



Meeting Date: May 20, 2025

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

From: Tara Vargish, Director Development Services
Pete Managers, Executive Director, Castle Rock Urban Renewal Authority

Title: **Brickyard Urban Renewal Plan (URP)**

Executive Summary

On May 7, 2013, the Town of Castle Rock (Town) Town Council (Council) adopted Resolution No. 2013-29 organizing the Castle Rock Urban Renewal Authority (CRURA). The purpose and intent of the CRURA is to eliminate and prevent the spread of blight within the Town and to stimulate growth and investment through construction of public infrastructure and other public improvements as authorized by the Colorado Urban Renewal Law (the Act).

Staff received the Brickyard Urban Renewal Plan (Brickyard URP), Attachment A, for the property located at 401 Prairie Hawk Drive, generally northwest of the Plum Creek Parkway interchange and Interstate 25. This property was previously developed in 1982 and utilized as a brick manufacturing site. The Plan provides for use of incremental property tax revenues from each government that levies a property tax on the property to remove and eliminate blight, specifically removal of numerous manufacturing buildings, bricks and equipment, and to provide funding to construct public infrastructure and other public improvements allowed under the Act.

Authority for the Planning Commission to review the Brickyard URP is stated in the Act as follows:

"Prior to its approval of an urban renewal plan, the governing body shall submit such plan to the planning commission of the municipality, if any, for review and recommendations as to its conformity with the general plan for the development of the municipality as a whole."

The Planning Commission reviewed the Brickyard URP on December 12, 2024. The Commission determined that the Brickyard URP is consistent with the Town of Castle Rock Comprehensive Master Plan and recommended it be forwarded on to Council.

Staff recommends that Town Council take the following actions:

1. Find that the Brickyard Urban Renewal Area (Brickyard URA) is a blighted area and is appropriate for an urban renewal project;
2. Approve the Brickyard Urban Renewal Plan as presented; and
3. Amend Resolution No. 2013-29 to add four additional members to the CRURA Board.

Brickyard Urban Renewal Plan

The Brickyard URP, Attachment A, is a strategic redevelopment initiative prepared for the Town and CRURA. The Brickyard URP outlines a framework for revitalizing a 31.1-acre area at 401 Prairie Hawk Drive, designated as blighted under the Act due to the presence of 10 of the 11 statutory indicators of blight. The Brickyard URA boundary includes four (4) legal parcels in the southwest portion of the Town, as outlined in Figure 1.



Figure 1: Brickyard URA Boundary

The area was previously zoned General Industrial (I-2), and was previously developed in 1982 and utilized as a brick manufacturing site. When the current owner purchased the property, it had numerous abandoned buildings with over 133,000 sq ft of improvements constructed between 1983 and 2000, equipment, debris and thousands of bricks on site.

Redevelopment of the area is challenged by the amount of industrial buildings, debris and infrastructure that needs to be removed, as well as the lack of infrastructure meeting Town

standards to serve the property. The property requires significant investment to remediate and redevelop, as further described in Brickyard Conditions Survey, Attachment C. The Brickyard URP properties will require significant internal infrastructure improvements prior to development of subdivided lots and construction of usable buildings on the property.

The following photographs highlight some of the conditions on the property after Acme Brick closed and sold it.



On February 18, 2025, Council approved the Brickyard Planned Development (PD) Plan. This PD Plan allows for a mixed-use redevelopment of the property, with a maximum of 583 multi-family dwelling units consisting of townhomes and apartments, 92,000 square feet (sf) of non-residential uses such as office, retail, restaurant, up to 145,000 sf of sports development/recreational uses, and a 99,000 sf, 125 room hotel with a conference center and an outdoor performance venue (Brickyard Project).

Redevelopment of this 31.1 acre blighted and abandoned brick facility into a high-quality mixed-use development requires large investment for cleanup and necessary infrastructure before private development can occur. The Brickyard Project is well suited for the public/private partnerships and financing tools allowed under the Brickyard URP.

Key Highlights of the Brickyard URP include:

- Blight Findings
 - The area was found to have deteriorated structures, poor infrastructure layout, environmental contamination, and underutilized land—conditions that impede economic growth and public safety.
 - 10 of the 11 statutory indicators of blight were identified.
- Land Use and Zoning
 - The property was previously zoned as I-2 General Industrial, which allows a broad range of industrial and commercial uses.
 - In 2025, the Brickyard PD Plan was approved for the property, which allows for a mixed-use development including residential, hotel, commercial, office, recreational facilities, and public spaces.
- Implementation Approach
 - A public/private partnership will fund redevelopment of this area under the Brickyard PD Plan.
 - Public investments will prioritize roads, utilities, environmental remediation, and safety infrastructure.
- Tax Increment Financing (TIF)
 - A Tax Increment Area is created to capture 100% of all future property tax increases, which will be reinvested in the area for a period of 25 years.
 - Intergovernmental agreements were executed by CRURA with all affected taxing entities consenting to the sharing of 100% of the incremental property tax revenues with CRURA.

The Brickyard URP aligns with and supports the Town's goals for responsible growth, economic diversification, complete neighborhoods, and sustainability. Additionally, this plan aligns with Town goals to encourages mixed-use developments near major transportation corridors and employment centers.

In summary, the Brickyard URP seeks to transform a neglected industrial area into a vibrant, mixed-use district that supports economic growth, public investment, and the long-term vision of the Town.

Notification and Outreach Efforts

Staff completed notification and outreach with the Douglas County Commissioners and other impacted taxing entities and property owners in accordance with the Act. Staff met face to face with the parties involved with the Brickyard URP to ensure accurate communication of issues, financial impacts and development activity. Staff prepared and presented a Plan Impact Report to the County Commissioners, and to the other impacted taxing entities. Taxing entities impacted by the Brickyard URP include Douglas County, Douglas County School District, Douglas County Library District, Cedar Hill Cemetery Association, and the Town. Staff negotiated Intergovernmental Agreements between CRURA and each taxing entity's governing

board consenting to CRURA's utilization of 100% of their respective incremental property tax revenues over the next 25 years.

Statutory Changes

Since CRURA was organized in 2013, the Act has been amended to require additional seats on the governing board if a new urban renewal plan is approved. Currently, the Town Council sits as the governing board of CRURA. Under the amendments to the Act, when a new urban renewal plan is approved, the governing board needs to be expanded to include the following additional positions:

1. One (1) member shall be appointed by the Board of County Commissioners of Douglas County;
2. One (1) member shall be an elected official of a special district levying a mill levy, as agreed upon by the impacted special districts within the urban renewal areas of the Town;
3. One (1) member shall be an elected member of the Board of Education, appointed by the Douglas County School District RE-1 Board of Education; and
4. One member (1) shall be appointed by the Mayor, with the consent of the governing body.

If the Brickyard URP is approved, CRURA shall have these four additional positions created.

Staff Recommendations

Staff recommends that Town Council approve the proposed resolution as follows:

1. Find that the Brickyard URA is a blighted area and is appropriate for an urban renewal project;
2. Approve the Brickyard URP, as presented;
3. Amend Resolution No. 2013-29 to add four additional members to the CRURA Board.

Proposed Motion

Approval:

"I move to approved the Resolution, as introduced by title."

Alternate Motions

Approved with Conditions:

"I move to approved the Resolution, as introduced by title, with the following conditions:_____."

Continue:

"I move to continue this item to the Town Council meeting on _____ (date) at 6 p.m."

Attachments:

Attachment A: Brickyard URP

Attachment B: Brickyard Conditions Letter

Attachment C: Brickyard Conditions Survey