

**PROPOSED ANNEXATION BY
CITY OF ELLISVILLE**

**Report on BC 0405 Prepared by:
St. Louis County Department of Planning
for Submittal to:
Boundary Commission, St. Louis County
September 14, 2004**

Charlie A. Dooley
County Executive

Saint Louis
COUNTY
PLANNING

Glenn A. Powers
Director of Planning

September 14, 2004

Boundary Commission, St. Louis County
168 North Meramec Avenue, Suite 240
Clayton, Missouri 63105

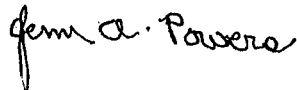
Re: Proposed Ellisville Annexation (BC 0405)

Dear Commissioners:

This report represents St. Louis County's analysis of the annexation proposed by the City of Ellisville. Its submittal is in accordance with the 21 day written comment period provided by state statute. The report is a review of the proposed annexation from the perspective of St. Louis County Government. It is intended as a comparative analysis of this proposal that will serve as a guide to the Boundary Commission in its deliberations.

Should the Commission require information in addition to what is contained in this report, we will make every effort to respond to your request in a timely manner.

Sincerely,



Glenn A. Powers, Director
Department of Planning

ANALYSIS OF PROPOSED ELLISVILLE ANNEXATION

TABLE OF CONTENTS

	Page
I. Introduction	
A. Purpose of Report	1
II. Geographic Information	
A. Area Proposed to be Annexed - General Description	1
B. Compactness and Other Boundary Issues	2
III. Financial Impacts of Proposed Annexation	
A. Impact on Area Residents and Property Owners	2
B. Impact on St. Louis County	3
C. Impact on Annexing Municipality	4
D. Traffic Generation Assessment	5
IV. Provision of Services	
A. Existing and Proposed Services	6
B. Services Not Affected	7
V. Land Use and Zoning	
A. Existing Land Use and Zoning.....	7
B. Comparison of City and County Zoning.....	7
C. Recent Zoning History	8
VI. Summary of Issues	9
VII. Recommendation of St. Louis County	10

Attachment: Map

I. INTRODUCTION

A. Purpose

The purpose of this report is to provide information regarding a proposed annexation of 530 acres (.83 square miles) of unincorporated St. Louis County by the City of Ellisville. This analysis is primarily based on a review of the Plan of Intent submitted to the Boundary Commission by the City of Ellisville, as well as a comparison of City and County data.

II. GEOGRAPHIC INFORMATION

A. Area Proposed to be Annexed - General Description

The 530 acre area proposed for annexation is located along the southeastern limits of Ellisville. It is bounded by the city limits of Ellisville on the north, the city limits of Ellisville and Wildwood on the west; and a large parcel and the Forest Ridge Trails subdivision on the south.

The area proposed for annexation by the City of Ellisville overlaps with two other current annexation proposals. The western portion of the proposed Ellisville annexation area is under consideration for annexation by the City of Wildwood, while the eastern portion is proposed to be annexed by the City of Ballwin.

Basic data for the proposed annexation area are provided in the following table.

TABLE 1

BASIC ANNEXATION AREA DATA	
Area ¹	530 acres (.83 square miles)
Population ²	723
Dwelling Units ³	262
Total Assessed Valuation ³	\$18,205,197
Assessed Valuation Per Capita ⁴	\$25,180

- Sources:
- ¹ City of Ellisville
 - ² 2000 U.S. Census
 - ³ St. Louis County Departments of Revenue and Planning, July, 2004
 - ⁴ St. Louis County Department of Planning

It should be noted that the City's population and dwelling unit counts are lower than the figures derived by the County, due mostly to a difference in estimation methods. With regard to population, the City has multiplied its housing units estimate by 2.47 persons per household (the Countywide average household size) in order to attain its population estimate. However, the 2.47 persons per household figure is probably low for the relatively new and large houses in this area. The County, on the other hand, has attained its population estimate by adding actual 2000 Census population numbers for Census blocks included in the area.

B. Compactness and Other Boundary Issues

The Plan of Intent indicates that the area proposed to be annexed is 25 percent contiguous to the City of Ellisville. While meeting the statutory requirement of 15 percent contiguousness, the proposed annexation does not represent a logical extension of the City's boundaries from a geographic perspective. The proposed annexation creates a very elongated boundary and decreases the City's compactness.

