

AGENDA MEMORANDUM

To: Planning Commission

From: Sandy Vossler, Senior Planner, Development Services Department

Title: **Dawson Trails Planned Development, Amendment No 3** [located west of Interstate 25, and north and south of Crystal Valley Interchange]

Executive Summary

ACM Dawson Trails VIII JV LLC (ACM Dawson Trails) has proposed a major amendment to the Dawson Trail Planned Development (PD) Plan and Zoning Regulations. The purpose of the amendment is to zone the parcels included in the Territorial Road Annexation, to reconfigure an open space property and to add a requirement for four, 1-acre private parks within specific planning areas. The location of the Territorial Road annexation parcels is shown in Figure 1 and Attachment A.

ACM Dawson Trails and the Town of Castle Rock own separate parcels included in the Territorial Road Annexation (Attachment B). All the parcels will be zoned Planned Development (PD) within Dawson Trails. The parcels owned by the Town will be designated as public land. The parcels owned by ACM Dawson Trails will be incorporated into the adjacent planning areas as established in the Dawson Trails PD.

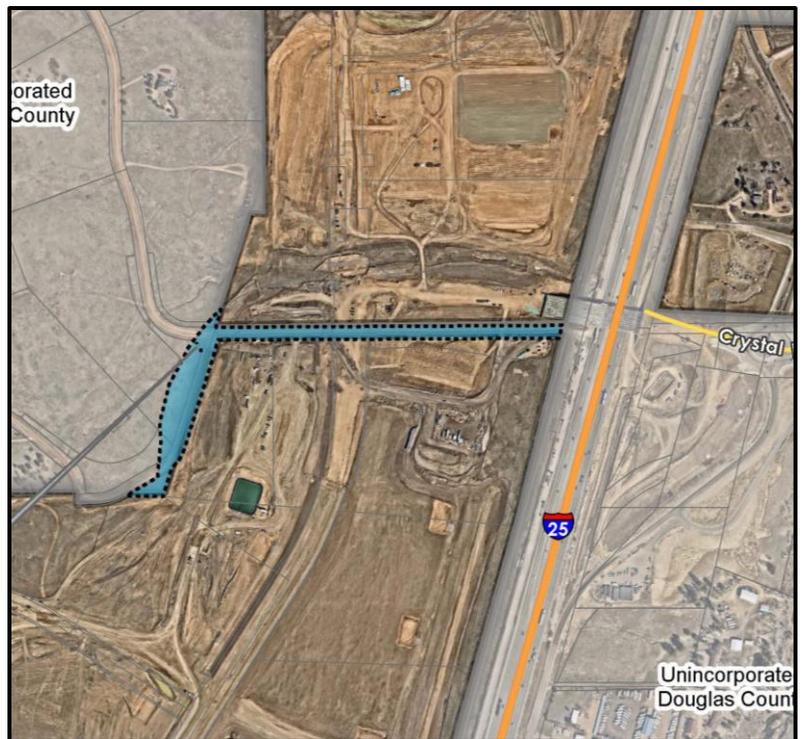


Figure 1 Vicinity Map

Staff recommends that Planning Commission recommend to Town Council approval of the Dawson Trails PD Plan and Zoning Regulations.

Key Benefits of Proposed Annexation

- Incorporate Town-owned property providing for consistent application of the Municipal Code, law enforcement and emergency services.

- Incorporate developer-owned parcels giving the Town jurisdiction over zoning and development, as well as allow uniform enforcement of the Municipal Code, law enforcement and emergency services, and to capture sales tax revenue.

Background

Territorial Road was an unimproved roadway located west of Interstate 25, extending west from the Burlington Northern/Santa Fe Railroad (BNSF RR) right-of-way approximately 1/3 of mile, where it then turned south and west transitioning into Twin Oaks Road. Territorial Road Annexation consists of 8 parcels, totaling 4.7 acres. The parcels include ROW (shaded green in Figure 2), land purchased by the Town (shaded red) and parcels acquired from Douglas County (shaded blue). The parcels proposed for annexation are currently under the jurisdiction of Douglas County and are zoned Large Rural Residential.

