



LEVEL 3 ASSESSMENT



JULY 2024

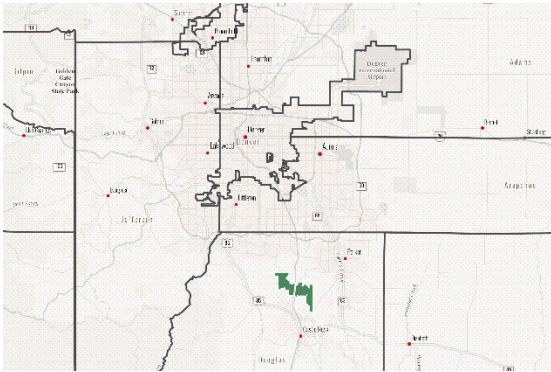
P- Community Profile

P.1– Community Description

a. Community Environment

(1) Community Definition and IDENTITY

The map below (MAP 1.1) illustrates the location of Castle Pines (shown in green) in relation to other major Colorado cities and counties, including Denver and the surrounding metropolitan area.

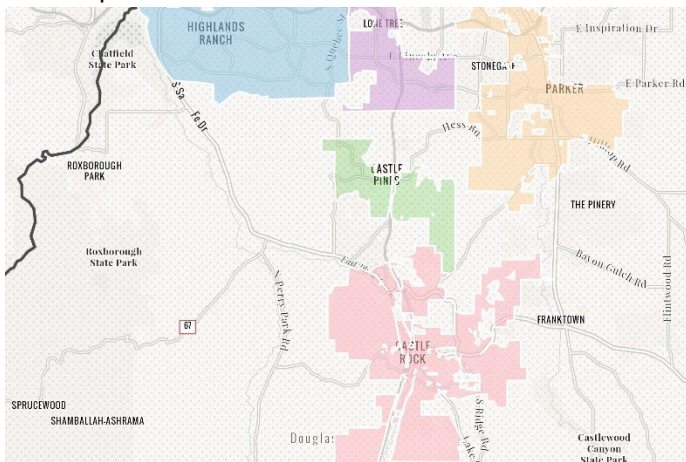


MAP 1.1: MAP OF CASTLE PINES, COLORADO AND COUNTIES IN PROXIMITY

Castle Pines began as a bedroom community in 1984. People moved to the area to be near the metropolitan area but away from it all. The community is located on a ridge approximately 1,000 feet higher than surrounding communities. This elevation affords the community majestic views of Pike Peaks and the Rocky Mountains and has majestic rolling hills, dense pine trees, and incredible vistas that make you feel you are living in the mountains, still just miles from incredible amenities. The City of Castle Pines was incorporated in 2008 and is one of Colorado’s youngest municipalities. The community encompasses nine (9) square miles. The city is geographically divided equally by Interstate-25 (I-25), an eight-lane highway. This division is both physical and cultural.

The land on the east side of the I-25 is only now undergoing significant new residential and commercial development. In contrast, the west side is mainly residential with limited community service-focused commercial uses and relies on infrastructure from the 1980s.

The map below (MAP 1.2) depicts the city’s current boundaries (shown in green) with surrounding municipalities.



MAP 1.2 CITY BOUNDARIES AND SURROUNDINGS MUNICIPALITIES

Castle Pines’ current population is around 15,000, and our growth has been significant. Our population was 10,500 in 2018. Douglas County consists of four municipalities, Lone Tree, Parker, Castle Rock, and Castle Pines, and significant development in the county’s unincorporated parts. The incorporated populations range from ~14,000 (Lone Tree) to ~73,000 (Castle Rock). Castle Pines is the geographic center of Douglas County.

The growth that Castle Pines is experiencing was intentional by the City Council to create a greater sense of community, diversify housing options, and enhance the regional awareness of Castle Pines. The

City Council has added an additional 6,500 new units approved developments following incorporation. Approximately 5,000 of these units are east of I-25 and began to be constructed in 2018 and will continue until full buildout when Castle Pines is expected to have around 33,000 residents.

