

# 2023 ANNUAL REPORT DOWNTOWN DEVELOPMENT



610 Jerry St.  
**The View at Castle Rock**  
 241,870 SF. This 6 Story mixed use building includes 218 for-rent apartments, 14,300 SF of office space and 5,000 SF of retail space. The project will include 429 parking spaces (100 public parking spaces).  
*DDA Project - Under Construction in 2023*

611 Wilcox St.  
**The Silo**  
*DDA Facade Grant - Completed in 2023*



415 Perry St.  
**City Hotel**  
 22,000 SF. This project seeks to preserve the oldest building in Castle Rock and construct a 24 room boutique hotel on the same site. The project will include a lounge in the historic building, a rooftop bar in the new building and first floor commercial.  
*DDA Project - Approved (Town Council presentation planned for '24)*



221 Wilcox St.  
**221 Wilcox St**  
 66,000 SF. This 5 story mixed use building will include 28 residential units, 11,257 of office space and 8,353 SF of first floor retail/restaurant space.  
*DDA Project - Under Construction in 2023*

421 Wilcox St.  
**Castle Cafe / Bien Y Tu**  
*DDA Facade Grant - Under Construction in 2024*

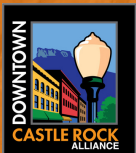


210 Third St.  
**Scileppis At The Old Stone Church**  
 This adaptive re-use project will add a 4,000 SF addition to one of the oldest buildings in Castle Rock. The construction will add a new kitchen, pizzeria and patio space, as well as a 2,500 SF basement.  
*DDA Downtown Enhancement Grant - Extension Approved & Under Construction in 2023*

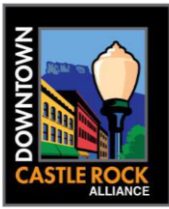
420 Jerry St.  
**Chamber of Commerce Historic Victoria's House**  
*DDA Facade Grant - Completed in 2023*



100 S. Wilcox St.  
**Philip and Jerry Miller Library Expansion**  
 662,800 SF. This expansion replaces a 45,000 SF library built in an old Safeway Grocery Store. The new library includes space for youth, retreat space for work, event halls, conference rooms and the Douglas County History & Archive Center.  
*Ancillary Project - Completed in 2023*







## Castle Rock Downtown Alliance

*A partnership between the Downtown Development Authority and Downtown Merchants Association*

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### **Downtown Development Authority Annual Report to Town Council 2023**

#### **Background**

The Castle Rock Downtown Alliance is a partnership between the Downtown Merchants Association and Downtown Development Authority. This partnership unifies the Downtown organizations under one roof. The two organizations share one office and one staff helping to further the collective vision of a vibrant and prosperous Downtown.

The **Downtown Development Authority (DDA)** is a governmental entity that functions as an extension of the Town guided by a seven-member board that is appointed by Town Council. The DDA is charged with furthering development and place-making in Downtown Castle Rock using Tax Increment Financing (TIF) and is guided by a Plan of Development. The Plan of Development provides guidance from Town Council on the mission of the DDA and encourages the DDA to pursue “development projects” which include projects to beautify Downtown, increase commerce in Downtown and development projects which impact the experience in Downtown Castle Rock in a positive way.

#### **Report**

In the first half of 2023, staff received unsolicited positive feedback about how exciting Downtown Castle Rock has become from several residents. Additionally, surrounding communities have reached out to openly express envy and inquire as to how to replicate our vibrant Downtown in their community. While change can cause challenges, the positive feedback, and the volume of people in Downtown this year indicates strong support for what Downtown Castle Rock has become.

Another topic of Downtown in the first half of the year was the weather. The year (2023) started off with a historically cold and snowy winter, impacting retail and restaurant traffic. One local business owner noted 4 weekends in a row where cold, snowy weather arrived at the start of the weekend, keeping people from going out. As we moved into spring and summer, it was noted by the local news that it was the rainiest June in 58 years. Despite a cold start to 2023 and a rainy spring and early summer, many businesses reported having full patios and exceptional foot traffic in late summer. Unfortunately, many of the remaining holiday weekends throughout the year experienced bad weather that kept people home, including the weekends of Halloween, Thanksgiving, Black Friday, Small Business Saturday and between Christmas and New Year’s Eve.

