



Town Council Meeting Minutes - Draft

Mayor Jason Gray
Mayor Pro Tem Kevin Bracken
Councilmember Ryan Hollingshead
Councilmember Laura Cavey
Councilmember Desiree LaFleur
Councilmember Caryn Johnson
Councilmember Tim Dietz

Tuesday, August 24, 2021

5:30 PM

**Town Hall Council Chambers
100 North Wilcox Street
Castle Rock, CO 80104
Phone in: 720-650-7664
Meeting Code: 146 381 4763
www.CRgov.com/CouncilMeeting**

Special Meeting: Downtown Stakeholders and Public

All times indicated on the agenda are approximate. This meeting is open to the public and will be held in a virtual format in accordance with the Town Council Electronic Participation, Connected, and Hybrid Meeting Policy. Public may choose to attend in person at Town Hall, or electronically or by phone if preferred. This meeting will be hosted online and can be accessed at www.CRgov.com/CouncilMeeting, or phone in by calling 720-650-7664, meeting code 146 381 4763 (if prompted for a password enter "Aug24Council"). All Town Council Meetings are also streamed online in real time at www.CRgov.com/WatchCouncil, and are broadcast for Comcast Cable subscribers on Channel 22 (please note there is a delay to the broadcast).

CALL TO ORDER / ROLL CALL

Present: 6 - Councilmember Hollingshead, Councilmember Cavey, Councilmember Johnson, Councilmember Dietz, Mayor Pro Tem Bracken, Mayor Gray

Not Present: 1 - Councilmember LaFleur

ADVERTISED PUBLIC HEARINGS & DISCUSSION ACTION ITEMS

Councilmember LaFleur joined the meeting at 5:34 pm.

Mayor Gray noted that we all want to see downtown be successful. He reflected that many times in the evening and the weekends we had no traffic, and now we see a lot of vibrancy; and that we just sometimes disagree on how we get there.

Present: 7 - Councilmember Hollingshead, Councilmember Cavey, Councilmember LaFleur, Councilmember Johnson, Councilmember Dietz, Mayor Pro Tem Bracken, Mayor Gray

[DIR 2021-017](#)

Discussion/Direction: Downtown Development and Guiding Documents (Tara Vargish, Director of Development Services)

Mayor Gray read the first three items into the record so that they be presented at the same time.

Tara Vargish, Director of Development Services noted that residents and downtown stakeholders were also invited to the meeting tonight. Vargish went over the downtown development and guiding documents. She noted that there are some disagreements, but there are also some agreements on core values that

downtown is special and unique and that it is important to preserve our historic buildings and ensure downtown is a place for our community to gather.

There are eight planning documents. Some are town-wide in scope and some are specific to downtown. There are some of these documents that complement each other and others that vary in scope:

Early 1990-1996 - Urban Development Plan, Design Guidelines, Historic Regulations, Castle Rock Style, History of Town Architecture

2003 - Town-Wide Design Guidelines, Castle Rock Design with specific guidelines for downtown

2006-2006 - Planning guidelines replaced many earlier documents with master planning with the Downtown Advisory Commission, Historic Preservation Plan, Downtown Master Plan, Downtown Development Authority, and the DDA Downtown Plan of Development.

2010 - Downtown Plan implementation, Downtown Overlay District adopted by Town Code. These encouraged a more vibrant downtown and established height restrictions. This was overlaying what was done in the past and what we use today. Previously downtown was under business zoning, and the idea was to bring in new uses and allow multi-family to bring residents downtown

2017-2019 - 2020 Comprehensive Plan, Downtown Parking Study, Downtown Mobility Study. The Alley Study and Traffic Stud are both in process.

Redevelopment since 2010 includes six major projects - Jerry street, Acme Water Tower Center, the Move, Mercantile Commons residential units, Riverwalk north and south, and Encore for a total of 364 residential units and 197k sq feet of office, commercial, restaurant and retail space. There have also been numerous smaller projects, facade improvements, additions, new business patio areas, etc.

Staff looked at how economics of downtown has changed since 2010. They looked at the DDA boundary and sales tax generated from 2010-2019. There has been an increase of 88% over that time frame. staff then looked at a smaller group of existing restaurants that were not part of the redevelopment projects, and they grew by 111% over that same period due to the redevelopment driving new traffic and revenue to existing businesses.

