

Stumbling Steps Towards Huatulco's Pedestrian Corridor

By Randy Jackson

Two years ago, in an article titled [The Saga of Quinta Avenida \(5th Avenue\)](#), I reported on the decades-long, start-and-stop development of the pedestrian walkway connecting Santa Cruz and La Crucecita. This corridor, signed as *Andador Peatonal* (Pedestrian Walkway), started as a project under the presidency of Felipe Calderón (2006-12) through the tourism development agency FONATUR (*Fondo Nacional de Fomento Turismo*). Since that time, some buildings have appeared along the walkway, although none have been completed, as uncertainties have stalled or slowed investments.



Comparison with Other FONATUR Projects

Pedestrian tourist corridors are a standard feature of FONATUR's other resorts, and exist in Cancun (Playa del Carmen) and Ixtapa. They are all named 5th Avenue after the famous shopping street in New York City. However, starting right out of the development gate, Huatulco's 5th Avenue faced one challenge the other resorts did not: Huatulco's walkway climbs a significant hill. Yet in 2020, after FONATUR reconfigured the sizes of the lots, private developers (and likely some are speculators) stepped up to purchase all twenty-four lots available for sale, possibly buying into the notion "If you build it, they will come," made popular by the 1989 film, *Field of Dreams*.

Recent Developments and Challenges

That notion may eventually apply to Huatulco's pedestrian corridor. As of mid-February of this year, there were seven buildings, two of which appear nearly complete. One of these buildings has multiple retail locations with full glass storefronts; the other is a condominium near the sports complex. When sold, the lots had a covenant requiring the owners to complete their development by December 31, 2025, or face financial penalties. Some owners will undoubtedly exceed this period as most lots show no sign of construction.

Parking and Accessibility Issues

The corridor's development calls for a mix of residential and retail properties, with 30% of the lots intended for hotels. When the corridor is fully developed, it could attract hundreds of daily guests and visitors, raising the question: What about parking? Parking areas have been allocated for each end of the corridor. On the Santa Cruz end, a 7,132 square-meter (almost 77,000 square feet) parking lot will parallel Santa Cruz Boulevard, next to the Pedestrian Corridor entrance. On the La Crucecita end, two separate lots stretching along the road behind the Naval hospital will total 4,927 square meters (over 50,000 square feet). This could allow approximately 150 to 175 parking slots on each end (using an AI model for the calculation). The parking areas are owned and managed by the corridor lot owners' association, which is also responsible for ensuring security and maintaining the corridor. As of mid-February, no work has been done on the designated lots for parking.

The Present and Future of the Pedestrian Corridor

The pedestrian corridor stretches about 600 meters (about 660 yards) from end to end. It comprises a walking area on both sides of a single-lane service road. On foot, this traffic-free route is about one kilometre shorter than following the roads between Santa Cruz and La Crucecita. Many people now use this shortcut daily. And where pedestrians go, motorcycles can, regardless of the signs prohibiting motor vehicles. Unfortunately, the corridor has already been the scene of one motorcycle fatality.

Financial Viability and Investor Confidence

The surge in development along the corridor that began in 2022 has since stalled, leading to a financial dilemma for investors. For a pedestrian corridor to thrive, sufficient businesses must operate to draw customers. If the number of open businesses falls below this threshold, the financial viability of new stores, restaurants, and accommodations can be precarious until sufficient foot traffic exists. Furthermore, the earliest developments to open may face additional challenges from construction activity needed for subsequent projects, which can reduce pedestrian traffic. This would have been the rationale for having the time limit covenant for the purchasers of the lots. But that didn't work.

Speculation on Future Developments

One can also speculate on another factor dampening investor ardour: uncertainty. FONATUR is leaving the future development of Huatulco to the State of Oaxaca, while infrastructure improvements are badly needed. Furthermore, two significant tourist assets, the golf course in Tangolunda and the convention center in Chahue, are mired in legal and political muck. How Huatulco's 5th Avenue will fare in that context is far from certain.

Conclusion

The development of the pedestrian corridor thus languishes. Although many people appreciate the pedestrian route connecting Santa Cruz with La Crucecita, they will have to wait longer for businesses (and hopefully more illumination at night) to line the walkway.