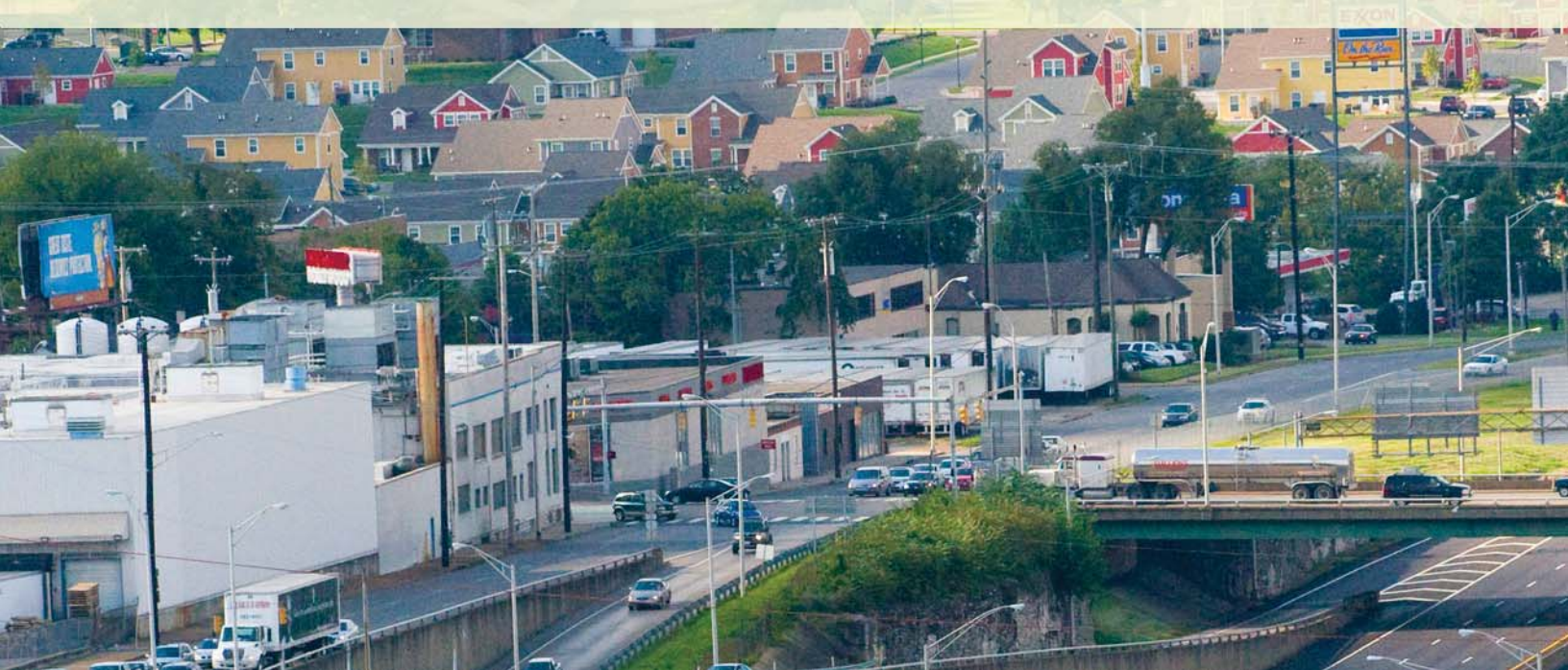




Report of the Tennessee Advisory Commission on Intergovernmental Relations

Municipal Boundaries in Tennessee: *Annexation and Growth Planning Policies after Public Chapter 707*

January 2015





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Municipal Boundaries in Tennessee:
Annexation and Growth Planning Policies after Public Chapter 707

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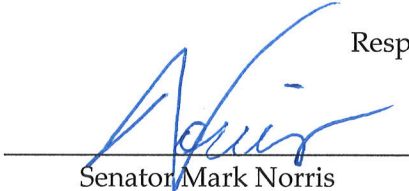
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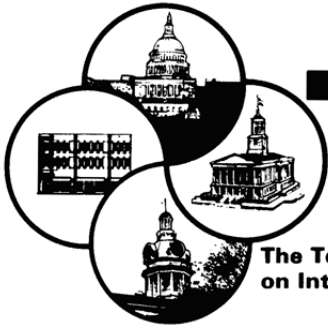
Dear Lt. Governor Ramsey and Speaker Harwell:

Transmitted herewith is the Commission's report evaluating the efficacy of state policies set forth in Tennessee Code Annotated Title 6, Chapters 51 (Change of Municipal Boundaries) and 58 (Comprehensive Growth Plan), as directed by Public Chapter 707, Acts of 2014, and with specific attention to changes made by that act. The report was approved on January 28, 2015, and is hereby submitted for your consideration.

Respectfully yours,


Senator Mark Norris
Chairman


Lynnis Roehrich-Patrick
Executive Director



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MEMORANDUM

TO: Commission Members

FROM:  Lynnisse Roehrich-Patrick
Executive Director

DATE: 28 January 2015

SUBJECT: Municipal Boundary Changes and Comprehensive Growth Plans—Commission Report for Approval

The attached Commission report is submitted for your approval. The report was prepared in response to Public Chapter 707, Acts of 2014, which dramatically changed annexation law in Tennessee by eliminating annexation without consent and strengthened the annexation moratorium established by Public Chapter 441, Acts of 2013, in place since May 16, 2013. Public Chapter 707 also extended the comprehensive review and evaluation of the efficacy of state policies set forth in Tennessee Code Annotated Title 6, Chapter 51 (Change of Municipal Boundaries) and 58 (Comprehensive Growth Plan) initiated by Public Chapter 441. The report explains the annexation process going forward—a process that will require annexing cities to obtain written consent from owners or hold a referendum—and includes the Commission's recommendations to address several key issues concerning municipal boundary changes and growth planning policies, including recommendations related to non-resident participation in annexation decisions, annexing non-contiguous areas, and reviewing and updating growth plans, among others.

Contents

Refining Policies for Growth Planning and Municipal Boundary Changes.....	1
The Annexation Process Going Forward: Consent and Referendums.....	2
Defining Agricultural Land for Annexation Purposes May Pose Challenges.....	2
The Referendum Process Remains Unchanged but Excludes Non-resident Landowners	3
Referendum by Petition: Adding a Way to Make Annexation Decisions More Inclusive	4
Corridor and Non-Contiguous Annexation: Supporting Economic Development	5
More Informative Plans of Services: Making Annexation Attractive	6
Deannexation: Initiation by Residents and Landowners under Limited Circumstances.....	6
Mutual Boundary Adjustment: Informing Residents and Landowners	7
Implementing the Statutory Allocation of Tax Revenue after Annexation.....	8
Updating Growth Plans: the Next 20 Years.....	8
Unilateral Retraction of Cities’ Urban Growth Boundaries.....	9
Joint Economic Community Development Boards: Making Them More Effective.....	9
Clarifying Statutory Language	10
Annexation and Municipal Boundary Changes after Public Chapter 707	11
Annexation by Resolution	12
Annexation by Owner Consent.....	12
Defining Agricultural Land for Annexation with Written Consent.....	13
The Process for Annexation by Referendum.....	14
Difficulties with Referendums	15
Difficulties with Expanding Non-Resident Voting in Referendums	16
Petitions: a More Efficient and Inclusive Method of Annexation.....	17
Corridor Annexation: Managing Conflict and Avoiding Confusion.....	20
Non-Contiguous Annexation: Supporting Economic Development.....	21
More Informative Plans of Services: Making Annexation Attractive	22
Deannexation: Concerns About Initiation and Effects	23
Mutual Boundary Adjustment: Informing Residents and Landowners	25



Implementing Statutory Allocations of Tax Revenue after Annexation..... 26

Comprehensive Growth Policies28

 Updating Growth Plans: the Next 20 Years..... 29

 County Growth Plans: Impediments to Amending Them..... 30

 Joint Economic Community Development Boards: Purpose and Composition 31

 Efforts to Make JECDBs Successful..... 31

 Combining JECDBs with Other Local Entities 34

References.....37

Interviews and Persons Contacted.....39

Appendix A: Public Chapter 707.....41

Appendix B: Clarifying Statutory Language45

Appendix C: Annexation Methods in the 50 States53

Appendix D: Populations and Projections.....55

Refining Policies for Growth Planning and Municipal Boundary Changes

The 108th General Assembly eliminated unilateral, nonconsensual annexation with the enactment of Public Chapter 707, Acts of 2014, and strengthened the annexation moratorium established by Public Chapter 441, Acts of 2013. The 2014 Act extended the review of state policies governing comprehensive growth plans and changes in municipal boundaries begun by Public Chapter 441 on which the Commission released an interim report in December 2013.

Until May 15, 2015, cities may annex by ordinance only those formally initiated before passage of Public Chapter 707 and approved by the county or with the written consent of the owners. After that date, cities can annex property only with the written consent of the owner or by referendum. Cities can annex agricultural land only with written consent of the owner.

While Public Chapter 707 settled many important issues surrounding annexation, its passage raised a few new questions and left others unresolved:

- Issues that Public Chapter 707 did not resolve
 - » non-resident participation in annexation decisions
 - » annexing non-contiguous areas
 - » deadlines and standards for implementing plans of services and inclusion of financial information
 - » participation in deannexation decisions and deannexing agricultural property
 - » informing the public before adjusting cities' shared boundaries
 - » implementing statutory allocation of tax revenue after annexation
 - » reviewing and updating growth plans
 - » retracting cities' urban growth boundaries
 - » duties and responsibilities of joint economic and community development boards
- Issues that Public Chapter 707 created
 - » references to annexation by ordinance that were not removed

After May 15, 2015, cities can annex property only with the written consent of the owner or by referendum.

- » apparent ambiguities created in sections that were not amended

While Public Chapter 707 left the existing referendum method unchanged, it added a more formal method for individual owner consent, one that requires consent in writing, something that was not necessary in the past.

The Annexation Process Going Forward: Consent and Referendums

Public Chapter 707 established consent as the basis for all annexations in Tennessee. While it left the existing referendum method unchanged, it added a more formal method for individual owner consent, one that requires consent in writing, something that was not necessary in the past. With the written consent of all affected landowners, cities can easily annex any area adjacent to the existing city limits, including land used primarily for agricultural purposes, which now can be annexed only with the owner's written consent. Anything else requires a referendum.

With repeal of the annexation by ordinance method, Public Chapter 707 left resolution as the only method for effecting annexations. The critical difference between the two is that ordinances have the force and effect of law while resolutions only express the opinion or will of legislative bodies. Giving annexation resolutions the effect of laws and ensuring that they are not subject to legal challenge on a procedural basis will require that cities follow their ordinance processes. Allowing cities to use ordinances for this narrow purpose—only for annexations with unanimous written consent—would be less confusing.

Defining Agricultural Land for Annexation Purposes May Pose Challenges

The larger issue for annexation with written consent, however, is the meaning of the phrase *used primarily for agricultural purposes*. While agriculture is well defined in Tennessee Code Annotated, Title 1, the word *primarily* is not defined anywhere in Tennessee law. It is, however, used frequently in statutes, and the standard dictionary definition of *indicating the main purpose of something or for the most part* would most likely be applied but would still be open to interpretation. Greenbelt status, which protects certain agricultural lands from being appraised for property tax purposes at their highest and best use, has been discussed as a standard for requiring written consent but may not cover everything the legislature had in mind when it wrote “property being used primarily for agricultural purposes.” One option would be to apply the Greenbelt criteria but include parcels that do not meet the acreage criteria for special tax treatment.

