



Meeting Date: November 21, 2023

AGENDA MEMORANDUM

To: Honorable May and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services
Brad Boland, AICP, Long Range Project Manager, Development Services Department

Title: Ordinance Approving the Initial Zoning for 73.76 Acres of Land Located in the North Half of Section 26, Township 7 South, Range 67 West of the 7th Principal Meridian, Douglas County, Colorado, Pursuant to a Zoning Application Submitted by 455 Alexander, LLC, and Tierra Investors, LLC (Alexander Way Initial Zoning)

Executive Summary

The ordinance was approved on first reading on November 7, 2023 with a vote of 7-0, with no changes.

455 Alexander, LLC, and Tierra Investors, LLC (applicants) have submitted an application for a proposed Planned Development Plan and Zoning Regulations called Alexander Way and a Petition for Annexation and accompanying plat map (Attachment C and D) for 73.76 acres. The proposed Alexander Way PD (Attachment E) is 77.96 acres in size with property currently located in unincorporated Douglas County and the Town. Two parcels totaling 73.76-acres currently in unincorporated Douglas County, which are located east of the Silver Heights subdivision in unincorporated Douglas County, north of Alexander Place, and west of the Diamond Ridge Estates neighborhood A 4.2-acre parcel is already annexed into the Town and is within the Maher Ranch PD, adjacent to the Diamond Ridge Estates PD.



Figure 1: Alexander Way Vicinity Map

Key Benefits of Proposed Annexation and Zoning

- Provides 40% Open Space and a 1.5-acre pocket park
- Provides a unique housing type with the 22 units of live work
- Provides groundwater rights in excess of the water demand of the development
- Low density adjacent to County development provides an appropriate transition
- Provides opportunities for additional trail connections
- Is a logical infill property
- Eliminates permitted uses on the 4.2-acre parcel that would not be compatible with the surrounding Diamond Ridge Estates PD.
- Allows Town determination of growth patterns and development standards

Summary of Proposal

The parcels to be annexed total 73.76 acres and are currently zoned A-1 Agricultural One. Town Council held a public hearing on October 19, 2021, and found the annexation petition to be in substantial compliance with the provisions of Article II, Section 30(1)(B) of the Colorado Constitution and Section 31-12-107(1), C.R.S. Further, Town Council held a public hearing on December 7, 2021 and found the parcels proposed for annexation were eligible to be annexed in accordance with the Colorado Revised Statutes. The Town will now consider whether the property should be annexed to the Town, and whether the proposed Planned Development zoning is appropriate and should be approved.

The Alexander Way PD proposes to allow 77 single-family dwelling units for a gross density of .987 dwelling units per acre (du/ac) and approximately 31.25 acres, 40% of the site, of open space and an additional 1.5-acre pocket park. The residential use is split in to two distinct use areas. The first use area allows for 55 single-family dwelling units on minimum lots of a half-acre. The second residential use area allows for 22 live work units. The live works units are a mixture of single family detached and attached dwelling units. The live work units allow for expanded home businesses beyond the Town's home occupation regulations.

The purpose of this staff report is to provide an analysis of the proposed annexation and zoning, to summarize the obligations formalized in the Development Agreement (DA). Staff has thoroughly reviewed the proposals, and the applicant has made all staff requested changes.

Planning Commission Recommendation

The Planning Commission voted 6-0 to recommend approval of the Alexander Way zoning during a public hearing at their regularly scheduled meeting on October 26, 2023.

Background

Existing Zoning

The two parcels located in unincorporated Douglas County are both zoned A1 – Agricultural One. The A-1 permitted uses include agricultural related uses, community uses, and a residence and caretaker dwelling.

The 4.2 acre parcel that is already within the Town is part of the Maher Ranch PD and is identified as a Dedicated Community Open Space use area. Uses allowed include open space, parks, public or private membership clubs and health clubs including incidental shops, personal service establishments, restaurants and lounges, and community centers.

Surrounding Zoning and Uses

The property is bordered by the Town on the south and east and bordered by unincorporated Douglas County to the north and bordered by both the Town and unincorporated Douglas County to the west. To the north, the property is bordered by two properties in unincorporated Douglas County, one of which is zoned A1 – Agricultural One and the other Rural Residential. On the west, the property is bordered by the Silver Heights single family residential subdivision in unincorporated Douglas County at the northern section of the property and a property within the Town on the southern portion of the property, known as the Cooper Hook PD. The Cooper Hook PD, a Planned Development allows a variety of commercial uses and open space. To the south, the property is bordered by Town property and the Cooper Hook PD once again. To the east, the property is bordered by Town property known as Diamond Ridge Estates PD. The Diamond Ridge Estates PD is Planned Development that allows for single family residential.

Existing Conditions

A Land Suitability Analysis (LSAR) and Geologic Hazards Assessment were provided as part of the application submission which assessed the site's existing topography, vegetation, geology, wildlife habitat, soils, and wildfire mitigation and rock outcroppings. The LSAR and Geologic Hazards Assessment concluded that the site is suitable for development as proposed.

The site generally slopes west-northwest with a steep incline leading up to a ridge that runs along the site's eastern boundary. There are several gully features that run perpendicular to the eastern ridge in the center of the site.

