

MUNICIPAL HOME RULE PROGRAM

City of Charles Town

2023
PROGRESS
REPORT


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

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

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

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

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

A. General Information		
Name of Municipality: City of Charles Town		
Certifying Official: John Nissel	Title: City Manager	
Contact Person: John Nissel	Title: City Manager	
Address: 101 E. Washington St.		
City, State, Zip: Charles Town, WV 25414		
Telephone Number: 304-724-3244	Fax Number: 304-725-1014	
E-Mail Address: jnissel@charlestownwv.us		
2020 Census Population: 6,534		
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. 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.		
John Nissel		12/17/2024
Type Name of Certifying Official	Signature of Certifying Official	Date

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

Initiative: On Premises Alcohol Sales Beginning at 10 am on Sundays
Was this non-tax initiative a part of your original plan application <input type="checkbox"/> or a plan amendment <input checked="" type="checkbox"/> ?
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? November 2016
If no, please describe challenges faced in enacting the related ordinance(s).
<p>SUCCESES – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>The City of Charles Town has altered the time that establishments can begin selling alcohol on Sunday 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. The City is working closely with a property owner who plans to open additional craft brewery just outside our Main Street corridor.</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 has helped Charles Town’s businesses capture a larger share of the region’s tourism spending. It has also had the added benefit of bringing more residents to our downtown on Sunday.</p>

Initiative: Community Enhancement Districts

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? June 2015

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

SUCCESSIONS – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance.

There are still no active Districts in Charles Town as a result of this enhanced authority. This is primarily attributable to a slowdown in new, commercial real estate development that continues to persist in our community. We thought this might be changing given the number of new developers investigating Charles Town as an option for future investments, but it seems to have slowed again since the pandemic hit. Without many viable new commercial 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.

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 learned that this economic development tool is relevant only when there is demand for new commercial 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. As a result, the City is investing more in its basic infrastructure by more than doubling the size of its capital improvements budget in recent years (over \$400,000 per year now budgeted).

Initiative: Improved Enforcement of Code Citations, Public Nuisance Laws, and Blighted Properties
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). N/A
<p>SUCSESSES – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance.</p> <p>The 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 property maintenance 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>Staffing shortages in our police department have affected the recent schedule, but when possible, a 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. That said, the homeowner is still expected to appear in municipal court where the judge can reinforce the importance of maintaining their property, so it remains compliant with local laws.</p> <p>In 2018, the City hired a new planner who worked closely with the police sergeant to support this initiative. In 2019, the planner and sergeant established clearer lines of responsibility to eliminate duplication of efforts. In 2020, the City shifted the property maintenance work of the planner to a newly hired code compliance officer to carry on the work with the police department, which is our current practice today. 2022 brought several staffing changes to the community development department which led to a pause in the program. As new staff members become acquainted with the program, this proves to be a valuable tool for the coming years.</p> <p>In July 2023, the Council approved funding to hire a new in-house Code Enforcement position to better identify and enforce code violations. As a result of community feedback and council support, this new position aimed responsibility at targeting property maintenance violations and has been extremely successful in bringing property violations into compliance.</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.

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.

Initiative: Disposal of Municipal Property Without Auction

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? April 2015

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

SUCCESES – In the space below, please provide a brief narrative which highlights successes realized through the implementation of this initiative and any metrics used to track performance.

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. To date, most of the property sold via this method has been excess police and public service vehicles.

In 2020, the City used this Home Rule Authority to advertise for proposals to purchase its old police department building. The use of this authority enabled the City to consider proposals for the building that focus on the priorities of our downtown and support the City’s comprehensive plan. Three proposals were received, including the selected applicant who plans to open a new food establishment. Moreover, this process resulted in a proposed purchase price that matched the market rate appraisal for the property. The City closed on this property in 2021 and the new owner is in the process of renovating the building and expects to open the new food establishment in 2023.

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.

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.

The sale of the old police building helped the City achieve an economic development goal for its downtown, while simultaneously receiving the full market price for the building. The combination of benefits would not likely have happened had the building just been offered for sale via a public auction.

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

Initiative: 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"/> or N/A <input type="checkbox"/>
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, when was the ordinance enacted? 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>FY23 was the eighth year of sales tax collections, and the City is truly benefitting from this initiative. In fact, if it were not for this additional revenue source, the City would be severely limited in its ability to provide services to its residents.</p> <p>Final collections for FY17 were just over \$888,000 and all proceeds were deposited to a Special Revenue account and used to pay long-term debt, fund a portion of the City’s capital improvement program, and finance a series of community development programs.</p> <p>In FY18, the collections were up nearly 2.7% to just over \$913,000 and were used for essentially the same purposes.</p> <p>In FY19, the collections increased another 11.2% to just under \$1.015 million and for the first time, Charles Town used all the sales tax proceeds (after paying it’s long-term debt obligation for the fiscal year) to fund basic government services. This source of revenue has now replaced the City’s dependence on casino revenues to help fund basic City services. All future casino revenues are now being used to fund a portion of the City’s capital improvement needs and foster a mindset of proactive improvements instead of reactive.</p> <p>In FY20, collections were almost \$1.2 million, or up another 17.2% from the prior year. In FY21 collections were nearly \$1.5 million, up another 24.8% from the prior year. In FY22, collections were \$1.626 million, or up 9.6% from the prior year. In recent years, the additional revenues from this source have enabled the City to add much needed staff to include a code compliance/building inspector, a</p>

downtown/business development coordinator, and administrative staff at the police department. The higher collections in FY22 may allow for the addition of a public parks manager as well as a human resource administrator, a Council priority in recent years.

In FY23, collections were \$1.696 million, an increase of \$70K from FY22.

In FY24, collections were \$2.024 million allowing us to hire and retain high performing staff and provide improved services to residents.

SUCCESSIONS – 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.

The initial implementation of the 1% local option sales tax offered the opportunity to catch up on some needed capital improvements and to stabilize the City's operating budget. On the capital side, 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. We also used the funds to invest in technology upgrades and other digital improvements to modernize and streamline the way the City conducts business with its residents and customers. The City has also had more flexibility to commit to grant match capital projects that have been a high priority to Council as well as Charles Town citizens, such as walking trails and sidewalks to connect the community, national historic property rehabilitation, and sizable park upgrades.

We have also been able to invest the sales tax revenues in new public service equipment and to fund a large portion of a newly renovated headquarters for our police and utility departments. This new facility will serve the community for generations to come and would not have been possible but for this new, stable revenue source.

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.

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 or selling products online to residents of Charles Town. Although no meaningful problems were detected in FY22, it is important to remain vigilant to guard against confusion in this area.

We also surprisingly learned during the pandemic that this revenue source was more stable than originally expected. Of course, we will continue to monitor the resiliency of this funding source, but the early indications for stability are promising.