



Meeting Date: September 7, 2021

## AGENDA MEMORANDUM

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

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

**From:** Sandy Vossler, Senior Planner, Development Services

**Title:** **An Ordinance Annexing to the Town of Castle Rock, Colorado a 5.34 Acre Property Located in Part of Section 34 & 35, Township 7 South, Range 37 West, of the 6<sup>th</sup> Principle Meridian, Douglas County, Colorado (StorQuest-Liggett Road Annexation, 5.34 Acres, Located on Liggett Road, 1/10<sup>th</sup> mile south of the State Highway 85/Liggett Road Intersection)**

---

### Executive Summary

Kim Barrett, KGCB Industries, owner, has submitted a petition for annexation to the Town along with an application to be zoned General Industrial (I-2). The property consists of four parcels, totaling 5.34 acres, located on Liggett Road south of the State Highway 85 and Liggett

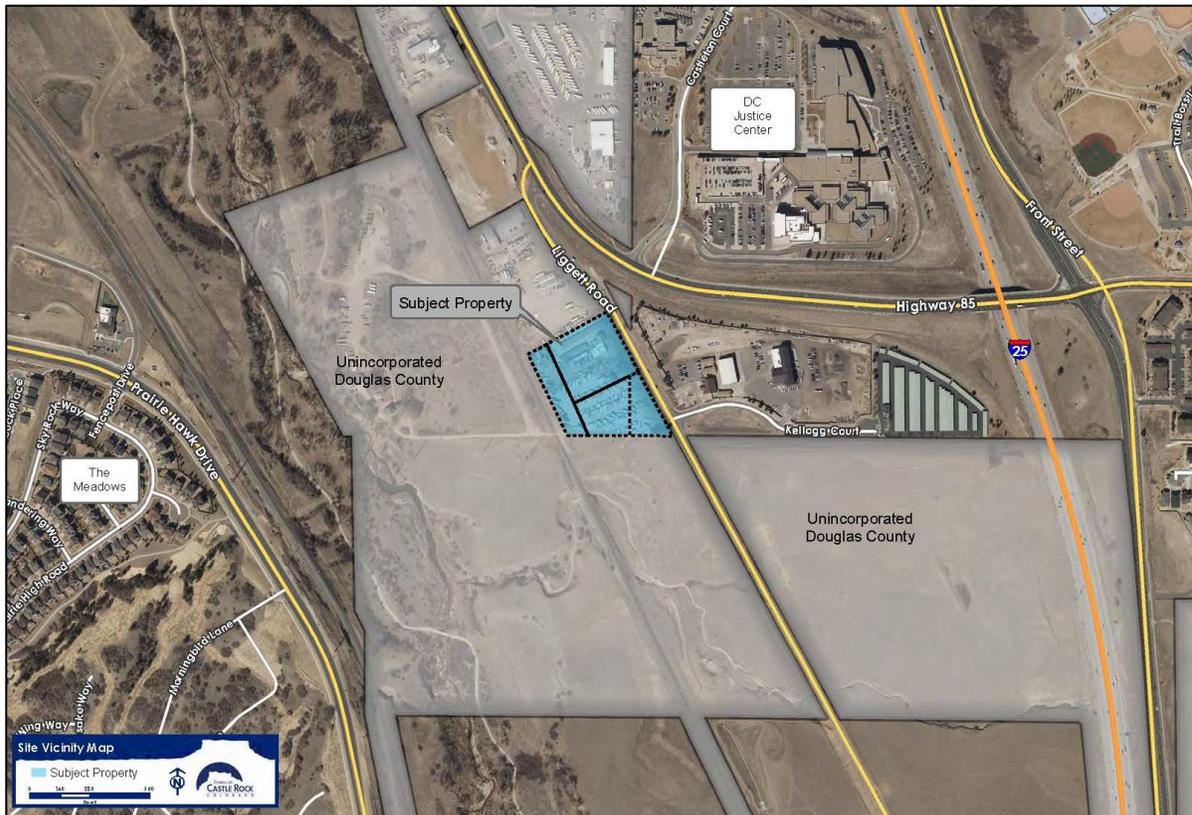


Figure 1: Vicinity Map

Road intersection (Figure 1 and Attachment A). The William Warren Group is under contract to purchase the property with the intent to redevelop the site and construct a StorQuest self-storage facility with outdoor recreational vehicle (RV) storage. Castle RV & Mini-Storage is currently operating on the site.