On a broader level, many went into 2023 with fears and expectations for a slowdown or even a recession, and it is positive that the overall economy in the U.S. and State of Colorado appears to have avoided both. At the end of 2023, many economic forecasters were pointing to mixed signals. Both U.S. and Colorado GDP increased year-over-year, interest rates began to come down but are still high compared to recent years, and inflation had impacted consumer spending in 2023. All things considered, this year appears to have outperformed expectations.

As 2023 is wrapped up, the DDA is excited about several notable projects currently proposed or under construction including:

- The proposed City Hotel project, preserving the oldest building in Castle Rock as well as bringing a high-end lounge and boutique hotel.
- The View project, currently under construction, will bring 100 public parking spaces to the north end of Downtown.
- The recent partnership between the Town and Douglas County School District, which will bring another 55 public parking spaces to the north end of Downtown.
- The newly opened Philip and Jerry Miller Library in Downtown, which has added new parking with 218 parking spaces, containing an additional 85 parking spaces over the previous library parking lot.
- The opening of an expanded patio at Castle Café and the proposed expansion at Scileppi's.
- As well as two new dining establishments including the Courtyard Social and Snarf's Sandwich Shop that opened earlier in 2023.

This report documents many of the efforts, programs, and projects that the Downtown Development Authority has worked on this year in pursuit of creating and maintaining an active and vibrant Downtown.

### **Downtown Projects and Programs**

The following section of this report provides information on DDA projects and programs.

#### *Façade Improvement Program*

The DDA actively encourages private sector partners to utilize the Façade Improvement Grant Program. This program encourages Downtown business and property owners to renovate facades to improve the overall appearance of Downtown Castle Rock. While the Town code does not require that facades in Downtown Castle Rock have a specific appearance, the DDA Façade Improvement Program encourages attractive façades that fit with historic architecture and bring a quality look to Downtown.

The DDA did not receive an application for a Façade Grant in 2023, however a few projects that had applied to the program in 2022 concluded in 2023.

- In March of 2022, a façade grant request was introduced to the DDA Board for 611 Wilcox Street, known as The Silo (formerly Victorian Center). This project proposed updated paint on all 4 sides of the building, new signage, a new black asphalt shingle roof, updated lighting, removal of current railing and updated paint on the portion of the railing that will remain, new paint for all tenant doors and trim, and updated tenant address letters. The DDA Board voted to support the façade grant financially with up to \$1,000 for design and \$5,000 for construction. The project was completed 2023 and the ownership of the project submitted final documentation and received façade grant dollars in September 2023.
- In June of 2022, the DDA received a façade grant application for historic Castle Café / Next Door Bar, located at 403 Wilcox Street. This application proposes to make improvements to the space directly adjacent to 217 4<sup>th</sup> Street on the west side of the restaurant by adding an outdoor dining patio to service customers of a new restaurant concept replacing the Next Door Bar. The patio will add a unique addition to Downtown Castle Rock in the breezeway space that was unsightly and more importantly, unused. The new patio will feature an outdoor fireplace and lounge area that will feature hanging chairs along with table service seating for 30 guests. Materials will include stucco, stonework, pavers, entry and exit doors along with a wooden pergola. The DDA Board voted to approve the façade grant application with up to \$1,000 for

design and \$5,000 for construction. Once construction began, flaws in the west facing exterior wall were discovered requiring the vines to be pulled back. With the now exposed concrete block wall the property owner opted to treat the wall with a large mural to complement the patio. Although not part of the façade grant, the mural is a nice complement to the patio. Construction on the patio and restaurant space is mostly complete and is expected to conclude by spring 2024.

- In August of 2022, the DDA received a façade grant from the Castle Rock Chamber of Commerce/Chamber Foundation for their historic property at 420 Jerry Street also known as Victoria’s House. The application proposed updates to the façade including the replacement of the siding and painting the façade white, which is believed to be the original color of the house when it was built in 1889. The exterior improvements will include updating the cedar siding, cedar shake for the upper level, and lap wood siding following the goal to have a historic restoration of a historic building. The DDA Board voted to support the facade grant with up to \$5,000 for construction. The project was completed in early 2023 and in April, the DDA Board approved grant funds to be distributed to the Castle Rock Chamber Foundation.

