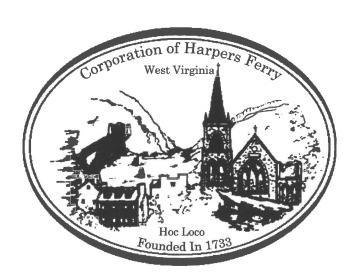
Corporation of Harpers Ferry

Municipal Home Rule Pilot Program Phase III Application



Made Available to the Public: October 2, 2015

Public Hearing: November 2, 2015

First Ordinance Reading: November 2, 2015

Second Ordinance Reading: November 9, 2015

Submitted to the WV Municipal Home Rule Board: November 10, 2015

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Municipal Home Rule Pilot Program Phase III

APPLICATION CHECKLIST

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p. 5	Specific Issue(s) to be Addressed
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pp. 8-21	Specific problem(s) created by the laws, policies, acts, resolutions, rules or regulations.
pp. 8-21	Proposed solution(s) to the perceived problem(s), including all proposed changes to law, policies, acts, resolutions, rules or regulations. Categorize and include: 1) Proposed solution(s) in one of the five areas (tax/administrative/organization/ personnel/other)
	2) If revenue related, estimate(s) for proposed solution(s) and how the fiscal impact was determined. Example: Estimated reduction of administrative time and costs = X. Please attach the worksheet or formula used to determine "X" amount.

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Municipal Home Rule Pilot Program Phase III

APPLICATION

SECTION I: APPLICANT INFORMATION		
A. General Information		
Name of Municipality: Corporation of Harpers Ferry		
Certifying Official: Gregory F. Vaughn	Title: Mayor	
Contact Person: Gregory F. Vaughn Title: Mayor		
Address: PO Box 217		
City, State, Zip: Harpers Ferry, WV 25425		
Telephone Number: 304-535-2206 Fax Number: 304-535-6520		
E-Mail Address: hfmayor@frontier.com		
2010 Census Population: 286		
B. Municipal Classification		
□ Class 1 □ Class II □ Class III □ Class IV		
C. Category of Issues to be Addressed (please attach descriptions for applicable categories)		
▼ Tax □ Organization □ Administration □ Personnel □ Other		
SECTION II: NARRATIVE (written plan, including the following)		
Specific state laws, policies, acts, resolutions, rules or regulations that are preventing the municipality to carry out duties in the most cost effective, efficient, and timely manner.		
Specific problem(s) created by the laws, policies, acts, resolutions, rules or regulations.		
Proposed solution(s) to the perceived problem(s), including all proposed changes to law, policies, acts, resolutions, rules or regulations. Categorize and include:		
 3) Proposed solution(s) in one of the five areas (tax/ 4) If revenue related, estimate(s) for proposed solut Example: Estimated reduction of administrative to or formula used to determine "X" amount. 	ion(s) and how the fiscal impact was determined.	

SECTION III: AFFIDAVITS

Hearing Mandate Verification

Publication Mandate Verification

Ordinance Authorizing Submission of Plan

Fiscal Impact Worksheets/Formulas (if revenue related)

Feasibility Study (if taxes are proposed)

Attorney Opinion (application complies with statutory requirements)

State of West Virginia Fees Statement (none outstanding)

Executive Summary

The Corporation of Harpers Ferry is a Class IV municipality located in Jefferson County in the Eastern Panhandle. As the easternmost municipality in West Virginia, Harpers Ferry serves as a gateway into the region and state for hundreds of thousands of visitors – especially those from the heavily populated Northeast Corridor and the Washington, DC metropolitan area.

Harpers Ferry is unique among Class IV municipalities in West Virginia. The town has a population of approximately 280 citizens, yet it receives an average of 10,000-15,000 visitors per week. These visitors come to learn about and experience the significant national history that took place at Harpers Ferry: John Brown's Raid and subsequent stand-off; the ruins of the former federal arsenal; sites of Civil War embattlements; the industrial period of our nation's history; and the progressive educational history of the former Storer College, just to name a few. In addition, Harpers Ferry also serves as the headquarters of the Appalachian Trail, and as a junction point where the Potomac Heritage Trail and Chesapeake & Ohio Canal National Historical Park converge. The entire town has been listed as an historic district on the National Register of Historic Places because of its significance to American history and its historic architecture.

Harpers Ferry also boasts unparalleled natural beauty. As the site where the Shenandoah River meets the Potomac River, the town is now a major attraction for fishing, rafting, canoeing, kayaking, and other water sports. The view from above the town led Thomas Jefferson to remark in 1783 that "The passage of the Patowmac through the Blue Ridge is perhaps one of the most stupendous scenes in Nature... worth a voyage across the Atlantic."

For such a small town, Harpers Ferry government functions at a very high level. The Town Council (which consists of the Mayor, Recorder, and five council members) devotes a large amount of time to working on behalf of the community. Harpers Ferry has an active Planning Commission, Historic Landmarks Commission, Parks & Recreation Commission, Water Commission, Police Civil Service Commission, and Tree Committee. In addition to the official governmental services, the town is also served by a Merchants' Association, the Trail & Town Alliance committee, and the Harpers Ferry-Bolivar Historic Town Foundation. The town has been formally designated as a Tree City USA, a member of the Canal Town Partnership, and an Appalachian Trail Community.

Even with all of these positive attributes, Harpers Ferry faces many challenges. But with challenges come opportunities, and the town has often shown that it is willing to do its best to make the best out of difficult situations. An example of this can be shown when the loss of a large hotel property in 2008 led to a significant decline in revenue, and a subsequent redevelopment plan revealed that the town was inadequately prepared to address this issue in the manner called for by state code. This led to a complete overhaul of standards, procedures, ordinances, and operations by the Planning Commission and the Historic Landmarks Commission, and the town is now fully compliant with state planning legislation and able to respond to proposals in an efficient process.

On July 23, 2015 a devastating fire took place in the Lower Town area of Harpers Ferry. This fire devastated three historic structures, as well as displacing eleven businesses and forty-five employees – some 30% of the entire commercial district of the municipality. The town has wasted no time in trying to assist the affected property owners, business owners, and employees. With the assistance of the town governance, many town residents and volunteers, and external support, the Lower Town

Commercial District is heading down a path toward a strong recovery. While this fire was a tragic event, it truly has served as a catalyst for action and long term stability.

