

**Before the Boundary Commission, St. Louis County, Missouri**

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) File No. BC0404  
In re: Proposal of the City of Manchester )  
) Carman-Manchester Area  
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**SUMMARY OF DECISION**  
**PROPOSAL FOR ANNEXATION OF THE CARMAN-MANCHESTER AREA**  
**CITY OF MANCHESTER, MISSOURI**

Pursuant to Section 72.405.2, RSMo. (2002), in disapproving any boundary change proposal, the St. Louis County Boundary Commission (the "Commission") is required to issue a document indicating the reason such proposal was disapproved.

The Boundary Change submitted by the City of Manchester (the "City") was disapproved for the following reasons:

**INTRODUCTION**

On the 23<sup>rd</sup> day of June 2004, the City deposited its Official Submittal (the "Proposal") with the Commission wherein the City proposed to annex an area currently within the boundaries of St. Louis County, Missouri, and which was not within the jurisdiction of any municipality, township, village or other incorporated entity. The area is located adjacent to the eastern city limits, north of Carman Road and includes approximately 1,260 acres. The City refers to the area as the Carman-Manchester Area (the "Area") and the Commission has adopted this designation. In response to the completeness review performed by the Commission staff, the City submitted a revised Plan of Intent on June 25, 2004. As revised, the Commission deemed the Proposal complete.

On September 7, 2004, pursuant to Order of the Commission and statutory public notice, the Commission held a public hearing on the Proposal at the First Evangelical Free Church. At the public hearing, the City was permitted to present evidence in addition to the Proposal and representatives of the St. Louis County government were permitted to present evidence in response to the Proposal. Public comment was received from anyone in attendance wishing to speak. During the public hearing, members of the public were also notified by the Commission Chairman that they, as well as others not in attendance at the public hearing, could submit written comments to the Commission within 21 days following the date of the public hearing. Written comments from the public were received following the hearing. St. Louis County government also provided additional, detailed, written comments on the Proposal in the form of a written report dated September 28, 2004 (the "Report").

The Commission makes the following findings based upon: (1) the Proposal submitted by the City; (2) information provided by the City at the public hearing; (3) information presented by representatives of St. Louis County government at the public hearing and in their subsequent written comments; (4) the public comments received by the Commission at the hearing; and (5) the written comments received within 21 days after the hearing.

### GEOGRAPHIC

The City submits that the Area contains approximately 1,260 acres. The Area is bordered by Manchester Road and the City of Town & Country corporate limits to the north, the centerline of Grand Glaize Creek to the east and Carman Road to the south.

While the City is 45% contiguous to the Area, thereby meeting the statutory contiguity requirements, and represents a logical extension of the City's boundaries from a geographic prospective, the Proposal creates awkward boundaries within the part of unincorporated St. Louis County of which it is a central part. The Area is currently the middle one-third of an approximate 3,581 acre unincorporated area completely surrounded by incorporated municipalities. The Proposal would result in the other two unincorporated areas being functionally isolated and fragmented areas for County service provision.

Also, the City proposes to use the Grand Glaize Creek as a boundary thereby splitting the jurisdiction of at least six parcels, including Love Park, between the City of Manchester and St. Louis County.

### FINANCIAL

The City and St. Louis County presented evidence of the financial impacts and benefits the proposed transfer would have on the Area, St. Louis County and the City.

#### Impact on the Area

The City established that real property or personal property taxes would increase by \$0.25 per \$100.00 assessed valuation, \$0.20 of which is dedicated to the retirement of general obligation bonds, that are estimated to retire in the year 2023, issued to finance the construction of the new police facility. The remaining \$0.05 is for general revenue. The City levies the same five (5) percent gross receipt utility tax rate as St. Louis County, on all utilities except electric, which the City levies at four and one-half percent (4.5%). The City is a "pool participant" and distribution of sales-tax revenues is premised on the population of the community, which will lead to a considerable increase in sales-tax revenues for the City. Evidence presented by the City demonstrates that the sales tax will increase from 6.075% to 7.325%, which includes a ½ cent park and storm water improvement sales tax and a ½ cent capital improvement sales tax, and a ¼ cent local option sales tax.