The DDA also offers a Micro Façade Grant Program that provides a reimbursement award of up to \$1,000 for small businesses. The Micro Grant Program was designed to provide a streamlined process for smaller improvements. For example, the program may eliminate more complex application requirements such as elevations/renderings, Design Review Board approval, etc., depending on the scope of the desired work. No Micro Façade Grant Applications were received in 2023.

#### *Downtown Enhancement Grant Program*

In the fall of 2022, the DDA Board and Town Council approved the Downtown Enhancement Grant Program which is designed to enhance the environment and public experience in Downtown Castle Rock by encouraging and supporting investment in small scale development projects including façade improvements, expansions, additions, alleyway investments and adaptive reuse projects. Often smaller scale developments contribute to the preservation of character and history with the reuse and/or expansion of buildings, and this program is designed to encourage these types of investments. Two of the Façade Improvement Program Grant applicants that had applied in 2022 re-applied for the Downtown Enhancement Grant Program once the program launched. An update for each of those projects is included below:

- In November of 2022, the Perry Street Social District proposed at 404 Perry Street, formally applied for the Downtown Enhancement Grant. The project was proposed to consist of multiple phases, which would include the redevelopment and reuse of the three existing buildings on site. The redevelopment of the site was originally proposed to include a redesigned building on the north side of the block which will house a taphouse/restaurant paying homage to Castle Rock history, a redevelopment of the SE corner of the property to include a modern shipping container structure with a second floor patio, and an adaptive reuse of the Whittier House to remove the non-historic addition and transform it into a small bistro/deli concept. In November of 2022, the DDA Board approved a grant of up to \$50,000 to be paid upon completion of the project. In the first half of 2023, the project went through a change in ownership structure and began on site preparation/demo. In addition, the project owners expressed a desire to make changes to the plans for the white canopy in the center of the project. In order to make those changes, the Perry Street Social District ownership made the remaining payments to the DDA to complete ownership transfer from the DDA to Perry Street Social District. The white canopy was

ultimately removed by Perry Street Social District to make additional space for the proposed site changes.

The Enhancement Grant Program requires that the applicant receive a building permit within one year of the approval date of the grant in order to encourage projects receiving grant dollars to make progress toward the completion of the project. In November of 2023, the ownership of Perry Street Social District was notified that their Enhancement Grant had expired due to a building permit having not been issued within the one-year requirement. Staff encouraged the project ownership to reach out should there be interest in re-applying to the program in the future.

- The second application for an Enhancement Grant was received in December 2022 for a project proposed at Scileppi's at the Old Stone Church for the property at 210 Third Street. This project consists of a 4,000 SF addition to the east side of the existing restaurant that will include a new kitchen and pizzeria as well as a 2,500 SF basement. As previously reported, the expansion will allow for an additional outdoor patio for dining that will be a highlight of the property. New masonry, ornamental metal and wood details on the façade will complement the historic stone church. The DDA Board unanimously supported the project and approved a grant of up to \$50,000 to be paid upon completion of the project.

In November 2023, ownership of Scileppi's reached out to DDA Staff requesting an extension of their agreement that would have expired in December 2023. Project ownership had been working diligently with the Town of Castle Rock Development Services team, and the project general contractor, to complete the documents and approvals needed for the project to continue to move forward. There were a handful of delays that kept the project from receiving the building permit within the one-year deadline. DDA Staff contacted Town Legal to draft an amendment to the agreement allowing for an additional four months for the building permit to be obtained, giving the project until April 8, 2024, to obtain the permit. The DDA Board unanimously approved the extension during the November Board Meeting. Fortunately, shortly after the approval of the extension, the project received its building permit and construction is underway.

#### *Flowerbox Program*

The DDA flowerbox program aims to add to the sense of small-town charm and enhance the look and feel of the Downtown streetscape. Efforts such as this have been shown to have an impact on business success and economic activity. This program does not use any Town General Fund tax dollars and is paid for through DDA Funds, private businesses, and property owners. The DDA coordinates the pickup and delivery of all flower boxes with Town Staff.

For the 2023 season, the DDA partnered again with Tagawa Gardens for the planting of all flower boxes. Tagawa Gardens proved to be a reliable partner over the last 3 years, and they plant many of the boxes from seed in March at their greenhouse so that the boxes will be in full bloom at delivery in May. A total of 41 businesses ordered boxes, with 8 small boxes, 90 medium and 48 large boxes rented. Flower boxes are also placed around 7 Downtown patios to provide beautification and protection around the patios. The DDA also offered watering service for the flower boxes to businesses who opted into the service. Watering service was provided to 20 businesses.