On a national scale, it is challenging to determine similar municipalities since Castle Pines is in a unique place,

given our age, size, incredible topography, diverse nature, wildlife, and pace of its growth. This research to identify peer communities continues to be a high priority for the city as a governing body and for our community excellence group (CEG).

Castle Pines' identity is that of an upscale bedroom community with incredible vistas and built into the natural terrain – A place where people genuinely want to live, work, and play. The planned development expansion is intended to maintain the bedroom feel while diversifying the housing and adding substantial commercial and retail development. The draw of the metropolitan area is evident in how many Castle Pines residents commute to and from outside the city for work and entertainment. There has also been growth in the number of home-based businesses within Castle Pines. Entrepreneurs from across the industry sectors have located in Castle Pines for all the community has to offer. The City's focus on infrastructure has solidified the city's identity as the place to start or move your home-based business. The proximity of the Rocky Mountains also prompts residents to drive west for various recreation opportunities, such as trails and ski resorts. The Council's focus on additional parks, recreation, open space, and trails also appeals to new residents moving to the City. These amenities and services complement the residential base and better reflect their needs and desires in community identity.

One of the significant challenges and opportunities for Castle Pines is the community's desire for a city center, that sense of place, a thriving business district, and other physical elements clearly reflect the brand of Castle Pines. Residents love their neighborhoods and certainly feel a sense of place at that local level. However, they also want that sense of place at a city-wide level. Some elements of the existing community identity are residents' above-average income and education levels, as well as the aesthetics and design of neighborhoods. Castle Pines is very family-oriented and appeals to this demographic more than any other due to the highly ranked elementary schools in the community, extremely low crime rate, and ample passive outdoor recreation opportunities.

(2) Community Offerings

Castle Pines contains multiple medical practices and one urgent care facility, with two major hospitals near the community. There are four highly acclaimed and award-winning elementary schools and two middle schools within city limits, with a new elementary school planned to be built and a dedicated site for middle and high school facilities on the city's east side. Parents have options for schools that include traditional neighborhood and charter schools. Castle Pines residents have an abundance of recreation opportunities available, with extensive trails and parks within the city's boundaries. Active recreational opportunities include picturesque disc golf, pickleball, tennis, and sports fields. The City is home to a beautiful golf course that winds its way through parts of the community, and adjacent to the City is another golf course that regularly hosts national PGA events. There is also easy access to other recreational amenities outside the city. The city also has an excellent partnership with local law enforcement and fire services, so residents have confidence in response times and public safety resources.

The municipality primarily provides land use, public works, and law enforcement services. The need for thoughtful land use is critical to enhancing a sense of community, as approximately 50% of the land is yet to be developed. The goals for this land area include additional diversity of housing, substantial mixed-use and commercial development, plus many more parks, trails, acres of open space, and recreational opportunities. Developing a well-designed transportation system that serves future transportation choices is also essential. A built environment that benefits all modes of transportation enhances a community's sense of place and definition. Throughout the City's history, there has been a focus on protecting the natural environment and wildlife, even as development dominates the landscape. The municipal government has also focused on broadband. As access to the internet has become a necessary utility for our residents and businesses, including supporting the community's expanding entrepreneurial home-based workers and businesses, ensuring that the

speed, reliability, price, and local regulations reflect our current and future needs is critical to recruiting and retaining residents and businesses.

