

MUNICIPAL HOME RULE
PILOT PROGRAM

City of Charles Town

2018
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.”

The Municipal Home Rule Board has developed this standard format for Pilot 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 December 3, 2018, by emailing Courtney Shamblin at courtney.d.shamblin@wv.gov, 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 Charles Town		
Certifying Official: Daryl Hennessy	Title: City Manager	
Contact Person: Daryl Hennessy	Title: City Manager	
Address: 101 E. Washington Street		
City, State, Zip: Charles Town, WV 25414		
Telephone Number: 304-724-3244	Fax Number: 304-725-1014	
E-Mail Address: dhennesy@charlestownwv.us		
2010 Census Population: 5,259		
B. Municipal Classification		
<input type="checkbox"/> Class I	<input type="checkbox"/> Class II	<input checked="" type="checkbox"/> Class III
<input type="checkbox"/> Class IV		
C. Pilot Program Entry Phase		
<input type="checkbox"/> Phase I (2007 Legislation)	<input checked="" type="checkbox"/> Phase II (2014 Legislation)	<input type="checkbox"/> Phase III (2015 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.		
Daryl Hennessy		Nov. 29, 2018
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. Each non-tax related initiative must have a separate page.

Initiative: On Premises Alcohol Sales Beginning at 10 am on Sundays			
Category of Issues Addressed (check all that apply)			
<input type="checkbox"/> Organization	<input checked="" type="checkbox"/> Administration	<input type="checkbox"/> Personnel	<input type="checkbox"/> Other
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? November 2016			
If no, please describe challenges faced in enacting the related ordinance(s)			
<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>The City of Charles Town has altered the time that Sunday alcohol sales can begin in the municipality from 1 pm to 10 am. The action was taken to level the playing field for local establishments, so they can compete with similar businesses in neighboring Maryland and Virginia. For a community like Charles Town that relies heavily on tourism, it is important that our businesses can offer services that are at least comparable to that of businesses in neighboring communities. Since this change went into effect, a new craft brewery/restaurant has opened in downtown Charles Town and several other eating establishments have adjusted their hours of operation accordingly.</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>In the process of educating the public about this change, we learned that many of our visitors were surprised to learn that West Virginia restricts the sale of alcohol on Sunday mornings and it impacted their level of tourism spending in our state and community. Businesses offering brunch lost business to neighboring states where visitors could enjoy an alcoholic beverage with their brunch. Adjusting the hours of sales just a bit has helped Charles Town businesses capture a larger share of tourism spending.</p>			

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Initiative: Community Enhancement Districts			
Category of Issues Addressed (check all that apply)			
<input type="checkbox"/> Organization	<input checked="" type="checkbox"/> Administration	<input type="checkbox"/> Personnel	<input 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? June 2015			
If no, please describe challenges faced in enacting the related ordinance(s)			
<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>To date, the City of Charles Town has done little to implement this requested power. This is primarily attributable to the slowdown in real estate development that continues to persist in the community. Without viable new investments, there is little interest in partnering with the city to use this economic development tool right now. That said, staff continues to look at ways other communities are using similar programs and educating city leaders and developers on the potential for using this tool to fund new infrastructure. It was also the topic of discussion this year with at least one developer who was considering a project in our community but chose another site instead.</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>The city has learned that this economic development tool is relevant only when there is demand for new development and the subsequent infrastructure that makes such development possible is available. In evaluating lessons learned from the most recent real estate downturn, the city continues to see that ensuring infrastructure is installed and maintained is of paramount importance for encouraging future economic and community development.</p>			

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Initiative: Improved Enforcement of Code Citations, Public Nuisance Laws, and Blighted Properties			
Category of Issues Addressed (check all that apply)			
<input type="checkbox"/> Organization	<input checked="" type="checkbox"/> Administration	<input type="checkbox"/> Personnel	<input 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? September 2016			
If no, please describe challenges faced in enacting the related ordinance(s)			
<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>The City of Charles has implemented a program in which one of its police sergeant’s is empowered to enforce the health and safety provisions of the city’s code enforcement laws. The sergeant can provide on-site citations for code violations. This has streamlined the code enforcement process and resulted in faster compliance with the nuisance code. Moreover, if the sergeant finds a structural problem, he alerts our building code official who follows up on the matter to ensure structures in the community remain safe for all.</p> <p>One day a week our police officer will patrol the streets and issue citations. While doing so, he may work with the homeowner, tenant, or landlord to immediately remedy the situation if at all practical. If an immediate remedy is not possible, it is not uncommon for the sergeant’s citation to be corrected before the appointed court date.</p> <p>In 2018, the city hired a new planner who is working closely with the police sergeant to support this initiative. Together, they are starting to get their arms around the issue of blighted properties in our city.</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>The city has learned that citizens appreciate the consistency and authority that a police officer brings to the process. For Charles Town, citizens report that our officer is friendly, professional, and fair while carrying out these duties. The use of a police officer has proven valuable in obtaining greater compliance from the public and appreciation for the importance of maintaining their properties.</p>			

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Initiative: Disposal of Municipal Property Without Auction			
Category of Issues Addressed (check all that apply)			
<input type="checkbox"/> Organization	<input checked="" type="checkbox"/> Administration	<input type="checkbox"/> Personnel	<input 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? April 2015			
If no, please describe challenges faced in enacting the related ordinance(s)			
<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>The City of Charles Town has successfully used a third-party vendor to sell excess municipal property to buyers at a competitive, fair market price. This method replaced the old process of selling property via a “sealed bid” auction, which often resulted in few bidders and low returns. Moreover, the use of external contractors to facilitate the sales process has proven to be more efficient and effective from a city staffing perspective.</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>Consumers see value in the city’s excess property and are prepared to pay a fair market price when the process is open and transparent. Implementing this initiative has also resulted in higher levels of participation from buyers in the sales process.</p>			

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

Initiative: Implementation of a 1% Local Option Sales Tax
Was this 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? January 2015
If no, please describe challenges faced in enacting the related ordinance(s)
<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>FY18 was the third full year of sales tax collections and the city is beginning to truly understand the financial benefits of this option. Final collections for FY17 were just over \$888,000 and all proceeds were deposited to a Special Revenue account and used to fund the city’s capital improvement program and a series of community development programs. In FY18, the collections were up nearly 2.7% to just over \$913,000 and were used for essentially the same purposes. For the first time in FY19, Charles Town will budget sales tax revenues to a Special Revenue account to first fund the city’s long-term debt and then support other general government services. This will replace the city’s dependence on gambling proceeds to fund basic city services. All future gambling proceeds will now be used to fund some of the city’s capital needs.</p>
<p>SUCSESSES – 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 initial implementation of the 1% local option sales tax offered the opportunity to catch up on some needed capital improvements. The city used the funds to replace police cruisers and individual police equipment for several of its police officers. These purchases increased the effectiveness of our public safety personnel and improved their personal protection posture.</p> <p>Some of the FY18 sales tax revenues were also used to begin renovating a new headquarters facility for our police and utility departments. This new facility will serve the community for several years to come and would not have been possible but for this new, stable revenue source to cover ongoing debt service.</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>During the year, the city learned that we must work closely with the state tax department to ensure that our local option tax is being collected from those businesses that are within the city limits. Although no meaningful problems were detected in FY18, it is important to remain vigilant to guard against confusion in this area.</p>