



Date: June 21, 2022

## **AGENDA MEMORANDUM**

**To:** Honorable Mayor and Members of Town Council

**Through:** David L. Corliss, Town Manager

**From:** Tara Vargish, PE, Director, Development Services

**Title:** **Downtown Code and Guidelines Amendments**

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### **Executive Summary**

Town Council directed staff on June 7, 2022, by a vote of 7-0, to bring back an Ordinance to amend Chapters 17.42 and 15.64 clarifying what the Castle Rock Municipal Code governs and that various design guidelines should be used to aid in redevelopment downtown and in the historic downtown area. This ordinance is Attachment A to this memo. In addition, Town Council directed staff to bring forward a Resolution clarifying that Castle Rock Design will not be updated on a set schedule, but as needed if Town Council so directs. Staff has attached this Resolution for consideration as Attachment B.

Downtown Castle Rock is a special and unique part of the Town. It is recognized as the Town's "Main Street" and is emblematic of its "small town" and "western" feel. Areas of Downtown have been undergoing redevelopment in recent years, attracting new businesses and new residents, increasing daytime activity and adding life to weekend events. As these new developments have opened up, and visitors and traffic have increased, some Council concerns have arisen regarding development in Downtown. Over the last year or so, Council has discussed various aspects of the Downtown, more recently the relationship between the Castle Rock Municipal Code Downtown Overlay District (Code), and the various Town guiding documents.

With Town Council direction, staff recently reviewed the basic elements of the Downtown Overlay District (DOD) Code and the guiding documents in order to identify inconsistencies and make a recommendation on how to clarify what the Code governs. Recommendations were presented at the June 7, 2022 Town Council meeting for ways to clarify that the code governs and the guiding documents should aid in redevelopment, including the ordinance and resolutions presented for consideration tonight.

### **Background**

As discussed at the April 6, 2021, May 4, 2021, August 24, 2021, and most recently at the June 7, 2022 Town Council meetings, there are several documents in place that guide the

development of Downtown in contrast to the Code that regulates the new development. These regulations, along with financing incentives available in the Downtown Development Authority (DDA) boundary, have led to increased redevelopment in Downtown Castle Rock since 2010.

The following guiding documents and codes all contribute in various ways to the Downtown of today. Each document is followed by the year of initial approval; however, some have been amended or updated in further years:

- Castle Rock Style, 1996
- Castle Rock Design, 2003
- Town of Castle Rock Historic Preservation Plan, 2007
- Downtown Castle Rock Master Plan, 2008
- Downtown Castle Rock Plan of Development, 2008
- Historic Preservation (HP) regulations, CRMC Chapter 15.64, 2010
- Downtown Overlay District (DOD) regulations, CRMC Chapter 17.42, 2010
- Castle Rock 2030 Comprehensive Master Plan, 2017
- Castle Rock Downtown Parking Study, 2017
- Castle Rock Downtown Mobility Master Plan, 2019

These documents span over the last 26 years, and although some were inspired by the work of a previous document, they each stand alone. Some of the guiding documents were instrumental for the subsequent Code adoptions (DOD and HP codes), however some elements such as architectural design, were purposefully not included in the Code. Castle Rock has long been a community that believes the role of government was not to dictate the style of a building or strict architectural design. As our community grows and leaders change, this philosophy on community architecture may change and lead to Code revisions to reflect this.

As shown in the date of adoptions in the list above, 2006 through 2010 lead to the specific guidelines and Code adoptions that both govern (the Code) and make recommendations (the guidelines) for downtown today. There were numerous workshop meetings, collaborations between multiple stakeholders in the community, and hundreds of hours spent creating and finalizing the Historic Preservation Plan, the Downtown Castle Rock Master Plan, and the Downtown Castle Rock Plan of Development. Further working group meetings and direction from Council lead to the creation and adoption of both the Historic Preservation Code in Title 15, and the Downtown Overlay District in Title 17 of the Code.

