

CITY OF WHEELING



OFFICE OF THE CITY MANAGER

CITY COUNTY BUILDING
1500 CHAPLINE STREET
WHEELING, WEST VIRGINIA 26003
304-234-3747

November 30th, 2022

Honorable Members of the Board
WV Home Rule Pilot Program
WV Department of Revenue
State Capitol Complex
Building 1, W-300
Charleston, WV 25305

RE: Municipal Home Rule Pilot Program Progress Report

Dear Board Members:

The City of Wheeling respectfully herein submits its Progress Report for review and further discussion. Attached please find the Report, which also references the City of Wheeling's Municipal Home Rule Pilot Application Plan and attachments thereto submitted on Wednesday December 19, 2007, and the West Virginia Pilot Home Rule Plan Amendment previously submitted to the Board on April 22, 2009.

Thank you in advance for your consideration. Should you have any questions regarding the enclosed, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Nerron", is written over the typed name. The signature is stylized and includes a long horizontal flourish at the end.

Robert Nerron
City Manager

RH:cb

MUNICIPAL HOME RULE PROGRAM

City of Wheeling

2022
PROGRESS
REPORT

West Virginia
Municipal Home Rule Board
P. O. Box 11360
Charleston, WV 25339-1360
MunicipalHomeRule@wv.gov
304.558.3356

West Virginia State Code §8-1-5a (m) provides:

“Commencing December 1, 2015, and each year thereafter, each participating municipality shall give a progress report to the Municipal Home Rule Board and commencing January 1, 2016, and each year thereafter, the Municipal Home Rule Board shall give a summary report of all the participating municipalities to the Joint Committee on Government and Finance.”

The Municipal Home Rule Board has developed this standard format for Home Rule Program participating municipalities to prepare and submit their respective Annual Progress Reports. The intent of this standard format is to gather and compile information in a consistent, easily understood, and efficient manner that will be used to develop a concise and practical summary report to the Joint Committee on Government and Finance.

Annual Progress Reports must be submitted electronically as an individual file in PDF format no later than the close of business on the first business day of December, by emailing to WV Municipal Home Rule Board at MunicipalHomeRule@wv.gov.

A. General Information		
Name of Municipality: City of Wheeling		
Certifying Official: Robert Herron	Title: City Manager	
Contact Person: Robert Herron	Title: City Manager	
Address: 1500 Chapline Street		
City, State, Zip: Wheeling, WV 26003		
Telephone Number: 304-234-3617	Fax Number: 304-234-3605	
E-Mail Address: citymanager@wheelingwv.gov		
2020 Census Population: 27,052 (see census.gov)		
B. Municipal Classification		
<input type="checkbox"/> Class I <input checked="" type="checkbox"/> Class II <input type="checkbox"/> Class III <input type="checkbox"/> Class IV		
C. Attest		
I hereby confirm that I am the authorized official for this municipality and certify that the information submitted herein and attached hereto is true and accurate and that this report addresses each and every initiative included in the original Home Rule Pilot Program Plan Application for this municipality and any subsequent amendments, if applicable.		
Robert Herron, City Manager		11/30/22
Type Name of Certifying Official	Signature of Certifying Official	Date

Please use this page to report progress on each **non-tax related initiative** included in your Home Rule Application and Amendment(s). Each non-tax related initiative must be listed on a separate page.

Initiative: Planning and Zoning Code – Inclusion of General Home Rule Authority
Was this non-tax initiative a part of your original plan application <input checked="" type="checkbox"/> or a plan amendment <input type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? November, 2008
If no, please describe challenges faced in enacting the related ordinance(s). N/A
SUCSESSES – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance. This Ordinance was simply a necessary procedural mechanism to provide the authority for modifications attributable to Home Rule Authority in land use amendments and/or proposals to the City of Wheeling’s codified laws.
LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities. N/A

Please refer to the various Reports and Program updates submitted to the Home Rule Board by the City of Wheeling since becoming part of the initial Home Rule Pilot Program in 2007 for more detailed Information concerning the initiatives undertaken in Wheeling.

Please use this page to report progress on each **non-tax related initiative** included in your Home Rule Application and Amendment(s). Each non-tax related initiative must be listed on a separate page.

