



Meeting Date: Mar. 2, 2021

## **AGENDA MEMORANDUM**

**To:** Honorable Mayor and Members of Town Council

**Through:** David L. Corliss, Town Manager

**From:** Tara Vargish, PE, Director, Development Services  
Donna Ferguson, Senior Planner, Development Services Department

**Title:** **Ordinance Amending The Town Of Castle Rock's Zone District Map by Approving The Promenade At Castle Rock Planned Development Plan Amendment No. 1; Approving The Amended Promenade At Castle Rock Planned Development Zoning Regulations; And Approving The Promenade At Castle Rock Block 3A Development Agreement [*Between Promenade Parkway and Castlegate Drive West*] (Second Reading, Approved on First Reading on Feb. 16, 2021 with a vote of 7-0)**

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### **Executive Summary**

Alberta Development Partners (Applicant) is requesting approval of a proposed amendment to the Promenade at Castle Rock Planned Development Plan (PDP) and Development Agreement (DA) for planning area three (PA3). PA3 is generally located in the center of the Promenade between Promenade Parkway and Castlegate Drive West. The PDP and DA Amendment proposes to add a Multi-Family Residential use area (up to 300 units) and an Open Space Private use area (Outdoor Commons Park) to PA3 by reducing the existing Business/Commercial use area. It also proposes a land dedication of 43 acres on the east side of Interstate 25. PDP and DA Amendments to change the intensity or density of uses in a



planning area by more than 10% require public hearing before Town Council who shall review and make a decision on the proposal after review and recommendation by the Planning Commission. On Feb. 11, 2021 the Planning Commission voted to recommend to Town council approval of the PDP Amendment by a vote of 7-0. On Feb. 16, 2021 Town Council voted 7-0 to approve the Ordinance as introduced by title, first reading.

## **Background**

### **Existing Conditions and Surrounding Uses**

PA3 is 16.70 acres in size and is currently undeveloped. It is generally located in the center of the Promenade shopping center between Castlegate Drive West to the west and Promenade Parkway which wraps around the site on the south and east.

To the northwest of PA3 is a large area of multi-family development, which resides both inside of and adjacent to the Promenade at Castle Rock PDP, consisting of a mix of apartment and townhome complexes. To the north adjacent to and overlooking PA3 is La Loma Restaurant. To the east and southeast across Promenade Parkway are a variety of small business/commercial lots in various stages of development. To the south is King Soopers and to the southwest and west across Castlegate Drive West are more small business/commercial lots in various stages of development.

PA3 is elevated, utilizing existing ten-foot tall tiered retaining walls, along its western and southern perimeter and overlooks Castlegate Drive West and Promenade Parkway to the south. PA3 has expansive views to the south and west; Views of the Rock and Pike's Peak to the south and views of the Front Range to the west. From the west the site slopes gradually down to the east to meet the grades of Promenade Parkway. PA3 was previously over lot graded and as a result contains no significant vegetation.

### **Zoning**

The Promenade at Castle Rock Planned Development Plan was approved in March of 2015. It was created from a portion of property originally annexed and zoned in January of 1987 known as the Castle Pines Commercial Planned Development. This amendment represents the first amendment to the Promenade at Castle Rock PDP.

## **Discussion**

### **Use**

The current use area designated for PA3 of the Promenade PDP is Business/Commercial (100%). The Business/Commercial use area has twenty-three permitted uses and eight uses by special review. Permitted uses include retail, office, restaurant, service, recreation and hotel uses. Uses by special review include nursery, dog kennel, vehicle equipment sale and leasing, assisted living, indoor shooting range and outdoor commercial amusement uses. In addition, the Business/Commercial use area expressly prohibits auto body repair, boat, RV and equipment repair, commercial warehousing and logistics, recycle center, salvage, and storage yard uses. A complete list of permitted uses and uses by special review can be found on page eleven of the attached Promenade at Castle Rock PDP Amendment No.1 Zoning Regulations.

This amendment proposes to reduce the existing 16.70-acre Business/Commercial use area by 10.42 acres in order to add two additional use areas for a resulting use area mix of: Multi-Family Residential at 9.92 acres (59.4%), Open Space Private at 0.5 acre (3%), and Business/Commercial at 6.28 acres (37.6%).

