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Commerce City Moves Forward on Annexation Plans Over Objections of Area Businesses and Residents

COMMERCE CITY – Commerce City Staff addressed a hostile crowd on Tuesday night at an information session in the City Council chambers that was designed to inform residents and area businesses how a proposed annexation plan would impact them. The Commerce City Council has proposed annexing two portions of unincorporated Adams County by ordinance, without a vote of the residents and landowners affected.

Glen Murray was among the over 90 residents and business owners who attended last night's meeting, and he spoke out in staunch opposition to the proposed annexation. Murray related his unique perspective as not only a long-time resident, but also as a business owner and third-generation farmer. "Our family has lived here for ninety years," he said (Murray Farms has been at its present location since 1917). Standing at the podium in the City Council chambers, Murray went through an exhaustive list of additional property taxes, sales and use taxes, fuel taxes, franchise taxes, admissions taxes, taxes on fertilizers and farm equipment, and other costs and fees that he would be required to pay if the annexation plan is adopted. He related the value that his farm provides in terms of open space and views to the neighboring residents, in addition to the popular corn maze he sponsors every year, but explained, "There's a reason that farms are not in cities."

Acting on the resolution adopted by City Council on October 1, the plan proposed by Commerce City will annex 122 parcels, consisting of approximately 1263 acres of currently unincorporated Adams County. The northern portion is mostly industrial, and lies between the between the Union Pacific and Burlington Northern Railroad lines on the west and east, 112th Avenue on the north and 88th Avenue on the south. The southern portion contains more residences. In total, ninety (90) businesses will be annexed, including the businesses located in the DiGiorgio Industrial Park, as well as an estimated 320 residents.

Ryan Call, an attorney with the firm of Zakhem Atherton who spoke on behalf of certain area businesses, repeated a statement made by the Commerce City Director of Public Works in his opening remarks. "This is a unilateral annexation," repeated Call. Call continued, "While the current law may permit this sort of enclave annexation without a vote of the people, to say it rubs people the wrong way would be an understatement. And with the slow-down in the economy, it couldn't come at a worse time. Instead of working on a common sense plan to encourage businesses to relocate to Commerce City, City officials seem intent on taking the heavy-handed and short-term approach of forced annexation in an attempt to maximize City tax revenues at the expense of a handful of small businesses."

Company owners and managers expressed concern that the annexation plan would cost jobs, and would make it harder for them to effectively compete. Certain business owners even indicated that they are already considering relocating their businesses to unincorporated Weld County in anticipation of the annexation plan being forced through over their objections.

Les Burch, the owner of Sascho, Inc., a leading manufacturer of high quality sealants for conventional and log homes, and one of the area businesses within the enclave, estimated that it would cost his company at least \$65,000 a year in additional taxes. In addition the added burdens and costs associated with complying with city codes and regulations will further impact his business' to grow and create new jobs. "That's the equivalent of hiring two new employees," said Burch, "and in ten years this annexation plan will cost our company a million dollars. This plan will definitely hurt our ability to effectively compete or grow our company."

Residents expressed frustration at the fact that their taxes would be going up significantly, without any real benefits being provided by the City, and without the opportunity to weigh in on the decision in a meaningful way. "The fix is in," declared one irate resident who attended the evening's information session. "The annexation is being presented as a done deal, and we don't even have a say."

City planners estimated that the annexation would result in over \$3,120,000 in new taxes per year, and the City is expected to clear over \$2,400,000 in net revenue, with no guarantees that much-needed improvements to roads and bridges in the affected area would be a priority. Residents and business owners voiced concern that the costs on area businesses would in fact be much higher, and were visibly upset that this large profit to the City would not yield any meaningful services more than Adams County currently provides.

The Commerce City Council is expected to take up the two annexation ordinances for a First Reading vote on November 19, 2007, during which additional public comment will be heard. A Second Reading vote on the proposed annexation plan has already been scheduled for December 17, 2007. The annexations are being conducted as enclave annexations pursuant to § 31-12-106, Colo. Revised Statutes.

The political law team at the firm of Zakhem Atherton, LLC represents clients in all aspects of election law, campaign finance, and governmental affairs. The firm prides itself on delivering personal service and creative solutions to the challenges presented by legislative and regulatory issues. Additional information regarding the firm is available at www.zakhematherton.com.

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