Councilmember Johnson confirmed that the sales tax increase was since the DDA was established and that the sales tax goes into the DDA special fund. Corliss stated he will get that specific information to Council. Johnson stated she was glad to see existing businesses benefit and asked if staff could provide a list of those businesses.

Vargish continued that staff looked at visitor trends to downtown using anonymous cell phone technology showing a substantial increase in visitors with many from within Castle Rock. They hear the concerns that downtown is growing too fast, but they are seeing more people coming downtown because there is a variety of things to do and frequent.

Staff recommends engaging a third party consultant to review the basic elements of the guiding documents and make recommendations. This would include cleaning up any discrepancies either in the documents or in the Code sections that reference them.

Councilmember Cavey if Council could have input. Vargish they will take direction from Council.

Councilmember Johnson wanted staff to show information prior to 2010 and the development of businesses on Perry street for instance. She feels it would be helpful to know what happened with those improvements to be able to compare. Vargish stated the could look up those building permits and plans if Council directed staff.

Councilmember Hollingshead stated he doesn't want to go down a bunch of rabbit holes of what happened a long time ago, and that we need to move forward.

Mayor Pro Tem Bracken feels our current code supersedes the historical documents. Vargish stated their intent is to review discrepancies and fix them. Bracken stated he is not interested in participating in discussions about individual properties.

[DIR 2021-018](#)

Discussion/Direction: Downtown Land Use and Traffic Capacity Evaluation (Daniel Sailer, Director of Public Works)

Dan Sailer, Director of Public Works, provided an update on the downtown traffic capacity study to determine the remaining capacity in the downtown area. They have contracted with company to collect data. They will provide preliminary information to Council in October and get feedback with a final report to Council in November.

[ID 2021-091](#)

Update: Downtown Development Authority and Downtown Merchants Association (Kevin Tilson, Executive Director)

Kevin Tilson, Director of Castle Rock Downtown Alliance which is a partnership with the Downtown Merchants Association to provide events for an active and vibrant downtown to generate commerce and attract people downtown; and the Downtown Development Authority that focuses on creating a vibrant downtown by development of infrastructure, investment in parks, small business flowerbox and patio program, and influence private sector projects.

Tilson stated in 2005/2007 downtown had issues. There was a growing concern that downtown needed help. They formed the Downtown Advisory Commission with residents, business and property owners with the goal to make downtown vibrant. They feared losing the B&B, Pegasus, Castle Cafe, etc. Vacancies were increasing. This lead to the recommendation to create the Downtown Development Authority. An election asking downtown business owners to tax themselves to create the DDA. This demonstrated that the need was real and they wanted downtown to be active and vibrant. This then led to the creation of the Downtown Master Plan and Plan of Development, then the Downtown Overlay District.

The goal is to balance preserving history and character and encouraging new development and investment. The Ice Rink came out of a goal to bring people downtown during slower winter months downtown. Every vibrant downtown has to be mindful of daytime and evening uses. The Town used to close down when the Town, County and School District closed. The goal was to have people support the small businesses. They activated Festival Park with events and Sunday Farmers Market. Businesses that have been here 20-30 years state they are more active than ever. Downtown has fared better than many in the state. A strong economy is tied to people. Many businesses incorporated outdoor patios.

Mayor Gray asked if the B&B closed for a while and that it scared a lot of people in the community. Councilmember Johnson noted that it was due to issues between the landlord and the owners of the B&B.

Hollingshead asked what the interest will be 2-3 years from now to build downtown. Tilson says there is interest but the list is not long. He noted that people are shocked at how much there is to do downtown now. He acknowledged that buildings like the View are not something you want to see on every corner or to lose our character, but there are a few properties that could use some investment.

[ID 2021-092](#)

Public Comment

Citizens that addressed Council:

Jeremy Begley, resident, feels having public involvement early in the process to get a pulse on the entire community vs. the key stakeholders. There is concern over architecture, size, traffic, etc. He would like staff to provide more detail on how they conform, and would like the Design Review Board to explain how their vote meets the goals and objectives. Begley feels codifying what is in the guiding documents would be helpful and that parking requirements need to increase for the number of spaces per unit.

Diane Evans, resident, lifetime citizen and downtown property and business owner. She stated she was pleasantly surprised on Tilson's report and the number of years to make downtown what it is today. She reflected that there is no point in time that this hasn't been debated, discussed, reviewed and analyzed from every point of view. Downtown business owners were in a moment of survival when they created the DDA. They debated height, facades, historic preservation with a lot of heated discussions. The DDA is much like an HOA. As property and business owners got together they looked at how they could survive. She urges Council to look at the staff recommendation and celebrate our successes and make sure we continue to go forward.

