



# CITY OF FAIRMONT

CITY/COUNTY COMPLEX  
P.O. Box 1428  
200 Jackson Street  
Fairmont, West Virginia 26555-1428  
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[www.fairmontwv.gov](http://www.fairmontwv.gov)

November 18, 2016

Debbie A. Browning  
West Virginia Development Office  
West Virginia Municipal Home Rule Pilot Program  
State Capitol Complex Bldg. 6, Room 553  
Charleston, WV 25305-0311

**Re: City of Fairmont's Municipal Home Rule Plan**

Dear Members of the Municipal Home Rule Board:

Please find attached the FY 16 annual progress report for the City of Fairmont's Municipal Home Rule Plan. The City of Fairmont looks forward to continuing participation in the Municipal Home Rule Pilot Program. Should you have any questions regarding the report, please do not hesitate to contact me.

Sincerely,

Robin I. Gomez  
City Manager

RG/th

Cc: Finance  
File

MUNICIPAL HOME RULE  
PILOT PROGRAM

City of Fairmont

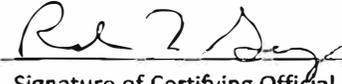
2016  
PROGRESS  
REPORT

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 1, 2016, by emailing Debbie Browning at [debbie.a.browning@wv.gov](mailto:debbie.a.browning@wv.gov), West Virginia Development Office, West Virginia Home Rule Pilot Program, State Capitol Complex, Building 6, Room 553, Charleston, West Virginia 25305-0311, 304-558-2234.

<b>A. General Information</b>		
Name of Municipality: City of Fairmont		
Certifying Official: Robin I. Gomez	Title: City Manager	
Contact Person: Robin I. Gomez	Title: City Manager	
Address: 200 Jackson Street, Suite 301		
City, State, Zip: Fairmont, WV 26554		
Telephone Number: 304-366-6211	Fax Number: 304-366-0228	
E-Mail Address: <a href="mailto:rgomez@fairmontwv.gov">rgomez@fairmontwv.gov</a>		
2010 Census Population: 18,704		
<b>B. Municipal Classification</b>		
<input type="checkbox"/> Class I <input checked="" type="checkbox"/> Class II <input type="checkbox"/> Class III <input type="checkbox"/> Class IV		
<b>C. Pilot Program Entry Phase</b>		
<input type="checkbox"/> Phase I (2007 Legislation) <input checked="" type="checkbox"/> Phase II (2014 Legislation) <input type="checkbox"/> Phase III (2015 Legislation)		
<b>D. Attest</b>		
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.		
Robin I. Gomez		11/21/16
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.

<b>Initiative: Relief from the zoning ordinance regulating the use or acquisition of additional land by a farm, industry, or manufacturer.</b>
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 8, 2015
If no, please describe challenges faced in enacting the related ordinance(s)
<p>SUCCESES – 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><b>The City of Fairmont’s (City) Ordinance no. 1658 to provide relief from the provisions of West Virginia Code §8a-7-10(c) which prohibit the City’s zoning ordinance from regulating the use or acquisition of additional land by a farm, industry, or manufacturer passed unanimously after a work session with Council on August 11, 2015, introduction of the ordinance on August 25, 2015, and proper notification and public hearing at Council’s regular meeting on September 8, 2015.</b></p> <p><b>To date, this ordinance has not affected any business.</b></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><b>The City has amended its Zoning and Land Use Planning Ordinance to aid its revitalization efforts and to accommodate and meet the changes in land uses. The revitalization goal has only been partially realized and the expansion of certain industrial activities allowed under West Virginia Code §8a-7-10(c) was proven to be a major impediment to achieving the City’s goals. The City would encourage other municipalities to enact legislation providing relief from West Virginia Code §8a-7-10(c) to ensure protection from future acquisition or expansion of non-conforming uses.</b></p>

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.