Town Code specifically requires the consultation of some of these recommending documents for certain development projects (depending on the area where the project is located), while not requiring consultation of other documents. More precisely, the DOD Code states that all downtown projects should be based on Castle Rock Design and the Downtown Master Plan. Additionally, the Downtown Master Plan and/or the Historic Preservation Plan should be consulted with some variance requests associated with a Downtown Site Development Plan application. Other guiding documents are referenced in other CRMC code sections, such as Castle Rock Style in the Historic Preservation Code and the 2030 Comprehensive Master Plan in the Site Development Plan criteria and other sections.

## Discussion

While the recommendations of the downtown guiding documents are generally complimentary to each other and the Code, there can be varying language in the different documents, and in some cases within the same document, which may lead to confusion and questions in application. Therefore, Town Council directed staff to review the basic elements of the Code and the guiding documents in order to make a recommendation on how to clarify that the Code governs.

In reviewing the 2003 Castle Rock Design purpose and scope section, it is very clear that these guidelines “do not promote or require adherence to a particular architectural style”, that it is not meant “to decrease or limit one’s use of property”, and that “they are not requirements for approval”; however, further sections are written with prescriptive language such as “a new building should not be substantially higher than its neighbor”. This can cause the reader to be unsure of how to be in “conformance” with a document that states it is not required to be used for approval.

Interestingly, the Historic Preservation Plan, which was approved in 2007, 4 years after the Castle Rock Design guidelines were adopted, speaks specifically to the issue at hand today. Per Page 13 of the HP Plan:

*"The workgroup believed that certain design standards were necessary; however, they did not want the standards to be too restrictive as to limit creativity or make it too difficult to design proper infill development. The workgroup also stated that there should be no absolutes. If a proposed project does not meet the standards, there should be a way to vary from the standards, as long as the project meets the overall objectives of appropriate design."*

Continuing on specifically to downtown, the 2007 HP Plan addresses and acknowledges that Castle Rock Design exists and is planned to be updated, however proposes that perhaps instead of updating it, a downtown zoning plan be created in conjunction with a Downtown Plan, which is what happened over the next 1-3 years with the establishment of the Downtown Master Plan the Downtown Plan of Development in 2008, and the adoption of the CRMC Downtown Overlay District Code in 2010:

*"The current thought is that Castle Rock Design, the Town’s design guideline book, will be updated to include the various standards that are developed. **However, it may be more appropriate to incorporate the standards in an overall downtown zoning plan that will be developed in conjunction with the Downtown Plan.**"*

Staff also reviewed the various working group meeting summaries, staff reports to Town Council for updates, general staff updates, and Code adoptions during the development of the DOD Code, and confirms that some elements of the design guidelines were specifically not included in the Code, such as strict architectural design; and other areas were specifically and purposefully changed from the recommendations of the guidelines, as in the case for building height. Following is a short summary of Council actions and workgroup discussions that lead to the adoption of the Code that governs downtown:

- April 28, 2009 Town Council: Update on Historic Preservation Study Team staff report. Study team recommendation to combine the Historic Preservation Plan implementation with the Downtown Master Plan implementation, for a holistic approach to achieving the community's vision of enabling redevelopment of downtown while preserving the historic character of area. Council supported this direction and recommendations to form a Design Review Board and a downtown zoning overlay to combine the goals of both plans.
  - At this time it was identified that the Downtown Overlay *"will focus on basic development principles, such as setbacks, lot coverage and pedestrian orientation and will create economic incentives such as market-driven parking requirements, graduated density bonuses for residential development and other appropriate incentives"*. The overlay was not identified to codify any of the architectural recommendations from the 1996 Castle Rock Style or 2003 Castle Rock Design guidelines.
- September 15, 2009 Town Council: Staff updated Council on the progress the working group (Downtown/Historic Team) had been making over the past year, and laid out the goals of the proposed zoning overlay that was in development. Commonalities between the Downtown Master Plan and the Historic Preservation Plan were identified as:
  - A downtown where people can live, work, and play;
  - Pedestrian focused environment;
  - Preservation of history;
  - Mixed use development;
  - Economic vitality.