The boxes were replanted for fall with fresh plants in September just in time for Oktoberfest and again for the holidays in November just before Starlighting. Due to a shortage of evergreen boughs which increased their price and decreased their availability, holiday decorations were changed this year. Tagawa changed the holiday design to fill the flowerboxes with decorated, wooden boxes that looked like holiday presents. This design worked very well and can be reused in following years.

### *Patio Program*

Before the DDA was created, the Town, in partnership with several interested business owners, brought in Walkable Communities Inc. to evaluate Downtown Castle Rock. This organization provided guidance to the group on building a thriving downtown which was built on years of research and studies conducted by Walkable Communities Inc. One of the recommendations from this exercise was to invest in the infrastructure of wider sidewalks to encourage pedestrian activity with street-side patios. Using this research, the DDA designed a way to construct temporary street-side patios similar to those utilized by other neighboring communities.

This now long-standing program has continued to have great success in Downtown Castle Rock. The program allows restaurants to utilize sidewalk and street space for additional dining options which has increased the vibrancy and interest for pedestrian activity. Following the COVID-19 pandemic and in response to positive feedback for patios to remain year-round, modifications were made to the program to allow for outdoor patios to remain in place year-round and encroachment agreements as well as liquor licensing automatically renews. This change eliminates unnecessary DDA and Town Staff time to renew agreements and documentation each year and saves the business owners filing fees at both the Town and State, saving as much as \$600+ a year for each business.

In 2022, the DDA made significant investment and upgrades to DDA Patios. In front of Castle Café and the B&B Café, new concrete was poured to widen the sidewalk, which created a safer sidewalk and allowed patio use of the new space. This investment is a realization of a long held goal for the DDA and Town of Castle Rock for wider sidewalks. In front of Z'Abbracci's and Provision, a new concrete paver system for the sidewalk/patio space was installed in 2022 as well.

In 2023, Public Works and the DDA shared expenses to install new concrete curb and bump out improvements at the intersection of 4<sup>th</sup> and Jerry Street. This work provides traffic safety requirements needed at this intersection and will also provide right-of-way space that can be used by Angie's Café as a patio that is permanent in nature. The brick/paver inlay design at this intersection matches the bump out at the mid-block of Wilcox between 3<sup>rd</sup> and 4<sup>th</sup> as well as the bump outs at Town Hall and follows the recommendations in the Downtown Streetscape Palette.

Two of the wood patios remain downtown, one at Crowfoot Valley Coffee, and the other at Scileppi's, which will likely be upgraded once the restaurant expansion is complete. Castle Rock Bike & Ski's patio has been removed as the business has relocated to a different location where the patio is not needed.

In many cases, a summer visitor to Castle Rock may spend the majority of their time in Castle Rock on a Downtown patio, and their impression of the health of Downtown Castle Rock, will in part be based on this experience. These investments are just a small part of being a world class community and contribute to the experience of visitors and the strength of the local economy.

Several years ago, staff began tracking the addition of private outdoor dining options in Downtown. This effort was done to gauge the popularity of the DDA patio program and as a metric of a healthy economy. The growth of patios since then has been outstanding. Since 2022, two more outdoor dining

options have been added to the list, including Courtyard Social and Snarf's Sandwich Shop, and just since July of 2023 two more patio expansions are under construction including the new patio at Bien Y Tu (formerly The Next Door Bar) and construction for a patio expansion at Scileppi's. The full list of outdoor patios includes Z'Abbracci's (major upgrade in '22), Angie's (major upgrade in '23), Wild Blue Yonder, Castle Café (major upgrade in '22), B&B café (major upgrade in '22), The Office, The Backyard/Battle Mountain Brewery, Union Bistro, Vista Vino, Iron Mule, Ecclesia, Great Divide Brewery and Roadhouse, Glacier Ice Cream, Sugar Spoon, Tribe, Dos Santos, Block and Bottle, and B's Craft Deli. Roughly 9 years ago, only about a fifth of these patio options existed and many of the restaurants and the actual restaurant space did not exist.

