



Town of Castle Rock

Agenda Memorandum

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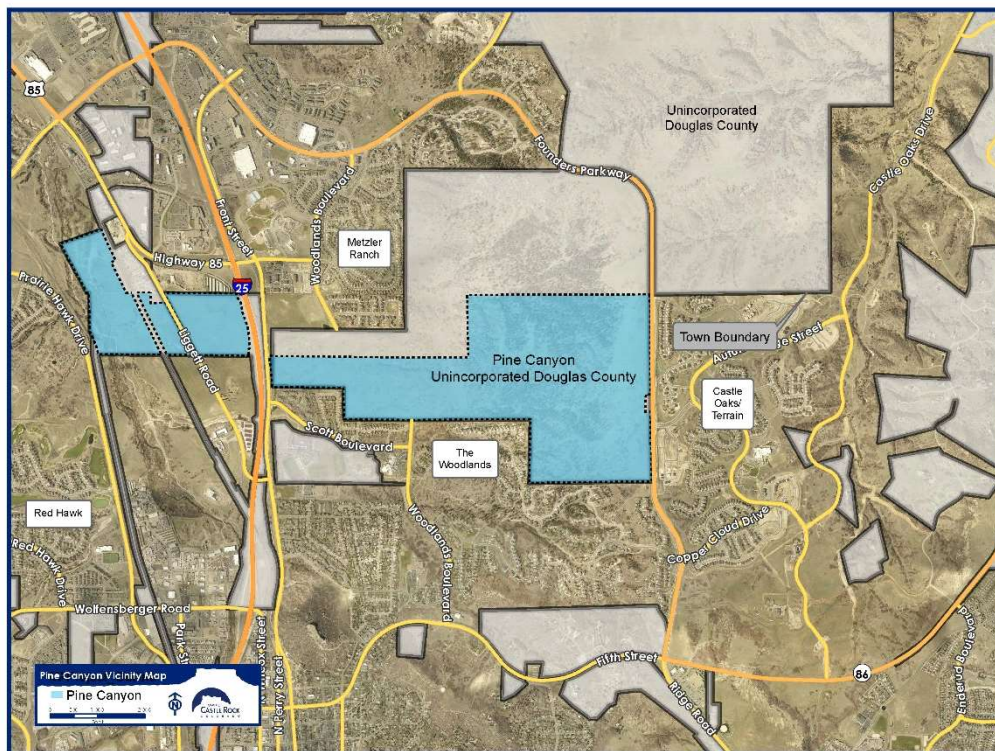
To: Honorable Mayor and Members of Town Council

From: Tara Vargish, PE, Director of Development Services

Update: Pine Canyon Planned Development - Douglas County Referral

Executive Summary

The purpose of this report is to provide Town Council an update on the Douglas County Pine Canyon development proposal and summarize the Douglas County first review comments on the rezoning application.



Pine Canyon consists of several parcels of land, approximately 540 acres, within unincorporated Douglas County. The property is located on both sides of Interstate 25, extending east to Founders Parkway and west to the Burlington Northern/Santa Fe Railroad. The Woodlands and Escavera

neighborhoods are located to the south, Castle Oaks/Terrain is to the east, and the proposed Pioneer Ranch development is located to the north of the property in unincorporated Douglas County **(Attachment A)**.

In December 2013, the landowner, JRW Family Limited Partnership, LLLP, submitted an annexation petition, proposed Planned Development (PD) zoning application and an Annexation and Development Agreement (DA) request to the Town of Castle Rock. Several reviews of the proposal were completed, and the ninth set of staff comments and redlines were sent to the applicant in February 2018.

On April 17, 2020, the applicant submitted a written request to the Town to withdraw the Pine Canyon annexation petition, zoning and DA applications. Subsequently, in May 2020 the landowner submitted an application to Douglas County requesting a rezoning of the property to a PD.

A cursory Town review to date shows numerous areas where this proposal would not meet the Town's minimum development standards. These areas include transportation impacts to the existing Town roadway network, providing substandard public open spaces, incompatibility with surrounding neighborhoods, and operating separate water and sanitation district facilities in close proximity to Town residents and Town facilities. These were discussed with Council on May 19, 2020.

Douglas County provided formal review comments to the applicant, dated May 22, 2020, which are summarized in this report. Once the applicant submits their revised second submittal to the County, the Town will have the opportunity to review any changes and provide formal referral comments to Douglas County on the proposal.