Another challenge which faces Harpers Ferry is that in August 2015, the neighboring municipality of Bolivar decided to end its long-held contractual agreement to have Harpers Ferry provide its police services. This will result in a loss to Harpers Ferry representing approximately 46% of the police department budget. Harpers Ferry is actively seeking to reduce its police department costs, and also to raise revenue, to avoid a disruption in police services to the community and its many visitors.

The town is struggling with revenue challenges associated with a steady decline in gaming income, as well as a decision by the neighboring Corporation of Bolivar to stop paying for police services provided by Harpers Ferry. Additionally, the town faces major infrastructure needs and burdens of blight reduction. New home rule authority could help the town create better revenue streams, expand public services, improve community quality of life, and ensure its financial stability.

Harpers Ferry shares many common problems and opportunities with its two sister Jefferson County, Charles Town and Ranson, both of which have been granted home rule status. These neighboring municipalities will be available for collaboration toward common goals.

With recent legislation to allow Class IV municipalities to apply for this status, Harpers Ferry is ready to take this next step which it believes will enable it to better govern the town given its unique demographics, geography, tourist-based economy, and desires of its residents. If home rule is granted, Harpers Ferry intends to work quickly to execute its plan, in the hopes of improving quality of life for all of Harpers Ferry's residents and visitors.

This home rule application from the Corporation of Harpers Ferry identifies the following home rule powers which it seeks in these central themes:

- 1. Improvements to code citations & public nuisance enforcement: This power would provide Harpers Ferry with more efficient and workable methods to address public nuisances, including rundown properties, as compared to the current system which, by law, requires time-consuming and expensive court orders for code enforcement. The new powers would allow ordinance compliance officers to issue "on the spot" citations for code violations, much as traffic tickets are issued. Harpers Ferry also seeks authority to empower trained law enforcement officers, who often observe code violations and problem properties in the course of their duties, to write code citations. These powers have already been granted by the Municipal Home Rule Board to many municipalities, and Harpers Ferry seeks to utilize the code enforcement approaches proposed by Charles Town and Ranson in an effort to provide uniformity with its fellow municipalities in Jefferson County.
- 2. **Improvements to the process for addressing blighted properties.** Under current law, it is difficult and time-consuming for Harpers Ferry to address blighted properties and eyesores. The inefficiencies built into the state code can leave dilapidated properties un-fixed for months or years. Harpers Ferry seeks home rule powers to make these code sections more workable for the challenges faced by the town on these blighted properties. First, the town seeks to establish a more reasonable standard than the current legal standard of "not fit for human habitation" under §8-12-16. Second, the town seeks clarified authority under §8-12-16 to take its own action with town resources to address blighted properties, and to then place liens on these properties to recover taxpayer costs when the property owner will not take

appropriate action. Third, Harpers Ferry seeks the authority under §8-12-16 to require lenders that foreclose on properties to register these properties with the town at the beginning of the foreclosure process, to maintain these properties so that they do not become blighted, and to pay outstanding fees and liens that were placed by the town for corrective maintenance at the time of sale. Fourth, the town seeks authority under §8-12-16c to shorten the lengthy time period that the town must wait to initiate civil action to take a vacant and blighted structure to forfeiture from the current period of 28 months to a more reasonable period of 12 months. The primary historic housing stock in Harpers Ferry dates back to the 1820s, 1830s, and 1840s. Harpers Ferry is committed to preserving and protecting these structures for future generations. This package of authorities should better enable Harpers Ferry to deal with a common problem of blighted properties. These powers have been granted to other municipalities participating in the Municipal Home Rule Pilot Program.

- 3. Municipal authority to dispose of property without auction. Under state law, municipalities have no authority to sell property except by way of public auction, a requirement that is particularly burdensome to a very small municipality such as Harpers Ferry. The town seeks the authority to sell property without the requirement of a public auction, if the sale is deemed to be for a public purpose by municipal resolution, adequate notice is provided to the public, and the sale is for adequate value. Harpers Ferry also seeks home rule authority to use competitive and public online auctions for disposal of personal property, such as vehicles or equipment. This authority has been granted to other municipalities participating in the Municipal Home Rule Pilot Program.
- 4. Authority to enact a municipal sales tax of 1%, with a reduction in municipal business & occupation tax. This authority would allow Harpers Ferry to place a tax of 1% on sales within its corporate boundaries. Currently there are no businesses (such as gas stations or grocery stores) within the town that would be selling a significant quantity of items that would be exempt from the sales tax. Harpers Ferry will simultaneously lower the rate of its business and occupation tax upon amusements, as well provide a complete B&O tax abatement for businesses that have gross revenue of less than \$10,000 each year. Due to declining gaming and lottery revenues, and due to unexpected expenses such as the recent fire, Harpers Ferry believes that taking this action is a prudent way to help ensure its long-term financial future, while still maintaining high quality services and placing as small an amount of tax burden on its residential population as possible.

Section II: Narrative - Specific Problems & Solutions to be addressed by Harpers Ferry's Home Rule Plan

Code Citations & Public Nuisance Enforcement

1. Grant of authority to allow Harpers Ferry enforcement officials to immediately issue citations for external sanitation violations and common nuisances ("on-the-spot" citations). (Administrative)

Specific Legal Barrier

§8-12-16. Ordinances regulating the repair, closing, demolition, etc., of dwellings or buildings unfit for human habitation; procedures.

(i) All orders issued by the enforcement agency shall be served in accordance with the law of this state concerning the service of process in civil action, and, be posted in a conspicuous place on the premises affected by the complaint or order: Provided, That no ordinance may be adopted without providing for the right to apply to the circuit court for a temporary injunction restraining the enforcement agency pending final disposition of the cause.

Specific Problem Caused by Barrier

Building and zoning inspectors are enforcement agents, and thus must go through the onerous process under §8-12-16 of posting public notice 10 days prior (warnings), and then applying for and receiving approval from the municipal courts before a citation is issued. This process is inefficient, costly, and leads to an extended delay between the identification of a public nuisance (sanitation issues, garbage buildup, graffiti, un-maintained lawns) and compliance from the property owner.

Presently, enforcement officials are unable to issue citations "on-the-spot" for external sanitation violations and common nuisances, but rather they are required to send preliminary notices and provide an opportunity to respond. This requires additional staff and the lack of immediate citation power results in decreased compliance by property owners.

Proposed Solution

Harpers Ferry will enact an ordinance providing its enforcement officials the authority to issue "on-the-spot" citations for certain violations. This citation power will extend to sanitation, drainage, high weeds, high grass, graffiti, exterior garbage accumulation, open storage in residential districts, and vehicles without proper registration. These citations may be issued to the owner, lessee, sublessee, tenant, occupant, or agent/manager thereof, presently having control over the property in question, and an opportunity to respond will be afforded to the cited party by contesting the citation in municipal court.

