



Meeting Date: August 18, 2026

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services

Title: Discussion/Direction: Removal of Design Review Board and Reallocation of Board Responsibilities

Executive Summary

The Design Review Board (DRB) was established by Town Council in 2010 with adoption of the Downtown Overlay District (DOD) to review certain land development applications within downtown. Since that time, amendments to the Municipal Code and refinements to the Town's development review process have shifted some applications to administrative review and larger downtown applications to Town Council for final decision.

At its July 7, 2026, meeting, Town Council directed staff to research dissolution of the DRB and options for reallocating its responsibilities. This memorandum summarizes the Board's history and current authority and presents three potential review models. The options range from largely retaining the existing downtown public-hearing thresholds, with the Planning Commission replacing the DRB, to processing downtown applications under the same thresholds used elsewhere in Town.

Under all three options, the Downtown Overlay District standards would remain in effect, landmark alterations would continue to be reviewed by the Historic Preservation Board, and major applications would continue to receive Planning Commission and Town Council review. Council direction is requested regarding dissolution of the DRB, application thresholds, decision and appeal authority, variance procedures, treatment of pending applications, and any transitional provisions.

Purpose

The purpose of this memorandum is to provide background on the DRB, explain its current role within the Downtown Overlay District, and obtain Council direction regarding how its responsibilities should be reassigned through a future code amendment if the Board is dissolved.

Background

The Town's downtown development review process grew from planning efforts initiated in the early 2000s, including adoption of the Downtown Master Plan and Historic Preservation Plan. Those plans established a long-term vision for downtown redevelopment, historic preservation, economic vitality, and a pedestrian-oriented environment.

Town Council subsequently directed preparation of the Downtown Overlay District to implement that vision through the Municipal Code. Staff worked with the Historic Preservation Study Team and the Downtown/Historic Team to develop a coordinated regulatory framework, which Council adopted in 2010.

In addition to establishing development standards specific to downtown, the 2010 ordinance created the DRB as the review authority for certain applications within the Downtown Overlay District. The Board was intended to consolidate discretionary downtown reviews into a single public-hearing process while implementing the adopted overlay standards. Its membership was structured to include historic preservation, downtown property, Downtown Development Authority, and Planning Commission perspectives.

The downtown review process has continued to evolve. Certain applications and responsibilities originally assigned to the DRB have transitioned to administrative review. Qualifying projects involving 10,000 square feet or more of new development are now considered by Town Council following a DRB recommendation. Since 2018, the DRB has held an average of six meetings per year, ranging from three to eight meetings annually. The Board has met four times during the past 12 months, reflective of the current downturn in development regionally.

Current Responsibilities

Sections 17.42.090 through 17.42.110 of the Castle Rock Municipal Code establish the DRB as a seven-member board appointed by Town Council. Its membership includes:

- One Planning Commission member;
- Two Historic Preservation Board members;
- Two Downtown Development Authority members; and
- Two downtown property owners.

The DRB reviews downtown site development plan applications for compliance with Chapter 17.42, including building placement and setbacks, height and crown requirements, downtown design standards, outdoor merchandise displays, accessory structures and uses, variances from applicable overlay standards, and other requirements of the Downtown Overlay District.

For qualifying applications involving less than 10,000 square feet of new development, the DRB is the final decision-making authority, subject to appeal to Town Council. For qualifying applications involving 10,000 square feet or more of new development, the DRB conducts a public hearing and forwards a recommendation to Town Council for final action.

Current Applications

At the time of preparation of this memorandum, there are three active Design Review Board applications and six recent downtown pre-applications.

Active Applications

- River's Church – Façade Improvements
- 512 N. Wilcox – Façade Improvements
- QuikTrip – Site Development Plan for a convenience store, fuel station, and car wash.

Pre-Applications

- The View – Façade Improvements
- Encore – Façade Improvements
- 7-Eleven – Façade Improvements
- The Emporium – Approximately 11,000-square-foot commercial building addition
- 404 Perry Street – Parking lot
- Castle Rock Motel – Adaptive Reuse/Development

Preapplications are not formal applications. Historically, approximately 25% to 36% of preapplications townwide proceed to formal application. Some of the façade improvements may qualify for administrative review, while others may require a public-hearing process. Any future ordinance should state clearly whether pending applications will continue under the process in effect when submitted or transition to the new process.

