

BUDGET NARRATIVE

2019 will see the majority of the remaining office and retail space occupied at the Crossings at Northwest. American Family Insurance will open a claims processing center occupying some 50,000 SF+ and brining several hundred additional corporate jobs to the campus.

Save-A-Lot Corporation will open their new Corporate Headquarters bringing an 450+ corporate headquarters jobs and occupying over 100,000 SF of office space. At the 11th hour the City stepped in to takeover and complete the relocation package that was originally agreed to and promised to Save-A-Lot by regional economic development authorities, but became bogged down by political infighting between the County Council and Executive. As a result of the City of St. Ann stepping in, a Corporate Headquarters was guaranteed to remain in St. Louis and bring significant long-term benefits to the City and North St. Louis County.

The City is also still seeing spinoff development occurring down St. Charles Rock Rd. with new "Whitebox" retail space being constructed on a long vacant parcel. Burger King is investing several million dollars in a significant gut and rehab of their property. Waffle House is still indicating that they will be constructing a new location on another long vacant parcel. Save-A-Lot is committed to strongly consider finding a location on the Rock Rd. for a "Test" store in conjunction with the Corporate HQ. Finally, Manhattan Antique Mall has occupied the former National Supermarket location and has made a nice investment in rehabilitating the property.

Schnuck's Market acquired the former Shop-n-Save property (along with a dozen more) and has transitioned it, for the time being, to a Schnuck's branded location. The City will need to monitor Schnuck's long-term plans for all of the former Shop-n-Save locations.

In 2019 the City will issue the remaining \$2.5 million General Obligation Bonds for Park Improvements. Over a \$1 million in projects and equipment purchases are budget for 2019. The City plans on collecting detailed user information for all park and recreation facilities and programs during 2019. This information will be used as part of the 2020 budget process to evaluate long term facility usage and operation adjustments

The City will spend \$1.8 million on street reconstruction in 2019. This figure includes nearly \$1.3 million grant funding for the resurfacing of Ashby and Old St. Charles Rd. The City will continue to utilize remaining grant opportunities to leverage future year's construction efforts. However, these funds along with existing city funds, are incapable of providing adequate resources to address the City's infrastructure needs.

Finally, primarily due to funds received from the County Proposition P Public Safety Sales Tax, the City will be able to make a \$2,500 annual wage adjustment for those employees whose positions have not been adjusted since 2013.

Respectfully Submitted,

Matthew K. Conley
City Administrator/City Clerk