### *Downtown Engagement*

The Downtown Alliance often acts as the 'voice of Downtown.' Staff spends time to meet one on one with Downtown businesses, property owners and residents to provide information about what is going on in Downtown and collect feedback in order to represent the Downtown business perspective to Town Staff, and facilitate important conversations with Town Staff. These meetings are often used for things like snow and ice mitigation, Town Right of Way concerns, etc.

Staff also shares information on Downtown programs, such as the Flowerbox Program, Façade Improvement Grant Program, Downtown Enhancement Program and Patio Program, as well as information about DDA initiatives such as development projects, parking, and Town initiatives.

In addition to one-on-one meetings with the community, staff often visits interested groups and organization to present information and collect feedback about Downtown, or provides support letters representing the Downtown perspective:

In January, Downtown Alliance and EDC staff provided a presentation to the Castle Rock Chamber of Commerce about what is going on in Downtown Castle Rock, and about future plans for Downtown.

In February, the Downtown Alliance provided another letter of support for the Crystal Valley interchange to support federal funding from the U.S. Department of Transportation.

In June, the Downtown Alliance provided a letter of recommendation for the Castle Rock Police Department to be selected for Georgetown Law's Active Bystander for Law Enforcement (ABLE) project.

In July, the Downtown Alliance provided a memo to Town Council to express support for a partnership between Douglas County School District (DCSD) and the Town of Castle Rock to provide additional public parking in Downtown Castle Rock at the DCSD Parking Lot at 620 Wilcox Street.

In October, the Downtown Alliance participated in the Assistant Fire Marshall interviews held at the Town of Castle Rock Fire Department Headquarters.

### *Banner Program*

The Castle Rock DDA Light Pole Banner Program uses decorative banners to publicize special events and enhance the streetscape by adding color and vitality to Downtown. In the Spring/Summer season, colorful Spring/Summer banners were hung lining the streets of Downtown. As the weather got colder and before thousands of visitors were in Downtown Castle Rock for the annual Starlighting Ceremony, Winter/Holiday themed banners were installed. Over the summer, on the Town of Castle Rock social media, the program was highlighted in the Our Town Over Time segment as turning 15 years old.

### *Parking*

The Parking Committee meets quarterly to discuss the management, maintenance and operations of downtown parking including community policing, parking sign policies as well as use and allocation of parking spaces. The committee makes strategic decisions to create a positive experience for downtown customers. Policies, discussions, and changes enacted in 2023 include:

- Consideration of a request to add (2) 15-minute loading zones on 4<sup>th</sup> Street, and to change from all-day parking to 2-hour parking in the Town-owned lot south of 4<sup>th</sup> Street along the railroad tracks behind the 390 Perry Street building. The committee recommended moving forward with an additional 15-minute loading zone space in the east lot behind the building and not advancing the additional changes requested at that time. This change was made, and appropriate signage installed by the Town in August.
- Consideration of a request to remove the 2-hour parking restriction on the east side of Jerry Street, north of 6<sup>th</sup> street. The committee did not recommend this change to Jerry Street at this time due to the transitional nature of parking at this location and the expected additional parking that is to be constructed by the View Project.

### *Trolley Rides*

Back by popular demand, the DDA once again provided free Trolley rides in Downtown Castle Rock in both the summer and winter months from 5:00-7:00 pm. The enjoyable 10-minute trip takes riders from the Encore Parking Garage and travels north on Wilcox to the Douglas County School District Administration building parking lot and then back down south on Perry Street to the Encore Parking Garage. Over the summer, the Trolley ran Tuesday and Friday evenings in July and was enjoyed by 493 riders, an average of 70 per night. During the winter months, the trolley ran on Monday and Tuesdays in November and December following Starlighting. The holiday lights were enjoyed by 692 riders this year, a nightly average of 62 riders. The ridership seen by this program has demonstrated that this is a simple attraction that the community appreciates.

### *Development Projects*

In partnership with the Town of Castle Rock and the Castle Rock EDC, several development projects have been negotiated with the private sector, with the goal to encourage mixed use projects that follow good planning policies, contribute to vibrancy, and create a stronger economy for Downtown small businesses, as well as Castle Rock as a whole:

#### The View at Castle Rock – 610 Jerry Street

The View project was introduced to the DDA Board and Town Council in 2020. The project held 4 neighborhood meetings and in April of 2021 the project was presented to the Town Council who approved a redevelopment agreement for the project. The project will build 221 apartments, 14,250SF of office space and 5,000SF of restaurant space. The project will construct 399 parking spaces in the building and the Town of Castle Rock will own 100 of the 399 spaces for public parking, which will be purchased by the DDA Special Fund with the payment of project fees to the Town for the developer. There will also be 33 street parking spaces constructed where there are currently 22 spaces. This project represents a significant, strategic investment in parking for the current and future parking needs of the community.