Pine Canyon Overview

Pine Canyon and the adjacent Pioneer Ranch are remnants of a larger homestead property owned by the Scott family, and are mostly surrounded by the Town boundaries. The original property was divided over the years between family members. Douglas County High School sits on property once part of the homestead and remains in unincorporated Douglas County. The Woodlands and Scott II Planned Developments, also a part of the original homestead, were annexed in the late 1980's and have developed in the Town.

Pine Canyon is comprised of several parcels of land owned by JRW Family Limited Partnership, LLLP, represented by James and Kurt Walker. The Walker family had an annexation petition and PD zoning application in process with the Town, however, on April 17, 2020, those applications were withdrawn. In May 2020, they formally submitted a similar urban level development proposal to Douglas County.

Location and Access

Pine Canyon is approximately 540 acres located both east and west of I-25. With the exception of the separate Pioneer Ranch property to north and a smaller property west of I-25, Pine Canyon is virtually surrounded by the Town of Castle Rock. The property east of I-25 (Pine Canyon East) is adjacent to the Terrain community to the east, the Woodlands/Escavera and Scott II neighborhoods

to the south and Front Street to the west. The proposed Pioneer Ranch development abuts the property to north. Founders Parkway and Front Street are contiguous to the property on the east and west, respectively. The existing Woodlands Boulevard dead-ends into the property on the south property boundary. Woodlands Boulevard existing north of the property does not currently extend to Pine Canyon, but rather terminates at the Pioneer Ranch property line.

Approximately 125 acres of Pine Canyon are located west of I-25 (Pine Canyon West), extending from the Interstate west into the East Plum Creek floodplain. The Burlington Northern/Santa Fe Railroad (BNSF) is on the far western property boundary. Liggett Road and the Union Pacific Railroad traverse the property from the northwest to southeast. Liggett Road is the only existing accessible road to these properties.

The Town of Castle Rock owns and maintains Liggett Road, Front Street and Woodlands Boulevard north and south of the property. Founders Parkway is owned and maintained by the Colorado Department of Transportation (CDOT).

Existing Zoning

Most of Pine Canyon is currently zoned Agriculture One (A-1) under Douglas County zoning. Approximately, 80 acres adjacent to Escavera and Founders Parkway are zoned Rural Residential (RR) and about 50 acres west of I-25 are zoned General Industrial (GI).

Pine Canyon East is adjacent to five PD neighborhoods that are within the Town of Castle Rock. Pine Canyon West is adjacent to properties within the Town zoned General Industrial (I-2) and Public Land to the south, PD public open space to the west and north, and I-2 and PD Industrial.

Douglas County: Proposed Rezoning to Planned Development

The Pine Canyon Planned Development application was submitted to Douglas County in May 2020. The proposal to the County is similar to the proposal considered by the Town, in that the plan promotes urban level development and the zoning allows mixed use, office, commercial, hotel/resort and residential development. The list below summarizes the proposed PD Plan; the underlined text indicates a new condition, or significant change to the annexation and zoning plan that was previously submitted to the Town (**Attachment B** is the PD Plan submitted to Douglas County).

- 1,800 dwelling units of single-family detached and attached, townhomes, condominiums or apartments,
- 600,000 square feet of non-residential development distributed on both sides of I-25,
- Vehicle access to Pine Canyon East from Front Street, Woodlands Boulevard south of the property and Founders Parkway,
- Vehicle access to Pine Canyon West from Liggett Road,
- Vehicle and/or pedestrian access across I-25,
- 64 acres of private open space, with public access, located west of I-25, Liggett Road and the BNSF railroad, primarily in the floodplain and Preble's Jumping Mouse habitat, without vehicle access, to be donated as a conservation easement,

- 121 acres of private open space, with public access east of I-25, functioning as trail corridors, buffers between uses and planning areas and parks,
- 12 acres of land for a school,
- A Mobility Hub located on I-25 in coordination with CDOT,
- Owner retains all ground water rights; no renewable water supply planned,
- Request to appeal the Douglas County water supply standards,
- Plan to construct a new water reclamation facility on site to process wastewater,
- Creation of five Metropolitan Districts and one Water & Sanitation District; service plans have been submitted for County review and approval. The service plans will be sent to the Town for referral comments.

Douglas County First Review Comments

Douglas County Department of Community Development, Planning Services and Department of Public Works conducted a first review of the proposal and sent the applicant a comment letter, along with numerous red line comments on the zoning documents and planned development plan sheets. This level of comment is consistent with the large scale of this proposal. The County staff state their initial review is intended to generate a clear and detailed PD that can then be sent to referral agencies, such as the Town of Castle Rock, for their review. Many of their comments relate to requests for more information or additional items that need to be addressed at the time of resubmittal.

