



Charlie A. Dooley
County Executive

Glenn A. Powers
Director of Planning

September 21, 2010

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

Re: Proposed Valley Park Annexation – Unincorporated Pocket (BC1003)

Dear Commissioners:

This report represents St. Louis County's analysis of the annexation proposed by the City of Valley Park of the Unincorporated Pocket. 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.

Based on our review of the City of Valley Park's Plan of Intent, statements made at the public hearing on September 9, 2010, and a comparison of City and County data, St. Louis County Government supports the proposed annexation.

The area proposed to be annexed is completely surrounded by and only accessible through the City of Valley Park. Although St. Louis County provides quality services at a reasonable cost to residents in the proposed annexation area, it is difficult for the County to provide these services in an efficient manner due to its location. There are no County Road System roads in the area proposed for annexation and limited use of County services within the area. In addition, the proposed annexation would have a minimal financial impact on St. Louis County. For these reasons, St. Louis County supports the proposed annexation by the City of Valley Park.

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,

A handwritten signature in black ink that reads "Glenn A. Powers". The signature is written in a cursive style with a large, stylized initial 'G'.

Glenn A. Powers
Planning Director

**PROPOSED ANNEXATION BY
THE CITY OF VALLEY PARK
UNINCORPORATED POCKET**

**Report on BC1003
Prepared by St. Louis County Department of Planning
Submitted to St. Louis County Boundary Commission
September 21, 2010**

I. INTRODUCTION

A. Purpose of Report

The purpose of this report is to provide information regarding a proposed annexation of 17.9 acres of unincorporated St. Louis County by the City of Valley Park. This analysis is primarily based on a review of the Plan of Intent submitted to the Boundary Commission by the City of Valley Park and comments made at the September 9, 2010 Public Hearing, as well as a comparison of City and County data.

B. History of Boundary Change Proposals in Area

Though the City of Valley Park has submitted proposals to annex portions of unincorporated St. Louis County in recent years, the area proposed for annexation (known as the Unincorporated Pocket) has not been the subject of such a proposal.

II. GEOGRAPHIC INFORMATION

A. General Description of the Area Proposed to be Annexed

The 17.9-acre area proposed for annexation is bounded entirely by the city limits of Valley Park, and includes the following ten properties:

- 34 Main Street,
- 41 Main Street,
- 44 Main Street,
- 112 Main Street,
- 116 Main Street,
- 122 Main Street,
- 127 Main Street,
- 227 Main Street,
- 227 Rear Main Street, and
- 2 Francis Avenue.

By statutory definition (Missouri Revised Statutes Section 72.407), an “unincorporated pocket” must have an average residential density in excess of one dwelling per three acres. It is unclear whether or not the proposed annexation area meets this statutory requirement. Basic data for the proposed annexation area are provided in Table 1.

TABLE 1

BASIC ANNEXATION AREA DATA¹	
Area	17.9 acres
Housing Units	6 ²
Population	16 ³
Total Assessed Valuation	\$236,007 ⁴
Assessed Valuation Per Capita	\$14,750

Notes:

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

² Housing unit count from existing land use survey conducted August 25, 2010.

³ Population estimate is based on the number of housing units multiplied by average household size from the 2000 U.S. Census.

⁴ Approximately one-half of the total assessed valuation (\$121,360) is tax exempt.

