



Town of New Castle
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**Planning & Code Administration
Department**
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Staff Report

**Castle Valley Ranch PA 12 – Filing 14
Preliminary PUD/Subdivision Application
Planning Commission – Resolution 2026-01
February 25th, 2026**

Report Compiled: 2/19/2026

Project Information

Applicant: Maarjan Hashami

Applicant’s Mailing Address: 17774 Preston Rd.
Dallas, TX 75254

Email: maarjan@tcfuels.com

Property Owner: TC Midwest LLC

Owner Mailing Address 17774 Preston Rd
Dallas, TX 75254

Proposed Use: 66 Multi-family Residential Townhomes

Parcel Acreage: 10.32 acres @ 6.4 units/acre

Open Space: ~2.02 acres or 19.3%

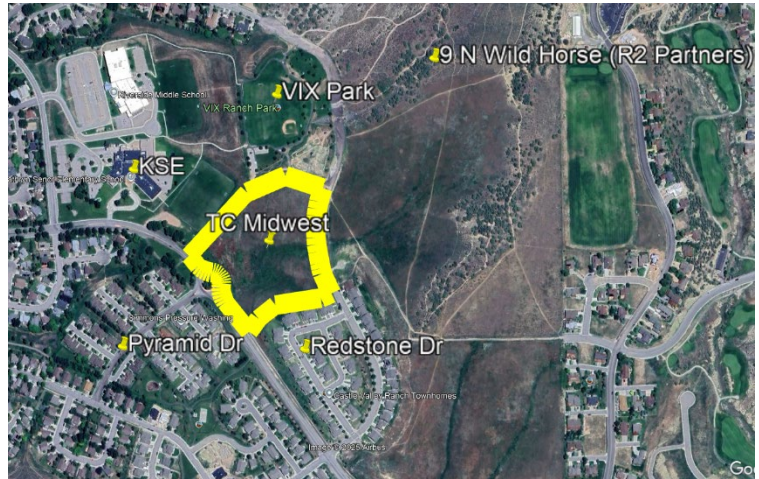
Underlying Zoning: Mixed Use MU-1

Proposed Zoning: Castle Valley Ranch MF-2

Surrounding Zoning: SF & multifamily homes (N Wild Horse Dr., Redstone Dr, CVB);
Parkland (VIX Park)
Residential zoning (CVRI)
School (Kathryn Senor Elementary)

I Introduction

TC Midwest, LLC originally submitted a sketch plan application in February of 2024 proposing commercial development on Planning Area 12 (PA12) east of the Castle Valley Blvd. (CVB) roundabout near Katheryn Senor Elementary and across from Pyramid Dr. That plan included various commercial uses developed in several phases. With the feedback received from the meeting, the Applicant reconsidered alternative uses more consistent with the surrounding neighborhood. These alternatives were reviewed at Sketch Plan by the Planning Commission and Council on April 9th, 2025 and May 6th, 2025, respectively. The Sketch Plan was later presented at a community open house on May 14th, 2025.



The current preliminary application reflects the feedback from those meetings and now proposes a fully residential development, comprised of 66 townhome units in 14, two-story buildings priced at fair market value including workforce housing. Road designs will match Town standards and will align with existing intersections such as the CVB roundabout and the future Silverado Trail to the Lakota PUD. Open space will include areas for snow storage, a children’s play area, two public pickleball courts, various connecting trails, and the usual sidewalks.

The Preliminary Plan application was completed on December 18th, 2025. As the second of three application steps required for new planned unit developments (“PUD”) & subdivisions, the plan shall demonstrate zoning conformance, compliance with the Town code, provisions for utilities and infrastructure, compatibility with the comprehensive plan, and address any adverse impacts to the Town. Unlike the sketch plan, the preliminary plan is assessed through a public hearing, culminating with an approval decision by the Planning & Zoning Commission (P&Z).

Within thirty (30) days after the close of the public hearing, or within such time as is mutually agreed by P&Z and the Applicant, P&Z shall make one of three decisions regarding the application: 1) approve the application unconditionally; 2) approve the application with conditions; 3) deny the application. A continuance may be granted pursuant to Section 16.08.040(G) of the code.

