

# North Ridge ODP Amendment #1

## *Town Council Meeting*

*January 4, 2023*

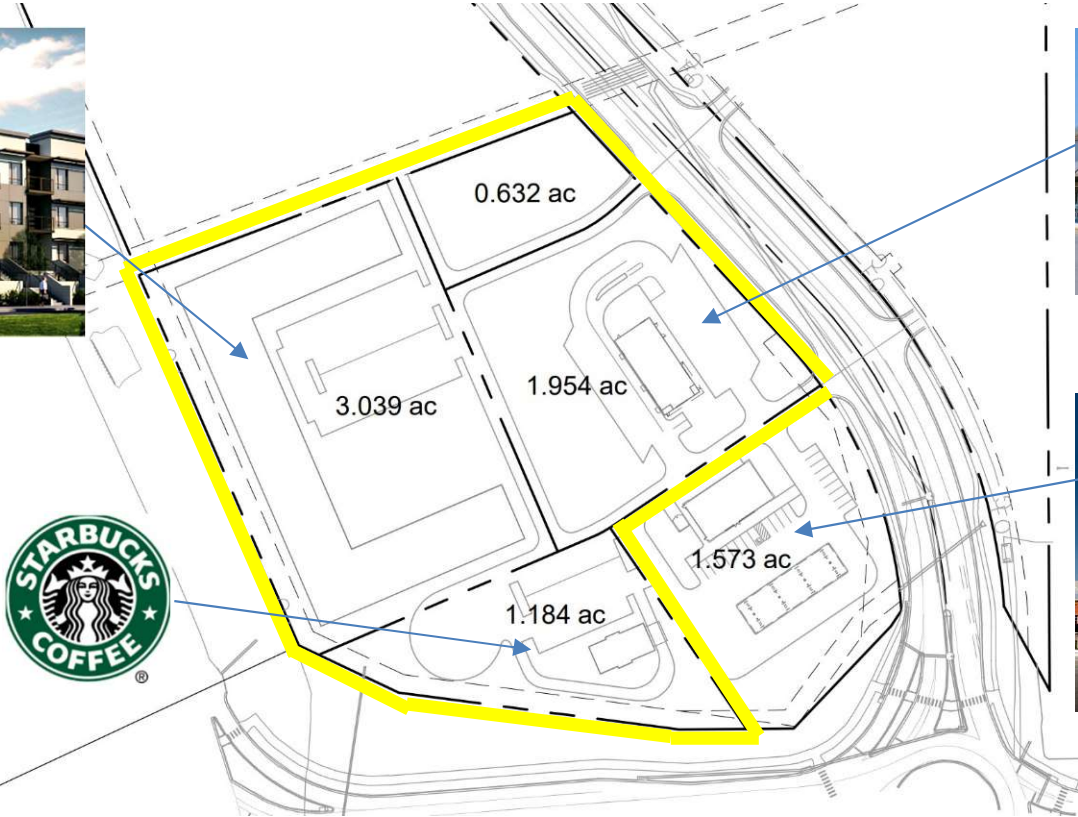




# Initial Concept Plan - Parcel A (S)



**Multi-Family Units**



**Mixed-Use Retail & Commercial**



**Convenience Store**

*All photos are representative only & not intended to portray actual building designs*

## Amended ODP Complies with PUD-MU Zoning

### Multi-Family (MF-1) is a Permitted Use by Right in PUD-MU Zoning

- **Johnstown Municipal Code defines permitted uses:**  
*utilization of land by occupancy, activity, building or other structure which is specifically enumerated as permissible by the regulations of the zoning district in which land is located (§16-12 Use, Permitted.)*
- **§16-302(d) enumerates permitted uses for PUD-MU which includes multi-family (MF-1):**  
*the following residential unit types are allowed in a PUD MU: any residential unit type allowed in the SF-2 District; any residential unit type **allowed in the MF-1 District**; in commercial areas of a MU PUD, residential uses above the first floor (§16-302(d)(1)(f))*
- **§17-81 (Outline Development Plan and Data) lacks detail regarding the ODP process:**  
*The Outline Development Plan and data shall contain the following information presented in generalized and schematic form: (1) Location map, (2) Sketch Plan, and (3) General Development Information (§17-81). The section is silent on amendments to the ODP (§17-81)*

## §16-145 - Approval of Site Development Plans

### §16-145 Provides Clear Direction to Planning & Zoning and Town Council

- §16-145 (*Approval of Site Development Plans*) is clear on issues of (i) no infringement of Permitted Use by Right under the PUD-MU and (ii) the priority of Town Code over Comprehensive Plan “guidelines”
- **Use by Right may not be infringed** in the approval of site development plans under §16-145:  
*Such required approval shall be limited solely to reasonable compliance with design, locational and operational requirements and, unless otherwise specifically provided, shall not involve the basic permissibility of the use where such use is permitted by right (§16-145(b) Use by right not infringed.)*
- §16-145 is clear that the **Code controls if a conflict exists** between the Comprehensive Plan & the Code:  
*Planning and Zoning Commission or Town Council may consider the additional guidelines listed in subsection (k) [including the Comprehensive Plan] in deciding whether to approve a proposed development plan. In case of any conflict between any ordinance and any of these guidelines, the ordinance shall control (§16-145(k) Additional guidelines for review.)*