Recommendations for the downtown zoning overlay discussed included:

- The downtown overlay boundary,
  - Zero parking requirements downtown,
  - 100% lot coverage to allow more traditional urban development and provide economic growth opportunities for property owners,
  - 8-foot-wide sidewalks and quality pedestrian connectivity
  - Permitted uses to allow mixed-use development with residential downtown
  - Urban focused landscaping
  - Minimum window transparency on ground level of 30-35 percent
- Working Group (initially HP study team, then turned into Downtown/Historic Team) meetings 2009-2010: Discussed various and numerous topics that lead to the creation and adoption of the current Historic Preservation and Downtown Overlay District codes. The following points were taken from reviewing the meeting summaries:
    - Goal to promote economic development while retaining the Town's character
    - Create an environment that creates healthy business development
    - Recognition and respect for private property rights or compensation
    - A focus for strong economic development, by assisting and encouraging development to ensure businesses are retained and grow
    - DDA economic incentives for redevelopment and historic preservation
    - Discussion specific to the guiding documents:
      - *"DT Master Plan and the HP Plan: they are plans, visions, concepts put together by the community and staff. It is not a legal document. They are*

*meant to be concepts and ideas. Some of those may be used some may never be used.... Reminder that they are plans full of visions and concepts. We recognize that things may change but use the plans as a guide.* “

*“The zoning overlay would be the codified document. The DT Master Plan and the HP Plan are not.”*

*“They were done with a lot of community development. This is something that has to be considered when altering these plans. You can’t alter them due to the current economic times.”*

*“The HP Plan and the DT Master Plan are visions. They are not legally binding. Having it written in the plans, whether it’s legally binding or not, will create a level of uncertainty.”*

*“Every applicant should look at Castle Rock Design, but it is not required. ...it is a ‘recommended’ reading material for applicants.”*

- Building height recommendations for 4-story/60 feet in core, 6-story in north and south and ability for 1-2 extra floors
- July 6, 2010 Town Council: Downtown Overlay District 1<sup>st</sup> Reading (Attachment C). Staff presented overview of the proposed Downtown Overlay District, the result of over a year of meetings, workshops, and creation of the ordinance. The ordinance includes:
  - The downtown overlay boundary,
  - Zero parking requirements downtown to allow flexibility in redevelopment,
  - 100% lot coverage to allow more traditional urban development and provide economic growth opportunities for property owners,
  - 8-foot-wide sidewalks and quality pedestrian connectivity
  - Permitted uses to allow mixed-use development with residential downtown
  - Urban focused landscaping
  - Minimum window transparency on ground level of 30-35 percent
  - Increase in building heights in downtown core to four stories and 60 feet
  - Increase building heights in north and south districts to six stories
  - Provide allowance for additional building height (1 in core, up to 2 in north and south) on a case-by-case basis related to historic preservation efforts
  - Streamlined review process with creation of Design Review Board

Although the code includes provisions on building crown design and window transparency in the ground levels, no other specific architectural style, criteria, or building material is included in the regulations. Council approved ordinance (with removal of section 17.51.100(b)) by a vote of 6-1. The vote against raised concerns on building height and composition of the Design Review Board. The removed section contained a provision that would allow the DRB to requested an architectural survey for a property and if it was deemed possible to meet landmark status, then they could send the applicant to the HP Board for review.

- July 27, 2010 Town Council: Downtown Overlay District 2<sup>nd</sup> Reading. Town Council adopted the Downtown Overlay District. Staff report is attached (Attachment D), similar to the July 6<sup>th</sup> meeting. Council voted 5-1 to adopt the ordinance. The vote against raised concerns on building heights.