II Changes from Sketch Plan

At the Sketch Plan meetings, both the Commissioners and Council lauded the turn from mixed use to multifamily residential zoning. An all-residential product was considered a better fit for the surrounding community. The input has since prompted the Applicant to consider only modest changes to the Sketch proposal. Some of these include:

- Street bump-outs at crosswalks added for better lines of site;

- An 8-foot dedicated bike path along the property line with Kathryn Senor Elementary;
- Patios extended and covered for various buildings;
- Prohibited parking on Silverado Trail to improve traffic flow;
- A committed right turn lane from southbound N Wild Horse to westbound Silverado Trail to reduce queuing at CVB and NWH;
- Bike lanes added to both sides of Silverado Trail;
- Potential relocation of the proposed pickleball courts to VIX Park;
- Relocation and dedication of kids play area to the northeast corner of the property;
- Two-car garages were added where possible;
- Affordable “rental” housing is in early discussions;

General similarities and differences with Sketch Plan include:

Sketch Plan	Preliminary Plan
• Units: 66 townhome units in 14 building;	• No change
• Zoning: MF-2	• No change
• Density: 6.4 units/acre	• No change
• Open Space: 19.4%	• No change
• Off-Street Parking: 122 required/229 proposed;	• No change
• Max Building Height per Zoning: 40'	• Max Building Height Proposed per Definition (6A1): 40.2'; Per Slab: ~32'
• Min Lot Area: 2,200sf/4 lots @ 2,137sf	• No change
• Net Zero: discussed	• All electric anticipated;
• Snow storage: discussed	• Snow Storage: 17% of road area;
• Trails: Not specified	• Trails: VIX Trail paved and connected
• Workforce Housing: Considering	• Workforce Housing: Applicant proposes up to six units at market rent rate;
• Pickleball Courts: Two located onsite	• Pickleball Courts: Two located @ VIX; Town to consider cash in-lieu.
• Garage Storage: Limited in single-car;	• Garage Storage: Improved for trash & lawn equipment.

III Staff Review:

Throughout the application process, the submittal documents will be reviewed pursuant to the criteria in the Municipal Code (MC) for planned unit developments (PUDs) and subdivisions. Any proposal should show general conformity to the following (MC 17.100.050(H)):

1. Consistency with the comprehensive plan;
2. Compliance with zoning and density requirements;
3. Compatibility to neighboring land uses;
4. Availability of town services from public works (including water and sewer services), fire, and police;
5. Adequacy of off-street parking and vehicle, bicycle, and pedestrian circulation;
6. The extent to which any required open space or parks are designed for active or passive use by residents of the subdivision or the public; and
7. Development is consistent with the natural character, contours, and viewsheds of the land.

1) *Is the proposal consistent with the comprehensive plan?*

Applicants are expected to clearly demonstrate substantial conformity with the CP in all applications (**Policy CG-1B**). Substantial conformance to the CP should include:

- Fostering distinctive, attractive communities with a strong sense of place and quality of life.
- Demonstrating a fully-balanced community and land use structure.
- Ensuring a mix of uses that complement existing land-use patterns.
- Creating walkable communities and encourage multi-modal transportation.
- Balancing housing types that support a range of affordability.
- Preserving open space, natural beauty, and critical wildlife habitat.
- Encouraging economic development.
- Providing efficient and cost-effective services.

Balanced Community: The proposal pairs well with a number of New Castle goals and values, central being a commitment to quality of life. The Applicant intends to repurpose the underlying mixed-use zoning with a fully residential site. Commercial uses will be considered in a more suitable location. Though “all residential” is potentially a better fit for the location, it is advisable that P&Z and Council recognize the growing deficit of commercial prospects in New Castle with each deferment of commercially zoned land. During Sketch Plan the Applicant discussed this concern and their intent to relocate the commercial zoning on other properties owned within CVR.

Smart Growth: The project favors Smart Growth (**Goal CG-5**) including sensitivity to: Aesthetics – employing architectural features already observed in Town; Recreational opportunities – including trails, courts, a playground, and seamless access to VIX park; Livability – attention given to pedestrian safety, parking, and efficient vehicle circulation (**Goal RT-1**). The Applicant’s future commitment to a TBD commercial property along CVB will help right the imbalance of needed goods and services in the immediate vicinity. Staff would encourage maximizing outdoor living areas such as covered patios and/or decks to enhance connections with the outdoors. Consider building 1B below:



Affordability: A higher density, multifamily development comprised of two and mostly three bedroom units should advance the cause of affordability. Floor plans will range from 1,283sf to 1,951sf (with one 2-bed @ 1,164sf) of conditioned space expected to track current market rates. Seven of the 66 units will be two-bedroom. Staff have been in initial conversations with the Applicant about affordable and/or workforce housing options. Currently the Applicant is prepared commit to six rental units at market rate but is hospitable to other possibilities.

