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515 West
Main Street
P.O. Box 1310
Bridgeport, WV 26330-6310

Robert L. Greer, Mayor
A. Kim Haws, City Manager
Harry "Hank" Murray, III, Recorder

MUNICIPAL HOME RULE PILOT PROGRAM

2015 Amendment

APPLICATION



City Council:

Diana Cole Marra
John S. Wilson, Sr.
Dustin Vincent
Jeff Smell
LJ Maxey

A. Kim Haws, City Manager

Robert L. Greer, Mayor

*Made available to the public October 1, 2015

*Submitted to the WV Municipal Home Rule Board November 16, 2015



P.O. BOX 1310 • 515 WEST MAIN ST. • BRIDGEPORT, WEST VIRGINIA 26330-6310
Phone: (304) 842-8225 • Fax: (304) 842-8201 • www.bridgeportwv.com
A. Kim Haws, City Manager

November 9, 2015

West Virginia Municipal Home Rule Board
Attn: Debbie Browning, Executive Assistant
West Virginia Department of Commerce / Development Office
Building 6, Room 553
Charleston, West Virginia 25305-0311

Re: City of Bridgeport Home Rule Application

Dear Ms. Browning:

Enclosed is a copy of the application for the amendment to the City of Bridgeport's Home Rule Plan with supporting information which we will bring to the Home Rule Board on November 16, 2015.

Please contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Kim Haws", written over a horizontal line.

A. Kim Haws
City Manager

Municipal Home Rule Pilot Program Phase III

APPLICATION CHECKLIST

| SECTION I: APPLICANT INFORMATION | |
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| Page No. | |
| 2 | General Information |
| 4 | Municipal Classification |
| 2-3 | Specific Issue(s) to be Addressed |
| 4 | Issue(s) Category: Tax/Organization/Administrative/Personnel/Other |

| SECTION II: NARRATIVE | |
|------------------------------|--|
| Page No. | |
| 5 | 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. |
| 5 | Specific problem(s) created by the laws, policies, acts, resolutions, rules or regulations. |
| 6 | 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. |

| SECTION III: AFFIDAVITS | |
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| 7 | Hearing Mandate Verification |
| 11 | Publication Mandate Verification |
| 12 | Ordinance Authorizing Submission of Plan |
| 13 | Fiscal Impact Worksheets/Formulas (if revenue related) |
| 14 | Attorney Opinion (application complies with statutory requirements) |
| 15 | State of West Virginia Fees Statement (none outstanding) |



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EXECUTIVE SUMMARY

The City of Bridgeport, a Class III Municipal Corporation, Harrison County, West Virginia, having a population of approximately 8,149, was selected as a participant in the West Virginia Home Rule Pilot Program by the West Virginia Municipal Home Rule Board at its meeting held on May 21, 2008, as to all sections of its application. Bridgeport's original application contained four sections, (1) relating to restrictions on municipal participation in public schools; (2) the requirement that a municipality charge license and taxes not to exceed antiquated amounts previously authorized by the State; (3) authorizing the City to annex property to which it is best suited to provide public services under certain circumstances; and (4) authorizing Bridgeport as a Class III municipality to issue its own tax increment financing. The Board, at its meeting held on the 17th day of March, 2011, approved an amendment to the Home Rule authority of the City authorizing fire fees outside of the corporate limits of the City and authorizing a lien for the collection thereof.

In 2014, the Home Rule Board approved the City's amendment to revise its application relating to intergovernmental agreements, civil service as it relates to supervisory personnel, and procurement of engineering and architectural services.

Bridgeport, centrally located at the intersection of U.S. Route 50 and Interstate 79 between Clarksburg and Fairmont, West Virginia, has enjoyed strong population growth and significant economic and commercial development. Bridgeport attributes its growth and economic and commercial development not only to its location but also to its dedication to providing excellent services to its citizens, both residential and commercial. Throughout all of its growth, the residents of Bridgeport have managed to maintain the small community atmosphere. The community is very family-oriented and works together to provide advantages to the area youth, as well as senior citizens.

Bridgeport takes great pride in the quality and efficiency of its administrative staff and believes that the amendments to its Home Rule Plan herein set forth will add to and improve the efficient management of its assets and the efficiency with which it carries forth its municipal purposes. Approval of this plan will ensure that the City can continue improving the services and quality of life provided to its residents.

Sales Tax

The City proposes to impose up to a one percent sales tax on all taxable sales under the West Virginia Code. This proposal will generate an estimated additional \$3.1 million in revenue to the City. This proposal allows the City to proceed cautiously by eliminating one

category of B&O tax. If the City, as expected, sees substantially increased revenues, it is our intent in the future to look at further reducing the B&O tax on various categories.