## Comprehensive Plan is Advisory Only

- Comp Plan is not an appropriate basis for the P&Z recommendation to deny the ODP Amendment. *If Comp Plan conflicts with the Town's Code, the Code controls per §16-145(k).*
- Comp Plan acknowledges per Colorado Statute, it is an advisory, guiding document only, intended to be flexible, adapting to changing conditions and unanticipated events. *ArLand Economic Analysis concludes expectations for Comp Plan's "High Density/Intensity" areas are highly unrealistic given current market conditions.*
- Indicates much-needed rental housing with current stock vacancy rate of 0% (citing a 2019 study). *ArLand Economic Analysis confirms strong multifamily market and need for additional residential product to support future commercial.*
- Acknowledges impact of COVID on companies' re-evaluation of space and employee needs, as well as changes in housing and lifestyle choices, creating low demand for commercial. *ArLand Economic Analysis confirms insufficient commercial & retail demand given national and regional trends.*
- Purports to have been developed with "extensive community input." *In fact, Comp Plan was adopted without any input from Caliber Companies, one of Johnstown's largest developers. Successful implementation will require flexibility in working with development partners to find mutually beneficial solutions as market conditions evolve.*

# The Ridge, North Ridge & South Ridge

A Master Planned Community  
by Caliber Companies



## Master Planned Community 406 Acres

The Ridge at Johnstown is a mixed-use master planned community offering a high-quality residential & commercial product mix that is flexible and responsive to market demands

### North Ridge

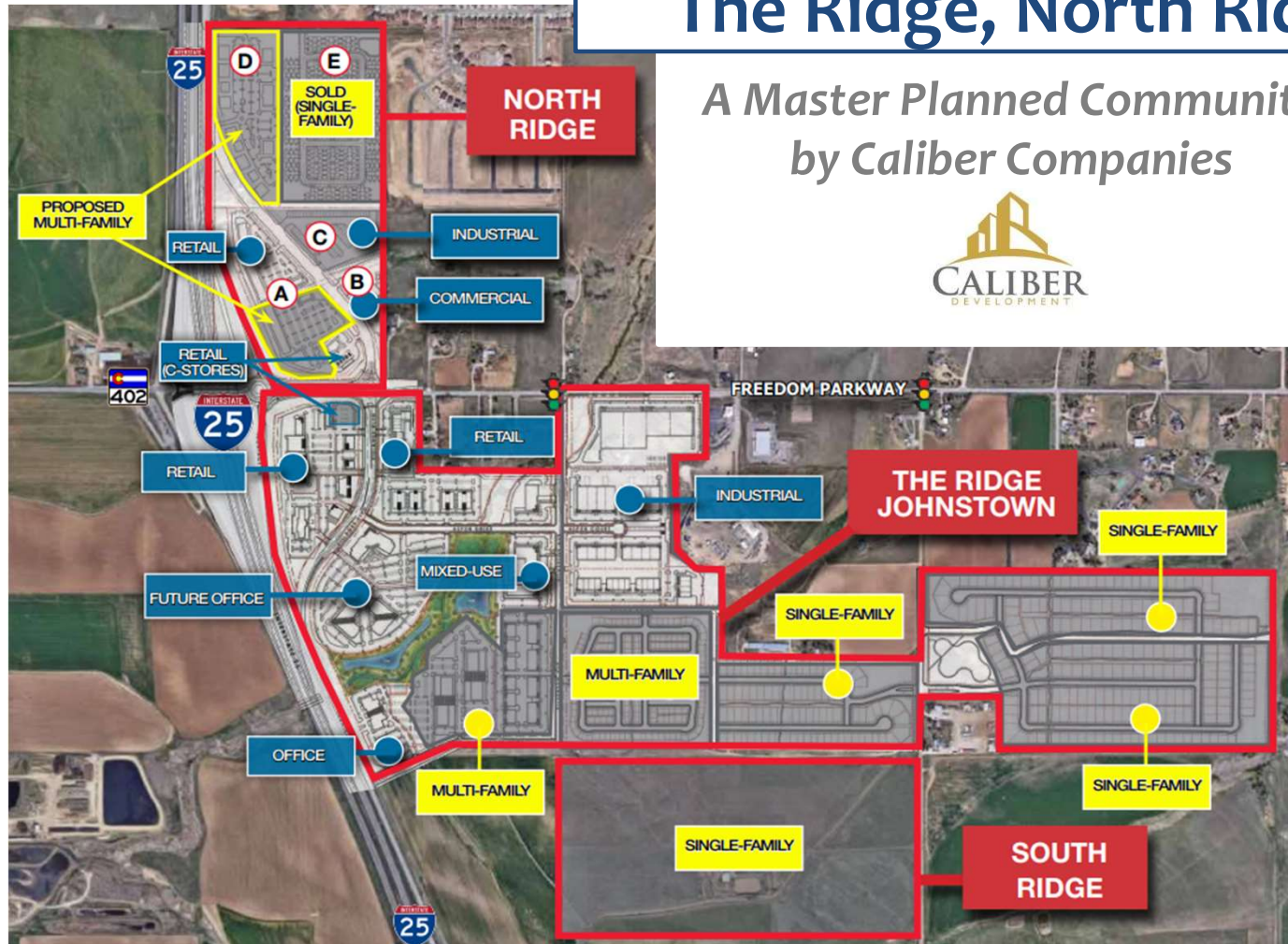
60 Acres - PUD-MU Zoning

Mixed Use, Commercial, Industrial, Retail, Single-Family Residential, Multi-Family Residential (Proposed)