The Plan of Intent notes that the proposed annexation would eliminate certain unincorporated pockets along Kiefer Creek Road. These unincorporated pockets have been largely created by the irregular boundaries of previous Ellisville annexations. If the residential property owners of these pockets desire to be in Ellisville, they could request a boundary adjustment between St. Louis County and Ellisville, which does not require Boundary Commission review. Similarly, the unincorporated right-of-way of the portion of Kiefer Creek Road could be transferred with a boundary adjustment (in conjunction with the transfer of residential properties). This procedure would be preferable to address irregular boundaries, especially for the properties north of Quails Nest Road, since it requires agreement from the property owners, City of Ellisville, and St. Louis County.

Further, in reviewing the legal description provided in the Plan of Intent, it is noted that a section of Richland Meadows Drive, which is already in the city limits of Ballwin, has been included in Ellisville's description.

III. FINANCIAL IMPACTS OF PROPOSED ANNEXATION

According to the Plan of Intent, the City's property tax rate is \$.15 per \$100 of assessed valuation. The City's utility tax rate is currently 7 percent. St. Louis County's utility tax rate is 5 percent for all utilities. The City's sales tax rate is 6.575%, which is an one-half cent higher than the unincorporated County rate of 6.075%. The difference in sales tax rates is due to Ellisville's establishment of a parks and storm water tax passed by voters in 1995.

A. Impact on Area Residents and Property Owners

Annexation by the City of Ellisville would result in some financial impact on residents and property owners in the annexation area due to changes in property, utility and sales taxes. With the City's property tax rate of \$.15 per \$100 of assessed value, it is estimated that there would be an annual increase in property taxes of approximately \$57 per year for a home valued at \$200,000 (\$38,000 in Assessed Value).

Ellisville's utility tax rate is 7 percent, higher than the 5 percent rate for unincorporated St. Louis County. The difference in the rate would increase a typical resident's utility bill by about \$40.00 annually.

If the annexation is successful sales tax on any purchases made within the area will increase from .06075 to .06575. Since there are no commercial properties currently within the area proposed to be annexed there would be no effect on retail store purchases. However, sales tax on the purchase of a \$20,000 vehicle will increase by \$100 (without a trade-in) since the purchase of cars

and boats is based on the rate levied by the jurisdiction where the purchaser lives.

If annexed, residents would experience a change in trash collection services. Currently, households individually contract for trash service from a private hauler. The residents would receive services from the trash hauler under contract with the City of Ellisville after an initial two year period that is legislatively mandated by State law. The Plan of Intent states that increases in real estate taxes paid by the residents would be completely offset by the provision of the City's trash collection service. However, no specific costs are provided on what residents currently pay.

Some savings could also be realized by the City's assumption of street lighting costs. However, the Plan of Intent does not indicate what the amount of the anticipated financial benefits to the homeowner would be.

As a point of information on tax rates, it should be noted that the current County tax rate is \$.58 per \$100 of assessed valuation of real and personal property. All property owners will continue to pay this tax to the County even if the area is annexed. In addition, \$.105 per \$100 assessed valuation collected for the Road and Bridge Tax from the County's \$.58 total tax rate would go to Ellisville if the annexation occurs.

B. Impact on St. Louis County

The total annual revenue loss that County Government could experience as a result of the proposed annexation is estimated to be \$185,098. A breakdown of County revenue loss by funding source is provided in the following table.

TABLE 2

ESTIMATED ANNUAL COUNTY REVENUE LOSS FROM THE PROPOSED ELLISVILLE ANNEXATION	
	Annexation Area
Sales Tax ¹	\$66,516
Utility Tax ²	25,938
C.A.R.T. ³	52,458
County Road and Bridge ³	19,115
Cigarette Tax ⁴	2,740
Cable T.V. Tax ⁵	2,358
Fees & Fines ⁶	15,973
TOTAL	\$185,098

¹ Based on \$118 per capita less annexation adjustment of \$26 per capita.

² Assumes average annual utility bill of \$2,000 and a 5% utility tax.

³ Estimate by St. Louis County Department of Highways and Traffic.

⁴ Based on \$3.79 per capita.

