

ORDINANCE NO. 2021-034

AN ORDINANCE APPROVING THE FIRST AMENDMENT TO THE VIEW AT CASTLE ROCK REDEVELOPMENT AND FINANCING AGREEMENT BETWEEN THE TOWN OF CASTLE ROCK, THE CASTLE ROCK DOWNTOWN DEVELOPMENT AUTHORITY, AND CASTLE ROCK DEVELOPMENT, LLC

WHEREAS, Castle Rock Development, LLC (“CRD”) proposes to redevelop property within downtown Castle Rock (the “Downtown”) into a mixed-use (for-rent residential and commercial space) project (the “Project”); and

WHEREAS, the Project includes a 399-space parking garage that will provide parking for the Project as well as 100 spaces of parking that will be conveyed to the Town for the general use and convenience of the public; and

WHEREAS, to facilitate the construction of the Project, the Town, the Castle Rock Downtown Development Authority (“DDA”), and CRD have entered into the View at Castle Rock Redevelopment and Financing Agreement, dated April 20, 2021 (the “RDA”); and

WHEREAS, Section 2.12 of the RDA provides that CRD shall obtain a structural building permit by June 30, 2021, and a certificate of occupancy for the first residential unit by August 1, 2023, which deadlines may be extended by the Town up to and including an additional six months upon written notice from the Town Manager; and

WHEREAS, on June 28, 2021, CRD requested and was granted a six-month extension to the structural building permit issuance benchmark; and

WHEREAS, as a result of the volatile construction pricing conditions over the past year caused by unexpected supply chain interruptions, CRD has recently requested an additional extension of four months for the structural building permit benchmark and nine months for the certificate of occupancy benchmark; and

WHEREAS, any extension of these deadlines beyond the initial six-month period authorized by Section 2.12 will require an amendment to the RDA.

NOW, THEREFORE IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO:

Section 1. Approval. The First Amendment to the View at Castle Rock Redevelopment and Financing Agreement between the Town, DDA, and CRD (the “First Amendment”) is hereby approved in substantially the form attached as *Exhibit 1*, with such technical changes, additions, modifications or deletions as the Town Manager may approve upon consultation with the Town Attorney. The Mayor and other proper Town officials are hereby authorized to execute the First Amendment by and on behalf of the Town.

APPROVED ON FIRST READING this 21st day of December, 2021, by a vote of 4 for and 3 against, after publication in compliance with Section 2.02.100.C of the Castle Rock Municipal Code; and

PASSED, APPROVED AND ADOPTED ON SECOND AND FINAL READING this 4th day of January, 2022, by the Town Council of the Town of Castle Rock by a vote of 4 for and 3 against.

ATTEST:

TOWN OF CASTLE ROCK



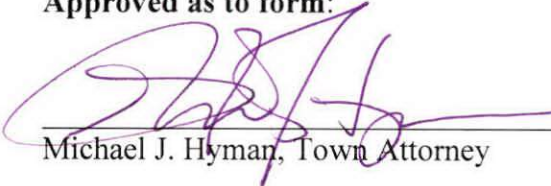
Lisa Anderson, Town Clerk



Jason Gray, Mayor

Approved as to form:

Approved as to content:



Michael J. Hyman, Town Attorney



David L. Corliss, Town Manager



**FIRST AMENDMENT TO THE VIEW AT CASTLE ROCK
REDEVELOPMENT AND FINANCING AGREEMENT**

DATE: January 4, 2022

PARTIES: **TOWN OF CASTLE ROCK**, a home rule municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (“Town”).

CASTLE ROCK DOWNTOWN DEVELOPMENT AUTHORITY, a downtown development authority duly organized and existing under Part 8 of Article 25, Title 31, C.R.S., 18 South Wilcox Street, Suite 202, Castle Rock, Colorado 80104 (“DDA”).

CASTLE ROCK DEVELOPMENT, LLC, a Colorado limited liability company, 901 New Hampshire Street, Suite 201, Lawrence, KS 66044 (“CRD”).

RECITALS:

A. CRD proposes to redevelop property within downtown Castle Rock (the “Downtown”) into a mixed-use (for-rent residential and commercial space) project, which project includes a 399-space parking garage that will provide parking for the Project as well as parking for the general use and convenience of the public (the “Project”).