Policy Decisions

If Council directs dissolution of the DRB, the implementing ordinance must identify the new review authorities and procedures. The decisions can be considered separately as follows:

Decision	Council Direction Needed
Public-hearing threshold	Whether downtown should retain its current 10,000-square-foot threshold to trigger public hearings, or use the thresholds applicable elsewhere in Town.
Smaller applications	Whether projects below the selected threshold should receive administrative review or a Planning Commission hearing and decision.
Additional height	Whether a request for an additional floor or other height increase authorized by the DOD should require Town Council review regardless of project size.
Variances	Which variances or adjustments may be decided administratively,

Decision	Council Direction Needed
	and which must be decided by a public-hearing body.
Appeals	Which body will hear an appeal of an administrative or Planning Commission decision.
Pending applications	Whether active applications will remain under the current process or transition to the new process.
Transition and representation	Whether any temporary advisory or outreach process is needed to retain downtown-specific input during implementation. Would Council want to add downtown property ownership representation to the Planning Commission temporarily or permanently.

Review Options

The three options below implement Council’s direction to evaluate dissolution of the DRB. If Council takes no action, the DRB and current procedures would remain in place.

Option A – Retain Existing Downtown Thresholds; Planning Commission Replaces DRB

Planning Commission would replace the DRB while the current 10,000-square-foot downtown threshold generally remains in place. Planning Commission would decide qualifying projects below 10,000 square feet, subject to an appeal process established by ordinance. For qualifying projects at or above 10,000 square feet, Planning Commission would conduct a public hearing and forward a recommendation to Town Council for final decision.

This option most closely preserves the existing level of public review. It would, however, require Planning Commission to hear smaller design matters—such as certain patios, murals, awnings, façade changes, and small additions—that the Commission does not ordinarily decide elsewhere in Town.

Option B – Retain the 10,000-Square-Foot Council Threshold; Administrative Review Below the Threshold

Projects below 10,000 square feet of new development would generally be reviewed and decided administratively. For qualifying projects at or above 10,000 square feet, Planning Commission would conduct a public hearing and forward a recommendation to Town Council for final decision.

This option retains Council review of larger downtown projects while aligning smaller projects more closely with administrative procedures used elsewhere in Town. The ordinance should establish clear approval criteria, notice requirements, and appeal procedures for administrative decisions.

Option C – Apply Townwide Review Thresholds

Downtown applications would follow the same administrative and public-hearing thresholds used elsewhere in Town. Residential site development plans would receive Planning Commission and Town Council review as required by the applicable Code

provisions. Nonresidential projects below 10 acres in size or 100,000 square feet of building size would generally be reviewed administratively, while projects meeting or exceeding those thresholds would receive Planning Commission and Town Council review.

This option provides the greatest procedural consistency townwide and would allow many smaller non-residential downtown projects to be processed administratively. It would also represent the largest change from the existing downtown process because some nonresidential projects substantially larger than 10,000 square feet could qualify for administrative review.

Comparison of Review Scenarios

Project Type	Current Code	Option A	Option B	Option C
Qualifying residential or mixed-use project at or above 10,000 square feet	DRB recommendation; Town Council decision	Planning Commission recommendation; Town Council decision	Planning Commission recommendation; Town Council decision	Planning Commission recommendation; Town Council decision
Nonresidential project at or above 10,000 square feet but below townwide thresholds (equal to or greater than 10 acres OR 100,000 square feet)	DRB recommendation; Town Council decision	Planning Commission recommendation; Town Council decision	Planning Commission recommendation; Town Council decision	Generally administrative
Nonresidential project meeting townwide thresholds (equal to or greater than 10 acres OR 100,000 square feet)	DRB recommendation; Town Council decision	Planning Commission recommendation; Town Council decision	Planning Commission recommendation; Town Council decision	Planning Commission recommendation; Town Council decision
Project below 10,000 square feet	DRB decision	Planning Commission decision	Administrative decision	Townwide process; generally administrative for nonresidential, public hearing for residential
Façade, patio, mural, awning, or similar minor improvement	DRB or administrative review, as applicable	Planning Commission or administrative review, as applicable	Generally administrative	Generally administrative

Principal Considerations

Benefits of Consolidation

- Creates a more consistent and understandable townwide review structure;
- Reduces reliance on a specialized board with a relatively small and variable caseload;
- May shorten review time for minor downtown improvements;
- Retains the substantive Downtown Overlay District standards and staff compliance review;
- Retains Historic Preservation Board review of alterations to landmarked properties; and
- Maintains Planning Commission and Town Council oversight of major applications under the selected thresholds.

