

MUNICIPAL HOME RULE  
PILOT PROGRAM

Parkersburg, WV

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, 2015 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 Parkersburg		
Certifying Official: James E. Colombo	Title: Mayor	
Contact Person: Rickie Yeager	Title: Development Director	
Address: One Government Square		
City, State, Zip: Parkersburg, WV 26102		
Telephone Number: 304.424.8415	Fax Number: 304.424.8416	
E-Mail Address: rickie.yeager@parkersburgwv.gov		
2010 Census Population: 31,492		
<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.		
_____	_____	_____
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: Collect and/or Redeem Demolition Liens</b>
Category of Issues Addressed (check all that apply) <input type="checkbox"/> Organization <input checked="checked" type="checkbox"/> Administration <input type="checkbox"/> Personnel <input type="checkbox"/> Other
Was this non-tax initiative a part of your original plan application? Yes
Has the ordinance(s) needed to implement this initiative been enacted? <input type="checkbox"/> Yes <input checked="checked" type="checkbox"/> No
If yes, when was the ordinance enacted?
If no, please describe challenges faced in enacting the related ordinance(s) This non-tax related initiative has not been implemented, because the City's Administration changed in June 2015 and the current Administration has been focused on other projects. This includes demolishing slum and blighted property in the City's most economically distressed neighborhoods. In 2016, more than two dozen properties have either been demolished by the City and/or the existing property. This can be attributed to the City's implementation of a Vacant Property Registration Program and its efforts to secure \$500,000 from the WV Housing Development Fund to demolish dilapidated property. The next Administration, which is set to take office on January 1, 2017, will decide whether or not to pursue this initiative next year with input from staff.
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.
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.

**Initiative: Streamline the Development Review Process**

Category of Issues Addressed (check all that apply)

Organization

Administration

Personnel

Other

Was this non-tax initiative a part of your original plan application? Yes

Has the ordinance(s) needed to implement this initiative been enacted?

Yes

No

If yes, when was the ordinance enacted?

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

This non-tax related initiative has not been implemented, because the City's Administration changed in June 2015 and the current Administration has been focused on other projects. They include remediating slum and blighted property with a \$500,000 loan from the WV Housing Development Fund and other public infrastructure projects. The next Administration, which is set to take office on January 1, 2017, will decide whether or not to pursue this initiative next year with input from staff.

**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.

**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.

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.

<b>Initiative: Implementation of a 1% sales tax</b>		
Was this tax initiative a part of your original plan application? Yes		
Has the ordinance(s) needed to implement this initiative been enacted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<p>If yes, when was the ordinance enacted?</p> <p>Article 778: Consumer Sales and Use Tax was enacted on December 16, 2014 with an effective date of July 1, 2015. Subsequently, the City’s plan to reduce and/or eliminate Business and Occupation Taxes (Article 779: Business and Occupation Tax) was approved by Parkersburg City Council on January 13, 2015. After receiving comment from the Home Rule Pilot Program Board and an advisory opinion from the West Virginia Attorney General’s Office, further amendments were made to Article 779 so as to be in compliance with the enabling legislation. These revisions were approved by Parkersburg City Council on final reading on July 28, 2015 and were submitted with the City’s 2015 Progress Report.</p>		
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>A one percent sales tax was implemented on July 1, 2015 per Parkersburg City Ordinance O-1500. Since the tax was implemented, the City has received remittances from the State of West Virginia Tax Department totaling \$6,577,971 over five quarters. In accordance with the enabling legislation, the City eliminated and/or reduced Business and Occupations Taxes on the following categories:</p>		
<b>Category:</b>	<b>Previous Rate:</b>	<b>Current Rate:</b>
Manufacturing	0.20	0.00
Retail/Restaurants	0.40	0.28
Electric, Light, and Power (on sales and demand charges for domestic purposed and commercial lighting)	3.60	0.00
Electric, Light, and Power	2.80	0.00

(on sales and demand charges for all other purposes)

Public Utilities – Natural Gas	2.35	0.00
(on sales and demand charges for all other purposes)		

As a result, the City lost approximately \$2,750,000 in B&O taxes during the same time period. To date, the implementation of the City’s sales tax and subsequent reduction and/or elimination of B&O taxes has had a net revenue gain of approximately \$3,827,971.

As of the submission of this report, the one percent sales tax had generated \$5,149,479 in revenue for the City. During the same period, the City has had to forego \$2,200,000 in B&O taxes.

**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.

**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 had initially planned to reduce B&O taxes on January 1, 2016. After receiving some questions from the Home Rule Pilot Program Board and an advisory opinion from the West Virginia Attorney General’s Office, the City revised its plan so the implementation of the City’s sales tax would simultaneously coincide with a reduction in B&O taxes. As such, the City had to revise its budget for fiscal year 2015-2016.