B. The Project furthers several of the core priorities for Downtown redevelopment outlined in the 2008 Plan of Development for the DDA, including more intensive physical development at an urban scale encompassing employment, retail, restaurants, entertainment, parking and additional options for Downtown residents.

C. Accordingly, the Town, DDA, and CRD have entered into the View at Castle Rock Redevelopment and Financing Agreement, dated April 20, 2021, for the purpose of providing financial incentives for the construction of the Project (the “RDA”).

D. Section 2.12 of the RDA provides that CRD shall obtain from the Town a structural building permit by June 30, 2021, and a certificate of occupancy for the first residential unit by August 1, 2023. At the request of CRD and for good cause, the Town may extend either or both of these benchmarks by up to and including an additional six months upon written notice from the Town Manager.

E. On June 28, 2021, CRD requested and was granted a six-month extension (until December 30, 2021) to the structural building permit issuance benchmark. Such extension was made necessary because of a redesign of significant building structural systems due to volatile construction pricing conditions over the past year caused by unexpected supply chain interruptions.

F. Recently, CRD has requested an extension of four months from the current deadline for the structural building permit benchmark and nine months for the certificate of occupancy

benchmark. Again, these extensions are needed because of the volatile construction pricing conditions over the past year caused by unexpected supply chain interruptions. CRD is also working through the process for vacating certain right-of-way along Jerry Street located in the vicinity of the southwest corner of its intersection with 6th Street. Per CRD's general contractor, the anticipated construction timeline is 24 months, so the date requested for extension of the certificate of occupancy benchmark reflects this timeline.

G. The Parties acknowledge and agree that any extension of the respective deadlines for these benchmarks beyond the six months contemplated by Section 2.12 will require an amendment to the RDA.

NOW, THEREFORE, in consideration of these mutual promises, the parties agree and covenant as follows:

Section 1. Amendment. Article VI of the Development Agreement is amended in its entirety to read as follows:

2.12 Project Completion. Timely completion of the entire Project is required in order that the Project generates the incremental revenues allocated to the Parties as provided in this Agreement. Accordingly, CRD shall complete the Project in accordance with the following benchmarks:

Project Structural Building Permit issuance	April 30, 2022
Certificate of Occupancy for first Residential Unit(s)	May 1, 2024

Section 2. Ratification. In all other respects, the RDA shall remain in full force and effect.

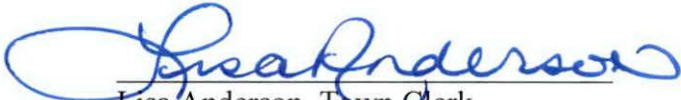
Section 3. Recordation. Pursuant to the requirements of Section 6.20 of the RDA, this First Amendment shall be recorded in the public records of Douglas County, Colorado.

(Signature pages to follow)

TOWN:

ATTEST:

TOWN OF CASTLE ROCK



Lisa Anderson, Town Clerk



Jason Gray, Mayor

Approved as to form:

Approved as to content:



Michael Hyman, Town Attorney



David L. Corliss, Town Manager



DDA:

ATTEST:

**CASTLE ROCK DOWNTOWN
DEVELOPMENT AUTHORITY**

John Manka, Secretary

Stu Butler, Chair

Approved as to form:

Corey Hoffman, General Counsel

CRD:

CASTLE ROCK DEVELOPMENT, LLC,
a Colorado limited liability company

By: _____
Name: Douglas J. Compton
Title: Co-Manager

By: _____
Name: Jason Swords
Title: Co-Manager

By: _____
Name: Michael L. Treanor
Title: Co-Manager

STATE OF _____)
_____) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 202__ by Douglas J. Compton as co-Manager for Castle Rock Development, LLC, a Colorado limited liability company.

Witness my official hand and seal.
My commission expires: _____

[SEAL]

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 202__ by Jason Swords as co-Manager for Castle Rock Development, LLC, a Colorado limited liability company.

Witness my official hand and seal.
My commission expires: _____

[SEAL] _____
Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 202__ by Michael L. Treanor as co-Manager for Castle Rock Development, LLC, a Colorado limited liability company.

Witness my official hand and seal.
My commission expires: _____

[SEAL] _____
Notary Public