The Territorial Road Annexation and the Dawson Trails Planned Development, Amendment No. 3 are proceeding concurrently. Relative to the annexation, Town Council held a public hearing on June 3, 2025 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 July 15, 2025 and found the property proposed for annexation was eligible to be annexed in accordance with the Colorado Revised Statutes.

Existing Conditions and Surrounding Uses

The subject parcels are currently zoned Large Rural Residential (LRR), as is the County subdivision of Twin Oaks located to the west. The property north and south of Territorial Road is zoned Planned Development within Dawson Trails. Territorial Road and Twin Oaks Road are unpaved. The non-ROW parcels included in this annexation and zoning are undeveloped.

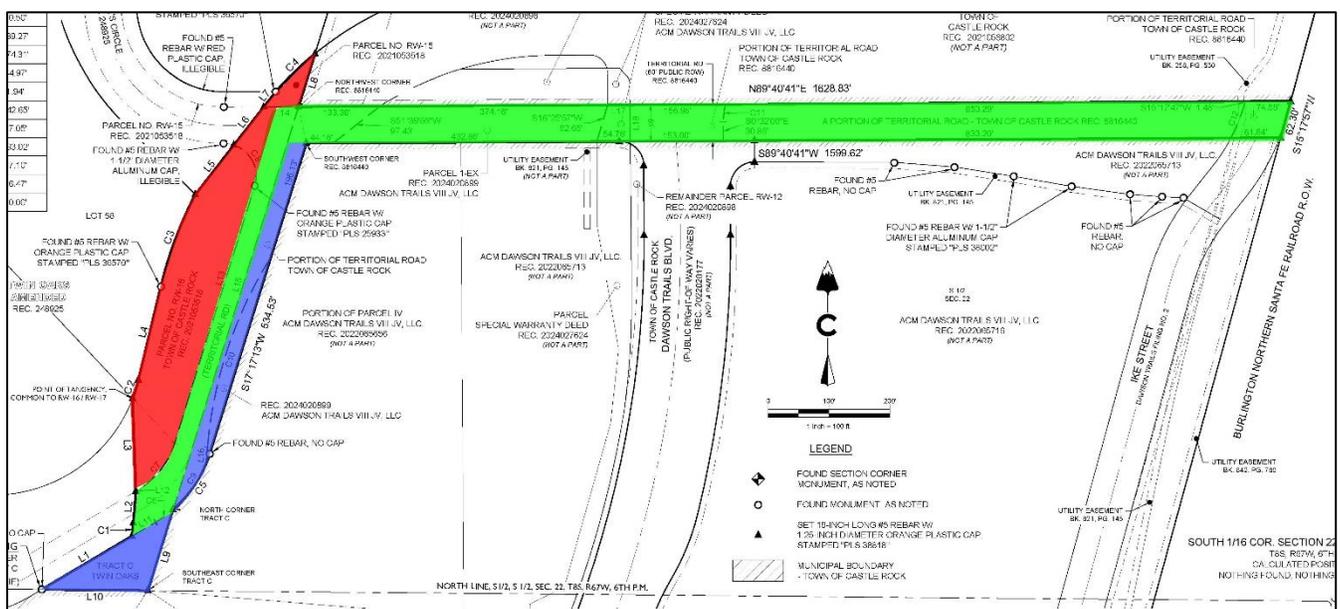


Figure 2 Annexation Map

Discussion of Proposal

Territorial Road Annexation

The Territorial Road Annexation petition and map were accepted and filed with the Town Clerk on May 9, 2025. 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 June 3, 2025 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 July 15, 2025 and Town Council found the property to be eligible to be considered for annexation into the Town.

The area proposed for annexation and zoning is 4.7 acres, is under the jurisdiction of Douglas County and is zoned Large Rural Residential. The annexation area is adjacent to the Town of Castle Rock boundaries on 80 percent of the area's boundaries.

