

PROPOSED ANNEXATION BY THE CITY OF BALLWIN

Waterford Subdivision

**Report on BC2002
Prepared by Saint Louis County Department of Planning
Submitted to Saint Louis County Boundary Commission
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I. INTRODUCTION

A. Purpose of Report

The purpose of this report is to provide information regarding a proposed annexation of 6.3 acres of unincorporated St. Louis County (“County”) by the City of Ballwin (“City”). This analysis is primarily based on a review of the Plan of Intent submitted to the Boundary Commission by the City on June 24, 2020, the presentation made by the City at the July 28, 2020 Boundary Commission Public Hearing, comments from those present at the Public Hearing, as well as a comparison of City and County data.

B. History of Boundary Change Proposals in the Area

In 1999 the City successfully completed the Southwest Area Annexation, which increased the size of the City by 712 acres. This action created an unincorporated pocket which is coterminous with the Waterford Subdivision. The area had once been part of a much larger unincorporated zone.

In the Southwest Area Annexation Area Plan of Intent that the City submitted in 1998, the City actively excluded the Waterford Subdivision because they determined it was more appropriately suited to be annexed by the City of Ellisville, which shares three sides with the area. However, Ellisville has not attempted to annex this subdivision. Since 1999, it has been necessary for the County to cross through the City to provide local services to residents of Waterford Subdivision.

II. GEOGRAPHIC INFORMATION

A. General Description of the Area Proposed to be Annexed

The 6.3 acre area proposed for annexation is generally bounded on the north, east, and south by city limits of Ellisville and to the west by the city limits of Ballwin running along the centerline of Reinke Road.

Basic data for the proposed annexation area are provided in Table 1.

TABLE 1

BASIC ANNEXATION AREA DATA	
Area ¹	6.3 Acres
Housing Units ¹	26
Population ²	68
Total Assessed Valuation ¹	\$1,445,920
Assessed Valuation Per Capita ¹	\$21,264

Notes:

¹ Data provided by the St. Louis County Department of Planning

² City Estimate based on Census Data

B. Existing Land Use and Zoning

The proposed annexation area is comprised of 26 single-family residential properties and one common ground parcel held by the trustees of the Waterford Subdivision. This parcel is occupied by a stormwater detention basin and cannot be developed.

The subdivision is accessible via only Reinke Road, which forms the boundary between the cities of Ellisville and Ballwin in the general vicinity. The roads in the Waterford Subdivision, Kylewood Court and Kylewood Place, were constructed to County standard at the time of development and are in excellent condition. One half of Reinke Road is in the annexation area and is included in this action. There is a total of 0.48 lane miles in this area. Those three roads are part of the Country Road System (CRS) and would be conveyed to the City if the proposed annexation were approved.

The proposed annexation area is all zoned R-4 7,500 square foot Residence District and has been since the adoption of the County's Zoning Ordinance in 1965. The Waterford Subdivision was platted in 1989 using the Density Development procedure of the Zoning Ordinance which allows for flexibility in lot sizes and design in low-density residential zoning categories. Lots sizes in the subdivision range from 6,000 square feet to 14,638 square feet.

The proposed annexation area is shown in Map 1 on the following page.

MAP 1: Proposed Annexation Area



MAP 2: Proposed Annexation Area Aerial



The following photos depict the existing land use of the proposed annexation area:



C. Comparison of City and County Zoning

The City's Plan of Intent discusses the proposed zoning district for the Waterford Subdivision should the annexation be approved. The City anticipates classifying the area as R-3 to match the existing setbacks.

The R-3 zoning category in the City has a minimum lot size of 20,000 square feet, which none of the lots in this subdivision meet. However, their Ordinance does allow for lots smaller than 20,000 square feet if a plat was recorded prior to June 1, 1991. This subdivision was recorded on June 14, 1989, making the lots eligible for R-3 zoning in the City.

In general, the City's R-3 and the County's R-4 zoning designations are intended primarily for single-family detached residences. The two categories are substantially similar in scope and purpose. The area is completed built out and there is no current opportunity for new development in the annexation area.