In addition to the increase in the sales tax and property taxes, residents and property owners in the Area would be subject to additional costs if sewer lateral repairs and a sewer lateral repair program are required. Both St. Louis County and the City have sewer lateral repair programs, and in both cases the annual cost of this insurance program is \$28.00, which is added to real estate tax bills for residential properties of six units or less. St. Louis County imposes no costs to residents beyond the annual \$28.00 fee, while the City's program involves a \$500.00 application fee. Furthermore, the City's sewer lateral program also has a \$6,000.00 maximum expenditure, while St. Louis County has no maximum expenditures.

Also, the City's business license fees are based on total gross receipts and charged at graduated rates, as opposed to St. Louis County's nominal flat rate business license fee which applies to both incorporated and unincorporated areas. As such, businesses within the City of Manchester would be required to pay both the City and County business license fees. Overall, the City projects revenues from the annexation Area to be in excess of \$2.9 million dollars, which is approximately \$1.8 million dollars in revenue in excess of what St. Louis County is currently receiving, a 64% increase. That difference represents an additional tax burden on the businesses and residents of the annexation Area.

#### Impact on St. Louis County

As a "pool participant," the City receives sales tax revenue as a "pool" sales tax City on a per capita basis. However, the City's ½ cent parks and storm water improvements tax would be entirely retained by the City, as would 85% of its ½ cent capital improvements sales tax. Fifteen percent would be shared with the capital improvement sales tax pool, which does not include St. Louis County. A small portion of the ¼ cent local option sales tax would be shared with the sales tax "pool," which includes St. Louis County. For the first five years, one-half of the revenues from this tax would be retained by St. Louis County. Thereafter, only about 15% of the new revenues would be shared with the sales tax pool of which unincorporated St. Louis County is a member. The City calculates that the County will annually lose approximately \$1,513,670 from the Area. The Report indicates that the total annual revenue loss is estimated to be \$1,664,308. The Report explains that lost revenues can be attributed to a reduction in sales tax pool revenues based on lost population, loss of the Road and Bridge tax to the City, loss of utility taxes, reduction of highway user tax (CART) funds because of the reduction of the assessed values and miles of roads maintained in the unincorporated area, as well as losses of cigarette taxes, cable TV franchise fees, and fines and court costs for traffic and other violations. Based on the foregoing, the commission concurs in the County's conclusion that the loss of revenue that would result from the proposed annexation would be a significant loss to St. Louis County and would have a negative impact on the provision of services to citizens of St. Louis County.

#### Impact on Existing Municipality



The Proposal provides estimates on how the revenue generated from the Area would be spent. The City stated at the public hearing that it anticipates hiring eight (8) additional Police Officers due to the proposed annexation without specifying the cost in the Proposal. Other than the increase of the number of police officers and the cost to provide trash pickup to residences in the Area, no specific capital improvements or additional services have been enumerated in the Proposal or the public hearing. The \$2,896,452.00 in expenditures for 2006 listed in Table 6 of the Proposal represents simply an allocation of government expenses to the Area, including \$228,408.00 in debt service, primarily for the new police facility that the City is building. Based upon the lack of specific information regarding expenditures in the annexation Area, it is reasonable to conclude from the information provided that approximately \$1,000,000.00 received by the City as revenue from the annexation would not be reinvested into that Area.

### LAND USE AND ZONING

The Area contains a mixture of commercial, industrial/utility, residential and institutional land uses. Of the 2,597 total dwelling units in the Area, 47% are single family homes, 15% are condominiums and 38% are in multiple-family apartment complexes. The Area also includes a fire station, a church, 106 acres of subdivision common ground, a County park, some industrial and utility uses and a mixture of retail and office uses containing some 240 businesses. There are 15 different zoning classifications under the County zoning scheme and most of these classifications have a floodplain overlay district. The City's proposed zoning creates several problems for properties developed under the St. Louis County Zoning Ordinance. First, the City Zoning Code provides for a minimum lot size of 10,000 square feet. A large number of the single-family homes in the area were developed under a special zoning procedure, the Planned Environment Unit (P.E.U.) procedure, which promotes smaller sized lots that would balance with common ground acreage to maintain a required overall density. As a result of this incompatibility with St. Louis County's zoning designation and the City's proposed zoning designation, more than 20% of the lots that Manchester proposes to zone R-3 zoning classification do not meet the 10,000 square foot minimum lot size, thereby resulting in a nonconforming use for those properties. Similarly, the City proposes to zone the Thomas Mason Place subdivision under the R-2 zoning classification. This zoning category has a minimum lot size of 15,000 square feet, resulting in 7 of the 16 lots (44%) in that subdivision being nonconforming uses. Furthermore, the City lacks a zoning category specific for parks. As such, St. Louis County's 84 acre Love Park, currently in the Park and Scenic Zoning District, would reside in Manchester's R-1 residential district. The Report indicates that the result of this is that certain portions of property in that park could arguably be used for residential purposes.