Throughout the creation and final adoption of this critical downtown Code, there were often discussions on if the Town should require landmarking, how to regulate demolition of older homes, and if the Town should require architectural design. Based on review of the working group meeting summaries, presentation to staff in 2010, and the lack of architectural requirements in the regulation, current staff believes that it was a part of the discussion and that requiring architectural design was not in the interest of Town Council at the time. This is in keeping with past Council philosophy that it is not the role of government to dictate building design and style. This philosophy may change as our community grows and leadership changes, which will lead to Code revisions to reflect this.

## **Analysis**

Staff was directed to review the basic elements of the DOD Code and the recommendations of the guiding documents in order to identify discrepancies and make a recommendation on how to clarify that the Code governs. To achieve this, staff selected several standards found within the DOD Code and the recommending guiding documents and conducted a thorough review of each document to determine consistencies and discrepancies. The texts compared include:

- Castle Rock Style
- Castle Rock Design
- Town of Castle Rock Historic Preservation Plan
- Downtown Castle Rock Master Plan
- Downtown Castle Rock Plan of Development
- Downtown Overlay District (DOD) regulations, CRMC Chapter 17.42, 2010
- Castle Rock 2030 Comprehensive Master Plan
- CRMC Chapters specifically cross-referenced within the DOD

The following standard categories from the DOD Code were used to organize the detailed review of each document. This allows a comparison of each standard and how the various documents address, or do not address, the areas of interest:

- Intent, Vision Statement, Downtown Vision Statement, Character Areas
- Development Standards
  - Lot coverage
  - Setbacks
  - Fence height
  - Minimum unit size
- Building Crown Design and Height
  - Building crown design
  - Building height
- Design Standards
  - Scale/form
  - Windows/transparency at pedestrian/street level
  - Accessory structures
  - Rooftop equipment screening
  - Service station design
  - Outdoor storage, repair, rental, servicing area design
  - Landscaping

- Parking
- Sidewalk size
- Materials
- Allowable Uses
- Investment strategies
- Street design
- Cross-reference to other documents

While many standards are straight-forward and provide a clearly-defined requirement usually based on Code requirements, other categories could be interpreted more subjectively based on personal opinions. The detailed review is provided in Attachment E, the Code Comparison to Guiding Document Matrix. Overall, the standards found within the DOD Code are more exact than the recommendations in the guiding documents, as well as being more current as they were adopted by Council in 2010.

## **Findings**

After detailed review, staff identified that inconsistencies between the regulations of the Code and the recommendations of the Downtown guidelines are related to building height and building design/materials. When staff compared the various guiding documents and the Code, most intent and standards were consistent. However, the differences between recommendations and regulation were most notable for building height and building design/materials.

### **Building Height**

Following is a comparison of the documents that specifically addressed building height:

- DOD Code
  - Core District: Four stories, 60' maximum height, approval needed for one additional story and associated increase in height
  - North and South Districts: Six stories, approval needed for up to two additional stories
- Downtown Master Plan
  - Respect existing building heights and views of the Rock
  - Two to three stories on Wilcox
  - Three to four story residential buildings with ground floor residential in south
  - Protect views of Rock with proper building heights
- Castle Rock Design
  - Ground floor heights of ten to twelve foot tall
  - New buildings should be compatible with neighboring buildings
  - New buildings should be predominately two and three stories
  - New buildings can range from one story to 50' height
  - Taller feature elements encouraged on corner buildings
  - Third floor set back from second floor to reduce massing
- 2030 Comprehensive Master Plan
  - Infill development is sensitive to the scale and character of the surrounding neighborhoods
- Downtown Plan of Development
  - Respect existing building heights and views of the Rock

- Two to three stories on Wilcox
- Three to four story residential buildings with ground floor residential in south
- Protect views of Rock with proper building heights

In general, the guiding documents sections on building height and massing are easy to understand; however, they are challenging to apply when some of the documents themselves state they are for guidance only and not required for approval. They also do not match up with the DOD Code's very specific allowable building height, which is regulation, and in some cases contradict themselves in the same document. A property owner looking to redevelop a property downtown must adhere to the Code, as they govern the property; however, they should consult the recommendations of the guiding documents for guidance on site planning and architectural design. For building height, it is clear that DOD Code allows a higher building than the guiding documents above envisioned. As the guiding documents are older than the DOD Code, it is clear that in 2010, Town Council established a higher allowable height limit for downtown than was envisioned in these older guiding documents. At that time, it did not seem apparent that the guiding documents needed to be updated or amended, as they were viewed as recommendations only.

