



MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services
Sandy Vossler, Senior Planner, Development Services

Title: Promenade at Castle Rock - 2021 Development Update

Executive Summary

Introduction

The Promenade at Castle Rock (Promenade) Planned Development (PD) zoning and development plan, were approved by Town Council in March 2015. Staff has periodically provided Town Council with updates on the progress of development, slate of tenants, and major openings. The purpose of this report is to provide the current Council members and the public a summary of the Promenade project vision and zoning entitlements, and to detail development that has occurred from 2015 through January 2021. (Attachment A).

This report begins with a brief overview of the ownership, zoning and development history of the property. The current zoning regulations, vision and design theme are described to provide a context for the different character areas of the project and the types of commercial and retail uses they have attached. Briefly discussed is a comparison between permitted uses and types of business models. Finally, the build out of the project is represented by the gross leasable area (GLA) of commercial and retail development that has been constructed and identifies the 70-plus businesses that have opened their doors at the Promenade at Castle Rock.

Background

Castle Pines Commercial becomes Promenade at Castle Rock

In 1987 the Town of Castle Rock annexed two parcels of land north of downtown, located adjacent to Interstate 25 (I-25) and totaling about 420 acres. The property was zoned as Castle Pines Commercial (CPC) Planned Development. CPC was situated at a prime commercial location between I-25 and State Highway 85, and soon to be constructed Meadows Parkway. To capitalize on the high-traffic, high-visibility location the property was zoned to allow a wide range of business uses such as auto sales and services, clinics, financial institutions, health services, light industrial, office, multifamily residential restaurants and retail.

Many amendments were made to the CPC PD over time. The 2000 CPC PD Amendment allowed 1,580,000 square feet (sf.) of office/commercial, this is in addition to the 480,000 sf. already developed as the Outlets at Castle Rock, 500 hotel rooms, 80 nursing beds and 1,550 multi-family dwelling units (du.). The maximum building coverage per lot was 35% and the maximum height was 50 feet, or 75 feet, if approved by Town Council. See Table 1 of this report for a comparison of CPC and Promenade development standards. Development under the CPC PD included the Outlets at Castle Rock, 750 multifamily units at the Pines Apartments and Condominiums, Primrose School and Lowe's.

Alberta Development Partners, LLC purchased the undeveloped parcels of CPC PD and applied to rezone most, but not all, of the property they acquired. In March 2015 Town Council approved the Major Planned Development Amendment creating the Promenade at Castle Rock Planned Development, encompassing about 166 acres previously zoned as CPC Integrated Business.

The Promenade zoning maintained a mix of commercial, office, restaurant and multifamily residential uses, but eliminated the more intensive business uses such as light industrial, warehousing and research and development labs. The maximum allowable square footage of commercial/office/retail development was significantly reduced from 1,580,000 sf to 1,000,000 sf. The remaining 800 multifamily units was reduced to 360 and the maximum building coverage was reduced to 25% of the lot. The maximum building height remained 50 feet, and 75 feet as a use by special review.

	Castle Pines Commercial PD	Promenade at Castle Rock PD
Commercial/Office/Retail SF	1,580,000 sf	1,000,000 sf
Multifamily Units	1,550 (800 remaining)	360
Maximum Building Coverage	35%	25%
Maximum Height by Right	50 feet	50 feet
Maximum Height UBSR	75 feet	75 feet

Table 1: Development Standards Comparison

Promenade at Castle Rock Vision and Design Theme

Before moving onto a discussion of the Promenade vision and design theme, it is worth pausing to contrast the differences between zoning and design, between uses and business models and between standards and guidelines. The Promenade PD Plan (PDP) and PD Zoning are codified regulations that were approved by Town Council in 2015 (Attachment B). The PDP and PD Zoning regulations specify general categories of uses that are permitted, such as retail or restaurant, and establish development standards, such as maximum square footages and the number of residential units. Zoning creates the regulatory framework that is intended to attract the uses desired by the developer and the Town.

