



Town of Castle Rock

Agenda Memorandum

Agenda Date: 4/6/2021

Item #: 21. **File #:** DIR 2021-007

To: Honorable Mayor and Members of Town Council

From: David L. Corliss, Town Manager

Discussion/Direction: Public Meetings on Downtown Building Height Restrictions

Executive Summary

At the Town Council meeting of March 2, 2021, the Town Council unanimously directed staff to place the issue of Downtown height restrictions on an April Town Council agenda. As discussed at the February 2 meeting, Town staff has been previously reviewing this issue but has not yet conducted public outreach nor contacted with downtown property owners, businesses or other interested individuals.

Please find attached a memorandum from the Development Services Department that provides background on the height restrictions in the downtown area. The memorandum also offers one possible height restriction amendment - a maximum allowable building height within the Core of Downtown of 35 feet, without the allowance to request an additional floor or height. The Core of downtown is defined - in this memo - as 5th Street to 3rd Street between the interstate and the Union Pacific railroad tracks east of Perry Street, and to 2nd Street east of Wilcox. I want to emphasize that this is one proposal for a change in height restrictions - as is immediately recognized, other possible changes may be appropriate for consideration. Examples could include changes to all height allowances in all parts of the Downtown Overlay District, changes in feet (or stories) in other definitions of the Core of Downtown, and other types of height restrictions. Again, this was being developed as a possible area of agreement on height restrictions - all subject to public comment and input, and ultimately direction from Council. Height may be only one of the issues that could be addressed by Town Council - overall requirements for redevelopment may be a desired area for Town Council to discuss, as well.

The staff memorandum provides background on this issue; it also provides a general overview of height restriction in areas outside of downtown. Height restrictions elsewhere in the community may be of interest to Council.

Staff recommends the following as next steps:

Staff recommends that we conduct public open houses in May and June to receive public comments on this issue. The issue will be height restrictions in the downtown, not limited to the proposal developed by Town staff. Prior to the open houses, staff will develop a communications plan to advise

Town residents and downtown property owners/businesses of the public open houses and opportunities to share comments. The Town's boards and commissions that are impacted by this issue - the Downtown Development Authority, Design Review Board, Historic Preservation Board and Planning Commission - will also be asked for comments, along with the Downtown Merchants Association. With the public open house comments and other comments, staff would place this issue back on the Town Council agenda - tentatively June 15 - for additional Town Council direction.

Recommended Motion

Direct staff to conduct public open houses on the issue of Downtown height restrictions, and subsequently place this issue back on a future Town Council agenda.

"I move to direct staff to engage in community outreach meetings regarding potential building height changes in the majority of the Downtown Core and bring this item back to Council for consideration."

Attachments

Staff memo - Discussion/Direction: Downtown Overlay District Proposed Height Changes
Attachment A: CRMC 17.42.070 Draft Redlines



Meeting Date: April 6, 2021

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services

Title: **Discussion/Direction: Downtown Overlay District Proposed Height Changes**

Executive Summary

Town Council directed staff to provide analysis and recommendations to the maximum allowable building heights within the Downtown Overlay District. Additionally, Town Council recently approved the Downtown Historic Preservation Grant Program, which seeks to help preserve the historic fabric of downtown buildings and to help ensure the long term viability of historic structures, particularly in the Downtown Core District. In a continued effort to develop strategies to help achieve these goals, staff evaluated the existing Downtown Overlay District (DOD) criteria, as defined in CRMC Zoning Chapter 17.42, for potential changes regarding building height. Staff is recommending Town Council consideration of adjusting the building height within the Downtown Core



area of the Downtown Overlay District. If the decision to explore this further is made, staff would begin the public outreach efforts with the community and the property owners in this area for their feedback.

Background

History of Downtown Overlay District

In 2002, following adoption of the 2020 Vision and Comprehensive Master Plan, Town Council created the theme that Castle Rock is a “world class community with small town character.” As Castle Rock continued to grow at a rapid pace, Town Council recognized that downtown represents “small town character” in Castle Rock. To place emphasis on that theme, in the summer of 2006, Town Council appointed the Downtown Advisory Commission (DAC) with the goal to identify and recommend options and opportunities to improve the downtown environment. The Commission consisted of representatives from Town Council, Town staff, downtown property owners, downtown business owners, and representatives from Douglas County, the Douglas County School Board, and the Douglas County Library Board. A series of meetings occurred where numerous options and recommendations arose and the group consensus was that a strong effort was needed to encourage investment and reinvestment to improve downtown character. In 2008 the DAC led an effort for downtown property owners to vote and form a downtown district boundary and create the Downtown Development Authority (DDA) including an additional 3 mills of property tax within the boundary. The DDA was identified as the leadership group using Tax Increment Financing (TIF) authority under State Statute to encourage and assist with ongoing investment, reinvestment and improvements in downtown. Significant progress occurred following creation of the DDA with several high profile projects sharing TIF.

In accordance with the efforts to improve downtown, in 2008 Town Council approved the Downtown Plan of Development to be implemented by the DDA; and in 2010 Council adopted the Downtown Overlay District (DOD) code administered by Town staff. The DOD established architectural, landscaping, building design, and site development guidelines to encourage compatible land uses and ensure higher quality development in downtown to protect property values and to provide safe and efficient pedestrian and automobile access. The DOD encourages mixed-use within the same structure or block and high-intensity commercial development. In 2013 Council adopted an update to downtown signage to outline standard for sandwich board signs on sidewalks, banner signs, LED signs, murals, and roof signs. The code encourages signs that maintain the historic character of downtown.

