MUNICIPAL HOME RULE PILOT PROGRAM

City of South Charleston

2017 PROGRESS REPORT 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."

Annual Progress Reports must be submitted electronically as an individual file in PDF format no later than the close of business on December 1, 2017, by emailing Courtney Shamblin at <u>courtney.d.shamblin@wv.gov</u>, West Virginia Department of Revenue, West Virginia Home Rule Pilot Program, State Capitol Complex, Building 1, Room W-300, Charleston, West Virginia 25305, 304-558-3356.

A. General Information				
Name of Municipality: City of South Charleston				
Certifying Official: Frank A. Mullens, Jr.	Title: Mayor			
Contact Person: Frank A. Mullens, Jr. and W. Michael Moore	Title: Mayor Title: City Attorney			
Address: City Hall; 401-D Street; P.O. Box 8597 (Mayor) 317 Fifth Avenue (City Attorney)				
City, State, Zip: South Charleston, WV 25303				
Telephone Number: (304) 744-5300 (Mayor) (304) 414-2300 (City Attorney)Fax Number: (304) 744-6587 (Mayor) (304) 414-4506 (City Attorney)				
E-Mail Address: scmayor@cityofsouthcharleston.com (Mayor) mmoore@moorebiserlaw.com (City Attorney)				
2010 Census Population: 13,450				
B. Municipal Classification				
Class I 🛛 Class II 🔹 Class III	Class IV			
C. Pilot Program Entry Phase				
□ Phase I (2007 Legislation) ☑ Phase II (20	14 Legislation)			
D. 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.				
Frank A. Mullens, Jr.	Nov. 15, 2017			
Type Name of Certifying Official Signature	of Certifying Official Date			

Initiative: Municipal Sales and Use Taxes (Issue 1. & 5.)

Was this tax initiative a part of your original plan application \square or a plan amendment \square ?

The original 2014 plan called for up to a half percent sales and use tax.

The first plan amendment in 2015 removes the half percent restriction.

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

If yes, when was the ordinance enacted? Ordinance No. 2223 was approved on December 17, 2015.

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

None.

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.

Ordinance No. 2223 became effective on July 1, 2016. The ordinance had the effect of reducing the four percent B&O tax rate on water companies to three percent; reducing the three percent B&O tax rate on electric light companies to three percent; reducing the four percent B&O tax rate on electric light companies to three percent; reducing the four percent B&O tax rate on power companies to three percent; eliminating the one half percent B&O tax rate on places of amusement; and establishing a one percent municipal sales and use tax. The City Treasurer tracks the City's revenues. The municipal sales and use tax realized approximately \$4,473,468.56 in revenue from October 2016 through September 2017. As compared to the 2015 B&O rates for such period of time, revenues from B&O taxes for were reduced by approximately \$446,186. As such, the City realized a net revenue gain of approximately \$4,027,282.56.

SUCCESSES – 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.

Ordinance No. 2223 became effective on July 1, 2016, and the City received its first municipal sales and use tax revenues in mid-October 2016 for July and August of 2016. Since that time, the City has received quarterly tax revenue disbursements. Such revenues have already benefitted the employee health insurance trust fund and the pension fund for South Charleston's fire fighters and police, as well as permitted additional street paving and infrastructure improvements and debt service for a new fire station.

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.

South Charleston worked closely with the WV State Tax Department to ensure that the City's proposed tax ordinance and documentation required by the State met all requirements prior to their submission to the State. Other municipalities could likewise benefit from such close consultation with the WV State Tax Department.

Initiative: Immediate citations (Issue 2.)					
Category of Issues Addressed (check all that apply)					
□ Organization ☑ Administration □ Personnel □ Other					
Was this non-tax initiative a part of your original plan application $ar{D}$ or a plan amendment \Box ?					
Has the ordinance(s) needed to implement this initiative been enacted? Yes No					
If yes, when was the ordinance enacted?					
Ordinance No. 2212 was approved on March 19, 2015.					
If no, please describe challenges faced in enacting the related ordinance(s).					
None.					
SUCCESSES – 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.					
This initiative provides an important tool for the City to achieve City Code compliance from habitual violators of nuisance ordinances. In addition, the resulting ordinance encourages cooperation to resolve nuisances without the need to resort to enforcement actions, and it has resulted in improved compliance by the residents of the City.					
LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned during implementation of this initiative that would benefit other municipalities.					
None.					

Initiative: Property Transfers (Issue 3.)				
Category of Issues Addressed (check all that apply)				
□ Organization				
Was this non-tax initiative a part of your original plan application ☑ or a plan amendment □ ?				
Has the ordinance(s) needed to implement this initiative been enacted? Yes No				
If yes, when was the ordinance enacted?				
Ordinance No. 2211 was approved on March 19, 2015.				
If no, please describe challenges faced in enacting the related ordinance(s).				
None.				
SUCCESSES – 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.				
This initiative permits the transfer of City property without the need for public auction under certain				
circumstances. This initiative is a valuable tool for the City to further its economic development goals. It has normitted the transfer of property after public paties to appure its most officient use for the benefit				
has permitted the transfer of property after public notice to ensure its most efficient use for the benefit of the City and its residents.				
LESSONS LEARNED – In the space below, please provide a brief narrative highlighting lessons learned				
during implementation of this initiative that would benefit other municipalities.				
None.				

Initiative: Variances and special permits (Issue 4.)				
Category of Issues Addressed (check all that apply)				
□ Organization □ Administration □ Personnel □ Other				
Was this non-tax initiative a part of your original plan application $oxdot$ or a plan amendment \Box ?				
Has the ordinance(s) needed to implement this initiative been enacted? Yes No				
If yes, when was the ordinance enacted?				
N/A				
If no, please describe challenges faced in enacting the related ordinance(s).				
The City has been working on a long-term project to update its City Code. This project includes a comprehensive update of sections of City Code that affect the zoning and planning code that contains current provisions concerning variances and special permits. State law provides certain limitations as to ordinances that are enacted pursuant to the Municipal Home Rule Pilot Program. Because the City is waiting for work on its City Code update to be completed before determining how best to integrate its home rule ordinance related to variances and special permits into City Code, this initiative has yet to be completed.				
SUCCESSES - In the space below, please provide a brief parrative highlighting successes realized				

SUCCESSES – 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. N/A

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

N/A

Initiative: Sunday Brun	ch (Issue 6.)			
Category of Issues Addressed (check all that apply)				
□ Organization	□ Administration	Personnel	🗹 Other	
Was this non-tax initiative	e a part of your original plan a	pplication 🛛 or a plan a	mendment 🗹 ?	
Has the ordinance(s) needed to implement this initiative been enacted? 🗹 Yes 🗖 No				
If yes, when was the ordinance enacted?				
Ordinance No. 2231 was a	approved on August 4, 2016.			
If no, please describe challenges faced in enacting the related ordinance(s).				
None.				
SUCCESSES – 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.				
South Charleston restaurants that serve beer and wine have embraced the opportunity to serve such beverages beginning at 10:00 a.m. or when they open for business on Sundays, whichever is later.				
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. None.				