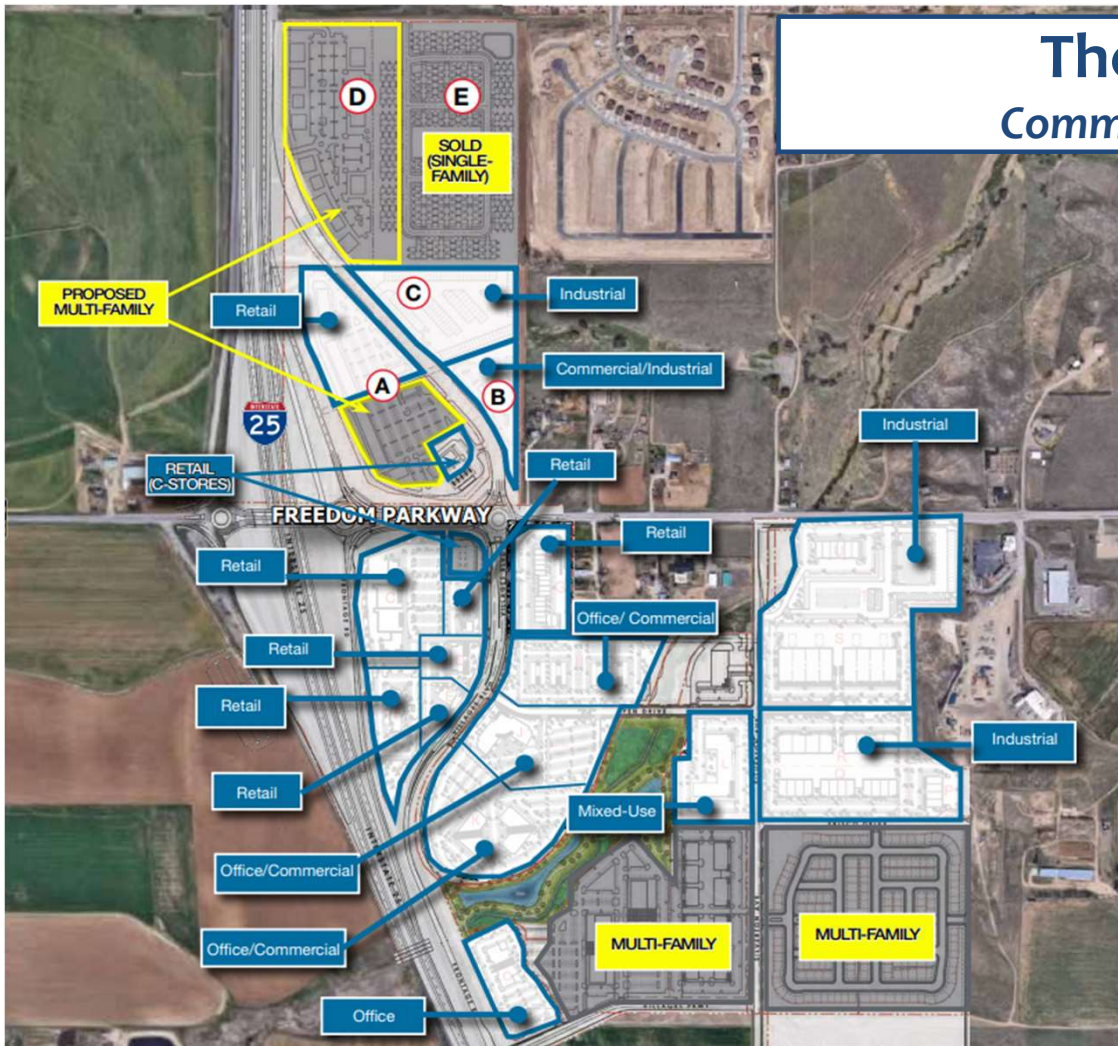
### The Ridge & South Ridge

346 Acres – PUD-MU & PUD-R Zoning

Mixed Use, Commercial, Industrial, Retail, Office, Single- and Multi-Family Residential



## The Ridge & North Ridge Commercial, Industrial & Retail Parcels



- The Ridge & North Ridge offer a variety of sites for commercial, industrial and retail use
- COVID has had an unpredictable severe impact on the market for commercial & retail product
- Caliber anticipates 5 to 7 years for market absorption of commercial & retail sites
- Additional multi-family housing in North Ridge will attract the desired mix of commercial, industrial and retail tenants as the market recovers



