

ORDINANCE NO. 2019-021

AN ORDINANCE APPROVING THE ENCORE CR DOWNTOWN REDEVELOPMENT AND FINANCING AGREEMENT AND AUTHORIZING THE LEASE AND CONVEYANCE OF CERTAIN TOWN-OWNED REAL PROPERTY

WHEREAS, CD-Festival Commons, LLC (“CDFC”) proposes to redevelop a parcel within the core area of downtown Castle Rock into a mixed use (retail/office/residential) center and parking garage that will accommodate 601 vehicles, 308 of which will be public parking spaces owned by the Town (“Project”),

WHEREAS, the Project is proposed for construction on a 2.076-acre parcel, comprising of the existing Town Hall parking lot and adjacent private property owned by CDFC,

WHEREAS, the Project is sited within the boundaries of the Castle Rock Downtown Development Authority (“DDA”) and the Town of Castle Rock Festival Park Commons General Improvement District (“GID”),

WHEREAS, the Town, CDFC, DDA, and GID have negotiated the terms of the Encore CR Downtown Redevelopment and Financing Agreement in the form attached as *Exhibit 1* (“Agreement”),

WHEREAS, the Agreement provides for an equitable allocation of the incremental public revenues the Project will generate, such that enhanced public parking in the downtown will be created and the CDFC will receive the necessary financial assistance to enable development of the Project,

WHEREAS, the Town will bear the proportionate cost of development of the 308 public parking spaces, however it is projected the Town will recover such investment from incremental revenues the Project will generate over time,

WHEREAS, the Town will lease to CDFC the existing Town Hall parking lot and adjacent vacated right of way, which property is described in Exhibit 12 to the Agreement (“Town Property”) for construction of the parking garage component of the Project, and the Agreement provides the Town financial assurances that the parking garage will be completed in a timely manner under the lease,

WHEREAS, the Town will acquire ownership of 308 condominium parking spaces upon completion of the parking garage and convey the Town’s interest in the underlying real property upon which the Project is constructed,

WHEREAS, pursuant to 14.02.040 of the Castle Rock Municipal Code the conveyance of any property utilized for off-street vehicular parking may be authorized by ordinance, provided such disposition will result in the development of alternate parking facilities,

WHEREAS, the Town Council finds that the pledge of sales tax under the terms of Article VII of the Agreement meets the criteria for pledge of incremental revenues under 3.04.025 of the Castle Rock Municipal Code,

WHEREAS, the Project has been approved by the Town and DDA as an eligible DDA project, suitable for support with DDA Increment, as defined in the *Intergovernmental Agreement Concerning Selection and Funding of Downtown Development and Redevelopment Projects and Programs* dated May 5, 2015 between the Town and the DDA,

WHEREAS, the recitals to the Agreement are incorporated as additional recitals to this Ordinance.

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

Section 1. Approval. The Encore CR Downtown Redevelopment and Financing Agreement (“Agreement”) in the form attached as *Exhibit 1* is hereby approved. The Mayor and other proper Town officials are hereby authorized to execute the Agreement by and on behalf of the Town of Castle Rock. The Town Manager and Town Attorney are authorized to make necessary non-substantive changes to the form of the Agreement prior to its execution by the Mayor.

Section 2. Lease of Town Property. The lease of the Town Property as provided in the Agreement and the Ground Lease which is Exhibit 5 of the Agreement is authorized pursuant to 14.02.050 of the Castle Rock Municipal Code. Mayor and other property Town officials are hereby authorized to execute the Ground Lease by and on behalf of the Town of Castle Rock.

Section 3. Real Property Conveyance. The conveyance of the Town Property as provided in the Agreement at the Real Estate Closing is authorized pursuant to 14.02.040 of the Castle Rock Municipal Code. The Mayor and other proper Town officials are hereby authorized to execute the conveyance documents by and on behalf of the Town of Castle Rock.

Section 4. Severability. If any part or provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provisions or application, and to this end the provisions of this Ordinance are declared to be severable.

Section 5. Safety Clause. The Town Council finds and declares that this Ordinance is promulgated and adopted for the public health, safety and welfare and this Ordinance bears a rational relation to the legislative object sought to be obtained.

APPROVED ON FIRST READING this 20th day of August, 2019 by a vote of 6 for and 1 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 3rd day of September, 2019, by the Town Council of the Town of Castle Rock 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:

Robert J. Slentz, Town Attorney

David L. Corliss, Town Manager