D. Compactness and the Closing of an Unincorporated Pocket

By statutory definition (Missouri Revised Statutes Section 72.400), "contiguousness" refers to an area proposed for annexation in which at least 15% of its boundary is adjacent to the municipality which is proposing the annexation. Ballwin's Plan of Intent states that the area proposed to be annexed is 18.73% contiguous to the existing city limits, and the County finds this to be accurate. While Ellisville surrounds the pocket on three sides and is the more natural fit for this pocket to be absorbed into, the County recognizes that the area residents would prefer annexation into Ballwin and that Ellisville has no interest in annexing the area itself. As such, the County has no concerns with the area moving to Ballwin instead of Ellisville.

The bigger issue for the County is the closing of this unincorporated pocket. The Boundary Commission Rules define an unincorporated pocket as an area with an average residential density in excess of one dwelling per three acres, which has a population of no more than five hundred and which is accessible by public or private roadway only from incorporated jurisdictions and/or another County, and which the Commission has determined presents practical difficulties for service by the County by reason of its isolation. While the County strongly asserts that it has no difficulty in providing services to these residents, it also concedes in this instance that local services may be provided more efficiently by the City. Every unincorporated pocket is different and this rationale does not inherently carry to all pockets.

III. FINANCIAL IMPACTS OF PROPOSED ANNEXATION

The City of Ballwin does not levy a property tax on either real or personal property, and has not done so since 1987. The City's sales tax rate is 8.738%, which is one cent higher than the unincorporated County rate of 7.738%. The City is a mixed jurisdiction in terms of its sales tax revenue distribution. It has long been an "A" (point-of-sale) sales tax city, but its history of aggressively annexing unincorporated areas in the late 1980s and 1990s has led to the City having significant "B" (pool) areas. In fact, its "B" areas have a greater population than its "A" areas. Any annexation areas would be "B" areas.

The City's utility tax rate is currently 7%, which is 2% higher than the St. Louis County rate of 5%. The City uses higher sales and utility tax rates to fund their local services.

Both the City and the County impose a \$28.00 annual per-unit fee for their respective Sewer Lateral Repair programs. Trash collection costs in the City are \$296.76 annually, while the cost of the minimum level of trash service in the local unincorporated trash district is \$153.00.

A. Impact on Area Residents

Annexation by the City of Ballwin would result in residents paying higher sales taxes and utility taxes while sewer lateral fees and property taxes in the proposed annexation area would not change. See Table 2 on the following page.

With a one percent higher sales tax, residents in the annexation area will see increased cost when automobiles, boats, and recreational vehicles are purchased. Sales tax is applied to these purchases based on where the purchaser lives, not on where the vehicle is purchased. As an example, when buying a \$30,000 vehicle, a Ballwin resident would pay \$300.00 more in sales taxes than a resident of unincorporated St. Louis County. As such, residents in the proposed annexation area will pay appreciably more tax when they purchase vehicles, boats, recreational vehicles, jet skis, *et cetera*.

The utility tax rate in Ballwin is two percent higher and is levied on electric, gas, water, and phone bills. Therefore, a household in Ballwin with an annual utility cost of \$2,400 can expect to pay \$48 more per year than they would by remaining in unincorporated St. Louis County.

Property taxes are based on a rate per \$100.00 of assessed value. All property owners in the County pay the County's property tax whether they are located in a municipality or an unincorporated area. Ballwin does not levy a property tax on real or personal property, and will thus not increase resident's real or personal property tax bills.

Ballwin's annual sewer lateral fee of \$28.00 matches that of St Louis County. It should be noted that the County's program has no limit on repair costs, while the City's program will only cover up to \$3,000. After reaching \$3,000, residents must cover the remaining repair costs. This can be a major expense.

TABLE 2

2019 CITY AND COUNTY TAX RATES & FEES¹		
Taxes/Fees	City of Ballwin	St. Louis County
City Property Tax		
Residential	\$0.000	N/A
Commercial	\$0.000	
Personal	\$0.000	
County Property Tax		
Residential	\$0.4430	\$0.4430
Commercial	\$0.4670	\$0.4670
Agriculture	\$0.3980	\$0.3980
Personal	\$0.523	\$0.523
Sales Tax	8.738%	7.738%
Utility Tax	7.0%	5.0%
Sewer Lateral Fee ²	\$28.00	\$28.00
Trash Collection Fee ³	\$296.76	\$153.00

Notes:

¹ Tax rates provided are those most commonly levied by municipalities, but may not represent all taxes and fees collected.

