

**RESOLUTION NO. 2022-\_\_**

**A RESOLUTION APPROVING THE DAWSON TRAILS RETAIL  
INFRASTRUCTURE ASSISTANCE AGREEMENT**

**WHEREAS**, Dawson Trails I, LLC, and Dawson Trails II, LLC, (collectively, the “Owner”) have obtained Town Council approval for the rezoning of all of the Dawson Ridge planned development, a 1,883-acre site located in the Town west of Interstate 25 and south of Territorial Road, and a portion of the Westfield Trade Center planned development, a 339-acre site located in the Town west of Interstate 25 and north of Territorial Road, as the new “Dawson Trails” planned development; and

**WHEREAS**, the planned development plan for Dawson Trails proposes the development of 5,850 dwelling units and approximately 3.2 million square feet of commercial, office, restaurant and industrial uses; and

**WHEREAS**, the Owner has reached an agreement in principle with Costco Wholesale Corporation (“Costco”) to provide a site in Dawson Trails for a new wholesale and retail general merchandise facility that will be owned, constructed, and operated by Costco (the “Project”); and

**WHEREAS**, Dawson Ridge Metropolitan District No. 1 (the “District”) is charged with the responsibility of providing public improvements for the use and benefit of the residents and taxpayers of the District, including Costco, as well as the general public; and

**WHEREAS**, for the purpose of paying a portion of the costs of acquiring, constructing, and installing certain public improvements, including certain public improvements for the Costco Project, it is anticipated that the District will issue its bonds pursuant to an Indenture of Trust between the District and a qualified trustee thereunder; and

**WHEREAS**, the Owner and the District are seeking economic development assistance from the Town to fund the public and private improvements necessary to support development of the Project in the form of a \$3,500,000 payment from the Town Economic Development Fund upon opening of the Project, and up to and including \$6,500,000 in incremental Town sales tax revenues generated from the first ten (10) years of operation of the Project; and

**WHEREAS**, the Town is willing to provide economic assistance for the Project, as the Project (i) conforms with the Town’s Comprehensive Master Plan, Economic Strategic Action Plan and Economic Development Assistance Policies, and (ii) meets the criteria for the dedication of incremental sales tax revenue under Section 3.04.025 of the Town Code; and

**WHEREAS**, operation of the Project will generate a significant increase in Town sales tax revenues and will provide a ready source of patronage to the other tax-generating businesses that are expected to locate within Dawson Trails, thereby providing the Town with a much-needed source of funding to provide municipal services, including police and fire protection, to its residents; and

**WHEREAS**, the Town, the Owner, and the District have agreed to the terms of the Dawson Trails Retail Infrastructure Assistance Agreement (the “Agreement”) which specifically provides that the economic assistance authorized under the Agreement is subject to future budgeting and appropriation of funds by the Town Council.

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

**Section 1. Approval.** The Dawson Trails Retail Infrastructure Assistance Agreement is hereby approved in substantially the same form attached as ***Exhibit 1***, with such technical changes, additions, modifications, or deletions 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 by and on behalf of the Town.

**PASSED, APPROVED AND ADOPTED** this 6th day of September, 2022, 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