The Referendum Process Remains Unchanged but Excludes Non-resident Landowners

Public Chapter 707 did not change anything about the referendum process itself, which has been available to municipalities since 1955. Because annexation by ordinance was simpler, timelier, and cheaper, cities rarely used the referendum process. Referendums can be a cumbersome process unless aligned with a regular election and do not give non-resident landowners a voice. Moreover, referendums require consent from only half of the voters plus one. This simple majority vote requirement means that it is possible for a substantial number of residents and all non-resident property owners to be annexed without their consent and even despite their objection. People who own land within the proposed annexation area but live within the existing city limits may be given the opportunity to participate in the annexation vote if the city chooses to hold a dual election, in which case the annexation must be approved by both groups, those who live in the city as well as those who live in the area proposed for annexation, or the annexation proposal fails.

One proposal to extend participation to non-resident landowners, including corporations, is to allow them to vote in annexation referendums. Although some Tennessee cities' charters allow non-resident landowners—no more than two per parcel—to register and vote in municipal elections, this privilege is granted only to natural persons who are otherwise qualified to vote in Tennessee elections, not to non-resident landowners organized as corporations. Corporate landowners could be allowed to vote in annexation referendums—there is no constitutional impediment to doing so—but only a tiny handful of states extend that right to them (Colorado, Delaware, Maryland, and West Virginia). Nearly all states that allow non-resident landowners to participate in annexation decisions do so through a petition process, although those petitions generally do not decide annexations but rather request them.

But allowing non-resident landowners to participate in annexation referendums may pose logistical problems for election officials and poll workers. Identifying those eligible to vote as non-residents would be a novel process in most areas. Safeguards would need to be developed to ensure that only those eligible by virtue of owning property in areas proposed for annexation were allowed to vote on those questions, and some process for determining who could vote—which owners of properties with multiple owners as well as which individual on behalf of corporations—on the basis of land ownership. Ballots presented at polling places in areas proposed for annexation would have to be programmed to exclude non-residents from all but the annexation question.

Referendums can be a cumbersome process unless aligned with a regular election and do not give non-resident landowners a voice.

Voters themselves might face logistical problems as well when they are eligible to vote in the regular election in one place based on residence and on annexation questions in other places based on land ownership. The same individual might also be eligible to vote on behalf of a corporation at one or more polling places. Getting to all of these places could be as difficult for voters as ensuring that only those who are qualified actually vote on each question would be for election officials and poll workers. Separating annexation referendums that allow non-residents to participate from other elections would be much simpler, but cities may find holding them on different dates too costly.

Referendum by Petition: Adding a Way to Make Annexation Decisions More Inclusive

The addition of a formal petition process patterned on Tennessee’s referendum process *so that it is the equivalent of a vote* could allow non-resident landowners to participate in annexation decisions with less trouble and at less expense without diminishing the ability of annexation opponents to affect the outcome. A petition process structured in this way, as a decisive vote if it fails but as a request for action by the city if it passes, would not be entirely novel. A few states authorize petitions that decide annexation questions, though in a more cumbersome manner than suggested here, by allowing opponents to block annexations in a petition process that occurs after the city has decided the issue.

A formal petition process to stand in the place of a referendum election could be structured in a number of ways. One proposal is to offer two petitions—one for those who favor annexation and one for those who oppose it. A simpler option would be a single ballot that could be marked yes or no. All of the usual safeguards for voting could be provided, including anonymity, which could be protected by offering individual ballots instead of petitions with multiple signatures. If non-residents were authorized to participate, eligibility could be determined based on voter registration rolls and property tax records. Businesses, including corporations, could be allowed to participate in the petition process without changing the election law that restricts the right to vote to natural persons but would need a process for declaring who would cast the ballots on their behalf. And unlike the referendum process, which requires only a simple majority to approve annexation, a petition process could be structured to require a higher threshold, affording more protection to those opposed to annexation, if the legislature so chose. The petition process could also be structured to allow both those living or owning land in the area proposed for annexation and those who reside in the city to participate, as is currently authorized for annexation referendums. This dual petition option could be made mandatory, as it has been for the consolidation of local governments,

A formal petition process to stand in the place of a referendum election could allow non-resident landowners to participate in annexation decisions with less trouble and at less expense without diminishing the ability of annexation opponents to affect the outcome.

to ensure that all of those affected can participate. As with referendums, either group may, in effect, veto the annexation proposal.

Corridor and Non-Contiguous Annexation: Supporting Economic Development

Accommodating willing landowners' requests for annexation of areas not adjacent to the city limits will be more difficult under the new law because landowners and residents in between can stop them. But these areas may be well suited for commercial or industrial development. In the past, cities could easily annex corridors to reach these non-contiguous properties, taking in roads and other rights-of-way, which in many cases created conflict between cities and counties over responsibility for maintaining infrastructure and providing services and confusion for residents and landowners about whether the city or the county is responsible for road maintenance and emergency services. With the passage of Public Chapter 707, cities can no longer do this without the consent of voters by referendum or all owners in writing who live along those roads and rights-of-way and own the land under them. This should not, however, inhibit their ability to annex corridors that are not privately owned, but they will need permission from the government that owns them.

Where cities continue to use corridor annexation to support economic development, cities and counties need to work together to agree on the most effective way to serve developments in outlying areas. Cities should not be permitted to annex a substantial majority of properties on both sides of a county road or bridge without either accepting responsibility for that infrastructure or negotiating a service agreement with the county. Counties would be able to petition a chancery court to direct cities to either accept responsibility for the road or deannex the property along it.

Seven states allow cities to annex non-contiguous territory in order to avoid the conflict and confusion created by corridor annexation. Three of them allow non-contiguous annexation only of government-owned property and three permit cities to annex privately held non-contiguous property within a certain distance of the city limits but only with the owners' consent. None of these states allow the non-contiguous territory to be used to establish contiguity for further annexations. Indiana limits non-contiguous annexation to commercial or industrial development, which avoids problems associated with providing public services to patchwork residential development. Indiana also requires the city to get county approval for the annexation. So does Kansas, which does not limit non-contiguous annexation to certain types of property. Georgia also does not limit non-contiguous annexation to certain types of property, but

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Allowing non-contiguous annexation in Tennessee would help cities and counties alleviate the problems created by corridor annexation.

only allows it when effected either by the state legislature or by agreement between the city and county.

Allowing non-contiguous annexation in Tennessee would help cities and counties alleviate the problems created by corridor annexation when the most appropriate area for development has a landowner willing to be annexed but is not adjacent to the city without affecting residents or landowners who don't want to be annexed. Tennessee could follow the model of Kansas and Indiana and require county approval for non-contiguous annexation or use its urban growth boundaries to establish county consent for non-contiguous annexations. Whether county approval is required or not, non-contiguous annexation should be limited to commercial or industrial development and government-owned property to avoid the problems created by patchwork residential development. Because counties would remain responsible for infrastructure such as roads and for emergency or other services between the city and the incorporated island created by non-contiguous annexation, cities and counties should be required to agree on a coordinated plan of services and infrastructure maintenance for both the non-contiguous property and the route connecting it to the city.

More Informative Plans of Services: Making Annexation Attractive

Before a city can annex any territory, it must propose and adopt a plan of services that explains to residents what services they will receive and provides a reasonable schedule for when they will receive them. Current law does not require plans of services to include information about cities' financial ability to implement them. As originally written, the bills that became Public Chapter 462, Acts of 2013 (Senate Bill 1054 by Kelsey, House Bill 1263 by Carr, D.) would have required this information, but the provisions were removed before the bill passed. Residents in areas proposed for annexation often believe cities will not implement their plans of services and, therefore, oppose annexation, which may make it difficult or impossible to pass a referendum. In order to demonstrate their ability to serve residents of the area proposed for annexation, cities should provide sufficient information to demonstrate their financial ability to implement the plan of services proposed. Current notice and public hearing requirements are adequate.

Deannexation: Initiation by Residents and Landowners under Limited Circumstances

When a city has failed to fully implement a plan of services adopted for an annexed area, residents and landowners' only recourse under current

law is to sue the city to provide the services. Although deannexation may seem to be a reasonable alternative and one that might be acceptable to the city, residents and owners have no way to initiate or even participate in the deannexation process except by petitioning to force a vote in hopes of stopping a deannexation. One way to enable greater resident and landowner participation, including by those who own agricultural land, would be to allow them to petition for deannexation using the same formal dual-petition process proposed for annexation when a city has not fully implemented the plan of services adopted for the area.

Of the 36 states with deannexation laws, Tennessee is one of only ten that do not allow residents or owners to initiate deannexation proceedings. Local officials in Tennessee have expressed concern that allowing residents to initiate deannexations could lead to donut holes and irregular boundaries that create confusion over provision of services. In order to prevent these problems, eight states prohibit deannexations that would create donut holes by limiting them to areas on the city borders.

Tennessee, like many other states, allows cities to continue taxing deannexed property to repay debt incurred in order to meet the needs of those areas and requires them to charge sufficient rates for utilities to pay for services provided to those areas. Because of this, allowing residents and landowners to petition for deannexation is unlikely to cause issues with provision of services as long as those deannexations are limited to areas on the city border in order to avoid creating non-contiguous islands and donut holes. However, because counties may be obligated to assume responsibility for infrastructure such as roads or for emergency or other services, their approval for deannexation should be required. Moreover, deannexations should be allowed only when the proposal is to remove the entire area as it had been annexed, not scattered individual parcels, unless the city and county agree otherwise.

Mutual Boundary Adjustment: Informing Residents and Landowners

Currently, Tennessee allows adjacent cities to adjust their mutually shared boundaries by contract without giving notice or holding a public hearing. These boundary adjustments are permitted to avoid boundary lines that do not align with streets, lot lines, or rights-of-way but may have important consequences for those being shifted from one city to another, for example, a change in tax regime, change in school district, or a change in level of services provided.

Ten other states allow mutual adjustments outside the normal annexation and deannexation processes. Four, like Tennessee, have no notice or

Because counties may be obligated to assume responsibility for infrastructure such as roads or for emergency or other services, their approval for deannexation should be required.

hearing requirements. Six require notice; four of those also require a hearing. Because these boundary adjustments may have significant consequences for residents and landowners, cities should be required to give notice and hold a public hearing before finalizing them.

Implementing the Statutory Allocation of Tax Revenue after Annexation

As discussed in the Commission’s interim report on Public Chapter 441, the Growth Policy Act (Public Chapter 1101, Acts of 1998) allows any increase in revenue from local option sales taxes and beer wholesale taxes collected in newly annexed areas to go the annexing city, but requires the amount already being collected to continue to go to the county for 15 years. This has not happened with the wholesale beer tax revenue; all of it has gone to the annexing cities. It may not be possible to calculate the amount improperly paid to cities in the past, but this error can now be avoided using information available to local governments and the Department of Revenue and it should be.

Updating Growth Plans: the Next 20 Years

The stated purpose of Tennessee’s Growth Policy Act was to establish a comprehensive growth policy for the state, part of which was a requirement to designate urban growth boundaries, planned growth areas, and rural areas based on projections of growth over a 20-year period that is soon coming to an end. These growth plans do not expire, and there is also no requirement to update them.