² Not a tax, but collected as a part of property tax.

³ Annual cost

Trash collection and recycling services are provided to unincorporated residents on a fee-for-service basis through a contract authorized by the County. Services are provided to residences with individual curbside waste collection in one of eight designated Waste Districts. The minimum level of service includes once-a-week trash removal, once- a-week recycling, and twice-yearly bulk pickups. Residents in the Waterford Subdivision are located in Waste District 4, and Waste Connections is the contracted hauler for the district. Currently, the annual price of the minimum level of service is \$153.00 (\$12.75/month). A resident may add weekly yard waste pick-up to their service at the rate of \$8.00 per month and this service can be turned on and off on a quarterly basis. There is a senior citizen discount (65+ head of household) of 10% available to residents.

Ballwin provides trash collection and recycling services through a contract with Republic Services. The current cost for City residents is \$296.76 annually (\$24.73/month) for the minimum level of service and yard waste service. As such, the annual cost for trash collection and recycling services is \$143.76 higher in the City than in the County. However, it should be noted that the Ballwin rate includes yard waste service, whereas there is an additional fee for yard waste service under the County contract. However, even when that cost is added in, the County's trash service is still lower in cost.

B. Impact on St. Louis County

The total annual revenue loss that the County could experience as a result of the proposed annexation is estimated to be \$14,607. A breakdown of County revenue loss by funding source is provided in Table 3.

TABLE 3

ESTIMATED ANNUAL COUNTY REVENUE LOSS	
	Annexation Area
Sales Tax ^{1,4}	\$6,310
Utility Tax, Residential ^{2,4}	\$3,120
Highway User Tax ³	\$3,213
County Road and Bridge Tax ³	\$1,518
Cigarette Tax ⁴	\$212
Cable TV Tax ³	\$234
TOTAL	\$14,607

Notes:

- ¹ Estimate based on \$116 per capita less the County annexation adjustment (approximately 20%)
- ² Assumes average annual utility bill of \$2,400 and a 5% utility tax for residential units
- ³ Estimate by the St. Louis County Department of Transportation
- ⁴ Estimate by the St. Louis County Department of Planning

C. Impact on the City of Ballwin

The total annual revenue gain that the City could experience as a result of the proposed annexation is estimated to be \$16,015. A breakdown of City revenue gain by funding source is provided in Table 4.

TABLE 4

ESTIMATED ANNUAL CITY REVENUE GAIN	
	Annexation Area
Sales Tax ^{1,4}	\$7,888
Utility Tax, Residential ^{2,4}	\$4,368
Highway User Tax ³	\$1,795
County Road and Bridge Tax ³	\$1,518
Cigarette Tax ⁴	\$212
Cable TV Tax ³	\$234
TOTAL	\$16,015

Notes:

- ¹ County estimate based on \$116 per capita.
- ² County estimate assumes average annual utility bill of \$2,400 with utility gross receipts tax rate of 7% for residential units
- ³ County estimate by the St. Louis County Department of Transportation.
- ⁴ County estimate by the St. Louis County Department of Planning.

The City's Plan of Intent estimates that revenues would increase by \$17,867. The difference between the City's and the County's estimate is \$1,852.

The City's Plan of Intent indicates that the proposed annexation will result in estimated expenses of \$1,082 for the City. The County estimates a higher cost of road maintenance for the area, pegging that expense at \$4,800. The amount is based on a per mile estimate of yearly road maintenance costs. The Plan of Intent states that no capital improvements are planned in the proposed annexation area.

IV. PROVISION OF SERVICES

The provision of services to its residents is local government's primary responsibility and function. Currently, St. Louis County is the provider of a variety of municipal-type services to the proposed annexation area. If the annexation is successful, the services currently provided by St. Louis County would be transferred to the City of Ballwin. Table 5 lists basic municipal-type services provided in the area proposed to be annexed and identifies their current and proposed provider.