Vegetation on the property includes stands of native Gambel Oak along the eastern portion of the property. There are scattered evergreen trees located among the Gamble Oak. The western portion of the property is covered with grass and trees.

A variety of wildlife can be found on the property, most notably small to mid-sized mammals, song birds, and raptors. Big game species such as elk, deer, bear, and mountain lion have also been present on the property.

Discussion of Proposal

Alexander Way Annexation

The Alexander Way annexation petition and plat map were accepted and filed with the Town Clerk on September 16, 2021. As required by the Colorado Revised Statutes (C.R.S.), the petition was reviewed by Town Council in two separate hearings. The Substantial Compliance hearing was held on October 19, 2021 and the Council found that the petition substantially complied with the requirements of the Colorado Constitution and the C.R.S for annexation. The Eligibility hearing was held on December 7, 2021 and Town Council found the property to be eligible to be considered for annexation into the Town.

The area proposed for annexation is approximately 73.76 and is currently zoned A1-Agricultural One.

Alexander Way Planned Development Zoning

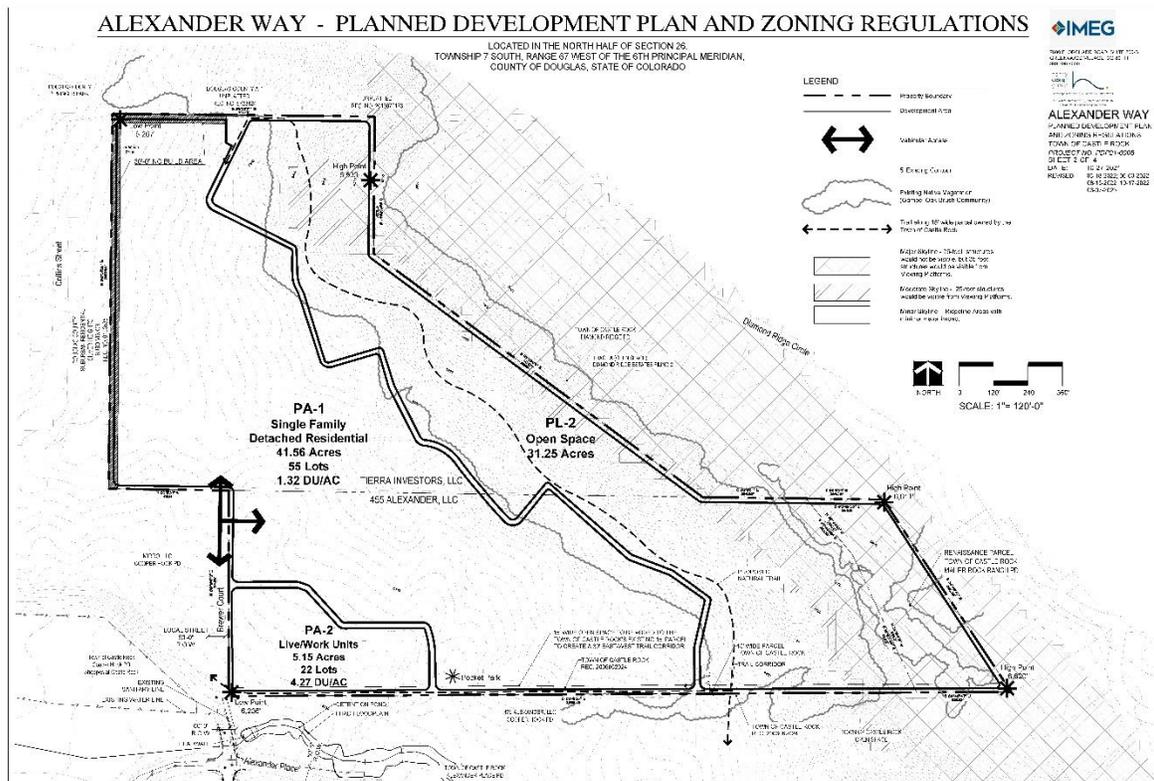


Figure 2: Alexander Way Planned Development Plan

The applicant is requesting that the property be zoned Planned Development (PD) (Attachment D). In addition to the 73.76-acres proposed to be annexed, the zoning includes a 4.2 acre parcel already within the Town that will be incorporated into the Planned Development. The Planned Development consists of three use areas; single family detached residential, live work, and dedicated open space. The proposed zoning would allow a total of 77 single-family detached and attached dwelling units, at a gross density of 0.987 du/ac.

The single family detached residential use area (PA-1) is 41.56 acres in size and allows for 55 detached single family homes for a net density of 1.32 units/acre. A minimum lot size of 21,780 square feet (half an acre) is required. The maximum height allowed is 35 feet. Initial plans called for an open space tract that included a trail along the western boundary adjacent to the Silver Heights subdivision. During the public outreach process, concerns regarding a trail behind the Silver Heights subdivision were brought forth by neighbors. Concerns were also raised regarding having an open space tract without a formal trail due to maintenance of the area and the use of the tract as a informal trail corridor. In response the applicant changed the plans so that the single family detached lots would back up to the Silver Heights subdivision. A larger rear setback of 50 feet was proposed to create a buffer between the two residential developments.