For context, the Town’s Comprehensive Plan mentions “affordability” dozens of times but never fully defines the concept. The Town instead defers to affordability metrics offered by various government agencies. The US Department of Housing and Urban Development (HUD) at one time recommended that total housing expenses should not exceed 30% of gross household income. With a current Area Median Income (AMI) for New Castle hovering around \$95k or better, total housing costs exceeding \$2,375/month are considered

burdensome. HUD also compiles fair market rents (FMR) for counties. FMR is defined as the 40th percentile of the typical rentals in the county, with 50th percentile being the median. Currently published FMR's for Garfield County are below:

Final FY 2026 & Final FY 2025 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2026 FMR	\$1,215	\$1,223	\$1,605	\$2,232	\$2,391
FY 2025 FMR	\$1,211	\$1,219	\$1,599	\$2,241	\$2,463

<https://www.huduser.gov/portal/datasets/>

Presumably, the market rate for housing in New Castle tracks higher than the Garfield County median because of the higher cost of living which is perhaps why Zillow lists the average rent for New Castle at \$2,625 for all bedrooms as of 2/12/2026. Of course, these metrics do not solely drive price discovery. Innumerable factors can influence price. Nevertheless, the government data, coupled with the Applicant's six unit offer, can help frame this development's concept of affordability.

Fiscal Impact: A fiscal impact study was performed (Triple Point Strategic Consulting) comparing estimated revenues with costs associated with the new development. The study helps determine whether the Town can meet the new demand on services (**Policy CG-7B, CP pg. 54**). The analysis projects a population increase of 2,012 for the entire town of New Castle with approximately 170 associated specifically with the new development. The analysis then projects revenues and costs based off of the Town's budget averaged between the tax years of 2023 and 2025. The results provided in the packet show an *annual* net benefit to the town post construction of \$112,271. The *cumulative* net benefit by 2045 is estimated to be \$3 million with \$1.1 million coming in the initial two years of construction. The Town's finance department has reviewed the assumptions and projected outcomes separately with consistent results. Based on the assumptions of the analysis, Staff is confident that the development is fiscally viable.

Trails/Open Space/Recreation: The site plan establishes a commitment to pedestrian friendly communities and active open space. The development will memorialize the connecting trail from the CVB pedestrian culvert to the Dog Park. Detached sidewalks will wrap the entirety of the filing allowing non-vehicular access to nearby locations.

The Applicant has volunteered a new pickleball hub to the northeast of the development. Presently, the Town is considering locating the area to a yet-to-be-determined location within VIX Park. The Town maintained courts will be a community amenity. Lastly, the children's play area relocated to the northeast corner of the development available to families walking home from school.

Preserves Natural Environment: New Castle is committed to stewardship of the natural environment and recognizes the potential negative impacts of new development. The Town will work with Colorado Parks and Wildlife (CPW) and the Applicant to identify and protect critical environmental resources (**Goal EN-1**). CPW recognizes that the surrounding areas of the property are established year-long habitat for various birds and mammals. It will be important to minimize conflicts by, for instance, prohibiting dogs off-leash, minimizing light trespass, preserving native habitat, and limiting use of fences. In some cases, added landscape buffers in certain locations may offset these impacts with enhanced vegetation and/or landscape features.

New Castle also endorses sustainable building practices that minimize the consumption

of fossil fuels and maximizes use of renewables (**Goal EN-7**). All buildings will comply with the recently adopted Colorado Electrical and Solar Ready codes. It will be important for the Applicant to discuss how sustainable building measures are featured in the proposal as the application progresses. Net-zero/all-electric alternatives are achievable solutions manifested in new developments throughout the Valley. The recently approved 9 N Wild Horse PUD has proposed similar efficiency measures. The Applicant therefore has expressed the intent to make these units all electric using heat pumps for mechanical equipment.

The Town's raw water supply will be connected to all 66 units for landscape irrigation. Raw water is non-potable water which bypasses the town's treatment facility thereby eliminating the processing step. The Applicant also receives a 25% reduction in water tap fees as a result of implementation. Opting for raw water is ultimately an economic and sustainability win for all involved.

