



Meeting Date: September 17, 2024

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

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

From: Tara Vargish, PE, Director, Development Services
Brad Boland, AICP, Long Range Project Manager, Development Services

Title: **Discussion and Direction: Chapter 15 Historic Preservation Amendments**

Executive Summary

The Historic Preservation Board has been discussing potential amendments to Chapter 15.64 (Attachment A) of the Castle Rock Municipal Code, which governs the Historic Preservation in the Town of Castle Rock. Potential changes identified are;

- Demolition review requirements
- Neighborhood meeting requirements
- Noticing requirements
- Approval period
- Local Restoration Grant eligibility

The Historic Preservation Board and staff are seeking input and direction from Town Council in regards to these items prior to taking any further action.

Discussion

Background

Town Council approved Ordinance 94-01 (Attachment B) that established the Historic Preservation Board and regulations concerning historic preservation in the Town of Castle Rock. A corresponding ordinance, Ordinance 94-02, established the first local historical landmarks in the Town. In 2007, Town Council approved the Town's first Historic Preservation Plan. In response to the approval of the Plan, a multi-year effort to compressively amend the Town's historic preservation regulations culminated in the approval of Ordinance No. 2010-19 (Attachment C).

Changes in the 2010 amendment included the strengthening of the landmark designation criteria, creation of a process and criteria for demolition and relocation in the Historic Downtown Area, and creation of a process and criteria for design review by the Historic Preservation Board in the Craig and Gould neighborhood. The 2010 amendment also eliminated the conservation areas proposed by the Town's Historic

Preservation Plan, adopted in 2006, and eliminated the provision that allowed for involuntary landmark designation.

There are two areas that are directly influenced by the Town’s Historic Preservation Ordinance. The Craig & Gould Neighborhood (Attachment A) and the Historic Downtown Area (Attachment A), which includes the Craig & Gould Neighborhood. In the Craig & Gould Neighborhood all construction including new builds and additions are required to go before the Historic Preservation Board for Design Review approval. Within the Historic Downtown Area any proposed demolition of a building built before 1945 is required to go before the Historic Preservation Board for a recommendation and Town Council for approval.

Demolition Review Requirements – Historic Downtown Area

The Historic Preservation Board asked staff to review the Town’s requirements for demolition of buildings in the Historic Downtown Area. Specifically, the age of building requirement that would trigger a demolition review and the criteria for approval.

The current regulations require that the Historic Preservation Board review and recommend any proposal to demolish a structure that was constructed in 1945 or earlier to Town Council who will either approve or deny the demolition request. Regulations do allow Town staff to refer to the Historic Preservation Board and Town Council a proposal to demolish a structure constructed after 1945 if it is determined by staff to possess enough architectural and/or historical significance and/or integrity to meet criteria for Landmark designation. It is believed that the 1945 date was used as the 2007 Historic Preservation Plan stated that Historic Preservation efforts should focus on buildings built in 1945 or before. Staff investigated other local jurisdictions for their requirements. A summary of those requirements can be found in the table below.

Jurisdiction	Demolition Requirement
Boulder	Any structure located in a Historic District AND 50 Years Old - All City
Broomfield	Any structure located in a Historic District
Englewood	Any structure located in a Historic District
Fort Collins	Any structure located in a Historic District AND 50 Years Old- All City
Golden	Any structure located in a Historic District or Non-Residential 50 years or older
Greeley	Any structure located in a Historic District
Lakewood	Any structure located in a Historic District
Longmont	50 Years Old within Original Subdivision And Any structure Designated as Historically Significant in a Historic Survey/Plan
Loveland	Properties identified as eligible for designation in Citywide Survey

The reason for the 50-year requirement found in several jurisdictions’ requirements, is that 50 years of age is a standard criterion for consideration for landmark designation. Standard practice for landmark designation, including the Town’s designation process,

is that a property must meet a certain number of criteria of significance to be eligible to be landmarked. One of those criteria is if the building is at least 50 years old. It should be noted that structure does not necessarily have to be at least 50 years old to be historically significant enough to landmark if it meets the other criteria. To be Nationally Landmarked a property must be at least 50 years old.