The relative importance of these critical offerings to the community’s well-being strongly influences why people live in Castle Pines. Though the primary customers in Castle Pines are its current residents (owners and renters), businesses, and land owners, we are also working hard to appeal to other customer groups, such as visitors, commuters, and new businesses. As a young community, many efforts are being made to spur development and improve economic vitality. The city has over 1.2 million square feet of commercial development approved and awaiting action. The city also recently amended a land-use area of approximately 100 acres, allowing for commercial development that provides ‘community benefit’ defined by the City Council. This new and innovative partnership with the development community will entice innovative and creative industries to move to the city. One significant advantage the city has is the availability of rental and ownership of multi-family housing – apartments, condominiums, and townhomes. The city has traditionally been a place for primarily single-family homes, so these new products provide opportunities for diverse demographics – such as younger adults/professionals – to live, play, and work in Castle Pines.

As previously mentioned, Castle Pines has many indoor and outdoor recreation opportunities. The city has multiple parks, trails, and open space, with new developments expected and required to have ample land dedicated to these uses. The City’s natural wildlife includes bears, deer, coyotes, foxes, a wide range of birds, and a protected bison herd. To the north and east of the city, there are thousands of acres of natural land containing a historic castle and a massive natural park. On the city's northwest side, Reuter-Hess reservoir abuts the city boundary, providing even more trails, views, wildlife, and other recreational amenities. The city has a Parks and Recreation Comprehensive Plan and a Trails Master Plan to strategize and plan for future recreational offerings. A Council-appointed citizen parks and recreation advisor board reviews and recommends future parks and recreation projects to the City Council.

Recent changes have significantly impacted the community’s need for these assets. The City has made substantial transportation improvements, including better road connections, addressing frequent historical complaints from residents. Additionally, we have transferred the management of Parks, Trails, and Open spaces from the Castle Pines North Metro District to the City, which allows for more cohesive and efficient management of these vital community resources. The City is working on developing gateway monuments to enhance economic development and have implemented wildfire mitigation strategies to protect and enhance our natural resources and quality of life. Furthermore, the City has opened a new park, Pronghorn Park and Disc Golf Course, providing residents with additional recreational opportunities.

(3) Residents and Other STAKEHOLDERS

Castle Pines’ population is primarily comprised of upper- to middle-class suburban families. Most residents are well-educated, middle-aged, affluent homeowners with largely conservative ideals. The table below (TABLE 1.1) illustrates the demographics of Castle Pines as a whole.

The CEG also desires to evaluate the demographics of each side of I-25 separately to ensure the needs of the community are being met, and these separated demographics will be submitted in the future if available.

Total Population	14,146
Population by Race/Ethnicity: White	85%
Population by Race/Ethnicity: Asian	3.1%
Population by Race/Ethnicity: all others	11.9%
Average Household size	2.84
Median Home Value	\$697,192

Median Household Income	\$181,922
Average Household Income	\$241,768
Per Capita Income	\$84,876
Home Ownership v Rent	89.2% v 10.8%
Median Age	40.6
Population by Educational Attainment: Bachelor’s Degree or higher	72.8%
Population by Educational Attainment: Some college	18.1%
Population by Educational Attainment: High school diploma	7.3%

TABLE G1.1: CASTLE PINES DEMOGRAPHICS (2023)

Like any developing community, various stakeholders are drawn to Castle Pines based on its potential, including its central location within Douglas County, easy access to I-25, available land, and the natural environment. Consequently, our largest and most important stakeholders include residents, landowners, developers, businesses, and home builders. Additionally, we consider families and working individuals from outside the community as part of other key customer groups. Though there are not as many individuals in this group – an estimated 25% of the total population – we still strive to consider their perspective.

The community values our small-town feel and the comfort of knowing your neighbors. As the community continues to develop, numerous partners work with the developers and new residents to build in a way that supports the community and welcomes the new residents in supporting the community’s small-town values. The City Council continues looking for opportunities to create gathering places and a ‘downtown’ area to help preserve what people define as a “small town feel.” Further, that definition is also built around their neighborhood, which is currently made up of single-family homes. Most approved new residential development continues to be single-family homes, therefore maintaining that “small town feel.”