As we have learned with the previous projects in Downtown, and as demonstrated by redevelopment projects across the nation over the last 30 years, vibrancy comes from people. People that work in a downtown during the day and live, dine, shop, and find entertainment in a downtown during the evening and weekend make a downtown successful. This project has the ability to strengthen the



Downtown economy in a major way and staff is optimistic for the progress of this project. This project was allowed by code without DDA involvement, however with DDA involvement, first floor retail, additional office space and 100 public parking spaces were required to be built in the project.

The extreme winter and spring weather at the start of 2023, along with onsite complexities and supply chain delays, put this project behind schedule. The DDA and Town Council approved an extension in June and July of 2023, to the requirements in the redevelopment agreement for project completion. The extension that was approved in 2023 requires the project to receive a Certificate of Occupancy by December 31, 2024, however construction is expected to be completed earlier in 2024.

### 221 Wilcox Street

In 2015, Niebur Development purchased the property at 221 Wilcox St. and proposed a mixed-use project at the site. They evaluated potential projects ranging from 3-5 stories, and the need for parking associated with its likely tenants. A redevelopment agreement, which has since expired, for a 5-story project was approved by the DDA Board and Town Council which provided assistance for some of the fees, and a share back with some of the property and sales tax that would be generated by the project. Ultimately, Niebur Development was unable to make this project work, due to several challenges including the inability to provide parking at a reasonable cost. Niebur Development came back to the DDA Board and proposed an idea to add a floor to the then current 1 story building with a plan to utilize the boarded-up drive through for a quick serve / fast food tenant. This concept was not supported by the DDA Board.

In 2016, Confluence Companies purchased the 221 Wilcox Street site from Niebur Development to protect their investment at Riverwalk after hearing about the proposed two-story renovation of the existing building with use of a drive through. Confluence Companies introduced a project in February of 2018 to the DDA Board proposing a mixed-use project at the site. A hotel was also considered and evaluated for this location. As Confluence evaluated the potential of the site, opportunity with the Encore project down the street was identified and Confluence, in partnership with the Town and DDA, structured an agreement for the Encore project. Among many positive outcomes of this project, it allowed Town Staff to park at 221 Wilcox while Encore was built. Of note, when this partnership was created, the DDA, Town and developer discussed that the end goal for 221 Wilcox Street was not to remain as a parking lot.

Staff conversations at the end of 2021 included discussion of the code requirement to park residential units onsite, and about architecture that is a “fit” for this property. This led to an updated proposal from Confluence Companies in Q1 of 2022, which would park the residential space on site one floor below grade and would park the commercial components of the building in the extra spaces privately owned in the Riverwalk North building adjacent to the property with a shared alley. Architectural changes were made to the exterior design of the building incorporating some historical design features such as historical looking sills on the windows as requested by Town Council. In May of 2022, a proposed redevelopment agreement was presented to the DDA Board and was approved, and in June the agreement was presented to the Town Council and was approved. Construction began in the fall of 2022. Confluence, the Town and the DDA met to limit the number of closures of pedestrian walkways and ultimately Confluence poured a new sidewalk to serve pedestrians during construction.

At the end of 2023, the project held a topping out ceremony and began to focus on tenant improvements. The project expects to be completed by the end of the 2024 summer season.

### Perry Street Social District

In mid-2021, a redevelopment project at 404 Perry Street was first announced. This project, named the Perry Street Social District has proposed several redevelopment concepts for the 4 building structures originally onsite over the last 2 ½ years. The proposed concepts include redesign, redevelopment and adaptive reuse. As this project has progressed, the ownership has gone through several ownership structure changes. In addition, they have encountered several redevelopment challenges. These challenges include evaluation of their historic preservation plans for the historic buildings on site, how to reuse or remove existing structures, as well as designing plans for a modern container ship structure, and creating a design that meets building and fire code requirements cohesively.

