



February Meeting in Overland

The next League meeting will be held at 7:30 pm on Thursday, February 22 at the Overland Community Center, 9225 Lackland Rd. (Directions: from I-170 exit at Page Ave. westbound. Go to the second stoplight at Woodson Rd. and turn right (north). Go approximately one mile to the traffic light at Lackland. Go right (east) one block and the Community Center is on the left. From I-270, exit at Page eastbound. Go approximately 4 miles and turn left (north) on Woodson Rd. then follow the same directions as above.

Program: Regional consensus is building for legislation that would allow voters of the City of St. Louis to expand their city charter to cover all elected offices and simplify the City structure. Speakers will discuss this proposal and its implications for the City and the region.

We will also continue the monthly discussion of the use tax on the April ballot.

All agenda items will be mailed to mayors, board chairmen and chief administrative officers.

January Meeting Synopsis

Transportation

At the January 25 League meeting, the membership heard a presentation from Barbara Frost, Deputy Director of Infrastructure for the St. Louis Regional Chamber and Growth Association (RCGA). Ms. Frost discussed the recently developed regional 20 year transportation plan that addresses road, light rail and bus needs in the St. Louis area. Participants in the development of the plan included RCGA, East-West Gateway, Bi-State Development Agency and Civic Progress.

Ms. Frost indicated that the participating entities first developed a unified position on approaches to increased revenue and recognized the need for increased state funding for transit. Many states fund transit operations but Missouri does not, and federal support has been sharply reduced. As a result, much of the burden has been placed on St. Louis County. The group is advocating that the St. Louis area receive one-third of any new state highway funding and one-half of any proposed transit funding. New annual regional needs are \$138 million—broken down into the following categories: state roads and bridges-\$60 million, local roads and bridges-\$28 million, and transit-\$50 million. The

groups also recognized the need for an inflation sensitive revenue source. This need is not met by the gas tax. The plan also assumes that another 1/4 cent local sales tax would also be required in order to match federal funds needed to expand Metrolink.

Unlike many plans in other areas of the State, this new regional plan is financially restrained. It is not an unrealistic wish list. Therefore, it is perceived as a plan that can be accomplished with State and local cooperation. President Gates referred the matter to the League's Transportation Committee for thorough review.

Use Tax

Following the presentation, the membership engaged in a question and answer session about the upcoming use tax/comeback community vote on the April ballot. President Bert Gates and Executive Director Tim Fischesser helped members better understand the proposal and emphasized the role municipal officials will have in educating the public about the countywide and local benefits of the tax.

League staff distributed a packet which contained materials that officials could use to help explain the proposal to voters. This included a question and answer sheet, sample resolution, and a funding breakdown. (See related article.)

We appreciate the warm welcome from Mayor Betty Humphrey and the officials and staff of the City of Richmond Heights, who hosted the meeting at the Heights, the City's new community center. It is an impressive physical facility, but also a central gathering place for residents, enhancing the sense of community. It includes the city library, aquatic area for all ages, gymnasium, workout facilities and meeting rooms. Richmond Heights has also developed a policy to welcome residents of surrounding communities.

Board Establishes Park Fund Steering Committee

In November, voters approved a 1/10 cent sales tax for regional, county and municipal parks. The League had insisted that the municipal funds be free of bureaucracy and therefore be overseen by a "municipal commission" made up of seven citizens appointed by mayors in each of the 7 County Council districts. The commission will distribute \$3 million each year to municipalities and use district staff to monitor the grants. To assist the process, the Board has written to all members asking for volunteers to help organize the first commission.

Legislative Update

The Missouri legislature is in the new position of having different parties controlling the two houses. Election to fill vacancies in late January left the Senate in Republican hands by an 18-16 margin. Democrats still hold a slim majority in the House.

Legislators are now holding hearings on most bills to determine which will be sent to the full body for further consideration. The League office receives copies of all bills filed, along with hearing notices and legislative calendars. If you have questions about any bills during the session please give us a call. In addition, we will continue our weekly Friday faxes to city halls to keep you updated on the latest happenings at the Capitol.

League Priorities

HB 472 (Burton) relates to municipal right-of-way management. Among other provisions, it would prohibit cities from charging ROW use fees and prohibit fees associated with degradation of streets caused by excavation. Most municipal authority over the ROW would be eliminated. Officials should contact State officials to strongly protest this industry effort in light of all the recent positive work done by cities to better manage the ROW. With many new companies now seeking to install wires and replace worn out water, sewer and gas lines, local coordination is extremely important. Assigned to House Local Government Committee. (Oppose)

SB 80 (Goode) - would require gas and electric companies to collect and remit gross receipts taxes to cities for out-of-state utility purchases. Assigned to the Commerce Committee. (Support)

SB 120 (Goode) - authorizes public employee collective bargaining with binding arbitration. Assigned to Labor Committee (Oppose)

HB 196 (Villa) - would add arterial roads in the City of St. Louis to the state highway system. Heard by Transportation Committee on January 31. (Support)

SB 330 (Jacob) - would prevent construction of new billboards on state highways. Scheduled to be heard by Senate Transportation Committee on February 13. (Support)

The following bills would affect local sales tax revenues by eliminating food or granting new sales tax authority to other taxing entities. All are opposed by the League

SB 231 (Gross) - would authorize city governing body to ask voters to eliminate local food sales tax. Heard by the Senate Local Government Committee on February 6.