The Historic Preservation Board is currently proposing to Town Council to consider changing the requirement from “1945 or earlier” to “50 years or older” to be more in line with this landmarking criteria and other jurisdictions. This would require that for any application of demolition for a building 50 years or older within the Historic Downtown Area must go before the Historic Preservation Board for review and recommendation, and then to Town Council for approval. Staff would retain the discretion to send other demolition permit reviews to the Historic Preservation Board and Town Council for a building less than 50 years old if it is believed it possesses architectural and/or historical significance.

The map below shows the age of buildings in the Historic Downtown Area. Under the current regulations there are approximately 117 structures that were built in 1945 or before and qualify for the demolition review today. Imposing the 50-year requirement would add approximately 110 additional structures that would require a demolition review at the time of regulation amendment, if approved. Additional properties would require demolition review as time went on.



Staff looked at other communities to see if the Town's criteria was aligned with best practices (Attachment D). In general, the Town's criteria for demolition are consistent with other jurisdictions. Staff suggest the rewording of a few of the criteria to be more in line with other jurisdictions. The most significant change would be to criteria number four;

Has deterioration of the property progressed to the point where it is not economically feasible to rehabilitate the property?

To the following;

Has the applicant presented facts and circumstances which establish an Economic Hardship if the property is not demolished?

The proposed language is more in line with other jurisdictions and would more clearly indicate what is needed with the demolition request. The definition for Economic Hardship is as following;

Economic Hardship means facts and circumstances which establish that there are no feasible measures that can be taken which will enable the property owner to make a reasonable beneficial use of the property or derive a reasonable economic return from the property in its current form. Consideration for Economic Hardship shall not include self-created hardships, willful or negligent acts by the owner, purchase of the property for substantially more than the market value, failure to perform normal maintenance and repairs, failure to diligently solicit and retain tenants, or failure to provide normal tenant improvements.

All of the language for the definition of Economic Hardship already exist in the code but is proposed to be combined into a single definition.

If this change is made to the criteria, an Economic Hardship Analysis will be required to be submitted to the Town as part of the demolition review application. An Economic Hardship Analysis is defined as;

Economic Hardship Analysis is a report that establishes whether an Economic Hardship exists. The analysis should examine, but not be limited to, the structural integrity of the structure, restoration costs, market comparisons/analysis, feasibility of the current use and potential adaptive reuse, and availability of federal, state, and/or local economic incentives for historic restoration.

The requirement of the Economic Hardship Analysis and the already required Cultural Resources Survey should provide the Historic Preservation Board and Town Council sufficient information when considering a demolition request.

Demolition Review Requirements – Town Wide

The Historic Preservation Board expanded the discussion regarding demolition review requirement to potentially expand Town wide. The main points discussed in favor of expanding the review is that there are properties outside of the Historic Downtown Area that could have significant historical and/or architectural significance and be worth

saving or at the very least documenting. Concerns raised about an expansion were around property rights and potentially an onerous process for an unaware property owner. It was discussed if a Town wide demolition review process was instituted that the 50-year requirement that is being proposed for the Historic Downtown Area may not be appropriate and another date, such as 1945 or earlier, may be more appropriate. It was also discussed that a more streamlined process for properties outside of the Historic Downtown could be appropriate.

As this would be a significant expansion of the Historic Preservation program, the Historic Preservation Board would like feedback and direction from Town Council on whether a Town wide demolition review requirement would be something that Town Council would even want to consider. If Town Council indicated it would be something they may want to consider, the Historic Preservation Board and staff would further investigate and provide a detailed recommendation.

Staff did perform a quick analysis to estimate how many properties outside of the Historic Downtown could potentially be impacted. The table below shows the number of properties built in 1945 and before and then by five-year increments through 1975. The majority of the properties appear to be located in the subdivisions surrounding the Historic Downtown Area.

Year	Number of Properties
1945 and before	5
1946-1950	32
1951-1955	20
1956-1960	45
1961-1965	105
1966-1970	78
1971-1975	360
Total	645

Neighborhood Meetings

For land use applications such as annexation, rezoning applications, and site development plans, there are neighborhood meeting requirements established in section 17.04.040 (Attachment E) of the Castle Rock Municipal Code. As the Town of Castle Rock values community engagement in the development process, Town staff has asked Historic Preservation applicants to conduct neighborhood meetings in accordance with section 17.04.040. Formalization of the need for neighborhood meetings for Historic Preservation applicants would seem appropriate.