2. Grant of authority to allow Harpers Ferry to empower law enforcement officers to serve as code enforcement officials. (Administrative)

Specific Legal Barrier

§8-12-16. Ordinances regulating the repair, closing, demolition, etc., of dwellings or buildings unfit for human habitation; procedures.

(i) All orders issued by the enforcement agency shall be served in accordance with the law of this state concerning the service of process in civil action, and, be posted in a conspicuous place on the premises affected by the complaint or order: Provided, That no ordinance may be adopted without providing for the right to apply to the circuit court for a temporary injunction restraining the enforcement agency pending final disposition of the cause.

Specific Problem Caused by Barrier

Under current law, Harpers Ferry does not have clear authority to empower law enforcement officers to issue citations for code violations and public nuisances (sanitation issues, garbage buildup, graffiti, un-maintained lawns, etc.). This lack of authority is inefficient, and wastes the power of officers of the law who are present on many blighted properties in the normal course of duties, and who frequently encounter violations.

Proposed Solution

By granting Harpers Ferry the authority to empower law enforcement officials to issue citations for code violations and public nuisances, the town can enforce code violations in a more timely manner without being forced to hire more personnel. Any law enforcement officials empowered by Harpers Ferry to conduct these code enforcement duties will be required to have training and skills normally required for code enforcement personnel.

Addressing Blighted Properties

3. Grant of authority to allow Harpers Ferry to take action at blighted properties under more flexible standards of "blighted" or "improperly maintained," instead of more stringent standards of "not fit for human habitation" or a threat to public safety and welfare under current law. (Administrative)

Specific Legal Barrier

§8-12-16. Ordinances regulating the repair, closing, demolition, etc., of dwellings or buildings unfit for human habitation; procedures.

(a) Plenary power and authority are hereby conferred upon every municipality to adopt ordinances regulating the repair, alteration or improvement, or the vacating and closing or removal or demolition, or any combination thereof, of any dwellings or other <u>buildings unfit for human habitation</u> due to dilapidation, defects increasing the hazard of fire, accidents or other calamities, lack of ventilation, light or sanitary facilities or any other conditions prevailing in any dwelling or building, whether used for human habitation or not, <u>which would cause such dwellings or other buildings to be unsafe, unsanitary, dangerous or detrimental to the public safety or welfare</u>. (Emphasis added)

Specific Problems Caused by Barriers

While West Virginia Code §8-12-16 currently allows municipalities to repair, alter, or remove/demolish properties that are "unfit for human habitation" or that are "unsafe, unsanitary, dangerous or detrimental to the public safety or welfare," the law does not allow for municipalities to address problems that do not rise to the level of "unfit for human habitation" or a threat to public safety. Many properties may be blighted, un-maintained, or eyesore properties for years, but still arguably are not completely unfit for human habitation or a threat to public safety. These properties are detrimental to the community, decrease neighboring property values, can serve as locations for criminal activity, and can become dumping areas for trash. However, because they fall short of the high standard of "unfit for human habitation," a municipality cannot exercise its basic powers of code enforcement or perform maintenance at these problem properties without significant legal challenges and cumbersome procedures.

Proposed Solution

Harpers Ferry would enact an ordinance to create a more reasonable standard under §8-12-16 for dealing with blighted properties, providing for inspections and actions at properties that are "blighted" or "improperly maintained," and thus are detrimental to the public welfare.

4. Grant of authority to clarify that Harpers Ferry may take action to maintain, demolish, or conduct other property improvements at blighted private properties, and recover the costs for those municipal actions through lien enforcement, if the property owner fails to respond to municipal requirements to take action to address blighted conditions. (Administrative)

Specific Legal Barrier

§8-12-16. Ordinances regulating the repair, closing, demolition, etc., of dwellings or buildings unfit for human habitation; procedures.

(d) The governing body of every municipality has plenary power and authority to adopt an ordinance requiring the owner or owners of any dwelling or building...under order of the enforcement agency of the municipality, to pay for the costs of repairing, altering or improving, or of vacating and closing, removing or demolishing any dwelling or building.

Specific Problem Caused by Barrier

The current law is unclear about when and how a municipality may take action to improve or demolish blighted properties using city resources, if the owner refuses to comply with municipal orders to conduct these mandated property improvements. West Virginia Code §8-12-16(d) provides municipal authority to require an owner to pay for improvement actions at a blighted property, but it does not clearly provide municipal authority to conduct those actions on its own at a property where the owner refuses to take action.

Proposed Solution

This clarified authority would allow Harpers Ferry, after a property owner fails to comply with an order to improve a blighted property (including an "on-the-spot" citation), to take action itself to perform maintenance, rehabilitation, or demolition, and use existing state code to impose and recover those costs using existing lien authority. While certainly seen as a "last resort," to ensure compliance, there could be extraordinary circumstances where this level of action would need to be taken.

5. Authority under the property registration procedures of §8-12-16a to allow Harpers Ferry to require lenders/trustees to register foreclosed properties at the beginning of the foreclosure process, to retain a property maintenance company, to maintain the property, and to provide contact information for the maintenance company to the municipality at registration. (Administrative)

Specific Legal Barrier

§8-12-16a. Registration of uninhabitable property.

(a) The governing body of a municipality may, by ordinance, establish a property registration for any real property improved by a structure that is uninhabitable and violates the applicable building code adopted by the municipality. An owner of real property subject to the registration shall be assessed a fee as provided by the ordinance.

Specific Problem Caused by Barrier

Senate Bill 600, enacted by the Legislature in 2014, clarifies that banks/lenders/trustees can be considered "owners" who are required to register vacant properties, and be subject to vacant property enforcement after code violations emerge. However, there are continuing problems with some entities that foreclose on properties but fail to maintain them. Some banks/lenders/trustees fail to enter their ownership on the title of a foreclosed property until just prior to sale, fail to maintain the properties during the period of foreclosure and vacancy, and seek to avoid the payment of fees for action taken by the municipality to correct code violations. In these situations, foreclosed and vacant houses deteriorate and cause damage to the neighborhood, yet code enforcement officials can have a difficult time contacting the bank/lender/trustee, let alone get them to maintain these foreclosed properties. The impact is that the bank/lender/trustee can ignore property maintenance for long periods of time and can also default on municipal maintenance fees incurred by the municipality.