It was identified in March of 2023 that the Perry Street Social District desired to pursue a design that included modification of the white Sprung Structure canopy onsite. This canopy structure was at that time owned by the DDA, who had an agreement in place with the project that allowed them to purchase the structure and make payments over 10 years. In June of 2023, the DDA and Perry Street Social District agreed to finalize the sale of the white Sprung Structure canopy for \$30,000. The completion of this sale gave full ownership to the Perry Street Social District and allows the DDA to get out of the way as the project ownership, architects and engineers design and redesign the site, specifically allowing them to pursue modification of the Sprung Structure.

The site originally consisted of 3 buildings and temporary canopy structure which included, the historic Whittier House at the corner of 4<sup>th</sup> and Perry Street, the concrete block building most recently housing Castle Rock Bike and Ski, a white Sprung Structure canopy, and a residence on the north side of the site. In 2023, the white Sprung Structure was deconstructed and the residence on the north side of the site was demolished. The project is currently evaluating the direction and next steps for this project.

### City Hotel

The historic City Hotel property at 415 Perry Street has been talked about for many years in Castle Rock. It is believed to be the oldest building in Castle Rock and is privately owned. This means that restoration of the historic structure is dependent on the owner of the property. So, when the private property owner expressed an interest in investing in the property, including restoring the historic structure, and adding a new boutique hotel building on the same site, there was excitement about the positive outcomes from this proposed project.

In December of 2022, the ownership of this project proposed a major investment in their property and introduced their concept to the DDA Board in a public meeting seeking assistance. At this meeting, staff was directed to work with the developer/property owner on the details of this project and come back to the DDA Board with an update on the progress of the project in 2023.

The proposed project plans to incorporate a food and beverage concept into a lobby area in the historic structure, as well as a rooftop bar on top of the new boutique hotel building. The project proposes some leasable retail space on the first floor of the new building, with a total of 24 hotel rooms above the first-floor commercial space. The new building is proposed as a 4-story building, with the 4<sup>th</sup> floor stepped back and not encompassing the full floor plate of the building. The 4<sup>th</sup> floor would house a rooftop bar and 4 of the 24 hotel units, and the building as introduced would have a total building height of 45 feet.

In 2023, DDA and Town Staff continued to work through challenges on this project, including solidifying a partnership with Douglas County School District (DCSD) in July of 2023, that would potentially allow the City Hotel to valet park in the DCSD lot.

In August of 2023, this project was brought back to the DDA Board as directed, and the DDA Board reviewed the proposed plan for this project, a proposed redevelopment agreement and a third-party analysis of the project pro forma and voted to support a proposed redevelopment agreement. At the end of the year, staff was working with the developer in preparation for submittal of their Site Development Plan for the project. A presentation to Town Council is expected for later in 2024.

#### Philip S Miller Library Expansion

Over the last 10 years, the Douglas County Libraries has invested in most of the libraries in their network including Highlands Ranch, Castle Pines, Lone Tree, Parker and Roxborough. One of the last libraries on this list that had not received new investment, was the Castle Rock Philip S. Miller Library.

On May 2, 2022, the Castle Rock Library broke ground on the construction of their new building in Downtown Castle Rock after nearly 3 years of discussions about design, location, function, and other details. This expansion replaces the previous 45,000 SF library built in an old Safeway Grocery Store and creates new vibrant spaces for youth, retreat spaces for work, event halls, conference rooms, huddle rooms and houses a new Douglas County History and Archive Center. This is exciting on many fronts. New downtown residents as well as long-term Castle Rock residents will have the opportunity to experience the new and improved library and amenities. The larger event halls and conference rooms are expected to be a draw bringing people Downtown, and the brand-new façade further demonstrates the momentum of investment into property in Downtown.

On August 26, 2023, the Library opened to the public, and on November 13, 2023, the new Castle Rock Library was named the Philip and Jerry Miller Library. As of the end of the year, the old library was demolished and a new parking lot with additional parking installed both to the benefit of the new library and adding to parking that can potentially serve visitors to Downtown Castle Rock during big events.