Discussion

DOD Building Height Standards (CRMC 17.42.070)

The DOD’s intent is to establish design and development standards that encourage quality development, that provide safe and efficient mobility of pedestrians and

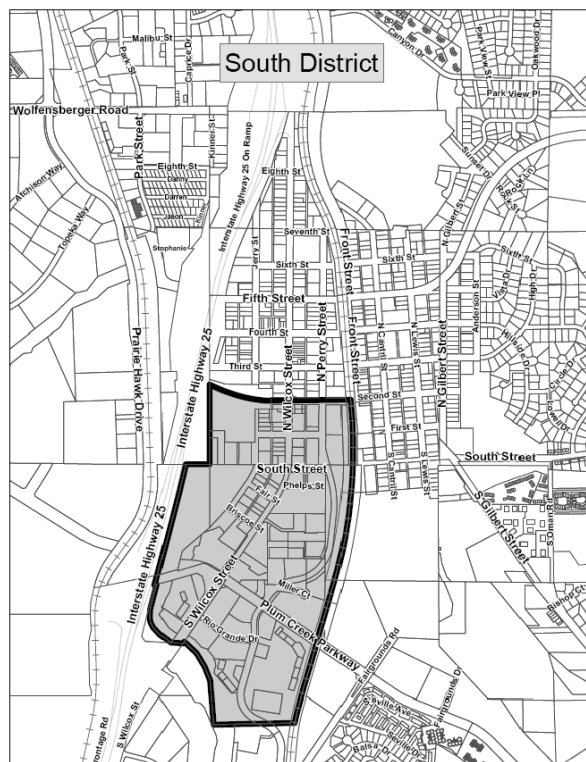
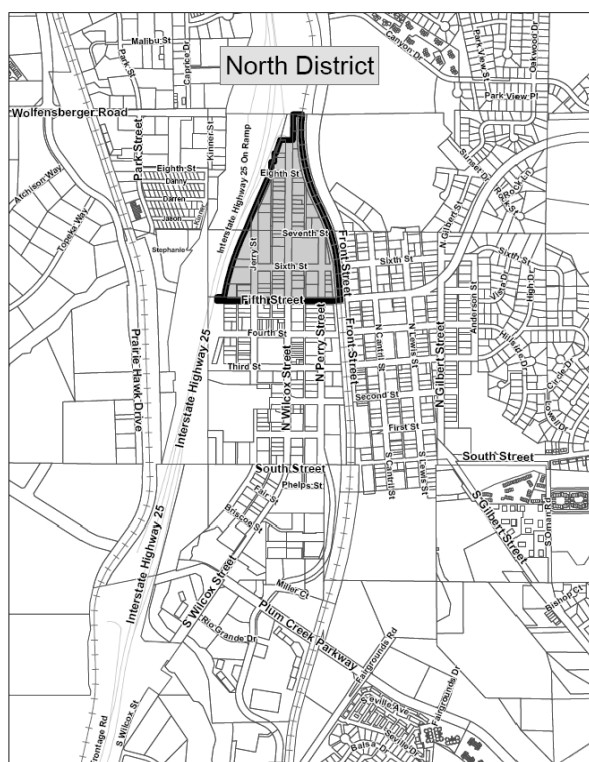
automobiles, and that encourage a wide range of economic development opportunities. The chapter identifies the “usual” zoning criteria: allowable uses, development standards, and design standards. However, a building’s crown design and allowable building height are specifically addressed in a separate section of the DOD, highlighting the importance of how tall a building may be and the look of the “top” of a building in how those elements affect the Downtown character. The Design Review Board (DRB) must review a building’s crown design based on aesthetic design, conformity with the Downtown Master Plan, and whether appropriate view sheds are maintained.

Additionally, the DOD is broken down into three smaller sub-districts that have slightly different building height allowances. The intent was to allow higher building heights, and therefore higher potential densities, in the north and south end of downtown, and to keep the core area of downtown at a slightly lower height limit. The Downtown Core District, shown in the image below, currently limits a new building to four stories with a maximum building height of 60 feet. Most of the Downtown’s older buildings of historic significance are within this district, radiating out from the central Courthouse Square.



The remaining areas of the overlay are in the North and South Districts, which limit a new building to six stories with **no maximum** height limitation. The North District extends north from Fifth Street up to the Wolfensberger interchange with I-25. The

South District extends south generally from 2nd Street past the Plum Creek Parkway interchanges along I-25, ending just south of the Safeway shopping center. The North and South Districts, adjacent to I-25 interchange locations, are well suited for higher urban density and taller buildings, and were designated to have a higher building height allowance in the DOD. The allowance for 6 stories in these two sub-areas is also compatible with the Interchange Overlay Zone, which allows properties in interchange areas to build up to 6 stories, with a 90 ft. maximum building height allowance.



In addition, the code allows a landowner to request additional floors, and corresponding increase in height, in all three Districts. Within the Downtown Core District, a landowner could request one additional floor, to allow up to 5 floors total with a corresponding increase in height. The North and South Districts allow a request of two additional floors, for a maximum potential of 8 floors of building height. The DRB evaluates additional floor requests at the same public hearing when the Board considers the Site Development Plan application, and takes into consideration how the project proposes to incorporate design elements found in adjacent landmark structures and how the additional flows may impact adjacent properties.

Staff researched the existing building heights in downtown as well as compared the existing allowable building heights throughout the downtown, and the town as a whole, in order to determine if the current allowable building heights are appropriate within downtown areas of historic significance, such as the Courthouse Square. Based on this research, which is detailed below, staff believes that modifying the allowable building heights within the Downtown Core would help to preserve the historic downtown character with respect to building scale and height. Additionally, the North and South

Districts, with their proximity to I-25 Interchange locations, are comparable to the Interchange Overlay Zoning. Therefore, staff is not recommending adjusting those sub-district area building heights at this time.