Manicured landscaping should be minimal and located mainly within active areas adjacent to units. Native grasses, drought tolerant shrubs and trees should fill the balance of remaining open space. A landscape plan will be finalized prior to approval.

2) Does the proposal demonstrate compatibility with the proposed zoning, density, and general development plan to neighboring land uses and applicable town code provisions?

Land Use: The Applicant has elected to develop under the CVR **MF-2** zoning criteria. According to *MC 17.104.080*, MF-2 is a "multifamily district allowing higher density including apartments." The following land uses are permitted by right:

- Attached dwelling units with rear yards;
- Patio homes;
- Attached dwelling units in structures containing more than two units
- Parking;
- Playgrounds;
- Trails;
- Open space;

The MF-2 also permits the following density and area standards:

- Minimum lot area of 2,200sf;
- Minimum lot area per dwelling unit 1,600sf;
- Maximum building height of 40'
- Minimum front yard setback 18';
- Minimum side yard setback of 0';
- Minimum rear yard setback of 10'
- Minimum distance between buildings of 10';
- Off street parking: 2/unit for duplex, triplex, or four-plex; 1.5/unit for five or more units/building + 1 for recreational vehicles per 5 dwelling units;

The Applicant adopts only permitted uses, with structures complying with density and separation. Compliance with building height limits was confirmed less one unit extending slightly over the technical definition for allowable building heights. All building heights and setbacks are displayed in the packet. The Town should prioritize ways of mitigating the potential visual impacts of building mass adjacent to the surrounding neighborhoods.

Massing alternatives, structure orientation, landscape screening, and roof articulation, for example, are ways visual impacts can be attenuated. Since Sketch Plan, the Applicant has added various nuances to the architectural aesthetic to address these matters.

Off-Street Parking: The purpose of off-street parking in the PUD “is to ensure that safe and convenient off-street parking is provided to serve the requirements of all land uses in the Castle Valley Ranch PUD and to avoid congestion in the streets” (MC 17.104.100). The following off-street parking standards apply:

- Duplex, tri-plex or four-plex – Two spaces per dwelling unit;
- Five or more dwelling units in one structure – One and one-half spaces per dwelling unit + 1 recreational vehicle parking space for every 5 units in a 5-plex or greater;

Per the standards, required off-street parking totals 121.5 spaces. The Applicant shows approximately 210 functional off-street spaces, 30 units of which are single car garages with six of those single-car garages having two-car-width driveways. Regardless of the off-street parking coverage, Staff recommends a minimum of two-car width driveways for single car garages to solve for issues related to garages used as storage rather than parking. This tendency inevitably results in “tandem” parking which induces residents to park at least one car on the street which further aggravates street congestion and sometimes compromises safety. The Applicant was directed by P&Z and Council to relegate seasonal/RV parking to additional general use parking.

On-Street parking: On-street parking serves to accommodate overflow vehicle parking for guests, deliveries, trash pick-up, and emergency vehicles. To the extent these accommodations are priorities for the Town, they deserve special attention in project design. Proposed ROW cross-sections are illustrated in the packet. The recently adopted Town standard for residential roads recommends a 58’ ROW cross-section with parallel parking on both sides of the street and minor collectors reaching 62.0’. Both standards are implemented on the site plan, however, the 62’ ROW for Silverado Trail will prohibit parking in order to expedite traffic flow, with bike lanes added instead. The central alleyway will be a narrower 12’, one-way drive with 4’ driving buffers on either side. The one-way will direct vehicles from west to east so that cars will contend mainly with right turns.

3) *Is there availability of town services from public works, fire, and police?*

Police: There is little indication that police service would be compromised with the added population increase. The Police Department is currently fully staffed with 13 officers. Generally, additional officers are considered for every 1,000 resident increase.

Fire: In response to the current multi-year drought and the ongoing expansion of the wildland-urban interface, Colorado River Fire Rescue now emphasizes the resiliency of structures and improving defensible space (**Goal EN-8**). Recently, such measures were codified with the adoption of the 2021 International Fire and Wildland-Urban Interface Codes. Structures are required to use materials with better ignition resistance than more conventional materials. Limiting the combustion properties of a structure reduces fuel loads thereby inhibiting flame spread and buys time for firefighting during a wildland fire incident. Vegetation or landscaping surrounding new structures will also be scarcer than before in response to the requirements of defensible space.

