



**Meeting Date:** May 20, 2025

## **AGENDA MEMORANDUM**

**To:** Honorable Mayor and Members of Town Council

**Through:** Dave Corliss, Town Manager

**From:** Tara Vargish, P.E., Director, Development Services

**Title:** **An Ordinance Approving the Pine Canyon Annexation and Vested Property Rights Development Agreement; and Vesting Site-Specific Development Plans through December 31, 2050**

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### **Executive Summary**

As part of the proposed annexation and zoning of Pine Canyon PD, JRW Family Limited Partnership LLLP (the "Owner") is required to enter into the Annexation and Vested Property Rights Development Agreement (DA) with the Town for property known as Pine Canyon Planned Development. This property is located on both the east and west sides of I-25, west of Founders Parkway. (Figure 1) (Attachment A). In addition, the Owner is requesting vested property rights through December 31, 2050.

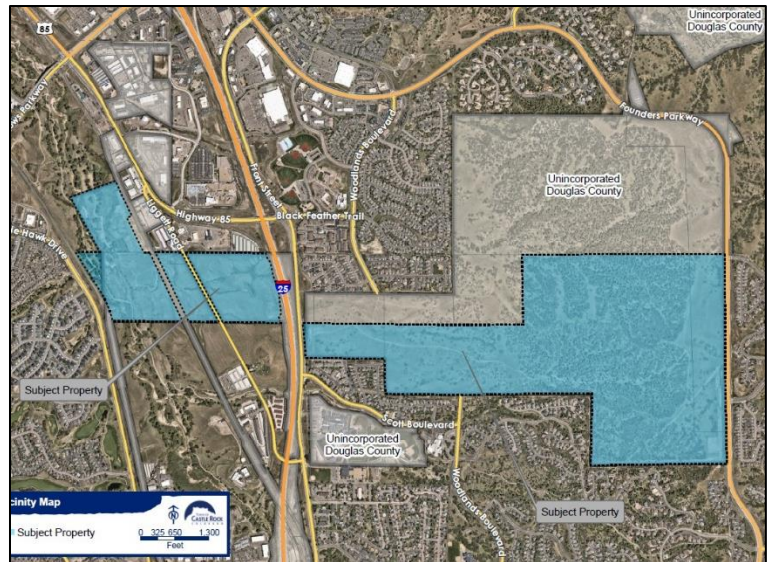


Figure 1: Site Vicinity Map

The property is currently under consideration for annexation and zoning as a Planned Development (PD) under separate land use applications. If the Pine Canyon Annexation and Planned Development Plan and Zoning Regulations are approved, the Owner must enter into a DA with the Town to define the obligations of the property owners and the Town relative to the development of the property. The (DA) is a legally binding contract between the property owners and the Town that list various agreements and obligations on behalf of both the Owner and the Town.

Staff recommends that Town Council approve the Pine Canyon DA.

## **Proposed Development Agreement**

The Pine Canyon Annexation and Vested Property Rights Development Agreement (DA) addresses infrastructure improvements, development phasing, open space conveyances, water rights conveyances, Town service obligations and other relevant items (Attachment C). These obligations are intended to be mutually beneficial, as well as enhance public health, safety and welfare. Some of the key components of the DA are briefly summarized below.

### **Vested Property Rights – Section 11.01**

The Pine Canyon Planned Development Plan, inclusive of the embedded PD Zoning Regulations, and Annexation and Vested Property Rights Development Agreement each constitute a site-specific development plan pursuant to Chapter 17.08 of the Castle Rock Municipal Code and §24-68-101, *et seq.*, C.R.S., establishing vested property rights that shall extend through December 31, 2050, to undertake and complete the development and use of the property in accordance with the Planned Development Plan and Agreement. During this vesting period, the Town shall not take any zoning or land use action against the property that would delay, impede or impair the development or use of the property in accordance with the PD Plan and Zoning regulations, and the Agreement.

### **Skyline/Ridgeline - Section 4.01 (b)**

The Pine Canyon development is exempt from the Skyline/Ridgeline regulations, and instead is governed by the Pine Canyon PD zoning regulations that prohibit overlot grading and require tree preservation in sensitive planning areas. The Site Development Plans for these areas will regulate where trees are to be preserved, limits to grading, and demonstrate how these will screen new structures.

### **Groundwater Rights - Sections 5.01**

The Pine Canyon development will convey 757.5 acre-feet of groundwater rights to the Town for the development. The Town will allow them to retain an additional 106.4 acre-feet of groundwater to utilize solely for irrigation, stock watering, domestic and other agricultural uses on the 62.1-acre Homestead open space parcels (OPS-8 and OSP-9).

### **Water Rights Conveyance and Water Credit - Sections 5.02 and 5.04**

Concurrent with the recordation of the Development Agreement, the owner shall convey the groundwater rights to the Town by special warranty deed. The Town will not require the Owner to dedicate any groundwater in excess of the Dedicated Groundwater or make payments of cash-in-lieu of such dedication. This property is considered “Infill” under the Water Plan and, therefore is exempt from any requirement to provide renewable water under Section 4.04.045.B and 20.02.015 of the Code.