SECTION I: APPLICANT INFORMATION

A. General Information

Name of Municipality: City of Bridgeport

Certifying Official: A. Kim Haws Title: City Manager

Contact Person: A. Kim Haws Title: City Manager

Address: 515 W. Main Street, PO Box 1310

City, State, Zip: Bridgeport, WV 26330

Telephone Number: 304-842-8225

Fax Number: 304-842-8201

E-Mail Address: kim.haws@bridgeportwv.com

2010 Census Population: 8,149

B. Municipal Classification

Class I _____ Class II _____ Class III X Class IV _____

C. Category of Issues to be Addressed

Tax X Organization _____ Administration _____ Personnel _____ Other _____

SECTION II: NARRATIVE

IMPOSE MUNICIPAL SALES AND SERVICE TAX AND MUNICIPAL USE TAX IN ACCORDANCE WITH WEST VIRGINIA CODE §8-1-5A(i)(14)

Specific state laws, policy rule, or regulation in question: 8-1-5a(i)(14)

Introduction: At the heart of North Central West Virginia, Bridgeport has proven to be a major growth area in the state. Bridgeport is continuously recognized for its outstanding schools and as a great place to live, do business and raise a family. In an effort to continue that growth, create jobs, assist with economic development and to provide a standard of excellence its residents deserve, the City would like to amend its Home Rule Application in the following manner.

The City of Bridgeport is proposing to impose up to a one percent (1%) sales and use tax to help fund the construction and ongoing operational and maintenance costs of an indoor recreation facility located near the current Bridgeport Recreation Complex. The funds may also be used for Parks & Recreation, civic and cultural facilities. The City is currently in the process of obtaining a firm to prepare a feasibility study to determine the type and use for the facility, a detailed concept plan of the proposed facility, a proposed location for the new facility, and a cost analysis for constructing, operating and maintaining the facility.

Problem: In 2004, the Legislature enacted W. Va Code §8-13C1 – et seq., which allows municipalities to impose up to a one percent (1%) sales and use tax only if the municipality repeals their business and occupation tax completely. For fiscal year 2014-2015, approximately 50% of the City’s budget is funded through B&O taxes and complete elimination of B&O tax collections would make it nearly impossible to operate and maintain the City. The taxes generated from B&O far surpass the amount generated from a proposed one percent (1%) sales and use tax. The ability to lower B&O tax while enacting a sales tax provides the City with both an additional revenue source and a reduction in tax for certain businesses.

For the past 10 years, the citizens of Bridgeport have voiced a strong need for an indoor recreation facility. This facility /would not only benefit the area’s youth, but seniors also.

Every year, the City conducts a strategic planning workshop and every five years the City updates its Comprehensive Plan. An indoor recreation facility has been included in both for many years.

The City cannot provide this facility with its current financial status.

If the City follows current state code, it would lose over \$4 million in revenue.

Proposed Solution: The City proposes to eliminate its B&O tax on Manufacturing, which will result in a reduction of revenues of approximately \$50,000. Imposing up to a one percent (1%) sales tax on all taxable sales under the West Virginia Code will generate an estimated additional \$3.1 million in revenue to the City as illustrated in Exhibit A – Fiscal Impact Worksheet. This proposal allows the City to proceed cautiously by eliminating a category of B&O tax. If the City, as expected, sees substantially increased revenues, it is the intent of the City to further reduce the B&O tax on various categories.

The City's sales and use taxes will be administered, collected, and enforced by the State Tax Department as outlined in WV Code Chapter 11, Article 15a.

Conclusion: The current financial resources available to the City of Bridgeport are not adequate to fund an indoor recreation facility. The City has determined that in order to bring this project to fruition for the residents of not only Bridgeport, but Harrison County and beyond, it is necessary to impose up to a one percent (1%) sales and use tax.

Without having this taxing ability, a project of this nature would be virtually impossible for the City of Bridgeport.

SECTION III: AFFADAVITS

AFFIDAVIT

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, after first having been duly sworn, upon her oath, deposes and says:

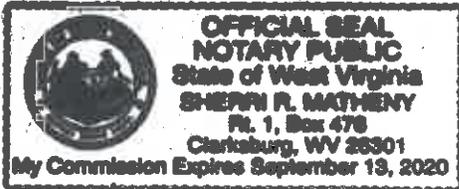
1. That she is the duly appointed and acting City Clerk of the City of Bridgeport, Harrison County, West Virginia;
2. That she is familiar with the Application of the City of Bridgeport, Harrison County, West Virginia, to amend its written Home Rule Plan pursuant to the provisions of West Virginia Code §8-1-5;
3. That notice of a public hearing relating to the proposed amendment was duly published:
4. at least thirty (30) days prior to the date of the proposed hearing held on November 2, 2015, as shown by the Certificate of Publication of the Clarksburg Publishing Company attached hereto as Exhibit C;
5. That a copy of the proposed amendment to Bridgeport's written plan was available for inspection at the Bridgeport City Hall for at least thirty (30) days prior to the holding of said hearing in the form attached hereto and made a part hereof as Exhibit C;
6. That a public hearing with respect to the proposed amendment was held at 7:00 p.m. in the Council Chambers of the City of Bridgeport on November 2, 2015, as reflected by the minutes attached hereto as Exhibit B;
7. That twenty-three (23) appeared in person with comments and eight (8) emails were read into record at said public hearing with respect to the proposed amendment;
8. That subsequent to said public hearing an Ordinance authorizing the filing of the Application was duly adopted by the governing body of the City of Bridgeport at a meeting held on November 2, 2015, and a second reading at a meeting held on November 9, 2015, a copy of which Ordinance is attached as Exhibit D;
9. That comments made at the public hearing if any, are reflected in the minutes thereof attached hereto as Exhibit B.

Further affiant saith not.