The Multi-Family Residential use area will permit multi-family uses to include apartments, condominiums and townhomes up to 300 total units as well as respective clubhouse and recreation facility uses.

The Open Space Private use area is described as an Outdoor Commons Park for residents of the Promenade at Castle Rock and for the general public of the Town of Castle Rock. The intent is to provide a variety of active and passive recreational opportunities and areas of various sizes and experiences to both build an active community and offer rejuvenation in the outdoors. The Outdoor Commons Park is to provide a lawn, planted greenspace, walking paths, seating, and a central gathering space.

The Commercial/Business use area will maintain the permitted uses and uses by special review as previously described.

#### Development Standards

In order to maintain the southern view of the Rock and Pike's Peak for La Loma Restaurant, a Primary Building Area is described for PA3. Inside the Primary Building Area buildings are required to have flat roofs and not exceed an elevation of 6,188-feet above sea level. Outside the Primary Building Area buildings may have any roof style but not exceed an elevation of 6,176-feet above sea level. These height restrictions take priority over the standard maximum permitted heights of 60-feet for the Multi-Family Residential use area and 50-feet for the Business/Commercial use area.

All other development standards and architectural guidelines for the Multi-Family Residential, Open Space Private, and Business/Commercial use areas are proposed to remain the same as those outlined in the original Promenade at Castle Rock PDP, other than Section 4.13 Residential Buffering.

#### Residential Buffering

The purpose of Section 4.13 Residential Buffering is to provide an interesting, visually pleasing landscaped transition between commercial and residential uses. Because the new Multi-Family Residential and Business/Commercial use areas are designed to deliberately intermingle, Residential Buffering between these new use areas within PA3 is proposed not to be required. However, Residential Buffering will be required where the new Multi-Family Residential use area is adjacent to La Loma Restaurant and this will be reviewed and approved with the future multi-family residential Site Development Plan.

#### Open Space and Public Land Dedication

As part of this PDP Amendment proposal is a land dedication of 43 acres on the east side of Interstate 25 known as PC East for Town open space. The 43-acre land dedication is comprised of a 34.7-acre parcel located within the jurisdiction of the Town and an 8.3-acre parcel located within the jurisdiction of Douglas County.

### *Traffic Impact Analysis and Mitigation*

Traffic analysis reports were submitted with the proposal for Town review. The reports examine the potential impacts of the proposed development on existing and future infrastructure capacity. Town staff have reviewed the traffic analysis and concur with the conclusion that the public street system will accommodate the traffic generated by the project. The proposed access to the development is provided at the following two locations: (1) A restricted movement intersection (right-in and right-out only) at the northerly end of the site opposite of the existing restricted movement access for Block 1 of Promenade (TJ Max and Home Goods); (2) A full-movement access at the existing roundabout that serves Sam's Club. Both of these access points currently exist and were constructed with Promenade Parkway.

The proposed development does not exceed traffic volumes approved for the area in comparison to previously projected volumes for the overall development area. These volumes are not likely to negatively impact operations of adjacent roadways or intersections. The study intersections of Promenade Parkway with Castle Rock Parkway and Factory Shops Blvd are expected to have operations similar to or better than results shown in the previously approved traffic impact analysis for this area.

### *Utilities*

Adequate water, stormwater, wastewater, and road infrastructure are proposed with this project to serve the site.

### **Development Agreement**

The proposed DA Amendment is specific to PA3 and further defines obligations related to the new use areas of PA3, including timing of certain improvements and the conveyance of a 43-acre public land dedication (PLD) on the east side of Interstate 25.

### *Multi-Family Residential use area*

For the 9.92-acre Multi-Family Residential use area the developer will be allowed to construct up to 300 units of multi-family residential. In addition, the developer will pay to the Town a fee deposit in the amount of \$200,000 to be applied to any permit, impact, or any other development fee. If the developer receives a building permit for a sit-down restaurant or a 10,000 square-foot commercial building within four years of the date of the fee deposit the developer will receive a fee credit.