The proposal consists of two separate applications; annexation and zoning. If Council approves the request for annexation, then the property must be zoned to establish the permitted uses and development standards. The applicant is proposing to zone the property as General Industrial (I-2), a straight zone district with uses and development standards established in the Town of Castle Rock Municipal Code Chapter 17.28. Self-storage facilities with outdoor RV storage is a permitted use in the I-2 District.

Planning Commission considered the annexation proposal in a public hearing on August 26, 2021 and voted 6 to 0 to recommend approval to Town Council. No members of the public attended.

## Background

### Existing Conditions and Surrounding Uses

The property proposed for annexation and I-2 zoning consists of four parcels in unincorporated Douglas County. Two parcels are zoned Agricultural One (A1), shaded in blue below. Two parcels are zoned General Industrial (GI), in red below. Castle RV & Mini-Storage is currently

operating on the property, offering outdoor recreational vehicle storage and drive up storage units.

The site is surrounded by unincorporated properties to the north, south and west. Hier Drilling Co. to the north is zoned GI, as is the undeveloped property to the south. Similar to the Town's I-2 zoning, the Douglas County GI district is a heavy industrial district that allows offices, warehousing, assembly, distribution, construction and fuel yards.

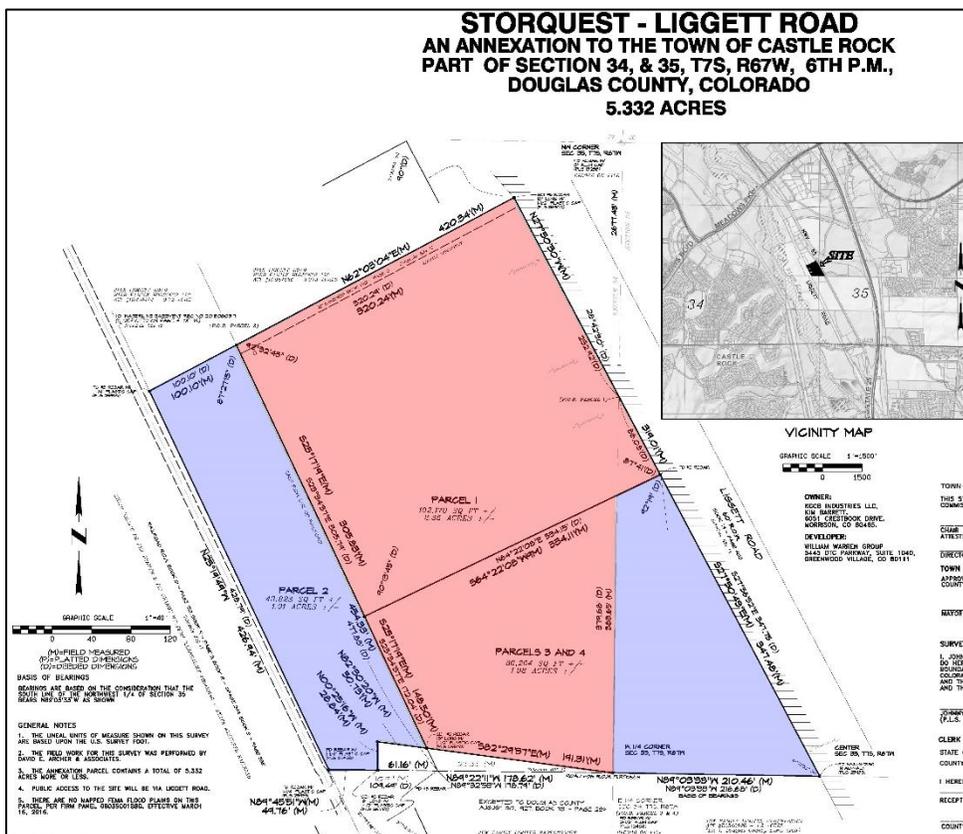


Figure 2: Current Zoning

To the west of the property is railroad right-of-way, beyond which is undeveloped property zoned A1. Of note, the properties to the south and west of the site are part the Pine Canyon Planned Development amendment currently under review by Douglas County. The County A1 zone district allows for a wide range of farming, ranching and tree farming activities, open space and limited development such as churches, recreational and public facilities.

The east of the property, across Liggett Road, is the Castle Rock Water Department (CR Water). CR Water is zoned to allow industrial uses under the Metzler Ranch Planned Development and currently has office, and equipment and material storage on the site. The adjacency with the CR Water property establishes the 1/6<sup>th</sup> contiguity with Town boundaries that is necessary for annexation.

## **Discussion**

### **Annexation Request**

The StorQuest – Liggett Road annexation petition and plat were reviewed, accepted and filed with the Town Clerk on April 13, 2021 (Attachment B). As required by the Colorado Revised Statutes (C.R.S.), the petition was reviewed by Town Council in two separate hearings. The Substantial Compliance hearing was held on May 18, 2021 and Council found that the petition substantially complied with the requirements of the Colorado Constitution and the C.R.S. The Eligibility hearing was held on July 6, 2021 and Town Council found the property to be eligible to be considered for annexation into the Town.