Proposed Solution

Used in states with high foreclosure rates and blighted property challenges, this proposed home rule authority would empower Harpers Ferry to pass an ordinance under §8-12-16a to require banks/lenders/trustees that are in the process of foreclosing on a residence to register as an owner of the property at the time that the foreclosure is initiated (such as the time that the lenders sends a foreclosure letter to the homeowner, or at the time that the lender registers as an alternate trustee on the property), for the purpose of code and property maintenance. At the time that the bank/lender/trustee registers as an owner, it must retain a party to conduct property maintenance, provide the contact information for the maintenance party or company to the municipality, and be responsible for ensuring that the property maintenance party company keeps the property maintained up to code.

6. Authority to shorten time period under §8-12-16a for forfeiture of structures when owners refuse to address code violations at uninhabitable properties to a period of 12 months. (Administrative)

Specific Legal Barrier

§8-12-16a. Registration of uninhabitable property.

(n) If a registration fee remains delinquent for two years from the date it was placed on record in the clerk of the county commission in which the property is located and assessed, the municipality may take action to receive the subject property by means of forfeiture. Should the municipality take the steps necessary to receive the subject property, the municipality then becomes the owner of record and takes the property subject to all liens and real and personal property taxes. (Emphasis added)

Specific Problem Caused by Barrier

West Virginia Code §8-12-16a provides municipalities a tool for addressing "uninhabitable" structures that violate building codes and are a serious threat and problem to neighborhoods. This process allows a municipality to investigate and inspect uninhabitable properties with code violations; notify an owner with detailed information that the property will be registered as noncompliant by both posting on the property and by sending certified mail; and provide the owner 45 days to fix the code violations or make a plan for fixing them in a reasonable time. The owner has the right to appeal for 90 days after the receipt of notice about the code violations. Only after this intensive process takes place may the municipality register the fee for code noncompliance with the county clerk. That fee assessment can be appealed within 30 days by the property owner, before it becomes finalized as a lien on the property. If that fee for the uninhabitable property violations remains unpaid, the municipality can take the structure in forfeiture – but only after two years of waiting. That is, a municipality does not have authority under West Virginia law to deal with an uninhabitable property with code violations where the owner completely refuses to fix the violations or work with the municipality, for a period of at least 28 months. Such a period is simply too long to leave the worst-of-the-worst properties uninhabitable in the midst of neighborhoods.

Proposed Solution

Without changing any of the protections for owners of uninhabitable properties to fix code problems, work with municipal code officers, appeal the determination of code officials, appeal the placement of fees for un-addressed code violations, or other property owner protections; Harpers Ferry seeks a shortened period between the time that the owner demonstrates a complete refusal to address the problem, and the time that the municipality can take the structure by forfeiture and finally start to remedy the problems with the municipality's own resources. Currently, the property owner enjoys a period of 120 days to address code problems at uninhabitable properties (90 days to appeal notice of violations, and 30 days to appeal assessment of the fee). After that time has passed with no action by the property owner, the current law starts a slow clock of two years before anything else can be done. This home rule

request seeks to shorten that period of waiting after noncompliance from two years to twelve (12) months. Together with the initial 120 days of property owner protections, this home rule change will allow Harpers Ferry to address the worst-of-the-worst properties in a total of 16 months (120 days, plus the 12 month waiting period), rather than the current span of 28 months (120 days, plus the 2 year waiting period).

Sale of Municipal Property without Auction

7. Authority to allow Harpers Ferry to sell or lease municipal owned real and/or personal property without public auction, including the authority to use competitive online auction services, when deemed for public purpose after public notice, and sold for adequate value. (Administrative)

Specific Legal Barrier

§8-12-18. Sale, lease or disposition of other municipal property.

(b) In all other cases involving a sale, any municipality is hereby empowered and authorized to sell any of its real or personal property or any interest therein or any part thereof for a fair and adequate consideration, the property to be sold at public auction at a place designated by the governing body, but before making any sale, notice of the time, terms and place of sale, together with a brief description of the property to be sold, shall be published as a Class II legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code and the publication area for the publication shall be the municipality. The requirements of notice and public auction shall not apply to the sale of any one item or piece of property of less value than one thousand dollars and under no circumstances shall the provisions of this section be construed as being applicable to any transaction involving the trading in of municipally owned property on the purchase of new or other property for the municipality and every municipality shall have plenary power and authority to enter into and consummate any trade-in transaction.

Specific Problem Caused by Barrier

Under the current law, a municipality is not able to sell municipal real property that is intended for public purposes, including the provision of affordable housing, support of non-profit organizations, or redevelopment by private sector developers, without either selling at public auction which is highly impractical and risky, or by transferring the property from the municipality to a building commission or development authority, which is also impractical and onerous. In addition, current law is silent regarding the use of competitive and public online auctions, which are now commonplace in many municipalities and at the federal level. This limits the overall resale market for municipal personal property to a tightly localized area and inhibits municipalities from realizing the best price for its property.

Proposed Solution

Harpers Ferry will pass an ordinance allowing the sale of real and personal property by the municipality at fair market value, which may include utilizing an online auction service, in a manner that promotes economic development or disposes of vehicles or equipment or provides a service for the public good. This home rule power has been granted to other municipalities in the Municipal Home Rule Pilot Program.

Municipal Sales Tax with B&O Reductions

8. Authority to impose a sales tax of 1%, when coupled with reductions in B&O sales taxes for amusements, and B&O eliminations for small businesses with less than \$10,000 gross sales per year. (Tax)

Specific Legal Barrier

§8-13C-4. Municipal sales and service taxes.

(b) Alternative municipal sales tax. — On and after the first day of July, two thousand five, notwithstanding subsection (a) of this section, and in addition thereto in the case of a qualifying municipality, any municipality that does not impose, or ceases to impose, the business and occupation or privilege tax authorized by section five, article thirteen of this chapter has the plenary power and authority to impose, by ordinance, an alternative municipal sales and service tax at a rate not to exceed one percent, subject to the provisions of this article: Provided, That: (1) The tax does not apply to any purchase of tangible personal property, custom software or the results of taxable services in a transaction completed within the corporate limits of the municipality before the first day of July, two thousand eight, or before such later date specified in the ordinance of the municipality imposing the tax; and (2) the effective date of the tax, or of a change in the rate of the tax, shall be no earlier than the first day of a calendar quarter that at a minimum begins one hundred eighty days after notice of the tax, or of a change in the rate of tax, is provided to the Tax Commissioner as provided in section six of this article.