B. Existing Land Use and Zoning

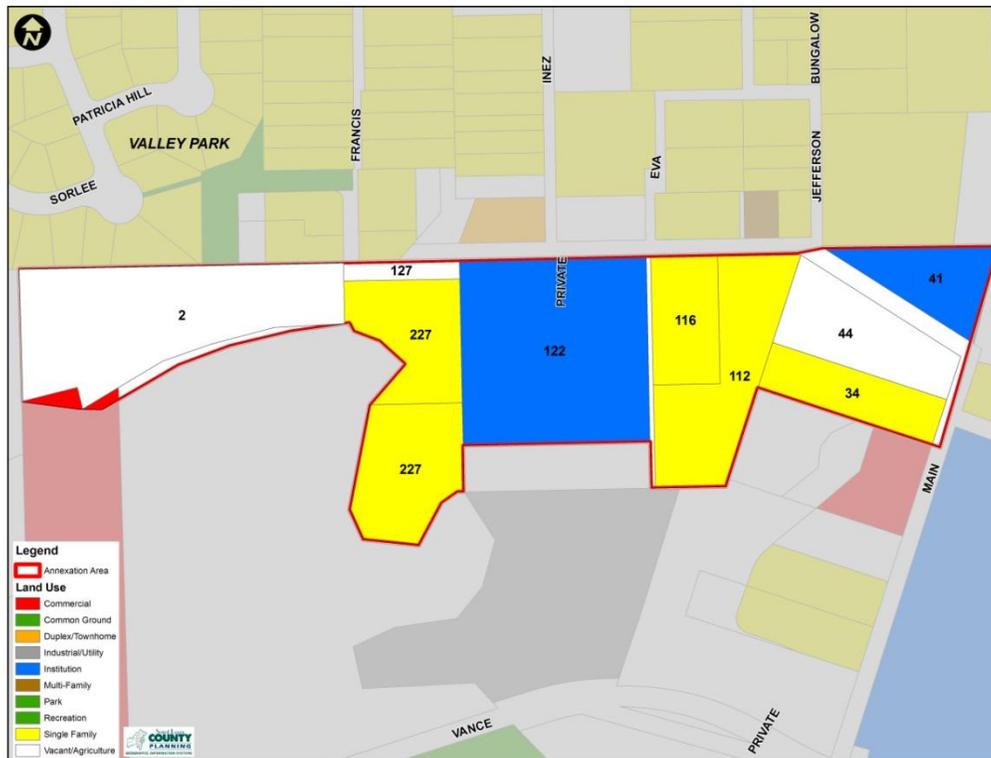
The proposed annexation area is comprised of a total of ten parcels. The existing land use of those parcels includes five occupied single-family residences, two institutional uses (First Church of Christ Scientist and Sacred Heart Cemetery), and three vacant parcels. The vacant parcels include a city-owned parcel that provides right-of-way for Main Street; a 1.44-acre parcel where a home was torn down and nothing has been rebuilt yet; and a 3.49-acre parcel with an existing vacant, boarded-up house. The existing land use of the proposed annexation area is listed in Table 2 and shown in Map 1.

TABLE 2

EXISTING LAND USE	
Land Use	Address
Residential	34 Main Street
	112 Main Street
	116 Main Street
	227 Main Street
	227 Rear Main Street
Institutional	41 Main Street
	122 Main Street
Vacant	44 Main Street
	127 Main Street
	2 Francis Avenue

Source: Existing land use survey conducted August 25, 2010.