### **Zoning Request**

The applicant is requesting that the property be zoned General Industrial (I-2), a straight zone district established in Chapter 17.28 of the Municipal Code (Attachment C). The I-2 zone district is intended to allow less restrictive types of industrial development where the necessary characteristics of industrial operation will not adversely affect nearby residential and business uses.

### **Use**

The William Warren Group is currently under contract to purchase the property with the intent to build a StorQuest self-storage facility, with outdoor RV storage, which is a use by right in the I-2 district.

### **Development Standards**

The development standards for the I-2 district are established in the Municipal Code Section 17.28.060 (See Figure 3 on page 4). These standards will be applied at the time the site development plan is submitted and reviewed.

### **Interface Regulations**

The property is not subject to the Interface regulations, as it is not adjacent to residential zoned properties.

General Industrial Development Standards	
Maximum Lot Coverage	As limited by development, landscaping, parking and other site requirements
Minimum Side Yard Setback	0 feet, except where the side yard abuts a lesser intensity, then setback of that zoning applies
Minimum Front Yard Setback	15 feet from the front property line
Minimum Rear Yard Setback	0 feet, except where the rear yard abuts a lesser intensity, then setback of that zoning applies
Maximum Building Height	50 feet

Figure 3: Development Standards for I-2 zone districts

Skyline and Ridgeline Protections

The property is not located with the Skyline or Ridgeline Protection areas.

Open Space and Public Land Dedications

The I-2 zone district is not required to dedicate open space. A Public Land Dedication (PLD) or cash-in-lieu of such land dedication is required. The cash-in-lieu amount will be specified in the Development Agreement that will be considered and acted upon by Town Council at the second reading of the Annexation and Zoning Ordinances.

Transportation and Traffic Impacts

A Transportation Impact Analysis (TIA) was submitted to the Town by the applicant and reviewed by the Town’s Public Works Department traffic engineers (Attachment D). The study evaluated the Liggett Road and Kellogg intersection and analyzed the two points of access to the site. The five existing driveway access points will be consolidated into one full movement entrance located on the south side of the site, and one exit only drive on the north end of the site.

The TIA provided a comparison between the daily vehicle trips generated with the current Castle RV & Mini-Storage and the proposed StorQuest facility, and concluded that the new facility would generate slightly more weekday vehicle trips; existing total weekday trips are 151, and StorQuest total weekday trips estimated at 164.

