

Before the Boundary Commission, St. Louis County, Missouri

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In re: Proposal of the City of Florissant)
) File No. BC0802
)
) Area 13
)
)

**SUMMARY OF DECISION
PROPOSAL FOR ANNEXATION OF AREA 13
CITY OF FLORISSANT, MISSOURI**

INTRODUCTION

On the 17th day of November 2008, the City of Florissant ("City") delivered its Official Submittal ("Proposal") to the St. Louis County Boundary Commission ("Commission"), wherein the City proposed to annex an area of land currently within the boundaries of St. Louis County, Missouri ("County"), and that was not within the jurisdiction of any municipality, township, village or other incorporated entity. The City refers to the area as Area 13 ("Area 13") and the Commission has adopted this designation.

Area 13 is generally bounded by the City to the south, Old Halls Ferry Road to the east, North Highway 67 (except for one parcel, North County Golf and Sports Center, just north of North Highway 67 at Coldwater Creek), and Coldwater Creek to the west and south. Area 13 includes approximately 172.3 acres. In response to the completeness review, the City provided additional information and clarification on November 24, 2008. As revised, the Commission deemed the Proposal complete.

On February 3, 2009, pursuant to Order of the Commission and statutory public notice, the Commission held a public hearing on the Proposal at the St. Louis County Library, Jamestown Bluffs Branch, 4153 North Highway 67, Florissant, Missouri 63031. At the public hearing, the City was permitted to present evidence in support of the Proposal. Representatives of the County were permitted to present evidence in response to the Proposal. Both the City and County responded to questions from the Commission regarding the Proposal. Public comment was received from anyone in attendance wishing to speak. Written comments from the public were received during the twenty-one (21) day comment period following the hearing. The County also provided a detailed, written report on the Proposal in the form of a written report dated February 24, 2009 ("Report").

The Commission makes the following findings and conclusions based upon: (1) the Official Submittal by the City; (2) information provided by the City at the public hearing; (3) information presented by the County at the public hearing; (4) the public comment received by the

Commission at the hearing; and (5) the written comments received within 21 days after the hearing.

FINANCIAL

Impact on the Area

Annexation of Area 13 by the City will have minimal impact, financially, on Area 13. Property tax and utility tax would remain constant. Area 13 would experience an increase of approximately \$1.51 per month in the cost of trash service during the first year after annexation.

According to the information provided by the City, the sales tax rate in Area 13 would increase from 6.075 percent to 7.075 percent, based upon 2007 City tax rates.¹ There are, however, no retail commercial properties within Area 13. The increase in sales tax would be realized by the residents of Area 13 when a new vehicle is purchased.

The Commission concludes that the financial impact of the annexation on Area 13 is minimal and would not have negative impact on the citizens of Area 13.

The Commission also notes and finds significant that no resident of the Area appeared at the public hearing and voiced their opinion of the Proposal. Similarly, during the 21 days following the public hearing, the Commission did not receive any comments in support of the Proposal from residents of the Area.

Impact on the City

According to the information provided by the City, in 2005 the City's General Operating Fund expenditures exceeded its revenues by \$905,836; in 2006 the City's General Operating Fund expenditures exceeded its revenues by \$1,343,799; in 2007 the City's General Operating Fund expenditures exceeded its revenues by \$801,970. During the same three-year period, the City's General Operating Fund balance was reduced from \$10,424,998 to \$8,323,928.

The City's 2008 budget calls for expenditures of \$22,895,623, while only anticipating revenue of \$21,123,000, resulting in a loss of \$1,772,623. In 2008, the City expected its General Operating Fund balance to be reduced to \$6,551,305. The estimated reserve of the General Operating Fund in fiscal year 2009 is expected to further decline to approximately \$5,000,000.

According to the financial figures provided by the City, annexation of Area 13 will increase the annual revenue of the City by approximately \$436,524. The City also projects that annexation of Area 13 will increase annual expenditures by the City by approximately \$436,524.

However, according to the information provided by the City, the estimated expenditures do not account for several improvements to be provided to Area 13 over a three (3) year period. A large part of the \$109,200 estimate for street repairs in Area 13 will be paid from the Capital

¹ The sales tax rate for the City as of the date of this Summary of Decision is 7.325 percent.

Improvement Fund, which has an estimated reserve of only \$150,000 for fiscal year 2009. Costs to install new street lights, estimated at \$128,100, will be funded from the General Operating Fund, thereby further depleting the City's General Operating Fund.

The City also provided a pro forma financial statement projecting its revenues and expenditures for a three (3) year period following annexation, which showed a continued pattern of expenditures exceeding revenues. The City anticipates a loss of \$1,946,415 in the first year, \$2,256,980 in the second year, and \$2,279,550 in the third year following annexation, if approved.

The City provided supplementary information to the Commission, stating that the City's budget is "highly dependant" upon the City's population as a pool city, and that the City is acutely aware of the health of the overall economy at large. Both the 1990 and 2000 census impacted the City drastically and served to significantly and rapidly reduce the City's operating revenue. The City anticipates the results of the approaching 2010 census to be similar and expects a reduction in population and thus a corresponding reduction in its operating revenue.