During the design of the Crystal Valley Interchange, it was determined that the alignment would be generally outside of the boundaries of the Territorial Road ROW. Further, the alignment required the Town to acquire additional property north of Territorial Road owned by ACM Dawson Trails and zoned for development. In November 2023, Town Council approved an agreement swapping certain Town-owned property for property owned by ACM Dawson Trails, therefore the Town and ACM Dawson Trails are co-petitioners for this annexation and parties to the zoning request.

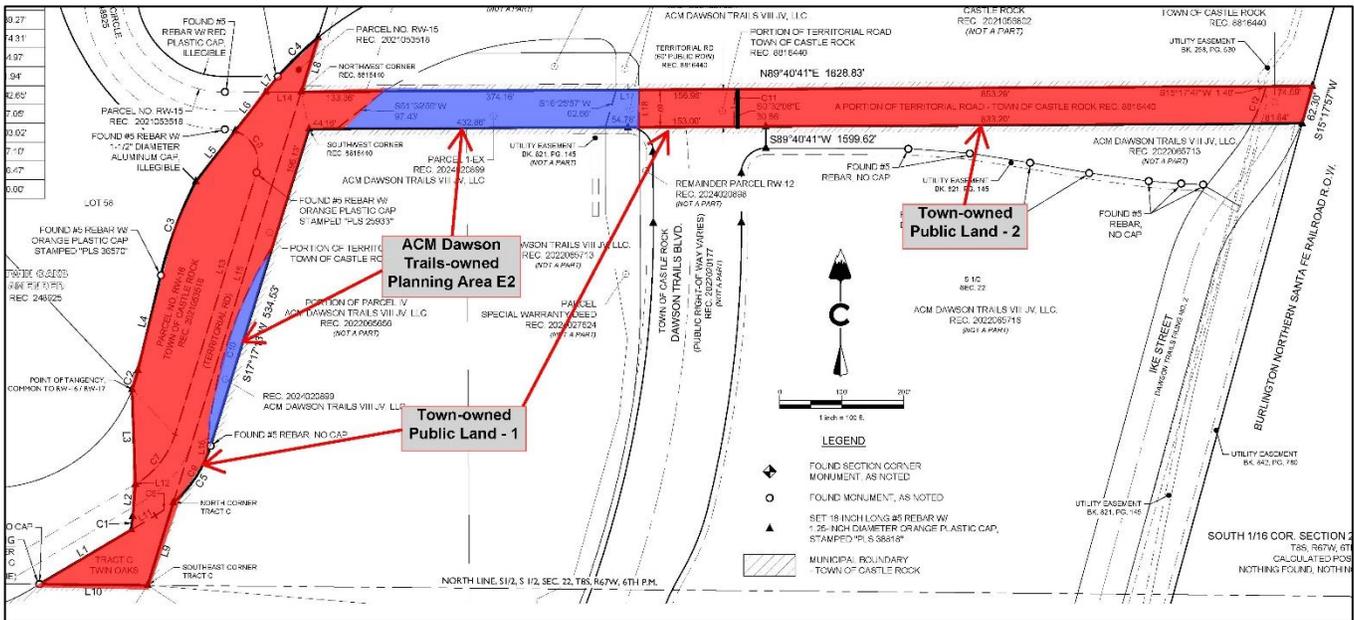


Figure 3 Zoning and Ownership Map

Dawson Trails Planned Development, Amendment No. 3

The parcels included in the Territorial Road Annexation will be zoned as Planned Development, within Dawson Trails (Attachment C). The parcels owned by the Town will be

designated Public Land – 1 (PL-1) and Public Land – 2 (PL-2), see Figure 3, shaded red. The parcels owned by ACM Dawson Trails will be incorporated into the adjacent planning area, E2, and developed according the permitted uses of that planning area (shaded blue).

In addition to incorporating the annexation parcels, the third amendment of the Dawson Trails PD reconfigures a 4 acre private open space (OSP-8) and adds a requirement for 4, 1-acre active private parks to be developed in the south central area of the Planned Development. The amendment also includes a clarification to explicitly allow Town-owned right-of-way in the Planning Areas PL-1 and PL-2 (Attachment C)

Notification and Outreach

Public Notice

Public hearing notice signs were posted on the property on January 28, 2025. Written notice letters were sent to property owners within 500 feet of the property, at least 15 days prior to the public hearings.