For projects involving single family residences it is proposed that the applicant would be required to host a single neighborhood meeting prior to formal submittal of the application. Staff could ask for additional neighborhood meetings based upon the attendance and comments received during the neighborhood meeting.

For commercial and multifamily projects that require a concurrent process through Title 17 and would require public hearings before the Design Review Board, Planning

Commission, or Town council, the neighborhood meeting requirement will follow what is outlined in Chapter 17.04. This would typically require a total of three neighborhood meetings, though depending on the scope and community engagement, may be reduced or increased as deemed necessary by Town staff.

Noticing

The Historic Preservation regulations require that a sign be posted on the property ten days prior to a public hearing. To be consistent with Chapter 17 land use regulations, Town staff has asked Historic Preservation applicants to generally follow the noticing of requirements found in section 17.04.060 (Attachment E) of the Castle Rock Municipal Code. These requirements include posting of the property and a mailed notice to property owners within 500 feet 15 days prior to the public hearing. Additionally, the notice is published on the Town’s website.

In previous work sessions various buffers were examined and what other communities in the front range require. Examples of buffers examined can be found on Attachment F. Requirements of various communities along the front range were also looked at and shown on the table below. The Historic Preservation Board is recommending that for single family projects, the noticing requirement would be to post the property 15 days prior to any neighborhood meeting or hearing and a mailed notice would be sent to the abutting adjacent properties. The Town would post the notice on the Town’s website.

Jurisdiction	Requirement
Boulder	Abutting when in district
Broomfield	1000 Feet
Englewood	Adjacent
Fort Collins	Sign and Notice at HP Commission Hearing
Golden	Just Sign
Greeley	Just Sign
Lakewood	Just Sign
Longmont	Just Sign
Loveland	District Owners

For commercial and multifamily projects that require a concurrent process through Title 17 and would require public hearings before the Design Review Board, Planning Commission, or Town Council, the noticing requirement will follow the Chapter 17.04 requirement of a posted sign and a mailed notice to property owners within 500 feet. Removal of landmark designation of a property is proposed to require a posting of the property and a mailed notice distance requirement of 500 feet.

Approval Period

For applications for Alteration Certificates, the regulations currently allow the Historic Preservation Board to impose a time limit for the applicant to apply for a building permit conforming to the certificate.

The Historic Preservation Board is recommending that all approvals from the Board, with the exemption of Landmarking which is a permanent approval, would provide the

applicant 365 days to obtain all necessary building permits to complete the approved project. This would be a standard requirement and would not require additional action from the Board.

The reasoning behind the requirement is that as time goes on and a project is not initiated, the likelihood of a project changing in scope increases. The requirement clearly sets the expectation that the project will need to go back before the Historic Preservation Board for approval if it does not proceed within 1 year. Furthermore, it is possible if enough time goes by an approved project that has yet to be begun may no longer meet the current Historic Preservation Board's or the Town's regulations/goals or policies.

Local Restoration Grant

The Historic Preservation Board is seeking input in regards to expanding the eligibility of the local restoration grant beyond landmarked properties to include contributing structures with the Downtown Historic Area that are at least 50 years old. The purpose of the local restoration grant is to provide monetary assistance for minor rehabilitation or restoration projects. The local restoration grant is designed to provide up to \$2,000 for these projects but larger amounts may be granted by the Historic Preservation Board. A total of \$15,000 has traditionally been budgeted on a yearly basis for the program. The funding for the Local Restoration Grant comes from the Philip S. Miller Trust. Unused funds are not rolled into future years. The local restoration grant program is identified and defined in Section 16.64.050 and specifically calls out historic landmarks, thus requiring an amendment to expand the eligibility.

Contributing structures are defined in Chapter 15.64 as a property, such as a house, barn, depot, commercial building, church or similar construction or bridge, roadway, grain elevator or railroad, that is deemed significant because of its importance to a particular area or the Historic Downtown Area as a whole. A structure deemed contributing may or may not be eligible for a local Landmark designation, but Historic Integrity is a key aspect of a Contributing Structure.