MAP 1: EXISTING LAND USE



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



34 Main Street – Residence



44 Main Street – Vacant



41 Main Street – Church



112 Main Street – Residence



116 Main Street – Residence



127 Main Street – Cemetery



227 Main Street – Residence



227 Rear Main Street – Res.

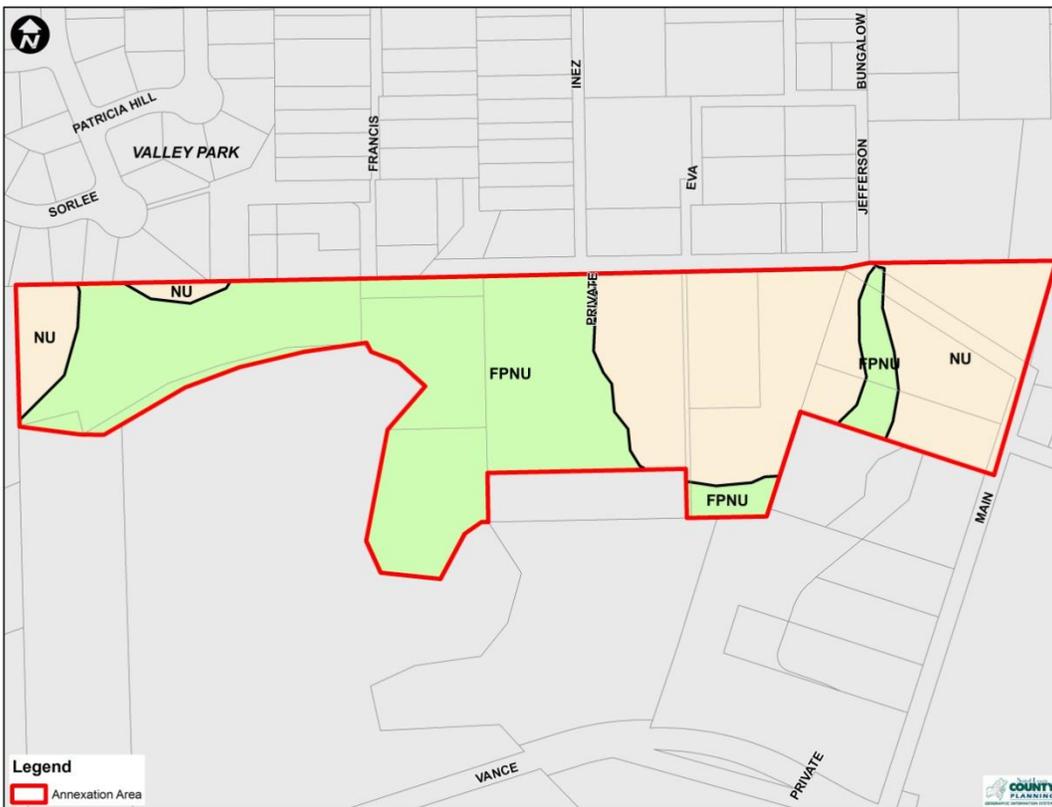


2 Francis Avenue – Vacant

The proposed annexation area contains two zoning districts: NU and FPNU (see Map 2). Approximately one-half of the area is zoned NU, Non-Urban District. The NU District encompasses areas within which rough natural topography, geological conditions, or location in relation to urbanized areas creates practical difficulties in providing and maintaining public roads, and public or private utility services and facilities. This district is also assigned to those areas where specific potential development patterns have not been identified or where significant non-urban uses have been established. Single-family homes and churches on lots of three or more acres are permitted uses in the NU District.

The other half of the area is in the flood plain and, therefore, is zoned FPNU, Flood Plain Non-Urban District. As such, the NU District constitutes the underlying zoning and the FP District constitutes an "overlay" district. The FP District regulations control in the case of any conflict between the FP regulations and the regulations otherwise applicable to any property by virtue of its "underlying" zoning.

MAP 2: ZONING



C. Comparison of City and County Zoning

The Plan of Intent states that all properties in the proposed annexation area will be reclassified from the County’s NU and FPNU Districts to the City of Valley Park’s R1, Single-Family Residential District. The city’s zoning ordinance states that the R1 District is composed of those areas of the city whose principal use is and ought to be single-family dwellings on large sized lots (minimum area of 10,000 square feet). All existing uses in the proposed annexation area are permitted uses in the R1 District.

It should be noted that the City of Valley Park does not appear to have a Flood Plain District. Therefore, the Flood Plain designation would be removed from all properties located within the flood plain. Instead, such properties would be subject to the City's flood plain policies.

D. Compactness and Other Boundary Issues

The area proposed to be annexed is 100 percent contiguous to the city limits of Valley Park. The annexation of the proposed area by the City of Valley Park would eliminate an unincorporated pocket within the city limits of Valley Park.