The Douglas County comments are summarized below and the complete comments are included in the 60 page **Attachment C**. Their general areas of concern are similar to the Town's, specifically open space and park land dedication, school dedication size, compatibility with surrounding existing neighborhoods, transportation impacts, and water supply.

Overall Comments

Douglas County staff identified many areas of concern in their May 22, 2020 letter. Many of the specific comments later outlined relate to these overall concerns:

- Application needs to demonstrate compliance with the Douglas County 2040 Comprehensive Master Plan,
- Application needs to address the Approval Criteria for the Planned Development District in Douglas County Zoning Regulations, and
- The proposal will impact existing Town of Castle Rock infrastructure, services, and facilities and will require considerable effort and coordination to address these concerns on the part of the applicant.

Specific comments are provided below to demonstrate the depth of the review and the County's request for the applicant to coordinate with the Town of Castle Rock and to provide a robust community outreach on the proposal.

Open Space and Park Comments

The County had numerous comments regarding trail connections, park locations and accessibility to the proposed Riparian Park, such as:

- Will proposed trails consist of local and regional connections to existing trails in the area?
- Will the proposed trails be available to the greater public or will they be restricted to Pine Canyon residents?
- Similarly, will the parks and open spaces be restricted to Pine Canyon residents only?
- For the 4 separated park areas on the east side of I-25, was any consideration given to consolidating this park land as a way to preserve forested area on this side of I-25?
- Will the Walter J. Scott Riparian Park (located west of the Union Pacific RR line) be open to active or passive recreational opportunities? How will it connect to the existing East Plum Creek open space owned by the Town of Castle Rock? Does the existing access agreement with Union Pacific allow for public access? A commitment for a grade-separated crossing should be considered because of the opportunity for a regional trail. To be considered for park land dedication, the park must be accessible.

School District Comment

Regarding the Douglas County School District land dedication, Douglas County staff indicated the School District has calculated a need for 20.65 acres, which is more than the 12 acres proposed. The applicant has been asked to address this.

The PD proposed to allow Accessory Dwelling Units (ADUs) that could double the density of the project. County staff ask how will ADUs impact the commitments to the School District.

Compatibility and Coordination with Town of Castle Rock Comments

Douglas County staff mention several times coordination with the Town and requests for additional information on compatibility and buffering from existing adjacent land. In addition, the County is strongly encouraging a robust community outreach process:

- With the proposed planned development being in the center of Castle Rock, the impacts should be mitigated. This will require discussion and coordination with the Town of Castle Rock before, during, and after the referral period. It is encouraged that you communicate with the Town in preparation of the resubmittal and during the review process in general. There will be impacts to Town services and facilities from the proposed development. There may be required dedications, commitments and on or offsite improvements related to impacts to services and facilities.
- Provide additional discussion on how the proposed development is compatible with adjoining land uses. Provide more detail on density of adjacent development. This is particularly important for areas east of I-25 and along the south and east sides of the proposal.
- What are the specific buffers, setbacks and or lot sizes that will be used to achieve compatibility with not only existing uses but uses within the proposed PD?
- Address compatibility of this development, in particular road infrastructure and connectivity with any plans for development of adjacent parcels owned by Adam B. Scott and Kyle A. Scott (proposed Pioneer Ranch development).
- Provide discussion on how impacts from noise will be addressed and label plans to show buffering for residential uses from I-25, Front Street and Founders Parkway.
- Douglas County strongly encourages that the applicant completes a robust community

outreach with abutting property owners and the public during the review process.

Transportation Comments

The Transportation Impact Study will undergo a more extensive review with the next submittal, however Douglas County staff do ask for more information to be shown on the proposal, such as:

- All roadway improvement details need to be shown on the plan set, including but not limited to street connections, grade-separated crossings, intersection improvements, right-of-way crossings, potential traffic signal, or other local or regional improvements which may require a full or partial commitment to CDOT, Douglas County or Castle Rock.
- Provide more details on Mobility Hub, including location, proposed uses and timing of development. Will the Mobility Hub be a public/private partnership with CDOT?
- Will increased traffic and Mobility Hub require planning for and construction of a new interchange at I-25?
- Have ADUs been factored into traffic impacts?
- The PD documents must clearly list all land dedications, for example right-of-way dedication to CDOT, future interchanges or underpass areas, and a mobility hub. Communication will be required with County Engineering and the Town of Castle Rock regarding these details.