DOD Standards in Relationship to Underlying Zoning Districts

Within the downtown area, most properties have an underlying zoning district in addition to the DOD zoning. Most properties in downtown were originally zoned B (business commercial) with a few zoned R-1 (single-family residential), R-3 (multi-family residential), I-1 (light industrial) or a custom PD (Planned Development). The DOD is zoning “on top of” the underlying straight zoning districts. The DOD zoning regulations govern if there is a conflict between the DOD entitlements and the underlying zoning entitlements, per CRMC 17.42.030. Also per CRMC 17.42.030, the DOD does not apply to properties within the downtown that have a planned development (PD) zoning. Within the DOD, there are five PD zoning districts. Consequently, the DOD regulations, including the height allowances, do not apply in these areas:

- 18 Wilcox PD (office building at 18 S. Wilcox Street)
- Castle Manor PD (Reyn Rock Plaza at 403 N. Perry Street)
- Centre on Plum Creek PD (Big O Tires at 750 S. Perry Street)
- Miller Ranch PD (The Centre Center at Plum Creek, shopping center with Safeway, at 714 S. Perry and the US Post Office at 300 Miller Court)
- Q-Petroleum PD (7-Eleven at 810 N. Wilcox Street)

Several overlay zoning districts have been adopted throughout the Town. They include the Downtown Overlay District, Front Street Overlay District, Interchange Overlay District, and the Wolfensberger North Overlay District. Often these overlays are adding in expanded uses, or reducing uses, and in some cases adjusting items such as setbacks and building height allowances in the specific district to which they apply. CRMC language for the Downtown Overlay, Front Street Overlay, and Wolfensberger North overlay districts are similar by stating that the underlying zoning remains but is “superseded” by the overlay zoning standards if the two districts conflict. The Interchange Overlay District is distinguishable in that the code recommends areas to which it would apply; however, a property in the proximity of an interchange along I-25 must go through a site specific rezone to choose this Interchange Overlay (IO) designation. In those cases, there is not an underlying zoning district as the IO is established as a PD. Currently, two areas have rezoned to IO, Miller’s Landing PD and Castle Meadows PD, both properties on the west side of I-25, just north and south of Plum Creek Parkway. However, any property in proximity to an interchange can request this zoning through a public hearing rezone process.

Analysis

Building Height Standards Comparison

As part of the downtown building height analysis, staff evaluated existing building height standards throughout other commercial and multifamily areas of town, as these have similar uses to downtown. The following charts compare the maximum building heights allowed within the various overlay zoning districts, PD zoning districts in the DOD, some other PD districts in town with commercial and multifamily uses, and straight zoning commercial and industrial districts throughout Town.

Overlay Zoning Districts	Maximum Permitted Height	UBSR or Variance to Increase Height to:
<u>Overlay Districts</u>		
Downtown Overlay District - CORE	4 stories, 60'	+1 story
Downtown Overlay District - N & S	6 stories	+2 stories
Front Street Overlay District	per underlying zoning	
Interchange Overlay District	6 stories, 90'	
Wolfensberger North Overlay District	per underlying zoning	

Zoning District	Maximum Permitted Height	UBSR Max. Height
<u>Straight Zoning Districts</u>		
B, Business/Commercial	35'	50'
I-1, Light Industrial	35'	
I-2, General Industrial	50'	
R-1, Single Family	35'	
R-2, Single Family and Duplex	35'	
R-3, Multifamily	3 stories, 40'	
<u>PD Zoning Districts in Downtown</u>		
18 Wilcox PD	50'	
Castle Manor PD (Reyn Rock)	silent	
Centre On Plum Creek (Big O Tires)	50'	
Miller Ranch PD (Safeway, Post Office)	50'	
Q-Petroleum PD (7-Eleven)	35'	
<u>PD Zoning Districts outside of Downtown</u>		
Castle Meadows IOPD	6 stories, 90'	
Meadows PD, COI (commercial, office, industrial)	60'	75'
Meadows PD, COI (hospital use)	85' (80% of building)	105' (20% of building)
Meadows PD, Town Center	60'	75'
Metzler Ranch PD, commercial	per "B" zoning district above	
Metzler Ranch PD, multi-family	3 stories, 40'	

Millers Landing IOPD	6 stories, 90'	
Promenade PD, business	50'	75'
Promenade PD, multi-family	60'	75'

The review of the maximum allowable building heights across town in these various commercial locations demonstrates that building heights closer to I-25 are generally have higher maximum heights, usually at six stories and 60 feet. Most business/commercial buildings are allowed to be 50 to 60 feet high (additional height may be permitted with a use by special review approval) with the exception of the straight-zoned B district (without an overlay) allowing up to 35 feet, with a use by special review approval needed to go to 50 feet. Multi-family uses throughout town are allowed maximum heights of 40 to 60 feet high, and single family residential usually has the lowest maximum allowable height at 35 feet. Also noteworthy is that general industrial uses, such as warehouses, which are allowed up to 50 feet in height and are also located closer to the I-25 corridor. One of the highest maximum allowable building heights in the Town is the hospital in the Meadows which is allowed a maximum of 85 feet in height for 80% of the building and 20% of the building allowed to be as tall as 105 feet.

Existing Downtown Building Height Comparison

In consideration of potentially recommending a change to the allowable building height in the Downtown Core District, staff reviewed the existing buildings heights within the Downtown Core District. Building height data was obtained from building permits and approved site development plans or approximated from the "Nearmap.com" online measuring tool.

Downtown Core Address	Business Name	Approximate Height
<u>Courthouse Square</u>		
301 N. Wilcox	DC Courthouse	34' building, 55' at tallest
324 N. Wilcox	B&B Café	17'
314 N. Wilcox	Milestone	30'
312 N Wilcox	Z'Abbracci's	22', with 25' @ top of arched parapet
310 N. Wilcox	Front Range Church	43' @ top of gable, 45' @ top of turret
306 N. Wilcox	Lisa Lisa	25'
302 N. Wilcox	Provisions:	18'
300 N. Wilcox	Masonic Lodge	30'
240 Third	The Station	20'
230 Third	Mercantile Commons	55' (4 stories)
210 Third	Scileppi's @ Old Stone Church	30' to top of gabled roof