Aligning our vision and community development goals with resident, customer, and stakeholder groups’ requirements and expectations will allow us to foster a thriving and well-recognized community – locally, regionally, statewide, and beyond. Given the rapid rate at which the city is growing and changing, there is a clear and articulate need to identify various community groups and segments.

As commercial development continues and the number of businesses in the city expands, the need for employees will grow. As the current housing costs are on the higher end, it will be critical to develop a variety of housing options for all economic demographics to live and work within the community. The business community has been evident on this need, and the Council has been working to address this issue.

We also recognize the importance of supporting our aging in place demographic. As part of our commitment to enhancing the quality of life for all residents, we aim to increase offerings and events tailored to the interests and needs of older adults. This includes creating more community events and activities that encourage social engagement, physical activity, and cultural enrichment for our senior residents. By doing so, we ensure that Castle Pines remains a vibrant, inclusive, and supportive community for people of all ages.

(4) People Resources

City Staff, an engaged municipal government, is the most important community group tasked with delivering key offerings. In addition, our City Council, Planning and Zoning Commission/Board of Adjustment and Appeals, and Parks and Recreation Advisory Board are essential groups that make decisions that impact the community.

While City Staff, Council, and its advisory boards are more formal leaders in the community, we consider informal leaders to be groups such as home builders, HOA leadership boards, local media sources such as the

Castle Pines Connection, as well as the local Chamber of Commerce, to name a few. We are also mindful of leaders in the community that do not hold a title at all – parents with school-age children or residents with active social media presence. These informal leaders are equally influential in gathering stakeholder input and incorporating requests into improvements to community offerings.

As the city was developed as a bedroom community with the commercial development solely focused on residential services such as dry cleaners, nail shops, grocery, and veterinarian services, the city has very few organizations that assist the City leaders. The Council is aware of this limitation and goes back to future commercial growth. Working to create an environment where other governmental, health, education, and social service delivery is located in Castle Pines will significantly expand the breadth of community leadership.

Castle Pines recently transitioned from statutory to home rule status. Our formal and informal leaders are familiar with this Home Rule Charter and its meaning for each customer group, which was communicated from the beginning. We want to continue to emphasize home rule benefits that will have future positive effects for customer groups. For example, one advantage is our increased sales tax revenue for the community. Becoming home rule allowed the city to self-collect this sales tax. Still, many other benefits exist regarding autonomy from state regulations and flexibility to approve ordinances unique to Castle Pines. The City Council's ability to develop laws and policies that serve the community and stakeholder goals will greatly enhance the community's ability to see our vision come to reality.

(5) Regulatory Environment

As a Home Rule municipal government, the locally elected City Council has significant control over many of the legislative and policy issues that the community may face in the future. State legislative laws may also come into play, depending on the subject. As an example, Federal laws may come into play as the city looks to broaden housing options and work to diversify the community demographics. The city has a significant need for the 'missing middle' (defined as 80-140% of AMI) in the housing market and there is minimal State and Federal support and/or funding available to help this housing be realized within the community. Another example is that the city is divided in half by a Federal highway, and linking to the two halves of the community requires both State and Federal approval. This impacts the goals of the CEG significantly in terms of time and money when looking at improving bike/ped connections within the community.

To date, based on the CEG conversations, very few regulatory issues outside the control of the City Council stand in the way of realizing our community vision. Additionally, Castle Pines operates on a contractual service model, which uniquely provides additional control of the operations toward our vision. The physical built environment and the economics of developing in the city are the real challenges to the vision becoming a reality. We bring this up under this question since the regulators in our circumstance are both State and Federal, but also local landowners who, while not defined as regulations, control and impact the CEG's ability to bring the vision to light. Creating a sense of place for the community and creating community cohesion largely require the built environment. Whether that is a 'main street,' public plaza, or bike/ped bridge over the interstate highway, the time and cost to create the built environment are significant limitations. When landowners don't support the vision or choose to delay or increase costs associated with the CEG implementing the vision, it is equivalent to the impacts of the regulatory environment.

b. Community Excellence Group

(1) MISSION, VISION, VALUES, and CULTURE

We have formed a CEG as a support system to propel us forward as we define ourselves as a premier Colorado community. The group has identified the following Mission, Vision, and Values to guide their processes and decision-making as we move through the cohort process.

