



## TOWN OF ELIZABETH

PATRICK G. DAVIDSON, TOWN ADMINISTRATOR

TO: Honorable Mayor, Mayor Pro Tem, and Board of Trustees  
FROM: Patrick Davidson, Town Administrator  
DATED: July 23, 2024  
SUBJECT: Response to Citizen Concerns

---

As the Board is aware, we try to respond to comments made in public meetings, on social media, and through word-of-mouth. During recent meetings of the Town Board of Trustees, the Planning Commission, as well as those meetings of other community organizations, a series of questions and concerns have arisen. While more narrowly tailored, in light of the vast number of questions, comments, misunderstandings, and other concerns, we are attempting to answer prevailing questions through this memo.

### RESPONSE TO CITIZEN CONCERNS

#### THE TOWN IS BROKE.

Based on the prepared and approved budget for 2024, the Town of Elizabeth is expected to have a positive year-end balance of twenty-seven million, nine hundred fifty-one thousand, eight hundred and fifty dollars (\$27,951,850). While the Town is halfway through its current budget year, there are no anticipated expenditures that will consume anything near \$27,951,850. Substantial reserves exist for operations of the Enterprise Funds, and the General Fund's expenditures [police, parks, streets, and other governmental operations] are approximately \$3,700,000 per year. The Town can operate for several years at current spending levels without bringing in any additional revenue.

#### THE TOWN GETS METRO DISTRICT TAXES FROM GOLD CREEK.

This is untrue. The Town receives the appropriate property taxes based on the County Assessment. Taxes collected by and for the Metro Districts are used by the specific district to pay for bonds originally issued to build out roads, water, sewer and other infrastructure.

#### ELIZABETH DOES NOT NEED A POLICE DEPARTMENT.

The Board of Trustees have sought to maintain police services 24/7/365. In order to do so, the department needs sufficient staffing and equipment to meet this standard. Assuming that the Board were to disband the Elizabeth Police Department, a contract for law enforcement services would need to be entered into with the Sheriff's Department or other agency. The costs of such services would assuredly go up, and with it, one would see a reduction in services.

#### WHY DID THE TOWN "GIVE UP" ELIZABETH WEST?

As a statutory town, the residents in Elizabeth may seek to overturn the decisions of the Board of Trustees on certain matters. In this instance, a referendum was filed to maintain agricultural zoning of the property commonly referred to as Elizabeth West. With this vote in place, and no practical development available within the Town's existing zoning, the developer had the ability to pursue

de-annexation through the District Court. As the developer met all the requirements for de-annexation, the Court ruled the acreage reverted to Elbert County's authority.

#### WHAT DOES IT MEAN THAT ELIZABETH IS A STATUORY TOWN?

In general, there are two types of towns within the State of Colorado: statutory and home rule. A statutory town is granted its authority from the Colorado State Legislature. The Elizabeth Board of Trustees may only undertake those actions and functions specifically authorized by the State Legislature. In other words, policy decisions are constrained within the Town based on the decisions and authority of the Colorado State Legislature.

Home rule communities are granted broader authority to act to reflect the intentions of the constituency. The governing body may be more responsive to the needs of its residents and is granted freer ability to make their own decisions through self-rule. Twice the Town of Elizabeth has had an opportunity to vote to become a home rule community. In both instances, the vote was to remain a statutory town. Moving forward, the Town's residents should consider whether their interests are better served by the Capital in Denver, or by their own elected officials.

#### IT IS TOWN STAFF THAT IS PUSHING DEVELOPMENT, LIKE GOLD CREEK, RITORO, AND OTHER DEVELOPMENT PROJECTS?

This is factually incorrect. The initial filings for Gold Creek/Ritoro Subdivision occurred on May 22, 2007, over 17 years ago. The yet to be constructed Walnut Grove PUD was likewise approved by the Board of Trustees in 2007. Looking further back, the Crossroads subdivision, which includes businesses such as Dairy Queen was originally accepted by the Town in July 2005, over 19 years ago. There remains over a dozen lots available for commercial development in that specific area that has remained undeveloped since 2005. The development in the Town of Elizabeth is not based on staffing changes or the specific direction of Staff. Plans that have already been authorized by prior Boards of Trustees are now coming to fruition. Furthermore, once these development plans are approved the Board of Trustees are bound to the terms of those development plans.

#### THE BOARD COULD STOP DEVELOPMENT IF THEY WANTED TO.

This is a common misconception. Assuming that the developer completes all of the required steps to development, obtains approval from the associated government referral agencies, pays all development costs and fees, there are limited ways to stop approved development.

The Board of Trustees are not allowed by either Colorado Law or the existing Town Code to function as the final decision maker on development if all the requirements are met. The Board lacks the legal authority to simply stop development because of public input, outcry, in-town influences and out-of-town influences. If the Board wants to alter certain aspects of the Town Code for *future development* that is not yet submitted, this may be possible. However, it is still conditioned upon Colorado Law, and the Town's standing as a statutory town.

#### HOW MUCH WOULD HAVE THE TOWN RECEIVED FROM ELIZABETH WEST?

Had the Elizabeth West project proceeded with the approved 623 homes, the Town estimated it would have received between \$20M and \$22M in tap fees, and total tax revenue of \$120M over

the first 20 years. It would have also provided the Town with additional water rights, additional well locations, and water storage facilities.

