

**BOUNDARY COMMISSION
ST. LOUIS COUNTY, MISSOURI**

**MINUTES OF PUBLIC HEARING - BC9612
August 6, 1996**

COMMISSION ATTENDANCE:

COMMISSIONER	PRESENT(P)/ ABSENT(A)
ED BRUER	P
AL ECKERT	P
JULIUS FRAGER	P
AGNES GARINO	P
SCOTT MIDDELKAMP	P
JACK REHAGEN	P
KENNETH TRETTER	P
WILLIE WEARY, JR.	A
JACK WIESEHAN	P
ANNA MARIE WINGRON	A
DON WOJTKOWSKI	A

OTHERS PRESENT:

Carl Ramey - Administrator
Steve Martin - Legal Counsel

CALL TO ORDER

First Vice-Chairperson Garino called to order the meeting of the Boundary Commission at 7:00 p.m. on August 6, 1996. The meeting took place at the City Hall of the City of Berkeley, Missouri. The purpose of the meeting was to conduct a public hearing on a proposal submitted by the City of Berkeley (BC9612) to annex unincorporated territory described in the proposal as McDonnell Douglas.

PUBLIC HEARING - BC9612 - McDONNELL DOUGLAS ANNEXATION PROPOSAL - CITY OF BERKELEY

A. CONVENE PUBLIC HEARING

First Vice-Chairperson Garino convened the Public Hearing at 7:04 p.m. for BC9612, a proposal by the City of Berkeley to annex an area known as McDonnell Douglas.

B. PRESENTATION BY PROPOSING AGENT - CITY OF BERKELEY

Mayor Ted Hoskins, Mayor of the City of Berkeley, introduced the annexation proposal to the Commission. He asked the Commission to consider allowing the City of Berkeley to annex the remaining portion of the McDonnell Douglas complex which is currently in the unincorporated territory of St. Louis County. He indicated the City has had a long and rich history with the McDonnell Douglas Corporation. McDonnell Douglas' corporate headquarters are located within the city limits of Berkeley. Mayor Hoskins told the Commission that Christina Flynn, Economic Development Coordinator for the City, would be making the bulk of the presentation on their proposal to the Commission.

In addressing the Commission, Ms. Flynn said their annexation proposal was based upon three essential goals:

1. Restore traditional boundaries
2. Stabilize Berkeley's economy
3. Enhance the business environment

Ms. Flynn submitted to the Commission a map of the City of Berkeley, circa 1940, depicting the original corporate boundaries for the City and the areas, in and around the airport, voluntarily relinquished during the early 1940's through de-annexation. Ms. Flynn pointed out the City has sought in the past to restore its traditional boundary, altered because of the needs of WWII. The proposed annexation moves to substantially restore those traditional boundaries. It does not do so completely because of the annexations of other communities.

Ms. Flynn indicated to the Commission that from the 1970's the City of Berkeley has experienced a decrease in property and gross receipts tax because of the airport's expansion buy-out program. This along with the addition of significant amounts of non-taxable properties have combined to decrease the available tax resources in the community. The annexation of the McDonnell Douglas area will help to stabilize the Berkeley economy. It will offer the community the opportunity to offer a better quality and level of service. It will also allow the City the opportunity to grow and will enhance the Ferguson-Florissant School District.

The third goal of the annexation proposal presented by Ms. Flynn is to enhance a positive business environment in the community. Approximately fifty percent (50%) of McDonnell Douglas, including its world corporate headquarters is currently in the City. She estimated seven percent (7%) of McDonnell Douglas is currently in the City of Hazelwood, with the balance in unincorporated St. Louis County. Ms. Flynn indicated the City felt it was logical to annex this area because of the high percentage of its campus already located within the city limits. Also, two other businesses in the area to be annexed, Sabreliner and Flight Safety, lease property owned by the City of St. Louis. They currently have other facilities within the City of Berkeley.

Ms. Flynn reviewed for the Commission the amendment to their proposal which was submitted to the Commission more than fourteen days prior to the public hearing. The amendment incorporated a proposal which provided for the creation of a special business tax district. This would allow the City to offer the businesses in the area special considerations regarding gross receipts and property tax rates.

Ms. Flynn concluded her presentation by indicating the City was prepared to offer services to the area upon a successful vote to annex.

Mayor Hoskins introduced members of the City Council present at the public hearing, along with other staff members.

C. QUESTIONS FROM THE BOUNDARY COMMISSION

Commissioner Frager questioned the City as to how long the City will be in a position to sustain expenditures that exceed revenues. What will happen if the City is unsuccessful? Ms. Flynn said the City anticipated they would have a balanced budget within five years. In the meantime, the City would continue to lower its expenses and make up any revenue short fall with accumulated reserves. Beyond those internal efforts the City continued to look at encouraging the economic development of the community. Mayor Hoskins responded that the proposal to annex McDonnell Douglas would infuse new revenue into the City, and with that income stabilize the budget and maintain services.

Commissioner Bruer questioned whether the City had projected McDonnell Douglas revenues into their efforts to balance the budget within five years. Mayor Hoskins indicated they did not do so. Commissioner Bruer asked what was the reserve of the City. Mayor Hoskins said the City's operating reserve was approximately \$1.8 million which was about 20% of their operating budget.

