



Meeting Date: August 18, 2026

AGENDA MEMORANDUM

To: Mayor and Members of Town Council

From: Tara Vargish, P.E., Director, Development Services Department
Sandy Vossler, Senior Planner, Development Services Department

Title: **Ordinance Annexing to the Town of Castle Rock, Colorado, Multiple Parcels of Land Totaling 16.12 Acres in Size and Owned by the Town (Home Street Annexation, Maher Ranch Tank Site Annexation, Founders Corner Annexation, and Terrain Remnant Annexation)** [16.12 acres, located in north and east Castle Rock]

Executive Summary

The Town of Castle Rock (Town) proposes to annex several Town-owned parcels totaling approximately 16.12 acres of land (Attachment B). The parcels are grouped into four distinct annexations known as the Home Street Annexation, Maher Ranch Tank Site Annexation, Founders Corner Annexation and Terrain Remnant Annexation (Attachment C-F). The annexation areas are geographically separate (Attachment A and Figures 1 and 2) and are



Figure 1: Home Street Annexation and Maher Ranch Tank Annexation Vicinity Map

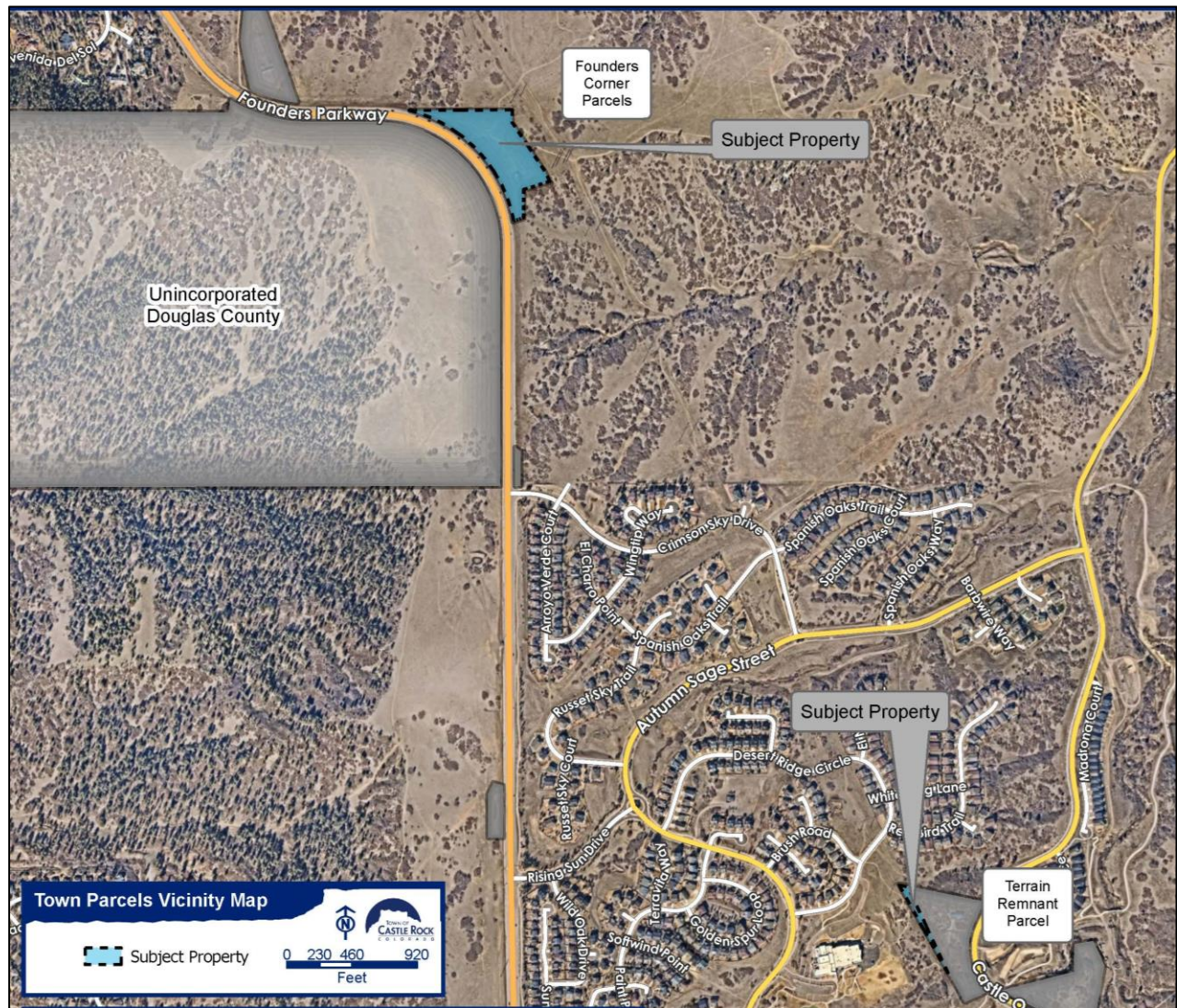


Figure 2: Founders Corner Annexation and Terrain Remnant Annexation Vicinity Map

located in the northern and central areas of the Town. The annexations are part of the Town's broader effort to bring eligible Town-owned parcels into the Town's jurisdiction. None of the properties are currently, or planned to be used for public right-of-way (ROW).

The Town proposes to zone all parcels as Public Land - 1 (PL-1) (Attachment G). This is a straight zone district established in Section 17.30.020 of the Municipal Code. Public facilities, public infrastructure, open space, utility-related improvements, and other municipal uses are permitted uses in the PL-1 Zone District. No private development is proposed with the annexation or zoning applications.

Annexation of Town-owned property that is not solely public right-of-way is not subject to the substantial compliance and eligibility requirements of the Colorado Revised Statutes. In addition, Town Council has the authority to act on the Annexation Ordinance without Planning Commission recommendation, therefore none has been provided.

Planning Commission considered the proposed PL-1 zoning at a public hearing on Thursday, July 23, 2026 at 6 p.m. No members of the public addressed the Commission on the proposal. Planning Commission voted 6 to 0 to recommend approval to Town Council.