### *Business/Commercial use area*

For the 6.28-acre Business/Commercial use area the developer will make commercially reasonable best efforts to secure unique tenants such as sit-down restaurants, scratch kitchen concepts, seafood, steak and other interesting food concepts.

### *Open Space Private use area*

For the 0.5-acre Open Space Private use area the developer will provide an Outdoor Commons Park for general public use which is to be completed prior to the issuance of a certificate of occupancy for any building within the Multi-Family Residential or Business/Commercial use areas.

### *Public Land Dedication*

For the 43-acre public land dedication the developer will convey the PLD to the Town by quit claim deed, including any water rights appurtenant to the PLD within ten business days of final approval of the PDP Amendment. The deed will restrict the use of the property for open space and associated passive uses. In addition, the developer will be responsible for 50% of the costs to remediate asbestos in an existing vacant building located on the property.

#### Landscaping

For the streetscape along Castlegate Drive West and Promenade Parkway, adjacent to PA3 the developer will complete construction of the streetscape along these roadways and the existing adjacent retaining walls prior to the issuance of a certificate of occupancy for any building within the Multi-Family Residential or Business/Commercial use areas.

### **Notification and Outreach**

#### Public Notice

The Applicant mailed a public hearing notice letter for the Town Council public hearing. The notice letter was mailed to property owners within 500 feet of the site at least 15 days prior to the public hearing date. In addition, Town staff posted public notice signs on the site, published notice of the public hearing on the Town's website and made the application available for review on the Town's Development Activity Map.

#### Neighborhood Meetings

The Applicant conducted the first neighborhood meeting virtually on Sept. 29, 2020, the second neighborhood meeting virtually on Nov. 4, 2020 and the third neighborhood meeting virtually on Feb. 1, 2021. Neighborhood meeting discussion topics included landscape improvements along Castle Gate West, public land dedication requirements, buffers between residential and commercial uses, and La Loma Restaurant views. The Applicant has addressed all these topics in the PDP Amendment proposal. However, opposition from La Loma Restaurant based on concerns of blocked views remain.

#### External Referrals

Requests for comments were sent to various local agencies and utility service providers, including Douglas County Government, Douglas County Schools, Colorado Department of Transportation, Colorado Division of Wildlife, Colorado Geological Survey, Cherry Creek Basin Water Quality Authority, surrounding HOAs, surrounding Metro Districts, IREA, Black Hills Energy, Xcel Energy, Century Link and Comcast. Comments received from local agencies and utility service providers were technical in nature and reconciled through the plan revision and review process.

### **Analysis**

This independent staff analysis takes into account the representations made in the application and attachments submitted to date.

#### PD Plan Approval Criteria and Analysis 17.34.030

##### A. Community vision/land use entitlements

1. Complies with the most recent version of the Douglas County/Castle Rock Land Use Intergovernmental Agreement.
2. Conforms to the most recent versions of the Town's Vision, Comprehensive Master Plan and long range or master plans.
3. Complies with design principles found in Chapter 17.10.

*Analysis: The proposed PD Plan meets these criteria. The proposed PDP Amendment conforms to the Town's Vision and Comprehensive Master Plan as well as meets the general design principles of land development.*

**B. Relationship to surrounding area**

1. Provides appropriate relationships between use areas, both internal and surrounding, with adequate buffer areas provided if warranted.
2. Provides innovative and creative plan design and layout.
3. Provides a variety of housing types, densities and open space.
4. Identifies areas as mixed use and/or depicts areas that are buffer areas to comply with Chapter 17.50 (Residential/Nonresidential Interface), where a proposed PD Plan is adjacent to residential property, as that term is defined in Chapter 17.50, or, for residential developments, where the proposed PD Plan is adjacent to nonresidential property, as that term is defined in Chapter 17.50.