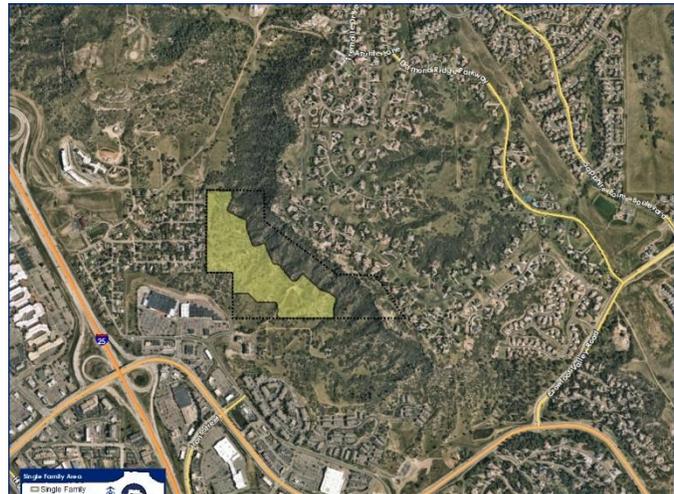


Figure 3: Single Family Detached Use Area

The live work use Area (PA-2) is 5.5 acres in size and is located in the southwest corner of the development. The use area allows for 22 live work units for a net density in this area of 4.27 units/acre. The live work use area allows a mixture of attached single family dwelling units and detached dwelling units. The intent of the live work use area is to allow complementary work uses that are conducted entirely within the dwelling units. The uses can only be conducted by the residents of the dwelling units and there can be no more than five non-resident employees. The allowed

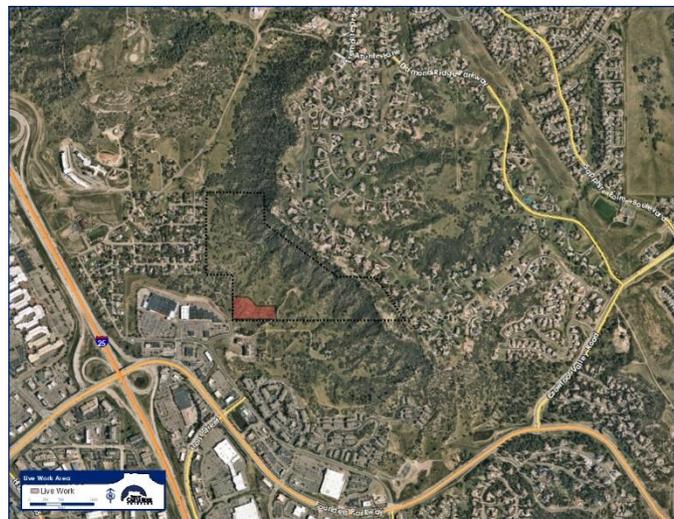


Figure 4: Live Work Use Area

uses are an expansion of the Town's home occupation uses. Additional uses include beauty/nail salon and barbershops with a two-chair maximum and group classes with a maximum of five participants at any one time. No outdoor storage of materials or equipment used in connection with the business is allowed. A minimum lot size of 1,800 square feet for attached dwelling units and 5,000 square feet for detached dwelling units is proposed.

The development plan proposes to set aside 31.25 acres or 40% of the property as dedicated open space (PL-2) which will be dedicated to the Town. The dedicated open space is located on the east side of the property and spans from the north boundary all the way to the south boundary. At the south boundary the dedicated open space is immediately adjacent to a 7 acre Town owned open space tract within the Cooper Hook PD. The dedicated open space use area will comply with the PL-2 zoning district that permits passive uses and development standards as established in the Town's Municipal Code Section 17.30.030. A natural trail system will go through the dedicated open space and will be built by the developer. Per feedback received at the neighborhood meetings, no trail connection will be made to Diamond Ridge Estates to the east. All skyline/ridgeline areas on the property are within the proposed open space.



Figure 5: Open Space Areas; Light Green - Existing Private Open Space, Medium Green - Proposed Alexander Way Public Open Space, Dark Green - Existing Town owned Open Space

In addition to the open space being dedicated to the Town, 1.5 acres will be set aside for a neighborhood pocket park. The 1.5 acres will be located in either PA-1 or PA-2 or both. In addition, a 15 foot tract along the entirety of the south property boundary will be created and dedicated to the Town. This 15 foot tract will mirror a similar 15 foot tract that spans the north boundary of the Cooper Hook PD. The two tracts combined will create a 30 foot corridor that could potentially be used for a future trail connection to Town owned open space.

Technical Reports and Analyses

Water

The proposed water system will be extended from an existing 8-inch main located at the end of existing Brewer Court within dedicated rights of way creating two loops serving the development. The site configuration at the north end of the extended Brewer Court is designed to allow for a future water extension that may serve as a future connection

to the Silver Heights subdivision if it is ever needed. The proposed development area is entirely within the Metzler North Blue zone hydraulic elevation range.

Sanitary Sewer

Existing sanitary sewer is provided in an 8" sewer main at the end of the Brewer Court, which will be extended to serve the development. This system drains south and west through the Cooper Hook development to the Town's larger wastewater collection and conveyance system.