While one of the primary reasons for cities and counties to establish growth plans—to define where cities could annex by ordinance without consent—has been eliminated, there are still several ways growth plans determine where annexation and incorporation can occur. No city can annex territory in another’s urban growth boundary, and new cities can only incorporate in planned growth areas. Growth boundaries also delineate cities’ planning and zoning authority outside city limits in counties where cities have been granted that authority.

Growth plans were first adopted 15 years ago and were based on 20-year projections that have since become outdated. Not only are they old, but the economic recession has fundamentally changed growth patterns in many areas. Actual growth and development in some counties has lagged projections and in other places far exceeded them. This is certain to happen again.

Growth plans were first adopted 15 years ago and were based on 20-year projections that have since become outdated.

Consequently, any plan not revisited in the last few years is likely to be outdated. The legislature should require all counties to reconvene their coordinating committees and review their growth plans before a certain date and revise or readopt them and repeat this process at regular intervals or as circumstances require. To ensure that the plans are at least readopted, if not revised, the legislature could allow current plans to remain in place but reinstate the prohibition against receiving state grants until the local governments can agree on a plan. To better ensure that development within growth boundaries is consistent with city standards, approval by the county legislative body of the newly adopted growth plan could be deemed approval of extension of cities' planning authority within their urban growth boundaries where counties have not adopted planning requirements of their own.

Unilateral Retraction of Cities' Urban Growth Boundaries

Making even small amendments to growth plans can be cumbersome. If a single city wants to retract its urban growth boundary for whatever reason, the entire coordinating committee has to be convened and two public hearings must be held. To simplify the process where only a single city is affected, cities should be allowed to retract their growth boundaries without approval from other members of their coordinating committees, but only where the boundary abuts a rural or planned growth area and only after giving notice to the county and to residents of the area and holding a public hearing. The affected county should then decide whether to include the removed area in the adjoining rural or planned growth area or to designate a new planned growth area, and the proposed change should be presented to the state's Local Government Planning Advisory Committee for approval.

Joint Economic Community Development Boards: Making Them More Effective

The Growth Policy Act also required each non-metropolitan county to establish a joint economic community development board (JECDB) to "foster communication relative to economic and community development between and among governmental entities, industry, and private citizens."¹ Other than this, JECDBs have no statutory powers or authority. Any other functions they may have are determined by interlocal agreement among the municipalities and county. JECDBs, at a minimum, include all city and county mayors plus one person with land in Tennessee's Greenbelt program, as well as representatives of citizens, current industry, and

¹ Tennessee Code Annotated, Section 6-58-114(b).

Counties should reconvene their coordinating committees and revise or readopt their growth plans regularly.

Making even small amendments to growth plans can be cumbersome.

Giving JECDBs additional authority may resolve concerns about their effectiveness and make them more useful.

businesses. These county boards and their executive committees must meet at least four times a year in order for local governments in each county to be eligible for state grants. Although the boards have been useful in many counties and the state's Department of Economic and Community Development has gone to great lengths to give them purpose, others question the need for frequent meetings and wish to have more flexibility.

Giving JECDBs additional authority may resolve concerns about their effectiveness and make them more useful, for instance by allowing local governments to decide whether to consolidate the functions of their JECDBs in their coordinating committees or grant them the economic development powers of a joint industrial development corporation. Otherwise, reducing the number of required meetings to one per year and allowing them to determine for themselves whether to meet more often makes sense. Consolidating the functions of JECDBs in county growth plan coordinating committees would expand them to include representatives of the largest municipal and non-municipal utilities, the largest school system, the largest chamber of commerce, the soil conservation district, and four members representing environmental, construction, and homeowner interests. The statutory membership of joint industrial development corporations is already similar enough to that of JECDBs to make granting their powers to JECDBs a reasonable way to make JECDBs more useful.

Clarifying Statutory Language

Public Chapter 707 left a number of obsolete references to annexation by ordinance in other sections of the code that need to be removed. Some of these are simple corrections, where the words "by ordinance" or reference to annexations under Section 6-51-102 can be deleted without changing the meaning of the statute. Others include

- removing notice and hearing requirements for annexations with all owners' written consent,
- removing obsolete prohibitions of annexation by ordinance across certain county lines, and
- clarifying priority for annexation when multiple cities attempt to annex the same area by referendum outside their urban growth boundaries.

A complete list and analysis, including suggestions for correcting the statutory language in each section, follows the report in appendix B.

Annexation and Municipal Boundary Changes after Public Chapter 707

As the 108th General Assembly convened in 2013, concerns from citizen groups prompted debate over whether changes should be made to the state's municipal annexation laws, which date back to 1955. To allow adequate time for proper consideration of the complex issues raised in the debate, the legislature established a moratorium on non-consensual annexations of agricultural and residential property and called for a comprehensive review of state policies related to growth planning and municipal boundary changes. This Commission released its interim report to the legislature in January 2014, comparing and contrasting current and proposed laws in Tennessee with those in other states and recommending extension of the moratorium for another year to allow for further consideration of options presented in the report. That April, the General Assembly enacted Public Chapter 707, repealing cities' authority for unilateral, nonconsensual annexation, strengthening the annexation moratorium established by Public Chapter 441, and instructing the Commission to continue its review of state policies.

Public Chapter 707 left the existing referendum method unchanged but added a more formal method for individual owner consent, one that requires consent in writing, something that was not necessary in the past. The act ensured that after May 15, 2015, cities can annex property only with written owner consent or by referendum and can now annex certain agricultural land only with written owner consent. Tennessee will be one of six states (Alabama, Delaware, Florida, New York, and North Carolina being the others) where the only annexation methods available to cities are by 100% owner consent or by referendum (see appendix C for annexation methods used in other states). Prior law allowed Tennessee cities to annex without consent any area within their urban growth boundary and adjacent to the city limits.

While Public Chapter 707 settled the issue of non-consensual annexation, establishing consent as the basis for all annexations in Tennessee, its passage raised some new questions and left others unresolved. Among the new questions is how to determine which agricultural properties now require written consent for annexation. Other changes made by the act require further revision to remove references to deleted sections and clarify statutes made ambiguous by the changes. These statutes are discussed in appendix B, which includes suggested revisions. Unresolved issues related to annexation include: non-resident owners' ability to participate in annexation decisions, accommodating requests for annexation of non-contiguous properties, requirements for plans of services, initiating deannexation, informing residents of mutual boundary adjustments, and

While Public Chapter 707 settled the issue of non-consensual annexation, establishing consent as the basis for all annexations in Tennessee, its passage raised some new questions and left others unresolved.

If all property owners consent in writing to a proposed annexation, the city can forgo the referendum process.

proper allocation of tax revenue after annexation. Also unresolved is the status of counties' growth plans, including the need to review and update them periodically, allowing cities to unilaterally retract their urban growth boundaries (UGBs), and the duties and responsibilities of joint economic and community development boards.

Annexation by Resolution

Not only did Public Chapter 707 repeal unilateral annexation by ordinance, it completely removed the ordinance method of annexation, even to effect annexation by willing landowners. The law continues to allow interested persons—whether owners, residents, or otherwise—who wish to have an area annexed into a city to request it, and the governing body of the city still determines whether it will act upon that request. All annexations must now be accomplished by resolution but must follow the ordinance process laid out in a city's charter in order to have the force and effect of law. Tennessee courts have held that a resolution passed with all the formalities required for passing ordinances may operate as an ordinance. If the ordinance process is not followed, annexation resolutions may be vulnerable to legal challenge.

The terms resolution and ordinance have distinct meanings. A resolution is “a mere expression of the opinion of the mind of the City Council concerning some matter of administration” and is temporary in nature. An ordinance, on the other hand, is a permanent local law adopted by a city.² Although they are similar, adopting a resolution instead of an ordinance may leave the action open to legal challenge.³

City charters generally govern procedures for adopting ordinances and resolutions. Although aspects of the adoption process vary from charter to charter, all ordinances require one to three readings and the governing body's majority approval. Some cities also require the mayor's approval or impose publication requirements before passing an ordinance.⁴ Resolutions are usually passed in much the same way but do not require more than one reading.

Annexation by Owner Consent

If all property owners consent in writing to a proposed annexation, the city can forgo the referendum process and easily annex any area adjacent to the existing city limits, including land used primarily for agricultural purposes, which now can be annexed only with written consent of the

² Joe Cooper's Cafe, Inc. v. Memphis, Tenn. App. LEXIS 180 (Tenn. Ct.App. 1993).

³ City of Johnson City v. Campbell, Tenn. App. LEXIS 86 (Tenn. Ct. App. 2001).

⁴ Lobertini 2007.

owner. The city need only adopt a resolution using its process for adopting ordinances to annex the territory. Written consent is also required to annex government-owned land, including public roads, except when a referendum is held. And if there are no eligible voters residing in the area proposed for annexation, there can be no referendum and the territory can only be annexed with the consent of all owners.

Defining Agricultural Land for Annexation with Written Consent

Public Chapter 707 has given agricultural property a new level of protection from annexation. The act states that “no [extension of a city’s corporate limits by] resolution shall propose annexation of any property being used primarily for agricultural purposes . . . [such property] shall be annexed only with the written consent of the property owner or owners.” Property being used primarily for agricultural purposes cannot be annexed without consent as part of a larger annexation referendum. While agriculture is clearly defined in Tennessee Code Annotated, Title 1, and in the state’s Greenbelt law, the phrase “used primarily for agricultural purposes” is not defined anywhere in the law, in Public Chapter 707 or elsewhere, and has raised questions about its meaning and application. The concern is focused on the word *primarily*, which is not defined anywhere in Tennessee law, even in the statutes governing greenbelt classification for property taxation purposes.

Agriculture is defined in Title 1, which applies to every section of the Tennessee Code, as land and buildings “used in the commercial production of farm products and nursery stock.” Farm products and nursery stock are further defined, and recreational, educational and entertainment activities are also included.⁵ Tennessee’s Greenbelt law, which protects certain agricultural, forest, and open lands from being appraised for property tax purposes at their highest and best use, adopts the definition in Title 1 and sets minimum acreage requirements.⁶ These lands, as well as lands that meet the following definition, are assessed at the same 25% of fair market value as residential property: “all real property that is used, or held for use, in agriculture, including, but not limited to, growing crops, pastures, orchards, nurseries, plants, trees, timber, raising livestock or poultry, or the production of raw dairy products, and acreage used for recreational purposes by clubs, including golf course playing hole improvements.”⁷ It seems clear that land used primarily for these purposes is protected from

Property being used primarily for agricultural purposes cannot be annexed without written consent as part of a larger annexation referendum.

⁵ Tennessee Code Annotated, Section 1-3-105(2)(A).

⁶ Tennessee Code Annotated, Section 67-5-1004. As an alternative to the definition of agriculture in Title 1, land that has been consistently lived on and farmed by the owner’s family for 25 years also qualifies for greenbelt status if it meets the minimum acreage requirements.

⁷ Tennessee Code Annotated, Section 67-5-501.

Public Chapter 707 did not change anything about the referendum process itself.

annexation without written consent. Again, the interpretation of the word *primarily* is the issue.