Water and Sewer Comments

The Pine Canyon development has a separate application into the County for their Water Appeal, however this zoning request must also demonstrate compliance with Douglas County code requirements. Staff comments include:

- Review the 2040 CMP Section 7 Water Supply for discussion of the County's efforts to promote renewable and dependable water supplies and reduce reliance on Denver Basin aquifers and indicate how the proposal will be consistent with those efforts.
- Not only does the proposal not provide for renewable water supplies, but according to the County's Water Consultant, "they don't have even close to enough [nonrenewable] water to meet County standards..."
- Water rights issues require more development; any water rights will eventually need to be dedicated to the applicable water district; and it must be shown whether an Augmentation Plan will be required to use those water rights.
- Additional details are required on the proposed water delivery, conveyance, storage and treatment systems including necessary decrees and permits.
- The water demands for the development are based on highly optimistic assumptions and should be clarified and additional evidence and details regarding how they will be met and the timing for those demands provided including the handling of 800 ADUs.
- Additional evidence is needed to show that the proposed wells on the property will not impact adjacent existing water rights and well structures
- Elaborate on the availability of water and conservation techniques as the current demand estimates again are highly optimistic and details are lacking on how conservation will achieve those estimates.
- Identify turf vegetation limits for different residential lot sizes, multifamily, commercial, open space and parks as consistent with your water appeal. You may need to consider specific

planting programs for low water use plants.

- Water and wastewater estimates are completely out of sink and need to be revised to be compatible.
- A large portion of the water supply for irrigation is based on non-potable reuse and the proposal lacks details on how this will be done in a safe manner especially with respect to direct contact with people and children.
- Provide details on the proposed wastewater system and treatment plant including the type of treatment and location of facility.
- A direct discharge will likely be required and details are lacking on how a wasteload allocation for the wastewater plant will be obtained in the Chatfield Basin.
- Additional discussion is needed on location, timing, and permitting of the wastewater reclamation plant.

Tree Preservation, Wildlife, Slopes, and Ridges and Bluffs in Urban Areas Comments

Douglas County staff also commented on tree preservation, sloped areas, and ways to protect ridges and bluffs in the area:

- A requirement to complete a Tree Preservation plan should be referenced in the commitments. Provide more details on methods of tree preservation. Staff will be looking for the applicant to develop standards so the site can be designed sensitively with topographic conditions and treed areas in mind.
- How will the alpine setting and preservation of forested areas be achieved while providing for building sites, roads, and wildfire mitigation? Consideration should be given toward consistency between tree preservation plan and future wildfire mitigation measures.
- Have you considered identifying particular areas of the PD in which no disturbance or no overlot grading (slope preservation areas) will occur? Staff would like to see detail on overlot grading limits, as this would be beneficial in preserving the character of the land as articulated in the narrative.
- Conduct a wildlife study and consider wildlife friendly fencing.
- Consider how development will impacts views into, through, and out of the site. With this site being surrounded by the Town of Castle Rock, it would be appropriate to incorporate elements from their Skyline Ridgeline Ordinance.

Summary of Comments

The first review comments from Douglas County staff are very similar in scale and nature to review comments that the Town of Castle Rock staff had on the previous and current proposal. Areas of concern remain compatibility and coordination into the existing Town infrastructure, accessibility to the west side open space, preservation of some of the forested area on the east side of I-25, unknown transportation impacts and need for coordination with the Town, Douglas County and CDOT, and more details needed to understand the water and wastewater proposal. Town staff identified these same areas of concern on initial review of this proposal, as presented to Town Council on May 19th.

Douglas County staff has instructed the applicant to reach out and coordinate with the Town of Castle

Rock. To date, the Town has not been contacted by the Pine Canyon applicant to begin any of these coordination discussions. Douglas County is also requesting that they complete a robust community outreach program with the abutting property owners and the public during this review process. Town staff have had many years of contact from surrounding property owners and concurs that a robust community outreach program is necessary for this proposal.

The purpose of this discussion is to update Town Council on the Douglas County staff initial comments on the Pine Canyon proposal. As discussed at the May 19th Town Council meeting, Town staff review of the current proposal to develop Pine Canyon to urban density levels within Douglas County has identified major concerns and impacts regarding water, wastewater, stormwater, transportation, open space, public land dedication, and compatibility with surrounding neighborhoods. Staff is not opposed to development of this parcel; however, the current proposal does not demonstrate how it will mitigate the impacts that this new community will have on the existing Town infrastructure, amenities and residents that surrounds it.

Per direction at the May 19th Town Council meeting, staff will be drafting a resolution of opposition to this application and will bring it back to Council for consideration at a future meeting. Staff will notify Town Council of future resubmittals for this application to Douglas County.

Attachments

Attachment A: Vicinity Map

Attachment B: Planned Development Plan

Attachment C: Douglas County Initial Review Comments on Pine Canyon