Initiative: Planning and Zoning Code to include various provisions in the Use Regulations for a Conditional Use Permit
Was this non-tax initiative a part of your original plan application <input checked="" type="checkbox"/> or a plan amendment <input type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? May, 2009
If no, please describe challenges faced in enacting the related ordinance(s). N/A
<p>SUCSESSES – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>The Conditional Use Ordinance under this proposal allows the City to issue Conditional Use Permits, which will “allow a use to operate in areas not zoned for that specific use.” In the ordinance, the City defines “Conditional Use” as such: “A use which because of special requirements or characteristics may be permitted on a particular property only after review by the Board of Zoning Appeals (BZA) and upon issuance of a conditional use permit, and subject to the limitations and conditions specified in the zoning ordinance. (November, 2009)</p> <p>The City had adopted five (5) ordinances that modify state zoning regulations, all of which relate to conditional use through November, 2020. Two (2) additional conditional use permits were issued beginning in January, 2022.</p> <p>The City receives requests to use non-residential buildings, most of which are/were unoccupied or not in use, in residential districts that probably would not meet zoning map amendment criteria, remain unoccupied and potentially become dilapidated or decrease in market value. A minimum of 19 conditional use permits have been issued since the proposal has been approved and utilized.</p>
<p>LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.</p> <p>N/A</p>

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Initiative: Vacant Structure Registration Program
Was this non-tax initiative a part of your original plan application <input type="checkbox"/> or a plan amendment <input checked="" type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? July, 2009
If no, please describe challenges faced in enacting the related ordinance(s). N/A
<p>SUCCESES – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>During 2020-2021 for the Progress Report, the City provided the following: The City of Wheeling has registered structures and received payment from property owners since inception of the Program pursuant to the Ordinance. <u>An average of 265 structures are on the Registration List annually with an average of 90 currently under investigation but not yet registered.</u> Annually an <u>average of 55 to 60 are scheduled to be demolished, 30 or less annually are actively being rehabbed for occupancy and have the potential of being removed, an average of 55 properties annually are not occupied and have the potential to be removed.</u> A total in excess of \$70,150 has been paid to date this 2022 calendar year. The numbers provide an increase in all categories from registered structures, collections, etc.</p> <p>From the time period of January 2021 to December, 2022 the City has <u>an average of 270 structures on the Registration List, some of which are re-registered structures. Additionally, there are approximately 85 other structures being actively investigated but not yet registered, 45 structures have been demolished and 15 pending due to contractor delays are scheduled for demolition.</u> The City has also allocated another one million (\$1,000,000) for four (4) additional demolition contracts beginning at the end of 2022 lasting through 2023. Approximately 55 properties on the Registration List are currently not occupied but have the potential to be removed due to repairs/compliance. A total in excess of \$86,800 has been paid/collected to date in 2022. This information confirms the City's past presumptions of increases in all categories along with the success of the program and its effect to deter dilapidation of structures and/or abandonment.</p> <p>The City believes the registration program is deterring owners from abandoning their property. There have been owners of such structures who have asked to have the City accept such dilapidated and uninhabitable structures. The structures capable of re-use, along with vacant parcels, are then typically available for re-development by either the City or a private entity via a public request for proposal process. The program is very successful in Wheeling.</p>
<p>LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.</p> <p>N/A</p>

Please refer to the various Reports and Program updates submitted to the Home Rule Board by the City of Wheeling since becoming part of the initial Home Rule Pilot Program in 2007 for more detailed Information concerning the initiatives undertaken in Wheeling.

Please use this page to report progress on each **non-tax related initiative** included in your Home Rule Application and Amendment(s). Each non-tax related initiative must be listed on a separate page.

Initiative: Allowing the Sale of Alcoholic Beverages by Class "A" ABCA Licensures beginning at 10:00 a.m. on Sundays.
Was this non-tax initiative a part of your original plan application <input type="checkbox"/> or a plan amendment <input checked="" type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? October 18, 2016
If no, please describe challenges faced in enacting the related ordinance(s). N/A
SUCSESSES – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance. The owners of restaurants and hotels in the City indicated that there was a market for brunch services on Sundays and that current restrictions on the hours of Sunday alcohol service imposed by State law stifled Sunday morning brunch attendance. The Wheeling Convention and Visitor's Bureau and its Board of Directors, which is composed of civic leaders and people involved in the City's hospitality and tourism industries, fully supported the City's use of Home Rule to allow earlier Sunday alcohol service in Wheeling thereby enabling restaurants and hotels in the City to be fully operational on Sunday to enhance the City's image in the eyes of business and leisure travelers and enrich the experiences of visitors to Wheeling. The Sunday sales in the City has been in effect since October of 2016 and the City has received very positive feedback from the effected businesses and their customers.
LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities. N/A

Please refer to the various Reports and Program updates submitted to the Home Rule Board by the City of Wheeling since becoming part of the initial Home Rule Pilot Program in 2007 for more detailed Information concerning the initiatives undertaken in Wheeling.