100 Third	DC Building & Garage	75' building, 40' garage
301 Jerry	future sushi restaurant	17'
305 Jerry	private residence	40'
309 Jerry	offices	17'
313 Jerry	Pegasus	16'
Downtown Core Address	Business Name	Approximate Height
321 Jerry	old hardware store, apartments now	35'
407 Jerry	Olinger Andrews Caldwell Gibson Chapel	New structure will be 29', old building was 32'
406 Jerry	Angies	23'
211 Fourth	funeral home	16'-18' building, 24' to top of gable,
403 N. Wilcox	Castle Café	30'
402 N. Wilcox	DC Public Trustee, Gubbels Law	17'
<u>Perry Street</u>		
423 N. Perry	Acoma	15'
422 N. Perry	private residence	15'
421 N. Perry	locksmith	15'
414 N. Perry	private residence, ice rink, Mountain Man, CR Bike & Ski	25', 15', 14', 14'
415 N. Perry	Old City Hotel	30'
403 N. Perry	Reyn Rock	52'
399 N. Perry	facing Fourth St	50'
333 N. Perry	clock tower building w/Sienna	50'
390 N. Perry	Lost Coffee, Captivate Salon	30'

The buildings along the 300 block of N. Wilcox Street range from approximately 17 to 45 feet tall, with the exception of the Douglas County building measuring 55 feet at the tallest. Other buildings around the Courthouse Square are roughly 17 to 55 feet. The 200 block of Third Street includes the tallest buildings on Courthouse Square with Mercantile Commons at 55 feet, and the Douglas County building at 75 feet and the garage at 40 feet. Within the Downtown Core District along N. Perry Street, buildings range from one-story, or about 15 feet tall, to several stories measuring 50 to 52 feet tall. Generally, one story buildings are 15 to 25 feet tall, two stories at 30 to 35 feet, three stories over 40 feet, and four or more stories over 45 feet.

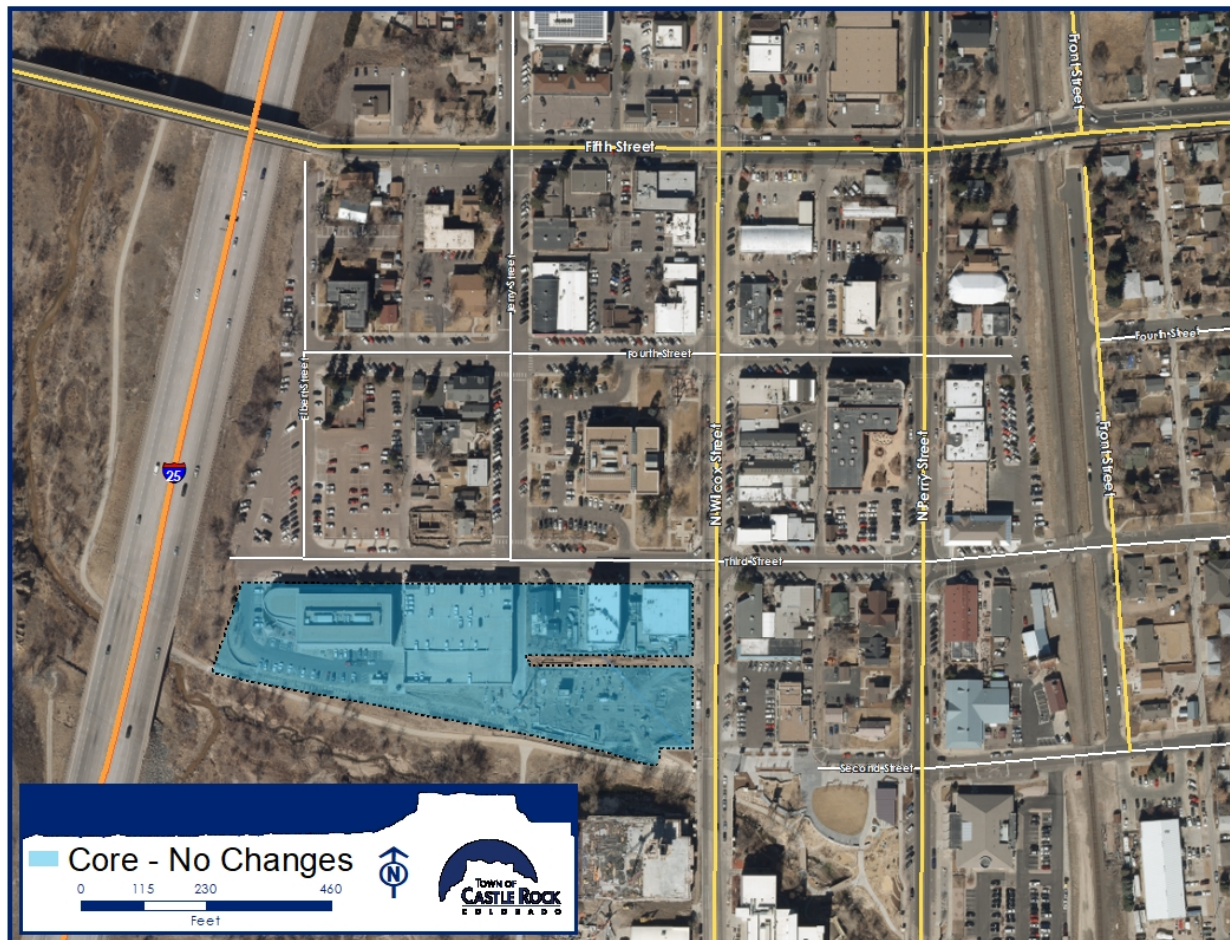
Recommendation

Staff reviewed the allowable building heights in commercial areas across town, the allowable building heights for the three subareas of the Downtown Overlay District, and specifically the existing building heights in the Downtown Core District. Based on these

reviews, staff recommends consideration of revising the maximum allowable building height within the majority of the Downtown Core to 35 feet, without the allowance to request an additional floor. Reducing the allowable height within the majority of the Core would help to maintain the historic scale of our Downtown, provide more compatibility as all of the historic buildings in the Core are lower than the current allowable 60 feet, and generally meet the underlying Business commercial (B) zoning maximum building height of 35 feet. The area of proposed changes is shown on the figure below.



