

**THIRD AMENDMENT TO THE VIEW AT CASTLE ROCK
REDEVELOPMENT AND FINANCING AGREEMENT**

DATE: _____, 2024.

PARTIES: **TOWN OF CASTLE ROCK**, a home rule municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (“Town”).

CASTLE ROCK DOWNTOWN DEVELOPMENT AUTHORITY, a downtown development authority duly organized and existing under Part 8 of Article 25, Title 31, C.R.S., 18 South Wilcox Street, Suite 202, Castle Rock, Colorado 80104 (“DDA”).

CASTLE ROCK VIEW INVESTORS, LLC, a Kansas limited liability company (“CRVI”), and successor in interest to **CASTLE ROCK DEVELOPMENT, LLC**, a Colorado limited liability company (“CRD”), 901 New Hampshire Street, Suite 201, Lawrence, KS 66044.

RECITALS:

A. CRVI proposes to redevelop property within downtown Castle Rock (the “Downtown”) into a mixed-use (for-rent residential and commercial space) project, which project includes a 399-space parking garage that will provide parking for the Project as well as parking for the general use and convenience of the public (the “Project”).

B. The Project furthers several of the core priorities for Downtown redevelopment outlined in the 2008 Plan of Development for the DDA, including more intensive physical development at an urban scale encompassing employment, retail, restaurants, entertainment, parking and additional options for Downtown residents.

C. Accordingly, the Town, DDA, and CRVI’s predecessor in interest, CRD, have entered into the View at Castle Rock Redevelopment and Financing Agreement, dated April 20, 2021, for the purpose of providing financial incentives for the construction of the Project (the “RDA”).

D. Section 2.12 of the RDA originally required CRD to obtain from the Town a structural building permit by June 30, 2021, and a certificate of occupancy for the first residential unit by August 1, 2023. The RDA also included a provision allowing a six-month extension for good cause upon written notice from the Town Manager.

E. On June 28, 2021, CRD requested and was granted the six-month extension (until December 30, 2021) to the structural building permit issuance benchmark. Such extension was made necessary because of a redesign of significant building structural systems due to volatile construction pricing conditions over the past year caused by unexpected supply chain interruptions.

F. On December 21, 2021, CRD requested and was granted a four-month extension to the structural building permit benchmark and a nine-month extension to the certificate of occupancy benchmark, again due to volatile construction pricing conditions over the past year caused by unexpected supply chain interruptions. These changes were formalized in the first amendment to the RDA (the "First Amendment").

G. On July 18, 2023, CRVI, as successor in interest to CRD, requested and was granted an additional extension of eight months for the certificate of occupancy benchmark. These changes were formalized in the second amendment to the RDA (the "Second Amendment").

H. Recently, CRVI has requested an additional extension of six months for the certificate of occupancy benchmark as a result of the following circumstances:

- (i) Concrete Delays: Strength reports from special inspections revealed low break strengths during the pouring of concrete in the podium garage, causing delays in the completion of concrete work;
- (ii) Framing Delays: Framing was completed three months behind schedule;
- (iii) Inspection Issues: The Project failed several inspections, including those related to roofing and flooring, leading to further Project delays;
- (iv) Manpower Challenges: High employee turnover and a shortage of skilled labor across the region have consistently slowed progress of the Project;
- (v) Fire Sprinkler Installation: Fire sprinkler main lines in the southern half corridors were improperly hung from the drywall instead of the structure, leading to corrective work. Also, the fire sprinkler contractor pulled out of the market, requiring the hiring of a new contractor mid-Project;
- (vi) New Drywall Crew: A new drywall crew had to be hired and brought in mid-project, due to slow progress by the previous crew;
- (vii) Unit-Specific Issues: The fire-rated demising walls within the loft units were constructed differently than specified in the plans, compromising the fire rating. Also, the framing subcontractor deviated from the structural plans by allowing the truss design to penetrate the wall, further affecting the fire integrity; and
- (viii) Project Coordination: A complete Project reset was required to align all Project teams and ensure consistent workflow.

I. Pursuant to Section 6.07 of the Agreement, all changes to the Agreement must be in writing in order to be mutually effective and binding upon the parties and their successors, thus prompting this Third Amendment.

NOW, THEREFORE, in consideration of these mutual promises, the parties agree and covenant as follows:

Section 1. Amendment. Section 2.12 of the RDA is amended in its entirety to read as follows:

2.12 Project Completion. Timely completion of the entire Project is required in order that the Project generates the incremental revenues allocated to the Parties as provided in this

Agreement. Accordingly, CRVI shall complete the Project in accordance with the following benchmarks:

Project Structural Building Permit issuance	April 30, 2022
Certificate of Occupancy for first Residential Unit(s)	June 30, 2025

Section 2. Ratification. In all other respects, the RDA, as amended by the First and Second Amendment, shall remain in full force and effect.

Section 3. Recordation. Pursuant to the requirements of Section 6.20 of the RDA, this Third Amendment shall be recorded in the public records of Douglas County, Colorado.

(Signature pages to follow)

TOWN:

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Michael Hyman, Town Attorney

David L. Corliss, Town Manager

DDA:

ATTEST:

**CASTLE ROCK DOWNTOWN
DEVELOPMENT AUTHORITY**

John Manka, Secretary

Stu Butler, Chair

Approved as to form:

Corey Hoffmann, General Counsel

CRVI:

Castle Rock View Investors, LLC,
a Kansas limited liability company

By: Its Managers

BK Properties, LLC,
a Missouri limited liability company

By: _____
Kenneth G. Block, as Trustee of the
Kenneth G. Block Trust, dated
January 11, 1991, as amended,
Sole Member and Manager

Castle Rock Development, LLC,
a Colorado limited liability company

By: _____
Jason Swords, Manager

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by Kenneth G. Block, Trustee of the Kenneth G. Block Trust, as co-Manager for Castle Rock View Investors, LLC, a Kansas limited liability company.

Witness my official hand and seal.
My commission expires: _____

[S E A L]

Notary Public

STATE OF _____)
) **ss.**
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by Jason Swords, Manager of Castle Rock Development, LLC, as co-Manager for Castle Rock View Investors, LLC, a Kansas limited liability company.

Witness my official hand and seal.
My commission expires: _____

[S E A L]

Notary Public