#### WHY CAN'T THE TOWN FIX THE STREETS? DOESN'T THE TOWN OF ENOUGH EMPLOYEES? ISN'T THERE ENOUGH MONEY?

First, the Town of Elizabeth does not have the specialized equipment to repair or replace asphalt. Depending on the nature and type of repairs, it would require dump trucks, excavators, asphalt sealers, paver machines, compaction equipment, rollers, and other specialized equipment. On the used market, serviceable equipment of this type would cost millions of dollars to acquire and maintain. Also, for Elizabeth this equipment would not be used daily, monthly, or even yearly. Tying up financial resources in expensive and depreciating equipment is not an appropriate use of tax funds. These are the reasons why municipal governments contract asphalt and concrete projects.

The public works department is made up of nine (9) employees spread across parks, streets, wastewater, and the water department. Within this small crew priorities must be established based on the needs of the community. As such, divisions such as water and wastewater must take priority to ensure that clean and safe drinking water is provided 24 hours a day, as well as the processing of wastewater during this same time period. Depending on the season, daily activities include routine maintenance of operations and facilities, mowing of parks, snow removal, equipment maintenance, and related duties. This also does not include staffing levels related to sick leave, vacations, and scheduling for 24-hour emergency on-call operations.

#### THE TOWN NEEDS MORE COMMERCIAL, NOT RESIDENTIAL GROWTH.

Both are important for the long-term survival of any community. Commercial property brings increased property taxes and sales taxes to the Town. This additional revenue does assist the Town in meeting the increasing demands of the residents. However, commercial development requires employees. The vast majority of Town and community residents commute outside of Elbert County for better paying jobs. There is an insufficient number of employees in Elbert County to support future commercial and industrial jobs in the community. As such, these employers would need to provide high enough wages to attract employees to commute to, and not away from, Elizabeth.

Second, commercial developments and industries rely upon the total number of residential “rooftops” within a specific area to justify development. Without the appropriate number of residential dwellings, businesses will simply never consider Elizabeth a viable market area for development. This standard applies to medical providers, chain restaurants, box stores, and similar industries that rely on broad market data in advance of considering expansion.

Lastly, the uncertainty in business development within the Town of Elizabeth causes doubt regarding commercial development. Commercial developers may be unwilling to spend the time and money to purchase land, perform site design and engineering, obtain financing, and proceed with a development that may fail on a voter referendum. Neither the Town nor the public can provide true assurances that years of work may be for naught, particularly when other viable development options exist within Elbert County or surrounding communities. Quite simply, for most commercial developers, it is not worth the financial risk to build in Elizabeth.

### WHAT TAXES DO NON-RESIDENTS OF ELIZABETH PAY TO THE TOWN?

The only taxes paid to the Town of Elizabeth, by non-residents, is based on purchases of certain items made within the Town's jurisdiction. In other words, things like sales tax is paid by non-residents who purchase items within the Town's jurisdiction. By way of example, if a family purchases \$10,000 worth of groceries, clothes, school supplies, auto parts, and related items in Elizabeth, over the course of a year they will have on average paid about \$400 in taxes to the Town of Elizabeth; enough for about 16 hours of the Town's daily electrical bill.

### THE TOWN WILL SIMPLY START TO ANNEX LAND TO RAISE REVENUE.

First, property may only be annexed into the Town if both the landowner and the Town agree to the annexation. The property owner is the party to request annexation and both parties have the ability to walk away at any time prior to the completion of the annexation. Second, the Town must weigh the costs associated with annexation. Can the Town provide appropriate water and sewer services for the proposed property? Can the Town maintain the roads? Does the annexation generate enough revenue for the Town to cover the overhead and related costs of having the property be part of Elizabeth? If these conditions are not met, the Town will turn down an annexation opportunity brought to them.

### WHERE DO I FIND INFORMATION ABOUT THE TOWN AND ITS MEETINGS?

The Board of Trustees meetings are held on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesdays of every month. The meetings begin at 7:00PM. These meetings are always open to the public, unless a specific, legally authorized topic allows for confidential meetings. Occasionally, the Board will conduct a workshop in advance of a meeting. In such a case, the workshops start at either 5:30PM or at 6:00PM. Agendas and related information provided to the Board, and to the public, may be found here: <https://www.townofelizabeth.org/meetings>. In addition, the meetings are broadcast in view-only mode via Zoom.

The Planning Commission meets on the 1<sup>st</sup> and 3<sup>rd</sup> Tuesdays of every month. Those meetings begin at 6:30PM and are open to the public. Agendas for the Planning Commission are also found here: <https://www.townofelizabeth.org/meetings>

The Main Street Board of Directors meets on the 2<sup>nd</sup> and 4<sup>th</sup> Mondays of every month, beginning at 8:30AM. These meetings are open to the public. Their agendas may be found here: <https://www.townofelizabeth.org/meetings>

The Town's Historic Advisory Board meets on the 1<sup>st</sup> and 3<sup>rd</sup> Monday of each month, beginning at 4:30PM. These meetings are open to the public. For agendas of meetings see: <https://www.townofelizabeth.org/meetings>

The Town's social media presence is listed below.

Town of Elizabeth Website: <https://www.townofelizabeth.org>

Town of Elizabeth Facebook: <https://www.facebook.com/townofelizabethcolorado>

Town of Elizabeth Instagram: <https://www.instagram.com/townofelizabeth80107/>

Town of Elizabeth X (Twitter): <https://x.com/ElizColorado>

Town of Elizabeth Police Department: <https://www.facebook.com/EPD80107>

Additionally, information is distributed through Email Blasts, inserts in utility bills, electronic message boards, posting at the Elizabeth Town Hall. Depending on the matter involved, the Town will also use the electronic billboards maintained by the Chamber of Commerce and the Elizabeth Parks and Rec District.