HB 140 (Hosmer) - would allow any fire district to levy a sales tax for operations. Heard by the House Local Government Committee on February 6.

SB 103 (Bland) and HB 480 (Thompson) would eliminate local sales tax on food and replace lost revenue by state appropriation. Both bills have been assigned to their respective Ways & Means Committees.

Other Bills of Interest

SB 19 (Goode) - would establish fines of up to \$5000, but not more than 5% of the annual budget, against a governmental body or its members for knowing violations of the Sunshine Law. Was heard by the Governmental Organization Committee on January 24. A similar House bill, (HB 237—Smith) would levy fines of up to \$25,000. Heard by House Civil Laws Committee on February 7. (Oppose)

SB 79 (Goode) - would make major revisions to the TIF laws affecting only the St. Louis area. TIF would be limited to distressed areas and would be severely restricted in retail developments. SB 79 was heard in the Senate Local Government Committee on January 23. The House version is HB 599 (Green). The League continues to meet with County officials and other interested parties to craft meaningful reforms that do not eliminate an important development tool needed to keep our County and municipalities competitive with the rest of the State and the region. (Oppose)

SB 139 (Goode) - would allow the establishment of a Live Near Your Work incentive program to provide grants to individuals choosing to live in proximity to participating employers. The grant would be used for housing downpayments and closing costs and would come from participating cities and employers. Heard by Housing Committee on January 31. (Support)

SB 199 (Sims) - would allow automated enforcement of traffic violations through the use of cameras. The Senate Criminal Jurisprudence Committee vote was a tie so the bill is dead unless reconsidered. The League's Board of Directors endorsed the bill. It is viewed as the best way to save lives due to the apparent increase in running red lights. The cameras would provide a safer means of ticketing violators (by mail) rather than further congesting dangerous areas with more pull-overs. Higher fines were ruled out as that too often occurs after a life-threatening accident, whereas cameras would deter the initial dangerous behavior. The bill has safeguards to prevent abuse. The tickets would be mailed to the owner of the vehicle without identifying the driver (as is the case with parking tickets). The system works well in other states and would be optional.

HB 64 (Reynolds) - would remove a state exemption allowing police officers to join unions. Assigned to Labor Committee. (Oppose)

HB 376 (Fraser) - would require cities that have private streets/subdivisions to provide or pay for municipal services to these areas. Assigned to House Local Government Committee. (Oppose)

HB 515 (Foley) - authorizes a St. Louis County Emergency Communications District to be funded by a property tax or sales tax. This would help build a new \$100 million radio communications system that would serve all departments and thereby enhance connectivity and communication throughout the County.

Community Comeback Enjoys Widespread Support

On April 3, St. Louis County voters will consider a landmark ballot issue known as Proposition CC. The CC stands for “Community Comeback”, a program designed to take a stand now against further decline in the County.

Many say that St. Louis County today is much like the City of St. Louis was in 1950. Parts are in good shape, but blight is spreading, jobs are leaving, and positive attitudes are changing to negative ones.

In recent weeks, the Post-Dispatch listed many businesses that left St. Louis County. In addition, the Post reported that CitiMortgage will close its two large office in West County and move to St. Charles. MasterCard also announced that it is moving 1600 jobs out of the County.

Many of these businesses claim that we do not have large parcels of land in St. Louis County that interest them. Furthermore, developers tell us that it is too risky for them to try to buy up scattered sites for redevelopment when they can buy large parcels in other areas to build on. However, they will redevelop areas where cities and the County have assembled land for re-use. Lastly, residents involved in the recent County strategic plan demanded that officials take a stand now against the pattern of decline. It seems clear to everyone that action is needed. We can pay a little now or a lot later.

Fortunately, the problem received widespread attention at both the grass roots level, the civic level, and the governmental level at the same time. In the past, there may not have been widespread support to a new tax but the purpose of the Community Comeback fund has overwhelmed any negatives. It is rewarding to see such strong support for taking a stand now against further decay.

What is the tax that is proposed? It is called a sales tax on out-of-state purchases. As our national economy expanded after World War II and sales taxes became more common, more and more companies began to buy goods from companies in other states. In many cases, states not only lost sales tax revenues on these out-of-state purchases, they also saw their own businesses subject to a tax their out-of-state competitors avoided.

