

HOUSE BILL 1306

By Lamberth

AN ACT to amend Tennessee Code Annotated, Title 7,
Chapter 53; Title 9, Chapter 21 and Title 9,
Chapter 23, relative to economic development.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-53-101(15)(A)(x), is amended by deleting the subdivision and substituting instead the following:

Any multifamily housing facilities, including, but not limited to, affordable and workforce housing, as those terms are defined in § 5-9-113, to be occupied, in whole or in part, by persons of low to moderate income, elderly, or handicapped persons, as may be determined by the board of directors, which determination shall be conclusive; provided, that, any reference to "apartment" or "apartments" in this chapter means multifamily housing facilities that are available for rent as described in this subdivision (15)(A)(x);

SECTION 2. Tennessee Code Annotated, Section 7-53-101(15)(A), is amended by adding the following as new, appropriately designated subdivisions:

() Any single family, condominium, or townhome housing development, including, but not limited to, affordable and workforce housing, as those terms are defined in § 5-9-113, to be occupied, in whole or in part, by persons of low to moderate income, elderly, or handicapped persons as may be determined by the board of directors, which determination shall be conclusive;

() Any public infrastructure, as defined in § 9-23-102, located within the municipality that created the corporation;

SECTION 3. Tennessee Code Annotated, Section 7-53-302(a)(4), is amended by adding the following language immediately after the language "§ 7-53-101(15)(E)":

, nor shall this proviso apply to any apartment building or buildings, including, but not limited to, affordable and workforce housing, as those terms are defined in § 5-9-113, to be occupied, in whole or in part, by persons of low to moderate income, elderly, or handicapped persons as may be determined by the board of directors, which determination shall be conclusive

SECTION 4. Tennessee Code Annotated, Section 7-53-312(f), is amended by adding the following language at the end of the subsection:

For any economic impact plan approved by the corporation before or after the effective date of this act, the governing body of the municipality, or any city, town, or county required to approve an economic impact plan, may approve amendments to the economic impact plan in connection with approval of the plan, and the amended economic impact plan becomes effective upon approval by the corporation of such amendment. The corporation is not required to conduct an additional public hearing prior to the approval of any amended economic impact plan.

SECTION 5. Tennessee Code Annotated, Section 7-53-312(g), is amended by adding the following language at the end of the subsection:

Minor amendments to clarify terms or correct errors in the wording of an economic impact plan that has been previously approved by the governing body of a municipality, or any city, town, or county required to approve the economic impact plan pursuant to subsection (f), become effective upon approval by the corporation. The corporation is not required to conduct an additional public hearing prior to the approval of a minor amendment to the economic impact plan. If the governing body of the municipality, or any city, town, or county required to approve an economic impact plan approves the

economic impact plan prior to the approval by the corporation, then additional approval of the economic impact plan by the governing body of a municipality, or any city, town, or county is not required.

SECTION 6. Tennessee Code Annotated, Section 7-53-314(f), is amended by adding the following language at the end of the subsection:

For any economic impact plan approved by the corporation before or after the effective date of this act, the governing body of the municipality, or any city, town, or county required to approve an economic impact plan, may approve amendments to the economic impact plan, and the amended economic impact plan becomes effective upon approval by the corporation. The corporation is not required to conduct an additional public hearing prior to the approval of any amended economic impact plan.

SECTION 7. Tennessee Code Annotated, Section 7-53-314(g), is amended by inserting the following language at the end of the subsection:

Minor amendments to clarify terms or correct errors in the wording of an economic impact plan that has been previously approved by the governing body of the municipality, or any city, town, or county required to approve the economic impact plan pursuant to subsection (f), becomes effective upon approval by the corporation. The corporation is not required to conduct an additional public hearing prior to the approval of an amendment to the economic impact plan. If the governing body of the municipality, or any city, town, or county required to approve an economic impact plan approves the economic impact plan prior to the approval by the corporation, then additional approval of the economic impact plan by the governing body of the municipality, or any city, town, or county is not required.

SECTION 8. Tennessee Code Annotated, Section 7-53-316(a), is amended by deleting the subsection and substituting instead the following:

(a) It is the intent of the general assembly to encourage the redevelopment of brownfield sites in this state. In addition to the authorization provided in § 7-53-312, a corporation located in a municipality in which a brownfield redevelopment project is located may prepare and submit to the municipality for approval an economic impact plan with respect to an area that includes, but it is not limited to, the brownfield redevelopment project in the manner provided in this section. Except to the extent modified under this section, § 7-53-312 applies to an economic impact plan for an area that includes a brownfield redevelopment project.

SECTION 9. Tennessee Code Annotated, Section 7-53-316(b), is amended by deleting the subsection and substituting instead the following:

(b) An economic impact plan submitted for approval under this section must provide that the property taxes imposed on the property, including either real property or personal property or both located within the area subject to the plan, the sales taxes imposed upon sales within the area subject to the plan, the sales taxes imposed upon construction and related development or redevelopment activity in the area subject to the plan, or any combination and amount of such property and sales taxes, will be distributable in the manner described in subsection (c) and § 7-53-312(c), as applicable, and used for the purposes permitted by subsection (e).

SECTION 10. Tennessee Code Annotated, Section 9-21-133(a)(1)(B), is amended by adding the following as a new subdivision:

() Is secured or payable only from tax increment revenues, as defined in § 9-23-102, except for guaranties or security provided by private parties;

SECTION 11. Tennessee Code Annotated, Section 9-23-103, is amended by the adding the following as new subsections:

() Notwithstanding subsection (a) or the tax increment statutes to the contrary, for any multifamily, single family, condominium, or townhome housing development, including, but not limited to, affordable and workforce housing, as those terms are defined in § 5-9-113, to be occupied, in whole or in part, by persons of low to moderate income, elderly, or handicapped persons as may be determined by the board of directors, which determination shall be conclusive, a plan may provide that all taxes levied by a participating tax agency must be allocated and paid to the tax increment agency.

() A plan may provide that the amount of the dedicated taxes may be fixed for the term of the plan as of the date of the plan approval by the tax increment agency or the date of the first allocation of taxes to the tax increment agency.

SECTION 12. This act takes effect upon becoming a law, the public welfare requiring it.