



Meeting Date: September 2, 2025

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services
Sandy Vossler, Senior Planner, Development Services Department

Title: **Discussion/Direction: Proposed transfer of Town-owned property (former school site) near Loop Road and Crystal Valley Parkway (located north of Crystal Valley Parkway, east of Rhyolite Park and west of Lake Gulch Road)**

Executive Summary

Staff is seeking Council direction and a motion to transfer a Town-owned property (potential school site) near Loop Road and Crystal Valley Parkway back to the developer. The Development Agreement for this property, approved by Town Council in 2007, calls for the reconveyance of this property to the developer for residential development if the School District states they will not be using it.

Staff believes the Town may convey the property as is to the developer, or Council may want to consider conveying the property with an additional buffer area between the existing residential development and new residential development. This second option would reduce the total land area in Rhyolite park and require a rezoning of this area to match the development parcel zoning.

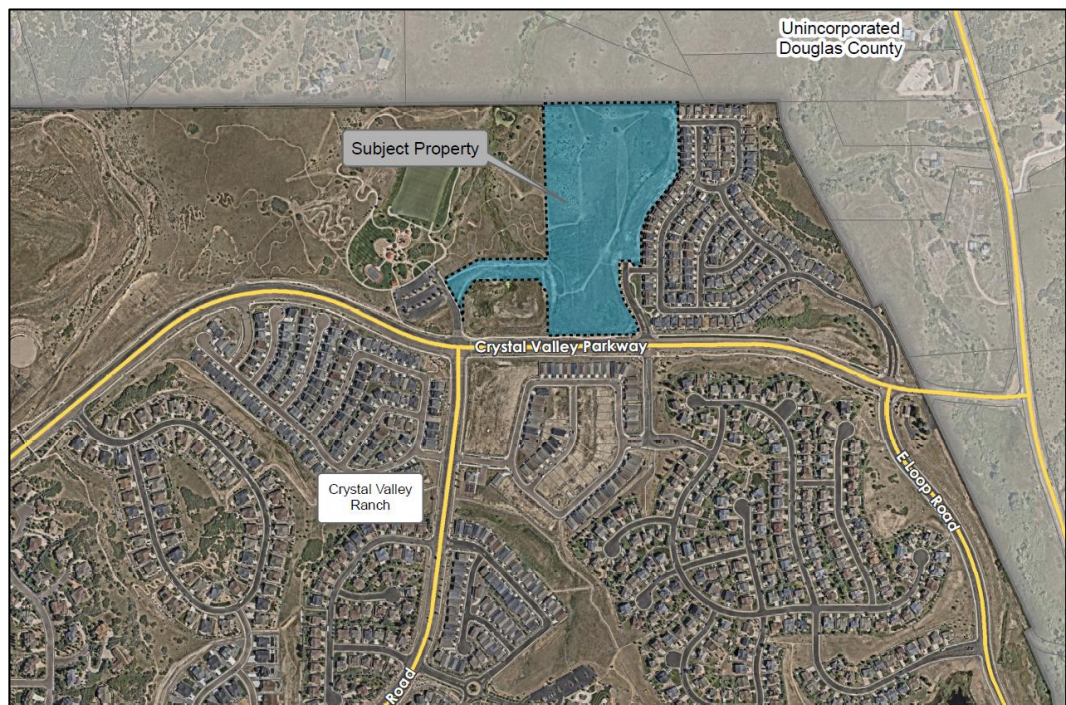


Figure 1: Vicinity Map

Background

Crystal Valley Ranch Filing 14, Block 2, Lot 1 is a 21-acre property that is located north of Crystal Valley Parkway, east of Rhyolite Park and west of Lake Gulch Road. The property was zoned in 2011 as part of the Crystal Valley Ranch Planned Development, 4th Amendment. Permitted uses on the property include single-family attached and detached, townhomes and multifamily residences.

In 2007 an amendment to the Crystal Valley Ranch Development Agreement (DA) was approved by Town Council. Under the provisions Article VII Public Lands, of the amended DA (Attachment D), the subject lot was dedicated to the Town of Castle Rock to be held as a potential school site until such time as the Douglas County School District (DCSD) either used it for a school or provided written notice to the Town that the district did not intend to use the site for a school. In the event that the School District provided such notification, the Town is required to re-convey the property to the original owner for development under the applicable zoning regulations.