To close this loophole and make the State taxes fair, most states enacted laws to tax all the purchases equally. As local sales taxes became more common, the State of Missouri passed a law equalizing the local sales tax on in-state and out-of-state purchases. This county-wide tax was in effect from 1992 until 1996, when the courts ruled that the taxes were not equal enough and had to be re-established in each city or county in order to be truly equal.

In order to fund a Community Comeback program, St. Louis County and the Municipal League spent several meetings crafting a proposal to present to voters that would re-establish the old countywide use tax. This

would help lower revenue cities and St. Louis County, as was the case when the old tax was in effect, and add millions to fund the proposed Community Comeback effort. In addition, the tax is pro-Missouri because it closes the loophole again that benefited businesses in other states when they compete against our Missouri businesses.

Better yet, there is a \$2000 filing exemption, so few Missouri citizens pay any of the tax. It is largely paid by businesses that buy equipment, paper products, office furniture and similar goods from companies in other states. Because the long-standing State tax appears on bills from out-of-state companies, one only need examine past bills to see if the out-of-state sales tax applies to certain goods they purchase

Finally, the re-instatement of the tax re-establishes a compromise tax sharing proposal initiated in 1993. At that time, a formula was worked out among the cities that received high per capita amounts of sales tax revenues, cities that receive low per capita amounts, and the County. It calls for this tax to be used to bring the areas with low per capita revenues up to the countywide average. Since 1996, when the tax was halted by the courts, the low per capita areas have lost about \$150 million dollars. The 2000 Census decline in many of these areas will cause a further decline in revenues. This tax not only establishes a Community Comeback program, but stabilizes many aspects of municipal and County budgets.

Could it be that all the stars are aligning in support of this very creative local effort? Yes, they are, thanks to everyone who recognized that our problem is spreading, our solution will work, and it is a tax that makes sense.

The League encourages all local officials to take the necessary steps to educate voters about this very important ballot measure. Such an opportunity rarely presents itself. The League has substantial information about the details of the program. We are working with St. Louis County, and church and civic groups to provide speakers at meetings and events.

Please contact us if you need a speaker or materials.

NOTE: State law (Section 115.646 RSMo) allows cities to educate citizens about ballot measures. However, cities are not permitted to spend public revenue on material designed to promote or oppose ballot issues. A regular campaign office has been established to use private contributions for promotional purposes. Please check with your attorney before printing any material at city expense to ensure that the material is only educational and designed to help voters understand the ballot measure.

Congratulations To . . .

Robert Lowery, who was elected Mayor of Florissant at a special election on February 6. Mayor Lowery was formerly the City’s Police Chief.

Board Recommends ROW Construction Group

As the telecommunications revolution unfolds, numerous companies are seeking to use the public right-of-way (ROW) for new wires. Additionally, many existing water, sewer, gas and electric lines need replacement or upgrading. Finally, our streets, sidewalks and trees are requiring much more attention.

But how is all this construction in the ROW to be managed? How can all parties be given equal access? How can damage to one system be prevented when another system is under construction? How can safety be preserved amidst broken sidewalks and holes in the ground? Is there a place that all maps can be housed so public safety and public works officials know the location and ownership of facilities? How many manholes can the ROW accommodate? Will the landscape be littered with new access boxes or can they be built below grade? Can companies work together to install facilities jointly (like cell towers) or to install extra (empty) conduit initially to carry future cables and thereby avoid another dig?

The League completed work on two recent consortiums. One dealt with the boxes for wireless internet offered by Metricom. The second prepared a major model ordinance to deal with communication companies for the 41 members that paid the consortium costs. Both involved extensive meeting with the industry and resolved many issues.

The League Board of Directors now feels a third consortium needs to work with ROW companies to help coordinate construction issues. Utilities have contacted the League and would like to work together to review several new ideas.

Mayor Swoboda Named to MSD Commission

In November, voters approved several changes to the Metropolitan Sewer District (MSD) charter. The changes were the result of six years of work by Focus St. Louis, St. Louis City and County, the MSD Trustees and various interest groups. One major change establishes an independent Rate Commission. If the MSD staff recommends a new user rate or tax, the Rate Commission would hire staff or consultants to independently review the proposal and make a recommendation to the trustees.

President Gates appeared before the Trustees and requested a League seat on the 15-member Commission, which was approved.

The League Board endorsed the appointment of Mayor Mike Swoboda of Kirkwood to the Rate Commission. Mayor Swoboda is a Past President of the League and has well-rounded experience in business, local civic affairs and public service that will assist in his decisions regarding both the size of rate increases and how they should be applied to the various classes of rate payers.