Specific Problem Caused by Barrier

Harpers Ferry faces fiscal challenges resulting from economic recession, capital investment and infrastructure needs, blight conditions, declining lottery/table game revenues, the 2008 closing of a large hotel, and other challenges that could only become more daunting if gaming revenues further decrease. These revenue shortfalls are exacerbated by Harpers Ferry's inability to utilize a sales tax unless the town eliminates its Business & Occupation taxes. Harpers Ferry cannot eliminate its B&O taxes in order to impose sales taxes, because the town would lose substantial revenue from certain entities that would not pay a sales tax, including construction and utility operations. Furthermore, Harpers Ferry already maintains its B&O rates at the state maximum, so it has no independent way of raising revenue other than utilizing a sales tax/B&O reduction. Because of the town's small population and geographic size, it has no businesses at all in the production, manufacturing, or banking categories of the B&O tax. Additionally, Harpers Ferry is land-locked between the Potomac and Shenandoah Rivers, the Town of Bolivar, and United States Government property. There is simply no avenue available to annex additional land for revenue enhancement.

Proposed Solution

This authority would allow for Harpers Ferry to generate needed revenue by utilizing a municipal sales and use tax of 1% while still maintaining some of its irreplaceable B&O tax

revenue. Harpers Ferry would couple a 1% municipal sales and use tax with a 10% reduction of its B&O tax rates on amusements and B&O tax elimination for any business that has less than \$10,000.00 gross receipts per annum. The town will undertake an annual review of these rates and proposals in order to see if more B&O rate reductions can be prudently enacted.

In addition, even though it is not part of the Municipal Sales Tax / Business & Occupation Tax Reduction proposal, nor officially part of the home rule plan, Harpers Ferry will lower its Hotel Occupancy Tax from 6% to 5%. This tax reduction will not net any gain or loss to the town (the 1% reduction will be made up with the addition of the 1% sales tax), but it will enable innkeepers in Harpers Ferry (most of whom are local bed and breakfast owners) to maintain the same effective rate of tax for guests that they currently pay. For example, innkeepers currently charge a 6% state sales tax plus a 6% municipal hotel occupancy tax, for a total tax to guests of 12%. Under the proposed plan, innkeepers will charge a 6% state sales tax, plus a 1% municipal sales tax, plus a 5% municipal hotel occupancy tax, for a total tax to guests of 12%.

Fiscal & Economic Benefit of Proposed Solutions

Harpers Ferry expects a net fiscal benefit of approximately \$55,857 annually from this important home rule authority. Since the town has less than 300 residents, and receives approximately 10,000-15,000 visitors per week, and since there are no "essential" retail establishments within the corporate boundaries of the town that would be frequented by residents (such as grocery stores, gas stations, or pharmacies), this means that nearly all of the revenue gained from the municipal sales tax will be paid by tourists and not be an additional financial burden upon the permanent residents of Harpers Ferry. If tourism in the area increases, greater sales could bring increased tax revenue.

Harpers Ferry will annually consider modifications in its B&O tax rates if sales taxes revenues are higher than anticipated. Harpers Ferry believes that maintaining a high level and quality of services to its citizens and tourists is an important benefit from this increased revenue, as it maintains the town's status as a great place to live and visit. One hoped for outcome from eliminating the B&O tax for businesses with revenue less than \$10,000 is a growth in small home-based, artisan, and "hobby" businesses within the town. Another hopeful outcome is to provide incentive for small service-based businesses (such as minor home repair, lawn maintenance, etc.) to continue to perform these services within the town.

Fiscal Analysis

Illustration I – B&O Tax Rates (per \$100)

	Maximum Rate	HF Current Rate	HF Proposed Rate
Manufacturers*	.30	.30	.30
Retailers	.50	.50	.50
Wholesalers	.15	.15	.15
Utilities	3	3	3
Electric	4	4	3
Natural Gas Co.*	3	3	3
Contracting	2	2	2
Amusements	.50	.50	.40
Service Business	1	1	1
Rents & Royalties	1	1	1
Banks*	1	1	1
Coal*	1	1	1
Natural Gas Production*	6	6	6

^{*} Denotes categories for which Harpers Ferry (HF) has set B&O rates, but which do not exist within the municipality (nor are they anticipated in the immediate future). Therefore, no B&O taxes are received in these categories.

NOTE: Under the current proposal, all businesses in Harpers Ferry which have gross receipts of less than \$10,000.00 per annum will be exempt from paying any B&O taxes in any category.

Illustration II – Exempt Service Sales from 1% Sales Tax:

Advertising Professional Services

Entertainment Facilities Real property
Child Care Prescriptions
Electronic Data Processing Personal Services
Health & Fitness Organizations Nursing Homes

Music Instruction Other

Newspaper Circulation (in accordance with WV Tax Dept. Pub. TSD-300)

The Total Service Sales during FY2015: \$1,603,762.

After reviewing the Sales Tax exemptions per WV Code on exemption of sales tax explained previously, the town is estimating that 100% of the total service sales within the corporate limits would be taxable.

Illustration III – Exempt Retail Sales from 1% Sales Tax:

Food Utilities (gas, water, electric, etc.)

Motor Vehicles Other (see WV Tax Dept. Pub. TSD-300)

Motor Fuel (gasoline)

Real Property

The Total Retail Sales during FY2015: \$4,395,709.

The town is estimating that 0% of the Total Retail Sales are tax exempt per the WV Code on exemption of sales tax explained previously.

By reducing Amusements B&O and eliminating B&O taxes collected on businesses that have gross sales of less than \$10,000 per annum, the Corporation of Harpers Ferry estimates that it will reduce B&O taxes collected by an estimated \$2,102.09 per year. Conversely, the elimination of this tax will save both money and time for employees who presently must complete and mail B&O tax forms for these small businesses, and then receive and process data and for small amounts of funds.

Total Sales Tax Generated \$60,938.91 Less 5% Tax Commissioner Admin Fee: \$3,046.94 Less B&O Elimination/Reduction: \$2,102.09 Net Available for New Projects: \$55,789.88

Illustration IV - Decline in Lottery & Table Game Revenue Received

Lottery Revenue Received by Corporation of Harpers Ferry

Fiscal Year 2011: \$126,277.72 Fiscal Year 2012: \$72,574.08 Fiscal Year 2013: \$59,610.59 Fiscal Year 2014: \$51,720.99 Fiscal Year 2015: \$49,243.64

Table Gaming Revenue Received by Corporation of Harpers Ferry

Fiscal Year 2012: \$37,893.30 Fiscal Year 2013: \$34,899.52 Fiscal Year 2014: \$22,743.67 Fiscal Year 2015: \$19,597.57

Administrative Matters

Collection Procedures

The municipal sales and use taxes would be administered, collected, and enforced by the Tax Commissioner, at the same time and in the same manner as the state consumer sales and service tax and use taxes are administered.