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

Neighborhood Meetings

Two neighborhood meetings were held, hosted by the Town and ACM Dawson Trails. The first neighborhood meeting was held August 21, 2024 and was attended by eighteen residents mostly from the County subdivisions of Twin Oaks and Keene Ranch. One couple in attendance were from Red Hawk. The second meeting was held on April 14, 2025, attended by five people, all residents from Twin Oaks. The third neighborhood meeting was waived by the Town Manager.

There were general questions raised at both meetings about timing of the annexation and how the properties would be zoned (Attachment D).

External Referrals

External referrals were sent to local service providers, Douglas County agencies and the Colorado Department of Transportation. There are no outstanding external referral comments.

Technical Reports and Analyses

Fire - The proposed annexation area is currently located with the Town of Castle Rock Fire Protection Service Area. Once annexed the area will be served by Town of Castle Rock Fire, which serves the Dawson Trails PD area and has the capacity to serve the incorporated area.

Parks, Recreation and Open Space - Parks and open space dedications have been made with the original approval of the Dawson Trails PD. Additional dedications are not required with this proposed annexation and zoning. It should be noted, however, that the proposed zoning

amendment designates the parcels remaining in the Town's ownership as public land, and that 4, 1-acre active private parks are being required.

Traffic Impact Analysis and Mitigation - A Traffic Impact Analysis (TIA) was not required to be submitted for the proposed annexation and zoning amendment.

Utilities and Drainage - Any utility and drainage facilities necessary to serve property within this annexation area and PD planning areas will tie into Castle Rock water, wastewater and storm sewer treatment and distribution systems currently under construction in Dawson Trails.

Water Conservation - Future development within the annexation and zoning amendment areas will be required to meet the Dawson Trails PD and Town water conservation standards and landscaping and irrigation criteria, including the ColoradoScape requirements.

Water Resources - All groundwater rights associated with the annexation parcels have been retained by the Town.

Annexation Analysis

This staff analysis takes into consideration the Territorial Road Annexation map and petition which were processed and reviewed in accordance with the requirements of the Colorado Constitution, and Colorado Revised Statutes Title 31, Title 20 of the Town of Castle Rock Municipal Code and the 2030 Comprehensive Master Plan (Master Plan), Responsible Growth Principles for annexation.

Town of Castle Rock Municipal Code, Title 20

Annexation is a 3-step process. Substantial Compliance and Eligibility public hearings, steps 1 and 2, were held and Town Council made findings that the annexation application was substantially compliant with State Statutes, and was eligible for annexation to the Town. The third step in the process is the Annexation and Zoning public hearings.

Section 20.02.040 of the Municipal Code sets forth the review and determination criteria for annexations. Town Council shall

- Consider the policies, guidelines and criteria in the Town's Comprehensive Master Plan, as amended, along with other relevant information in determining whether it is in the best interests of the Town to grant or deny the petition for annexation.

The principles and criteria for annexation outlined in the 2030 Comprehensive Master Plan are outlined and addressed in the following section.

- Consider whether the annexation complies with the Douglas County/Town of Castle Rock Intergovernmental Development Plan (IGA).

The Intergovernmental Development Plan between the Town of Castle Rock and Douglas County expired several years ago and has not been renewed, therefore the IGA is not applicable to this proposed annexation.

2030 Comprehensive Master Plan

RG 2.1 Castle Rock Annexation Areas: Annexation of areas with the potential to accommodate growth in a fiscally and environmentally sound manner. Annexation request must take into consideration the following items:

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

The proposed annexation is a logical extension of the Town boundaries and meets the adjacency requirements for annexation. The annexation area is located well within the Town's 3-mile boundary and is partially surrounded by the Town boundaries.

- B. Has demonstrated a significant benefit to the Town.

Annexation of the parcels brings the property under Town jurisdiction for law and code enforcement, zoning control and sales tax capture.

- C. Will be provided with adequate urban services.