Although the word *primarily* is not defined in the Tennessee Code, it is used frequently and would likely be interpreted based on its dictionary definition. Courts often look to dictionaries to define words that aren't defined in statutes.⁸ *Webster's* defines *primarily* as "used to indicate the main purpose of something; for the most part."⁹ It seems clear that land that is used more for purposes described in Title 1 or in the Greenbelt law than for any other purpose would require written consent for annexation.

Of the nine other states that limit the ability of cities to annex agricultural land,¹⁰ only North Carolina provides specific guidance for determining which agricultural land is protected. North Carolina's annexation law, adopted in 2011, referencing definitions of agriculture elsewhere in state law, requires written owner consent for cities to annex land used for "bona fide farm purposes"¹¹ and specifies that any of the following constitutes evidence of being used for bona fide farm purposes:

- a farm sales tax exemption certificate issued by the Department of Revenue
- a copy of the property tax listing showing that the property is eligible for participation in the present use value program (similar to Tennessee's Greenbelt program)
- a copy of the farm owner's or operator's Schedule F from the owner's or operator's most recent federal income tax return
- a forest management plan
- a Farm Identification Number issued by the United States Department of Agriculture Farm Service Agency¹²

The Process for Annexation by Referendum

Public Chapter 707 did not change anything about the referendum process itself, which, though seldom used, has been available to municipalities since the General Assembly passed a general annexation law in 1955. Annexation can be initiated by request or by a city itself, but cities control whether it proceeds. Neither residents nor landowners can force an annexation. The process begins when a city's governing body adopts a resolution that defines the area to be annexed and sets a date for a required public hearing on the proposed annexation. The city must also prepare a plan of services

⁸ *Norandal USA, Inc. v. Johnson*, Tenn. App. LEXIS 539 (Tenn. Ct. App. 2004).

⁹ *Merriam-Webster Dictionary*, (Online Dictionary), s.v. "primarily."

¹⁰ Arkansas, Colorado, Florida, Kansas, Nebraska, North Carolina, Oregon, South Carolina, and Virginia.

¹¹ North Carolina General Statutes, Section 160A-58.54(c).

¹² North Carolina General Statutes, Section 153A-340(b).

for the annexed area. The resolution describing the annexation, along with the proposed plan of services, must be mailed to each property owner in the annexation area. The notice is mailed only to the address of record for the property owner, not necessarily to residents living on property owned by someone else. It must also be posted in public places, both in the city and the territory being annexed, and published online and in a newspaper.

After public hearings for the plan of services and for the annexation itself, the city legislative body may approve the plan of services and adopt a resolution to submit the question of annexation to a referendum of voters in the annexation area.¹³ The referendum must be held 30–60 days after the last publication of public notices.¹⁴ If a city wants to time an annexation referendum to coincide with a regular election, it may have to delay when it publishes notice and adopts the resolution. County and statewide offices are decided only in even-numbered years.¹⁵ There is no uniform date for municipal elections as there is for county elections.¹⁶

Cities can also submit annexation questions to a vote of city residents. Both a majority of votes cast in the annexed territory and a separate majority of votes cast in the city are required to pass the referendum; either group can veto it. Eleven other states give city voters an opportunity to vote in an election.¹⁷ When there is no petition from owners, Arkansas, Iowa, and Montana require a combined vote from city residents and those being annexed. Voters in South Dakota may petition for a referendum, in which case the votes of the municipality are combined with those from the area being annexed. The other seven states keep votes from the area being annexed separate from votes by city residents. Florida is the only other state that, like Tennessee, gives cities the discretion to allow city residents to vote or not.

Difficulties with Referendums

Because annexation by ordinance was simpler, timelier, and cheaper, cities rarely used the referendum process. Fiscal notes on two annexation-related bills introduced in 2013 said that election costs depend on the size of the municipality holding the referendum, ranging anywhere from \$6,000 to \$500,000.¹⁸ One election administrator said that, even for a referendum

If a city wants to time an annexation referendum to coincide with a regular election, it may have to delay starting the annexation process.

¹³ Tennessee Code Annotated, Section 6-51-104.

¹⁴ Tennessee Code Annotated, Section 6-51-105.

¹⁵ “Elections,” University of Tennessee County Technical Assistance Service, accessed October 20, 2014, <https://ctas-eli.ctas.tennessee.edu/reference/dates-regular-elections>

¹⁶ Nevad 2014.

¹⁷ Alaska, Arkansas, Florida, Iowa, Louisiana, Maryland, Michigan, Missouri, Montana, South Dakota, and West Virginia.

¹⁸ Senate Bill 731 by Watson (House Bill 230 by Carter) and Senate Bill 279 by Watson (House Bill 475 by Carter).

Landowners who do not live in the area proposed for annexation cannot participate in the referendum held in that area.

with as few as four eligible voters, the cost would be approximately \$15,000 and that the greatest factors contributing to election costs are providing poll workers for early voting and costs related to programming voting machines.¹⁹

Referendums can be a cumbersome process unless aligned with a regular election. In most counties regular elections occur only every other year. Unless the city can afford a separate referendum election, annexations may have to wait up to two years and opportunities for economic development may be missed.

Only “qualified voters who reside in the territory proposed for annexation” may vote in an annexation referendum unless the city chooses to allow current city residents to participate in a separate election on the same referendum question. Landowners who do not live in the area proposed for annexation cannot participate in the referendum held in that area, although Tennessee has long allowed non-resident property owners—no more than two per parcel—to register and vote in other municipal elections where city charters permit it. While Tennessee grants this privilege only to natural persons who are otherwise qualified to vote, not to corporations, there is nothing in the federal or state constitution to prevent corporations from voting. Moreover, referendums require consent from only half of the voters plus one. This simple majority vote requirement means that it is possible for a substantial number of residents and all non-resident property owners to be annexed without their consent and even despite their objection.

Difficulties with Expanding Non-Resident Voting in Referendums

Allowing non-resident landowners to participate in annexation referendums may pose logistical problems for election officials and poll workers. Identifying those eligible to vote as non-residents would be a novel process in most areas. Safeguards would need to be developed to ensure that only those eligible by virtue of owning property in areas proposed for annexation were allowed to vote on those questions, and some process for determining who could vote—which owners of properties with multiple owners as well as which individual on behalf of corporations—on the basis of land ownership. Ballots presented at polling places in areas proposed for annexation would have to be programmed to exclude non-residents from all but the annexation question.

Voters themselves might face logistical problems as well when they are eligible to vote in the regular election in one place based on residence and

¹⁹ Phillip Warren, Wilson County Administrator of Elections, e-mail message to Bob Moreo, November 12, 2014.

on annexation questions in other places based on land ownership. The same individual might also be eligible to vote on behalf of a corporation at one or more polling places. Getting to all of these places could be as difficult for voters as ensuring that only those who are qualified actually vote on each question would be for election officials and poll workers. Separating annexation referendums that allow non-residents to participate from other elections would be much simpler, but cities may find holding them on different dates too costly.

Five states—Colorado, Delaware, Kansas, Maryland, and West Virginia—allow non-resident landowners to vote in annexation referendums. All but Kansas allow corporations to vote in these elections. Laws in the other four states allow corporations to appoint one or more agents to vote on their behalf and explain how to designate an officer or agent to vote on their behalf. Delaware permits its cities to allow corporate leaseholders to vote.

Although Tennessee could allow all non-resident property owners, including corporations, to vote in all annexation referendums, it could not restrict that right to them. According to the Tennessee Attorney General,

Such legislation may be constitutionally defensible if appropriately drafted. A provision extending the right to vote in annexation elections to nonresident property owners in the territory to be annexed should contain some minimum limits on property ownership to ensure that these owners have a substantial interest in the election. Extending the franchise to nonresident property owners is also subject to a challenge that, under particular facts and circumstances, the system unconstitutionally dilutes the votes of residents.²⁰

Petitions: a More Efficient and Inclusive Method of Annexation

Twenty-five states avoid the problems associated with referendums by allowing petitions to effect annexations. In fact, petitions are the most common method used by other states to allow non-resident owners, including corporate owners, to participate in annexation decisions. In most of the 25 states, the petition process is merely to request annexation by a city or in a few cases to request a referendum on annexation. Three states—California, Nevada, and Wyoming—however, authorize petitions as a decisive vote rather than as a request for action by the city by allowing

Petitions are the most common method used by other states to allow non-resident owners, including corporate owners, to participate in annexation decisions.

²⁰ Tennessee Attorney General Opinion No. 13-106.

Typically, states permit a business that owns property proposed for annexation to designate one agent to sign a petition for annexation.

opponents to block annexations in a petition process that occurs after the city has decided the issue.

Although California has no formal petition process to initiate annexation, residents and owners opposed to annexations can petition their county boundary commission to either stop or force a vote on the annexation, depending on the number of signatures as a percent of total owners and voters. In Nevada and Wyoming, when cities initiate annexation, protest by a majority of owners can stop the annexation from proceeding.

Who is permitted to sign the petitions varies among the 25 states allowing petitions to effect annexations. Fourteen allow only landowners to participate in the petition process and do not allow residents who do not own property to sign annexation petitions.²¹ Eight states require petitions to include both landowners and residents, sometimes with different thresholds for each (see table below). North Dakota allows petitions from either landowners or residents.²² Mississippi and Texas are the only states that allow only residents.²³ Corporations and businesses owning land are allowed to participate in the petition process in states where landowners can sign. Typically, states permit a business that owns property proposed for annexation to designate one agent to sign a petition for annexation.

The 2013 Tennessee Attorney General's opinion saying that residents cannot be excluded from voting in referendums simply because they don't own property in the area to be annexed may apply to annexation petitions as well if they decide the issue. In the one state where residents who were excluded from a petition process sued, North Carolina, the court found the petition process analogous to a vote because the petition decided the issue and ruled the statutes allowing it unconstitutional.²⁴ A petition process that does not decide the issue, one that is simply a request for annexation, would likely not be subject to the same constitutional constraints.

City representatives from several states say their petition processes are less costly than referendums and less cumbersome unless the annexation is large enough to make obtaining many signatures on a petition more

²¹ Arizona, Arkansas, Colorado, Idaho, Indiana, Montana, Nevada, New Mexico, Ohio, Oregon, South Carolina, Utah, Washington, and Wyoming. Five of these have additional annexation methods that include referendum of resident voters. Montana cities can annex with a petition from either a majority of resident landowners (excluding non-owner residents) or any owners of a majority of the land area being annexed. (Montana Code Annotated, Section 7-2-4601.)

²² North Dakota Century Code, Section 40-51.2-03.

²³ Mississippi Code Annotated, Section 21-1-45 and Texas Local Government Code, Section 43.024 and 43.025.

²⁴ County of Wake, City of Goldsboro et al. v. State of North Carolina, 11-CVS-18288, (Wake County Superior Court 2012).

Thresholds for Petition Approval: States where both residents and owners sign annexation petitions

State	Residents who sign	Owners who sign
Maryland ^a	25% of registered voters	Owners of 25% of land value
Illinois ^b	Majority of qualified voters	Majority of landowners
West Virginia ^c	Majority of qualified voters	Majority of landowners
Wisconsin ^d	Majority of qualified voters	Majority of landowners
Louisiana ^e	Majority of resident owners	Owners of 25% of land value
Georgia ^f	60% of resident electors	Owners of 60% of land area
Oklahoma ^g	75% of registered voters	Owners of 75% of land value
South Dakota ^h	75% of registered voters	Owners of 75% of land value

^aMaryland Local Government Code Annotated, Section 4-402 et seq.