- 1) Large vendors remit tax monthly to the Tax Commission by the 20th day of the month in which the tax is collected, except for taxes collected in December each year that are due at the end of January of the next calendar year.
- 2) Very small vendors remit tax annually to the Tax Commissioner by the end of January following the calendar year in which tax was collected.
- 3) All other vendors remit tax to the Tax Commissioner on a quarterly basis, by the 20th day of the month following the close of the calendar quarter, except for the fourth quarter which is due at the end of January.
- 4) Purchase use taxes are remitted at the same time as sales taxes are remitted to the Tax Commissioner.

Quarterly, the State Treasurer will remit to the municipality the amount of tax in the municipality's subaccount established in the State Treasury pursuant to WV Code §8-13C-7.

The Corporation of Harpers Ferry recognizes that when B&O taxes are reduced in order to impose a sales tax, the effective date of the B&O tax reduction and the date when the municipality will begin to receive sales tax collections need to be coordinated in order to avoid a budget shortfall.

The Tax Commissioner will likely charge an annual fee for collection services, which may not exceed 5% of net collections per fiscal year. The Corporation of Harpers Ferry assumes that the fee will be 5% of net collections, and has based its estimates accordingly.

Boundary Database

A municipality imposing a sales tax will need to provide the Tax Commissioner with a rate and boundary database. To build the database, the municipality will need to know (1) the location of its boundaries; (2) the five-digit ZIP Codes located in whole or in part in the municipality; and (3) the nine-digit ZIP+4 Codes located in whole or in part in the municipality imposing the sales tax.

Harpers Ferry recognizes that imposing a sales tax it will need to provide the Tax Commissioner with a rate and boundary database. To build the database, Harpers Ferry anticipates utilizing the five-digit ZIP Code located in whole within the municipality, and the nine-digit ZIP+4 Codes located in whole within the municipality imposing the sales tax. Consequently, once the rate and boundary database is built, it must be maintained by the municipality and the Tax Commissioner must be advised when the ZIP code boundaries are changed.

The Corporation of Harpers Ferry has one five-digit ZIP Code located in whole or in part within the town: 25425.

Vendor Compliance Learning Curve

State and municipal sales and use taxes are collected employing what are known as destination sourcing rules, which are set forth in WV Code §§11-15B-14, 11-15B-14a, and 11-15B-15.

In general, if the customer takes delivery of the tangible personal property, custom software, or results of the taxable service at the business location of the vendor (eg. the storefront), the state and local sales/use taxes applicable to that location apply.

When delivery does not occur at the vendor's business location, the state and local sales taxes applicable to the transactions are generally those applicable to the location where the purchaser takes delivery of the goods or results of the taxable service.

Applying the destination sourcing rules will likely be a new experience for many vendors currently selling goods and furnishing services within the Corporation of Harpers Ferry. Our revenue projections take this learning curve into consideration.

Conclusion

As the discussion demonstrates, it is economically feasible for the Corporation of Harpers Ferry to reduce and partially eliminate its B&O tax and to impose a 1% sales tax. The town believes that this is the most prudent and responsible step to take in order to raise necessary revenue for the town. The Town Council and administration have been diligent in their efforts to be good stewards for the residents of Harpers Ferry, and have gone to great lengths to maintain financial stability. Some of these efforts include:

- Aggressively pursuing businesses for non-payment of B&O taxes, especially after the 2008 closing of the Hilltop Hotel. Through these actions, the town has been able to recover substantial B&O taxes that were previously unpaid, and collections are now at an all-time high.
- Renegotiating leases and rent payments due to the town to ensure that they are at fair market value and provide solid income for the town.

Other efforts have not been pursued strictly for fiscal reasons, but can have a positive fiscal impact (both directly and indirectly) on the town in the short-term and long-term, including:

- Complete update of the planning and zoning code to ensure that it complies with current state code, and reflects current standards for use by property owners, developers, contractors, etc.
- Development of comprehensive historic district standards and guidelines for use throughout the town.

• Development of the Promontory Overlay District within the planning and zoning code to support the notable and economically viable development of a hotel on the former Hilltop property, while limiting commercial activities in residential properties.

To most towns the addition of \$55,762 in additional revenue may not seem like much, but in Harpers Ferry that revenue can go very far. Following the recent fire, and the unexpected expenditures that resulted from that tragic event, the town hopes that it can create and slowly build a Financial Stabilization Fund (authorized under §8-37 of the WV Code) to have a "rainy day fund" in the event of other emergencies. Furthermore, many capital improvements needed throughout the town (sidewalks, street lights, infrastructure upgrades) and these, as well as the budgetary loss to the police department, will require increased revenue. This additional revenue, in concert with the many pro-active efforts being undertaken by the town, will go far in helping to ensure Harpers Ferry's long-term future and stability.

Affidavits & Attachments to Home Rule Application

- Attachment I Sales Tax / B&O Reduction Feasibility Study
- Attachment II Publication for Public Hearing
- Attachment III Publication Mandate Verification
- Attachment IV Town Council Agenda for Public Hearing
- Attachment V Public Hearing Mandate Verification (Minutes of Council Meeting)
- Attachment VI Ordinance Authorizing Submission of Plan
- Attachment VII Attorney Opinion
- Attachment VIII Treasurer's State of West Virginia Fees Statement
- Attachment IX Statement Regarding WV Code §8-11-4