Public Works: The CVR Master PUD is approved for 1,400 residential units and

100,000sf of commercial space. These totals were primarily the result of calculations performed on the basis of water dedicated from Elk Creek. At present, the CVR PUD has no commercial space developed. The current sewer treatment plant is sufficiently sized to process the full build-out of both CVR, Lakota, and any commercial in-fill properties downtown.

Raw Water: Raw water is available at the roundabout on CVB and VIX Park and is expected to irrigate all lots and common areas within the new PUD.

Streets/Snow Storage: Other than the central, interior alleyway, all roads will match the Town standards. Snow storage and management policies are included in the packet with designated storage locations adequate to the task. Snow storage is crucial for public safety, cost savings, and quality of life.

Due to the traffic demands for future residential development east of N Wild Horse Dr., the Applicant has provided a southbound right-turn lane (i.e. splitter lane) at the intersection of N Wild Horse and Silverado. The intent here is to encourage vehicles immediately to the west towards the CVB roundabout and hence reduce the potential congestion at the two-way stop of CVB and N Wild Horse.

Open Space: The Applicant has made efforts to integrate open space in three locations. The kid's park, the pickleball courts, and the central accessory spaces will be available to all residents and will complement other amenities in VIX Park.

4) *Is there adequate vehicle, bicycle, and pedestrian circulation?*

Because roads will approximate Town standards, the anticipated detached sidewalks will provide a safer and more pleasant pedestrian experience. Driveways fronting Silverado Trail have been removed to expedite vehicle travel through the property. The southbound splitter lane from N Wild Horse Dr should help maintain a level of service (LOS) "A" at the intersection of NWH and CVB. The future traffic loads from the new 9NWH development have been a concern for both Staff, P&Z, and residents. The LOS "A" is considered the lowest (or lightest) level of traffic density. The traffic analysis provided with the application did not require the additional splitter lane. The Applicant provided one nonetheless.

With higher density and disrupted lines-of-sight, it will be important for streets to have high visibility crosswalks, preferably with bump outs, placed in priority locations. The development will also dedicate the connecting trail from the CVB pedestrian culvert to the Dog Park. This path should be modestly landscaped.

5) *Is the natural character of the land preserved?*

The parcel slopes gradually downhill from east to west dropping 30-40' in 700ft (~4% slope). Such slopes are rarely problematic from a design standpoint and therefore structural steps or terracing of landscaping should be minimal. Nevertheless, the Applicant should demonstrate material balance of expected cut-and-fill before construction commences. The structural designs appear to preserve and match existing grade features and follow uniformly with the current slope.

To conserve water and limit landscape maintenance such as mowing, staff requests the applicant consider drought resistant vegetation and seeding of native grasses to

restore disturbed areas to their original state. Sod with landscape irrigation, likewise, should be used sparingly to limit the need for landscape maintenance.

Staff recommends landscape berms where possible to obscure traffic noise and headlights along CVB (see Eagle Ridge Ranch development).

6) Are the required open space or parks designed for active or passive use by residents of the subdivision or the public?

Since the open space requirements for CVR have already been met, open space dedication is not required. The Applicant does, however, contemplate the dedication of the pickleball courts and the kids play area to the Town for community use. Likewise, the trail connector from the CVB pedestrian culvert north to the dog park will be paved and also dedicated. All other sidewalks will be public ROW.

7) Is the development consistent with the natural character, contours, and viewsheds of the land?

The site plan includes sloping topography downhill from northeast to southwest. Each building/unit generally terraces with the existing slope. Terracing of structures limits cut-and-fill and reduces the need for unsightly landscape retention. The approach also softens the blunt, “blocky” appearance, that may otherwise disrupt the undulating, natural landscape. The Applicant has been working with staff to minimize excessive slopes on various. Driveways maintain an 8% grade or less with some landscape retention expected. A sample color palate for the units is provided. Colors should reflect a natural appearance thereby minimizing visual impacts to viewsheds (**Policy EN-6B**).

To conserve water and limit landscape maintenance such as mowing, Staff requests the Applicant consider drought resistant vegetation and seeding with native grasses to restore disturbed areas to their original state. Sod and landscape irrigation, likewise, should be used sparingly to limit the need for landscape maintenance. Modestly mowed buffers and borders can provide a satisfying manicured look needing little maintenance.



