

But retailers and real estate developers consider other factors besides more rooftops — such as competition from other stores, location and the likelihood of success — before they invest millions in new projects.

Ties to Fort Carson loosen

Whether Fountain can attract the kinds of retailers that city officials want remains a big unknown — although not an impossible goal.

"Time will tell whether the other retailers will go down there to compete," said Mark Useman, a retail specialist with Sierra Commercial Real Estate in Colorado Springs.

Fountain, founded in 1859 and incorporated 110 years ago, lies 12 miles south of downtown Colorado Springs. For years, it's prided itself on a small town way of life.

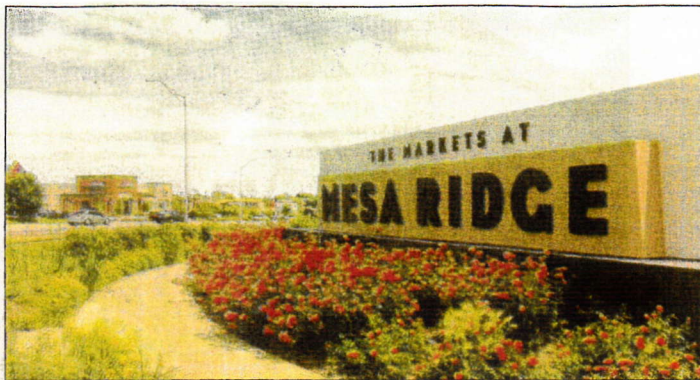
"They like living in a small town," Cochrun said of Fountain residents. "They like the rural atmosphere. They like the parks and the splash park and the riding and roping club."

Around the Pikes Peak region, Fountain generally has been viewed as a place where Fort Carson soldiers lived off base and as a community whose fortunes were tied to the military installation's ups and downs.

But Fountain officials believe there's more to the community.

In 2002, Fountain received an All-American City Award from the National Civic League in recognition of its efforts in education, community services and planning.

Fort Carson continues to be Fountain's top employer, even as the



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Despite big projects such as The Markets at Mesa Ridge, city of Fountain officials say the area is ripe for more retail growth.

Army announced last month it planned to disband a Fort Carson brigade and cut the post's population by 1,500 in 2017. Fort Carson still has a potential long-term population of 24,500 soldiers.

Fountain also has other major employers, including manufacturer Ingersoll-Rand, a Kroger grocery distribution center and RMB Products, a plastics manufacturing firm.

Its median household income was \$54,902 last year, according to city figures; that figure was up roughly 30 percent from 2000.

Key transportation improvements over the last several years include upgrading Colorado 16 to alleviate congestion on the road and on Interstate 25; that intersection handles traffic for a main gate leading into Fort Carson. Also, Powers Boulevard was extended south from Colorado Springs to Fountain; Powers now connects to Mesa Ridge Parkway, a key east-west route through the city's newer areas.

Fountain's potential has attracted one major retail project. The 400,000-square-foot The Markets at Mesa Ridge was developed over the last decade by California-based Nearon Enterprises and the local Janitell family at Mesa Ridge Parkway and Fountain Mesa Road; it's anchored by Lowe's and Safeway.

Rich Walker of First Properties Inc. in Colorado Springs, who markets the shopping center, said it's been successful because of growth at Fort Carson.

Not only are there more soldiers at Carson, many with spouses and children, but they have money to spend on groceries, cars, appliances and the like, Walker said.

Despite the stereotype that soldiers are paid poorly, a study by Springs economist Fred Crowley suggests some military personnel — who receive housing and clothing allowances — actually earn more than their private-sector counterparts.

But these days, Fountain's growth is more than additional Fort Carson soldiers. Thousands of single-family home sites and apartments have been added in recent years, while more are planned in the area over the next several years.

Among other Fountain-area projects, Classic Cos., Colorado Springs' largest local homebuilder, plans about 900 residences; Norwood Development Group, one of the Springs' biggest real estate companies, has built a 260-unit apartment complex; and the Markets at Mesa Ridge has a multi-family component that will include 250 apartments.

"You would think you were in Stetson Hills in 2007," Walker said of Fountain, comparing it with one of the Springs' fastest-growing subdivisions years ago. "Literally, there are houses everywhere."

City will annex center's land

There are additional retail sites available for development in Fountain — and some that the city is going after on its own.

A 350,000-square-foot shopping center planned near South Academy Boulevard and Interstate 25, and being developed by St. Louis-based THF Realty, is in the process of being annexed by Fountain at the developer's and landowner's request, said Dave Smedsrud, planning director.

Even though the shopping center site is well north of Fountain, the city will stretch its boundaries to the north by annexing right-of-way along I-25 — allowing it to reach the planned retail complex property. The move is legal under Colorado law, as long as certain conditions are met.

The shopping center will bring sales tax revenue into Fountain and provide shopping opportunities for city residents, Smedsrud said.

Also, a 100-acre site west of The Markets at Mesa Ridge is owned by a California developer, and city officials and the company envision

the land as a lifestyle center, with a multi-family component, Cochrun said.

Fountain officials also hope to see development of more smaller, niche retailers in the city's historic downtown, about three miles south of Mesa Ridge Parkway, she said.

Useman said he expects Fountain to attract retailers that already have a presence in the Pikes Peak region.

But such retailers first will likely consider whether they want to compete with Fountain's existing stores before they expand, Useman said.

Would grocer King Soopers, for example, want to tackle the existing Safeway store and Walmart supercenter, Useman asked. And while Fountain's household incomes are solid, will they be enough to attract, say, a Target or a Kohl's department store? Even if Fountain's incomes have risen in recent years, Useman said, "they're not as high as Briargate."

Such decisions by big retailers are key for shopping center developers, who need an anchor to attract smaller stores and restaurants and to make a project work, Useman said.

"They're trying to figure out if the market is big enough to get the competitive retailers to compete against those that are there, or if they want to bring in somebody new," Useman said.

If more stores are in the offing for Fountain, some residents say they'll gladly welcome them.

Alfredo and June Nevarez, who have lived in Fountain for seven years and who were shopping recently at the Safeway at The Markets at Mesa Ridge, said they often drive to Colorado Springs to shop. June said there are nicer clothing stores in the Springs, and the couple shop frequently at Sportman's Warehouse near The Citadel mall.

Alfredo would like to see nicer, sit-down restaurants in Fountain.

"This is fast-food heaven," he said. "That's (sit-down restaurants) what I think we need the most."

But more stores could come at a price for other residents.

Elizabeth and Daniel Seguiria, who have lived in the Security-Widefield-Fountain area since 1987, said they'd like to see more places to shop for clothing and furniture, along with a movie theater, ice skating rink or other places for kids.

And yet, they said they enjoy Fountain's rural flavor, and don't want more shopping to lead to more congestion.

"I'd hate to see it grow too fast," Elizabeth said.

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