^bIllinois Compiled Statutes, Chapter 65, Section 5/7-1-2.

^cWest Virginia Code, Section 8-6-4.

^dWisconsin Annotated Statutes, Section 66.0217.

^eNon-resident owners in Louisiana may petition for annexation through a referendum, in which only qualified residents can vote. If the area is vacant, with no resident owners or voters, it can only be annexed with written consent from all owners. Louisiana Revised Statutes, Section 33:172.

^fOfficial Code of Georgia Annotated, Section 36-36-32.

^gOklahoma Statutes Annotated, Section 21-105.

^hSouth Dakota Codified Laws, Section 9-4-1.

difficult.²⁵ Petition processes structured to avoid the costs associated with providing individual ballots, programming and using voting machines, securing polling locations, compensating election workers, and providing notices and hearings are cheaper than elections. Some states require the owner or owners petitioning for the annexation to bear the cost of the petition process, whereas referendums are paid for by the annexing city.

In most states with formal petition processes, petitions can be initiated only by landowners, or in some cases by residents. Only Arizona has a formal statutory petition process that can be initiated by cities. Maryland allows cities to initiate the process only after obtaining consent from 25% of affected voters and owners.

Petition processes structured to avoid the costs associated with providing individual ballots, programming and using voting machines, securing polling locations, compensating election workers, and providing notices and hearings are cheaper than elections.

²⁵ Rachel Allen, Staff Attorney, Colorado Municipal League, e-mail message to Leah Eldridge, October 23, 2014; Larry Weil, Planning Director, City of West Fargo, North Dakota, e-mail message to Leah Eldridge, October 23, 2014; Eric Budd, Deputy Executive Director, Municipal Association of South Carolina, e-mail message to Leah Eldridge, October 22, 2014.

Corridor Annexation: Managing Conflict and Avoiding Confusion

Annexations drawn with irregular boundaries to include certain properties or infrastructure and exclude others have created confusion for residents and landowners.

The pattern of annexation in some parts of the state has created conflict between cities and counties over responsibility for maintaining infrastructure and providing services. Where annexations to reach non-contiguous property proposed for development do not include roads and other public infrastructure adjacent to the annexed land, counties remain responsible for that infrastructure, which may become subject to additional wear and tear because of the development. Counties may not have sufficient revenue to support those increased infrastructure needs, particularly where development is primarily retail and the associated sales tax revenue goes mainly to the city. In the worst cases, cities structure their annexations to avoid the infrastructure that is most expensive to maintain, such as bridges. As noted in testimony on this issue before the Commission in August 2013, this occurred in Hawkins County where a municipality annexed up to a bridge, skipped over it, and continued annexing on the other side. The bridge was condemned, and the county spent \$28,600 on temporary repairs to keep it open. The cost to replace it was estimated at \$7.2 million. Kansas deals with the problem of annexing property without taking roads by allowing counties to force cities to annex roads that are adjacent to annexed property by notifying the city that such a road exists. The city then must declare it annexed unless another city also abuts the road, in which case the city must annex to the centerline.

Annexations drawn with irregular boundaries to include certain properties or infrastructure and exclude others have created confusion for residents and landowners about whether the city or the county is responsible for road maintenance and emergency services. In some cases, adjacent properties may be served by different providers, and even emergency service agencies may be confused about who is responsible for each property, creating a risk that either multiple agencies will respond or that none will. Resolving these problems requires considerable coordination among local governments.

Florida addresses the confusion created by certain types of annexation by including the county in the decision. Cities in Florida can annex unincorporated donut holes smaller than 10 acres by agreement with the county. They can do this without a referendum or petition but cannot do so to annex undeveloped or unimproved real property.²⁶

Ohio and Georgia also include counties in annexation decisions but do not limit their involvement to those involving donut holes. Ohio involves

²⁶ Florida Annotated Statutes, Section 171.046.

counties at the start of the process, with cities seeking to annex needing to first get county commission approval.²⁷ Georgia doesn't require county approval but does allow counties to object to annexations when they believe the change in use or density will substantially burden the county. If no agreement can be reached to resolve the objection, it goes before a panel for binding arbitration.²⁸

Non-Contiguous Annexation: Supporting Economic Development

Annexing areas not adjacent to the city limits will be more difficult under the new law because landowners and residents in between can stop them. In the past, cities could easily reach these non-contiguous properties by taking in roads and other rights-of-way. Although corridor annexation is still allowed, cities can no longer do this without consent where those who live along the roads and rights-of-way own the land under them. A 1994 decision by the Supreme Court of Tennessee on the validity of a referendum by which the City of Alcoa annexed the Topside area established that the owners of land subject to an easement or right-of-way are entitled to vote on whether that area can be annexed.²⁹ Many city and county roads are mere rights-of-way that allow the public to travel what was originally a private road. While local governments are responsible for maintaining them and keeping them safe, and anyone can use them, the land under them still belongs to the adjoining property owners and now cannot be annexed without their permission. Where, however, the roads and the land under them are owned by governmental entities, which is generally the case for state and federal highways, strip or corridor annexations that take in only the right-of-way are still possible without the consent of those who own property along them.

Sixteen states prohibit corridor annexation by statute. Cities in Louisiana and Kansas, for example, cannot annex a roadway or right-of-way without also including the properties on at least one side. Louisiana does, however, explicitly permit cities to use a narrow strip of right-of-way, excluding the paved road and adjacent properties, to annex non-contiguous government-owned property. Delaware, Florida, North Carolina, and South Carolina statutes explicitly forbid using roads, rights-of-way, and other easements to reach property that is not adjacent to the city. Courts in the other ten states have ruled that the contiguity requirement in their statutes makes

Although corridor annexation is still allowed, cities can no longer do this without consent.

²⁷ Page's Ohio Revised Code Annotated, Sections 709.03 and 709.15.

²⁸ Official Code of Georgia Annotated, Title 36, Chapter 36, Article 7.

²⁹ Committee to Oppose the Annexation of Topside and Louisville Road, et al., v. The City Of Alcoa and The Blount County Election Commission, 881 S.W.2d 269, Tenn. LEXIS 222 (Tenn. 1994).

Seven states allow cities to annex certain non-contiguous territory.

corridor annexations invalid.³⁰ Often the nature of the land used for the corridor determines whether the annexation is valid.

To avoid the problems of corridor annexation, Georgia allows non-contiguous annexation, either by the state legislature or by agreement between the city and county. State legislative authority to annex is limited only by the state and federal constitutions, and the Georgia Supreme Court has ruled that the legislature's annexation authority, something Tennessee's General Assembly does not have, extends to non-contiguous property.³¹ Six other states allow cities to annex certain non-contiguous territory. California, Missouri, and Wisconsin allow non-contiguous annexation only of government-owned property. Indiana, Kansas, and North Carolina all permit cities to annex other non-contiguous property but only within a certain distance of the city limits and only with the owners' consent. Indiana limits non-contiguous annexations to commercial or industrial development, which avoids problems associated with providing public services to patchwork residential development. Counties in Indiana need a legislative act to opt into the statute that permits non-contiguous annexation, and eleven have done so.³² Kansas requires the city to get county approval for the annexation. These states do not allow the non-contiguous territory to be used to establish contiguity for further annexations. While Tennessee explicitly allows annexation only of contiguous property, by one report, at least one city has effected a non-contiguous annexation by deannexing the corridor used to reach what is now a non-contiguous incorporated island.

More Informative Plans of Services: Making Annexation Attractive

Because Public Chapter 707 requires cities to obtain consent from residents or landowners, either in writing or through a referendum, it will be more important than ever for cities to make annexation appealing to residents. Cities may be able to use existing requirements to present and adopt plans of services for areas to be annexed to demonstrate the benefits of annexation. Before annexing new territory, Tennessee requires cities to adopt plans of services describing the services that will be extended to the area, including police protection, fire protection, water service, electrical service, sanitary sewer service, solid waste collection, road and street construction and repair, recreational facilities and programs, street lighting, zoning services, and city schools if maintained separately.³³ These plans must include a

³⁰ Arkansas, Idaho, Illinois, Kentucky, Ohio, Oklahoma, Oregon, South Dakota, Wisconsin, and Wyoming.

³¹ City of Fort Oglethorpe v. Boger, 267 Ga. 485 (1997).

³² Burns Indiana Statutes Annotated, Section 36-4-3-4(b).

³³ Tennessee Code Annotated, Section 6-51-104.

reasonable implementation schedule for those services and may exclude those services that are being provided by another public agency or private entity.³⁴

Tennessee also requires a public hearing on the plan of services before it is adopted, in addition to the public hearing on the annexation itself. The notice for the plan of services hearing must say where the public can view copies of the plan. After annexation, cities must publish annual reports on progress toward extending services to the annexed areas. Residents in annexed areas can sue to enforce implementation of the plan.

Although plans of services in Tennessee contain a lot of information, they are not required to include information about cities' financial ability to implement those plans. City residents and residents outside the cities are often not informed about how cities will pay for the services, what the tax consequences will be, or what service charges will result from the extension of services. As originally written, the bills that became Public Chapter 462, Acts of 2013 (Senate Bill 1054 by Kelsey, House Bill 1263 by Carr, D.) would have required the plans to include information about the cities' financial ability to provide services, including estimated costs and any commitment to make expenditures or to budget additional resources to provide services to territories proposed to be annexed. This requirement was removed before the bill was passed.

Like the sponsors of these bills, other states have recognized the importance of requiring cities to report their financial ability to provide services to areas proposed to be annexed. Fifteen states require plans of services to include budget or financial information.³⁵ Some states have very general requirements for what must be reported, including Florida, which requires cities to provide the "method under which the municipality plans to finance extension of services" in their plans.³⁶ Other states are more specific, for example Utah, which requires cities to include projected costs, tax consequences, and other information.³⁷

Deannexation: Concerns About Initiation and Effects

Tennessee allows only cities to initiate deannexation; participation by residents in deannexation decisions is limited to voting in deannexation referendums, when cities choose to hold them, or petitioning for a vote when they don't. Residents or landowners who consider the cost of being in the city to outweigh the benefits have no means of withdrawing from the

City residents and residents outside the cities are often not informed about how cities will pay for the services, what the tax consequences will be, or what service charges will result from the extension of services.

³⁴ Tennessee Code Annotated, Section 6-51-102.

³⁵ Delaware, Florida, Indiana, Kansas, Kentucky, Maryland, Missouri, Montana, Nebraska, Nevada, North Carolina, Oklahoma, South Dakota, Utah, and Wyoming.

³⁶ Florida Statutes, Section 171.042.

³⁷ Utah Code Annotated, Section 10-2-401.5.

Deannexation can create conflict and confusion both for residents and landowners and for the cities and counties responsible for serving them.

city, and even when a city has failed to fully implement a plan of services adopted for an annexed area, their only recourse under current law is to sue the city to provide the services. Service issues similar to those discussed in relation to corridor and non-contiguous annexation may also arise when cities choose to deannex areas, creating conflict and confusion both for residents and landowners and for the cities and counties responsible for serving them, as well as increasing travel time for those providing police and fire services.