# The Ridge – Master Planned Community

## Residential Acreage (SF, MF) vs. Commercial Acreage (Retail, Industrial, Office, Mixed-Use)

Area of The Ridge	Product Type	Total Acreage	Parcel Status (NAI Brochure)	Acres Residential	%	Acres Commercial/ Retail/ Industrial	%	Total Acreage
<b>NORTH RIDGE</b>	SF Residential	23.4	Sold (Parcel E)	23.4				
	Industrial	7.10	ODP Parcel C			7.10		
	Commercial / Industrial	3.20	ODP Parcel B			3.20		
	Multi-Family 240 Units	12.00	Under Contract (ODP Parcel D)	12.00				
	Commercial/Retail	5.78	ODP Parcel A			5.78		
	Convenience Store Coffee Drive-Thru	2.52	Under Contract (ODP Parcel A)			2.52		
	Multi-Family 180 Units	5.90	Under Contract (ODP Parcel A)	5.90				
				<b>41.30</b>	<b>68.9%</b>	<b>18.60</b>	<b>31.1%</b>	<b>59.90</b>
<b>THE RIDGE</b>	Multi-Family 400 Units	26.85	Under Contract	26.85				
	Retail Gas Station & Convenience Store	2.44	Under Contract			2.44		
	Multi-Family Apartment 420 Units	23.26	Under Contract	23.26				
	SF Residential	90.31	Under Contract	90.31				
	SF Residential	28.31	Under Contract	28.31				
	Retail	19.04	B,C,D,E,F,G			19.04		
	Office/Commercial	34.54	H,J,K,O			34.54		
	Mixed Use	6.71	L			6.71		
	Industrial	34.54	STU, PQR			34.54		
			<b>THE RIDGE TOTALS</b>		<b>168.73</b>	<b>63.4%</b>	<b>97.27</b>	<b>36.6%</b>
<b>SOUTH RIDGE</b>	Single Family	80.00	Under Contract	80.00	100.0%	-0-	0.0%	80.00
			<b>THE RIDGE &amp; SOUTH RIDGE (Combined)</b>	<b>248.73</b>	<b>71.9%</b>	<b>97.27</b>	<b>28.1%</b>	<b>346.00</b>
				<b>Acres Residential</b>	<b>%</b>	<b>Acres Commercial/ Retail/ Industrial</b>	<b>%</b>	<b>Total Acreage</b>
<b>THE RIDGE MASTER PLANNED COMMUNITY (Total: The Ridge, North Ridge, South Ridge)</b>				<b>290.03</b>	<b>71.5%</b>	<b>115.87</b>	<b>28.5%</b>	<b>405.90</b>

Modifications are consistent with current residential-commercial mix in The Ridge Master Planned Community

- **North Ridge – 60 Acres**  
Residential (41.3 acres) **68.9%**  
Commercial (18.6 acres) **31.1%**
- **The Ridge & South Ridge – 346 Acres**  
Residential (248.73 acres) **71.9%**  
Commercial (97.27 acres) **28.1%**
- **Master Planned Community – 406 Acres**  
Residential (290.03 acres) **71.5%**  
Commercial (115.87 acres) **28.5%**

## Conclusions: Approval of Amended ODP

### Approval of Amended ODP by Town Council is the Correct Legal Conclusion

- The 2021 Johnstown Area Comprehensive Plan is intended under Colorado Statute to be an advisory, guiding document only. Comp Plan is not an appropriate basis for the P&Z recommendation to deny the ODP Amendment.
- Multi-Family (MF-1) is a Permitted Use by Right under PUD-MU zoning per §16-302(d)
- §16-145 provides clear Direction to Planning & Zoning and Town Council that Permitted Use by Right may not be infringed upon in site development plan approvals per §16-145
- If the Comp Plan conflicts with the Town's Code, the Code controls per §16-145(k)

## Conclusions: Approval of Amended ODP

### Approval of Amended ODP is Appropriate for Current Market

- Comp Plan indicates need for rental housing, and acknowledges the need to be flexible and adapt to changing market conditions
- Comp Plan's "High Density/Intensity" designated areas provide highly unrealistic goals given current regional and national market trends which indicate an unprecedented low demand for commercial and retail product
- Approval of MF-1 in North Ridge provides much-needed rental housing, and increases the number of households necessary to attract a desirable mix of commercial & retail tenants as the market recovers over the next 5-7 years
- Approval of progressive, modern multi-family mixed use projects along the I-25 corridor will increase Johnstown's visibility and highlight its ability to improve demographics to attract future commercial growth



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# North Ridge Economic Analysis