Mission: The mission of the CEG is to unify the community's identity and bridge the community both physically and socially by advocating for events and connectivity.

Vision: A connected community with the opportunity to escape to a natural oasis where residents can live, work, and enjoy life.

Values: We will incorporate the following values into our natural processes and decision-making:

- Inclusivity of all
- Listening to all
- Differing opinions/ideas open our thoughts
- Solutions are possible
- our actions matter

As we continue to develop and mature our CEG, we will discuss our stated mission, vision, and values and expect them to change and grow with our experience.

(2) Composition

Key community organizations in our CEG include the City of Castle Pines representatives, the Chamber of Commerce, the local newspaper, the local school and library districts, and public safety officials. Additionally, developers, landowners, and business owners in the area play a vital role in the success of our CEG since their investment and roles in the community continue to increase the area's population. The group aims to have five members representing government, service providers, or community groups and six members from the 'private' sector (development, landowner, and business community).

The importance of developing and maintaining a sense of community, especially as a growing city, are key drivers for these groups. Each of these groups strives for success for their individual organizations and the community in meeting the mission, vision, and values identified. Developers' success comes when homes are built and businesses open. The Chamber and school district benefit as well from this. These groups know that when we can address issues and the interconnection of an entire community is acknowledged and valued, they all benefit.

The backbone organization of this CEG is the City Managers office at the City of Castle Pines, which utilizes varying departments as resources for this group.

(3) LEADERSHIP SYSTEM

The City of Castle Pines government leads the community excellence efforts through our City Manager, Michael Penny, and is supported by our Assistant to the City Manager, Makenna Shaw. Currently, each member of the CEG has equal authority, and there is no formal hierarchy among the group. The group develops agendas and topics, and the city staff is the support staff.

This presents a clear advantage of high accountability in the group and works with the group's current focus. In addition to reporting to one another during monthly meetings, our backbone organization of the city provides regular internal updates to other staff to brainstorm and collaborate on future actions.

We expect additional leadership positions to be developed as the group expands to address various other opportunities within the community.

Community Excellence Group Organization Chart



(4) Programs and Services

The program and service that our CEG is offering is that of a convener for the community. The focus of the CEG has been working towards ensuring there is a unified ‘single community’ of Castle Pines. Given the unique geographic challenges of I-25 dividing the east and west sides of Castle Pines, this group has the opportunity to create strategies for developing connectivity in the community as it continues to grow rapidly.

Their effort, to date, has been to communicate and participate in conversations that are in service of residents and businesses, seeing the community as one and not us and them. Additionally, we aim to enhance our offerings to include senior and youth/education options. We want to provide services that serve the whole community, including smaller demographics such as seniors and youth, focusing specifically on the needs and interests of all residents. By doing so, we ensure that our community remains inclusive and supportive for people of all ages and backgrounds.

(5) PARTNERS and COLLABORATORS

Currently, there are no partners, or collaborators beyond the city and the CEG members participating in the group's focus area. To date, the unique focus of the CEG is developing a unified ‘single community’ has focused on conversations. These conversations work towards creating a common language for how we speak about our community—for example, encouraging developers in the community to represent their projects by promoting its connection to Castle Pines instead of referring to projects by any other given name. It would be expected that several partners and collaborators will eventually assist and support the CEG in meeting the current goal and future goals.

(6) PERFORMANCE Improvement SYSTEM

The overall system for performance improvement used by our Community Excellence Group (CEG) is based on the "Plan, Do, Study, Act" (PDSA) cycle. This continuous improvement methodology ensures that our strategies and actions are systematically planned, executed, evaluated, and adjusted to achieve optimal results.