<b>Initiative: Relief from the notice and public auction requirements relevant to the sale of real property when the value is less than \$15,000</b>
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 8, 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><b>The City of Fairmont’s (City) ordinance no. 1653 to provide relief from the notice and public auction requirements of West Virginia Code §8-12-18(b) relative to the sale of real property belonging to the City when the value of the parcel to be sold is less than \$15,000 passed unanimously after a work session with Council on August 11, 2015, introduction of the ordinance on August 25, 2015, and proper notification and public hearing at Council’s regular meeting on September 8, 2015.</b></p> <p><b>To date, no sale of City property under the new legislation has occurred. The City has plans to make an inventory of its substandard lots, use the Vacant Building Registration program and work together with local community development groups to promote the sale and productive reuse of such lots.</b></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><b>This initiative will work in conjunction with the City’s Vacant Building Registration program. Given that dilapidated, abandoned and vacant properties are a statewide problem, this initiative should be promoted as part of any municipality’s vacant building registration program because it allows for sub-standard and vacant lots to be returned to productive use.</b></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.

**Tax related Initiative: Expand B&O tax credits for new business and business expansion; to promote the re-occupancy of vacant or dilapidated structures, to foster the rehabilitation and preservation of contributing structures in the City’s downtown historic district; and to encourage longevity of business operation in the corporate limits**

Was this 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? September 8, 2015

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

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.

**In fiscal 2016, through June 30, 2016, three businesses took advantage of the “New and Expanded Business Tax Credit” for total credits of \$290,724. One business was approved under the new legislation for “Historic District Tax Credits” and received \$575 in tax credit in FY16 for one quarter of B&O Tax. The taxpayer will be eligible for additional credits in FY17. The City continues to promote the legislation on its website and continues to notify taxpayers in forms distribution.**

**B&O Tax revenues from any number of categories could be affected by these credits. The City has no reasonable method of estimating the cost to the City for reduced revenues caused by B&O tax credits for preservation of contributing structures in the historic district. It is probable that there will only be one or two credits of this type per year. The new business, job expansion, and re-occupancy tax credits will not affect the current tax base. These credits will allow credits against new B&O Tax revenues. The anniversary tax credit will affect revenues minimally in milestone years. The City is currently reviewing the tax database to modify reporting and enable the cost estimate of reduced B&O tax revenues caused by the milestone credits in 2016.**

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.

**In allowing these B&O Tax credits, the City hopes to promote the general welfare of its citizens and realize the government objectives of revitalization and renewal of the City of Fairmont.**

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.

**The City has implemented programs and communicated to businesses the availability of these credits. Guidelines and forms have been developed and are available on the City’s website.**

**Tax related Initiative: Relief from the limitation in authority to offer B&O tax credits to provide for imposition of a one percent consumer sales and use tax**

Was this 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? September 8, 2015

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

**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.

**In FY16, the City obtained approval of form of ordinance from General Counsel for Revenue Operations of the West Virginia Tax Commission, enacted legislation providing for the imposition, administration, collection and enforcement of a Consumers Sales and Service Tax and a Complimentary Use Tax, and submitted appropriate documents to West Virginia State Tax Commissioner Matkovich. Everything was in order for the 180-day notice period to begin on January 1, 2016 and the imposition of a one percent (1%) municipal sales and use tax to begin on July 1, 2016.**

**It was estimated that imposition of the sales tax would generate \$1,253,000 in gross annual revenues for the City. Net of the Tax Commission’s administrative fee of \$63,000, estimated at 5%, and the offset reductions in Business and Occupation Tax of \$344,000, the City anticipates receiving \$846,000 in additional net revenue.**

**To date the City has received one distribution of \$280,720.68 from the Tax Commission for the first quarter of FY17, July 1, 2016 through September 30, 2016. The City has earmarked \$344,000 for general revenues of the City to offset estimated reduction in Business and Occupation Tax.**

**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.

**After offsetting reductions in general revenues, the City expects to use net revenue generated from the imposition of the sales tax to finance its unfunded liabilities in the City of Fairmont’s Policemen’s and Firemen’s Pension and Relief Funds, provide funding for the demolition of vacant and dilapidated structures and provide funding for quality of life projects.**

**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.

**The City worked closely with the West Virginia Tax Commission and asked for a review and critique of the City’s ordinance prior to presenting the ordinance to City Council for adoption. This facilitated the process and resulted in no issues post-adoption.**