	Proposed Facility			Existing Trips	New Trips
	In	Out	Total		
Weekday	82	82	164	151	+13
AM Peak	7	4	11	12	-1
PM Peak	9	10	19	17	+2

Figure 4: StorQuest Trip Generation

The north gated access to the facility will operate as an exit only. When Liggett Road is improved and widened, that exit only access will be restricted to only right turns. The TIA indicates that the exit only condition will not impair circulation on the site and not cause any significant or adverse issues.

An unpaved road exists on the south side of the property. That road will be improved to Town standards and aligned with Kellogg Court to the east, across Liggett Road. This intersection will be full movement. The southern access drive to the site would be north off of this improved roadway.

The Transportation Impact Analysis concluded that the proposed use will generate 13 more vehicle trips per weekday than the current uses operating on the site, however the increase will have minimal impact on the surrounding roads and intersections.

While it was determined that the low volume of traffic generated by the project has a minimal impact on the study intersections, the following owner obligations will be required through the Development Agreement;

1. A dedication of property to allow for the future widening of Liggett Road.
2. Frontage road improvements such as installation of curb, gutter, sidewalk, travel and turn lanes, landscaping, street lights, lane striping and storm sewer.
3. Resurfacing of Liggett Road related to surface degradation due to utility installation and construction traffic.
4. Provision of access to adjacent properties.
5. Payment of pro-rata share of future intersection control at Liggett Road and Castleton Court.

#### Service and Infrastructure Capacity

The Concept Utility Letter and Phase I Drainage Report for the site, which were reviewed by staff, indicate that the Town's water, wastewater and storm drainage systems can accommodate the proposed use. Adequate space has been reserved on the site for storm water quality and detention.

The property will be served by Castle Rock Police, rather than the Douglas County Sheriff. Upon annexation, the property will disconnect from the Castle Rock Fire District and will be served by the Castle Rock Fire Department.

#### Water Dedication

The owner shall convey its interest in the ground water rights to the Town by special warranty deed, free and clear of all liens and encumbrances. A credit of 2.637 single-family equivalents (SFE) will be established in the StorQuest Water Bank. An SFE is the measure of average annual wholesale water production necessary to meet the needs of a single-family residence. The Town will accept the water dedication without adjudication, along with a payment to offset the Town's costs of the assembled adjudications in the future.

The property is identified as infill in the Castle Rock Water's Water Resources Strategic Master Plan and, therefore, is not required to provide renewable water.

## Land Suitability Analysis

The Land Suitability Analysis (LSAR) for the property looked at the site history, site conditions and topography, geology, soil type and conditions, vegetation, wildlife habitat and migration, wildfire mitigation, and cultural resources. The LSAR determined between 1955 and 1984 residential buildings and a vehicle salvage yard was present on the site. Commercial and residential uses continued on the property from 1993 through 1997, as evidenced by aerial photos and city directory listings. From 1998 to present, the site was improved with buildings similar in size and structure to those previously existing on the site.

The site topography is relatively flat, with less than 2 degrees of slope. Soil borings to approximately 20 feet found existing fill materials, and native sand and clay soils. No vegetation of note was found on the site as most of the property has been developed for decades. Given the site is developed and there is no vegetation of significance remaining, the site does not contain contiguous wildlife habitat.

The Douglas County, Colorado Wildfire Hazard Potential map indicates that this site is in a low to moderate hazard area. According to the Colorado State Historic Preservation Office online database, there are no known cultural resources located with the property boundaries. There are no major drainage ways on the site.

The LSAR concluded that there are no significant, environmentally sensitive areas on the site that would be impacted by re-development and the site is suitable for type of development allowed by the proposed zoning.

## **Notification and Outreach**

### Public Notice

Public hearing notice signs were posted on the property on August 10, 2021. Written notice letters were sent to property owners within 500 feet of the property, at least 15 days prior to the public hearings. In addition, a public notice of the Annexation and Zoning hearing was published in the Douglas County News-Press on August 5, 2021 per Section 20.02.020 of the Municipal Code.