Andrea Kerr

Andrea Kerr, City Clerk
City of Bridgeport

Taken, subscribed and sworn to before me this 11th day of November, 2015, by Andrea Kerr, City Clerk of the City of Bridgeport.



Sherril R Matheny
Notary Public in and for Harrison County,
West Virginia

My commission expires:

September 13, 2020

City Council Agenda indicating Public Hearing

TO: NEWS MEDIA, CITY DEPARTMENTS & INTERESTED PARTIES

PURPOSE: SPECIAL BRIDGEPORT CITY COUNCIL MEETING AGENDA

DATE: NOVEMBER 2, 2015

TIME: 7:00 P.M. REGULAR SESSION

PLACE: BRIDGEPORT CITY HALL
515 WEST MAIN STREET

A G E N D A

INVOCATION & PLEDGE OF ALLEGIANCE

PROJECT PRESENTATION BY COUNCIL AND STAFF

**PUBLIC HEARING REGARDING HOME RULE ORDINANCES-IMPOSE
MUNICIPAL SALES TAX IN ACCORDANCE WITH WEST VIRGINIA STATE CODE
§8-1-5A(i)(14)**

PUBLIC COMMENTS:

UNFINISHED BUSINESS:

NEW BUSINESS:

1. **First Reading of an Ordinance authorizing submission of an application to the West Virginia Municipal Home Rule Board for amendment to the City's Home Rule plan.**
2. Budget Revisions and/or Authorizations.

EXECUTIVE SESSION, If Needed:

To discuss matters involving the sale or lease of property, personnel matters, and advance construction planning which, if made public, might adversely affect the interests of the City, to discuss matters with counsel pursuant to the attorney/client privilege and as to matters not included on this agenda to determine if official action is necessary.

City Council Minutes from Public Hearing

November 2, 2015

BRIDGEPORT CITY COUNCIL MINUTES

City of Bridgeport

County of Harrison

State of West Virginia

SPECIAL SESSION:

At 7:04 p.m. Bridgeport City Council met in a special session in the Council Chambers of the Bridgeport Municipal Complex at 515 West Main Street.

COUNCIL MEMBERS PRESENT:

Recorder Hank Murray, Councilors Diana Cole Marra, Dustin Vincent, Jeff Smell, LJ Maxey and John S. Wilson, Sr.

COUNCIL MEMBER(S) ABSENT:

Mayor Robert L. Greer, excused

CITY STAFF PRESENT:

City Manager Kim Haws, Assistant City Manager Jimmy Smith, City Clerk Andrea Kerr, Police Chief John Walker, City Attorney Dean Ramsey, Finance Director Monica Musgrave.

INVOCATION AND PLEDGE OF ALLEGIANCE:

The Invocation was given by Recorder Hank Murray, followed by the Pledge of Allegiance.

COMMENT

Recorder Hank Murray explained that he has been on City Council since the mid 90's and even then, the City of Bridgeport has voiced a strong need for an Indoor Recreation Facility.

PROJECT PRESENTATION BY COUNCIL AND STAFF

City Manager Kim Haws started by explaining the Home Rule Timeline:

- November 2 – Special Council Meeting: Hearing and 1st reading of the Ordinance to approve the submission of the Home Rule Application
- November 9 – Council Meeting: 2nd reading of the Ordinance to approve the submission of the Home Rule Application
- November 16 – Home Rule Board Meeting
- November 23 – Council Meeting: 1st reading of the Ordinance to impose a sales tax
- December 14 – Council Meeting: 2nd reading of the Ordinance to impose a sales tax
- December 15 – Notify State Tax Department to comply with 180 day requirement

Facts:

- The multi-sports complex will be virtually impossible without imposing a sales tax.
- This tax will ensure that no other city services will be reduced or altered.
- Bridgeport has one of the lowest average B&O tax rates in the region
- Manufacturing B&O taxes will be eliminated
- It is the intent of the City to reduce tax rates in other categories in the future

Items exempt from sales tax:

- Gasoline
- Food
- Pharmaceuticals
- Automobiles
- House Sales
- *Any item that the state does not tax, the City will not tax

How much is 1%?

- For example: For every \$100 spent, the proposed 1% tax would be \$1; for every \$1000 spent, the proposed tax would \$10; for every \$10,000 spent, the proposed tax would be \$100.

The city does not intend to compete with any local exercise and fitness programs and businesses.

The city recently acquired 28 acres across from the current recreation facility. There is a Memorandum of Understanding that says that a recreation facility must be constructed in five years. If after five years, an Indoor Recreation Complex has not been constructed, the land will revert back to the Economic Opportunity Development District (EODD), which is the district that deeded that property to the city in the first place, and then the money that we spent to purchase that property will be forfeited.

A committee was formed about a year ago in the city to discuss what the indoor recreation complex might look like. The committee talked about a need for a good aquatic center that can take care of the aquatic needs of the area because there are no adequate facilities in this area for that. They talked about multiple use facilities, such as basketball courts and tennis courts that are covered and can be used year round. Indoor soccer and indoor track that can be used for serious runners. They discussed an indoor walking track, racquetball.

Tomorrow (11/3/15) the committee is interviewing engineering consulting firms that have experience in building and designing indoor rec complexes. They anticipate interviewing four firms tomorrow, to begin the process of looking at the feasibility of constructing and operation and maintenance standpoint. The firm that we choose will pull a full variety of public hearings to generate input from the public to determine exactly what this facility should look like and give those recommendations to City Council for final approval.

