

# ST. LOUIS POST-DISPATCH

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## Loss Of 2 Retailers Affects Capital Improvements

### DES PERES

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The loss of two major retailers in Des Peres will halt the planned growth of the community's capital improvements fund and possibly affect future projects such as road repair.

That is one of the conclusions in draft budget document the Des Peres administration will submit to Board of Aldermen. The budget will be the subject of a public hearing 7:30 p.m. Dec. 29 in City Hall, 12325 Manchester Road.

City Manager Douglas J. Harms has prepared a preliminary general fund budget calling for almost \$3.6 million in revenues and almost \$3.5 million in expenditures. The proposal also creates a contingency fund of about \$100,000.

"This 1987 budget has been a difficult process due to the stagnation of revenue growth. General fund revenues will grow only .9 percent because of the loss of two major sales tax producers," Harms said in the budget message.

Those two retailers are Bowater Computer Forms Inc. and Kroger. The Des Peres Kroger store was only one of four Kroger stores in the metropolitan area not taken over by another food store. Bowater moved. The two retailers produced almost \$150,000 in annual sales tax revenue.

The budget also reflects the end of federal revenue sharing. That will cost the community about \$60,000.

The immediate victim will be Des Peres' capital improvement fund, which is used for such projects as storm-water control, municipal buildings and street repair.

"While this will not substantially impact scheduled projects in 1987, it will be a factor in future years unless additional monies are found and transferred to the capital improvements fund in 1987 and 1988," Harms said.

One new source of revenue might be the occupation of the Kroger and Bowater properties by new retailers. But because Harms didn't know of any, he didn't assume any revenue from those sources in the budget.

Some other highlights of the budget proposal are:

- A total allocation of \$185,000 for storm-water control efforts along Two Mile Creek, a stream that cuts through the eastern part of Des Peres. Harms is suggesting that money be 'available to match county and Metropolitan Sewer District funds.

He said he is also hoping to begin a new program of city workers installing gabions along the sides of the creek instead of contracting for the 'work. Gabions are basically wire baskets filled with rock and used to solidify stream banks.

"The creek, depending on where you live, has 'a number of problems. At one point, there's an erosion problem. At another point, there's a flooding problem,'" Harms said.

Cost estimates have put the cost of solving all the problems at about \$2 million. Lacking the entire amount, Harms said he wants to start attacking the problems piecemeal as money becomes available.

- A suggestion that the Board of Aldermen start considering a major bond issue proposal. Harms said the current debt for the City Hall and adjacent park property would be paid off by 1993, and major public works projects usually require one to two years of planning. "The city should consider planning for a new bond issue in 1989-91 for a major capital project such as a new public safety building, recreation center/swimming pool or major street/sewer project," he said.

No provisions for new employees, or provisions for reducing the staff, or for that matter, no allocations for salary increases. But Harms said part of the contingency fund usually was set aside to allow the board to set salary increases. He said the budget would allow raises of about 4 percent.

- No change in the property tax rate. The community's rate of 23 cents for each \$100 of assessed valuation is one of the lowest tax rates in the area. But a change might be imminent for merchants. The city's merchants' license fees were set in 1935 and haven't been changed since. Such a tax increase proposal might be put on the April election ballot.

An expenditure of \$5,000 for a study of the pension funds. Harms said there was no problem with them, but they have reached a level where the city should review earning power and possibly consider a change of managers.