III. FINANCIAL IMPACTS OF PROPOSED ANNEXATION

The City of Valley Park levies both a property tax (\$0.470) and a personal property tax (\$0.570) that are in addition to the St. Louis County property tax and personal property tax. The City's sales tax rate is 7.925 percent, which is one cent higher than the unincorporated County rate of 6.925 percent. The City's additional one cent sales tax is dedicated in equal amounts to capital improvements and storm water improvements. As a "point-of-sale" sales tax city, Valley Park retains most of the tax revenues collected within its borders. The City's utility tax rate is currently 5 percent, which is equal to the St. Louis County rate. Both Valley Park and the County impose an annual per-unit fee for their respective Sewer Lateral Repair programs. The City of Valley Park charges \$50 per year, nearly double the \$28 fee that the County charges.

A. Impact on Area Residents and Property Owners

Annexation by the City of Valley Park would result in higher property tax, personal property tax, sales tax and sewer lateral fees for residents and property owners in the proposed annexation area. Utility tax, however, would not change. As such, the average homeowner in the area proposed for annexation would experience an increase in taxes and fees of \$162 (excluding sales tax). Additionally, rates for trash collection and recycling services would increase by \$45 annually; however, yard waste service would be included. A tax rate comparison between the City of Valley Park and unincorporated St. Louis County is provided in Table 3.

TABLE 3

2009 CITY AND COUNTY TAX RATES^{1, 2}		
Taxes/Fees	City of Valley Park	Unincorporated St. Louis County
City Property Tax	\$0.470	N/A
City Personal Property Tax	\$0.570	N/A
County Property Tax	\$0.523	\$0.523
County Personal Property Tax	\$0.523	\$0.523
Sales Tax	7.925%	6.925%
Utility Tax	5.0%	5.0%
Sewer Lateral Fee	\$50.00	\$28.00

Notes:

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

² It should be noted that Missouri state statutes require taxing jurisdictions, including municipalities, to set their property tax rates by October 1. The City of Valley Park has indicated that the city's tax rates will remain unchanged as of October 1, 2010.

Property taxes are based on a rate per \$100.00 of assessed value. A property owner in Valley Park pays a city property tax *in addition to* the county property tax. Based on the residential rate of \$0.470, an owner of a house in Valley Park with an *appraised value* of \$124,900 (which equals an *assessed value* of \$23,730) would pay \$111.53 in property taxes to the city. Owners of real property in St. Louis County pay the county property tax rate of \$0.523 regardless of whether the property is in a city or in unincorporated St. Louis County.

Personal property taxes are based on a rate per \$100.00 of assessed value. Valley Park levies a personal property tax rate of \$0.570. In Valley Park, the owner of a vehicle with an assessed value of \$5,000 would pay \$28.50 in personal property taxes to the city. Owners of personal property in St. Louis County pay the county property tax rate of \$0.523 regardless of whether the owner resides in a city or in unincorporated St. Louis County.

The sales tax rate in Valley Park is 7.925 percent, which is one cent higher than the sales tax rate in unincorporated St. Louis County (6.925 percent). Since there are no commercial retail properties currently within the area proposed to be annexed, there will be no effect on retail store purchases. However, it should be noted that when purchasing a vehicle or boat, the sales tax rate applied is based on where the purchaser lives, not on where the vehicle is purchased. For example, with the purchase of a \$20,000 vehicle, a Valley Park resident would pay \$200.00 more in sales taxes than a resident of unincorporated St. Louis County.

Valley Park and St. Louis County currently have the same utility tax rate of 5.0%. It should be noted that Missouri state statutes restrict St. Louis County from raising its rate, while municipalities do not have this restriction and rates vary across the county from 0-11%.

Valley Park's sewer lateral fee of \$50.00 is higher than St. Louis County's fee of \$28.00, a difference of \$22.00 per year.

