

**RESOLUTION NO. 2023-\_\_**

**A RESOLUTION APPROVING AN ECONOMIC INCENTIVE LOAN  
FROM THE TOWN OF CASTLE ROCK TO BRINKERHOFF  
RESTAURANTS, LLC, TO FACILITATE THE DEVELOPMENT AND  
CONSTRUCTION OF THE HUMMINGBIRD EVENT CENTER**

**WHEREAS**, the Town of Castle Rock, Colorado (the “Town”), has created the Castle Rock Business and Development Incentive Program (the “Program”) to support core Town economic development priorities, including the attraction and expansion of primary employers, the attraction and expansion of targeted retail, and investments in projects of economic significance or which serve as economic catalysts; and

**WHEREAS**, the Program is designed to serve a public purpose by creating jobs, expanding the tax base, encouraging existing businesses to make capital investments, and spur new office, industrial, and retail expansion and economic development; and

**WHEREAS**, the Town recognizes that there are certain projects of special significance which generate greater opportunities for additional economic development and/or provide highly desirable community amenities; and

**WHEREAS**, under the Program, projects of this nature are eligible for a variety of incentives, including a short-term, low-interest loan in an amount not to exceed 10% of the project costs or \$1,000,000; and

**WHEREAS**, Brinkerhoff Restaurants, LLC (the “Borrower”) proposes to construct an approximately 9,052 square foot restaurant and 2,633 square foot event center (5,572 square feet when including the indoor/outdoor four-season patio), to be located in the Town near the intersection of Castle Rock Parkway and Promenade Parkway in the Promenade at Castle Rock Community Center (the “Project”); and

**WHEREAS**, after securing a commitment for primary financing for the restaurant, and taking into account Borrower’s equity investment in the event center, there remains an approximately a \$500,000 shortfall in financing which must be bridged in order for the Borrower to proceed with construction of the Project; and

**WHEREAS**, the Town and the Borrower have negotiated the terms and conditions of a short-term, low-interest economic incentive loan in the amount of \$500,000 which will be secured by a second deed of trust in the Borrower’s real property, buildings, and improvements that comprise the Project and a second security interest in the Borrower’s business assets and contract rights related to the Project (the “Loan”); and

**WHEREAS**, the Loan will come in the form of: (i) a deferment of Town permit fees, land use application fees, system development fees, and development impact fees at the time of issuance of the structural building permit for the Project and (ii) of a cash payment from the Town Economic Development Fund at the time a temporary certificate of occupancy is issued for the Project; and

**WHEREAS**, the Loan will be due and payable over a five (5)-year term, at an interest rate of one percent (1.00%) per annum for the first 36 months, three and one-half percent per annum (3.50%) for months 37 through 48, inclusive, and five percent (5.00%) per annum for months 49 through 60, inclusive; and

**WHEREAS**, the Town Council finds and determines that the Project qualifies for a short-term, low-interest economic incentive loan under the Program;

**WHEREAS**, the Town Council further finds and determines that the financing of the event center (also referred to as the “Hummingbird Event Center”) will serve a public purpose by facilitating the development and construction of a project of special significance that will provide the Town with new jobs and additional tax revenues, as well as a highly-desirable community amenity.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:**

**Section 1. Approval.** The Economic Incentive Loan from the Town to Brinkerhoff Restaurants, LLC, to facilitate the development and construction of the Hummingbird Event Center is hereby approved in accordance with the terms and conditions set forth in the Resolution and in the Loan Agreement, which Agreement is also approved in substantially the same form as presented at tonight’s meeting, with such technical changes, additions, modifications, deletions, or amendments 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 Agreement and all related loan documents, and any technical amendments thereto by and on behalf of the Town.

**Section 2. Encumbrance and Authorization for Payment.** In order to meet the Town's financial obligations under the Loan Agreement, the Town Council authorizes the expenditure and payment from the Economic Development Fund, account no. 111-1300-413.80-41, in an amount not to exceed \$300,000.00, unless otherwise authorized in writing by the Town.

**PASSED, APPROVED AND ADOPTED** this 20th day of June, 2023, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading by a vote of \_\_\_\_ for and \_\_\_\_ 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