Although no specific legislation has been introduced to amend the statutes governing deannexation, residents and property owners in some areas, for example, the Memphis area of Cordova, want to be deannexed.³⁸ City officials across the state, however, have expressed concern about losing the ability to recoup the cost of services, amenities, and infrastructure extended to areas that would be deannexed. Cities make substantial investments in areas where they extend services and expect to recover that investment through taxation or service charges, which they may do by continuing to tax deannexed areas for indebtedness existing at the time of the deannexation and by continuing to charge for services that remain after deannexation.³⁹ Local officials have also expressed concern about allowing deannexations initiated by residents to create donut holes and confusion about who's responsible for providing services to those areas. Eight states have dealt with this by prohibiting deannexations that create donut holes, limiting deannexation to areas on city borders.⁴⁰

Both methods for deannexation in Tennessee allow residents to participate but can be initiated only by cities.⁴¹ The first method requires the deannexation to be approved by three-fourths of voters in a referendum.⁴² The second method allows the city to deannex without a vote unless the residents petition for one. If a petition is signed by 10% of the registered voters in the area, then the city must hold a referendum for the voters in the affected area. In that case, a simple majority is all that is required to approve the deannexation. Nine other states allow cities but not residents or owners to initiate deannexation.⁴³ Fifteen states allow only residents

³⁸ Bailey 2013.

³⁹ Tennessee Code Annotated, Section 6-51-204.

⁴⁰ Arkansas, Florida, Georgia, Illinois, Minnesota, Oklahoma, South Dakota, and Wyoming.

⁴¹ Tennessee Code Annotated, Section 6-51-201.

⁴² The language in the statute is somewhat vague. It is unclear whether only those residing on the land to be deannexed can vote or whether those in the city can vote. According to the 2007 Municipal Technical Advisory Service's *Annexation Handbook for Cities and Towns in Tennessee II*, it probably means the voters voting in a city referendum.

⁴³ Alabama, Alaska, Arizona, Arkansas, Delaware, Idaho, Kentucky, Oregon, and Virginia.

and landowners to initiate it,⁴⁴ while eleven allow either cities or residents and landowners to initiate the process.⁴⁵

Other concerns have been raised by county officials when cities deannex roads and bridges to avoid maintaining them and the county has no say in the process. They are concerned because counties are obligated to assume responsibility for infrastructure such as roads or for emergency or other services in deannexed areas. For example, Johnson City annexed 1,000 feet of county road that included a bridge and then deannexed the bridge after the Tennessee Department of Transportation determined that it needed repairs, leaving the county responsible for it.⁴⁶ In Wyoming, the city has to give 60-days' notice to the county so that the county can study the potential effect on their service burden.⁴⁷ In Kentucky, counties can refuse to accept uninhabited territory deannexed by cities.⁴⁸

Mutual Boundary Adjustment: Informing Residents and Landowners

Public Chapter 707 did not extend its requirement for a more participatory annexation process to the mutual boundary adjustment process. Tennessee allows adjacent cities to adjust boundaries by contract to align them with easements, rights-of-ways, and lot lines “to avoid confusion and uncertainty about the location of the contiguous boundary or to conform the contiguous boundary” to these lines.⁴⁹ However, there is no provision for residents or property owners to participate in these decisions and no notice or hearings are necessary. Although mutual adjustments are rare, they may have important consequences for those being shifted from one city to another. For example, residents may be subject to higher taxes, unexpectedly moved to a different school district, or experience a change in the level of services they receive.

Ten other states have laws authorizing cities to mutually adjust their boundaries, usually through a simultaneous process by which one city deannexes property while the other city annexes.⁵⁰ Like Tennessee, three states—Arkansas, Massachusetts, and Ohio—allow cities to adjust mutual boundaries without resident or landowner consent. Minnesota allows

Public Chapter 707 did not extend its requirement for a more participatory annexation process to the mutual boundary adjustment process.

⁴⁴ Colorado, Georgia, Illinois, Indiana, Michigan, Minnesota, Montana, Nebraska, North Dakota, Ohio, South Dakota, Utah, West Virginia, Wisconsin, and Wyoming.

⁴⁵ Florida, Iowa, Kansas, Louisiana, Mississippi, Missouri, Nevada, Oklahoma, South Carolina, Texas, and Washington.

⁴⁶ John Deakins, Washington County Highway Superintendent, testimony to the Commission, August 21, 2013.

⁴⁷ Wyoming Statutes, Section 15-1-421.

⁴⁸ Kentucky Revised Statutes, Section 81A.440.

⁴⁹ Tennessee Code Annotated, Section 6-51-302.

⁵⁰ Arizona, Arkansas, Illinois, Iowa, Kentucky, Massachusetts, Minnesota, Missouri, Ohio, and Utah.

All of the beer wholesale tax has gone to the annexing cities since the hold harmless provision went into effect, not just the increases.

either residents or cities to petition for mutual adjustment, but a judge must approve it. The other six allow affected residents or property owners to participate in the decision to move boundaries. Arizona and Utah allow property owners to petition to stop the adjustment. Illinois and Missouri allow residents to force an election to approve the adjustment if enough protest. Iowa and Kentucky require property owners or voters to petition for the adjustment first.

Four of the ten, like Tennessee, have no notice or hearing requirements.⁵¹ The other six require public hearings and notice. Four of these—Arkansas, Illinois, Iowa, and Utah—require notice to be published in a newspaper; Arizona requires it to be sent by mail, while Missouri requires notice but does not specify the method. Notice timing requirements range anywhere from five days to three weeks before the hearing.⁵²

Implementing Statutory Allocations of Tax Revenue after Annexation

As discussed in the interim report on Public Chapter 441, the Growth Policy Act (Public Chapter 1101, Acts of 1998) requires local option sales tax and beer wholesale tax revenue collected in newly annexed areas to continue to go to the county for 15 years except for any increase in revenue, which goes to the annexing city. The law requires that counties continue to collect revenue from the local option sales tax and beer wholesale tax—“taxes distributed on the basis of situs of collection”—in the annexed areas until July 1 following the annexation. Then, for the next 15 years, the county is supposed to receive an annual amount equal to what these taxes produced in the annexed area in the twelve months preceding that July 1. Increases above this hold harmless amount are distributed to the annexing city.⁵³

Partly because of a lack of data on retail beer sales in annexed areas, all of the beer wholesale tax has gone to the annexing cities since the hold harmless provision went into effect, not just the increases. Recent changes in reporting requirements may make it possible for the Tennessee Department of Revenue to identify beer retailers among the lists of annexed businesses and request beer wholesalers selling to these businesses to provide the tax payment information necessary to calculate the hold harmless amounts.

⁵¹ Kentucky, Massachusetts, Minnesota, and Ohio.

⁵² Arizona, Arkansas, Illinois, Iowa, Missouri, and Utah.

⁵³ Tennessee Code Annotated, Section 6-51-115.

The revenue department, cities, and counties all have roles in the reporting and distribution of the hold harmless amounts. Cities are responsible for reporting annexations to the Department of Revenue, but counties are responsible for providing the names and addresses of businesses in the annexed territory.⁵⁴ Using the reported information, the department is responsible for calculating the “annexation date revenue,” which represents the local share of revenue from the local option sales and beer wholesale taxes collected from annexed businesses during the previous year. Annexing cities are responsible for distributing the beer wholesale tax amounts.⁵⁵

While it is not clear that it would be possible to calculate the amount improperly paid to cities in the past, this error can and should be avoided going forward using information that is now available to local governments and the Department of Revenue. First, when the impacted city and county governments notify the Department of Revenue of the name and location of businesses in the annexed area, which they report so that the department can correctly track local sales tax collections, they could also report if any of these businesses hold a retail beer license. Retailers in county areas that sell beer are required to have a county beer tax license, and when they are annexed into a city, they must obtain a new license from the city.

Next, the department also can identify likely or possible beer retailers from the list of businesses that were furnished to it by local governments. Every sales tax account has a four-digit business activity code. The department can use the code to determine if any of the businesses identified as involved in annexations were likely or possible beer retailers, for example, grocery stores, eating places, drinking places, drug stores, and gas stations. The department could then check with local governments to determine if any of these businesses hold a retail beer license. Once identified, the department, with authority given to it under Tennessee Code Annotated Section 57-5-206, could request beer wholesalers to provide the appropriate data needed to calculate the hold harmless amount for wholesale beer tax collections.

Finally, since the passage of Public Chapter 657, Acts of 2012, the department now receives detailed data from beer wholesalers that identifies all retailers to whom they sell beer. This information includes the sales tax account number of each retailer. Crosschecking this information with the information they already have on businesses they are tracking for purposes of the hold harmless requirements on local sales taxes would identify those that sell beer and paid wholesale beer taxes. The Department could then

While it is not clear that it would be possible to calculate the amount of beer wholesale tax improperly paid to cities in the past, this error can and should be avoided going forward.

⁵⁴ Ibid.

⁵⁵ Ibid.

With the passage of the Growth Policy Act, growth plans with defined boundaries for annexation and incorporation were required in all counties without metropolitan governments.

request wholesalers to provide the necessary data with which to calculate the annexation date revenue wholesale beer tax hold-harmless amount.

Comprehensive Growth Policies

Tennessee's Growth Policy Act (known as Public Chapter 1101) created a growth planning process for local governments at the same time it changed the state's annexation laws to require consent outside cities' urban growth boundaries. The purpose stated by the General Assembly for the Act is to

- eliminate annexation or incorporation out of fear,
- establish incentives to annex or incorporate where appropriate,
- more closely match the timing of development and the provision of public services,
- stabilize each county's education funding base and establishes an incentive for each county legislative body to be more interested in education matters, and
- minimize urban sprawl.⁵⁶

While the focus of the Act was to deal with Tennessee's tumultuous battles over annexation and incorporation, it was also an attempt to further growth planning statewide. Although cities, counties, and regions already had the ability to develop growth plans under Title 13, recommendations resulting from those plans are advisory. With the passage of the Growth Policy Act, growth plans with defined boundaries for annexation and incorporation were required in all counties without metropolitan governments. Local governments that failed to adopt growth plans would become ineligible for certain state grants.⁵⁷ The plans could have three distinct types of areas: urban growth boundaries (UGBs), planned growth areas (PGAs), and rural areas (RAs).

The first step in developing plans under the Growth Policy Act was to create coordinating committees. The coordinating committees were required to include representatives of each of the cities and the county mayor or executive plus representatives of the soil conservation district, utilities, school systems, chambers of commerce, and others representing environmental, construction, and homeowner interests. The committees developed the plans and submitted them to their county commissions and municipal governing bodies. The Growth Policy Act requires that certain planning studies and land use projections be completed before proposing a UGB, PGA, or RA.⁵⁸ These requirements were an effort to link growth plans

⁵⁶ Tennessee Code Annotated, Section 6-58-102.

⁵⁷ Tennessee Code Annotated, Section 6-58-110.

⁵⁸ Tennessee Code Annotated, Section 6-58-106.

to existing general city and regional planning under Title 13.⁵⁹ Although some counties' plans included these studies and projections, most plans are little more than maps depicting the UGBs, PGAs, and RAs.