The analysis of existing conditions also found that the majority of buildings on the south side of Third Street, west of Wilcox Street, are taller than 35 feet. This area has buildings currently constructed at 75, 55, 40 and 30 feet. Therefore, staff recommends keeping the allowable maximum height for this portion of the Downtown Core as the CRMC currently allows at four stories with a maximum building height of 60 feet and the ability for the landowner to request one additional floor.



Staff's analysis of existing building heights within the Downtown Core District determined that several buildings are taller than the proposed restriction of 35 feet. If Town Council determines that a change in building height for the Downtown Core is warranted, then staff would also recommend adding language to the DOD code section that addresses these taller structures so that they are not permitted to increase the building height with future additions. The language would confirm that the existing taller buildings in their current state are allowable.

If Town Council directs staff to move forward with the recommendation to look into reducing building heights in the majority of the Downtown Core District, staff will set up public outreach meetings with the community and property owners within this area to gain their feedback and input on the proposed changes. Staff has done a preliminary draft of potential code changes related to this recommendation, which are attached to this report.

- Staff recommends Council direct staff to engage in community outreach meetings regarding potential building height changes in the majority of the Downtown Core and bring this item back to Council for consideration.

Attachments

Attachment A: CRMC 17.42.070 Draft Redlines

T:\Development Review\UDC\Downtown Overlay District height 2020-2021

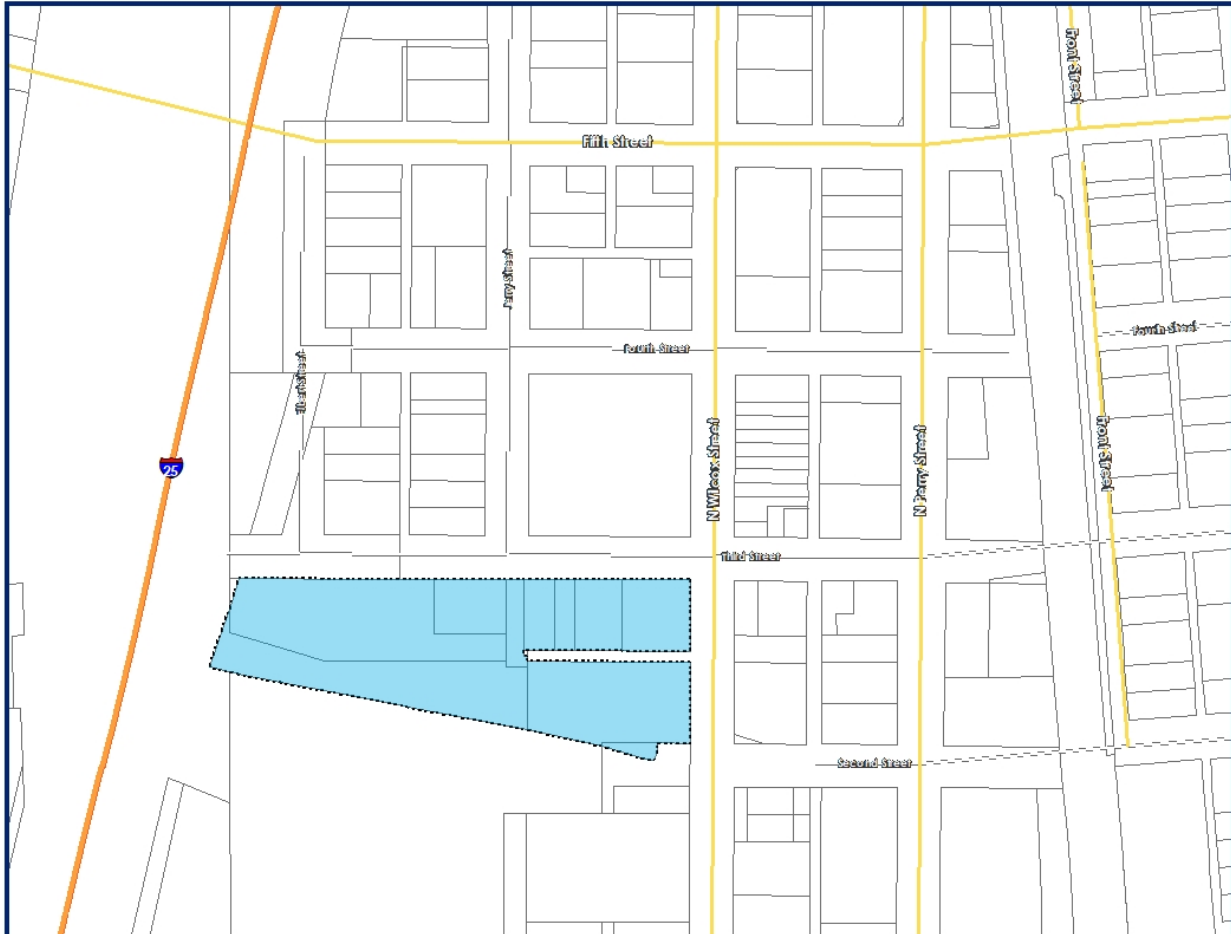
- a. a- Building height in the Downtown Core District, as depicted in Figure 1a below, is limited to a maximum height of 35-feet for any building constructed or significantly altered after January 1, 2021. The building's crown cannot exceed the 35-foot building height limitation. For any building constructed prior to January 1, 2021, no alteration shall increase the building height about 35 feet or the highest existing point of the building, whichever is higher. In the event that excess building height results from a crown, steeple, belfry, turret, or other similar architectural features, the excess height allowance will be limited to that particular existing architectural feature.

Figure 1a



- b. Building height in the Downtown Core District, as depicted in Figure 1b below, is limited to four stories, with a maximum height of 60-feet. A building's crown cannot exceed the sixty-foot building height limitation.

Figure 1b



2. North and South Districts: The North District is defined as the area depicted on Figure 2 below. The South District is defined as the area depicted on Figure 3 below.

