

RESOLUTION NO. 2026-039

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO, ADOPTING A POLICY FOR THE RECOUPMENT OF COSTS INCURRED BY THE TOWN IN THE CONSTRUCTION OF THE CRYSTAL VALLEY INTERCHANGE

WHEREAS, with the completion of the Interstate 25-Crystal Valley Parkway Interchange (CVI) project, it is anticipated that the owners of property in unincorporated Douglas County located within the immediate vicinity of CVI will petition for annexation into the Town of Castle Rock (the “Town”); and

WHEREAS, likewise, it is anticipated that the owners of undeveloped property previously annexed to the Town will seek approval for plans for the development of their property that will take advantage of their proximity to CVI; and

WHEREAS, in developing their respective properties, the Town recognizes that each of these owners will benefit significantly from the presence of CVI; and

WHEREAS, in the meantime, the Town has invested approximately \$35 million in Town funds in the construction of CVI; and

WHEREAS, for decades, the Town’s philosophy has been that new growth should pay its fair share of the costs of off-site improvements that support development; and

WHEREAS, in keeping with this philosophy, properties on both the east and west sides of Interstate 25 that have previously developed or are presently developing within the Town have provided substantial funding for the construction of CVI; and

WHEREAS, Town staff has recommended that the Town take the necessary steps to recoup the Town’s investment in CVI as undeveloped properties within the immediate vicinity of CVI seek annexation to Town and/or approval of their development plans; and

WHEREAS, to this end, Town staff has prepared a policy for the consideration of the Town Council that establishes a formula for the recoupment of a fair share of the Town’s costs for CVI from the owners of these properties; and

WHEREAS, this formula allocates the Town’s costs based upon the number of new daily trips that are projected to utilize CVI from each property located within the CVI influence areas identified by the Town; and

WHEREAS, the Town Council finds and determines that:

- (i) The Town has a legitimate governmental interest in recouping the costs the Town has incurred in constructing CVI;

- (ii) Recouping such costs will serve a public purpose by requiring owners of undeveloped property within the immediate vicinity of CVI to pay their fair share of costs of an improvement that will support the development of their property;
- (iii) An essential nexus exists between the payments required to be made by such property owners as a condition of annexation and/or development and the Town's interest in recouping the costs it has incurred in constructing CVI; and
- (iv) The formula for allocating the costs the Town has incurred in constructing CVI to the owners of such undeveloped property will result in a payment that is roughly proportional both in nature and extent to the impact that the development of such property will have on the Town.

WHEREAS, the Town Council further finds and determines that the adoption of the policy proposed by Town staff for the recoupment of costs incurred by the Town in constructing CVI is in the best interest of the Town and its residents.

NOW, THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK AS FOLLOWS:

Section 1. Adoption. The Town Council hereby adopts the Fair Share Recoupment Policy for the Interstate 25-Crystal Valley Parkway Interchange in the form presented at tonight's meeting. Such policy shall be effective upon the adoption of this Resolution and remain in full force and effect until amended or rescinded by the Town Council.

PASSED, APPROVED AND ADOPTED this 24th day of March, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of ____ for and ____ against.

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Michael J. Hyman, Town Attorney

Daniel Sailer, Director of Public Works