### *Building Design/ Materials*

Across the documents, there was general agreement on pedestrian level focus for building design including transparency and glass in storefronts, using high quality building material, and preserving existing historic buildings. The guiding documents also touch on incorporating new buildings into downtown; that they should be distinguished from elder neighbors, yet provide a balance in allowing flexibility in new designs and promoting a consistent design quality that compliments existing Town character. This is an area where the DOD Code does not dictate a building architectural style; however, the Code does provide regulations for building crown design and requires window transparency at the ground level. Additionally, the Code does not mandate any particular architectural style, does not require new buildings to look like old ones, and does not require a specific building material. In contrast, Castle Rock Design does have recommendations for building materials, specifically that masonry or stone should be used on facades; that buildings should have a base, middle and a top; that recessed windows, pilasters, cornices and parapets be used to create interest; and that the materials and colors should relate to the historic precedents in the area. Additionally, awnings and canopies are encouraged at entrances.

Following is a comparison of the documents that specifically addressed building style and materials for downtown:

- CRMC DOD
  - Does not require a specific building material, however the DOD refers to CRMC Section 17.38.040.A.5 which discusses incorporating the use of high quality materials in a unique and varied design, using varying planes and architectural projections
- Downtown Master Plan
  - Human-scaled architecture with detailed and quality building materials like stone and masonry facades
- Castle Rock Design
  - Predominately masonry or stone facades in core
  - Complimentary architectural features and materials



- Materials and colors should relate to the historic precedents, warm colors of rhyolite and brick
- Use of awnings in architectural design
- Rooflines, cornices and parapets are important architectural features
- Recognizes eclectic mix of structures downtowns and states there is no one architectural style, however looks to preserve existing historic structures
- 2030 Comprehensive Master Plan
  - Require strong architectural requirements. Use design guidelines in addition to codes, as amended and adopted by Town Council from time to time, for all new or renovation projects.
  - Require new development to take architectural compatibility into consideration when designing or redeveloping properties.
  - Development should comply with architectural style or materials
- Downtown Plan of Development
  - Human-scaled architecture with detailed and quality building materials like stone and masonry facades

While the DOD Code and 2030 Comprehensive Master Plan do not address specific architectural styles or materials for downtown buildings, the Downtown Master Plan and Castle Rock Design suggest using “quality” building materials such as masonry and stone, particularly in the core district. Castle Rock Design does reference using the warm colors of rhyolite and brick, however also states that this guiding document does not advocate for any particular style.

### **Other Areas of Inconsistencies**

#### Historic Preservation CRMC 15.64

When staff reviewed the CRMC for references to guiding documents, staff found that the Historic Preservation code (CRMC 15.64) includes language for conformance with the applicable standards outlined in Castle Rock Style and Castle Rock Design. However, Castle Rock Design indicates that it does not promote or require adherence to any particular architectural style, that instead it is intended to be used to guide developers and property owners as they conceive their projects. And Castle Rock Style’s intent is clear that it is a guide to better help people understand the Town’s early development and architecture so they can better appreciate it. Castle Rock Style was not intended to dictate future development design. This can provide confusion on how to conform with documents that state they are for guidance only.

#### Castle Rock Design

When Castle Rock Design guidelines were adopted by Town Council in 2003, it includes language that they would be updated approximately every 3 years. Four years later, the 2007 HP Plan was adopted that addresses and acknowledges that Castle Rock Design exists and is planned to be updated, however proposes that perhaps instead of updating it, a downtown zoning plan be created in conjunction with a Downtown Plan. Over the next few years the Town established the Downtown Master Plan the Downtown Plan of Development in 2008, and the adoption of the CRMC Downtown Overlay District in 2010. These documents generated

additional guidance and plans for downtown and then specifically created the CRMC DOD regulations to govern downtown.