Figure 2

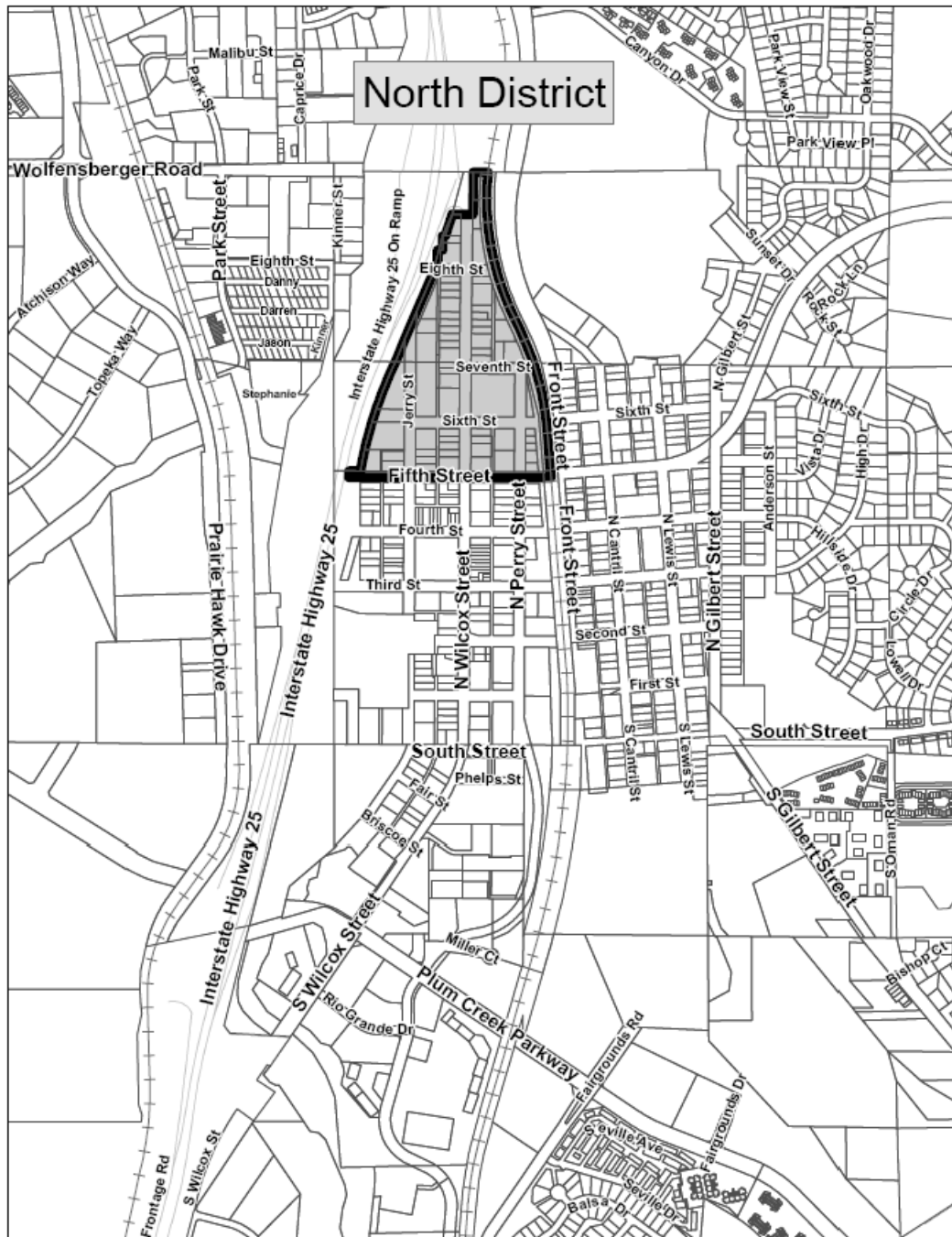
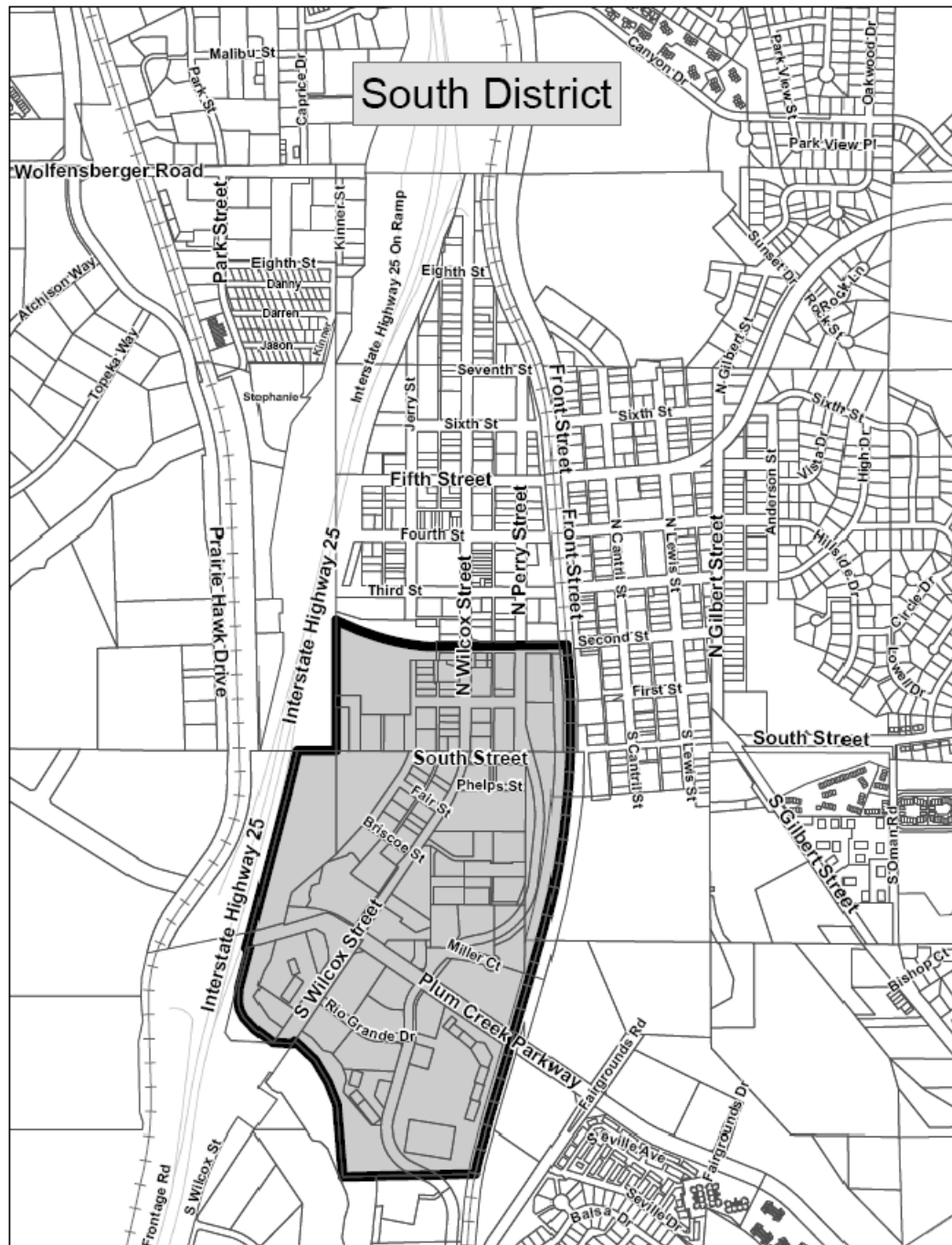


