

Downtown giant has a new owner

No plans for energy firm to move from 14-story building

By RICH LADEN
THE GAZETTE
July 6, 2007 - 11:21PM

One of downtown Colorado Springs' tallest and most prominent office buildings has a new owner, but a Texas energy company that occupies much of the building isn't going anywhere.

Colorado Square, a 242,000-square-foot, 14-story building on the northwest corner of Pikes Peak and Nevada avenues, was bought this week by DPC Development Co., a privately owned suburban Denver company with other holdings in the Springs.

DPC Development paid \$25.2 million for the building, said Michael Palmer, a broker with NAI Highland Commercial Group, a Springs brokerage. Palmer and NAI Highland's Jim Spittler represented the building's former owners, a General Motors employee pension fund, in the sale.

Colorado Square is one of downtown's largest office buildings, and its 14 stories match that of the FirstBank — formerly Holly Sugar — Building. The Wells Fargo Bank has the most stories in the city, at 15. Both of those buildings also are downtown.

Colorado Square was developed in 1976 by a partnership including Denver billionaire Phil Anschutz, one of Colorado's richest people, Spittler said.

About 90 percent of the building is occupied by 540 employees of El Paso Natural Gas Corp. and Colorado Interstate Gas, subsidiaries of parent Houston-based El Paso Corp., said corporate spokesman Robert Newberry.

El Paso Corp. has two years to run on its lease, and there have been no discussions about what to do when the lease runs out, Newberry said.

Colorado Square is part of downtown's core and a block from the Tejon Street retail corridor.

Across the street, two development companies plan multistory, mixed-use projects that could bring more of a buzz to that part of downtown.

"It's a landmark building for downtown Colorado Springs and holds one of Colorado Springs' largest employers," Palmer said. "It makes sense for someone to invest in that kind of property."

DPC Development representatives couldn't be reached for comment. The firm paid \$4.6 million in April 2006 to buy the One Commerce Center building on the city's north side. The firm previously owned the Research Corporate Center and Garden Gateway Plaza buildings on the city's north and northwest side, respectively.

http://www.gazette.com/articles/colorado_24514___article.html/building_downtown.htm