In the **Plan** phase, we identify key areas for improvement based on community needs and priorities. This involves setting clear objectives and defining desired outcomes. We rely on survey data and self-assessments as baselines to understand the current state and identify gaps. Recent community survey results provide valuable insights into residents' perceptions, satisfaction levels, and areas needing attention.

During the **Do** phase, we implement strategies and initiatives designed to address the identified needs. These actions range from new programs and services to community engagement activities. Throughout this phase, we ensure that all actions align with our overall goals and objectives.

In the **Study** phase, we evaluate the outcomes of our actions by collecting and analyzing data to assess whether the objectives were met. We compare the results against baseline data from surveys and self-assessments to determine the effectiveness of our initiatives. Key performance indicators (KPIs) are used to measure success and identify areas for further improvement.

Finally, in the **Act** phase, we make necessary adjustments based on the findings from the study phase. This may involve refining our approaches, scaling successful initiatives, or addressing shortcomings identified during evaluation. The lessons learned are documented and used to inform future planning and implementation cycles.

Our key tools and methods include:

- **Community Surveys:** Regularly conducted surveys provide a comprehensive understanding of residents' needs, satisfaction levels, and areas for improvement. The data collected serves as a critical input for planning and evaluating our initiatives.
- **Self-Assessments:** These assessments help us gauge our performance against established standards and benchmarks. They enable us to identify strengths and weaknesses within our organization and community.
- **Key Performance Indicators (KPIs):** KPIs measure the success of our initiatives and track progress toward our goals. These indicators are selected based on their relevance to our strategic objectives and community needs.
- **Feedback Mechanisms:** We actively seek feedback from residents, businesses, and other stakeholders through various channels. This feedback is crucial for continuous improvement and helps us stay responsive to community needs.
- **Collaborative Partnerships:** Working with local organizations, businesses, and community groups allows us to leverage additional resources and expertise. These partnerships enhance our ability to implement effective solutions and drive community-wide improvement.

By utilizing the PDSA cycle and leveraging our survey data, self-assessments, and other key tools, our Community Excellence Group continuously strives to enhance the quality of life for all residents and ensure the sustainable development of Castle Pines.

P.2 Community Situation

a. Competitive Environment

(1) Competitive Position

Many communities similar to Castle Pines are also in close geographic proximity – the cities and towns immediately north, south, and east of Castle Pines include Lone Tree, Castle Rock, and Parker. When we examine the best practices of other communities, these are often the places we look to for guidance and collaboration. Castle Pines has a unique advantage over our competitors because of the draw of other established communities' offerings. Outside of the immediate surrounding competitors, Castle Pines competes with other areas in the Denver metro region for a variety of the same offerings. Our CEG hopes to collect additional demographic data from these competitors to continue to evaluate our competitive position and will include this data in future submissions.

These communities mentioned are our competitors in relation to many offerings, including employment, shopping and dining, higher education, and other community amenities such as recreation. As Castle Pines is a very young community, many people leave the city for work, entertainment, etc., and often do not come from outside the city limits for these things. As the community grows and evolves, we want to increase our community offerings to encourage people to build homes here, patronize local businesses, and invest in their home community.

(2) Community Changes

One of the most influential changes that Castle Pines faces relating to our competitive situation is the annexation of land on the southwest and east sides of I-25, which will triple the current population at full

buildout. There are already some new residents living in these recently annexed and developed areas, so this change has presented challenges in understanding new residents' needs while also satisfying the expectations of residents here before formal incorporation. This impacts our competitive situation because we want to attract new residents, businesses, and visitors to Castle Pines. Still, we also recognize that development must be intentional and conscientious of the existing population.