IV Preliminary Plan Recommendations

Staff suggests that P&Z consider the following recommendations to the preliminary PUD/subdivision application prior to a decision on Resolution *PZ 2026-01*:

- A. Maximum building heights shall not exceed those depicted in the Applicant’s submittal packet dated February 15th, 2026.
- B. As part of its final application, the Applicant shall provide a memorandum of understanding with an estimate of reimbursable costs for the completion of N Wild Horse

Dr subject to the provisions of the cost recovery agreement in Exhibit M of Ordinance TC 2025-1 (otherwise known as the 9 N Wild Horse project).

- C. As part of the final application, the Applicant shall include provisions for an workforce housing plan consistent with the recommendations of the Planning Commission.
- D. As part of the proposed covenants, the Applicant shall include provisions for exterior fencing limited to a split-rail and wire mesh type.
- E. As part of its final application, the Applicant shall maximize covered patio areas for each unit where feasible per the recommendations of P&Z.
- F. As part of its final application, the Applicant shall demonstrate compliance with all recommendations of the Town Engineer, Town Public Works Director, Colorado River Fire Rescue, and Town Attorney provided in response to review of the Application.
- G. As part of its final application, the Applicant shall provide a declaration of covenants for the common interest community that are to the satisfaction of the Town Attorney. The declaration of covenants shall include a prohibition on short-term rentals understood as the renting of a unit for less than 30-days.
- H. The Applicant shall comply with all currently adopted building code and municipal code requirements, including all sign code regulations in effect at the time of building permit application. All site specific development applications subject to the provisions of the International Fire Code or matters requiring fire alarms and/or fire suppression shall be submitted to the Fire Marshal for review and comment.
- I. All exterior lighting to be dark-sky compliant per the comprehensive plan. Demonstrate that all exterior lighting will limit trespass. Parking lot lighting should be on timers to reduce the light duration at night while maintaining security lighting as needed.
- J. The approved construction drawings shall demonstrate compliance with the Town Engineer, Police Chief, and Public Works Director for traffic and pedestrian signage.
- K. As part of its final application, the Applicant shall provide a memorandum of understanding that proposes a cash payment in-lieu of constructing two proposed pickleball courts and children's play area. As a result of the exchange, both facilities shall be constructed by the Town in a location to be determined within VIX Park and within two years of the issuance of the first building permit.
- L. The Applicant shall finalize the water rights dedication requirements for the project, including the calculation of irrigated areas and finalization of EQR dedication requirements. A warranty deed conveying the required water rights in the Coryell Ditch shall be executed and recorded together with the Final Plat.
- M. A subdivision improvements agreement shall be provided containing an engineer's stamped cost estimate of public improvements, to the satisfaction of the Town Engineer and Town Attorney.
- N. Landscaping shall incorporate native grasses and plants that minimize maintenance, moving, and irrigating. The landscaping plan shall be approved by the Parks

Department. Plans submitted to obtain a building permit for any building shall demonstrate no more than 2,500 square feet of sod per dwelling unit as specified in 13.20.060 of the Municipal Code.

- O. All representations of the Applicant made verbally or in written submittals presented to the Town in conjunction with the Application before the Commission or Town Council shall be considered part of the Application and binding on the Applicant.
- P. The Applicant shall reimburse the Town for any and all expenses incurred by the Town regarding this approval, including, without limitation, all costs incurred by the Town's outside consultants such as legal and engineering costs.
- Q. The sale of individual lots may not occur until a plat creating the lot is recorded with Garfield County and security for the public improvements has been received by the Town.

V Duration of Preliminary Plan Approval

Preliminary plan approval granted pursuant to this Section 17.100.050 will remain in effect for one (1) year from the date of the P&Z's resolution. If the Applicant does not submit a final PUD plan application within said year or if the preliminary PUD plan application includes substantial changes (e.g., proposes new uses, higher density development, changed layout, new or additional variances, etc.) from the as-approved preliminary PUD plan, then, at the discretion of the Town Administrator, the applicant may be required to obtain approval of a new preliminary PUD plan application before filing a final PUD plan application.

VI Preliminary Plan Exhibits:

- A. Applicant Preliminary Submittal
- B. Staff Report
- C. Public Notice
- D. Outside Agency Referrals
- E. Written Public Comments
- F. Staff Comments