

## Johnstown a player in growth game

### Acquisition of land has been key

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JOHNSTOWN - With some stunning views of Longs Peak, easy access to Interstate 25 and an enthusiastic government, this small town of 8,200 is eager to grow.

By all accounts, it's well on its way.

Johnstown is the fifth-fastest-growing community in the state, with a 13.3 percent growth rate from 2005 to 2006, according to new census figures released Wednesday.

As it aggressively amasses land to expand its borders, population and sales-tax revenue, Johnstown now sits just 10 miles from Fort Collins' southern border and is fueling development at the hottest corner in Northern Colorado.

The town annexed the southeast corner of Interstate 25 and U.S. Highway 34 in 2000, when the only growth in the area was corn and outlet shops.

It was a fortuitous annexation - one sought by Greeley, Loveland, even Windsor, as a way to capture growth that was sure to come across from the then-fledgling Centerra.

The move is paying off in spades as the new Medical Center of the Rockies and rehabilitation hospital spur demand for medical office space, retail and restaurants in Loveland and Johnstown.

### Seeing the possibilities

Elected officials in the '90s talked at length about their vision and where the town ought to grow, said town planner John Franklin, who oversaw significant growth as planner in Castle Rock, Broomfield, Louisville and Brighton.

"They looked at I-25 as the Main Street (of the region) and saw the future was to the west," Franklin said. And to the north, as the Outlets at Loveland - then the Rocky Mountain outlets - opened as the first major development at the 25-34 interchange.

"We make no bones about it," Franklin said. "We are after the sales-tax revenue and have an interest in developing that area with as much as is possible and practical."



Dawn Madura/The Coloradoan

Nick Christensen and Ryan Schaefer of Chrisland Inc. are handling much of the development in the Interstate 25-U.S. Highway 34 area, including this new building, which when completed will house a Verizon store, Spicy Pickle restaurant and hair salon.



Dawn Madura/The Coloradoan

Downtown Johnstown is pictured Tuesday.



FRANKLIN

Sales-tax revenue has more than doubled since 2002, enabling the town to build a new police station, library and parks. A new town hall and community center are on the wish list for the next few years. And as retail gets ready to explode on Johnstown's side of the interstate, revenue will not be far behind.

## Where is it?

With Johnstown on the southeast corner of the interchange, unincorporated Larimer County on the southwest corner and Loveland to the north, three different entities govern the area. Its reach extends east to County Road 13.

Nick Christensen, formerly of McWhinney and now a principal with Chrisland in Loveland, has worked with them all and taken a page from his former employer's handbook in developing a 542-acre mixed-use project of retail, residential and commercial.

Christensen and others have won what is known as fast-track development review, which can get projects through the town's planning process in just 45 days.

It might be the fastest approval process in the country, Christensen said.

Even McWhinney, which wrote the book on fast-tracking, has a longer approval window.

Projects must meet certain design standards, go through a design committee and then to Franklin for "administrative approval."

It means no public hearings are required for most of the 25/34 development.

So far it's worked well, Franklin said. There's been no backlash from residents worried they are being cut out of the process.

"People care about things happening in their backyards and in downtown," he said.

Many residents, indeed, consider growth at Johnstown's 25/34 gateway to be in Loveland and of little concern to them, Franklin said.

Christensen calls Johnstown's board "visionary" and said it realizes that to have services and amenities for residents, it needs to "develop business and capture sales-tax dollars, and there's nothing wrong with that."



Dawn Madura/The Coloradoan

The skeleton of an unfinished house showcases a view of Johnstown's open space near Interstate 25 and U.S. Highway 34.



Dawn Madura/The Coloradoan

The sign at the Centerra Promenade shops faces Interstate 25 toward the outlets in Loveland, which are on the west side of the highway.

## Where is it?

The southwest corner of Interstate 25 and U.S. Highway 34, where a hotel and gas station now sit, is in unincorporated Larimer County.

The southeast corner, home to Chrisland's 25/34, a 542-acre, mixed-use development of houses, retail and commercial space, was annexed into Johnstown in 2000.

The northeast corner, occupied by The Outlets in Loveland and Centerra, is annexed into Loveland.

The northwest corner, occupied by the Promenade Shops at Centerra, is also in Loveland

## Creating a vision

It might have been Gary Gerrard's vision for the area that helped spur Johnstown's growth.

Unable to afford a new wastewater treatment facility on its own, the town accepted Gerrard's offer to build the facility, clearing the way for northeast growth.

In exchange, Johnstown annexed 1,300 acres that Gerrard Family Limited Partnership is now developing.