All staff and external referral comments have been addressed. Staff recommends that Town Council approve the Annexation Ordinance, as proposed.

Key Benefits of Proposed Annexation

Annexation of the parcels will give the Town jurisdiction over

- Zoning
- Code enforcement
- Law enforcement, and
- Emergency services and response

Background

The parcels included in the four annexation areas are owned by the Town. The parcels include remnant land, utility-related property, and other Town-owned land that meets State contiguity requirements for annexation. Annexation will bring the parcels under the Town's jurisdiction and provide for consistent zoning, code enforcement, law enforcement, and emergency services.

The annexation and zoning action is part of a broader Town initiative to annex eligible Town-owned properties. To date, the Town has annexed and zoned Gateway Mesa Open Space, Lost Canyon Open Space, East Plum Creek Trail, and right-of-way within or adjacent to Crowfoot Valley Road, Ridge Road, Plum Creek Parkway at Gilbert Street, Highway 86 at Ridge Road, the Crystal Valley Interchange, including the east frontage road, and Territorial Road.

Existing Conditions and Surrounding Uses

The four annexation areas are located in the northern and central portions of the Town's growth boundary and are not contiguous with one another. Founders Corner Annexation is located east and adjacent to Founders Parkway, north of Crimson Sky Drive; Home Street Annexation is located east of Interstate 25, adjacent to the Castle Rock Parkway/Interstate 25 interchange; Maher Ranch Tank Site Annexation is a Town-owned utility-related parcel located northeast of the Castle Rock Parkway/Interstate 25 interchange; and Terrain Remnant Annexation is a narrow parcel located east of Sage Canyon Elementary School and west of Castle Oaks Drive.

The surrounding areas include a mix of residential neighborhoods, undeveloped land, open space, public improvements, roadway corridors, and utility-related uses. The proposed PL-1 zoning is intended for municipally owned property and public uses and is compatible with the existing and potential public function of each property.

Discussion of Annexation Proposal

All parcels included in the annexation area are owned by the Town of Castle Rock, having been acquired at various times. The individual annexation maps were filed with the Town Clerk on July 27, 2026. None of the annexation areas were 10 acres or greater, therefore no annexation impact reports were required to be filed with the Douglas County Board of County Commissioners.