#### *Public Investment Infrastructure*

Castle Rock benefits from having a Downtown Development Authority in many ways. While having a set of staff and the financial tools to accomplish the many projects listed above, having a DDA and Statutorily authorized Special Fund can provide some relief to the Town General Fund on Downtown public investments. This frees up Town funds to be deployed to other priorities in Castle Rock. In recent years, the DDA has approved the use of funds from the DDA's Statutorily authorized Downtown Special Fund to support the following projects:

- **Roundabout at Wilcox and South Street:**  
In April of 2021, the DDA board voted to pay up to \$750,000 from the Downtown Special Fund for the roundabout at South and Wilcox Street.
- **Streetscape Palette Plan:**  
In April of 2021, the DDA board voted to pay up to \$15,000 from the Downtown Special Fund for a Streetscape Palette for Downtown Castle Rock to guide future decisions about streetscape materials.
- **Maintenance at the Encore Parking Garage:**  
In December of 2021, the DDA Board voted to approve using up to \$150,000 for Encore Garage Maintenance from the Downtown Special Fund.

- **Town Staff Support of Downtown Events:**  
In December of 2021, the DDA Board voted to use up to \$50,000 to support police, fire, and parks services at events in Downtown Castle Rock.
- **Quiet Zone:**  
In April of 2022, the DDA Board voted to pay up to \$900,000 out the Downtown Special Fund to implement a Train Horn Quiet Zone at the 3 crossings in Downtown Castle Rock.
- **Downtown Enhancement Grant:**  
As mentioned above, based on direction from the Town Council and the DDA Board this grant program was created in September of 2022. These funds are available to support smaller scale development projects.
- **Bump Outs at 4<sup>th</sup> and Jerry Street:**  
In May of 2023, the DDA Board voted to contribute up to \$56,000 (\$29,000 for patio / \$27,000 for upgraded hardscape treatment) for bump out traffic improvements proposed by Public Works at 4<sup>th</sup> and Jerry Street. This work replaced the DDA patio in front of Angie’s Café with a permanent concrete patio, and all bump outs installed at the intersection were upgraded to follow the signature brick/paver inlay treatment recommended in the recently completed Downtown Streetscape Palette.
- **Douglas County School District Parking Partnership:**  
In May of 2023, the DDA Board voted to support a partnership between the Town of Castle Rock and Douglas County School District (DCSD) to allow the Town to lease 55 public parking spaces from DCSD for public parking, and to support potential valet parking with the proposed City Hotel project. The Downtown Special Fund is planned to pay for the lease to DCSD at a price of \$50 per month per space for an annual payment of \$33,000 and additional costs for maintenance.

### **Summary**

There are many reasons for excitement in Downtown Castle Rock in 2023. Progress has been made towards several goals set by the Town Council, the DDA and community:

- A project was proposed to save the oldest building in Downtown with the City Hotel project, which works towards a goal of preserving history and character, something that has been more recently expressed by Town Council. This project will also add a small boutique hotel onsite, which is something that has been discussed as a goal for many years.
- A partnership was formed with Douglas County School District to lease 55 parking spaces for public parking, working towards a continued goal to be strategic about parking.
- The View project has made significant progress on their construction, and upon completion, will not only add 100 public parking spaces, but will add a daytime population of workers in the project’s office space. It is also likely that a restaurant tenant will occupy the first-floor retail space. Dining options help drive visits to Downtown which strengthens the Downtown economy.
- A brand-new Castle Rock Library opened in Downtown and was renamed the Philip and Jerry Miller Library. This new site layout places the building on Wilcox Street, completing the urban edge, walkable environment on Wilcox Street, and moves away from the previous strip mall design. The library also expands their square footage allowing for the continuation of using this Douglas County Library branch as the headquarters for administrative staff, and keeping a daytime population in Downtown, which are goals that the DDA communicated and hoped for

with new library investment. In addition, a new 218-space parking lot was installed behind the building following guidelines described in Town and DDA planning documents. The larger parking lot, increases capacity by 85 spaces over the prior library parking lot on the same site.

- Two new dining options with patios opened in 2023, including the Courtyard Social which utilizes one of the best patio spaces in Downtown Castle Rock, and Snarf's Sandwich Shop, which brings a proven Colorado deli concept to Downtown.
- Additionally, two new outdoor patios began construction, including the brand new patio construction at Bien Y Tu (formerly The Next Door Bar), and at the end of the year construction began at Scileppi's for a restaurant expansion and new patio.
- Staff is working with another historic property in Downtown that is exploring historic improvements and is expected to apply for a Façade Grant in the first part of 2024. Staff will continue to work with this property owner and hopefully will decide to invest in their property and apply for a grant.

Thank you for the continued partnership with the Town of Castle Rock.

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