PUBLIC HEARING REGARDING HOME RULE ORDINANCES-IMPOSE MUNICIPAL SALES TAX IN ACCORDANCE WITH WEST VIRGINIA STATE CODE §8-1-5A(i)(14)

PUBLIC COMMENTS:

1. Debbie Kinney: Questions: What was the \$2 million + fund balance spent on? Why has the city administration and council not set money aside for this project, rather than go into debt? If Bridgeport does not implement the 1% sales tax and Clarksburg does, then people will come to Bridgeport to shop which could create more revenue for the city. A lot of ordinances passed; can it be repealed or removed so that the ordinance only has a life span of one project? If money is needed so badly, can there be expenditures cut instead of increases in spending, to find more money? The idea is so that the citizens will not be strapped with a lot of taxes in what could be a poor economic future with oil and gas fizzled out. How can ordinances be removed?
2. Marcello Lalama: I am the property manager of the Meadowbrook Mall. We are somewhat concerned about the tax increase. The council members need to know the potential impact this

- sales tax could have. If we increase the sales tax and Clarksburg does not, it will impact our businesses. Also, there is the impact of internet sales on our brick and mortar businesses in Bridgeport already have to compete with. If you charge this higher tax, it will affect those businesses.
3. Harry Gillum: Showtime Music, Meadowbrook Mall. In your proposed cuts, you are going to cut the B&O tax from your least generating revenue source, which is manufacturing. Then you're going to hop on the back of the "cash cow", which is retail. We lose sales every day to "show rooming" (internet sales). Buying online has paralyzed the local retailer and now you want to add tax.
 4. John Reese: Bridgeport High School Girls Soccer Coach. We have athletes that travel to Morgantown in the winter time to practice for soccer. We have hosted a North-South game here in the past and the athletes have had to play outside in very cold weather. If we had an indoor facility to host events, it would bring money to our hotels and businesses. Soccer is a growing sport and we need more facilities and we need this complex.
 5. John Cole: I am very positive and excited about this project. Bridgeport is becoming a magnet. We have traveled all around for tournaments and spent money in their hotels and restaurants. Our outdoor facility has brought those tournaments back here. We have a lot of senior citizens in the area and I hope things will be incorporated in this facility and I hope we have input.
 6. Denver Terry: I think they need to look at all the aspects of what the facility will do for our community.
 7. Pat Jeffers: I'm a pharmaceutical rep and I travel for work and people say to me that they have been to our baseball facility. We have seen incredible value in building that baseball facility. They stay at our hotels, eat in our restaurants and shop at our mall. We travel for soccer and some of the facilities we have played in are amazing. Nothing worth having is very easily gained; we have to work for it.
 8. Randy Gum: gave his 3 minutes to Harry Gillum
 9. Harry Gillum: (again) I am in favor of the complex, but I am not happy with how it is to be funded. It's unfair to our consumers and loyal customers. We would like for alternative financing to be looked at, if possible. Grants, state partnerships.
 10. Robert Marra: I'm here to speak in favor of the sales tax and indoor facility. Teams are looking for places to use these facilities. I've been part of bringing baseball tournaments to the facility. People rave about our facility, out town and our people. The sky is the limit for the economic possibilities as well as the quality of life.
 11. Kahn Kessleman: Feasibility study should be done before you decide to impose a 1% sales tax on the city. Why not lower? Why not use hotel/motel taxes to fund the project? When will the tax stop? The last few years the city has ended up with a million to two million dollars and maybe some of that money could have been put towards things such as this. We have the highest levy rate of the state.
 12. Mike Fresa: I think it's an insult to the citizens of the community to hold a public hearing and the reading of the Ordinance in the same night. People don't want this additional tax. Our economy is in bad shape. I would like to see this thing built, but stay with the economics of it. This should be a county project.
 13. Steven McElroy: We are being told that that this \$3.1 million in revenues from the 1% sales tax increase will go towards the Indoor Recreation Complex. \$3.1 million will support a bond of \$40 to \$50 million over 20 to 30 years, costing tax payers probably \$30 million or more additional tax dollars in bond interest payments.