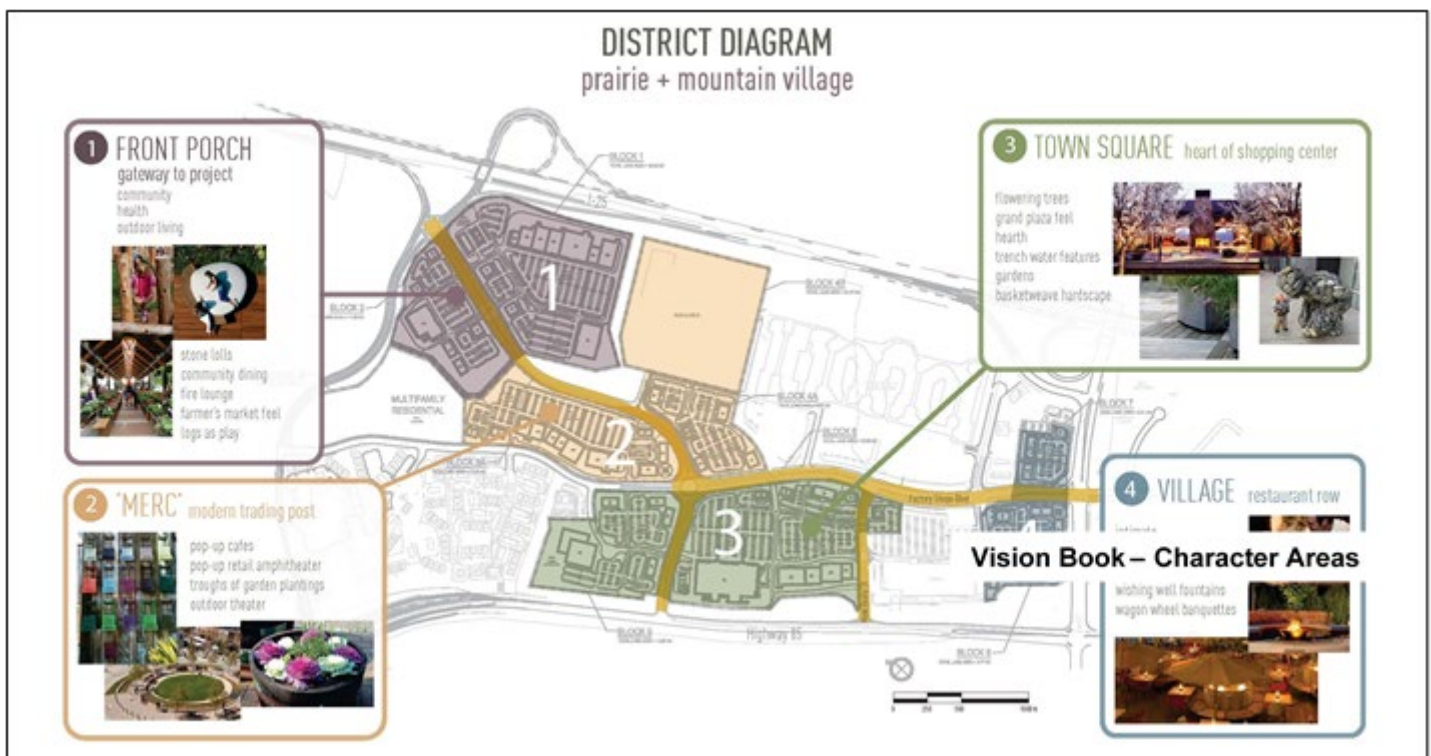
It is important to note that the Promenade zoning regulations do not specify the type of business model allowed or prohibited, such as high-end or exclusive, as opposed to commodity or low-cost, nor do the regulations name businesses that are allowed or prohibited. The type of business model attracted to a location is driven by the local and regional, and sometimes the national market.

The Promenade PD Zoning regulations also include Architectural Design Guidelines and Standards (Guidelines and Standards), which establish the framework for where types of businesses will be located and how the buildings and landscaping will look, in order to achieve the overall development theme (Attachment B – Appendix A). Standards are criteria that must be met, guidelines are encouraged to be incorporated to achieve the standards. In addition, to the Zoning and the Guidelines and Standards, the Promenade Vision Book (Vision Book) is a collection of drawings and photographs that illustrate design concepts that represent the ideas and elements described in the zoning and architectural documents (Attachment C).

Design Theme

The overall theme of the Promenade at Castle Rock is that of the open prairie and a mountain village. This is described in the architectural document as a contemporary rustic style with simple designs highlighted by light and transparency. Use of local materials such as wood, metal and stone combine to create the rustic look, while large storefront windows, covered by various overhangs and awnings give nod to a porch concept. The PD Zoning and the Guidelines and Standards combine to promote this theme in terms of the aesthetics of the project.

