



NEWS RELEASE

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Media Contact: Bill Detweiler
bdetweiler@CRgov.com
720-733-3519

Council-approved URA plan focuses on site development

The site of an abandoned municipal dump and abandoned clay mines could become a hub for industrial / employment based economic development activity following Town Council's approval of the first Castle Rock Urban Renewal Authority (URA) plan. The Citadel Station – Castle Meadows URA Plan encompasses 66 acres generally located on the northwest corner of Interstate 25 and Plum Creek Parkway.

Urban Renewal Authorities (URA) were created by the State in the late 1950's to help bridge financial gaps in development and redevelopment projects where blight conditions exist. Town Council created the Castle Rock Urban Renewal Authority in May 2013 to allow use of Tax Increment Financing (TIF) to assist with removal of blight, like the former dump and clay mine sites, and to stimulate growth and investment in Town.

The Castle Rock URA was formed based on feedback from the Castle Rock Economic Development Council (EDC) which takes the lead for business attraction, retention and expansion. According to the EDC, there are two significant obstacles for businesses in Castle Rock including a lack of development ready sites and a lack of vacant building space. The URA Plan Council approved helps open land for development that has remained undeveloped for over 30 years. The Plan outlines how tax increment financing will be utilized for removal of the dump site and remediation of the clay mines, along with installment of public infrastructure and construction of other public improvements.

Building on a former dump site and remediating abandoned clay mines is not easy. It will require removal and remediation of waste materials from the late 70's and early 80's and filling of clay mines to ensure stable soils for construction of buildings and infrastructure. The costs involved to remove the dump and remediate the clay mines is costly and results in land values that are not competitive in the regional market. The adopted URA Plan will allow for use of TIF to pay off debt required to remove the dump site, remediate the clay mines, and for other infrastructure allowed under the URA Act.

TIF is not a tax increase. TIF is the increment of property assessment created by new construction within an urban renewal area. TIF is collected by the Castle Rock URA and placed in a special fund to pay off bond debt, in this case, to remove the abandoned dump site and remediate the abandoned clay mines.

The plan should not be confused with a development project. The plan allows for use of TIF following Council approval of a URA Project. The URA Project shows details of site and building construction and identifies the amount of TIF that will be generated by the new construction. The next step for staff is to work with interested developers on site and building plans and based upon meetings with Town staff and the EDC team, we can expect submittal of formal URA Project applications in late 2014 / early 2015.

You can learn more about the Castle Rock URA program at www.castlerockrenewal.org.