Updating Growth Plans: the Next 20 Years

When developing the growth plans, the coordinating committees were required to consider where growth would occur over the first 20 years of the plan. This 20-year planning period is soon ending. Concerns have been raised about the status of the growth plans at the end of the 20-year period and whether they should be reviewed or amended periodically. Although the growth plans are based on 20-year growth projections, there is nothing in the law that would cause the plans to expire after 20 year or after any length of time. However, there is also no statutory requirement to update them. This is left to local discretion.

While one of the primary reasons for cities and counties to establish growth plans—to define where cities could annex without consent—has been eliminated, growth plans are still relevant for local governments. A city cannot annex territory in another's UGB, even if the owner requests it. New cities can only incorporate in a PGA. The UGBs also serve as boundaries for cities' planning and zoning authority outside city limits where cities have been given that authority.⁶⁰ A city's planning and zoning authority outside its city limits can extend up to its UGB but it cannot extend beyond it. There are 100 cities with planning and zoning authority outside their cities limits.⁶¹

Given that growth plans are still relevant for local governments, the plans should reflect the current development patterns in the counties. Plans based on outdated information are unlikely to be useful. The population projections that were used at that time have already been changed several times. This is to be expected because projections are always tentative. One reason for the difference from projections was the economic downturn, which changed the economy in ways that are affecting growth and development. Some counties are growing faster than projected while others are growing more slowly—and this is certain to happen again. See the map on the following page and Appendix D.

Eighteen of the state's 95 counties had 2010 populations that were more than 5,000 greater than projected. Thirty-six counties already have

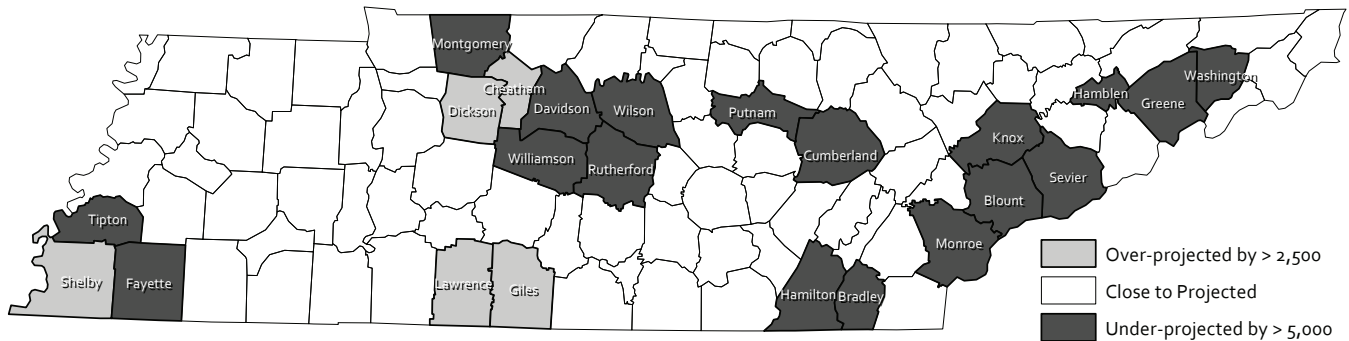
Given that growth plans are still relevant for local governments, the plans should reflect the current development patterns in the counties. Plans based on outdated information are unlikely to be useful.

⁵⁹ Tennessee Code Annotated, Titles 13, Chapters 3 and 4.

⁶⁰ Tennessee Code Annotated, Section 13-3-102.

⁶¹ "Status of Planning and Land Use Controls," Tennessee Department of Economic and Community Development, accessed February 12, 2015, <https://www.gnrc.org/wp-content/uploads/2011/12/status-complete-2011.pdf>.

Comparing Projected 2010 County Population to Census 2010



Census-estimated 2013 populations higher than their 2020 projections. Five counties had 2010 populations that were more than 2,500 less than projected, and 31 were still smaller in 2013 than projected for 2010. Of the state’s 345 cities, 210 were still smaller in 2013 than they were projected to be in 2010. Half were more than 13% under projections; 55 were off by more than 20%.⁶²

County Growth Plans: Impediments to Amending Them

Amending growth plans can be a difficult and time-consuming process even if the change to the plan is a small one. The procedures for amending the growth plan are the same as for the initial plan preparation, and the burden of proving the reasonableness or necessity of the amendment is on the party proposing the amendment. A municipal mayor, the county mayor, or the county executive may propose an amendment by filing notice with the county mayor or county executive and each municipal mayor. Upon receipt of the proposal, the county mayor or county executive is required to reconvene or re-establish the county coordinating committee within 60 days of receipt of the notice. The coordinating committee must submit the amended plan to the respective legislative bodies within six months of the date of its first meeting to consider the amendment and two public hearings must be held in each area affected by the amendment. As with the initial plans, amended plans require the approval of the legislative bodies affected by them and by the Local Government Planning Advisory Committee (LGPAC) in the Tennessee Department of Economic and Community Development. Although growth plans can be amended as often as deemed necessary, only 25 counties have done so.

Although growth plans can be amended as often as deemed necessary, only 25 counties have done so.

⁶² Population projections prepared by UT Center for Business and Economic Research, March 1999; US Census Bureau Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2013.

Simplifying the amendment process has been discussed for cities that want to retract their UGBs, which may be the case for some of the 210 whose 2013 populations were smaller than was projected for 2010. The General Assembly has considered legislation that would change the way growth plans can be amended, but none of those bills would have simplified the amendment process for cities that wanted to retract their boundaries. For example, Senate Bill 613 by Yager and its companion, House Bill 135 by Keisling, introduced in 2013, would have established two different processes for changing growth plans. The process for changing a UGB or PGA without affecting another UGB or PGA would have been similar to the process in current law for amending growth plans. Everything else was called a revision and could have been done only once every seven years. Revisions would have followed the same process as amendments except that convening the coordinating committee would have required approval either by the county legislative body or by the municipal legislative bodies representing at least half of the municipal population of the county, making revisions much more difficult than they are under current law.

Joint Economic Community Development Boards: Purpose and Composition

To foster communication about economic and community development among local governments and members of their communities, the Growth Policy Act required local governments in each non-metropolitan county to establish Joint Economic and Community Development Boards (JECDBs) or request that an existing board be deemed sufficiently similar.⁶³ These county boards and their executive committees must meet at least four times a year in order for local governments in each county to be eligible for state grants.⁶⁴ Within this broad framework, these boards are free to focus their efforts as they wish. Some boards choose to do more, while others regard establishing grant eligibility as the only reason to meet and consider the meeting requirement excessive and unnecessary. Still others would like to see the boards given broader authority so they would have more reasons to meet.

Efforts to Make JECDBs Successful

The Tennessee Department of Economic and Community Development (TNECD) uses JECDBs in two of its programs: the ThreeStar Program and the Select Tennessee certified sites program. The department retooled the ThreeStar program after the Growth Policy Act was passed to make the

⁶³ Tennessee Code Annotated Section 6-58-114. Twenty-six boards have been deemed “sufficiently similar” by LGPAC based on information from the Tennessee Department of Economic and Community Development.

⁶⁴ Ibid.

The Growth Policy Act required local governments in each non-metropolitan county to establish Joint Economic and Community Development Boards (JECDBs) to foster communication about economic and community development among local governments and members of their communities.

The Tennessee Department of Economic and Community Development relies on JECDBs for several purposes.

JECDBs a part of it. Each participating county's ThreeStar program must be administered by the county JECDB or its designee. According to the department's website,

participation in the ThreeStar program is based on an annual evaluation and activity plan. Local community leaders and Joint Economic and Community Development Boards are encouraged to implement activities that will impact the community's competitiveness in a global economy. Participating counties (and cities in these counties) will be eligible for a four percent discount (for eligible projects) on both the business development and community development ability-to-pay calculations (CDBG and FastTrack) each year the county fulfills the requirements of the ThreeStar program. Additionally, only cities located in a county that is an active participant in the ThreeStar program will be eligible to participate in the Tennessee Downtowns program. Finally, there is an annual grant for Tier 2 and Tier 3 counties to serve as seed money for activities (not to offset general operating expenses) focused on improving at least one of the measured areas of the program: health and welfare, public safety, and education and workforce development.

Counties are divided into three tiers based on unemployment, poverty, and income. Tier 3 counties are those with the greatest needs. Eighty-five Tennessee counties were granted ThreeStar status in 2014.⁶⁵ The Select Tennessee Certified Sites Program assists communities in preparing sites for investment and job creation. According to the department's website,

the Select Tennessee Certified Sites Program was developed as a rigorous process aimed at elevating Tennessee's sites to the level of preparedness necessary for corporate investment. The program will market the sites to a targeted group of site selection consultants and business leaders in Tennessee's key industry clusters. TNECD has established a reimbursable grant to assist communities in Tier 2 and Tier 3 counties with the preparation of sites through the Select Tennessee Certified Sites program.

⁶⁵ "ThreeStar Status Awarded to 85 Counties," Tennessee Department of Economic and Community Development, accessed August 14, 2014, <http://news.tn.gov/node/12820>.

Because counties may often have several potential sites for development but limited funds to prepare and market them, the department requires that local JECDBs determine which site or sites are in the best interest of the community. The JECDB handles the application process, and if a site is approved to move forward by the state's consultants, the JECDB coordinates a site visit and meetings with the consultants and local representatives.⁶⁶ The state provides financial grants to assist Tier 2 and 3 counties with their applications.

On their own, JECDBs can help bridge gaps between cities and counties by bringing the different leaders together regularly. Examples where they have been successful include

- Wilson County, where the JECDB predates the Growth Policy Act, and is the county's economic development entity and focuses on recruiting industrial, retail, office, and business activity;
- Marshall County, where the board was considered essential in partnering with the chamber of commerce to develop a "shop local" program, establishing wireless internet in Lewisburg's main square, and promoting the Jack Trail, the Quilt Trail, and the Civil War Trail;
- Perry County, where the board was instrumental in the county receiving a \$1.76 million grant from the US Department of Commerce's Economic Development Administration for the reconstruction of the roof of the NYX industrial building;⁶⁷
- Giles County, whose industrial developer credits the board with the recent expansions of Integrity Tool & Mold, Richland LLC, and Frito-Lay;
- Wayne County, where a former Clifton city manager recounted how the JECDB was able to pool funds from the county and three cities to hire a full-time economic development director and successfully applied for a state housing grant;⁶⁸ and
- Cheatham County, where the JECDB applied for and was selected to host one of the National Association of Counties' five County Prosperity Summits in 2015. These summits help develop

JECDBs can help bridge gaps between cities and counties by bringing the different leaders together regularly.

⁶⁶ "Select Tennessee Certified Sites," Tennessee Department of Economic Development, accessed February 10, 2015, <http://www.tnecd.com/sites/certified-sites/apply-now>.

⁶⁷ "US Department of Commerce Announces \$1.7 Million to Support Job Creation in Perry County, Tennessee, in the Wake of 2010 Floods," US Economic Development Administration, accessed February 12, 2015, http://www.eda.gov/news/press-releases/2012/03/07/Perry_County_Tennessee.htm.

⁶⁸ Dana Deem, MTAS Municipal Management Consultant, e-mail message to Bob Moreo, October 2, 2014.