14. Kay Bowen: This hearing is not about if the citizen's want a rec complex, it's about if we want an additional sales tax. The Exponent Telegram ran a poll in the paper and 84% of the people are against the sales tax.
15. Ryan Haws: I have 3 small children, one of them old enough to play sports. The problem is, when winter comes around, the options are limited. We go to the library or the mall. As a resident I do not pay a lot of attention to the sales tax. If I knew it was going to fund something that I would be using or my children would be using for the next 30, 40, 50 years, it's something that I would gladly do.
16. Toni Haws: I stand in favor of Home Rule. I have seen this community self-fund the library and self-fund the high school football field (twice), playgrounds and many other projects that you have dug down and found money because there was no money in our government. Our culture and recreation are central to our family's and our community's growth and development.
17. Paul Paulson, President of Bridgeport Little League. I am here representing 250-300 families. I spend roughly 2 days a week traveling to Morgantown or Pennsylvania for indoor sports in November through April. Primarily due to weather and due to the fact that we do not have that type of facility here. On those trips I am spending \$75 a day, depending on what we are doing. I am for this complex and for the tax. All of the money I am spending on my kids will be reinvested in this facility.
18. Ricky Johnson: I came to talk about the swim side of this facility. I travel a lot because we do not have the type of swimming facilities in West Virginia. We travel to Canton, OH every year for swim championships. I have traveled to Oakland University in Michigan. The league pays these facilities to hold these events. In December I go to Pitt and there are over 2600 kids that swim in an event, plus their parents and siblings. That's a lot of spending that we could pick up in the city here. There is a lot of economic impact you could get from this facility and I hope that you are considering a 50 meter pool as part of it. Right now we have 5 high schools fighting over where they get to swim because of the YMCA financial and air quality issues. We had 5 kids sign Division 1 scholarships last year in swimming. Taking away high school swimming will affect that.
19. Pat Snively, Fairmont State University Swimming Coach for the past 15 years. We have 90-100 kids on our team every year. I'm here to talk about North central West Virginia swimming. People consider me the local expert on competitive swimming. I see an opportunity to grow recreation in this area and leave a legacy and an opportunity for these kids to realize their goals and their dreams. I consider swimming a lifelong physical activity. When you bring people in from out of state, they're going to spend money in hotels and restaurants and you're going to see that money back, tenfold. I'm part of the economic studies that show the impact of swimming.
20. Bryce Bohman: from Morgantown. I'm here to speak on behalf of a pool. I'm a two time All America for WVU, I'm a 2016 Olympic hopeful, I'm a swim coach, I teach lessons. I can see what the benefits of growing swimming in the state of WV. We have a lot of really talented kids that don't get the opportunity to reach their potential. Swimming is a sport that you do for your entire life. I want to grow this sport and I think this facility in Bridgeport will be a great starting point.
21. Kelly Nelson: I've been in Bridgeport for about 30 years. I am advocating this tax increase for one reason and one reason only, because I think this indoor recreation complex is something the city needs to take the opportunity to do. I think potentially, it's a great economic driver. I think it's a great way to retain and recruit talent. I have a medical practice and I work with the hospital to recruit and retain talent and a question always asked of our office is "What kind of recreational facilities to do you have?" Also, I would not be doing justice to my career if I did not mention

- the health benefits of it. I will continue to spend my dollars locally and I will gladly spend the extra 1% for the sales tax as long as it goes to this project.
22. Drew Pomeroy: with Home Rule, if you take away a revenue source, you can never get that revenue source back. It's very important that we don't cut essential services to do this. The last thing that anyone wants to see is a pole building with three or four basketball courts. We want to see something that is first class. By attracting other citizens into our community, we are going to see the benefits for our citizens. We have a huge drug problem in this community. We need some wholesome ways for these kids to have an alternate to being on the streets, doing drugs.
 23. Joe Timms: We are premature with this plan. Until you have a study that shows how much this will cost, and what fees you'll charge the community. I think you need to back up. People want this, but they don't want to pay for. We need more information. We need to get our facts together and our finances under control. We need to use our resources wisely and continue to be the city of choice.

CITY CLERK ANDREA KERR READING THE EMAILS THAT HAVE BEEN SENT IN REGARDING THE HOME RULE ORDINANCE-IMPOSE MUNICIPAL SALES TAX:

1. Roy and Judy Hall: Please see attached letter to be placed in the formal record for tonight's meeting. (Letter did not print and was not read.)
2. Melissa and Mark Roberts: We are writing to communicate our support of the 1% sales tax increase and the indoor recreation complex. We specifically chose to live in Bridgeport for its excellent schools and recreational opportunities.
3. Anonymous: A 1% sales tax increase to help fund the construction and ongoing operational and maintenance costs of an indoor recreation facility is a change that I support. This proposal is a good investment not only for the city, but for all of North Central WV.
4. Todd Conley: I think it's a great idea! As long as the tax is going towards something concrete, something the public can see, they will be likely to support it. Bridgeport has already outdone themselves with the Rec Complex, as is. I can't wait to see the Indoor Complex and what it does for the city.
5. Randy Gum: I am writing to voice my opposition of the 1% sales tax increase. I do not oppose the development of an indoor recreation complex. I read that the tax would "level the playing field" with regard to retail commerce. If Clarksburg is not instituting the sales tax, the playing field is as level as it could get. If Clarksburg does institute the tax, then the field would indeed be tilted in our favor. Why would we give away that advantage? Also, I fail to see any significant value to the citizens of Bridgeport in waiving the B&O taxes on manufacturing.
6. Jason Bell: I wanted to email and let you know that my entire family opposes it. I enjoyed the article in Connect-Bridgeport that discussed the possible reduction or elimination of the tax in the future.
7. Dan Rowcroft: My understanding is there is a goal to place 700 more homes in Bridgeport. I feel our infrastructure here cannot support that. If this tax increase were going toward new schools, sewer plant and infrastructure that would support all these other goals, I would support it. I feel the cart is before the horse and can't support a tax increase for a community center when our schools are in the shape they are in, and the cost of living increases each year as salaries stay stagnant or even decrease.
8. Timothy Matune, Meadowbrook Mall: (First letter) A higher sales tax would impede the ability of retailers in Bridgeport to offer a lower overall cost of product to its customers. With wages and salaries being stagnant currently, higher tax rates reduce the overall buying power of each household. Thus, an increase in sales tax may not necessarily produce more tax revenue – especially if consumers have the option to forgo the sales tax altogether and shop online. (Second

letter) I am enclosing information assembled by the International Council of Shopping Centers with respect to the need to provide a “level playing field” for local businesses as it relates to e-commerce. A 1992 US Supreme Court case created an online sales tax loophole requiring only those e-commerce merchants maintaining a physical presence in the state of the consumer to collect sales tax. It also produces your local merchant as being a “showroom” for prospective customers to inspect merchandise in person that they will ultimately buy online.