As already discussed, the Zoning regulations list the types of uses that are allowed and prescriptive heights and coverages. It is the Guidelines and Standards however that establish prescriptive design requirements, such as roofline variation and four-sided building design. It is also the Guidelines and Standards that establish four districts that serve to generally group types and sizes of use. The four districts are identified as the High Visibility Village, the Large Format/Value Retail, the collection of Pad Sites and Stand-Alone Tenants, and the Residential district. Locations of these districts and of planned outdoor public spaces or signature elements are shown on the aerial maps included in the Guidelines and Standards, see Attachment B – Appendix A, Exhibits A-1 through A-4.



The Vision Book further describes these areas as character areas for the purpose of classifying the design elements reflected within the book (see illustration on previous page). The character areas are described as The Front Porch District, Mercantile District, Town Square District and Village District. Public spaces are illustrated as outside dining areas with raised planters and potted plants, benches, tables with colorful umbrellas as well as common areas with native plantings, log or brick benches, picnic tables, lawns for sitting and taking in the views or space for programmed events. The Vision Book does not contain prescriptive standards; it is used by the Town in the review of site and building design.

Alberta Development through January 2021

Alberta projected a three to five-year buildout period. Construction of Promenade Parkway and other infrastructure, as well as the first commercial sites, began in 2016. Through the end of January 2021, Alberta has developed, and received approval for occupancy (Certificates of Occupancy or CO) for approximately 759,782 square feet of gross leasable area (GLA) and 312 multi-family units within the Promenade PD.

As noted, Alberta did not rezone the entirety of the CPC property. The distinction is that blocks where development had already occurred, such as Lowe's, remained under the zoning entitlements of the CPC PD. Of the CPC PD properties owned by Alberta approximately 89,152 sf. of GLA has been developed. See Table 2 for the GLA developed by Alberta Development Partners, LLC, broken out by PD and by block number. See Attachment D for location of platted blocks.

Alberta Development	
Promenade PD	
Block	GLA SF
Block 1	175,228 sf
Block 2	31,749 sf
Block 3A	0 sf
Block 3B	312 Units
Block 4	156,888 sf
Block 5	90,719 sf
Block 6	216,046 sf
Subtotal	670,630 sf
Castle Pines Commercial PD	
Block	GLA SF
Block 3	14,150 sf
Block 4	27,403 sf
Block 10A	47,599 sf
Subtotal	89,152 sf
Total	759,782

Table 2: Alberta Development GLA

The remainder of this report takes a closer look at the current businesses, GLA and public spaces. To continue on the theme of the project, the following summarizes are separated first by the character area shown in the Vision Book, and then by the platted block. The block is labeled according to the districts shown in the Guidelines and Standards portion of the PD Zoning regulations. All GLA is current from the start of the project through the end of January 2021.

Development by Character Districts

The Front Porch District – Gateway to the Promenade

➤ Promenade Block 1 – Large Format/Value Retail

Block 1 was planned for large format retailers providing opportunities for national retail tenants to develop prototypical building footprints and individual development criteria essential to the success of their operation and brand, yet provide compatible architectural detailing and finishes to the development. The GLA approved to date in Block 1 is 175,228 square feet. There remain a few pads left to be developed in this block. The current businesses are

- Whole Foods
- TJ Maxx
- Home Goods
- Ulta
- Maurice's
- Berry Blendz
- Club Pilates
- Popcorn Bliss
- Aline Boutique
- Lens Crafters
- Sleep Nation
- Torrid
- Petco
- Sierra
- Verizon

Public space in Block 1 include areas of benches and raised planters along the wide pedestrian corridor in front of the large in-line building where Home Goods and other retailers are located. In addition, the covered porch on the west side of Whole Foods provides outdoor dining space and includes a large fireplace and hearth.