A. Existing and Proposed Services

TABLE 5

SERVICES		
Service	Current Provider	Proposed Provider
Police Protection	St. Louis County	City of Ballwin
Fire Protection/EMS/ALS	Metro West Fire Protection District	
Street Maintenance ²	St. Louis County	City of Ballwin
Parks and Recreation	St. Louis County	City of Ballwin
Refuse Collection	Waste Connections ³	Republic Services
Street Lighting	Property Owner	Property Owner
Planning, Zoning and Subdivision Regulations	St. Louis County	City of Ballwin
Building Code Enforcement	St. Louis County	City of Ballwin
Explosive, Elevator, and Amusement Ride Permits	St. Louis County	St. Louis County ¹
Residential Occupancy Permits and Inspections	St. Louis County	City of Ballwin
Municipal Court	St. Louis County	City of Ballwin

Notes:

- ¹ The City of Ballwin has some specialized contracts with St. Louis County to provide certain services
- ² 0.48 lane miles of roads on the County Road System would be transferred to Ballwin if the annexation occurs.
- ³ Contract requires two year notice prior to change.

St. Louis County currently is able to reasonably access the area proposed to be annexed via Reinke Road, although the County does cross into Ballwin to reach this area. St. Louis County provides quality efficient municipal services to the proposed annexation area and will continue to do so if the area remains unincorporated.

As one of the largest providers of local services in the state of Missouri, St. Louis County offers a full range of services to unincorporated residents. In West County, St. Louis County operates the West County Government Center staffed with more than 50 employees offering a variety of services.

The area is also served by the West County (7th) Police Precinct, whose headquarters are located at 232 Vance Road. Further, there are more than 30 employees from the Department of Transportation who work out of the District 4 (Southwest) Maintenance Station maintaining more

than 650 lane miles of local roads. The County has other employees who work only in West County, such as inspectors from the Office of Neighborhood Preservation. West County also has 13 County park sites totaling over 6,302 acres, including Queeny Park, Lone Elk Park and the Museum of Transportation.

Other services are provided by the Departments of Public Health, Human Services, Planning and Public Works. For example, the County Older Resident Programs (CORP) provides quality service to St. Louis County residents age 60 and over by addressing the needs of older adults with a wide variety of programs, services and opportunities such as: transportation, home visits and telephone reassurance, home care and repair, legal assistance, information and referral, active aging, and much more.

The St. Louis County Police Department continues to be one of the best law enforcement units in the region and the state. It is one of only 18 agencies in the United States to receive the TRI-ARC Excellence Award, receiving triple accreditation for Law Enforcement, Public Safety Communications, and Public Safety Training Academy. All streets in unincorporated portions of the County are on a daily patrol route. The proposed annexation area is a very low crime area.

An estimated 0.48 lane miles of roads on the County Road System (non-arterial roads) will be transferred to the City of Ballwin if the annexation occurs. This includes Kylewood Place, Kylewood Court, and one-half of the right-of-way of Reinke Road.

The annual cost of road maintenance for these roads to be transferred to the City is \$4,224; the annual cost of snow removal is \$576. The Department of Transportation rates the pavement conditions of streets throughout the County with ratings from 1-10 (poorest to best). Kylewood Place is rated 9, Kylewood Court is rated 9, and the one-half of Reinke Road is rated 8. There are currently no plans for improvements during the next three years.

The Office of Neighborhood Preservation conducts a visual inspection of all residential properties in the unincorporated areas of St. Louis County on an annual basis. In addition, property maintenance enforcement occurs in a proactive and complaint-based fashion. There are no records of any property maintenance complaints in this area in the past three years.

B. Services Not Affected

The area will continue to be served by the Metro West Fire Protection District, Parkway School District, the County Library, and other independent service and taxing jurisdictions. The services provided by these jurisdictions and their respective tax rates would not be affected by annexation.

V. CONCLUSION

After completing an analysis on the area, participating in the Boundary Commission Public Hearing, and hearing from area residents, St. Louis County is in support of this annexation action.

While unincorporated residents benefit from the County's economies of scale, service efficiencies, professional level of expertise, and lower tax rates, the County recognizes this area to be an unincorporated pocket and the delivery of services can be acceptably handed over to Ballwin. Additionally, there is strong resident support for this change, despite a somewhat higher taxation burden on the residents.