COMMENTS FROM COUNCIL:

1. LJ Maxey: I would have appreciated a greater opportunity for a couple of work sessions open to the public, where some of this could have been discussed. We are asking the citizens of Bridgeport to suck up a \$3.1 million tax increase for a facility that we don't know enough about. If I am reading the Home Rule right, there is the ability to re impose the B&O tax after we reduce it. If we impose this retail sales tax, and take away the B&O, we can re impose the B&O tax, if we eliminate the sales tax.
2. Dustin Vincent: Explained the timeline that Kim discussed earlier. It will take 4-6 quarters to determine the amount of revenue collected from the proposed 1% sales tax. It will take us through 2018 to determine what it will cost to do this. It opens up council to look at reducing other B&O taxes.
3. Jeff Smell: I want to make it clear that our minds are not made up yet. We are still gathering information on this. It's a very aggressive timeline and things change. We are afforded the opportunity to impose this sales tax and do something great for our community and entire state. I see a lot of benefits from recreation, quality of life, and economic development. I've been to neighboring states and facilities and I'm envious. I would love to be able to have that in our community. We will do our due diligence to do the best feasibility study possible. If it doesn't work and the numbers are not there, we will have to reevaluate it. We are very transparent and will let everyone know what we are looking at.
4. Diana Cole Marra: We are listening to both sides. Nothing has been decided. If we didn't vote for and go to the Home Rule Board and ask for this authority, we could not make this possible. We have abilities and authorities today that may not exist in a year. I think this is a once in a lifetime opportunity for the city of Bridgeport and the community. I think this a fair way to get this building built and make it operation, functional, and beneficial to North Central WV and allow others to contribute towards it.
5. John S. Wilson, Sr.: Question to Finance Director, Monica Musgrave: How will the funds from this anticipated tax be handled in our record?
 - o Monica: Those would be set aside in a completely separate fund, such as our water and sewer are. Water bills, the part that is raised for that, is only used for water expenses, the sewer is only used for sewer. So those funds collect from the sales tax would go into a totally separate fund and would only pay for either debt surface or the operating expenses for the Rec Complex.
 - o John: Those taxes go through the state of West Virginia and they're not paid directly to the city and there is a waiting period of time.
 - o Monica: That's true. We need to take into account delinquencies and when the money actually starts coming in.

This city is financially sound today and it will remain that way. I ask that if any of you are called upon by a consultant, please take the time to speak with them. Take the time to be involved and give your input.

6. Hank Murray: I am in favor of this rec center, but I am not in favor of the tax increase. There is no other way to finance it. We have looked and done a lot of research and found that this is the best way, if we want it. We are not approving the sales tax tonight; we are only approving the Ordinance to authorize submission of the application.

NEW BUSINESS:

1. First reading on an Ordinance authorizing submission of an application to the West Virginia Municipal Home Rule Board for amendment to the City's Home Rule Plan.
 - a. Councilor Diana Cole Marra made a motion to approve. Motion was seconded by Councilor Jeff Smell, and passed on a vote of 5 -1. Councilor LJ Maxey opposed.

ADJOURNMENT:

Meeting adjourned at 9:11 p.m. on a motion by Councilor LJ Maxey, seconded by Councilor Dustin Vincent and unanimously approved.

PREPARED BY:

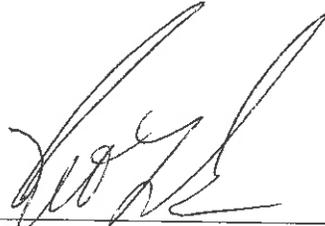


Andrea Kerr, City Clerk

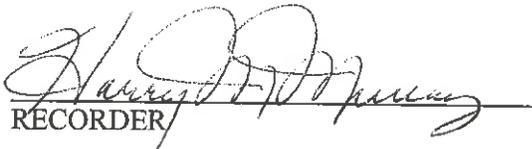
APPROVED:

11/9/15

Date



MAYOR


RECORDER

Publication Mandate Verification

NOTICE OF PUBLIC HEARING CITY OF BRIDGEPORT HARRISON COUNTY, WEST VIRGINIA HOME RULE PLAN AMENDMENTS

Notice is hereby given that the City of Bridgeport, Harrison County, West Virginia, will hold a public hearing on Monday, November 2, 2015, at 7:00 p.m. in Council Chambers in City Hall at 515 W. Main Street, Bridgeport, West Virginia, 26330. The purpose of the public hearing will be to discuss and hear public comments with respect to the City of Bridgeport's proposed amendments to its written Home Rule Plan and Application for Amendment to such plan. This information will be considered by the governing body of the City of Bridgeport, its Application to be filed with the West Virginia Home Rule Board for the amendments set forth in the Application. The City of Bridgeport's proposed Home Rule Plan Application for Amendments is available for public inspection in the office of the City Manager, at Bridgeport City Hall, 515 W. Main Street, Bridgeport, West Virginia, beginning October 1, 2015, Monday through Friday between the hours of 8:00 a.m. and 4:00 p.m. Said proposed Home Rule Amendments and Application can also be found on Bridgeport's website at bridgeportwv.com.