Please use this page to report progress on each **tax related initiative** included in your Home Rule Application. Each tax related initiative must be listed on a separate page.

Initiative: Municipal Business Licensing – Category Reduction									
Was this tax initiative a part of your original plan application <input type="checkbox"/> or a plan amendment <input checked="" type="checkbox"/> or N/A <input type="checkbox"/>									
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									
If yes, when was the ordinance enacted? Please see below. June, 2009									
If no, please describe challenges faced in enacting the related ordinance(s). N/A									
<p>REVENUES – In the space below, please provide a brief narrative highlighting revenue amounts and revenue categories realized; revenue amounts and revenue categories reduced; net revenue gain; and, any metrics used to track performance.</p> <p>The Ordinance to streamline the City business license categories from 77 classifications before Home Rule to 7 classifications after Home has been revenue neutral as proposed and intended.</p> <p>The majority of business licenses in the City are a flat fee of \$15.00. See below:</p> <table> <tr> <td>License Fee</td> <td>I.</td> <td>General Licensing Category</td> </tr> <tr> <td>\$ 15.00</td> <td></td> <td>General Business License</td> </tr> <tr> <td>\$100.00</td> <td></td> <td>Insurance Companies, which by state law are exempt from Business & Occupational Tax. Note: Insurance Agents are classified under the General Business</td> </tr> </table> <p>*****CONTINUED ON NEXT PAGE*****</p>	License Fee	I.	General Licensing Category	\$ 15.00		General Business License	\$100.00		Insurance Companies, which by state law are exempt from Business & Occupational Tax. Note: Insurance Agents are classified under the General Business
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<p>SUCCESES – In the space below, please provide a brief narrative highlighting projects, improvements, programming, etc. realized through the implementation of this revenue initiative and any metrics used to track performance.</p> <p>The City Legal Department did contact the State Tax Department and legal counsel for such state entity prior to submitting this proposal and the City Finance Department tracked the potential financial impact. Many positive comments continue to be given to the Mayor, City Manager, Wheeling Chamber of Commerce, etc. It is difficult to document the many oral discussions, compliments, etc. This is a very user and business friendly licensing model and virtually no negative comments have arisen.</p>									
<p>LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.</p>									

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Initiative: Municipal Business Licensing --- Category Reduction (continued)															
Was this tax initiative a part of your original plan application <input type="checkbox"/> or a plan amendment <input checked="" type="checkbox"/> or N/A <input type="checkbox"/>															
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No															
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If no, please describe challenges faced in enacting the related ordinance(s). N/A															
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<p>SUCCESES – In the space below, please provide a brief narrative highlighting projects, improvements, programming, etc. realized through the implementation of this revenue initiative and any metrics used to track performance.</p> <p>See previous page.</p>															
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Please refer to the various Reports and Program updates submitted to the Home Rule Board by the City of Wheeling since becoming part of the initial Home Rule Pilot Program in 2007 for more detailed Information concerning the initiatives undertaken in Wheeling.

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Initiative: Municipal Service Lien – Collection of Unpaid Fees
Category of Issues Addressed (check all that apply) <input type="checkbox"/> Organization <input type="checkbox"/> Administration <input type="checkbox"/> Personnel <input checked="" type="checkbox"/> Other
Was this non-tax initiative a part of your original plan application <input checked="" type="checkbox"/> or a plan amendment <input type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? May, 2009
If no, please describe challenges faced in enacting the related ordinance(s) N/A
<p>SUCSESSES – In the space below, please provide a brief narrative highlighting successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>It is hard to ascertain the number of liens and amount collected as there are several fee categories. Service fees, such as Fire Service liens, are documented as to liens placed and fees collected due to payment. Several dozen liens for City personnel cutting lawns, boarding vacant buildings, failure to register for Vacant Building Registration Program, etc., and demolitions have been filed for such things as fire service fees and water/utility collections, however this collection practice has been utilized by the City for fire service fees for many years prior to Home Rule but the City's enforcement has been strengthened via implementation of Home Rule Authority.</p> <p>The delinquency rate for monies owed the City in general has diminished and payments are more often complied with since enactment of Home Rule. The City believes there is a deterrent effect resulting in increased compliance. Prior to implementation, the State Auditor's Office was contacted by the Legal Department primarily due to the City's proposal that a lien would attach to the property and have a level of priority in collection. The State Auditor's Office advised of the proposal by copy of documentation and a representative from the State Tax Auditor's Office attended the City of Wheeling's Home Rule Application Public Hearing in Wheeling and stated upon record of their review of such proposal/ordinance and that there was no objection from those present representing the State. The City has received no complaints or concerns from the State. There have been no sales initiated by the City to date as there is a lengthy period prior to such sale. However such process of forced sale to pay the lien is anticipated during 2023 2024. Collections have been very routine and smooth as to process of collection in the Municipal Court of the City, the Ohio County Magistrate Court primarily, or the Ohio County Circuit Court for matters over \$5,000. Annual collection amounts vary.</p>
<p>LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.</p> <p>N/A</p>