The idea of expanding the eligibility for the local restoration grant is that there are properties that contribute to the historical character of the historic downtown but that may not quite qualify as a historic landmark and are worth preserving/restoring and properties that may qualify as a historic landmark but the property owner has chosen not to pursue landmarking as of yet.

Per the discussions at the work sessions, the Historic Preservation Board proposes the expansion of the eligibility of the local restoration grant, with the following policy guidelines.

- Properties Identified as a contributing structure
- Structure must be at least 50 years old
- Projects must be for the restoration of historical elements of the structure
- Applications for contributing structures would be considered by the Historic Preservation Board starting at the October meeting each year and would be subject to available funding.

Town staff believes that there is adequate funding to allow for such an expansion of the local restoration grant program. The amount of grants awarded in previous years is listed below.

Year	Amount
2018	\$0
2019	\$9,959.55
2020	No funding due to COVID
2021	\$6,190.54
2022	\$14,560
2023	\$3,884.63
2024	\$10,000 as of 9/5/2024

In years that grant awards were highest, multiple grants were awarded to the same property or grants exceeding \$2,000 were awarded due to funds being available and the scopes of the projects being appropriate for a larger amount.

The expansion of the eligibility of the Local Restoration Grant would be consistent to other incentive programs in Colorado. The State’s Residential Tax Credit program allows for all structures located in a registered historic district to be eligible for the program. Of the jurisdictions whose regulations were reviewed for noticing and demolition requirements, Longmont, Fort Collins, Greeley and Loveland all had dedicated Historic Preservation incentive programs. Contributing structures in local historic districts were eligible for all four incentive programs. Fort Collins expanded some of their incentive programs to properties in or near their Old Town area. While the Castle Rock Historic Downtown Area is not an official district, it has many of the same requirements that would be required in typical local district and the Historic Downtown Area is considered the historic part of Castle Rock.

Recommendation/Direction

The Historic Preservation Board has been discussing potential amendments to Chapter 15.64 (Attachment A) of the Castle Rock Municipal Code, which governs the Historic Preservation in the Town of Castle Rock. Potential changes identified above are summarized here for further discussion and direction:

- Demolition review requirements
 - Should the age of a building required to get demolition approval within the Town’s Historic Downtown Area be changed from “1945 or earlier” to “50 years old or older”?
 - Should buildings outside of the Historic Downtown Area be required to obtain a demolition approval? If direction is provided to pursue this, staff and the Historic Preservation Board would want to have additional research, discussions, outreach done to determine if this should have a set year, such as 1945 or earlier, and if it should have more streamlined requirements than structures within the Historic Downtown Area.
- Neighborhood meeting requirements

- Should these be formalized for Historic Preservation applicants, with 1 required prior to application? All land use items already regulated by Title 17 would follow the more extensive requirements in Title 17.
- Noticing requirements
 - Should these be formalized for Historic Preservation applicants as noticing to the abutting property, sign posted on site and on the Town's webpage? All land use items already regulated by Title 17 would follow the more extensive requirements in Title 17.
- Approval period
 - Should Historic Preservation applications for alterations or demolitions, be required to have all permits in hand within 365 days to complete the project? Should a set date for construction completion be set?
- Local Restoration Grant eligibility
 - Should this existing program be expanded to allow properties that are not landmarked, yet are identified as structures that contribute to the historic character of the area, are older than 50 years, and are restoring historical elements to be eligible to apply for any funds that may be remaining by October of each year?

The Historic Preservation Board and staff are seeking input and direction from Town Council in regards to these items prior to taking any further action.

Next Steps

Based on the direction from Town Council, the Historic Preservation Board would further investigate and discuss these items. If it is appropriate for these items to be brought in front of the Town Council for its consideration in the future, community outreach would be performed prior to any public hearings.

Attachments

Attachment A: Chapter 15.64 of the Castle Rock Municipal Code with Proposed Changes

Attachment B: Ordinance 94-01 – Ordinance Establishing Historic Preservation

Attachment C: Ordinance No. 2010-19 – Ordinance Making Revisions Regarding Historic Preservation

Attachment D: Demolition Criteria of other Jurisdictions

Attachment E: Sections 17.04.040-17.04.060 of the Castle Rock Municipal Code

Attachment F: Buffer Maps