All interested citizens are invited to attend the public hearing scheduled on Monday, November 2, 2015 at 7:00 p.m. to present oral or written comments with respect to the proposed amendments to the Home Rule Plan. Until that time written comments may also be presented and addressed to A. Kim haws, City Manager, City of Bridgeport, 515 W. Main Street, Bridgeport, West Virginia, 26330. After the public hearing, the governing body of the City of Bridgeport will consider on two readings an Ordinance authorizing the Application for Amendments. It is anticipated that the first reading of the Ordinance will be after the public hearing on Monday, November 2, 2015, and the second reading will be at the regular meeting of council on Monday, November 9, 2015. Both readings will take place in Council Chambers at City Hall, City of Bridgeport, 515 W. Main Street, Bridgeport, West Virginia 26330, which meetings are open to the public.

Robert L. Greer, Mayor

PUBLISHER'S CERTIFICATE

I, Loretta Ecreathase, Advertising Manager of THE EXPONENT TELEGRAM, a newspaper of general circulation published in the city of Clarksburg, County and state aforesaid, do hereby certify that the annexed:

NOTICE OF PUBLIC HEARING CITY OF BRIDGEPORT HARRISON COUNTY, WEST VIRGINIA HOME RULE PLAN AMENDMENTS

was published in THE EXPONENT-TELEGRAM 1 time(s) commencing on 10/01/2015 and ending on 10/01/2015 at the request of

CITY OF BRIDGEPORT.

Given under my hand this 10/01/15.

The publisher's fee for said publication is: \$58.77.

Loretta Ecreathase

Advertising Manager of The Exponent-Telegram

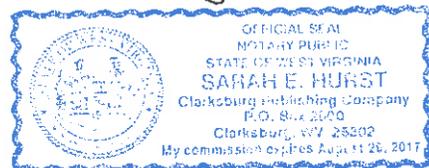
Subscribed to and sworn to before me this 10/01/15

Sarah E. Hurst

Notary Public in and for Harrison County, WV

My commission expires on

The 29th day of August 2017



Ordinance Authorizing Submission of Plan

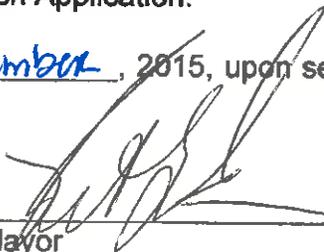
Ordinance Authorizing Submission of Plan

AN ORDINANCE AUTHORIZING SUBMISSION OF AN APPLICATION TO THE WEST VIRGINIA MUNICIPAL HOME RULE BOARD FOR AMENDMENT TO THE CITY'S HOME RULE PLAN; TO IMPOSE MUNICIPAL SALES AND SERVICE TAX AND MUNICIPAL USE TAX IN ACCORDANCE WITH WEST VIRGINIA CODE §8-1-5A

BE IT ORDAINED by the governing body of the City of Bridgeport, Harrison County, West Virginia, that the Mayor, Recorder and City Manager be and they are hereby authorized to submit to the West Virginia Municipal Home Rule Board an Application for approval of an amendment of its Home Rule Plan, as the same may be amended or supplemented, to authorize modification to impose municipal sales and service tax and municipal use tax in accordance with West Virginia Code §8-1-5a.

BE IT FURTHER ORDAINED, that the Mayor, Recorder and City Manager be and they are hereby authorized to execute such Application for and on behalf of the City and to certify this Ordinance to the Municipal Home Rule Board of the State of West Virginia in accordance with the rules and regulations applicable thereto and to take any and all action necessary with respect to said Application and to execute such other documents, hearings, notices, certificates, and affidavits as are necessary or convenient to the filing of such Application.

Adopted this 9th day of November, 2015, upon second and final reading.