			Munici	pal Sales	Tax / B&O	Municipal Sales Tax / B&O Feasibility Study	tudy			
	WV Municipal	icipal Home	Rule Pilc	t Prograr	n Applicati	Home Rule Pilot Program Application - Sales Tax Study - Harpers Ferry, WV	x Study - I	Harpers Fer	ry, WV	
B&O Tax Category	Tax Rate per \$100	r FY15 Gross Receipts	FY15 B&O B&O Tax Tax Paid Reduction	B&O Tax Reduction	Projected B&O w/Reduction	Total 1% Sales Tax Collection	Less 5% State Fee	Net Sales Tax Revenue	Net Sales Tax Net New Revenue after Revenue B&O Reduction	Combined B&O & 1% Sales Tax Revenue
Retail	0.5	\$4,395,709.00 \$21,978.55	\$21,978.55		\$21,978.55	\$43,957.09	\$2,197.85	\$41,759.24		\$63,737,87
Wholesaler	0.15	\$831,697.00 \$1,247.55	\$1,247.55		\$1,247.55					\$1,247.55
Contracting	2	\$1,364,843.00 \$27,296.86	\$27,296.86		\$27,296.86					\$27,296.86
Service	Н.	\$1,603,762.00 \$16,037.62	\$16,037.62		\$16,037.62	\$16,037.62	\$801.88	\$15,235.74		\$31,273.36
Amusements	0.5	\$94,420.00 \$472.10	\$472.10	\$94.42	\$377.68	\$944.20	\$47.21	\$869.99		\$1.247.67
Rent & Royalty	П	\$521,030.00 \$5,210.30	\$5,210.30		\$5,210.30					\$5,210.30
Electric (Sales & Demand)	4	\$418,033.58 \$12,541.01	\$12,541.01		\$12,541.01					\$12.541.01
Electric (All other Sales)	m	\$384,279.13 \$11,528.37	\$11,528.37		\$11,528.37					\$11,528.37
Gross Sales Less than \$10000 Reduction	10 Reduction			\$2,007.67	\$2,007.67 -\$2,007.67					
TOTAL		\$9,613,773.71 \$96,312.36 \$2,102.09	\$96,312.36	\$2,102.09	\$94,210.27	\$60,938.91	\$3,046.94	\$3,046.94 \$57,864.97	\$55,762.88	\$154,082.94

Explanation of Harpers Ferry Sales Tax/B&O Reform Proposal

As part of the feasibility study for the proposed home rule authority of the Corporation of Harpers Ferry, WV with respect to the establishment of a 1% sales tax and reduction of certain B&O taxes, Harpers Ferry provides the following background and information:

1. Reduction of Amusements B&O Rates: As part of this home rule proposal, Harpers Ferry intends to further reduce the B&O rates for amusements by 10% of the current rate of \$0.50, to a new rate of \$0.40 per \$100.00.

2. Elimination of Small Business B&O Taxes: Harpers Ferry will further reduce its B&O tax by eliminating the tax on all businesses that have less than \$10,000 gross sales per year.

3. Net Result: Under the tax structure proposed in this application, Harpers Ferry expects to gain approximately \$55,763 in annual additional net tax revenues, taking into account the expected increase in revenues from sales tax, decrease in B&O taxes, and West Virginia State Tax Department administration fee. This amount will help address the significant shortfall in gaming/lottery revenue that is impacting the town's financial health.

Attachment II – Publication for Public Hearing

NOTICE OF PUBLIC HEAPING & SPECIAL TOWN COUNCIL MEETING CORPORATION OF HARPERS FERRY, WEST VIRGINIA

MUNICIPAL HOME RULE PILOT PROGRAM PLAN/APPLICATION

Notice is hereby given by the Corporation of Harpers Ferry, West Virginia that it will hold a public hearing on November 2, 2015 at 7:00 PM during a special meeting of the Town Council at Harpers Ferry Town Hall, Council Chambers, 1000 Washington St., Harpers Ferry, West Virginia.

The purpose of this public hearing is to discuss the Corporation of Harpers Ferry's proposed written plan for Home Rule. This information will be utilized by the Corporation of Harpers Ferry in its application for acceptance into Phase III of the West Virginia Municipal Home Rule Pilot Program, established by Chapter 8, Article 1, Section 5a of the Code of West Virginia, 1931, as amended.

The Corporation of Harpers Ferry's proposed Home Rule plan will be available for public inspection beginning October 2, 2015 in the municipal offices at Harpers Ferry Town Hall, Washington Street, Harpers Ferry, West Virginia, during regularly posted business hours. The Corporation may choose to make the plan available for public inspection at other locations, or online, in addition to being available at Town Hall.

Interested citizens are invited to attend the public hearing scheduled on Monday, November 2, 2015 at 7:00 PM, and to present oral or written comments concerning Harpers Ferry's proposed Home Rule plan. Written comments may be addressed to Office of the Mayor, Corporation of Harpers Ferry, PO Box 217, Harpers Ferry, West Virginia, 25425.

The first reading of the ordinance approving the Corporation of Harpers Ferry's Home Rule plan and application will take place on November 2, 2015 immediately following the public hearing at 7:00 PM at Town Hall, Council Chambers, 1000 Washington Street, Harpers Ferry, West Virginia.

9/30/2t

Certificate of Publication JEFFERSON PUBLISHING COMPANY, INC., Publisher SPIRIT OF JEFFERSON ADVOCATE

	Charles Town, W. Va. September 30 20 15
I hereby certify that the annexed Notice Council in the case of Municipal Home	of public hearing + Special Town I meeting Pule Pilot Program Plan/Application
has been published once a week for	successive weeks, in the Spirit of Jefferson
Advocate, a newspaper published in Charles 7	Town, Jefferson County, West Virginia, in the issues of
Saptember 30	+ October 7 , 20 15,
as required by law.	h.B
	Editor/Manager, Spirit of Jefferson Advocate
State of West Virginia County of Jefferson Personally appeared before me,	, Burns , Editor/Manager
of the Spirit of Jefferson Advocate, and made or	ath that the above certificate is true and correct.
Commission expires OFFICIAL SEAL O	, (NC.) 14 7, 2019

Attachment IV – Town Council Agenda for Public Hearing



Corporation of Harpers Ferry

RECORDER KEVIN CARDEN

TREASURER KATHRYN PAYNE

TOWN CLERK LESLIE STOUT 1000 WASHINGTON STREET • P.O. BOX 217

Harpers Ferry, West Virginia 25425

304-535-2206 • FAX 304-535-6520 Gregory F. Haughn

MAYOR

COUNCIL MEMBERS

BETSY BAINBRIDGE
HELEN "HAP" BECKER
JERRY HUTTON
HARDWICK S. JOHNSON, JR.
CHARLOTTE THOMPSON

HARPERS FERRY TOWN COUNCIL PUBLIC HEARING AND SPECIAL MEETING

Monday, 2 November 2015 – 7:00 p.m. Harpers Ferry Town Hall

AGENDA

- 1. Public Hearing on Home Rule Application Adoption Ordinance (Ordinance 2015-10).
- 2. Public Hearing on Amendments to Article 1322 Nonconforming Provisions (Ordinance 2015-11).
- 3. First reading for approval of Ordinance 2015-10 Home Rule.
- 4. First reading for approval of Ordinance 2015-11 Nonconforming Provisions.

