



**Town of New Castle**  
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### Memorandum

**To:** Mayor & Council

**From:** David Reynolds

**Re:** Agenda Item: Consider amended restrictive covenants for 600 W. Main St.

**Date:** 10/7/2025

**Purpose:**

The purpose of this agenda item is to consider approval of amendments to the Restrictive Covenants placed on 600 W. Main Street at the time of sale in June 2024. As Town Council may recall, the Town-owned property at 600 W. Main Street was sold to Aaron and Meagon Shockley subject to Restrictive Covenants. At a recent Town Council meeting, Mr. Shockley provided an update on his progress relative to these covenants. Following review of the progress made and discussion of the timeline challenges identified, Town Council expressed support for shifting all Restrictive Covenant deadlines out by one year.

See original *Restrictive Covenants* below along with newly proposed *Restrictive Covenants* that include extended timelines:

**DECLARATION OF RESTRICTIVE COVENANT**

This DECLARATION OF RESTRICTIVE COVENANT (the "Declaration") is made this 5<sup>th</sup> day of June, 2024 ("Effective Date"), by the Town of New Castle, Colorado, a Colorado home rule municipality (the "Declarant").

**RECITALS:**

WHEREAS, Declarant is the owner of certain real property located in the County of Garfield, State of Colorado, legally described as Lots 1 – 3, Block 15, New Castle Original Townsite, and commonly known as 600 W. Main Street, New Castle, Colorado 81647 (the "Property"); and

WHEREAS, Declarant desires to impose a covenant restricting the use of the Property as set forth herein.

NOW THEREFORE, in furtherance of the foregoing, Declarant does hereby declare as follows:

1. Incorporation of Recitals. The foregoing Recitals are hereby incorporated into and made a part of this Declaration.

2. Covenants. Declarant hereby subjects the Property to the following covenants, conditions, and restrictions:

- a. The foundation of a building to be used in whole or in part as a restaurant shall be completed on the Property no later than two years after the Effective Date. If, absent good cause shown and accepted by Declarant, the foregoing does not occur, Declarant shall have the right, but not the obligation, to repurchase the Property from the then owner of the Property for \$300,000.00.
- b. A building to be used in whole or in part as a restaurant shall be completed and receive a certificate of occupancy no later than three years after the Effective Date. If, absent good cause shown and accepted by Declarant, the foregoing does not occur, Declarant shall have the right, but not the obligation, to (i) repurchase the Property from the then owner of the Property for the fair market value of the Property as determined by an appraiser agreed to by Declarant and Property owner at the time the repurchase option is exercised, or (ii) otherwise seek to enforce the terms of this Declaration.
- c. The Property shall be used in whole or in part for the operation of a restaurant or other food and beverage establishment open to the public for a period of at least two (2) years from the date a certificate of occupancy is issued for the Property (the "Restricted Use Period"). If at any time prior to the end of the Restricted Use Period the Property sits vacant for a period of 12 consecutive months or the Property is converted to a different use, Declarant shall have the