The changes mentioned have brought forth unique opportunities, and our CEG is in a ripe place to collaborate internally as well as with other external partners to understand effective approaches to problem-solving. As we grow our CEG in terms of members and participation from new entities, their feedback and input will be valuable as we gain a complete understanding of what Castle Pines has to offer, but also what it lacks and how we can work to bridge those gaps to make our community better.

(3) Comparative Data

There are many sources to gather data on Castle Pines relating to various indicators – health, education, economics, quality of life, etc. The county government and other quasi-governmental organizations have data available. Still, one of the obstacles to accessing this data is the fact that there are many sources, and obtaining data from these sources is often a longer process. While data is abundant, there is a lack of standardization. This creates a limitation in obtaining and using the data, in addition to a lack of historical data and the ability to access it if an individual is not a part of the ownership group.

To enhance our data sources, we also utilize our community surveys, which provide valuable insights into residents' perceptions and satisfaction levels. These surveys serve as a key source of comparative and competitive data, offering a direct understanding of community needs and priorities. The survey data helps us benchmark our performance and identify areas for improvement in real-time.

However, there are limitations to using survey data as well. Surveys need to be conducted regularly to provide ongoing insights, which can be resource-intensive. Additionally, the response rate and representativeness of the survey participants can affect the reliability of the data. Despite these limitations, surveys remain a crucial tool in our data collection efforts, complementing other external data sources.

By leveraging both external data from county and quasi-governmental organizations and our internal survey data, we strive to obtain a comprehensive view of the community's status and needs. We continuously work to overcome the limitations in data standardization and accessibility to ensure informed decision-making for the betterment of Castle Pines.

b. Strategic Context

(1) CHALLENGES, THREATS, ADVANTAGES, and OPPORTUNITIES

Relative to the changes mentioned above regarding population increase and new residents, one of the most significant challenges that Castle Pines is facing is the need for a united 'single community.' I-25 bifurcates the city neatly in half, so a physical east-side versus west-side divide exists, and many residents identify with their neighborhood name instead of as a resident of the city overall. We want to avoid this division as much as possible by framing the community as one whole instead of two halves, or neighborhood-specific, so that residents feel they belong to the whole community instead of one part. The main challenge that the current legacy side of the city faces is the lack of new amenities, such as roads and commercial development that will be brand-new on the city's east side once fully developed. As a CEG, we must encourage and brand the entire community as Castle Pines with consistent physical cues such as signage and more invisible cultural cues to avoid division of identity.

Additional strategic challenges include the Douglas County School District's plan to build new schools in the city without the necessary funding to do so. This poses a significant challenge in meeting the educational needs of our growing population. Furthermore, we face difficulties in developing more affordable housing, particularly workforce housing, due to our limited commercial area. Legislative and homeowners association (HOA) overruling further complicates our efforts to address these housing needs.

An advantage for Castle Pines is that surrounding areas are already commercially built out, providing us with a unique economic advantage. As the only place in the area with a substantial capacity for commercial development, we have a significant opportunity to attract businesses and create a thriving commercial hub. This potential for commercial growth can help us overcome some of our housing challenges by increasing the local job market and providing the necessary economic support for more diverse housing options.

A strategic advantage that Castle Pines is experiencing also relates to the new development occurring in the community. As the Denver metro region grows immensely, many people search for communities further into suburban areas such as Castle Pines to build lives. Our proximity to Colorado's capital is appealing because people can still access the amenities of a large city and enjoy the calmer lifestyle of the suburbs where they live permanently.

These strategic challenges and advantages are shaping the operations of our community and will heavily impact the articulation of our CEG's mission and vision. As the CEG, we must adopt a perspective of embracing the challenges mentioned to develop and instill a sense of pride in being a Castle Pines community member. These challenges may exist briefly or become long-term ones, but the more we foster a culture of resilience within our excellence group, the better results we will see in the future. Addressing these challenges and leveraging our strategic advantages will allow us to enhance the quality of life for our residents, attract new businesses, and ensure sustainable growth and development for Castle Pines.