Finally, the annexation area contains a substantial amount of floodplain acreage. The large number of residential and commercial properties and part of Love Park are located in the floodplain of Grand Glaize Creek and therefore have the overlay floodplain zoning of St. Louis County. St. Louis County's floodplain overlay district limits the permitted and conditional uses and stipulates the portion of single-family lots that must be outside of the floodplain area. The Proposal states that Manchester has a floodplain management



ordinance, but its regulations are not fully described. The City does not indicate what if any restrictions would be placed on the properties that were designated with the floodplain zoning district overlay to protect the Grand Glaize Creek from damaging floodplain development.

### SERVICES

The proposed Annexation would result in a number of municipal type services currently being provided by St. Louis County being transferred to the City of Manchester. Of particular importance is the provision of road improvements. An important project that St. Louis County has scheduled for 2006 is the replacement of a bridge on Braeshire Road at an estimated cost of \$2.3 million dollars. The cost of the design, scheduled to begin next year is estimated at \$300,000. If the Area is annexed, maintenance of this road will be transferred to Manchester and the City has not indicated whether or not it would go forward with this project.

More importantly, however, St. Louis County's provision of services to the two unincorporated areas to the north and to the south of the Area would be greatly affected by the proposed annexation. The proposed annexation would severely fragment St. Louis County services provided in the unincorporated area by incorporating the middle one-third of a large unincorporated area that is completely surrounded by incorporated municipalities. The annexation would remove 55% of the population and 35% of the land area that St. Louis County currently shares between Town & Country, Des Peres and Kirkwood on the east and Ballwin, Manchester and Valley Park on the west. The two unincorporated areas created by this annexation would be separated by a distance of 1.4 miles and would require passing through incorporated municipalities between the two areas. This fragmentation of the County service area would mean a significant loss of the economies of scale, including decrease in police response time due to reduced staff for the area.

### DECISION

At a public meeting of the Commission on March 22, 2005, with required statutory notice having been given, the Commission reviewed and discussed the Proposal and the additional information presented by all interested parties. Following discussion of the foregoing, and after each Commissioner had been provided the opportunity to express their respective thoughts concerning the Proposal, a motion was made to disapprove the Proposal as a Boundary Change – Annexation, with details of the motion, seconding of the motion, and vote of the Commissioners set forth in the approved minutes of the Commission from that meeting, which is incorporated by reference herein. The vote of the Commission was seven (7) in the affirmative, zero (0) in the negative, and one (1) abstention with three Commissioners having been absent. Pursuant to the Rules of the Commission, the motion carried and the Proposal was disapproved.

Pursuant to the foregoing vote, the Commission determines that the Proposal is not in the best interest of the City, the Area, or the unincorporated territories affected by the

Proposal, and of those areas of St. Louis County next to the Area. In consideration of the best interest test required by applicable statutes and the rules adopted by the Commission, it is the opinion of the majority of the Commission members that the Proposal should be disapproved as a Boundary Change—Annexation. Based on all of the circumstances, including the Proposal and the evidence presented to the Commission, the Commission has determined that disapproval of the Proposal is appropriate and justified by all of the factors available to the Commission for its consideration.

NOW THEREFORE, as of Tuesday, April 26, 2005, the Proposal shall be, and hereby is DISAPPROVED, as a Boundary Change—Annexation.

ATTEST:

BOUNDARY COMMISSION,  
ST. LOUIS COUNTY, MISSOURI

  
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Matthew Armstrong, Chairman

April 29, 2005  
Date