Potential Concerns

- Eliminates a hearing body specifically composed to include downtown property, Downtown Development Authority, historic preservation, and Planning Commission perspectives;
- Under Option A, assigns Planning Commission smaller design matters it does not ordinarily decide elsewhere in Town;
- Under Options B and C, increases staff decision-making responsibility for visible downtown changes;
- May reduce the number of public hearings for downtown applications;
- Requires Planning Commission orientation regarding the purpose and application of downtown-specific standards;
- Requires clear criteria and appeal procedures for administrative decisions and variances; and
- Requires a fair and predictable transition for pending applications.

Downtown and Historic Preservation Representation

Dissolving the DRB would remove a review body specifically composed to include downtown and historic preservation perspectives. Six of the seven seats are held by representatives with a downtown or historic preservation focus, while one seat is held by a Planning Commission member. Transferring authority to the Planning Commission would therefore reduce the formal role of downtown-specific representatives in land use hearings.

The underlying Downtown Overlay District standards would nevertheless remain applicable. Staff would continue to work with applicants, document compliance with the overlay requirements, and provide a detailed staff report for each public hearing. Landmark alterations would remain subject to Historic Preservation Board review under existing Code provisions.

If Council desires additional downtown input during the transition, the implementing ordinance or staff procedures could provide enhanced notice, applicant outreach, or a limited advisory process without altering Planning Commission membership. Council

may want to consider moving the two current downtown property owners up to the Planning Commission for downtown project review. This may create challenges in how to expand the current Commission from 7 members to 9 members, consideration if this should be for all developments or just for downtown developments, and then if this arrangement is temporary or permanent. Any proposal to expand Planning Commission membership would require additional analysis of qualifications, terms, voting rights, quorum, and the duration of the arrangement.

Variance and Appeal Authority

Variance currently decided by the DRB, including modifications to certain DOD standards such as street-tree placement or front building setbacks, must be reassigned within the Town Code if the DRB is removed. If a threshold is approved that would send larger projects to Planning Commission and then on to Town Council, it may be appropriate to have any related variances considered by those hearing bodies. If there are smaller projects going through administrative review that have related variances, staff recommends those variance be considered administratively.

The Board of Adjustment currently hears certain setback and minor height variance requests but has not traditionally reviewed downtown-specific variances. Routing a larger downtown project to the Board of Adjustment in addition to Planning Commission and Town Council could create a duplicative process. The ordinance should identify which adjustments may be administrative, the required findings, applicable notice, and the body that hears an appeal.

Pending Applications and Effective Date

The ordinance should state whether active applications will continue under the procedures in effect when the application was accepted or transition to the new review structure. Continuing accepted applications under the existing process provides procedural certainty, while applying the new process on the ordinance effective date provides immediate consistency. Staff recommends that the ordinance includes a clear transition rule and authorize staff to notify affected applicants before the new procedures take effect.

Conclusion

The DRB has provided downtown-specific expertise and stakeholder representation during a significant period of redevelopment. The Town now has established Downtown Overlay District standards, experienced review staff, Historic Preservation Board oversight of landmark alterations, and Planning Commission and Town Council processes capable of reviewing major land use applications.

Council's direction therefore centers on the preferred replacement review structure rather than whether downtown standards should continue. If Council directs dissolution of the DRB, staff will return with an ordinance establishing application thresholds, decision and appeal authority, variance procedures, treatment of pending applications, and any transitional provisions directed by Council.

Possible Motions

The following motions are provided to assist Council. Each may be amended to include additional direction concerning height requests, variances, appeals, pending applications, or transition procedures.

Option A Motion

"I move to direct staff to prepare an ordinance dissolving the Design Review Board and implementing Option A, under which the Planning Commission replaces the Design Review Board while the existing 10,000-square-foot downtown review threshold generally remains in place."

Option B Motion

"I move to direct staff to prepare an ordinance dissolving the Design Review Board and implementing Option B, under which qualifying downtown projects below 10,000 square feet are generally reviewed administratively and projects at or above 10,000 square feet receive Planning Commission recommendation and Town Council decision."

Option C Motion

"I move to direct staff to prepare an ordinance dissolving the Design Review Board and implementing Option C, under which downtown applications follow the same administrative and public-hearing thresholds applicable elsewhere in Town while remaining subject to the Downtown Overlay District."

Transitional Procedures – this may be added to any motion:

"I move to also direct staff to provide for transitional procedures to allow for: (temporary or permanent inclusion of downtown property owners in the Planning Commission for a set period of time through _____, OR to have the 2 downtown property owners from the current DRB serve in a temporary capacity on the Planning Commission for a downtown project public hearing) _____."

Alternative Direction

"I move to direct staff to prepare an ordinance dissolving the Design Review Board and reallocating its responsibilities as follows: _____."

Attachments

None.