Nate Ormond, resident of 21 years and downtown business owner, stated he knew how to build businesses but not buildings. He has been active in the community and raising money for charity and restaurants. They have 50 employees at Siena. He referenced the 2010 development, but it has been so much more vibrant the last two years. His employees visit other businesses and many moved into Douglas County and Castle Rock. He feels the DDA has done a

great job, but there are some dead trees that need to be taken down. He is interested in purchasing property next year and opening a coffee shop.

Byron Wheeler, resident of 8 years, has operated 24 restaurants with over 1300 employees and is a representative of Perry Street Social District. He agrees to streamline the governing documents to remove inconsistencies for future development. They purchased the Perry Street property with no intention of raising the height to 35 feet, but he paid for the property rights to be able to do so. There are systems in place to ensure our historical values and charm is not lost with the Historic Preservation Board, Design Review Board, Downtown Development Authority and the Downtown Master Plan.

Chris Leever, 25 year resident and property owner in downtown. recently moved their headquarters into a downtown building. He feels we have done a great job balancing growth. He supports what is currently in place and it is important to property owners to maintain their value and balance growth to pay for vital services, and respect history.

Mario Wibbens, owns Acoma Lock and Security that has been here for over 30 years, is a resident, property and business owner. He put everything he had into the business and property for his children's legacy. Change to height rules limits his ability for development and takes away from his return on investment and his children's future. He feels we need to educate residents on why we need to raise taxes to keep a great police department and that the Fire department shows up to accidents, house fires, or when your child gets hurt.

Jason Baer, business owner, resident, and partner with Confluence and Encore for shared work space. He stated clients come to Castle Rock and had no idea how it changed. The community feels safe to bring kids to and he is a big proponent of what is happening.

Sarah Miles, business owner of two properties and new resident for 2 1/2 years, is thrilled to see the change in the last 2-3 years and is grateful for her investment. They looked at 60-70 properties in the Tech Center and around, and then found downtown Castle Rock. It is a safe investment and an inviting opportunity watching the number of people moving into downtown. Castle Rock is special and is in the midst of change with a special vibe that isn't lost but amplified.

Tony DeSimone, owner of Confluence companies, has a 160 year family history in Castle Rock. He wants to focus on the positive and is proud of how downtown is thriving. The planned development is working. In 2013, he had friends open businesses in downtown and in less than a year had to close. Downtown was dead. This motivated him to get involved to make a positive change. They chose degenerated buildings with a goal to save downtown. The last six years they have invested \$150M in private capital and the results are tremendous. They are large buildings, but there is a community within a community living and working there. All downtown business are thriving, there are 900 new parking spaces, and revenues are generating \$8M to parks, schools, fire, police and \$33M in property sales taxes. There are 62 business that have relocated to downtown. DeSimone then showed a two minute video of downtown businesses. He stated "Thank you. We did this together. Go Castle Rock!"

Lou Schileppi, is the owner of Schileppi's for 5 years. They researched Castle Rock and were intrigued with the direction Castle Rock wanted to go. He showed a video of the direction Castle Rock is going.

Eric Kulbe, knows Tony DeSimone and started coming down a few years ago and seeing the Riverwalk development. He drops his kids off at sports then comes downtown and is surprised by the walkability, restaurants and the changes. He just opened a business next to the Backyard and his clients got to see downtown and are looking forward to getting units in Encore. He now drives down here to go to the restaurants, the ice cream shop, etc.

John Johnson, has been in the restaurant business for a long time. They started a pilot restaurant in 2015 and plans to grown in the metro area. He looked from Colfax south of Castle Rock at over 100 properties and fell in love with Castle Rock. They purchased their business and opened in 2017. He used to go to Downtown Littleton, but now he hangs out here and is planning to open more businesses downtown.

Matt Frary, business owner, and was a a resident for 16 years and just moved outside of town about a mile. He decided to build his business here and they took advantage of building a primary employer, Smarter Chaos. He congratulated the Town on their vision, plan and execution to have one of the safest, most vibrant and most economically diverse towns. He also owns four addresses in downtown and is concerned about changing the height restrictions. It is not his intention to grow those buildings at this time, but he doesn't believe the spirit of this town is to limit the growth and he wouldn't have bought them if he thought government overreach would affect his businesses. He is a huge fan of Castle Rock and wants to see vibrant growth and continue to execute the plan. He gives the Town an A+ for an incredible place to live.