➤ Promenade Block 2 – Pad Sites and Stand-Alone Tenant Retail

Block 2 was planned for smaller pad sites with stand-alone or in-line retail with a few separate tenants. The GLA of Block 2 approved thus far is 31,749 square feet and there remain a few lots to be developed. The current businesses include

- Starbucks
- AT&T
- Cuba Cuba
- Premier Members Credit Union
- Del Taco
- LaLoma
- 7-11
- Chick-Fil-A

Block 2 includes a premier public outdoor space at LaLoma restaurant. Amenities included on the site are fire pits surrounded by brick benches, an



Block 1: Seating and raised planters



Block 2: LaLoma Fire Pit

outdoor bar and grill and an open-air pavilion where special, private events can be held. All of these outdoor spaces are intended to provide diners with sweeping views from The Rock to the Front Range.



Block 2: LaLoma West Elevation

Nestled between Block 2 and Block 3 is a grassy public open space with boulders and log benches. Plantings of tall grasses and purple sage accent the space and separate it from the public sidewalk and right-of-way. Walkways traverse the space, connecting it to the retail and restaurant businesses to the east and to the Venue Apartments to the west, via a stairway. Natural benches of



Open Space – Log Benches

stone and log are scattered throughout the space providing another spot for sitting and taking in the views.



Open Space – Boulders and Views

The Mercantile District – A Modern Trading Post

- Promenade Block 3 – Pad Sites and Stand-Alone Tenant Retail / Large Format/Value Retail / Residential

This Block is platted as 3A and 3B. Block 3A is also planned for stand-alone businesses and multiple tenants in small in-line retail buildings, as well as large format retail. Block 3A is currently vacant; however, pending land use applications for rezoning and a site plan have been submitted. Both applications are quasi-judicial and will be considered by Planning Commission and Town Council in public hearings.

Block 3B has been developed as a multifamily apartment complex with 312 units. Private amenities and outdoor space within the complex include a clubhouse and pool, fitness center, common work space, billiards room, dog park, workshop and dog wash and walkways connecting to public open space and nearby commercial uses.

- Promenade Block 4 – Large Format/Value Retail / Pad Sites and Stand-Alone Tenants

Block 4 was also anticipated to be developed with a combination of large box retails and smaller single or multi-tenant retail buildings. To date, a total of 156,888 square feet of GLA has been constructed. There remain multiple smaller pad to be developed in Block 4. The existing businesses include

- Sam's Club and fueling station
- Ent Credit Union
- Xfinity
- Panda Express

An outdoor public seating area has been constructed in Block 4; located to the west of the Sam's parking lot and south of the fueling station. With future development on the site, opportunities remain, depending on the use, for additional public space to be built, such as the outdoor covered patio at Panda Express.



Block 4 – West of the Sam's Club

The Town Square District – Heart of the Shopping Area

- Promenade Block 5 – Pad Sites and Stand-Alone Tenant Retail / Large Format/Value Retail

Promenade Block 5 was planned for stand-alone and multi-tenant buildings, as well as large box retailers. To date, the approved GLA is 90,719 square feet and the following business are located in Block 5.

- Fuzzy's Tacos
- USA Express Car Wash
- Christian Bros. Automotive
- Urgent Care
- 24 Hour Fitness
- Les Schwab

The businesses in Block 5 are primarily destination, service oriented, with the exception of one restaurant, Fuzzy's Tacos, which includes an enclosed outdoor patio area. Additional lots remain for future development and more public spaces.

➤ Promenade Block 6 – Large Format/Value Retail

Block 6 anticipated large format retail with a few small commercial pads. Thus far, this is the location of the most GLA developed in the Promenade, with approximately 216,046 square feet approved and occupied. Block 6 is built out. Businesses currently operating are

- King Soopers and fueling station
- Ross
- Potbelly
- The Little Clinic
- Bank of America
- Hand & Stone
- Starbucks
- Beau Thai II
- Supercuts
- Hobby Lobby
- Nail Designs
- Sprint/T-Mobile
- European Wax
- Chase Bank

Restaurants and Starbucks within King Soopers offer the public sit down and take out options. An outdoor public area with benches and picnics, surrounded by signature prairie grasses and purple sage is centrally located on Block 6.



Block 6 – Southeast of King Soopers

The Village District – Restaurant Row

The Village District is located at the intersection of Factory Shops Boulevard and Meadow Parkway. Alberta is the Master Developer, although the properties are within the Castle Pine Commercial PD and not the Promenade PD.

➤ Castle Pines Commercial Block 4 – High Visibility Village

Block 4 is located east of Factory Shops Boulevard and is an area of transition to the previously developed Outlets at Castle Rock and restaurants such as Applebee's, McDonalds and Black-Eyed Pea. Alberta has developed an additional 27,403 square feet of GLA and attracted the following businesses.