### Water Conservation – Section 5.03

The Pine Canyon development will comply with all current water use conservation measures adopted by the Town, and as amended, at the time development occurs. Current regulations include restrictions on residential uses meeting the Coloradoscape requirements which limits irrigated turf to a maximum of 500 square feet in rear yards only, and allows only Coloradoscape landscaping in the front yards. These current requirements, or any future amendments, will apply to this project at time of development.

### Water, Wastewater and Stormwater – Section 7.01

The owner is required to design and construct the necessary internal water and wastewater system improvements required to serve the project and connect them to the Town's systems. Owner shall not construct any water treatment or wastewater treatment facilities on the property unless such facilities are approved by Town, in the Town's sole discretion, and owned and operated by the Town.

### Drainageway Improvements – Section 7.03

The owner shall be responsible for preserving and fully stabilizing all major drainageways within the PD boundaries having a watershed area greater than 130 acres. The Owner or District may retain ownership of the drainageways/floodplain. The Town shall have a permanent drainage easement over these drainageways to allow the Town to access such drainageway for the purpose of maintenance or emergency repairs, if the Owner or District fail to adequately maintain.

### Transportation Improvements – Section 8.01, 8.02 and 8.03

A Traffic Impact Analysis (TIA) has been accepted for the purposes of the PD zoning. The Owner will be required to provide an updated TIA at the time of each SDP approval. The Owner will be responsible for the design, construction, and installation of any street, highway, or other transportation-related improvements recommended pursuant to the TIA or any updated TIA's. Additionally, the owner is obligated to dedicate any needed right-of-way, and make traffic improvements, as identified in the TIA and any subsequent updated TIAs, at off-site intersections as listed in section 8.03. These obligations include the Owner reimbursing the Town for half of the actual costs of design and construction of a future Town installed traffic signal at Crimson Sky Dr and Founders Parkway.

### Public Lands and Improvements – Sections 9.01 through 9.10

- Upon the effective date of the Development Agreement the public land tract identified as OSP-10 in the PD Plan shall be conveyed to the Town for ownership and maintenance of the existing Plum Creek Trail.
- All other public land tracts will be dedicated to the Town either with the first Plat that contains the public land, or with the first Plat adjacent to the public land, whichever

occurs first. If Town requires any public land earlier than time of first plat, Owner shall make reasonable efforts to convey requested tract to the Town.

- The Homestead areas (OSP-8 and OSP-9) are privately owned open space and will be used solely for general farming, the grazing of livestock, and other agriculturally-related uses, including the construction, installation, and operation of farm and ranch structures and related appurtenances, raising of farm animals and livestock, growing of crops, and agricultural education and outreach. No more than the two existing single-family residential dwellings shall be permitted on the Homestead Property.
- Public trailhead parking will be located in Planning Area 19 to allow trail access to OSP-8, as identified in the PDP.
- Owner will design and construct park, open space, and trail improvements in public land as identified in the PDP. Long term ownership and maintenance of these areas will be determined with the Site Development Plan process. All park, open space and trail amenities shall be open to the general public regardless of future ownership.
- A 12.7 acre future school site has been included in the PDP. This parcel would remain in ownership by the developer, and if the Douglas County School District (DCSD) does not submit a site development plan and notify the Town of intent to construct a school on this site within 10 years, then the Pine Canyon Development could utilize this area for public park or recreation uses, or other uses approved by the Town. If the Pine Canyon Development chooses not to develop park or recreation uses here, the land will be conveyed to the Town for park or recreation uses.

#### *Forest Management Plan – Section 10.01*

Owner has prepared, and the Town has approved, a Forest Management Plan for the forested areas of the property. This Forest Management Plan satisfies the Town's regulations for a fire protection plan for these areas. The Owner is required to prepare fire mitigation plans for the remaining areas of the development at time of SDP, and shall implement the recommendations from the plans prior to or concurrently with development of each planning area.

#### **Budget Impact**

The Pine Canyon Annexation and Vested Property Rights Development Agreement formalizes the developer/owner's financial obligations to adequately address impacts of the development on Town infrastructure and services.

#### **Finding**

Staff finds that the proposed obligations outlined in the Pine Canyon Annexation and Vested Property Rights Development Agreement are adequate to support the proposed Pine Canyon Planned Development.

### **Recommendation**

Staff recommends approval of the Pine Canyon Annexation and Vested Property Rights Development Agreement and Vesting a Site-Specific Development Plans through December 31, 2050, as proposed.

### **Proposed Motions**

#### **Option 1: Approval**

*"I move to adopt the Ordinance approving the Pine Canyon Annexation and Vested Property Rights Development Agreement and Vesting Site-Specific Development Plans through December 31, 2050, as presented."*

#### **Option 2: Approval with Conditions**

*"I move to adopt the Ordinance approving the Pine Canyon Annexation and Vested Property Rights Development Agreement and Vesting Site-Specific Development Plans through December 31, 2050, 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 Town Council meeting on [date], 2025, at [time]."*

### **Attachments**

Attachment A: Vicinity Map

Attachment B: Ordinance

Attachment C: Development Agreement