Johnstown, Colorado

January 4, 2023

**Arleen Taniwaki**  
ArLand Land Use Economics

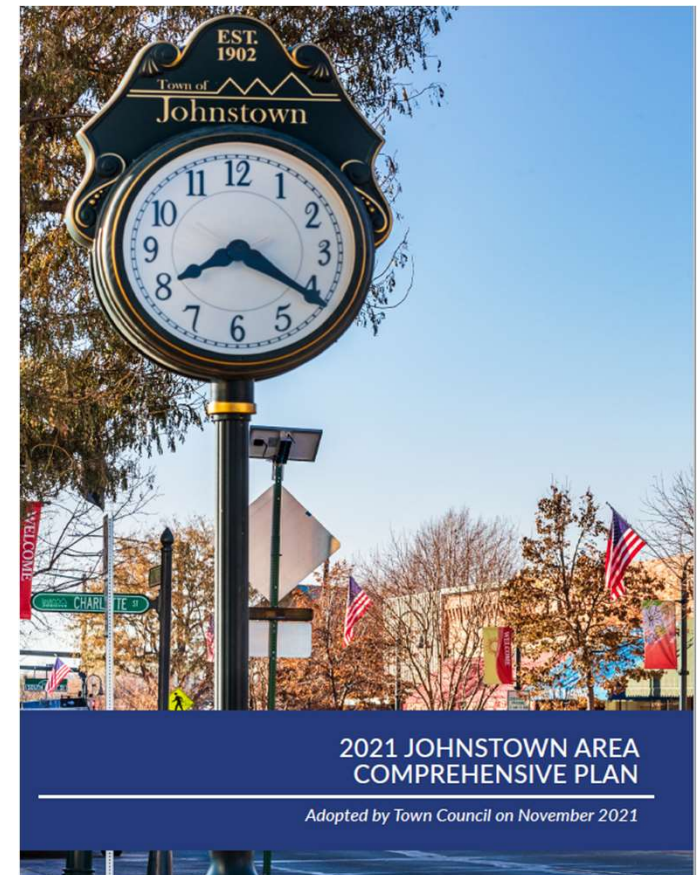


# Agenda

- Johnstown Comprehensive Plan
- Activity Centers in Future Land Use Map
- National and Local Commercial Trends
- Commercial Centers
- Demographics and Development Scenarios
- Future Land Use Map
- Conclusions

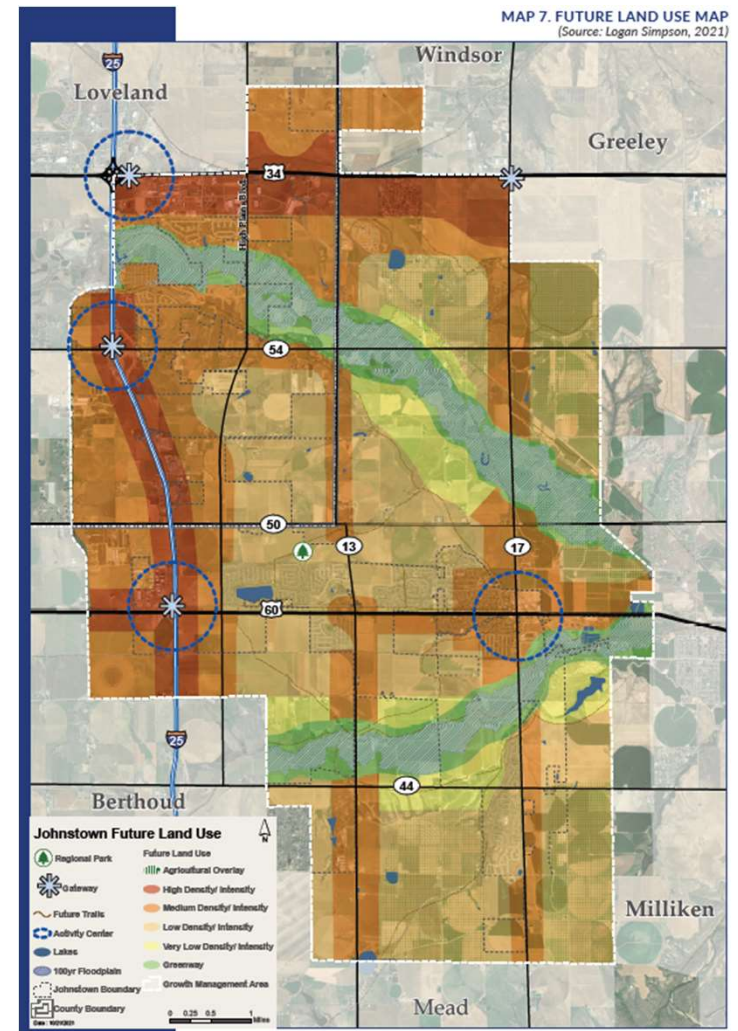
# Johnstown Comprehensive Plan (“Comp Plan”)

- “The Comprehensive Plan is to be used as a long-range *guiding* document that provides the policy framework for implementing regulatory tools.....”
- The Comp Plan must be relevant.
- The Comp Plan “is intended to be flexible, adapting to changing conditions and unanticipated events.”
- The Comp Plan is visionary and ideally combines community aspirations with reality.
- “Colorado’s law identifies Comprehensive Plans as Advisory only.”



# Activity Centers in FLU Map

- Significant portion of the I-25 corridor designated as a **High Density/Intensity area (HDI)**
  - High-quality, high-visibility locations for retail, office, and employment activities
  - Taller, larger-scale structures, longer business hours, large parking areas, and a mix of uses
  - Gathering spaces, entertainment venues, and walkable and enjoyable retail areas may be located adjacent to larger “big box” retailers
  - Town Gateways
- **Uses:** Mix of commercial, employment, and higher density residential uses to enliven the area.
- **Approximate Land Use Balance:** 80+% non-residential to a maximum of 20% residential.