The proposed sanitary sewer extension will include a single point of connection at Brewer Court and extend within proposed rights of way for the single family residential area and the live work area in the southwest corner of the project. Development of the water and sewer infrastructure necessary to serve the project will be the responsibility of the developer/owner. The flow created by the proposed development is a sufficiently small flow that will not adversely affect the downstream capacity of the existing sewer system.

Drainage/Floodplain

There are no major drainage ways within the Alexander Way development. The site is located in FEMA Zone X as noted on FIRM Panel 08035C0186G Revised March 16, 2016. There are no irrigation ditches or canals adjacent to or impacted by this project. There is designated FEMA floodplain that begins approximately 2500 feet west of the project boundary. The FHAD for Tributary C identifies flood limits along the southern boundary of the Cooper Hook property.

This property is located within the East Plum Creek watershed basin, and will be required to provide water quality and full spectrum detention for the 100-percent of the site. The developer will be required to provide storm sewers, inlets, and extended detention basins for water quality and storage, in accordance with Town regulations.

Groundwater Rights and Dedication

All Denver Basin groundwater rights underlying the Alexander Way PD property will be conveyed to the Town upon annexation. The Alexander Way PD property consists of three groundwater parcels: North, South, and Already Annexed – 4.2 acres.

A review of the Groundwater Rights Title Opinion was completed by the Town's outside water attorney and accepted by staff.

The groundwater rights underlying the northern parcel are currently owned by the Silver Heights Water District. If the annexation is approved, the applicant will be required to disconnect the property from the Silver Heights Water District and convey the water rights to the Town. Once the northern parcel nontributary groundwater rights have been conveyed to the Town, the Alexander Way Water Bank will be credited for them.

Additionally, under all three parcels, the groundwater rights include not-nontributary (NNT) groundwater that requires adjudicated augmentation plans and conveyance of the plans to the Town. The developer is working with the Town on how best to achieve this conveyance. Upon conveyance to the Town, the Alexander Way Water Bank will be credited.

In addition to the groundwater rights associated with the Alexander Way PD, the owners hold additional groundwater rights and an adjudicated augmentation plan that they propose to convey to the Town as part of the annexation approval. These water rights are located under the Diamond Ridge Estates development and were not dedicated to the Town at the time the development was approved.

The property is identified as an infill parcel as depicted in the Castle Rock Water Inclusion and Exclusion map and therefore exempt from providing renewable water per section 4.04.045B of the Castle Rock Municipal Code.

Alexander Way Water Bank

The Alexander Way Development Agreement contains details on the Alexander Way Water Bank including how debits and credits are made. The Alexander Way Water Bank will be initially credited with **216.5 SFE**.

Future credit for the Alexander Way water bank will come from the nontributary (NT) groundwater rights currently owned by Silver Heights.

To determine if the NNT groundwater rights underlying all 3 parcels and the Diamond Ridge augmentation plan will be credited to the water bank, the Town's water attorney is currently reviewing them due to the complexities of conveying NNT groundwater that was partially dedicated previously. However, there will be enough credit in the water bank for the planned development from the above-mentioned SFE credits.

Transportation and Traffic Impacts

The Transportation Impact Analysis (Attachment E) addresses the capacity, geometric, and control requirements associated with the development entitled Alexander Way Residential.

The Transportation Impact Analysis has been revised to address Town comments made through the review process, regarding annual growth rates, mitigation for poor intersection level of service and vehicle queuing results, and updates to applicable study figures and tables throughout.

Founders Parkway at Allen Way: The Transportation Impact Analysis has determined that a portion of the traffic generated by the development will utilize this signalized

intersection. A pro-rata share of improvement costs for intersection control equal to 1% or \$57,621.65 will be a condition of the Development Agreement (DA).

Founders Parkway at Front St: The Transportation Impact Analysis has determined that a portion of the traffic generated by the development will utilize this signalized intersection. A cash-in-lieu payment equal to 1% or \$40,876.90 will be a condition of the DA for construction of additional turn lanes.

Allen Street and Alexander Place: This intersection shall be converted to an “All Way” Stop upon issuance of the first building permit.

Staff is of the opinion that the proposed site-generated traffic resulting from Alexander Way Residential is expected to create no negative impact to traffic operations for the surrounding roadway network. Analysis of site-generated traffic concludes that proposed development traffic volume is considered minor.

Parks and Recreation

The development plan proposes to set aside 31.25 acres as public open space (OSD). The area of OSD runs along the eastern boundary of the property, providing a buffer between the adjacent development and serving to protect slopes, mature vegetative stands, and wildlife habitat and movement corridors. All OSD acreage will be dedicated to, and owned by, the Town, and will be zoned as Public Land-2 (PL-2). The PL-2 district permits passive uses and development standards as established in the Town’s Municipal Code Section 17.30.030. The developer also plans to incorporate approximately 1.5 acres of private open space (OSP) into the residential planning areas. The permitted uses allowed in OSP are listed in the Alexander Way PDP Zoning Regulations and include picnic areas, seating nodes and lookouts, grading and drainage improvements, public utilities and associated structures, neighborhood parks and playgrounds as well as irrigation, water storage, distribution and well facilities.