The C.R.S. do not require Substantial Compliance and Eligibility public hearings to be held when the area proposed to be annexed is owned by the annexing municipality and is not solely a public street or right-of-way.

To be eligible for annexation, 1/6th of the perimeter of each annexation area must be contiguous with the annexing municipality. As shown in Table 1 below, all proposed annexations exceed the 1/6th contiguity requirement.

	Total Perimeter	1/6 Total Perimeter	Contiguous Perimeter	Percent Contiguity
Home Street Annexation	2,688.51 ft.	448.08 ft.	929.20 ft.	34.56%
Maher Ranch Tank Site Annexation	990.31 ft.	165.05 ft.	286.21 ft.	28.9%
Founders Corner Annexation	2,920.11 ft.	486.69 ft.	2,920.11 ft.	100%
Terrain Remnant Annexation	1,459.19 ft.	243.20 ft.	781.48 ft.	53.56%

Table 1: Perimeter Contiguity

All of the parcels are owned by the Town and are intended to remain in public ownership. The parcels are proposed to be straight zoned as Public Land - 1 (PL-1), a zone district intended primarily for municipally owned properties and public uses. The uses and development standards for PL-1 are established in Municipal Code Section 17.30.020 (Attachment G).

The zoning does not approve any private development or a specific public improvement project. Any future public improvements, utility facilities, drainage improvements, open space improvements, or related municipal uses would be subject to applicable Town standards and review processes.

Technical Reports and Analyses

Fire/Police - The four parcels are currently served by the Douglas County Sheriff's Office for law enforcement and the Castle Rock Fire District for emergency services. Once annexed, the parcels will be served by the Castle Rock Police Department and Castle Rock Fire and Rescue.

Parks, Recreation and Open Space - The parcels are being zoned as Town of Castle Rock public land, specifically PL-1. Any future open space or public land improvements will be reviewed in accordance with applicable Town requirements.

Traffic Impact Analysis and Mitigation - A Traffic Impact Analysis (TIA) was not required to be submitted for the proposed annexation and zoning because no development or change in traffic-generating uses is proposed for the four parcels.

Utilities and Drainage - Any utility and drainage facilities necessary to serve the annexed parcels will connect to Castle Rock water, wastewater, and stormwater systems, as applicable. The Maher Ranch Tank Site property is an existing Town-owned utility-related property.

Water Conservation – Any future improvements within the annexation areas will be required to meet Town water conservation standards and landscaping and irrigation criteria, including ColoradoScape requirements, as applicable.

Water Resources - The Town owns all of the parcels and will retain any associated groundwater rights.

Notification and Outreach

Public Notice

Public hearing notice signs were posted at each of the annexation areas on July 8, 2026. Written notice letters were sent to property owners within 500 feet of the parcels at least 15 days prior to the public hearings. Town staff published notice of the Town Council public hearing on the Town's website and provided information about the proposal on the Town's Development Activity interactive map.

Neighborhood Meetings

A neighborhood meeting was held on June 15, 2026. Two members of the public attended the meeting. Staff presented vicinity maps showing the location, acreage, and contiguity percentage of each of the four proposed annexations. Staff discussed the reasons for annexing the parcels and the Town's intention to zone each parcel as Public Land.

Attendees had few questions specific to the annexation and zoning proposal. Questions included the State contiguity requirements for annexation, whether other properties may be eligible for annexation, and general traffic concerns for other potential annexation areas (Attachment H). Due to the nature and scope of the annexation and zoning requests, the limited attendance, and the absence of stated concerns at the June 15, 2026 neighborhood meeting, no additional neighborhood meetings were held.

External Referrals

External referrals were sent to applicable local service providers and Douglas County agencies. There are no outstanding external referral comments related to the proposed annexations.

Annexation Analysis

Staff has completed an analysis of the proposed annexations. The remainder of this report focuses on how the annexation proposals comply with the State of Colorado statutory requirements, the goals and principles of the Town's 2030 Vision and Comprehensive Master Plan, and the criteria in the Town's Municipal Code.

