

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

**MINUTES OF PUBLIC HEARING - BC9606
JUNE 18, 1996**

COMMISSIONERS PRESENT:

Ed Bruer
Al Eckert
Agnes Garino
Jack Rehagen
Ken Tretter
Jack Wiesehan
Anna Wingron
Don Wotjkowski

COMMISSIONERS ABSENT:

Barbara McGuinness
Scott Middelkamp
Willie Weary Jr.

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 7:00 p.m. on June 18, 1996. The meeting took place at the Hazelwood Community Center East, Hazelwood, Missouri. The purpose of the meeting was to conduct public hearings on proposals submitted by the City of Hazelwood (BC9604) and (BC9606) to annex unincorporated territory known as Charbonnier and South Industrial respectively. Vice-Chairperson Garino said the order of the public hearings would be to hear the proposal for BC9604 first and then BC9606. Chairperson Wingron arrived at 7:20 p.m.

**PUBLIC HEARING - BC9606 - SOUTH INDUSTRIAL AREA ANNEXATION
PROPOSAL - CITY OF HAZELWOOD**

A. CONVENE PUBLIC HEARING

Chairperson Wingron convened the Public Hearing for BC9606 at 7:50 p.m., a proposal by the City of Hazelwood to annex an area known as South Industrial.

B. PRESENTATION BY PROPOSING AGENT - CITY OF HAZELWOOD

Mayor David Farquharson offered brief comments to the Commission in support of the City's proposal. He gave a copy of his comments to the Chairperson. He said in his comments that this annexation proposal is different from the other Hazelwood proposals which are before the Commission. This annexation deals with the business community. The City has nurtured a strong business climate of more than 700 businesses along with the residential community. The area subject to the annexation is part of the McDonnell Douglas facility. Through this annexation, the City seeks to include McDonnell Douglas as a full partner in the community. Further, he indicated that Mr. Ed Carlstrom, City Manager, would be the primary presenter for the City.

Mr. Carlstrom said the area subject to the annexation proposal represents the last remaining unincorporated area surrounding the airport. There is no residential population in this area, with there being only one business, McDonnell Douglas Corporation. He indicated that while it may appear there is a revenue surplus to the City of Hazelwood because of this annexation, in reality it is not an overall surplus to the city. Since its founding, Hazelwood has intertwined business with residents. The business community supports the quality of life in the community because they recognize it is their corporate responsibility. The businesses receive value from their local tax and fee dollars by maintaining safe and high quality neighborhoods, good roads and road maintenance, and police protection. He indicated McDonnell Douglas has benefited from Hazelwood's strong business and residential partnership, yet it has not formally contributed as a full member to the Hazelwood community. The proposed annexation would allow McDonnell Douglas to become part of that community.

C. QUESTIONS FROM THE BOUNDARY COMMISSION

Commissioner Wojtkowski referred to the proposal where it indicated there was a net revenue gain to the City of Hazelwood of \$1.2 million, but only a \$400,000 loss for St. Louis County. He questioned where the difference occurs. Mr. Carlstrom reviewed their business license tax, indicating this is where the difference occurs.

Commissioner Bruer asked about the status of the area south of the proposed annexation. Mr. Carlstrom responded the area in question is the airport which is property owned by the City of St. Louis, but is in unincorporated St. Louis County. Mr. Carlstrom also indicated this proposal was being submitted as an unincorporated pocket.

Commissioner Garino asked where the closest County Police facility was to this area. Mr. Carlstrom responded he was not sure, but currently McDonnell Douglas provides its own security and fire service. He indicated further, within their proposal the City plans to credit McDonnell Douglas the estimated cost of fire service, approximately \$500,000. This is

consistent with the manner in which the City has approached payment and fire service in other annexations. This credit would be against their business license fee. This is because McDonnell Douglas currently is not taxed for fire service. It may be the only property in the County with this situation. Ms. Garino also asked for further clarification to their proposal. Referring to page 16 she asked what capital improvements the city anticipated in this area. Mr. Carlstrom responded it is something which would be developed later, but an example would be street maintenance on Banshee Road. Ms. Garino questioned whether this was a County arterial road. Mr. Carlstrom did not know whether it was. In addition to street maintenance, the other area might be storm water improvements. Ms. Garino also asked whether McDonnell Douglas has facilities other than in Berkeley, Hazelwood and the County. Mr. Carlstrom responded that he estimated 90% of their facilities are in this area.