Commissioner Tretter asked whether the city received any compensation for the buy out of property relating to the airport or the construction of I-170. Mayor Hoskins said they did not receive any compensation.

Commissioner Tretter asked who the City of Berkeley contacted at Sabreliner regarding their proposal. Ms. Flynn responded that they had talked to Mr. Jerry Wade.

Commissioner Frager asked the City what reasoning did they specifically use in establishing the boundary lines for this proposal. Ms. Flynn responded the City sought to include the remaining campus of McDonnell Douglas, the other businesses adjacent to the campus and to close off the unincorporated territory. The City did not include any part of the airport's runways.

Commissioner Rehagen asked of the City what services do you currently provide McDonnell Douglas in your community? Ms. Flynn indicated they work with them on business licenses, taxes, and property taxes. The City already has a working relationship with McDonnell Douglas.

Commissioner Rehagen asked what the county involvement would be in the radio active dump site in this area. What if anything would change? Mayor Hoskins indicated the costs for this would continue to be with the county. Their funding comes from the Federal Government's Superfund.

Commissioner Rehagen asked who the City talked to at McDonnell Douglas. Did McDonnell Douglas give the City anything in writing which would express their opinion on the proposal. Ms. Flynn indicated she talked to a number of people, but specifically, Mr. Jerry Olson was their point of contact. It was her understanding McDonnell Douglas was considering a response, but that it would use the 21 day period to respond, if they did.

Commissioner Wiesehan asked the City how the Ferguson-Florissant School District would benefit from his annexation. It was his understanding school districts were financially unaffected by these types of proposals. Ms. Flynn responded it was more of a psychological benefit because residents would benefit from the knowledge that McDonnell Douglas is substantially in the city.

Commissioner Eckert asked, with McDonnell Douglas providing most of their own municipal type services, will the City continue to provide these services. Ms. Flynn indicated the City would provide supplementary services, for example they would take over the maintenance of a portion of Banshee Drive.

Commissioner Wiesehan questioned whether Banshee and McDonnell Blvd. are a part of the County. Mr. Hoskins indicated that a part of Banshee is already in Berkeley, the remainder in the County, and McDonnell Blvd. is a state responsibility.

Commissioner Middelkamp asked whether there would be any change in public safety services for the city or McDonnell Douglas. Ms. Flynn responded that the City would offer supplemental services to McDonnell Douglas, such as training for police and fire personnel. She also indicated there might be a possibility of recreation facilities being offered.

Commissioner Garino asked when the last contact was made with the City of Kinloch regarding possible consolidation. Mayor Hoskins said contact was made about two months ago. The new Mayor of Kinloch wants an opportunity to develop Kinloch before pursuing the idea of consolidation. Therefore, there is no active effort at this time.

Commissioner Garino questioned whether the area proposed for annexation has additional development opportunity. Mr. Josh Richardson responded for the City indicating the area is fully developed.

Commissioner Garino referred to the map handed out at the beginning of the hearing, questioning whether the area sought by the City in this annexation proposal encompassed the entire area on the map. Ms. Flynn said the map reflected the City and its corporate boundaries in 1939. Mr. Richardson responded that except for small areas already annexed by the cities of Bridgeton and Edmundson, the map includes the area being sought for annexation.

D. Public Comment

Mr. Dan King, 8608 Vassel Avenue, St. Louis, MO 63123, said he was philosophically opposed to the annexation, although he sympathized with the economics.

Ms. June McAllister Fowler, St. Louis County Planning, 41 S. Central, Clayton, MO 63105, submitted a preliminary written statement regarding the position of the County toward this annexation proposal. She indicated the County was opposed to the annexation for the following reasons:

1. It is a shift of revenue that currently supports a large number of people, to a smaller number of people.
2. In regards to compactness, it takes an unincorporated pocket and only makes it smaller. It does not eliminate the pocket.
3. The area includes a radioactive dump site.
4. Banshee Road is a county road which will have to be taken over by the City of Berkeley.
5. There is no impact on school revenues as indicated in earlier testimony.
6. There is no goal, stated or implied, seeking the total incorporation of the county.
7. If they are to be incorporated, areas such as this should be the last and not the first to be annexed.

She also said a full report from the County Planning Department on the proposal would be forwarded to the Commission within the twenty-one (21) day period after the hearing.

Further Questions by the Commission

There were no further questions raised by the Commission.

E. ADJOURNMENT

Vice-Chairperson Garino advised the public that any further written comments regarding the proposed annexation must be filed with the Commission by August 27, 1996. She also indicated that a copy of the proposal and map is on file for inspection at the offices of the Boundary Commission, 1516 S. Brentwood Blvd., Suite 101 in Brentwood. Additional information may also be obtained by contacting the Commission at 961-7877.

There being no further members of the public desiring to comment, a motion was made by Commissioner Rehagen to adjourn the meeting. The motion was seconded by Commissioner Middelkamp. Voice Vote: Ayes - All Nays - None *Motion Passed*

The hearing was declared closed by the Chairperson at 8:10 p.m.

Respectfully submitted,
Carl E. Ramey
Administrator

Approved September 3, 1996