⁵ St. Louis County calculates (Housing Units x .5) x (Annual Average Cost of Cable) x .03 = _____

⁶ Based on estimates by the St. Louis County Departments of Public Works and Police

The loss of \$185,000 annually is not insignificant to St. Louis County, even in light of its sizable operating budget. Further, the cumulative revenue losses experienced from previous annexations and anticipated losses if other annexation proposals currently pending before the Boundary Commission are approved are substantial. Thus, approval of this proposal will have some negative impact on the provision of services to citizens of St. Louis County.

C. Impact on Annexing Municipality

The following table compares the City's and the County's estimates of new revenues for Ellisville if the annexation is successful.

TABLE 3

CITY AND COUNTY ESTIMATE OF ELLISVILLE'S NEW ANNUAL REVENUES		
Source	County Estimated Amount	City Estimated Amount⁹
Sales Tax ¹	\$ 85,314	\$ 85,618
Utility Gross Receipts Tax ²	36,313	91,853
State Road Aid (Gasoline and motor vehicle) ³	28,696	24,262
County Road and Bridge ⁴	19,115	14,491
Cigarette Tax ⁵	2,740	2,398
Property Tax ⁶	19,115	20,702
Cable T.V. Tax ⁷	2,358	2,358
Miscellaneous taxes/permits/licenses/fees ⁸	7,527	7,527
TOTAL	\$201,178	\$249,209

- ¹ County estimate based on \$118 per capita.
- ² Assumes average annual utility bill of \$2,000 with Ellisville utility gross receipts tax rate of 7%.
- ³ State Road Aid includes: gasoline tax, motor vehicle sales tax, and auto license fees. County estimate based on \$39.69 per capita.
- ⁴ Rate is \$.105 per \$100 assessed valuation.
- ⁵ County estimate based on \$3.79 per capita.
- ⁶ Ellisville's property tax rate is \$.15 per \$100 assessed valuation.
- ⁷ St. Louis County calculates (Housing units x .50) x (Annual Average Cost of Cable) x .03 = _____. No estimate is provided by the City; County estimate is assumed for the City.
- ⁸ City of Ellisville estimate.
- ⁹ Estimates from Ellisville Plan of Intent, except where noted.

The County estimates that Ellisville will receive \$201,178 from the area if annexed; the City estimates revenues of \$249,209 – a difference of \$48,031. The most significant difference between the City and County estimates is the calculation of utility tax revenue.

The Plan of Intent provides estimates on how the revenue generated from the area would be spent. The City's estimates are shown in the following table.

TABLE 4

CITY ESTIMATE OF ANNUAL EXPENDITURES FOR THE AREA	
Service	Estimates for Expenditures
Administrative	\$9,285
Courts	1,130
PIE (Planning, Inspections, & Engineering)	46,640
Police	2,505
Public Works	12,808
Parks	2,000
Trash Collection	35,896
TOTAL	\$110,264

The Plan of Intent does not anticipate the hiring of any additional personnel to provide services in the area proposed to be annexed. The Plan of Intent does not mention any plans that the City may have for capital improvement projects for this area.

Given the revenues estimated to be generated by the annexation area and the cost of anticipated City services to the area, Ellisville stands to gain at least \$90,000 annually by the annexation.

D. Traffic Generation Assessment

The area includes two Road Traffic Generation Assessment Road Trust Fund Areas: the Pond-Grover Fund and Big Bend-Oak-Kiefer Creek Corridor Fund. The continuation of the Traffic Generation Assessment Road Trust Fund is integral in meeting the needs of area residents and the traveling public for road improvements in the area. The Plan of Intent states that the City of Ellisville does not acknowledge that there is a Traffic Generation Assessment Road Trust Fund established by the County in this area nor does it indicate that it will continue to require participation in the fund by any new development.

IV. PROVISION OF SERVICES

A. Existing and Proposed 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 annexation area. If the annexation election were successful, some of the current services provided by St. Louis County would be transferred to the City of Ellisville. The following table lists basic municipal-type services provided in the area proposed to be annexed and identifies their current and proposed provider.