Figure 3



- a. Building height in the North or South Districts is limited to six (6) stories, with no maximum height limitation.
- C. A landowner may request one (1) additional floor (with the corresponding increase in building height) in the Downtown Core District, as depicted in Figure 1b., or two (2) additional floors in the North and South Districts through the Board. The Board, at its discretion, may grant an additional floor request after considering the following criteria:

ATTACHMENT A

1. Whether the project will incorporate design elements found in adjacent Landmark structures;
and
2. The impacts of the increased building height on adjacent properties.

(Ord. 2012-18 §1)

([Ord. No. 2015-60, § 1, 1-5-2016](#))

DISCUSSION/DIRECTION

DOWNTOWN OVERLAY DISTRICT PROPOSED HEIGHT CHANGES

TOWN COUNCIL MEETING
APRIL 6, 2021



HISTORY OF DOWNTOWN OVERLAY DISTRICT

2010: Council Adopted Downtown Overlay District

- Encourages a more vibrant and thriving downtown
- Establishes architectural, landscaping, design, building, use, and site development regulations that encourage compatible land uses and ensure higher quality development in downtown to protect property values and to provide safe and efficient pedestrian and automobile access
- Encourages mixed-use within same structure or block
- Encourages high-intensity commercial development

DOWNTOWN OVERLAY DISTRICT (DOD)

Three smaller sub-districts:

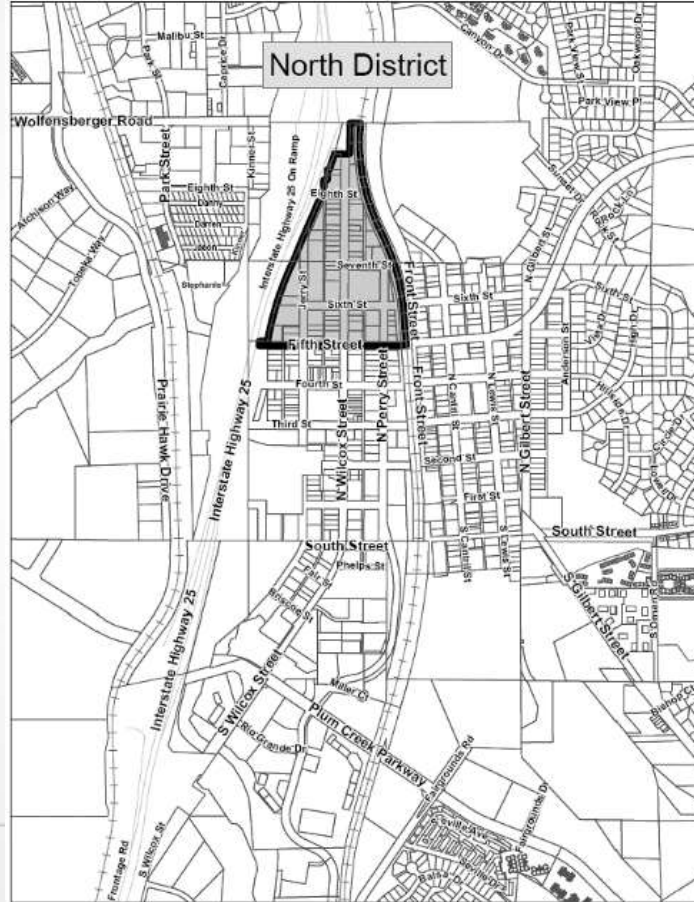
- North District
- Core District
- South District