Town staff published notice of the Planning Commission and Town Council public hearings on the Town's website and provided information about the proposal on the Town's *Development Activity* interactive map. Staff has not received any inquiries or comments as of the date this staff report was prepared.

### Neighborhood Meetings

The applicant has conducted three virtual neighborhood meetings (Attachment E). The first outreach meeting was held on February 18, 2021. Two members of the public joined the meeting. No concerns were expressed and one attendee indicated their support for the proposal.

The second meeting was held June 29, 2021. No members of the public joined the meeting.

The third and final neighborhood meeting was held on August 9, 2021. No members of the public joined the meeting.

### External Referrals

Requests for external referral comments were sent to local service providers and Douglas County agencies, as well as the Colorado Department of Public Health and Environment (CDPHE) hazardous waste division and Colorado Parks and Wildlife (CPW).

Staff received responses of "No Comment" from Black Hills Energy and IREA. CDPHE and CPW did not return comments. Douglas County Community Development has no objection to the annexation and I-2 zoning, but questioned the boundaries of the plat. The applicant demonstrated to the Town's satisfaction that the area excluded from the annexation plat was deeded to Douglas County in 1927, and is not owned by the applicant, nor is it included in the purchase contract. There are no outstanding external referral comments.

### Annexation Analysis

This independent staff analysis takes into account the representations made in the application for annexation and attachments submitted to date, which were reviewed and processed as prescribed in Title 20 of the Town's Municipal Code, and also reviewed and found to be consistent with the Town's 2030 Comprehensive Master Plan's Responsible Growth Principles for annexed properties (Principles RG 2.1 and 2.2).

Requests for annexation must be consistent with the following items:

#### RG 2.1 Castle Rock Annexation Areas

##### **A. Is a logical extension or infill of the Town boundaries.**

*Analysis: The property is a logical infill of the Town boundaries. The property is contiguous to the Town boundaries to the east and a broader view of the site shows it is effectively surrounded by the Town, and lies within the Town's peripheral boundary (Attachment A).*

##### **B. Has demonstrated a significant benefit to the Town.**

*Analysis: Annexation and zoning of the StorQuest property is a step toward filling in some of the pockets of unincorporated properties that are surrounded by the Town and toward providing for a continuity of Fire and Police services. It further benefits the Town by allowing the redevelopment of the current self-storage operation with an upgraded, modern facility, effective screening of storage units and RV spaces and improved infrastructure improvements all under the Town's Code and technical requirements. In addition, the low traffic volumes, reduced number of access points, and completion of Liggett Road frontage and street improvements will increase safety.*

##### **C. Will be provided with adequate urban services.**

*Analysis: The property is able to be served with appropriate and adequate municipal services.*

**D. Is fiscally responsible.**

*Analysis: The owner will be required to pay for all infrastructure improvements necessary for development of the property such as water, wastewater, storm water and/or drainage, and transportation improvements. Additionally, the owner will pay a pro-rata share of future Liggett Road/Highway 85 intersection control improvements.*

**E. Conveys to the town all water rights appurtenant to the ground at time of annexation.**

*Analysis: The applicant will dedicate all appurtenant ground water rights to the Town. As an infill property, renewable water is not required to be dedicated.*

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

*Analysis: Per Town Code 4.04.045B this annexation property is not required to secure renewable water since the property is designated as infill.*

RG 2.2 Annexation of Infill Areas

**A. Consider the annexation and development of areas surrounded, or partially surrounded, by the Town boundary that can demonstrate a benefit to the Town, connect to Town water and sewer and create a contiguous municipal boundary.**

*Analysis: The property lies within the Town's peripheral boundary and can be served by Town water and sewer. Annexation of the property is a step toward creating a contiguous Town boundary. Redevelopment of the property under Town Codes and technical criteria, contribution to offsite road improvements and extension of Town law enforcement to the site are benefits to the Town. Annexation of this property is a logical infill to the Town.*