TABLE 5

SERVICES		
Service	Current Provider	Proposed Provider
Police Protection	St. Louis County	City of Ellisville
Fire Protection/EMS/ALS	Metro West Fire Protection District	
Streets ¹	St. Louis County	St. Louis County, City of Ellisville
Sidewalk Improvement and Repair	St. Louis County	City of Ellisville
Parks and Recreation	St. Louis County	St. Louis County, City of Ellisville
Refuse Collection	Private Haulers	City of Ellisville (contract with private haulers)
Street Lighting	Property Owner	City of Ellisville (City pays energy and maintenance charges)
Planning, Zoning, and Subdivision Regulations	St. Louis County	City of Ellisville
Building Code, Mechanical Permits and Inspections ²	St. Louis County	St. Louis County, City of Ellisville
Residential Occupancy Permits and Inspections ³	None	City of Ellisville
Health Services - Rodent Control, Mosquito Fogging, Animal Control ⁴	St. Louis County	City of Ellisville
Municipal Court	St. Louis County	City of Ellisville

¹ Some 4.44 miles of roads on the County Road System would be transferred to Ellisville if the annexation occurs. The 1.87 miles of roads on the Arterial Road System (Kiefer Creek Road) will continue to be maintained by St. Louis County. There are also a number of private roads in the area that are not maintained by St. Louis County.

² Ellisville contracts with St. Louis County to issue permits or enforce codes relating to residential and commercial mechanical, electrical, explosives, fire suppression systems, elevators and conveyors, amusement rides, and periodic inspections of mechanical equipment.

³ While no residential occupancy permits and associated inspections program exist in this area, residents could petition the County Council to authorize a Property Conservation District in their area.

⁴ While the City of Ellisville would assume primary responsibility for these services, St. Louis County would continue to provide certain rodent and animal control services even if the City annexes the area.

St. Louis County currently is able to reasonably access the area proposed to be annexed via Kiefer Creek Road and St. Paul Road. St. Louis County provides quality efficient municipal services to the proposed annexation area and will continue to do so if the area remains unincorporated.

B. Services Not Affected

The area is serviced by the Metro West Fire Protection District, which is an independent taxing jurisdiction that will not be affected by annexation. The St. Louis County Water Company and the Metropolitan St. Louis Sewer District will continue to provide water and sewer services, respectively. The area will continue to be served by the Rockwood School District and the St. Louis County Library system. The services provided by these jurisdictions and their respective tax rates would not be affected by annexation.

V. LAND USE AND ZONING

A. Existing Land Use and Zoning

The primary land use in the area is single family residential. Current zoning designations in the area include NU Non Urban District and FPNU Flood Plain Non Urban District, as well as R-1, R-1A, FPR-1A, R-2, and FPR-2 Residence Districts. Also some properties in the area have been developed with a PEU Planned Environment Unit procedure.

B. Comparison of City and County Zoning

As the Ellisville Zoning Code is modeled after the St. Louis County Zoning Ordinance, all districts can be accommodated by equivalent Ellisville designations: NU Non Urban District and R-1, R-2, and R-3 Residence Districts (which roughly approximate the St. Louis County designations NU, R-1, R-1A, and R-2, respectively). The maximum residential densities under Ellisville zoning would be very similar to the current St. Louis County maximum densities. The City's R-2 designation allows a slightly smaller maximum residential lot size (21,780 square feet) than the County's R-1A maximum (22,000 square feet), which may result in some nonconforming lot sizes.

Ellisville regulations are slightly more restrictive with regard to front and rear residential setbacks and building heights, but slightly less restrictive with regard to side setbacks. As with the R-1A/R-2 maximum lot size discrepancy, the differences in minimum setbacks may result in some nonconforming lots. Permitted uses in the City zoning designations roughly correspond with the permitted uses in the equivalent County designations, though no current land uses in the annexation area are likely to present problems with regard to the minor permitted use discrepancies.

A statement was made at public hearing that the NU Non-Urban District zoning is considered a "holding category" by the County. It is the County's belief that this zoning classification is a viable zoning district for areas that warrant such a designation. It is important to note that the County's NU Non-Urban District is a zoning district in the same sense as other residential

zoning districts. NU District zoning does not necessarily function as a "holding zone" for future, more dense, development. In order to change the zoning classification for any property that is zoned

NU Non-Urban District the same process must be followed as changing the zoning from any zoning classification to another, e.g., R-1 One Acre Residence District to R-2 15,000 square foot Residence District, or R-2 15,000 square foot Residence District to R-3 10,000 square foot Residence District.