Trash collection and recycling services are provided to unincorporated residents on a fee-for-service basis through a contract authorized by St. Louis County. Services are provided to one- and two-family homes and multi-family dwellings 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. In Waste District 4, Veolia ES is the contracted hauler. Currently, the annual price of the minimum level of service is \$159.00 (\$13.25/month). A resident may add yard waste to their service at the rate of \$7.84 per month. It should be noted that yard waste pickup must be subscribed to by the quarter. There is also a senior citizen discount (65+ head of household) of 10%, which amounts to \$143.10 annually (\$11.92/month). Valley Park provides trash collection and recycling services as part of its municipal services. The current cost for Valley Park residents is \$204 annually (\$17/month) for the minimum level of service and yard waste service. As such, the annual cost for trash collection and recycling services is \$45 higher in the City of Valley Park than in the County's Waste District 4. However, it should be noted that the Valley Park rate includes yard waste service, whereas there is an additional fee for yard waste service under the County contract agreement with Veolia ES.

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 \$1,854. A breakdown of County revenue loss by funding source is provided in Table 4.

TABLE 4

ESTIMATED ANNUAL COUNTY REVENUE LOSS FROM THE PROPOSED ANNEXATION	
	Annexation Area
Sales Tax ^{1,4}	\$742
Utility Tax ^{2,4}	\$356
Highway User Tax ³	\$429
County Road and Bridge Tax ³	\$248
Cigarette Tax ⁴	\$25
Cable TV Tax ³	\$54
TOTAL	\$1,854

Notes:

¹ Estimate based on \$116 per capita less the County annexation adjustment (approximately 20 percent).

² Assumes average annual utility bill of \$2,000 and a 5% utility tax for residential units; non-residential estimates are not accurate at a small area level.

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

⁴ Estimate by the St. Louis County Department of Planning.

C. Impact on Annexing Municipality

Table 5 compares the City's and the County's estimates of new revenues for Valley Park if the annexation is successful.

TABLE 5

CITY AND COUNTY ESTIMATE OF VALLEY PARK'S NEW ANNUAL REVENUES		
Source	County Estimated Amount	City Estimated Amount ⁶
Sales Tax ^{1, 4}	\$928	--
Utility Tax ^{2, 4}	\$356	--
Highway User Tax ³	\$367	--
County Road and Bridge Tax ³	\$248	--
Cigarette Tax ⁴	\$25	--
Cable TV Tax ³	\$54	--
Property/Personal Property Tax ⁵	\$487	487
TOTAL	\$2,465	\$487

Notes:

¹ County estimate based on \$116 per capita.

² County estimate assumes average annual utility bill of \$2,000 with utility gross receipts tax rate of 5% for residential units; non-residential estimates are not accurate at a small area level.

³ County estimate by the St. Louis County Department of Highways and Traffic.

⁴ County estimate by the St. Louis County Department of Planning.

⁵ City of Valley Park estimate.

⁶ Estimates from Valley Park Plan of Intent.

The County estimates that Valley Park will receive \$2,465 from the area if annexed; the City estimates increased revenues of \$487. The difference between total estimates is \$1,978. This difference can be accounted for by the fact that the City did not provide estimates of sales tax, utility tax, highway user tax, road and bridge tax, cigarette tax, and cable television tax revenues.

The Plan of Intent states that the City of Valley Park does not expect any new expenses to result from the proposed annexation.

Main Street is currently owned and maintained by the City of Valley Park. The Plan of Intent states that it is projected that at least \$250,000 in culvert improvements, excluding roadwork, are necessary on 127 Main Street, which is a city-owned parcel that provides right-of-way for Main Street. Funding for this project could come from several sources, including City general revenues, City restricted sales taxes from storm water or capital improvements, or grants from a state or local agency. No time frame has been designated for the improvements.

D. Traffic Generation Assessment

The Plan of Intent states that the City of Valley Park has a Main Street Traffic Generation Assessment Road Trust Fund, which would assess impact fees to new development along its corridor.