Please refer to the various Reports and Program updates submitted to the Home Rule Board by the City of Wheeling since becoming part of the initial Home Rule Pilot Program in 2007 for more detailed Information concerning the initiatives undertaken in Wheeling.

Initiative: Imposition of Consumer Sales, Service and Use Tax

Was this tax initiative a part of your original plan application or a plan amendment or N/A

Has the ordinance(s) needed to implement this initiative been enacted? Yes No

If yes, when was the ordinance enacted? Please see below. 2013 and 2014

If no, please describe challenges faced in enacting the related ordinance(s). N/A

REVENUES – In the space below, please provide a brief narrative highlighting revenue amounts and revenue categories realized; revenue amounts and revenue categories reduced; net revenue gain; and, any metrics used to track performance.

Amend plan to impose a consumer sales, service and use tax in the amount of 0.5 percent enacted: June 18, 2013

Amend ordinance (the City's sales, service and use tax) to increase the tax rate to one percent, and to dedicate the revenue from the additional one-half percent to assist in funding its underfunded police and fire pension plan liabilities. Enacted December 1, 2014; June 18, 2013 and December 16, 2014.

See below for narrative.

SUCCESSSES – In the space below, please provide a brief narrative highlighting projects, improvements, programming, etc. realized through the implementation of this revenue initiative and any metrics used to track performance.

As a result of the implementation of the sales tax, the City lowered B&O Taxes, began enhancing its Budget Stabilization Fund, switched the Police and Fire Pension Funds from the Alternative to the Optional Funding Method and it closed both pension funds. As a result of this action, which was undertaken via Home Rule, the City was able to be the first City in WV to issue Pension Obligation Bonds to fully fund both pension funds. Also the City created an infrastructure fund for paving equipment, storm sewers, road slips, etc. In 2019 these funds have created an additional \$1.8 million of investment in public infrastructure, necessary repairs to the skating ice at the arena and other improvements. In 2018 these funds created an additional \$1.2 million of investment in public infrastructure. The City continues to invest in City owned WesBanco Arena. In addition to the \$8,350,000 invested in 2017 which included an increased storage area, new locker rooms and replacement of 27 year old dasher boards, glass and protective netting for professional and youth hockey, the City has invested \$34,000 in 2018 for basketball hoops and \$14,000 in timing devices. The City has successfully recruited to WesBanco Arena the Mountain East Conference Men's and Women's Basketball Conference Tournament and the nationally renowned Cancer Research Classic Basketball Event broadcast on ESPN networks nationwide. With the additional investments of the basketball hoops and the timing devices, the WesBanco Arena drew thousands upon thousands of dollars and spectators into the City of Wheeling, WV that would otherwise would not have come to fruition.

LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this revenue initiative that would benefit other municipalities.

Initially the City was only going to lower B&O Taxes on Retail and Manufacturing, however some of the largest B&O retail business' customers would not have been subject to sales tax (ex: grocery stores, gas station, pharmaceuticals), so as a result of a detailed analysis, it became clear to lessen the reduction on Retail and spread a reduction across more than just two B&O Classifications.

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In 2022, utilizing sales tax the City issued \$16.5 million in Building Commission Bonds to construct a parking structure on the corner of Market St. and 11th St. in Downtown. This project will provide 300 parking spaces to assist in the Development of the former Wheeling Pittsburgh Steel Building into Market Rate Apartments. Creating over \$40 million of private sector investments. In addition, this particular structure will create 10,000 sq ft of first floor commercial and retail space on Market St.