Although some parcels in unincorporated St. Louis County that are currently zoned NU District may be rezoned to allow more dense development, this is not necessarily the case in all instances, and many areas currently zoned NU Non-Urban District will never be developed more densely. The Planning Commission and the County Council consider many factors, such as continuity of land use patterns, road safety, and compatibility of the proposed development with surrounding uses prior to recommending approval of any rezoning.

C. Recent Zoning History

The proposed annexation area contains two areas that were rezoned in the past five years. One area was rezoned from NU Non Urban District to R-1 One Acre Residence District and R-1A 22,000 square foot residence district with a PEU Planned Environment Unit procedure by petitions P.C. 90-03 and 91-03 McBride & Son Homes for the purpose of developing a single family subdivision on 66.10 acres of land. One hundred-seventeen lots in the R-1A District were originally requested. Sixty-nine single family homes were ultimately approved. This rezoned area is located west of St. Paul Road in the northwestern portion of the proposed annexation area.

A second area containing a single lot was rezoned from NU Non Urban District to R-1 One Acre Residence District by petition P.C. 27-00 James E. Hostler for the purpose of splitting into two lots and building a single family home on each of the resulting lots. This rezoned area is located in the northernmost unincorporated pocket subject to this annexation request, east of Kiefer Creek Road. It is essentially surrounded on all sides by the City of Ballwin and the City of Ellisville.

VI. SUMMARY OF ISSUES

1. Compactness and other Boundary Issues

The proposed annexation area is not compact and creates an unusual, elongated boundary. Small, unincorporated pockets and the unincorporated right-of-way of Kiefer Creek Road are largely the result of the irregular boundaries of prior annexations. These unincorporated residential areas could be transferred to Ellisville by St. Louis County through a boundary adjustment procedure with the consent of the property owners.

2. Impact on Area Residents and Property Owners

The City of Ellisville levies a \$.015 property tax and has a higher sales tax and utility tax than St. Louis County. While Ellisville's Plan of Intent notes that increased taxes will be offset by the provision of trash service and street lighting, no specific figures have been provided.

There appears to be little resident support for this proposed annexation based on the survey results provided by the City of Ellisville at the public hearing held on August 24, 2004, the comments made by residents at the public hearings held on August 24 and August 31, and correspondence submitted to the Boundary Commission.

3. Impact on St. Louis County/Adjacent Unincorporated Areas

Financially, St. Louis County will be negatively impacted should the proposed annexation occur. The annual revenue loss to St. Louis County is estimated to be \$185,098. Reduction in the service area impacts St. Louis County's efficiencies and the benefits derived from certain economies of scale.

4. Impact on Annexing Municipality

The proposed annexation is not revenue neutral. The City of Ellisville would appear to reap an annual windfall of at least \$90,000 by annexing this area.

5. Traffic Generation Assessment

The area includes two Road Traffic Generation Assessment Road Trust Fund Areas: the Pond-Grover Fund and Big Bend-Oak-Kiefer Creek Corridor Fund. The continuation of the Traffic Generation Assessment Road Trust Fund is integral in meeting the needs of area residents and the traveling public for road improvements in the area. The Plan of Intent states that the City of Ellisville does not acknowledge that there is a Traffic Generation Assessment Road Trust Fund established by the County in this area nor does it indicate that it will continue to require participation in the fund by any new development.

5. Accessibility of County Services

St. Louis County currently is able to reasonably access the area proposed to be annexed via Kiefer Creek Road and St. Paul Road. In addition, it should be noted that St. Louis County provides quality efficient municipal services to the proposed annexation area and is willing to continue to do so in the future.

6. Land Use & Zoning

The primary current land use in the area is single family residential. As the Ellisville Zoning Code is modeled after the St. Louis County Zoning Ordinance, all districts can be accommodated by equivalent Ellisville designations. Minor differences in density and setback restrictions may cause some properties to become nonconforming if annexed by Ellisville.

VI. RECOMMEDATION OF ST. LOUIS COUNTY

St. Louis County believes that the proposed annexation is not in the best interest of the area to be annexed nor in the best interest of the adjacent unincorporated areas. The proposed annexation area creates an unusual and irregular boundary, increases the tax burden on residents without clearly advantageous benefits in services, has a negative financial impact on St. Louis County, and seems to have very limited resident support. The annexation appears to be a city-driven proposal with a considerable net gain in revenues. For these reasons, St. Louis County is opposed to the annexation and requests the Boundary Commission to consider its disapproval.