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 proposed annexation area. If the annexation is successful, the services currently provided by St. Louis County would be transferred to the City of Valley Park. Table 6 lists basic municipal-type services provided in the area proposed to be annexed and identifies their current and proposed provider.

TABLE 6

SERVICES		
Service	Current Provider	Proposed Provider
Police Protection	St. Louis County	St. Louis County ¹
Fire Protection/EMS/ALS	Valley Park Fire Protection District	
Streets ²	City of Valley Park	City of Valley Park
Parks and Recreation	St. Louis County	City of Valley Park
Refuse Collection	Veolia ES ³	City of Valley Park
Street Lighting	Property Owner	City of Valley Park
Planning, Zoning and Subdivision Regulations	St. Louis County	City of Valley Park
Building Code Enforcement	St. Louis County	City of Valley Park
Mechanical Permits and Inspections	St. Louis County	St. Louis County ¹
Residential Occupancy Permits and Inspections	St. Louis County	City of Valley Park
Municipal Court	St. Louis County	City of Valley Park

Notes:

- ¹ The City of Valley Park has some specialized contracts with St. Louis County to provide some services, including police protection.
- ² There are no County Road System roads in the proposed annexation area.
- ³ The County has contracted with Veolia ES to provide trash service through its residential trash district program.

Provision of County Services

St. Louis County currently is able to access the proposed annexation area only through the City of Valley Park.

St. Louis County as a Service Provider

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 (see Table 6).

County Police

The St. Louis County Police Department continues to be one of the best law enforcement units in the region and the state. The proposed annexation area is served by the West County (7th) Police Precinct, whose headquarters are located at 232 Vance Road. The County also provides complete police services to the City of Valley Park through contractual agreement. There are 12 full-time officers assigned to the Valley Park neighborhood police station, which is located at 320 Benton Street.

Table 7 indicates the number of calls for service and man-hours spent in the proposed annexation area for 2008, 2009 and 2010 (YTD). The number of calls and hours spent responding to service needs in this area has remained very low since 2008. A total of 0.28 man-hours were spent responding to directed calls for service.

TABLE 7

CALLS FOR SERVICE		
Year	Calls for Service	Hours
2008	0	0
2009	0	0
2010 (YTD)	2	0.28
TOTAL	2	0.28

Source: St. Louis County Police Department.

The Neighborhood Policing Officer (NPO) reported that there is no established Neighborhood Watch Program in the area proposed for annexation due to its small area and population.

Neighborhood Preservation

Property maintenance enforcement occurs in a pro-active and complaint-based fashion. No notices of violation have been given in the proposed annexation area for several years.

B. Services Not Affected

The area will continue to be served by the Valley Park Fire Protection District, Valley Park School District and other independent taxing jurisdictions. The services provided by these jurisdictions and their respective tax rates would not be affected by annexation. Missouri Revised Statutes Section 182.480 provides that after October 13, 1965, any annexation by a city having within its boundaries a municipal library district shall not extend the boundaries of the municipal library district, and any annexed areas shall remain in the county library district, and the taxable property in any such annexed areas shall only be subject to taxation by the county library district and shall not be subject to taxation by the municipal library district. Though the proposed annexation area will continue to be served by the St. Louis County Library system, the Valley Park City Attorney stated at the September 9, 2010 Public Hearing that privileges to the Valley Park Library would also be extended to residents if the area is annexed by the City of Valley Park.

V. CONCLUSION

The area proposed to be annexed is completely surrounded by and only accessible through the City of Valley Park. Although St. Louis County provides quality services at a reasonable cost to residents in the proposed annexation area, it is difficult for the County to provide these services in an efficient manner due to its location. It should be noted that there are no County Road System roads in the area proposed for annexation and limited use of County services within the area. Furthermore, the proposed annexation would have a minimal financial impact on St. Louis County. For these reasons, St. Louis County supports the proposed annexation by the City of Valley Park.