Mayor



Recorder

FISCAL IMPACT WORKSHEET/FORMULAS

Exhibit E: Feasibility & Financial Impact

| BUSINESS CLASSIFICATIONS | RATE PER \$100 | 01/01/2012 - 12/31/2012 | 01/01/2013 - 12/31/2013 | 01/01/2014 - 12/31/2014 | 3 Year B&O Average | Adjustment No Sales Tax **Estimate | Adjusted B&O |
|--|----------------|-------------------------|-------------------------|-------------------------|-----------------------|------------------------------------|-----------------------|
| MANUFACTURING | 0.18 | \$45,336.97 | \$38,191.78 | \$55,850.97 | \$46,459.91 | -\$46,459.91 | \$0.00 |
| RETAILERS/SELLING PROPERTY | 0.4125 | \$1,757,183.25 | \$1,740,762.62 | \$2,096,013.89 | \$1,864,653.25 | -\$485,601.45 | \$1,379,051.80 |
| WHOLESALERS | 0.1238 | \$69,252.81 | \$54,718.61 | \$63,568.14 | \$62,513.19 | -\$62,513.19 | \$0.00 |
| ELECTRIC/POWER CO. (SALES/DEMAND CHGS) | 4 | \$367,201.42 | \$356,836.55 | \$358,465.07 | \$360,834.35 | -\$360,834.35 | \$0.00 |
| ELECTRIC/POWER CO. (SALES ALL OTHER) | 3 | \$25,384.53 | \$25,390.40 | \$30,161.50 | \$26,978.81 | -\$26,978.81 | \$0.00 |
| NATURAL GAS COMPANIES | 3 | \$144,706.52 | \$164,970.64 | \$170,278.85 | \$159,985.34 | -\$159,985.34 | \$0.00 |
| CONTRACTORS | 2 | \$1,454,606.44 | \$1,549,549.22 | \$1,440,347.31 | \$1,481,500.99 | -\$1,481,500.99 | \$0.00 |
| AMUSEMENT BUSINESS | 0.4125 | \$16,554.85 | \$16,671.08 | \$15,758.56 | \$16,328.16 | -\$16,328.16 | \$0.00 |
| RENTAL, ROYALTIES OR FEES | 0.825 | \$460,360.70 | \$500,035.45 | \$516,590.75 | \$492,328.97 | -\$492,328.97 | \$0.00 |
| BANKING & FINANCIAL INSTITUTIONS | 0.825 | \$191,968.03 | \$200,558.57 | \$206,476.46 | \$199,667.69 | -\$199,667.69 | \$0.00 |
| SERVICE AND ALL OTHER | 0.825 | \$1,739,727.83 | \$1,868,552.89 | \$2,156,664.99 | \$1,921,648.57 | -\$1,921,648.57 | \$0.00 |
| AIRCRAFT REPAIR & MAINTENANCE | 0.1 | \$253,057.01 | \$304,723.09 | \$330,365.15 | \$296,048.42 | -\$296,048.42 | \$0.00 |
| | | <u>\$6,525,340.36</u> | <u>\$6,820,960.90</u> | <u>\$7,440,541.64</u> | <u>\$6,928,947.63</u> | <u>-\$5,549,895.83</u> | <u>\$1,379,051.80</u> |

| **Estimated** | | |
|----------------------|----------------|-----------------------|
| Gross Sales | 1% Sales Tax | State Collection Fee |
| \$334,315,588.69 | \$3,343,155.89 | \$167,157.79 |
| | | \$3,175,998.09 |
| | | -\$46,459.91 |
| | | <u>\$3,129,538.19</u> |

RETAILERS/SELLING PROPERTY

Est. reduction due to elimination of B&O Tax on Manufacturing

Estimated Additional Revenue

Gross Sales is based on a three year average of B&O collected on Retail which was reduced by estimated taxes paid for groceries, gasoline, pharmacy and car sales. This figure was used to calculate the estimated 1% sales tax which was then reduced by the State's collection fee of 5%. The net figure was reduced by the 3 year average of B&O Tax collected on Manufacturing. These figures do not include delinquency.

Attorney Opinion

Law Offices

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Clarksburg, West Virginia 26302-2348

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NORMAN T. FARLEY
MATTHEW W. ALEXANDER

November 10, 2015

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Municipal Home Rule Board
Building 6, Room 525
Charleston, WV 25305-0311

RE: Application of the City of Bridgeport, West Virginia,
for Amendment to its Home Rule Plan Approved
November 2015 - Ordinances

Ladies and Gentlemen:

We are counsel to the City of Bridgeport, a municipal corporation and political subdivision of the State of West Virginia, "City", in Harrison County of said State. As such counsel, we have examined (i) the Application of the City of Bridgeport, West Virginia for Amendment to its Municipal Home Rule Plan authorized to be filed on November 10, 2015, (ii) the general information provided in such Application, and the narrative therein provided, (iii) the Affidavit and Verification of the Public Hearing held pursuant to the provisions of Section 5a of Article 1, of Chapter 8 of the West Virginia Code, (iv) a copy of the Ordinance authorizing submission of the plan adopted on first reading on November 2, 2015, and on second reading on November 9, 2015, subsequent to the aforementioned public hearing, the amendments approved at said meeting, the Affidavit of the City Clerk with respect to notice and hearing with respect to the adoption of the ordinances proposed to be adopted pursuant thereto, and the ordinances attached to said Affidavit.

Based upon the foregoing and upon our examination of such other documents, statutes, and regulations, as we have deemed necessary, we are of the opinion as follows:

1. We are of the opinion that the City's proposed amendment to its plan complies with the provisions of West Virginia Code 8-1-5a.

Municipal Home Rule Board
Page 2
November 10, 2015

2. That to the best of the knowledge and belief of the undersigned there is now pending no litigation, action, suit, proceeding or investigation of law or in equity before any court, public board or body, pending or threatened, wherein an unfavorable decision would prevent the Municipal Home Rule Board from rendering a decision with respect to said Application.

This opinion may be relied upon by the Municipal Home Rule Board with respect to the City of Bridgeport's 2011 Application for Amendment to its Home Rule Plan pursuant to the authority granted by West Virginia Code 8-1-5a and approval of the amendments authorized pursuant thereto.

Very truly yours,



Dean C. Ramsey

DCR:nsm

Fee Statement

None Outstanding