

RESOLUTION

APPROVING THE PURCHASE AND SALE AGREEMENT

BETWEEN THE GUARDIAN ANGEL TRUST AND THE

TOWN OF CASTLE ROCK

FOR THE LOST CANYON RANCH

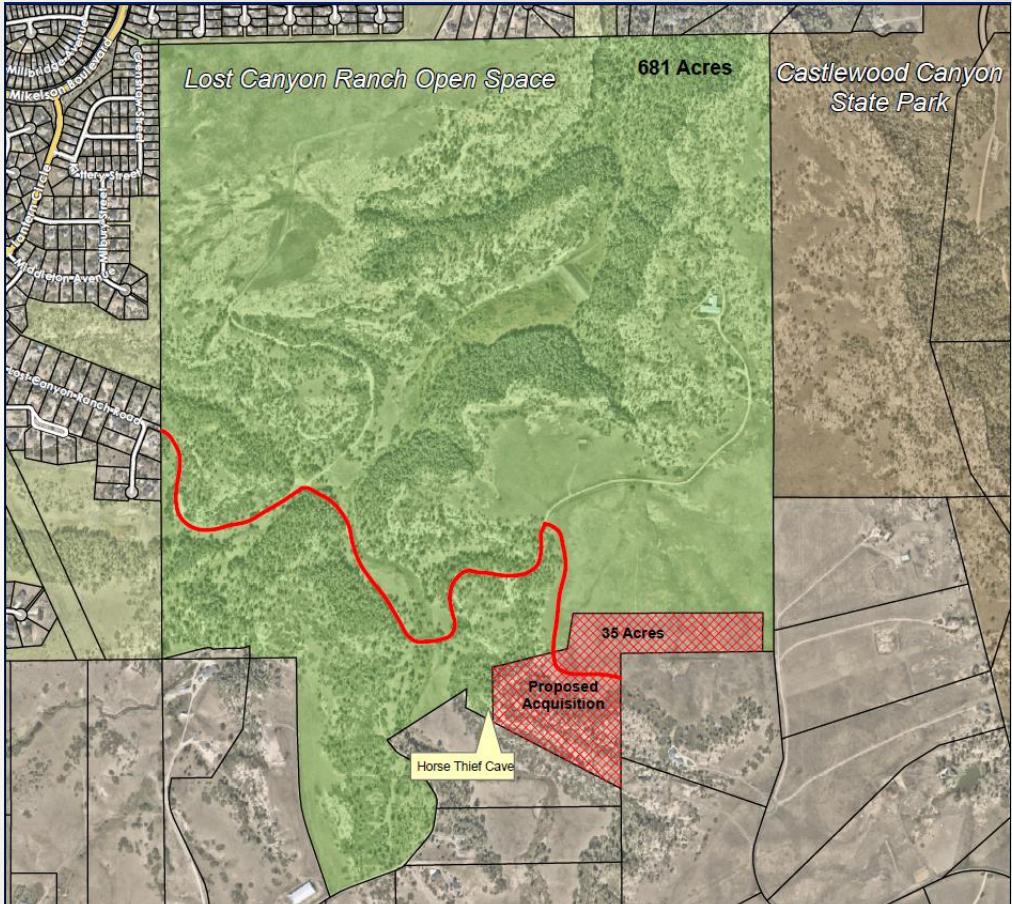


TOWN COUNCIL
JANUARY 6, 2026



BACKGROUND

- The Guardian Angel Trust property is a 35-acre inholding southeast of Lost Canyon Ranch Open Space
- Includes access easement through and across the open space
- Staff seeks Town Council approval of a resolution authorizing the Town's purchase of the parcel, including associated non-tributary groundwater rights and well infrastructure, from the trust for \$1,100,000
- This acquisition advances the Town's priority to preserve and secure open space and safeguard the tranquility and character of the Lost Canyon landscape



PURCHASE AND SALE AGREEMENT

- Upon Town Council approval, staff will open escrow, deposit the \$25,000 earnest money as required by the Purchase and Sale Agreement, and begin the 60-day due diligence period to complete remaining exhibits, finalize key documents, and confirm suitability.
- The transaction includes associated water rights; Castle Rock Water has evaluated the groundwater component and estimates a rough value of approximately \$69,000 to \$87,000 based on the underlying quantity (approximately 52.6 acre-feet). Castle Rock Water will provide a financial contribution toward the purchase that reflects the water rights value, reducing the net open space acquisition cost to the Conservation Trust Fund.
- Staff are requesting approval at this time to secure the opportunity and proceed with escrow and due diligence activities, and the Town may terminate the agreement in its sole discretion if the property or water rights are found to be unsuitable.
- Closing will occur after due diligence is complete and all conditions are satisfied, including adoption of the required appropriation ordinance, with an outside closing date of April 1, 2026.

BUDGET IMPACT

The acquisition cost is not to exceed \$1,100,000, plus standard closing and due diligence costs such as title insurance, recording or documentary fees if any, survey work, and inspections as needed.

Funding is proposed through the Conservation Trust Fund, requiring a budget transfer from Parks and Recreation improvements to the Open Space Acquisition account.

The Purchase and Sale Agreement will also authorize staff to remit the \$25,000 earnest money deposit upon Council approval.

Castle Rock Water will provide a financial contribution toward the purchase reflecting the estimated value of the water rights, approximately \$69,000 to \$87,000, reducing the net acquisition cost to the Conservation Trust Fund. The specific contribution amount and accounting treatment will be finalized administratively in coordination with Castle Rock Water and the Finance Department.

PROPOSED MOTION

“I move to approve the resolution as introduced by title.”

Alternate motions:

“I move to approve the resolution, with the following conditions:” (list conditions)

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



THANK YOU
QUESTIONS?