Colorado Revised Statutes – Municipal Annexation Act of 1965 (the Act)

The Town has complied with the process prescribed by the Municipal Annexation Act of 1965. As previously noted, Substantial Compliance and Eligibility hearings were not required for this proposed annexation.

At this Annexation hearing, Town Council is asked to determine whether the properties should be annexed to the Town. Section 20.02.040 of the Municipal Code states that Town Council shall consider the policies, guidelines and criteria in the Town [Comprehensive] Master Plan, as amended, along with any other relevant information in determining whether it is in the best interests of the Town to grant or deny the petitions for annexation.

Town of Castle Rock Municipal Code, Title 20

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

- A. 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.

Analysis: The proposed annexations meet this requirement. The principles and criteria for annexation outlined in the 2030 Comprehensive Master Plan are outlined and addressed in the following section.

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

Analysis: The Intergovernmental Development Plan between the Town of Castle Rock and Douglas County expired several years ago and has never been renewed, therefore IGA is not applicable to this proposed annexation.

The following section identifies the applicable principles of the Comprehensive Master Plan and summarizes how the proposed annexations achieve those principles.

2030 Vision and Comprehensive Master Plan

The principles set forth in the Town's Comprehensive Master Plan are based on four cornerstones identified through a Town-wide visioning effort that identified the characteristics most important to the community. The following is an analysis of the specific annexation principles found in the Responsible Growth section of the 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 the Town boundaries.

Analysis: The proposed annexations comply with this principle. As noted previously in this report, the parcels that are owned by the Town will be used as open space, utility facilities and will remain in public ownership. As illustrated in Table 1, each annexation area exceeds the minimum 1/6 contiguity requirement of the Act.

B. Has demonstrated a significant benefit to the Town.

Analysis: Annexing and zoning these parcels in the Town will provide for consistent application of the Municipal Code, technical criteria, law enforcement and emergency services.

C. Will be provided with adequate urban services.

Analysis: The Town has the capacity to provide the annexation area with appropriate urban services.

D. Is fiscally responsible.

Analysis: Annexation of the parcels will not create new financial obligations for the Town. The Town owns and currently maintains the parcels.

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

Analysis: The Town retains all groundwater resources associated with the parcels.

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

Analysis: This principle is not applicable, as the Town is not proposing development that requires water resources.

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.

Analysis: As noted previously demonstrated, the annexation areas exceed the 1/6 contiguity requirement for annexation. Annexing this property brings it under Town jurisdiction for zoning, code enforcement, law enforcement, life/safety and creates a contiguous municipal boundary.

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.

Analysis: This criterion is not applicable. The purpose for annexing these parcels is to expand the Town's jurisdiction over Town-owned properties.

Budget Impact

Annexation of the parcels will not create new budget impacts to the Town.

Findings and Recommendation

As noted, annexation of Town-owned property that is not solely public right-of-way does not require a Planning Commission recommendation, but instead advances directly to Town Council for action. For this reason, Planning Commission was not asked to make findings or provide a recommendation to Town Council on the annexation proposal.

All staff review comments and external referral comments have been addressed. Based on the annexation criteria and analysis above, staff find that the proposed annexations:

- Comply with the requirements of the Colorado Revised Statutes, Municipal Annexation Act of 1965,
- Advance the principles of the Town Vision and Comprehensive Master Plan for Responsible Growth, and
- Meet the annexation requirements found in Title 20 of the Town of Castle Rock Municipal Code.

If Town Council concurs with the findings stated above, staff recommends that Town Council approve the proposed Home Street Annexation, Maher Ranch Tank Site Annexation, Founders Corner Annexation and Terrain Remnant Annexation, as proposed.

Proposed Motion

Option 1: Approval

"I move to approve the Annexation Ordinance, as introduced by title."

Option 2: Approval with Conditions

"I move to approve the Annexation Ordinance, 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], at [time]."

Attachments

Attachment A: Vicinity Maps

Attachment B: Annexation Ordinance

Attachment C: Founders Corner Annexation Map

Attachment D: Home Street Annexation Map

Attachment E: Maher Ranch Tank Site Annexation Map

Attachment F: Terrain Remnant Annexation Map

Attachment G: Public Land - 1 Zone District

Attachment H: Neighborhood Meeting Summary