



Cherry Creek developer gets city's nod

by Jill Jamieson-Nichols

A landmark development that could bridge a gap in Cherry Creek won unanimous approval from Denver City Council.

Bush Development's Steele Creek, which will exceed \$100 million in development costs, will bring an approximately 12-story mixed-use building to the southeast corner of First Avenue and Steele Street – and could grow to encompass an entire block.

"First Avenue has traditionally been a transition line between Cherry Creek North and Cherry Creek East. This project gives us a unique opportunity to bridge that, bring in some great restaurants, a boutique-style hotel, as well as some national retailers, and give the residents of Cherry Creek East exceptional amenities without having to cross First Avenue," said Troy Smith, Bush Development's vice president of development.

"It is our plan that Steele Creek will play a vital role in merging Cherry Creek North and Cherry Creek East into simply 'Cherry Creek.'"

The new mixed-use building will have approximately 20,000 square feet of retail space on two floors, including a bank, 15,000 sf of restaurants, 70,000 sf of Class A office, 140 luxury hotel rooms, two floors of high-end condominiums and underground parking.

"Once we get above the fifth floor, we have unobstructed views of the entire Front Range. That is very unique in an urban setting," Smith commented.

The project is likely to be



Steele Creek will anchor the southeast corner of First Avenue and Steele Street.

the most significant redevelopment in Cherry Creek since Clayton Lane was completed in 2004.

Bush is pursuing acquisition of the rest of the block and, if successful, would add a second mixed-use building joined by a glass-covered plaza, bringing the entire development to a half-million sf.

Bush Development started assembling office properties for the redevelopment three years ago. It owns 88, 56 and 48 Steele St.

Some of Denver's most prominent developers – The Pauls Corp. and Evan Makovsky of Shames-Makovsky Realty Co. among them – are working on other redevelopments north of First Avenue in Cherry Creek, which has some of the best demographics in Colorado and one of the top shopping districts in the country.

"The value of property in Cherry Creek is only going to increase," said Smith, adding

that Steele Creek is "ground zero" in the Cherry Creek urban epicenter.

Bush Development envisions Steele Creek with a very high-end boutique hotel including a rooftop deck for parties, wedding receptions and other events. A number of hoteliers "have stated this is a place they would very much like to be," Smith commented.

"In our opinion, this is a crown jewel of a development site."

An "outreach team" put together by the Cherry Creek East Neighborhood Association helped guide efforts that led to the site's new Residential-Mixed-Use-30 zoning and helped reward the developer with strong buy-in from neighborhood groups and the city.

"A tremendous amount of responsibility goes with that," said Smith.

Bush Development maintains a staffed office at 88

Steele where people can view plans and provide input as it launches into some 16 months of site planning. The developer is looking at pursuing LEED certification for the project.

It wants to start construction in 2011 and finish in 2013.

"We want a project that the city is proud of, that the neighborhood is proud of. We want the neighborhood to feel like this is their project as much as ours," Smith said.

"When we come out of the ground, we want to be able to say we did the absolute best project that we could have done – bar none."

Golden-based Studio DH Architecture is designing Steele Creek.

Bush Development intends to finance the development with a private equity offering to accredited investors. The fund also will invest in two retail centers: Fitzsimons Promenade and Sandstone Marketplace in Longmont.▲