Adjournment.

Attachment V – Public Hearing Mandate Verification (Minutes of Council Meeting)

Harpers Ferry Town Council Special Meeting Monday, 2 November 2015

MINUTES

Location:

Harpers Ferry Town Hall, 1000 Washington Street

Present:

Gregory Vaughn, Mayor

Kevin Carden, Recorder

Betsy Bainbridge

Hap Becker

Jerry Hutton

Hardy Johnson

Charlotte Thompson

The meeting was called to order at 7:02 p.m. by Mayor Vaughn.

1. Public Hearing on Home Rule Application Adoption Ordinance (Ordinance 2015-10).

Elayne Edel said she is neither in favor nor opposed to home rule because it is not clear to her what it is or why it is being considered. She asked for information and clarification on what it means for Harpers Ferry. (After the public hearing was closed, Chad Proudfoot and Jerry Hutton gave a thorough explanation of what is encompassed by home rule authority and the ways in which it should benefit Harpers Ferry.)

Steve Ramberg spoke in favor of home rule and said it will be very beneficial to Harpers Ferry in combatting public nuisances and derelict properties, and in raising revenue.

- 2. First reading for approval of Ordinance 2015-10 Home Rule.
 - Charlotte Thompson motioned to approve first reading of Ordinance 2015-10, authorizing and directing
 the Mayor to submit a plan and application for home rule to the Municipal Home Rule Board; Jerry Hutton
 seconded. <u>Motion carried unanimously</u>.
- Public Hearing on Amendments to Article 1322 Nonconforming Provisions (Ordinance 2015-11).
 Steve Ramberg spoke in support of the proposed amendments to Article 1322.
- 4. First reading for approval of Ordinance 2015-11 Nonconforming Provisions.
 - Charlotte Thompson motioned to approve first reading of Ordinance 2015-11, allowing continuation of nonconforming uses after certain types of casualties to affected buildings and structures; Jerry Hutton seconded. <u>Motion carried unanimously</u>.

Jerry Hutton motioned to adjourn; Hap Becker seconded. The meeting was adjourned at 7:57 p.m.



CORPORATION OF HARPERS FERRY, WEST VIRGINIA

ORDINANCE No. 2015-10

An ORDINANCE pursuant to the provisions of WV Code 8-1-5a, authorizing the Corporation of Harpers Ferry to submit a written home rule proposal to the Municipal Home Rule Board in order to permit Harpers Ferry's participation in the Municipal Home Rule Pilot Program.

Authorization to Submit a Written Home Rule Proposal

WHEREAS, in 2007, the West Virginia Legislature enacted WV Code \$8-1-5a, known as the Municipal Home Rule Pilot Program; and

WHEREAS, effective 1 July 2015, the Municipal Home Rule Pilot Program was expanded to include Class IV municipalities; and

WHEREAS, the Corporation of Harpers Ferry, a Class IV municipality, desires to participate in this pilot program;

NOW, THEREFORE, be it enacted by the Town Council of the Corporation of Harpers Ferry:

SECTION 1. Authorization.

The Mayor is hereby authorized and directed to submit a home rule proposal to the Municipal Home Rule Board in accordance with WV Code §8-1-5a in order for the Corporation of Harpers Ferry to be included as a Class IV municipality in this pilot program.

SECTION 2. Effective date.

This ordinance shall take effect immediately upon adoption.

Passed FIRST READING the 2nd day of November, 2015.

Passed SECOND and FINAL READING the _____ day of _____ November , 2015.

Kevin Carden, Recorder

Attachment VII – Attorney's Opinion



S. Andrew Arnold, Esq. Partner Gregory A. Bailey, Esq. Partner J. Daniel Kirkland, Esq. Attorney Christopher P. Stroech, Esq. Attorney

208 N. George Street Charles Town, WV 25414 т: 304 725 2002 ғ: 304 725 0282

November 6, 2015

Via Email and U.S. Mail

Honorable Greg Vaughn Mayor, Corporation of Harpers Ferry Harpers Ferry, WV 25425

Re: Compli

Compliance Home Rule Application

Dear Mayor Vaughn:

Please allow this correspondence to respond to the Town's request that I review the application for Home Rule pursuant to W. Va. Code § 8-1-5(a) et seq., and to provide a legal opinion of the application's compliance with the applicable provisions of West Virginia law.

Based upon my review of the application provided to me, it is my legal opinion that the application complies with the statutory requirements set forth in W.Va. Code § 8-1-5 governing the request for Municipal Home Rule Pilot Program.

Sincerely.

Gregory A. Bailey, Esq.

W. Va. State Bar No. 7957

GAB/dh

Attachment VIII – Treasurer's State of West Virginia Fees Statement



Corporation of Harpers Ferry
1000 WASHINGTON STREET P.O. 80X 217

Harpers Ferry, Mest Mirginia 25425

304-535-2206 * FAX 304-535-6520 Gregory F. Baughn MAYOR

COUNCIL MEMBERS

BETSY BAINBRIDGE HAP BECKER JERRY HUTTON HARDWICK S. JOHNSON, JR. CHARLOTTE THOMPSON

October 15, 2015

To the Members of the Home Rule Board,

This letter certifies that the Corporation of Harpers Ferry owes no outstanding fees to the State of West Virginia.

Best Regards,

Mayor

RECORDER

TREASURER KATHRYN PAYNE

CLERK

Kathryn Payne

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Corporation of Harpers Ferry

RECORDER KEVIN CARDEN

TREASURER KATHRYN PAYNE

CLERK LESLIE STOUT Harpers Herry, West Wirginia 25425

384-525-2206 • FAX 304-535-6520 Gregory F. Paughn COMMON MEANNERS

BETSY BAIMBROGE HAP BECKEN JERBY HUTTON HARDWICK S. KINASON, JR. CHARLOTTE THOMPSON

October 15, 2015

To the Members of the Home Rule Board,

This is to certify that the requirements of Chapter 8, Article 11, Section 4 of the Code of West Virginia, 1931, as amended, concerning ordinances pertaining to the raising of revenue for the municipality are not applicable to the Home Rule Process at this point. If Harpers Ferry is admitted to the Municipal Home Rule Pilot Program, it will fully comply with the provisions of the aforementioned code section as well as any applicable rules and regulations.

Best Regards,

Gregory F. Vaughn

Mayor