Alexander Way proposes a natural surface trail through the dedicated open space which will tie into the Town’s trail network. The developer also is providing a 15’ wide corridor along the southern boundary which, when connected with the Town’s 15’ parcel, creates a 30’ wide east/west trail corridor.

Public Land Dedication

It was determined that the development does not contain a suitable site for land dedication. As such the applicant will pay cash-in-lieu of land dedication. The required payment will be based on the valuation schedule maintained administratively by the Town and will reflect the cost the Town may incur in acquiring on the open market property of equivalent acreage suitable for development for the public purposes as identified in Chapter 16.08 of the Municipal Code. The cash-in-lieu fee shall be calculated and paid at time of plat.

Police and Fire Service

Upon annexation, the property will be served by Castle Rock Police, rather than the Douglas County Sheriff. The property will also be disconnected from the Castle Rock Fire Protection District, and will be served by the Castle Rock Fire Department. Prior to the issuance of the first building permit for the proposed development, the owner will be required to prepare and submit to Castle Rock Fire Department a fire protection plan for the development. The fire protection plan shall be prepared in accordance with the Town's Community Wildfire Protection Plan, Town Regulations, and all applicable State laws and regulations by a registered design professional, qualified landscape architect, or qualified fire safety specialist acceptable to the Town. The fire protection plan shall analyze the wildfire risk of the development and recommend fire protection and life safety measures for the purpose of mitigating wildfire hazards within the development. The owner shall be responsible for implementation of fire protection and life safety measures as may be recommended by the fire protection plan and approved by the Town.

The dedicated open space and any other parcels that may be conveyed to the Town shall be assessed, at no cost to the Town, by a professional that is familiar with Wildland Urban Interface (WUI) mitigation. This assessment shall be provided to the Life Safety Division of the Fire Department for review and determination if any treatments are necessary to meet the current Community Wildfire Protection Plan that has been approved by the State of Colorado and Town of Castle Rock. Any identified mitigation will be required to be performed by the owner prior to the conveyance of the property.

Fiscal Impact Analysis

The Castle Rock Municipal Code, Section 17.32.100, provides that the Town may require an evaluation of the fiscal impacts of any new Planned Development that involves significant changes to uses and densities. The analysis shall generally consist of a comparison of the project's projected direct revenues (property, sales and use tax generation) to projected costs of providing urban services to the development. The analysis shall examine the revenue/cost comparison not only at full build-out, but at appropriate phases of development as the project builds out over time. The conclusions of the Fiscal Impact Analysis of the Alexander Way proposed annexation and zoning are summarized as follows (Attachment F).

The proposed Alexander Way development, which is anticipated to deliver a majority of single family detached housing and portion of live work units, will result in a very modest positive fiscal balance for the Town. The ongoing annual net fiscal impact of the Alexander Way development on the Town's General Fund, Transportation Fund, and Community Center Fund is estimated at a positive \$89,645, \$23,426, and \$742 per year at full stabilization, respectively.

The total annual net fiscal impact at full stabilization is estimated at \$113,813 which is slightly above a neutral balance of estimated revenues versus Town expenses. Thus, the project can be characterized as covering the estimated costs of providing Town services, but should not be characterized as creating significant positive revenues. The positive fiscal impact of the development is contingent upon the relatively high average household incomes required to afford the higher value large lot single family product types, and that support the capture of higher levels of retail sales generating local sales tax revenue.

It should be noted that a fiscal impact analysis only provides an order of magnitude estimate of project revenues and expenses based on the current Town budget. As with any fiscal projection, there should be an assumed margin of error associated with the estimates. Results are best interpreted as an estimate of fiscal impacts based on the Town's current budget. To the extent that the Town is providing services at a level below desired levels based on budget constraints, the analysis may underrepresent the future costs of providing services to the project.

Given that all fiscal models rely on prospective assumptions and there are margins of error in these assumptions, in this case the fiscal model's very slight positive fiscal balance in favor of the Town, it is reasonable to conclude that as a generalized statement the fiscal benefits and costs for the Town from the proposed development are roughly equal.

Development Agreement Summary

A development agreement is a contract between the Town of Castle Rock and the property owner (Owner) that addresses required infrastructure improvements, development phasing, open space conveyances, water rights conveyances, Town service obligations, developer obligations and other relevant items. The development agreement is considered and acted upon by Town Council. The following is a brief summary of the key elements of the Alexander Way DA.

The major provisions of the Alexander Way Development Agreement (DA) are listed below.

- Owner shall convey all groundwater rights to the Town upon annexation.
- Owner shall convey additional ground water rights to the Town
- A \$57,621.65 pro rata share contribution to the Founders Parkway and Allen Way intersection
- A \$40,876.90 pro rata share contribution to the Founders Parkway and Front Street intersection
- Conversion to an all way stop at the intersection of Alexander Place and Allen Street
- Conveyance of 31.25-acres of open space to the Town
- Construction and maintenance of a natural surface trail system in the open space

- PLD contributions to be determined at the time of plat

Public Notification and Outreach

Public Hearing Notice

Public hearing notice signs were posted on the property and written notice letters were sent to property owners within 500 feet of the property, at least 15 days prior to the public hearing. In addition, a public notice of the Annexation and Zoning hearing was published in the Douglas County News-Press in accordance with Section 20.02.020 of the Municipal Code.