The Commission concludes that the financial impact of the annexation on the City is not insignificant and would negatively impact provision of services to citizens of the City in that increasingly scarce financial resources will be diluted to the area to be annexed with no increase in revenue to the City as a result of the annexation.

Impact on the adjoining areas not involved in the boundary change and the residents thereof

The City of Black Jack, a municipality adjacent to both Area 13 and the City, provided both written comments and public comment at the public hearing in opposition to the Proposal. The Commission notes that continued annexations of small areas of the County limits the growth potential of the adjoining municipalities, including smaller municipalities such as the City of Black Jack. The proposed annexation negatively impacts the adjoining areas in that it further limits future growth opportunities for smaller communities such as the City of Black Jack.

Impact on the entire geographic area of the County

The County estimates that the total annual revenue loss expected by the County as a result of the Proposal is \$139,737. The County's figure is substantially less than the figure provided by the City, \$287,501, and no attempt has been made to reconcile the discrepancy. Assuming the County's figure is accurate, the cumulative annual revenue loss to the County due to recent boundary adjustments, excluding the Valley Park annexation, BC0411, is conservatively estimated to be in excess of \$1,113,949. Although the revenue lost to the City from this Proposal is not substantial, it can not be viewed in a vacuum. The impact of this Proposal on the entire geographic area of the County is compounded by revenues lost by the County through other recent boundary changes. When the revenue lost by the County due to the Proposal is viewed in connection with previous lost revenues, the impact of this Proposal is significant.

The Commission concludes that the loss of revenue that would result from the Proposal is not immaterial to the County and negatively impacts provision of services to citizens of the County.

GEOGRAPHIC

A legal description of Area 13 was included as subsection (vi) of the Section 4 Supporting Documents of the Proposal and is attached to this Summary of Decision as Exhibit A. A map of the proposed annexation area was attached as Attachment "B" (Subdivision Map – Area 13), and a copy of the map is attached to this Summary of Decision as Exhibit B.

The City submits that Area 13 contains 172.3 acres and is generally bounded by the City limits and Coldwater Creek, to the west and south; Old Halls Ferry Road and unincorporated St. Louis County to the east; and North Highway 67 and unincorporated St. Louis County to the north, with one exception. The proposal creates a single extension across North Highway 67, capturing North County Golf and Sports Center within the area to be annexed. At the public hearing, the City stated that its only purpose in including this parcel is to pave the way for future annexations of areas to the north of the North County Golf and Sports Center that are not presently contiguous to the existing boundaries of the City.

While the Proposal indicates that Area 13 is 43% contiguous to the City, the Proposal does not represent a logical and reasonable extension of the City's boundaries from a geographic perspective. Continuing the annexation along North Highway 67, excluding the North County Golf and Sports Center, would have created a logical and reasonable boundary from a geographic perspective.

ZONING

Area 13 includes three residential subdivisions, totaling 389 housing units, with a total population of approximately 721 individuals, per the 2000 census. In addition to North County Golf and Sports Center, Area 13 also includes a bank, construction/grading company, a church and a school.

The City states in the Proposal that it will reclassify all properties in Area 13 into the most similar zoning district within the City's zoning code. The City does not have a Flood Plain District, and North County Golf and Sports Center as well as the construction/grading company, Schaefer Meyer Grading Company, would be subject to the City's Flood Plain Ordinance.

It is unlikely that Area 13 would experience an impact from these zoning and land use changes.

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, including but not limited to public works services through the City's Public Works Department, Municipal Court, and Police. The City stated it does not anticipate hiring any additional police officers to its Police Department, if the proposed Annexation is approved.

Area 13 residents would be entitled to access as residents the City's recreational and community-oriented services, such as senior services.

The Area is presently serviced by the Black Jack Fire Protection District. Annexation will not affect this service. The Area receives sewer service through Metropolitan St. Louis Sewer District and water through Missouri American Water Company. Neither sewer service nor water service will be impacted by annexation. These services would continue to be provided by Metropolitan St. Louis Sewer District and Missouri American Water Company, respectively.

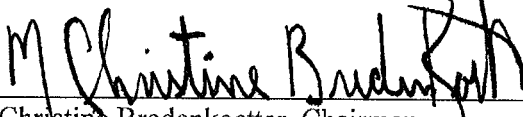
DECISION

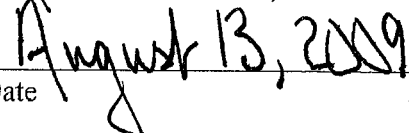
At a public meeting of the Commission on August 13, 2009, wherein nine (9) Commissioners were present, with required statutory notice having been given, the Commission reviewed and discussed the Proposal. Following discussion of the foregoing, and after each Commissioner had been provided the opportunity 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. The vote of the Commissioners was seven (7) in the affirmative, one (1) in the negative and one (1) commissioner not voting. 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, the unincorporated territories affected by the Proposal, or 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, the Proposal hereby is DISAPPROVED, effective as of August 13, 2009, as a Boundary Change-Annexation.

BOUNDARY COMMISSION,
ST. LOUIS COUNTY, MISSOURI


Christine Bredenkoetter, Chairman


Date

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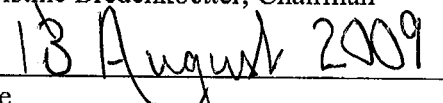
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