DOD BUILDING HEIGHT STANDARDS

North and South Districts

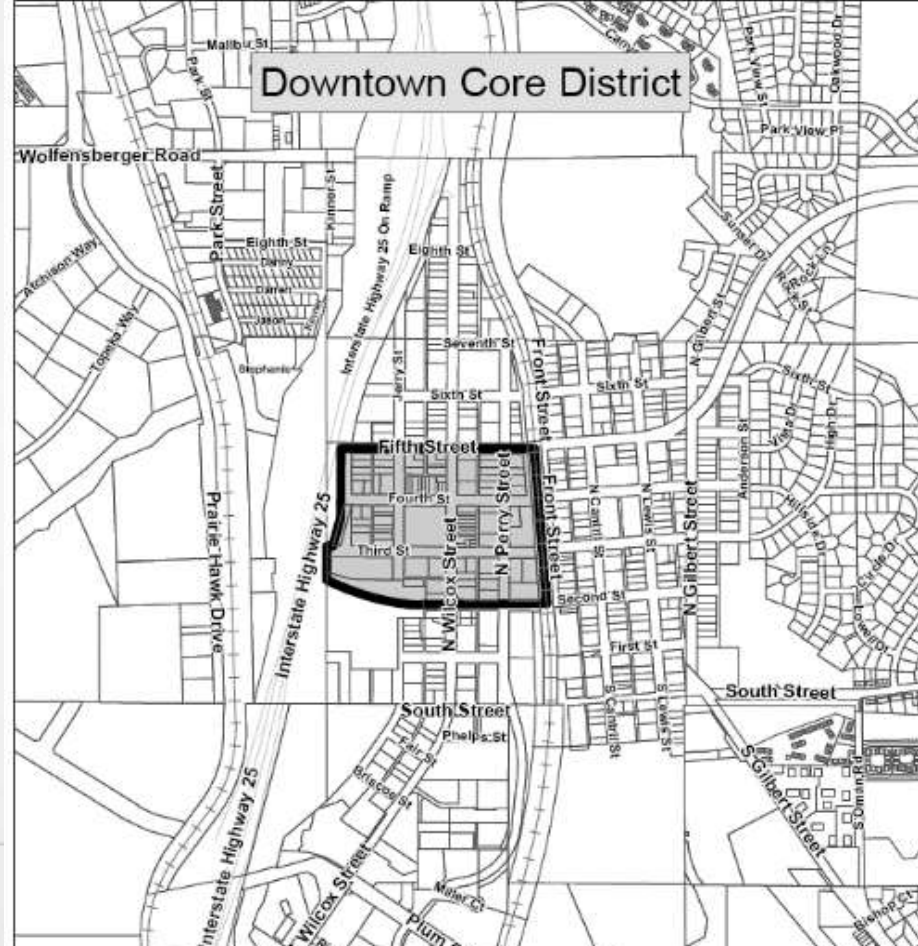
- Building height is limited to six stories, with no maximum height limitation.
- Variance process to request up to two additional floors.



DOD BUILDING HEIGHT STANDARDS

Core District

- Building height is limited to four stories, with a maximum height of 60 feet.
- Variance process to request up to one additional floor, with associated height increase above the 60 ft.



RELATIONSHIP TO UNDERLYING ZONING DISTRICTS

- Overlay Districts usually expand or reduce uses, adjust setbacks, adjust building heights, and add design criteria
- DOD standards govern or supersede underlying straight zoning standards
 - B, Business/Commercial
 - R-1, R-3 Residential
 - I-1, Light Industrial
- DOD does not apply if underlying zoning is a planned development (PD)
 - 18 Wilcox PD
 - Castle Manor PD (Reyn Rock)
 - Centre On Plum Creek PD (Big O Tires)
 - Miller Ranch PD (Safeway, Post Office)
 - Q-Petroleum PD (7-Eleven)

BUILDING HEIGHT COMPARISON OF ZONING THROUGHOUT TOWN

Zoning District

Maximum Height

UBSR/Variance Max

Overlay Districts

Downtown Overlay District - Core

4 stories, 60 ft

+1 story

Downtown Overlay District - N & S

6 stories, no max ft

+2 stories

Interchange Overlay District

6 stories, 90 ft

Straight Zone Districts

B, Business/Commercial

35 ft

50ft

I-1, Light Industrial

35 ft

I-2, General Industrial

50 ft

R-1, Single Family

35 ft

R-2, Single Family and Duplex

35 ft

R-3, Multifamily

3 stories, 40 ft

BUILDING HEIGHT COMPARISON OF ZONING THROUGHOUT TOWN

Zoning District

Downtown Overlay District - Core

Downtown Overlay District - N & S

Maximum Height

4 stories, 60 ft

6 stories, no max ft

UBSR/Variance Max.

+1 story

+2 stories

Planned Developments in Downtown

18 Wilcox PD

50 ft

Castle Manor PD (Reyn Rock)

silent

Centre On Plum Creek (Big O Tires)

50 ft

Miller Ranch PD (Safeway, Post Office)

50 ft

Q-Petroleum PD (7-Eleven)

35 ft

BUILDING HEIGHT COMPARISON OF ZONING THROUGHOUT TOWN

Zoning District

Downtown Overlay District - Core

Downtown Overlay District - N & S

Maximum Height

4 stories, 60 ft

6 stories, no max ft

UBSR/Variance Max.

+1 story

+2 stories

Planned Developments around Town

Castle Meadows IOPD

6 stories, 90 ft

Miller's Landing IOPD

6 stories, 90 ft

Meadows PD, Town Center & COI

60 ft

75 ft

Meadows PD, COI (for hospital use)

85 ft (80% of building)/105 ft (20%)

Metzler Ranch PD, commercial

per "B" zoning 35 ft 50 ft

Metzler Ranch PD, multi-family

3 stories, 40 ft

Milestone PD, integrated business

50 ft

72 ft

Promenade PD, business/commercial

50 ft

75 ft

Promenade PD, multi-family

60 ft

75 ft

BUILDING HEIGHT COMPARISON DOWNTOWN CORE



POSSIBLE OPTION

- Reduce building heights in the majority of the Downtown Core District to 35 feet
- Remove allowance to request an additional floor in the majority of the Downtown Core District
- Provision for existing buildings over 35 feet to remain legal



POSSIBLE OPTION

- Keep Downtown Core District south of Third Street, west of N. Wilcox Street as-is
- 4 stories, 60' maximum, with ability to request additional floor.



POSSIBLE OPTION

Staff recommends Council direct staff to engage in community outreach meetings regarding potential building height changes in the majority of the Downtown Core District and bring items back to Council for consideration.



DISCUSSION/ QUESTIONS?

PROPOSED MOTION:

"I move to direct staff to engage in community outreach meetings regarding building height changes in the majority of the downtown core district and to bring this item back to Council for consideration."