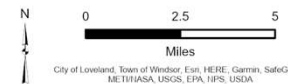
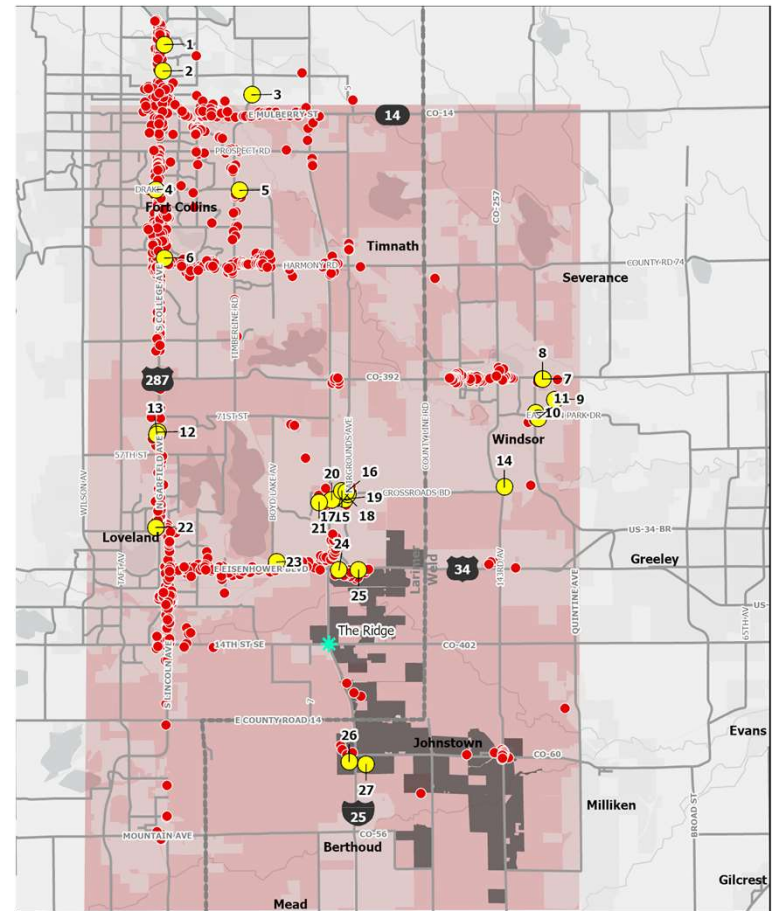
# National Trends

- National office trends: decreased office space demand
- National retail: increased online sales, smaller store sizes and fewer stores
- Mixed Use: commercial centers transitioning to mixed use and adding residential
- National multifamily: continued positive demand



# Local Trends

- Office: office development slow even prior to Pandemic
- Multifamily: lack of apartments and attached units in Johnstown present a barrier
- Retail:
  - 18 million square feet of retail in the regional market area
  - 1.3 million square feet of retail planned regionally
  - 700,000 square feet of retail planned at Ledge Rock Center



- Retail - Existing
- Retail - Planned
- ★ The Ridge
- Johnstown

City of Loveland, Town of Windsor, Esri, HERE, Garmin, SafeGraph, NETHASA, USGS, EPA, USPS, USDA