Water, wastewater and storm sewer facilities are currently being constructed in Dawson Trails. Connections and capacity are available to service the property where necessary.

- D. Is fiscally responsible.

The properties remaining in Town ownership will continue to be maintained by the Town. The properties owned by ACM Dawson Trails will be maintained by ACM Dawson Trails, future owners or metropolitan districts.

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

The Town retains ownership of groundwater rights associated with the annexation parcels.

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

Water rights were conveyed to the Town when the parcels were acquired.

RG 2.2 Annexation of Infill Areas: Consider annexations and development of areas surrounded, or partially surrounded, by the Town boundary that can demonstrate a benefit to the Town, with the goal of encouraging development that creates a contiguous municipal boundary.

As noted earlier in this report the annexation area is 80% contiguous with the Town's boundary and zoning. The benefit to annexing this parcel is to bring it under Town jurisdiction for zoning, code enforcement, law enforcement and life/safety.

RG 2.3 Annexation for Non-Urban Purposes: Annexations may be pursued by the Town for purposes other than urban development, such as securing land use control over the open space areas. Annexations for open space shall include legal instruments prohibiting future urban development.

By annexing the property, the Town will bring the property fully under the jurisdiction of the Town's Municipal Code, law enforcement, zoning control and life/safety emergency response.

Planned Development, Amendment No. 3 Analysis

This staff analysis is based on the representations made in the proposed PD amendment application and attachments submitted to date.

PDP Review and Approval Criteria and Analysis 17.34.030

A. Community Vision/Land Use Entitlements.

1. Conforms to the most recent versions of the Town's Vision, Comprehensive Master Plans, Sub Area Plans, Design Guidelines, Corridor Plans and any other guiding document so long as the application of such document does not restrict the project's entitled use(s) and density.
2. Complies with design principles found in Chapter 17.10 and Dawson Trails Planned Development Plan and Zoning Regulations.
3. Complies with any applicable Zoning Overlay regulations, such as the Skyline/Ridgeline Regulations.

Analysis: The proposed PD Plan and Zoning Regulations amendment meets this criterion. The proposed zoning conforms to the Town's Vision and Comprehensive Master Plan and complies with the site's governing zoning, the Dawson Trails PD. It also conforms to all other relevant requirements and development standards of the Town's Municipal Code.

B. Relationship to Surrounding Area

1. Provides appropriate relationships between use areas, both internal and surrounding, with adequate buffer areas provided, if warranted.
2. Provides innovative and creative plan design and layout.
3. Provides a variety of housing types, densities and open space.
4. Identifies areas as mixed use and/or depicts areas that are buffer areas to comply with the Residential/Nonresidential Interface, where a proposed PD Plan is adjacent to residential property or where the proposed PD Plan is adjacent to nonresidential property.

Analysis: The proposed PD Plan and Zoning Regulations amendment meets this criterion. The Town-owned property is to be zoned as public land and no residential or commercial development is proposed. The property owned by ACM Dawson Trails is being absorbed in the adjacent planning area and will subject to the allowed mix of uses and development standards established for that planning area, and where applicable the Residential/Non-Residential Interface will be included in future Site Development Plan. The 4-acre open space OSP-8 is being reconfigured to provide a substantial buffer between a residential neighborhood and the adjacent street, in return four 1-acre private active parks are required to be integrated into future neighborhoods.

C. Circulation and Connectivity.

1. Provides an adequate circulation system in terms of capacity and connectivity, which is designed for the type of traffic generated, safety, and separation from living areas, convenience, accessibility, noise and exhaust control.
2. Provides for emergency vehicle access.
3. Accommodates an adequate, functional and safe street system for vehicular traffic generated by the development and passing through the development.
4. Provides for pedestrian and bicycle traffic in a safe and convenient manner, separation from vehicular traffic, and access to points of destination and recreation.

Analysis: The proposed PD Plan and Zoning Regulations amendment meets this criterion. Most of the parcels within the Territorial Road Annexation will remain in the Town's ownership and will be public land for future Town ROW or Town facilities. The ACM Dawson Trails parcels will be incorporated into Planning Area E2 and at the time of site planning will be integrated in the circulation and connectivity of the planning area.