Throughout that detailed process of evaluating downtown development and establishing the Downtown Master Plan and then later the Downtown regulations, the Castle Rock Design guiding document was not updated. Specifically, in the Historic Preservation Plan, it states the workgroup discussed updating it, however, they also offered that it may be better to create a downtown zoning overlay instead. After its adoption, there were no formal discussions or direction from Town Council to update it. In recognizing today that the DOD Code regulations govern development downtown, that Castle Rock Design has not been updated since its original adoption, it seems appropriate to remove the expectation that the Castle Rock Design guidelines be updated every 3 years.

### 2030 Comprehensive Master Plan

Lastly, while evaluating the guiding documents, staff identified that the 2030 Comprehensive Master Plan does not list the Downtown Master Plan in the list of community development related documents on page 16, however it does reference the Downtown Plan of Development. The Downtown Plan of Development is also mentioned several times, as appropriate, particularly when discussing investment within the downtown. These two documents have identical language in many places, yet are different. It appears that it as an oversight to not include the Downtown Master Plan on page 16. Town Council provided direction to staff on June 7, 2022 to proceed with an administrative update to the 2030 Comprehensive Plan to correct this language, in addition to general mapping updates to the Town's boundary and land use maps.

### **Recommendation**

Staff has reviewed the various documents related to downtown development, and determined that while they generally complement each other in the overall goals and objectives to maintain Downtown as the heart of Castle Rock, they differ on the specific areas of building height and building style/materials. In addition, Castle Rock Design has not been updated every 3 years, and the 2030 Comprehensive Master Plan omits reference to the Downtown Master Plan.

To meet Town Council's desire to clarify that the DOD Code govern over any conflicting recommendations within a guiding document, and to clarify inconsistencies, staff offers the following recommendations. These recommendations preserve the intent of the guiding documents as they were written in the past, but make it clear that the more recent code language is what governs.

- Amend the DOD Chapter 17.42 of the CRMC to make it clear that the DOD Code governs, and that Guidance Documents such as Castle Rock Design and the Downtown Master Plan, may be used as guidelines and aid in project review.
- Amend the HP Chapter 15.64 of the CRMC to make it clear that the HP Code governs, and that Guidance Documents such as Castle Rock Style and Castle Rock Design, may be used as a guidelines and aid in project review.

- Adopt a new resolution that clarifies that the Castle Rock Design guidelines are a recommendation for design, and that instead of being updated on a set schedule, they will be updated when Town Council so chooses to direct staff.

Staff has provided the recommended Ordinance to amend Chapter 17.42 and Chapter 15.64 as Attachment A to this report. A Resolution regarding Castle Rock Design is attached for consideration as Attachment B to this report.

### **Proposed Motions**

Regarding CRMC Chapter 17.42 and Chapter 15.64

*“I move to adopt the Ordinance as introduced by Title, on first reading.”*

Regarding Castle Rock Design:

*“I move to adopt the Resolution for Castle Rock Design as presented.”*

### **Alternative Motions:**

*“I move to adopt the Ordinance as introduced by Title, with the following changes \_\_\_\_\_ and bring it back for second reading.”*

*“I move to adopt the Resolution as introduced by Title, with the following changes \_\_\_\_\_.”*

*“I move to continue this item to \_\_\_\_\_ (date) \_\_\_\_\_ to allow time for additional research regarding \_\_\_\_\_.”*

### **Attachments**

Attachment A: Ordinance Amending Chapter 15.64 Historic Preservation and Chapter 17.42 Downtown Overlay District

Attachment B: July 6, 2010 Town Council Staff Report

Attachment C: July 27, 2010 Town Council Staff Report

Attachment D: Code Comparison to Guiding Documents Matrix