*Analysis: The proposed PD Plan meets these criteria. The proposed mix of uses for PA3 are similar to the existing uses of the Promenade at Castle Rock PDP and are consistent with the multi-family residential uses to the northwest adjacent to the Promenade at Castle Rock PDP.*

**C. Circulation and connectivity**

1. Provides an adequate circulation system in terms of capacity and connectivity, which is designed for the type of traffic generated, safety, and separation from living areas, convenience, accessibility, noise and exhaust control.
2. Provides for emergency vehicle access.
3. Accommodates an adequate, functional and safe street system for vehicular traffic generated by the development and passing through the development.
4. Provides for pedestrian and bicycle traffic in a safe and convenient manner, separation from vehicular traffic, and access to points of destination and recreation.

*Analysis: The proposed PD Plan meets these criteria. The proposed PDP Amendment provides appropriate internal circulation and suitable connectivity to Promenade Parkway.*

**D. Services, phasing and off-site impacts**

1. Addresses fiscal impact of the project.
2. Provides an appropriate phasing plan which minimizes unnecessary utility extensions and adequately addresses other fiscal concerns of the Town.
3. Adequate water resources have been conveyed or purchased. Existing or proposed water and wastewater systems can support the proposed development pattern, uses and density.

4. Existing or proposed stormwater systems can support the development and will comply with applicable regulations. Provides phased improvements in a logical and efficient manner.
5. Provides adequate consideration to the future extension of streets and utilities to adjacent properties.
6. Identifies and appropriately mitigates all traffic impacts, on- and off-site.

*Analysis: The proposed PD Plan meets these criteria. The proposed PDP Amendment is supported by the existing water resources of the Promenade at Castle Rock PDP. In addition, existing water, wastewater, and stormwater systems can support the proposed mix of uses and major transportation infrastructure is already adequately developed.*

E. Open space, public lands and recreation amenities

1. Provides adequate trails, parks, recreation and open space.
2. Provides an adequate trail system in terms of internal circulation and appropriate external connections.
3. Provides functional open space for recreation, views, density relief, convenience, function and preservation of natural features, including significant tree stands, ridges, and stormwater areas. Open space reservations and public land dedications are of an appropriate configuration and location within the site and comply with any applicable requirements of Chapter 16.08, CRMC and this Title.

*Analysis: The proposed PD Plan meets these criteria. The proposed PDP Amendment proposes a 0.5-acre Open Space Private use area for an Outdoor Commons Park and a land dedication of 43 acres on the east side of Interstate 25 for Town open space.*

F. Preservation of Natural Features

1. Demonstrates sensitivity and limits disturbance to the site in terms of plan design and density to the site's major environmental characteristics including drainageways, topography, view sheds and vegetation.
2. The proposed PD Plan and zoning accommodate the Skyline/Ridgeline Protection Regulations in Chapter 17.48 and reasonably mitigates visual impacts upon off-site areas.
3. Consideration shall be given to wildlife impacts in the layout of open space areas. Where designated threatened or endangered species are present, the development must conform to all applicable state and federal restrictions and permitting requirements.

*Analysis: The proposed PD Plan meets these criteria. The proposed PDP Amendment provides a new Open Space Private use area for an Outdoor Commons Park for the public to enjoy the western views of the Front Range.*

## **Budget Impact**

Development of the property will generate review and impact fees, along with use taxes similar to like development.

## **Findings**

All staff review comments and external referral comments have been addressed. The Planning Commission found the Promenade at Castle Rock Planning Area Three Planned Development Plan Amendment to:

- Generally, conform with the objectives of the Town Vision and the Comprehensive Master Plan; and
- Meet the review and approval criteria of the Municipal Code, Chapter 17.32 PD Planned Development District and Chapter 17.34.030 PD Plan Approval Criteria.

## **Recommendation**

On Feb. 11, 2021, following presentations by Town staff and the Applicant, testimony by two members of the public, and a detailed discussion, the Planning Commission voted 7-0 to recommend to Town Council approval of the Planned Development Plan Amendment, as proposed.

## **Proposed Motion**

*"I move to approve the Ordinance as introduced by title, on second and final reading."*

## **Attachments**

Attachment A: Ordinance  
Exhibit 1: Legal Description  
Exhibit 2: PD Plan  
Exhibit 3: Zoning Regulations  
Exhibit 4: DA Amendment  
Attachment B: TIS