**General Industrial Straight Zone Analysis**

This independent staff analysis takes into account the representations made in the application and attachments submitted to date. Per 17.02.060C, the proposed I-2 zoning shall be evaluated under the following criteria:

**A. Is compatible with any applicable land use intergovernmental agreements.**

*Analysis: Annexation and zoning of the property is not subject to any existing intergovernmental agreements.*

**B. Conforms to the Town Vision, Comprehensive Master Plan, Sub Area and Corridor Plans.**

*Analysis: The proposed StorQuest annexation and zoning is consistent with the Town's Vision and Comprehensive Master Plan as detailed in the Annexation Analysis above. The site is not located within the area of a Sub-Area or Corridor Plan.*

### **C. Relationship to surrounding area.**

*Analysis: The proposed I-2 zoning and self-storage use is compatible with surrounding zoning and uses. The unincorporated properties surrounding the site to the north and south are zoned General Industrial. Heir Drilling Co. occupies office space and stores heavy equipment on the property north of the site. The property to the south of the property is undeveloped. County-zoned A1 property to the west is separated from this site by railroad right-of-way. The Town Water Department, located within the Town boundaries, east of the property is also zoned for industrial uses and is developed with office and outdoor storage of materials and equipment.*

### **D. Impacts to the natural environment.**

*Analysis: The LSAR found that the site has been developed since the early 1940's for residential and commercial uses. There are no identified natural features on the site to preserve. Annexation of the property into the Town will allow the Town to regulate the redevelopment and future operations according the Town zoning regulations and technical criteria. Required water and storm water facility improvements will minimize impacts to the surrounding natural environment.*

### **E. Available Services and adequate infrastructure.**

*Analysis: The property will connect to and be served by Town utilities which are located in close proximity and have the capacity to accommodate the uses permitted by I-2 zoning. The owner will be responsible for the cost of extending and connecting to Town services, as well as road improvements necessary to serve the site. The financial obligations were summarized earlier in this report and will be formalized in the Development Agreement. All ground water rights will be deeded to the Town. The additional 13 vehicle trips per weekday will have a minimal impact on the surrounding roads and intersections.*

### **F. Open space, public lands and recreation amenities.**

*Analysis: Open space dedication and recreational amenities are not required under I-2 zoning. Public land dedication is required and will be formalized in the Development Agreement.*

### **G. Positive economic potential.**

*Analysis: Development of the site within the Town will require that development fees and use tax be paid to the Town. Infrastructure improvements, financial contribution toward the Liggett Road/Highway 85 roundabout and cash-in-lieu of public land dedication will be required and detailed in the Development Agreement. Sales tax associated with the sale of storage materials will be collected by the Town.*

### **Budget Impact**

The proposed annexation will generate review fees. In addition, impact fees required at the time of zoning and site development will offset Town costs.

## **Findings**

All staff review comments and external referral comments have been addressed. Planning Commission found that the proposed StorQuest - Liggett Road Annexation and General Industrial zoning addresses the following:

- Conforms with the objectives of the Town Vision and the Comprehensive Master Plan,
- Meets the water dedication requirements of the Municipal Code, Chapter 4.04.
- Meets the annexation requirements of Title 20 of the Municipal Code, and
- Meets the review and approval criteria of the Municipal Code, Chapter 17.02, 17.04, and 17.28.

## **Recommendation**

The Planning Commission voted 6 to 0 to recommend to Town Council approval of the StorQuest – Liggett Road Annexation as outlined in this report.

## **Proposed Motions**

*“I move to approve the StorQuest – Liggett Road Annexation Ordinance, as introduced by title.”*

## **Attachments**

- Attachment A: Vicinity Map
- Attachment B: Ordinance
- Attachment C: Chapter 17.28 Business/Commercial/Industrial Districts
- Attachment D: Traffic Impact Analysis
- Attachment E: Neighborhood Meeting Summaries