- Kneaders
- Health Images
- Tokyo Joe's
- T-Mobile
- Café Rio
- Vitality Bowl
- Mattress Firm

Outdoor patio dining such as at Tokyo Joe's provides areas for the public to enjoy a meal and drinks in an open-air setting. CPC Block 4 is built out.

➤ Castle Pines Commercial Block 10A – High Visibility Village

Located west of Factory Shops Boulevard, this is the pedestrian friendly center with a mix of uses and casual outdoor dining space that currently total 47,599 square feet of GLA. There remain two pads to be developed. The current businesses are



CPC Block 10A – Patio in front of Zoe's Kitchen

- Black Rock Coffee
- Pearle Vision
- Elements Massage
- AT&T
- Bar Nails and Spa
- Jersey Mike's
- Mod Pizza
- Smashburger
- The Joint
- Waxing City
- Cell Phone Repair
- Mad Greens
- Great Clips
- Laughing Lion Herb
- Bellco
- Popeye's



CPC Block 10A – East of Mod Pizza

Spaces are provided for outdoor dining on the patio areas adjacent to the front of the various restaurants. In addition, a public space with a gas fire pit, ample seating and established landscaping is tucked between Mod Pizza and Smash Brother's Burgers.

Castle Pines Commercial Block 3

Castle Pines Commercial Block 3 is located south of Meadows Parkway. Block 3 is outside of the Promenade PD and not included in the overall Promenade design theme and vision, it is included in this report to the extent that Alberta owned and developed some of the lots. The GLA developed by Alberta is 14,150 square feet. The following businesses are currently operating and there are no additional lots to be developed in Block 3.



CPC Block 3 - Culvers

- Culver's
- 30 Minute Hit
- Safe Splash Swim School
- Elevation Vision
- Twisted Wardrobe

The outdoor patio at Culvers offers tables and benches for dining.

Conclusion

Since 2015, investment by Alberta Development Partners, LLC, in essential infrastructure and Alberta's development plan implemented through the Promenade PD zoning regulations, Architectural Design Guidelines and Standards, and Vision Book have attracted commercial, retail, office and restaurant to a commercial center that had seen limited development in nearly 40 years. Approximately 759,782 square feet of gross leasable area is occupied and open for business in both the Promenade PD and Castle Pines Commercial PD. Approximately 67% of the 1,000,000 square feet of commercial allowed in the Promenade has been built and occupied.

The types of businesses that have chosen to locate in the Promenade and Castle Pine Commercial PDs as a result of Alberta's investment and development include big box national retailers such as Sam's Club and King Soopers Marketplace; sit down and drive-through restaurants such as Chick-Fil-A, Beau Thai II, and LaLoma; clothing boutiques, such as Aline Boutique and Twisted Wardrobe; and personal service businesses include national chains such as Great Clips and local businesses, such as Bar Nails and Spa. Financial service providers have been attracted to the commercial center and include Chase, Bank of America, Ent Credit Union and Bellco.

Public spaces are located throughout the Promenade. Some are found as store front patios with brightly colored tables, chairs and canvas umbrellas, surrounded by planters of seasonal flowers. Other spaces are more rustic and offer seating and an open fire pit, and some are quite natural and "prairie-like" with a picnic table or two surrounded by native plants and grasses. Finally, while some public spaces that offer shoppers a bench or ledge to rest on along the store fronts of large in-line retail stores, others provide an open lawn and unobstructed views of the Front Range.

The Promenade, and accompanying Castle Pines Commercial, development that has occurred since 2015 has promoted the overall open prairie and mountain village theme through specific architectural design, detail and use of natural materials. The types of businesses that have invested, built and opened in the Promenade have met the zoning regulations for permitted uses and allowable height, square footage, etc. Businesses, by type and size, have been appropriately attracted to one of the four districts established in the zoning regulations, and lastly, the character areas illustrated in the Vision Book have served to create subtle distinctions in architectural accents and customer experiences.

Attachments:

- Attachment A: Promenade/Castle Pines Commercial - Alberta Development Map
- Attachment B: Promenade Planned Development Plan and Planned Development Zoning Regulations
- Attachment C: Promenade Vision Book
- Attachment D: Platted Blocks