On January 28, 2025, the Douglas County School District RE-1 entered into an agreement (Attachment D) with the developer Maple Grove Land Limited Partnership, where DCSD determined that this parcel was surplus and no longer needed for a school site. That agreement required DCSD to send a letter to the Town, per the requirements of the Development Agreement, to initiate the re-conveyance of the parcel back to the developer. Additionally, at such time as the Town conveys the land to the developer, the developer is obligated to pay DCSD \$500,000 as a cash-in-lieu payment to be a substitute for the school site.

Douglas County Superintendent of Schools, Erin Kane, sent the Town a letter dated February 3, 2025, (Attachment B) notifying the Town that due to changing enrollment patterns the DCSD Board of Education has determined that the subject property would not be used by the School District for a school, satisfying the DA requirement to re-convey the parcel to the original developer.

Current Use of the Property

The 21-acre parcel has been vacant since being zoned and later dedicated to the Town of Castle Rock. Over the years the Town's Parks and Recreation Department has installed disc golf improvements on the land to temporarily take advantage of the vacant property and provide residents with an outdoor recreation amenity. It is the Town's intent to relocate those disc golf improvements to facilitate conveying the property back to the original developer.

Future Use of the Property

The parcel of land is zoned to allow residential development. The conveyance of the parcel back to the developer is required per the DA to allow the current zoning uses to occur. Staff believes Council has options in how this property is conveyed back to the developer that may help mitigate the impacts of new residential development next to existing homes.

Option 1:

Option 1 would be to convey the parcel “as is” to the Developer. The developer has submitted a preapplication for residential development of the parcel for 112 single family lots, with similar lot sizes and road connectivity to the adjacent existing homes to the east. This layout would align with the current development proposal from the applicant, shown in this sketch with roadway connections to the neighborhood to the east, and no roadway connection to Rhyolite Park on the west



Option 1 Sketch

Option 2:

A second option for Council consideration is to swap an approximately 45 ft width of land on the west side of the current parcel with the developer for similar acreage on the east side of this parcel. That would allow the future developed area to have an increased buffer on the east side with the existing homes. This layout includes a road connection to Rhyolite Park on the west, and replaces a proposed roadway behind existing homes with a landscaped buffer area on the east. This option is more procedurally complicated than



Option 2 Sketch

the reconveyance outlined in the Development Agreement, as it would require a land swap with the developer and the Town for this 45 ft wide strip of land on the west side for similar acreage on the east, and would require this 45 ft strip to be rezoned to match the current parcel. This option would provide some buffering with existing neighbors on the east side of the parcel.

Option 3:

A third option is very similar to Option 2, however the northernmost road connection to the existing neighborhood is turned into a cul de sac, eliminating that as a route for existing or new

residents to use. This option, like Option 2, would require a swap of land with the Town and rezoning of the 45 ft wide strip of land on the west side of the parcel.



Option 3 Sketch

Under any of these options, once the land has been conveyed to the Developer, the development of the property will require a site development plan submittal, review and future public hearings before Planning Commission for recommendation, and before Town Council for final decision on the layout.

Notification and Outreach

Public Notice

Public hearing notice signs were posted on the property on July 31, 2025. Written notice letters were sent to property owners and Homeowner Associations (HOA) within 500 feet of the property, at least 15 days prior to the public hearings. Town staff published notice of the Town Council public hearing on the Town's website. Currently, staff has received two emails from residents commenting on the September 2nd advertised public hearing. Both comments reflected a desire to keep the land for Town open space (Attachment E).

Discussion and Possible Motions

Staff recommends Council consideration of any of the 3 outlined options above. If Option 1 is chosen, this conveyance could be brought back to Council at the next meeting. If either Option 2 or 3 are chosen, staff would recommend bringing those back on Oct 7th or later, to allow for the associated rezoning to have proper notice and public hearings with Planning Commission.

Possible Motions for Consideration.

Option 1:

"I move to direct staff to prepare an ordinance to convey this property to the developer, per Option 1 discussed tonight, and bring it back for Council consideration on September 16, 2025."

Option 2:

"I move to direct staff to prepare two ordinances: one to facilitate the Option 2 land swap with buffer and roadway configurations and convey this property to the developer; and two, to put into place the necessary rezoning of the swapped property for Council consideration at the earliest opportunity."

Option 3:

"I move to direct staff to prepare two ordinances: one to facilitate the Option 3 land swap with buffer and roadway configurations and convey this property to the developer; and two, to put into place the necessary rezoning of the swapped property for Council consideration at the earliest opportunity."

Attachments

Attachment A: Vicinity Map

Attachment B: DCSD Written Notice Letter

Attachment C: CVR DA, Article VII, Section 7.01

Attachment D: Agreement between DCSD and Developer

Attachment E: Public Comment