

APPEAL-DEMOCRAT

June 14, 1996

Marysville-Yuba City, California

Single copy 47¢ + tax

He has vision for mall

Peach Tree may be transformed

Jean-Pierre Cativiola
Appeal-Democrat

Linda's Peach Tree Center has a future-but probably not as a mall.

Instead, 39 year old Colorado consultant Kyle Cascioli thinks that in the modern world of retail, the place once called the Peach Tree Mall is a dinosaur.

"It's run its course as a retail mall. It's no longer a mall," Cascioli said Thursday. Instead he's pitching a plan to convert much of the center to office or light industrial space.

Size alone merits comparison to the brontosaurus - with 430,000 square feet looming before the passing traffic on North Beale Road, the center is the largest building in Yuba and Sutter counties.

But it is also one of the biggest symbols of an ailing economy.

Opened to fanfare in 1972, the mall was devastated by the 1986 Linda flood. Repairs and cleanup quickly ensued, but only a fraction of the businesses returned to the mall after the disaster.

Today, just a quarter of the building's floor space is occupied by long-term tenants about 60,000 square feet is a Food 4 Less warehouse style grocery store, with another 60,000 going to Yuba County social and welfare offices.

The center also has a furniture store on a short-term lease and a discount movie theater, but some 300,000 square feet remains available - that is uncommitted to businesses with long-term leases.

Few hold out hopes that retail will make a comeback.

But for Cascioli, who peppers talk of the center's future with optimistic aphorisms, the open space is an opportunity-especially for him. He's



Consultant Kyle Cascioli stands inside the main entrance to the former Peach Tree Mall Thursday. **Dave Nielsen**/Appeal-Democrat

made a niche for himself converting "dinosaur malls" of the 1960s and '70s into revenue-producing property.

"What can you do with 300,000 square feet of available space? The answer is anything," he said.

For Cascioli, president of Barrett Associates of Denver, Colo., anything might include converting much of the former mall into a telecommunications workplace, where as many as 3,000 employees could answer customer service calls to 800 numbers from tightly placed cubicles.

"As I see it, it's the most competitive source of job creation in the Yuba Sutter area," he said.

He also likes the notion of converting it to a center for fire fighter training and dispatch or satellite research offices for a university.

Cascioli said he's early on in the search for the "highest and best use" of the property. It's a task that the property owners - Cleveland based First Union Management Inc., a publicly traded real estate trust have given him about a year to investigate.

Retail is the last place he'll look. "We've turned over every retail rock in the last decade," Cascioli said. "If (they) came to us and said, let's put a Target there, we'd do it in a second. But nobody's calling.

To make the search for non-retail alternatives official, the mall's name

was legally changed to the Peach Tree Center two years ago. The center's main sign was changed last year, and in recent weeks, most of the remaining signs were replaced.

Yuba County Supervisor Al Amaro said Cascioli's plans merit attention.

"I always wanted us to bring retail back into that mall, and sales tax dollars," Amaro said Thursday. "But he's right. For whatever reason, retail has moved out of malls. Obviously, there's other things we can do and I agree with him. I think he's got some good ideas."

Amaro said he plans to aid First Union's efforts in any way he legally can. Cascioli said he's also gotten a warm reception from Yuba Sutter Economic Development Corp. executive director Gregg Goodwin.

For Cascioli, the project is not entirely new ground. In 1995, he helped ink a \$6 million lease with TeleTech, Inc., a "teleservicing company" whose employees answer customer questions for giant clients such as Apple Computer and AT & T.

That deal brought some 700 jobs to the North Valley Center, a once dilapidated mall in Thornton, a suburb of Denver. First Union spent millions to refurbish the mall into an office and light industrial complex.

Cascioli likes to describe his plans for the Peach Tree Center with the help

of a laptop computer, displaying dozens of before-and-after color images of remodeled North Valley Center.

Though the economy here is different than in the metropolitan Denver suburbs, he sees parallels.

The building itself is similar, huge, unimaginative in design but functional. He also believes some employers would be attracted by the area's "trainable" labor force. He said the key is seeking companies that need semiskilled, but not highly skilled employees.

He also said the multicultural background of the community could be a plus, because teleservicing centers often need operators who can speak several languages. In particular, he noted that many Hmong immigrants can speak several Asian languages.

Other pluses: the center is in an enterprise zone, making it eligible for some government incentives, and there is more parking than normal for most office facilities, making it attractive to large employers.

For now, ideas are just ideas, and Cascioli understands why everyone may not share his optimism.

"It's not going to happen overnight," he said. "In deference to the people, it's awfully hard to look at something like that, for long as they've looked at it, and keep a positive attitude."