Commissioner Rehagen questioned whether there were any other owners included in the proposal, other than McDonnell Douglas. Mr. Carlstrom indicated McDonnell Douglas was the primary owner, possibly the Federal Government might have some property. Mr. Rehagen asked what zoning would apply to the proposed area. Mr. Carlstrom indicated the City would match the zoning currently in the County. In comparing the South Industrial and Charbonnier proposals, Mr. Rehagen noted a difference in County budget numbers. He questioned whether there might be an error. Mr. Carlstrom indicated there probably was an error. Mr. Rehagen also asked for further explanation of the City's position regarding extending fire service. Mr. Carlstrom indicated because of security McDonnell Douglas is not covered by a fire protection district. The City would have to either extend service or pay McDonnell Douglas to maintain their service as if it were a district. The City felt it was more appropriate to pay then extend service. Mr. Rehagen also questioned the City's revenue estimates on the value of machinery and equipment which would be taxed. Mr. Carlstrom responded by indicating they used estimates from the Ford Motor plant to help build the revenue projections. He felt they were relatively accurate.

Commissioner Wiesehan questioned whether there would be additional cost for police. Mr. Carlstrom indicated there would be no additional cost, but the City would respond if called upon by security personnel. Mr. Wiesehan asked whether the proposal area also includes land around the airport which is contaminated by nuclear waste. Mr. Carlstrom responded affirmatively, indicating the City has experience with this type of problem.

Commissioner Tretter asked what would happen to the proposal if one of the ideas for the expansion of the airport became reality and a portion of McDonnell Douglas' physical plant was demolished for a runway. Mr. Carlstrom indicated he could not say what would happen, but he feels certain the idea of demolishing a part of McDonnell Douglas is no longer under consideration. It was only an idea at one point in time.

Commissioner Wingron questioned what type of mutual aide existed for fire service, and in the case of a strike would the Hazelwood Fire Department respond. Mr. Carlstrom indicated

Hazelwood would respond. Even with the current strike the firefighters in Hazelwood voted to respond, despite other union firefighters voting not to cross the picket line. She asked further, in a situation of mutual aide what is the pecking order for response. Mr. Carlstrom responded he was not sure and would have to talk with his Fire Chief.

Commissioner Garino questioned whether the City had any discussion with McDonnell Douglas regarding what municipal services could be provided by the City and not continued to be provided by them. Mr. Carlstrom indicated McDonnell Douglas would probably accept any service provided by the City so long as it did not interfere with security.

Commissioner Bruer asked whether McDonnell Douglas has an opinion regarding this annexation proposal. Mr. Carlstrom indicated McDonnell Douglas was notified of their annexation proposal, but is unaware of any position they may have on it.

Commissioner Rehagen asked whether it was possible for the City to obtain better information from McDonnell Douglas in order to project the revenue to be derived from business licensing. Mr. Carlstrom was not sure, but they could try.

Commissioner Wojtkowski asked specifically who at McDonnell Douglas the City notified of this annexation proposal. Mr. Carlstrom indicated Mr. Charles Kubic in their taxation department.

D. Public Comment

Mayor Theodore Hoskins, 6140 Hanley Road, Berkeley, MO 63134, spoke on behalf of the City of Berkeley. Mayor Hoskins indicated the City of Berkeley has a competing proposal before the Boundary Commission. He asked the Commission to consider Berkeley's proposal before making a decision on Hazelwood's South Industrial Annexation request. He indicated the City of Berkeley has a long history with the McDonnell Douglas company dating back to before WWII. During WWII Berkeley turned over land to St. Louis Airport Commission, including what is being sought in this annexation proposal. That territory has never been turned back to Berkeley. The City of Berkeley is home to the corporate headquarters for McDonnell Douglas and has maintained a 59 year relationship with the company. Along with the historical ties to the area, Berkeley continues to be negatively impacted by the airport's expansion program. Mayor Hoskins asked the Commission to consider all these factors and the Berkeley proposal before rendering a decision on the Hazelwood proposal.

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 towards this annexation proposal. She indicated the County opposes the proposed annexation.

She indicated :

1. McDonnell Douglas, as the only taxable land owner would see a significant increase in taxes.
2. The proposal does not meet the test for orderly incorporation in the County as found in Factor 3.
3. The County provides quality, efficient municipal services to the area. The nature of the area, being occupied by one large corporation, finds most services now are either provided by contract or self-provided. The need for outside municipal services is minimal.
4. It is projected the City will see an 11% increase in revenue for which there will be an insignificant amount of services provided.
5. There will be an extraordinary effect on the distribution of taxes in the county. With the proposed annexation, it is estimated the County would lose approximately \$547,000.
6. The proposal incorrectly identifies the current County zoning as M-3 Planned Industrial District. It is currently a M-1 Industrial District.
7. The argument that the proposed annexation is a logical extension of the City's boundaries is not accurate. It does not take into consideration the area south of the proposed annexation, Lambert Airport, is unincorporated.
8. Even if St. Louis County were to become fully incorporated, this area should be one of the last and not one of the first areas to be annexed.

She also indicated 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.

E. ADJOURNMENT

Chairperson Wingron advised the public that any further written comments regarding the proposed annexation must be filed with the Commission by July 9, 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. She also asked if there was any way of improving the hearing process to please let the Commission know. There being no further members of the public desiring to comment, the hearing was declared closed at 8:35 p.m. by the Chairperson.

Respectfully submitted,
Carl E. Ramey
Administrator