Town staff published notice of the Planning Commission and Town Council public hearings on the Town's website and provided information about the proposal on the Town's *Development Activity* interactive map.

External Referrals

External referrals were sent to various utility providers, public service providers and jurisdictional partners.

Comments from Colorado Parks and Wildlife urged that fragmentation and loss of habitat be kept to a minimum through clustering of development and provision of open space. Trails were encouraged to be placed near the edges of open space and not wider than 8 feet. Education of future residents in living with wildlife was suggested. Colorado Geological Survey (CGS) stated initial concerns regarding rock fall and landslide susceptibility and requested that a geotechnical study be submitted at time of the Site Development Plan/Plan. The applicant chose to prepare the geologic/geotechnical report in response to these comments for this application. After CGS reviewed the geologic/geotechnical study they stated that their concerns had been addressed provided that the recommendations in the report be followed. CGS will be a referral agency during the Site Development Plan review.

The remainder of the agencies contacted for external comments either did not respond, responded indicating "No Comment", or had comments of a technical nature.

Neighborhood Meetings and Public Outreach

The applicant has conducted four neighborhood meetings.

The first meeting was held on July 13, 2021 in a hybrid format with the in-person portion being held at Town Hall. Approximately 45 people attended in person and online combined. Concerns raised was the ownership of open space, would development be proposed within the skyline/ridgeline areas, and concern about the impact of wildlife. Residents expressed concerns about a proposed trail connection from the development into the Diamond Ridge Estates PD. Residents of the Silver Heights expressed

concerns regarding the location of the detention pond and safety. General concerns about development and water were raised.

The second neighborhood meeting was held on February 2, 2022. The meeting was originally scheduled to be a hybrid meeting but due to weather was held virtually. Approximately 15 people attended the meeting. Concerns and questions that were raised by attendees included the elevation difference between Diamond Ridge Estates and the proposed homes (estimated to be 200 to 250 feet depending on location). Residents of Silver Heights raised concerns about the trail corridor proposed adjacent to their neighborhood.

A third neighborhood meeting was held on April 12, 2023 in a hybrid format with the in-person portion held at the Castle Rock library. Approximately 5 people attended the meeting. Questions regarding potential landscaping along the eastern boundary of the property were asked and discussed. General concerns on overall growth in the Town were raised.

A fourth neighborhood meeting was held on October 16, 2023 in a virtual format and no members of the public were in attendance.

Analysis

Staff has completed a full analysis of the proposed annexation and proposed Planned Development zoning, taking into account the representations made in the application for annexation and zoning, and the goals and principles of the Town's 2030 Vision and Comprehensive Master Plan, the criterion of the Town's Municipal Code and the requirements of the Town's technical criteria. The remainder of this report focuses on how the annexation and zoning proposals are consistent with the Town's guiding documents and meet the Town criterion for approval, beginning with the request for annexation.

Annexation Analysis

This staff report focuses primarily on the proposed zoning; however, the annexation analysis is included as background and context.

The Town has complied with the process prescribed by the Municipal Annexation Act of 1965 (the Act). On October 19, 2021, Town Council found the Alexander Way Annexation Petition to be in substantial compliance with the prescribed form and content required by the Colorado Revised Statutes and set the date of the Eligibility Hearing for December 7, 2021. After proper public noticing, Town Council held the Eligibility Hearing as scheduled, reviewed the statutory allegations made in the Annexation Petition (Attachment C) and found that the property is eligible to be considered for annexation into the Town of Castle Rock.

The third phase of the process is the Annexation Hearing, the purpose of which is to determine whether the property should be annexed to the Town. Section 20.02.040 of the Municipal Code states that Town Council shall consider the policies, guidelines and criteria in the Town [Comprehensive] Master Plan, as amended, along with any other relevant information in determining whether it is in the best interests of the Town to grant or deny the petition for annexation. The following section identifies the applicable principles of the Comprehensive Master Plan and summarizes how the proposed Alexander Way annexation achieves those principles.

2030 Vision and Comprehensive Master Plan

The principles set forth in the Town's Comprehensive Master Plan are based on four cornerstones identified through a Town-wide visioning effort as the characteristics most important to the community. The four cornerstones are Distinct Town Identity, Responsible Growth, Community Services and Thriving Economy. The following is an analysis of the specific principles applicable to this proposed annexation.

Distinct Town Identity

- *ID-2.1 Master Planned Developments*

Master Planned communities that offer diverse housing options, mixed use development, transition zones, trail connections, open space buffers and community services and amenities are encourage. Regional and local transportation networks serve to ensure safe and reliable commuter routes.

Analysis: Alexander Way is a master planned development and will offer a variety of housing types, a transition from urban to county development, trail and road extensions and connections and a well-defined open space buffer to the existing Town neighborhood to the east of the property.

- ID-6.1 Natural Environment Protection

Identify and preserve important properties that offer unique natural and scenic vistas or other characteristics that distinguish Castle rock from other communities.