"The board made some courageous decisions and has been forward-thinking in their decisions in seeing the value of that corner," Gerrard said.

Yet Franklin, the town planner, said there is no growth estimate for sales tax generated in that area.

According to the town's comprehensive plan, retail sales increased more than \$9.5 million per year from 2000 to 2005, nearly 20 percent, compared with a state growth rate of 4.1 percent. Net sales tax is also up 12.9 percent, practically unheard of in these slow economic times.

Sales-tax revenue will only increase with recently opened Eheart carpet and flooring, the Bank of Colorado and Culver's fast-food restaurant.

Bonefish Grill, an upscale seafood restaurant is in the works, as well as a small shopping plaza that will include Spicy Pickle, Verizon and a hair salon.

More and bigger retail is planned in the Plaza at 25/34, including 500,000 square feet of shopping and restaurants.

And Neenan Co. of Fort Collins is designing and building an 85,000-square-foot office building on 5 acres at the site, Christensen said.

Just south of 25/34, Gerrard Family Limited Partnership and several other home builders are building high-end homes overlooking the valley and with unobstructed views of Longs Peak.

Farther north, more moderately priced homes are going up. But developers expect to draw homeowners working in the medical field who want to be closer to their offices.

Ten years down the road, 25/34 will be viewed "as the northern doorway to Johnstown and create an image for the town going forward," Christensen said. "This will be a

## About Johnstown

Johnstown is in Weld County, 45 minutes from Denver and minutes from Loveland, Longmont, Greeley and Fort Collins. Its downtown sits 4 miles east of Interstate 25 and about 5 miles south of U.S. Highway 34.

According to the town, more than 700,000 people live within 30 miles of Johnstown.

## Population Growth

> **April 2000:** 3,827

> **2005:** 7,273

> **2006:** 8,237

> **2015 estimate:** 14,600

> **2020 estimate:** 18,000

## Population Growth

> **2002 property tax:** \$756,000

> **2007 property tax estimate:** \$1.6 million

## Sales-tax Growth

> **2002 sales-tax collection:** \$495,000

> **2007 sales-tax estimate:** \$1.1 million

## Use-tax Growth

> **2002 use tax collections** (3% on building materials): \$876,000

> **2007 use tax estimate:** \$1.5 million

highly visible, high-traffic entrance to Johnstown."

## **Homes crop up**

In addition to Johnstown's commercial growth, the town's population is set to more than double by 2020.

Modest subdivisions with names such as Rocksbury Ridge, Carlson Farms, Clearview, The Landings and Rolling Hills Ranch sprout like corn along Colorado Highway 60 from I-25 to downtown.

For the past 15 years, the town's population has grown between 5.6 percent and 6.3 percent, generally double the growth rate of Larimer and Weld counties.

Households have grown between 5.4 percent and 5.8 percent over the same time frame.

The town estimates growth will slow to 3.5 percent for 2015 to 2025, but the population is expected to mushroom to 18,000 by 2020.

Still, it remains a community with a small-town feel, said Leo Rivera Jr., who runs Leo's Place Bar and Grill on Parish Street, the main street through Johnstown's historic downtown.

Rivera's father opened the bar in 1989. He and his mother have been trying to keep it going since his father's death two years ago.

"A lot is different, but they are still the same people I grew up with," said Rivera, known as Junior to the locals. "There are a lot of new houses going up, but there's still the small-town atmosphere. People watch out for each other."

New houses, however, have not resulted in an increase in business for the community bar and grill, Rivera said.

"A lot of people don't realize we're here," he said. "They get on the highway to go to work and they shop on their way home."

As for development at 25/34, "we still consider that Loveland," Rivera said.

Next door at Johnstown Discount Liquor, owner Renee Molinar advertises Camel cigarettes, Crown Royal and Skoal on a giant sign.

Her business is up slightly, but Molinar says it is because

she moved into a larger space when Hays Market built a new store off Colorado 60.

Diana Seele, town clerk for the past 20 years, said growth has been a mixed blessing for the town.

It's afforded Johnstown the ability to create more infrastructure and amenities, such as restaurants.

Johnstown now has a McDonald's, Taco Bell, Subway and others. "When I first got here, we didn't have a place to eat in town," Seele said. "We had to go to Greeley."

The other side is more traffic and "the beautiful farmland that's being taken up for homes."

The challenge for the town is providing the same level of services to an increasing population.

"When you have more territory and streets, it gets difficult to provide services," such as snow removal and non-emergency police responses, Seele said.

But Molinar, a lifelong resident, doesn't believe Johnstown will ever be a big city.

"If it stayed just like this, it would be perfect."