D. Services, Phasing and Off-site Impact.

1. Addresses fiscal impact of the project.
2. Provides an appropriate phasing plan which minimizes unnecessary utility extensions and adequately addresses other fiscal concerns of the Town.
3. Adequate water resources have been conveyed or purchased. Existing or proposed water and wastewater systems can support the proposed development pattern, uses and density.
4. Existing or proposed stormwater systems can support the development and will comply with applicable regulations. Provides phased improvements in a logical and efficient manner.
5. Provides adequate consideration to the future extension of streets and utilities to adjacent properties.
6. Identifies and appropriately mitigates all traffic impacts, on- and off-site.

Analysis: The proposed PD Plan and Zoning Regulations amendment meets this criterion. Services are present or under construction to serve the parcels as they are developed. The Town-owned properties will be used for future streets extensions and provision of necessary utility facilities, mitigating off-site impacts..

E. Open Space, Public Lands and Recreation Amenities.

1. Provides adequate trails, parks, recreation and open space.
2. Provides an adequate trail system in terms of internal circulation and appropriate external connections.
3. Provides functional open space for recreation, views, density relief, convenience, function and preservation of natural features, including significant tree stands, ridges, and stormwater areas. Open space reservations and public land dedications are of an appropriate configuration and location within the site and comply with any applicable requirements of Chapter 16.08, CRMC and this Title.

Analysis: The proposed PD Plan and Zoning Regulations amendment meets this criterion. Reconfiguration of the open space area, OSP-8, will provide a buffer between a residential

neighborhood and adjacent public right-of-way. The four, 1-acre active private parks being required will provide space for recreation, density relief and will be conveniently located to the surrounding residential neighborhoods.

F. Preservation of Natural Features

1. Demonstrates sensitivity and limits disturbance to the site in terms of plan design and density to the site's major environmental characteristics including drainageways, topography, view sheds and vegetation.
2. The proposed PD Plan and zoning accommodate the Skyline/Ridgeline Protection Regulations and reasonably mitigates visual impacts upon off-site areas.
3. Consideration shall be given to wildlife impacts in the layout of open space areas. Where designated threatened or endangered species are present, the development must conform to all applicable state and federal restrictions and permitting requirements.

Analysis: The proposed PD Plan and Zoning Regulations amendment meets this criterion. The Town-owned property, primarily used as public right-of-way, will remain and Public ROW. Development in the Dawson Trail PD, and the parcels proposed to be zoned within the Dawson Trails PD, are subject to the Skyline/Ridgeline Protection Regulations. The ACM Dawson Trails parcels being absorbed into Planning Area E2 were former ROW, and will not have a substantive impact on topography, view sheds, vegetation or wildlife present.

Budget Impact

The annexation of the property will not negatively impact the Town's budget. The portions to be zoned for future mixed use development have sales tax generation potential.

Findings

All staff review comments and external referral comments have been addressed. Town staff finds that the proposed Planned Development Plan and Zoning Regulations amendment

- Meets the objectives and criteria of the Town's Vision, 2030 Comprehensive Master Plan, and other long-range and master plans,
- Meets the Planned Development approval criteria of the Municipal Code Section 17.34.030, and
- Meets the Planned Development amendment regulations of the Municipal Code Chapter 17.36.

Recommendation

Staff recommends that Planning Commission recommend approval to Town Council of the Dawson Trails Planned Development Plan and Zoning Regulations, Amendment No. 3, as proposed.

Proposed Motion

Option 1: Approval

“I move to recommend approval of the Planned Development amendment, to Town Council.”

Option 2: Approval with Conditions

“I move to recommend approval of the Planned Development amendment, to Town Council, with the following conditions:” (list conditions)

Option 3: Continue item to next hearing (need more information to make decision)

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

Attachments

Attachment A: Vicinity Map

Attachment B: Annexation Map

Attachment C: Dawson Trails Planned Development Plan and Zoning Regulations,
Amendment No. 3

Attachment D: Neighborhood Meeting Summaries