



AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: Bill Detweiler, Director, Development Services

From: Donna Ferguson, Planner II, Development Services

Title: **Resolution Approving the Castle Rock Industrial Park Annexation and Development Agreement**

Executive Summary

Polo Properties Holding, LLC is requesting to enter into a Development Agreement (DA), in conjunction with an Annexation application for property known as Castle Rock Industrial Park which resides within an industrial area of Town and is sandwiched between the Union Pacific Railroad and Highway 85 where Liggett Road spurs off of Highway 85 (Figure 1).

The property is currently under consideration for annexation into the Town under a separate Annexation application. If the property is approved for annexation the applicant must subsequently enter in to a Development Agreement with the Town to address the obligations of the property owner and the Town as they relate to the mutual interest in the annexation.



Figure 1: Location Map

A Development Agreement is a legally binding contract between the property owner and the Town and requires review and approval by Town Council.

The Proposed Development Agreement

The proposed DA addresses required infrastructure improvements, public land and water rights conveyances, Town service obligation and other relevant items. These obligations are intended to be mutually beneficial as well as enhance public health, safety and welfare.

Infrastructure Improvements

The property owner will be responsible for the design and construction of certain public improvements to Highway 85 (aka Santa Fe Drive) and Liggett Road, along the property frontage, in accordance with Town Regulations and as determined at the time of site development plan. In addition, the property owner shall convey to the Town additional right-of-way for the future widening of Highway 85.

Public Land Conveyance

The property owner shall pay to the Town \$8,124 as cash-in-lieu of public lands conveyance.

Water Rights Conveyance

The property owner will convey to the Town, via Special Warranty Deed, title to the water rights for the property. In return, the Town will establish a water bank credit for the property and will provide a municipal water supply to the property in conformance with its water bank credit, or if additional water is needed, upon payment of cash-in-lieu of water rights.

Town Service Obligations

The Town will provide the property with access to municipal services, to include water, wastewater, stormwater drainage, parks and recreation as well as transportation and street maintenance. The Town will also provide general administrative services including code enforcement and Fire and Police protection services.

Other Relevant Items

The property owner will be responsible for the proper abandonment of the on-site wastewater treatment system in compliance with all local, state and federal requirements. In addition, the property owner is encouraged to develop a mosquito control plan for any on-site detention pond.

Discussion

Background

The Castle Rock Industrial Park property is 4.568 acres in size and currently under the jurisdiction of Douglas County. It is addressed as 2801 U.S. Highway 85 and owned by Polo Properties Holdings, LLC who took ownership of the property on February 1, 2017.

Existing Conditions

The subject property lies within an industrial area made up of a patchwork pattern of Town and County properties. It is an industrial site currently being used for large vehicle storage but was formally the site of a concrete mixing business. The property contains large concrete pads and concrete wall dividers but no buildings. The property has access to both Highway 85 and Liggett Road but these streets offer minimal street improvements and do not have street lights, sidewalks or street landscaping.

Service and Infrastructure Capacity

The Concept Utility Letter and Phase I Drainage Report for the site indicate that the proposed industrial land use can be tied into and accommodated by the Town's water, wastewater and storm drain systems. In addition, the property currently lies within the Town's Police and Fire Districts.

Lastly, the Transportation Impact Analysis (TIA) indicates that the proposed industrial land use is a low traffic generator and that the existing surrounding street network and intersections are sufficient in capacity to accommodate the site generated traffic.

Budget Impact

The proposed Development Agreement will generate review fees.

Staff Finding

Staff finds that the proposed obligations outlined in the Development Agreement are adequate to support the property's annexation into the Town.

Recommendation

Staff recommends approval of the proposed Castle Rock Industrial Park Development Agreement.

Proposed Motion

I move to approve the Resolution as introduced by title.

Attachments

Attachment A: Resolution
Exhibit 1: Development Agreement