Source: CoStar 2022

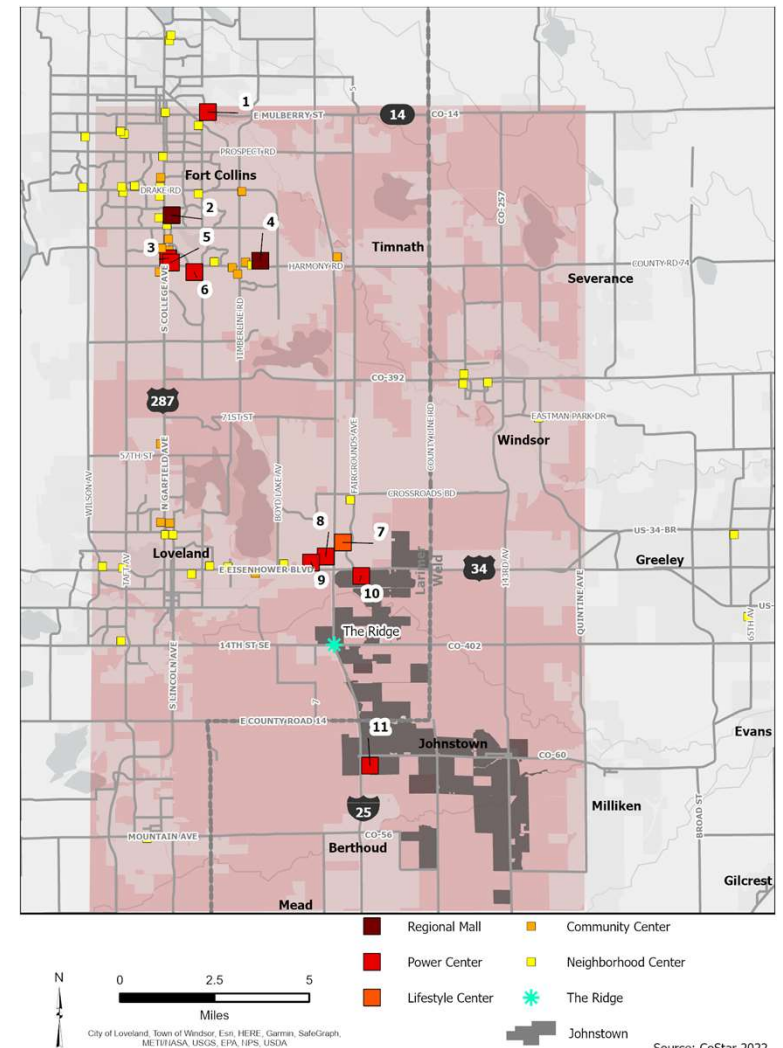
# Regional Commercial Centers

	Concept	Sq. Ft. including anchors	No. of Anchors	Description	Demographics
Convenience Center	Convenience	10,000 to 30,000	1 or more	Goods and services geared towards the daily needs of surrounding neighborhoods. Bakery, bank, coffee, dry cleaner, financial services, small grocery, liquor, personal services are typical tenants.	Need 2,000 households in a trade area that extends to a 1.5 mile radius
Neighborhood Center	Neighborhood Services	70,000 to 90,000	1 or more	Anchored with a supermarket or pharmacy, offer a fuller depth of goods and services for neighborhoods including some of the services offered at Convenience Centers.	Needs at least 6,000 to 8,000 households in a 1 to 2 mile radius.
Community Centers	General merchandise	250,000 to 350,000	2 or more	Discount department stores home improvement, sporting goods, restaurants, supermarkets	50,000+ population in 4 to 6 mile trade area
Power Center	Category dominant anchors	250,000 to 600,000	3 or more	Home improvement, discount department stores, warehouse club stores	5 to 10 mile trade area; requirements driven by retailers. Home Depot, for example, likes 50,000 population in 10 mile trade area with majority homeowners
Regional Mall / Center	General merchandise, fashion, restaurants	900,000 to 2 Million	3 or more	Department stores, junior department stores, mass merchant, fashion apparel	150,000 population in 10 to 12 mile trade area
Lifestyle Center	National chain specialty stores with dining and entertainment in an outdoor setting	150,000 to 500,000	3 or more	Upscale specialty	8 to 12 mile trade area; requirements driven by retailers and presence of similar stores.

Source: ICSC and CoStar

# Commercial Centers

- 5.8 million square feet of regional retail centers
- Shown in red, orange, and brown
- Clustered near the center of Fort Collins and at I-25 / Highway 34
- Johnstown Plaza (2534) (#10) is a 713,000 square foot power center
- Ledge Rock Center (#11) is a power center (700,000 sq. ft. to 1 million sq. ft.) under development



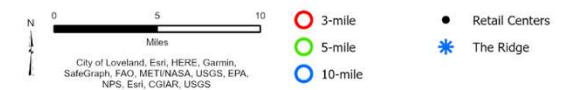
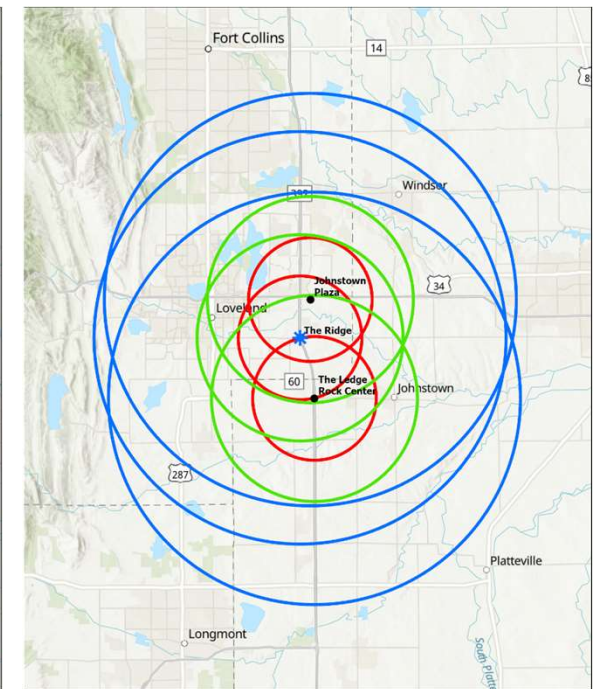
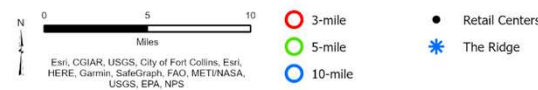
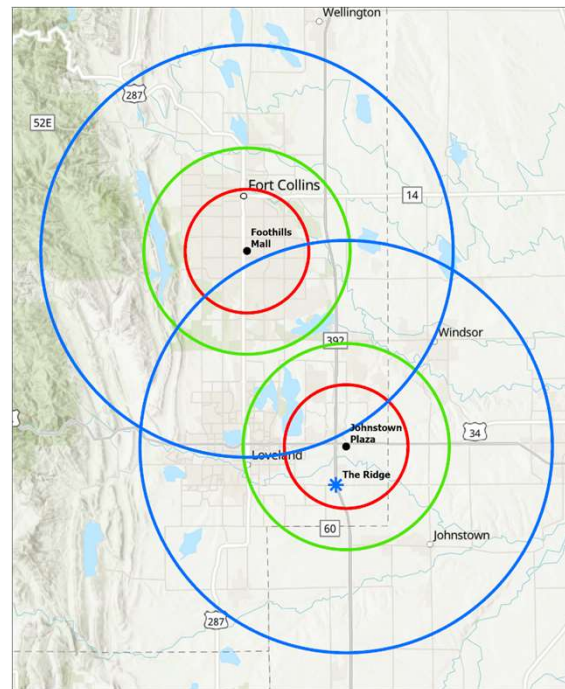
# Commercial Demand

- Office demand is based on growth in office space-using jobs
- Retail demand is based on households and incomes
- 5 mile radius in 2027:

	Location	Population	Households	Average Household Incomes
	Central Fort Collins	186,000	75,000	\$123,000
<b>OVERLAP</b> {	I-25 / Highway 34 (Johnstown Plaza)	58,000	23,000	\$158,000
	The Ridge at I-25 and Highway 402	53,000	22,000	\$148,000
	Ledge Rock Center	25,000	9,000	\$160,000

