



AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council
Through: David L. Corliss, Town Manager
From: Tara Vargish, PE, Director, Development Services

Title: **Resolution: Crystal Valley Ranch Filing 14, Block 2, Lot 1 - Proposed Property Conveyance** *(located north of Crystal Valley Parkway, east of Rhyolite Park and west of Lake Gulch Road)*

Executive Summary

This resolution is being presented to Town Council to convey certain real property, described as Crystal Valley Ranch Filing 14, Block 2, lot 1, back to the prior landowner in conformance with the Development Agreement obligations approved by Town Council in 2007 as part of the Crystal Valley Ranch Second Amended and Restated Development Agreement (DA). Additionally, the resolution authorizes the Town Manager to execute a Memorandum of Understanding with the developer on the development plan with additional buffers and cul-de-sacs adjacent to existing residential development, and lays out a target schedule to swap an additional strip of land to provide the buffer and process the necessary rezoning of this area.



Figure 1: Vicinity Map

Notification and Outreach

Public Notice

Public hearing notice signs were posted on the property on July 31, 2025. Written notice letters were sent to property owners and Homeowner Associations (HOA) within 500 feet of the property, at least 15 days prior to the public hearing on Sept 2, 2025. At that hearing, Town Council continued the public hearing item to October 21, 2025. No additional mailing was required. Town staff published notice of the Town Council public hearing on the Town's website.

Background

Crystal Valley Ranch Filing 14, Block 2, Lot 1 is a 21-acre property that is located north of Crystal Valley Parkway, east of Rhyolite Park and west of Lake Gulch Road. The property was zoned in 2011 as part of the Crystal Valley Ranch Planned Development, 4th Amendment. Permitted uses on the property include single-family attached and detached, townhomes and multifamily residences.

In 2007 an amendment to the Crystal Valley Ranch Development Agreement (DA) was approved by Town Council. Under the provisions Article VII Public Lands, of the amended DA (Attachment C), the subject lot was dedicated to the Town of Castle Rock to be held as a potential school site until such time as the Douglas County School District (DCSD) either used it for a school or provided written notice to the Town that the district did not intend to use the site for a school. In the event that the School District provided such notification, the Town is required to re-convey the property to the original owner for development under the applicable zoning regulations.

The 21-acre parcel has been vacant since being zoned and later dedicated to the Town of Castle Rock. Over the years the Town's Parks and Recreation Department has installed disc golf improvements on the land to temporarily take advantage of the vacant property and provide residents with an outdoor recreation amenity. It is the Town's intent to relocate those disc golf improvements to facilitate conveying the property back to the original developer.

Discussion

On January 28, 2025, the Douglas County School District RE-1 entered into an agreement (Attachment D) with the developer Maple Grove Land Limited Partnership, where DCSD determined that this parcel was surplus and no longer needed for a school site. That agreement required DCSD to send a letter to the Town, per the requirements of the Development Agreement, to initiate the re-conveyance of the parcel back to the developer. Additionally, at such time as the Town conveys the land to the developer, the developer is obligated to pay DCSD \$500,000 as a cash-in-lieu payment to be a substitute for the school site.

Douglas County Superintendent of Schools, Erin Kane, sent the Town a letter dated February 3, 2025, (Attachment E) notifying the Town that due to changing enrollment patterns the DCSD Board of Education has determined that the subject property would not be used by the School District for a school, satisfying the DA requirement to re-convey the parcel to the original developer.

At the September 2, 2025, Council meeting, the following 3 options were discussed as it relates to future development of the parcel”

Option 1:

Option 1 would be to convey the parcel “as is” to the Developer. The developer has submitted a preapplication for residential development of the parcel for 112 single family lots, with similar lot sizes and road connectivity to the adjacent existing homes to the east. This layout would align with the current development proposal from the applicant, shown in this sketch with roadway connections to the neighborhood to the east, and no roadway connection to Rhyolite Park on the west



Option 1 Sketch

Option 2:

A second option for Council consideration is to swap an approximately 45 feet width of land on the west side of the current parcel with the developer for similar acreage on the east side of this parcel. That would allow the future developed area to have an increased buffer on the east side with the existing homes. This layout includes a road connection to Rhyolite Park on the west, and replaces a proposed roadway behind existing homes with a landscaped buffer area on the east. This option is more procedurally complicated than



Option 2 Sketch

the reconveyance outlined in the Development Agreement, as it would require a land swap with the developer and the Town for this 45 ft wide strip of land on the west side for similar acreage on the east, and would require this 45 ft strip to be rezoned to match the current parcel. This option would provide some buffering with existing neighbors on the east side of the parcel.

Option 3:

A third option is very similar to Option 2, however the northern most road connection to the existing neighborhood is turned into a cul de sac, eliminating that as a route for existing or new residents to use. An emergency vehicle access would likely be needed in this location to satisfy Fire access requirements. This option, like Option 2, would require a swap of land with the Town and rezoning of the 45 ft wide strip of land on the west side of the parcel.



Option 3 Sketch

Under any of these options, once the land has been conveyed to the Developer, the development of the property will require a site development plan submittal, review and future public hearings before Planning Commission for recommendation, and before Town Council for final decision on the layout.

Council continued the public hearing from Sept. 2, 2025, to Oct 21, 2025, to allow for further coordination with the developer. That coordination has led to a draft Memorandum of Understanding (MOU) with the developer on a development plan (Option 3 above) with additional buffers and cul-de-sacs adjacent to existing residential development. The MOU also lays out a target schedule to swap the additional strip of land to provide the buffer and process the necessary rezoning of this area.

Staff Recommendation

Staff recommends Council approval of the proposed resolution that conveys the existing parcel back to the developer, per the terms of the Development Agreement, and also approves the

Memorandum of Understanding with the developer to layout the preferred option (Option 3 above), as well as provide direction to swap land with the Town to provide an additional buffer for the development, and layout the general timelines for the associated rezoning.

Proposed Motion

Option 1:

"I move to approve the Resolution as introduced by title."

Option 2:

"I move to approve the Resolution with the following changes: _____"

Option 3:

"I move to continue to public hearing to _____ (date) _____, to allow for further information to be provided on _____."

Attachments

- Attachment A: Resolution
- Attachment B: Vicinity Map
- Attachment C: CVR DA, Article VII, Section 7.01
- Attachment D: Agreement between DCSD and Developer
- Attachment E: DCSD Written Notice Letter
- Attachment F: Public Comment
- Attachment G: Photos of CVR F14 Lot 1