Analysis: Annexation to the Town will give the Town the ability to determine zoning and to preserve the unique natural features of this property. Specifically, approximately 40% of the property will be set aside as open space.

- ID-7.1 Parks and Recreation Facilities

Provide a variety of indoor and outdoor spaces, well distributed throughout the Town, that encourage active community recreation.

Analysis: Trails are proposed within the open space of the development with potential future connections to other Town open space and trails. A 1.5-acre pocket park is additionally proposed in the residential use areas.

- ID-7.2 Open Space

Establish permanent open space and natural buffers to preserve fragile ecosystems, habitats and corridors. Provide opportunities for passive recreation.

Analysis: As described above, the Alexander Way PD preserves 40% of the site as dedicated open space that will include passive uses. The dedicated open space consists of one contiguous creating an uninterrupted corridor.

- ID-7.3 Trails

Continue to build a connected municipal trails system that meets the needs of a wide diversity of users, connects Castle Rock’s neighborhoods and activity centers, and provides linkages to the regional trails system.

Analysis: The Alexander Way PD will enhance the Town’s extensive trail system with potential links to the Town’s overall trail system.

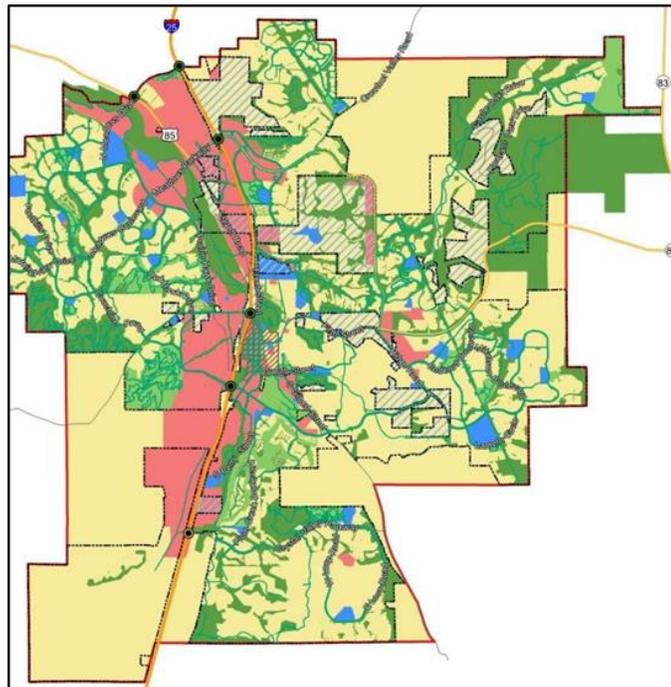
Responsible Growth

The Comprehensive Master Plan specifically states that annexation requests must take into consideration the following items.

- *RG 2.1 - Castle Rock Annexation Areas*

A. Is a logical extension or infill of the Town boundaries.

Analysis: The Comprehensive Plan, Future Land Use Plan represents future Town buildout boundaries and anticipated land uses. The Alexander Way property is within an unincorporated enclave and is a logical infill annexation (see Figure 9).



The property is anticipated to be an area of residential development per the Future Land Use Map in the Comprehensive Plan.

B. Has demonstrated a significant benefit to the Town.

Analysis: Annexation and zoning of the Alexander Way property is a logical infill and provides for continuity of Fire and Police services. Approximately 40% of the property will be dedicated as public open space owned by the Town. The development will provide additional ground water rights beyond what is required to serve the development. The proposed live work units provide a unique housing type not found elsewhere in the Town.

C. Will be provided with adequate urban services.

Analysis: The property is able to be served with appropriate and adequate municipal services.

D. Is fiscally responsible.

Analysis: The owner will be required to pay for all infrastructure improvements necessary for development of the property such as water, wastewater, storm water and/or drainage, and transportation improvements. Additionally, the owner will convey all groundwater rights to the Town associated with the property and will convey additional groundwater rights to the Town.

The conclusions of the Fiscal Impact Analysis are summarized earlier in this report.

E. Conveys to the Town all water rights appurtenant to the ground at time of annexation.

Analysis: The owner will dedicate all appurtenant ground water rights. The applicants are conveying additional ground water rights to the Town that exceed the projected water demand of the development.

F. Secures renewable water to 100 percent of the expected development on the annexed area.

The property is identified as an infill parcel as depicted in the Castle Rock Water Inclusion and Exclusion map and therefore exempt from providing renewable water per section 4.04.045B of the Castle Rock Municipal Code. The applicant is proposing to convey additional ground water rights beyond what is required to serve the development.

- *RG2.2 - Annexation of Infill Areas*

Consider the annexation and development of areas surrounded, or partially surrounded, by the Town boundary that can demonstrate a benefit to the

Town, connect to Town water and sewer and create a contiguous municipal boundary.

Analysis: The property is within an unincorporated Enclave that is surrounded by the Town. The proposed annexation has demonstrated a benefit to the Town and can be connected to Town water and sewer. The annexation would contribute to filling in the Town's boundary.