# Demographics

- 3, 5 and 10 mile radii
- No 5 mile radius overlap between Central Fort Collins and I-25 / Highway 34
- In the 5 mile radius, Central Fort Collins has 3 times more residents
- Significant geographic and population overlap
  - I-25 / Highway 34
  - The Ridge
  - Ledge Rock Center



# Scenarios

Category	Scenario 1	Scenario 2	Scenario 3	Scenario 4
	The Ridge Alone	Ledge Rock Center Alone	The Ridge and Ledge Rock Center	The Ridge, Ledge Rock Center and other area retail
Estimated Households	9,057	9,057	9,057	9,057
Estimated Average Household Incomes	\$159,708	\$159,708	\$159,708	\$159,708
Total Household Incomes	\$1,446,475,356	\$1,446,475,356	\$1,446,475,356	\$1,446,475,356
% of Income for Expenditures	33.0%	33.0%	33.0%	33.0%
Current Demand	\$477,336,867	\$477,336,867	\$477,336,867	\$477,336,867
\$ per Sq. Ft. Sales	\$550	\$550	\$550	\$550
<b>Total Demand</b>	<b>867,885</b>	<b>867,885</b>	<b>867,885</b>	<b>867,885</b>
(Minus) Planned Retail (Sq. Ft. at The Ridge)	700,000	0	700,000	700,000
(Minus) Existing Regional Retail (Sq. Ft. in 5 Mile Radius) in Loveland / Johnstown	0	0	0	1,424,324
(Minus) Ledge Rock Center (Sq. Ft.)	0	713,000	713,000	713,000
<b>Remaining Demand [4]</b>	<b>167,885</b>	<b>154,885</b>	<b>(545,115)</b>	<b>(1,969,439)</b>

Source: ESRI, Census of Retail Trade for CO, American Community Survey, ULI, ICSC, CoStar, ArLand

[1] Demand percentages based on national and state averages

[2] National averages per ICSC, CoStar, and research on specific retailers

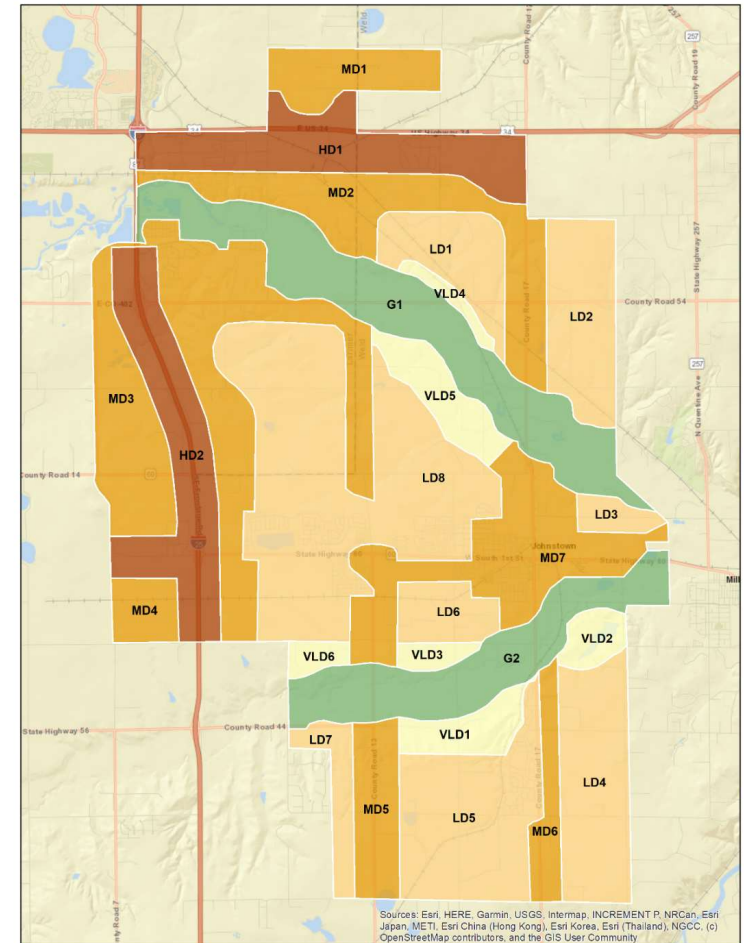
[3] based on ESRI estimates for 2022 and 2027

[4] DOES NOT take into consideration that 20% of sales may be internet-based

- Supportable scenarios
  - The Ridge (alone)
  - Ledge Rock Center (alone)
- Unsupportable scenarios
  - Both The Ridge and Ledge Rock Center
  - The Ridge, Ledge Rock Center and other area retail
- Very competitive retail environment in next 5 years

# Future Land Use Map

- High density areas total 3,500 acres
- Equivalent to 8.9 million square feet of commercial space
- Half of the current estimated regional retail market of 18 million square feet
- Equivalent to 12 Johnstown Plazas (at 2534)
- Highly unrealistic expectation





# Conclusions

- The success of all Johnstown retail projects is dependent on:
  - Differentiate itself from other regional retail centers
  - Continued household growth
- Result of Comp Plan recommendations for the HD areas
  - Cannibalize existing retail (Johnstown Plaza at 2534)
  - Cannibalize planned regional retail (Ledge Rock Center)
  - Force The Ridge and others within Johnstown to compete for the same regional retailers
  - Undermine Johnstown’s future economic vibrancy



\*Plan's guiding principle and integral themes are described on page III.