John Sieber, resident of 55 years, business owner for many years, and owns a facility here. He recalls when the Old Stone Church came to Castle Rock in the 1970's. Many streets were not all paved. He stated downtown has been sensational and Town Council should be very proud of themselves for doing an outstanding job and making Castle Rock outstanding. It is a safe community and it is a pleasure to walk down the street.

Sara Humberger, resident, moved here in 2018 read the entire master plan. She was working for the DDA in Colorado Springs and has a background in planning and economic development. They had a similar issue where plans conflicted. Downtowns are organic and are usually not planned trying to put plans on top of areas that developed in organic ways. She chose a community as place to raise family. She cautioned trying to make plans can be problematic.

Anna Marie Englehard, resident in the Downtown district, and on the Historic Preservation and Design Review Board. She feels her role needs some clarity by having guidelines codified.

Councilmember LaFleur is honored to hear all the testimonies and appreciates everyone coming. The topic is important to her as a lifelone native and business

owner for seven years in an historic building. She is happy to be part of the community. She recommends cleaning up the guiding documents and has no interest on infringing on property rights. She is proud to be in District 4 and is excited to make great things happen in Castle Rock and is not interested in stopping the momentum.

Mayor Pro Tem Bracken recommends staff go through reviewing the documents and the code. LaFluer agrees.

Councilmember Johnson asked if staff feels they have time to go through these documents and feels it may be helpful to have a consultant.

Councilmember Cavey stated Council was not discussing changing the height restriction. There were some concerns regarding some variances but that can be discussed at another time. She agrees we want to see dilapidated buildings developed into something better, but her concerns about traffic and parking is genuine and feel we need to research it more. We don't want to hurt downtown either.

Councilmember Dietz agrees that no one is talking about property rights. He sees a problem with traffic and infrastructure. People complained about traffic and planning downtown. Part of the issue is that the Design Review Board decides those things and we want proper representation.

Councilmember Hollingshead, stated it has been a great transformation and Council needs to be careful to not send a message that we are not friendly to downtown businesses when we have discussions. We don't want people to feel unsure about the future of Castle Rock. He feels having a checklist for the DRB would help them.

Mayor Pro Tem Bracken asked Tara if she feels we need a consultant. She asked if staff can decide after they review the documents. Bracken suggested they take first pass at it, then if staff needs a consultant they could come back to have Council approve.

Councilmember Johnson asked if Dave has any input on staff's time. Corliss stated staff still spends a lot of time working with a consultant, but they can provide outside views.

Mayor Gray thanked them taking time away from their families and their jobs. Council takes property rights very seriously and believes you have rights for your business or land. We have a 2017 parking document outlining parking requirements for new buildings which helps our parking downtown. Maybe we would look at more parking requirements, but that adds to the height of buildings. He stated they are a conservative Council and don't want government overreach. We are growing and a hospital wouldn't have come here, the same for a college and many other venues. Earlier in the year the Council voted on the View agreement, and every single restaurant voted to have the View. If you love the restaurants, ask your favorite if they like the vote and take their opinions to heart. Gray stated he loves Castle Rock and loves it more now. Gray stated that he will vote against the motion and feels Staff should take a swipe at it first.

Mayor Pro Tem Bracken noted that he went the Office for dinner during the Sublime concert and they were waiting for the concert to get out for the big rush. Afterwards every table was full. Events have a big impact on businesses and foot traffic. He will oppose the motion to have staff take first pass at it.

[DIR 2021-017](#)

Discussion/Direction: Downtown Development and Guiding Documents (Tara Vargish, Director of Development Services)

Moved by Councilmember Johnson, seconded by Councilmember Dietz, to Direct staff to put out for bid and RFP. The motion failed by the following vote:

Yes: 3 - Cavey, Johnson, Dietz

No: 4 - Hollingshead, LaFleur, Bracken, Gray

Moved by Mayor Gray, seconded by Mayor Pro Tem Bracken, to Direct Staff to review the documents and, if needed, hire a consultant. The motion passed by the following vote:

Yes: 6 - Hollingshead, LaFleur, Johnson, Dietz, Bracken, Gray

No: 1 - Cavey

ADJOURN

Motion to Adjourn the meeting. Motion passed by a vote of:

Yes: 7 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Bracken, Gray

Meeting Adjourned at 7:52 pm.

Submitted by:

Lisa Anderson, Town Clerk