- *RG3.3 – Mix of Housing Options*

Encourage a variety of housing options to provide a balanced mix of single family detached, single family attached and multifamily units with an increase in density within the Downtown Overlay District or in the Interchange Overlay Districts.

Analysis: The proposed live work units provide a unique housing type that is not found elsewhere in the Town.

Community Services

- *EC1.2 – Parks and Recreation Facilities*

Provide convenient access to recreation resources and open space throughout Town by locating neighborhood parks within walking distance of residents and convenient access to trails. Create sufficient passive open space corridors that are contiguous and integrated into Town and County local and regional trail systems that encourage an active and healthy lifestyle. Provide recreational facilities and programs for Town residents that meet a variety of athletic interests

Analysis: The proposed open space and trails will be easily accessible to the proposed residences. The proposed open space creates an open space corridor that is contiguous and is adjacent to existing Town open space.

Thriving Economy

- *EC1.2 – Jobs Housing Balance*

Promote a balance of jobs to housing to provide residents the opportunity to live close to where they work. Accommodate a mix of land uses that will allow a full spectrum of service and primary employment opportunities for its residents.

Analysis: The proposed live work units will allow residents to work where they live and allow for opportunities for small business creation.

Planned Development Plan Approval Criteria and Analysis, CRMC 17.34.030:

Staff analysis of the proposed Alexander Way Planned Development Plan and Zoning regulations has taken into account the representations made in the land use application and supporting reports and analyses. Per Section 17.34.030 PD Plan Approval Criteria, the proposed PD zoning shall be evaluated under the following criteria.

A. Community Vision/Land Use Entitlements

The proposed Alexander Way PD meets this criterion. The development proposal conforms to the Town of Castle Rock Vision and Comprehensive Master plan by

- *Planning for and accommodating the needs of existing and future residents;*
- *Offering cohesive neighborhoods, with a mix of land uses that support a variety of lifestyle options for Castle Rock residents;*
- *Including buffers and transitions that recognize, and are sensitive to, the scale and character of the surrounding neighborhoods;*
- *Protecting and preserving wildlife habitat corridors;*
- *Providing large areas of open space, trail systems, and passive park space;*
- *Providing all groundwater rights associated with the property to the Town and provides additional ground water; and*

B. Relationship to surrounding area.

The proposed open space creates a buffer to the Diamond Ridge Estates PD to the east. Large rear setbacks have been set for the large lots adjacent to the Silver Heights subdivision to the west in accordance with feedback received during the neighborhood meetings. The live work units are located adjacent to existing commercial uses. The 4.2-acre parcel has permitted uses that would not be compatible with the surrounding Diamond Ridge Estates PD. The 4.2-acre parcel falls within the dedicated open space use area and eliminates those potential permitted uses.

C. Circulation and connectivity.

The proposed PD plan complies with this criterion by providing appropriate internal pedestrian and vehicle circulation, capacity and connectivity, and the DA obligates the developer to required offsite improvements. The road improvements will be phased to correspond to development within the PD.

D. Service, phasing and off-site impacts.

The proposed PD amendment complies with this criterion. The PD plan, phasing plan and DA establish the necessary onsite and offsite improvements to serve the Alexander Way development with adequate municipal water, wastewater and sewer services. The applicants are responsible for the cost and construction of the infrastructure improvements to serve the property.

E. Open space, public lands and recreation amenities.

Planned Developments are required to dedicate a minimum of 20% of the property as open space. The Alexander Way PD includes 31.25 acres of public open space that equals 40% of the overall project. The public open space will be dedicated to the Town. A natural surface trail system as per the Town's Soft Surface Sustainable Trail Development Guide, located generally as shown on the PDP is required to be installed by the applicants.

A 1.5-acre pocket park will be created in one or spanning both the residential planning areas. The 1.5-acre pocket park will be owned and maintained by the HOA or Metropolitan District.

F. Preservation of natural features.

The PD plan complies with this criterion. The open space area will preserve the incline leading up to the ridge to the east. The open space is one large contiguous area and is adjacent to an existing open space property owned by the Town.

Development on the site will comply with state and federal regulations such as the Migratory Bird Act.

Budget Impact

The proposed annexation and zoning will generate review fees. In addition, there are DA obligations and impact fees required at the time of annexation and with future site plans, plats and subdivision improvement obligations that will offset Town costs.

Recommendation

The Planning Commission voted 6-0 to recommend approval of the Alexander Way zoning during a public hearing at their regularly scheduled meeting on October 26, 2023.

Proposed Motions

Approval

"I move to approve the Ordinance, as introduced by title, on second reading."

Alternative Motions

Approval with Conditions

“I move to approve the Ordinance, as introduced by title, on second reading with the following conditions.” (list conditions)

Continue item to next hearing (need more information)

“I move to continue this item to the Town Council meeting on [date], 2023, at [time].”

Attachments

Attachment A: Vicinity Map

Attachment B: Ordinance

Exhibit A: Legal Description

Attachment C: Alexander Way Annexation Petition

Attachment D: Alexander Way Annexation Plat

Attachment E/Exhibit B: Planned Development Plan and Zoning Regulations

Attachment F: Traffic Impact Analysis

Attachment G: Fiscal Impact Analysis

Attachment H: Public Comment