The statutory membership of joint IDBs is similar enough to that of JECDBs to make granting their powers to JECDBs reasonable.

strategies to strengthen regional relationships and identify ways to grow and sustain economic development.⁶⁹

Washington County's board joined forces in 2009 with two other local development boards to form a new, more broadly based council that gained recognition from LGPAC in 2014 as a sufficiently similar board to serve as the county's JECDB. Now called the Washington County Economic Development Council, this board has two dozen members, representing financial institutions, utilities, East Tennessee State University, and the health care, real estate, and construction industries, along with city and county officials. The board received an award from the International Economic Development Council for leading the renovation and reuse of a former CC&O railroad depot in downtown Johnson City and is collaborating regionally with neighboring Sullivan County.

Combining JECDBs with Other Local Entities

The membership of each JECDB is established by interlocal agreement and, at a minimum, must include the county mayor or executive, the city mayor or city manager of each city in the county, and one person who owns land classified under the greenbelt law, as well as representatives of citizens, current industry, and businesses. Options offered to expand the roles of these boards include combining them with the Growth Policy Act's county coordinating committees and allowing them to serve as joint industrial development corporations.

Coordinating committees are broad-based groups that include all of the mayors in each county, as well as representatives of the largest municipal and non-municipal utilities, the largest school system, the largest chamber of commerce, the soil conservation district, and four members representing environmental, construction, and homeowner interests.⁷⁰ Although there is some overlap in membership between these committees and the JECDBs, the JECDBs are not required to include school systems, utilities, and soil conservation districts. In order to serve the purposes required of JECDBs, the consolidated board or committee would be required to meet four times a year, not just when necessary to revise the county's growth plan.

Industrial development corporations—commonly known as industrial development boards (IDBs)—are non-profit corporations with broad economic development powers to acquire, lease, sell, enter into loans, issue

⁶⁹ "County Prosperity Summits," National Association of Counties, accessed February 12, 2015, <http://www.naco.org/programs/csd/Pages/County-Prosperity-Summit.aspx>.

⁷⁰ Tennessee Code Annotated, Section 6-58-104.

bonds,⁷¹ borrow money, and employ and compensate agents.⁷² Although local elected officials cannot serve on their own single-government IDBs, the statutory membership of joint IDBs is similar enough to that of JECDBs to make granting their powers to JECDBs reasonable. Office holders, including mayors as well as city managers or other comparable chief administrative officers—but not any other employees—may serve as directors of joint corporations.⁷³ Otherwise, none of the directors may be an officer or employee of the local government that incorporates it.⁷⁴ This does not, however, prevent officers and employees of other local governments from serving as directors (e.g., city officials serving on a board incorporated by a county government).

⁷¹ According to Tennessee Attorney General Opinion No. 05-176, JECDBs do not have the authority to construct a manufacturing building or to lend or grant funds contributed to the Board by the participating local governments to an industrial development corporation. The opinion added that there is no statutory authority under which the interlocal agreement could be written to authorize the Board to issue bonds on behalf of all its members.

⁷² Tennessee Code Annotated, Section 7-53-302.

⁷³ Tennessee Code Annotated, Section 7-53-104 does not define “officers”, but provides that the “city manager or other comparable chief administrative officer” may serve as a director.

⁷⁴ Tennessee Code Annotated, Section 7-53-301.

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Interviews and Persons Contacted

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Appendix A: Public Chapter 707



State of Tennessee

PUBLIC CHAPTER NO. 707

SENATE BILL NO. 2464

By Watson, Crowe, Norris, Kelsey, McNally, Tate, Campfield, Massey, Gardenhire, Beavers, Bowling, Ketron, Tracy

Substituted for: House Bill No. 2371

By Carter, Joe Carr, Casada, Rogers, Van Huss, Spivey, Shipley, Hall, Matheny, Lynn, Timothy Hill, Butt, Matlock, Calfee, Mark White, Doss, Faison, Rich, Keisling, Holt, Dunn, Sanderson, Pody, Durham, Kent Williams, Todd, Sparks, Haynes, Ragan, Shepard, Dean, McCormick, Sexton, Bailey, Coley, Travis, Kane, Forgety, Alexander, Lollar, Weaver, Matthew Hill, Halford, Hawk, Watson, Littleton, McManus, Floyd, Lamberth, Odom, Love, Dawn White, Moody, Dennis, Harry Brooks, John DeBerry, Powers, Kevin Brooks, Farmer, Womick, Evans, Towns, Sargent

AN ACT to amend Tennessee Code Annotated, Title 6, Chapter 51 and Title 6, Chapter 58, relative to annexation.

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

SECTION 1. Tennessee Code Annotated, Section 6-51-122, is amended by deleting the section in its entirety and by substituting instead the following:

(a) Notwithstanding any provision of this part or any other law to the contrary:

(1)(A) From April 15, 2013, through the effective date of Section 1 of this act, no municipality shall extend its corporate limits by means of annexation by ordinance upon the municipality's own initiative, pursuant to § 6-51-102, in order to annex territory being used primarily for residential or agricultural purposes; and no such ordinance to annex such territory shall become operative during such period, except as otherwise permitted pursuant to subdivision (a)(1)(B);

(B) If, prior to April 15, 2013, a municipality formally initiated an annexation ordinance restricted by subdivision (a)(1)(A); and if the municipality would suffer substantial and demonstrable financial injury if such ordinance does not become operative prior to the effective date of Section 1 of this act; then, upon petition by the municipality submitted prior to the effective date of Section 1 of this act, the county legislative body may, by a majority vote of its membership, waive the restrictions imposed on such ordinance by subdivision (a)(1)(A); and

(2)(A) From the effective date of Section 1 of this act through May 15, 2015, no municipality shall extend its corporate limits by means of annexation by ordinance, pursuant to § 6-51-102, or by resolution, pursuant to §§ 6-51-104 and 6-51-105; and no annexation shall become operative during such period, unless otherwise permitted pursuant to subdivision (a)(1)(B), (a)(2)(B), or Section 6, or unless the owner or owners of the property give written consent for the annexation;

(B) If, prior to the effective date of Section 1 of this act, a municipality formally acted upon an annexation ordinance or resolution restricted by subdivision (a)(2)(A); and if the municipality would suffer substantial and demonstrable financial injury if such ordinance or resolution does not become operative prior to May 15, 2015; then, upon petition by the municipality submitted prior to May 15, 2015, the county legislative body may, by a majority vote of its membership, waive the restrictions imposed on such ordinance or resolution by subdivision (a)(2)(A);

(b) On or before February 15, 2015, the Tennessee advisory commission on intergovernmental relations (TACIR) shall complete a comprehensive review and evaluation

SB 2464

of the efficacy of state policies set forth within title 6, chapters 51 and 58, and shall submit a written report of findings and recommendations, including any proposed legislation, to the speaker of the senate and the speaker of the house of representatives.

SECTION 2. (a) Tennessee Code Annotated, Section 6-51-102, is amended by deleting subsections (a), (c), and (d).

(b) Subsection (a) of this section prohibits any annexation by ordinance that is not both operative and effective prior to May 16, 2015.

SECTION 3. Tennessee Code Annotated, Section 6-51-102(e), is amended by deleting the language "(a)(1) or".

SECTION 4. Tennessee Code Annotated, Section 6-51-104(a), is amended by deleting the period "." and by substituting instead the following:

; provided, however, no such resolution shall propose annexation of any property being used primarily for agricultural purposes. Notwithstanding any provision of this part or any other law to the contrary, property being used primarily for agricultural purposes shall be annexed only with the written consent of the property owner or owners. A resolution to effectuate annexation of any property, with written consent of the property owner or owners, shall not require a referendum.

SECTION 5. Tennessee Code Annotated, Title 6, Chapter 51, Part 1, is amended by adding the following language as a new, appropriately designated section:

Notwithstanding any provision of this act, this part, or any other law to the contrary, any county having a metropolitan form of government may expand the area of its urban services district using any method authorized by its charter. Such expansion may also be accomplished using any method, identified by charter reference to general annexation law, that was applicable at the time the charter or amendment was approved by referendum held pursuant to Article XI, § 9 of the Tennessee Constitution and Tennessee Code Annotated, § 7-2-106(c) or § 7-2-108(a)(20).

SECTION 6. Tennessee Code Annotated, Title 6, Chapter 58, Part 1, is amended by adding the following language as a new, appropriately designated section:

A municipality may expand its urban growth boundaries to annex a tract of land without reconvening the coordinating committee or approval from the county or any other municipality if:

- (1) The tract is contiguous to a tract of land that has the same owner and has already been annexed by the municipality;
- (2) The tract is being provided water and sewer services; and
- (3) The owner of the tract, by notarized petition, consents to being included within the urban growth boundaries of the municipality.

SECTION 7. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 8. Sections 2, 3 and 4 of this act shall take effect on May 16, 2015; and all other sections of this act shall take effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 2464

PASSED: April 2, 2014



RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 15th day of April 2014



BILL HASLAM, GOVERNOR

Appendix B: Clarifying Statutory Language

While Public Chapter 707 deleted from statute the method of annexation by ordinance and prohibits any annexations by ordinance after May 15, 2015, there are a number of obsolete references to annexation by ordinance in other sections of the code that need to be addressed to make annexation policy and procedures consistent going forward. Some of these are simple corrections, where the words “by ordinance” or reference to annexations under Section 6-51-102 can be deleted without changing the meaning of the statute. Other types of clarification need more careful discussion.

Inapplicable sections, references to deleted sections or “ordinance”, and clarification in general:

Acts 2014 ch. 707, § 2(b) prohibits any annexation by ordinance that is not both operative and effective prior to May 16, 2015.

1. § 6-51-101. Part definitions and definitions for § 6-51-301.
 - (3): ““Notice” means publication . . . The notice, whether by ordinance as stipulated in § 6-51-102(a)(1) and (b) or by referendum as stipulated in § 6-51-104(b) shall be satisfied by inclusion of a map...”
 - Note that 6-51-301 is about utility service and has nothing to do with notice of annexation.
2. § 6-51-103. Quo warranto to contest annexation ordinance -- Appellate review.
 - Review under T.C.A. § 6-51-103 applies only to annexation by ordinance cases and was inapplicable to annexation by referendum case. *State ex rel. Vicars v. Kingsport*, 659 S.W.2d 367, 1983 Tenn. App. LEXIS 707 (Tenn. Ct. App. 1983).
 - (a)(1)(A): “Any aggrieved owner of property that borders or lies within territory that is the subject of an annexation ordinance prior to the operative date thereof, may file a suit in the nature of a quo warranto proceeding . . . to contest the validity thereof on the ground that it reasonably may not be deemed necessary for the welfare of the residents and property owners of the affected territory and the municipality as a whole and so constitutes an exercise of power not conferred by law.”
 - This entire section could be repealed. In annexation cases (by resolution / referendum) there is no equal protection or due process argument that can properly be made when the statutes are properly followed.
3. § 6-51-105. Referendum on annexation.
 - (b): “The legislative body of the municipality affected may also at its option submit the questions involved to a referendum of the people residing within the municipality.”
 - (e): “If a majority of all the qualified voters voting thereon in the territory proposed to be annexed, or in the event of two (2) elections as provided for in subsections (a) and (b), a majority of the voters voting thereon in the territory to be annexed and a majority of the voters voting thereon in the municipality approve the resolution, annexation as provided therein shall become effective thirty (30) days after the certification of the election or elections.”

- To clarify that both a majority of voters in the territory AND a majority of voters in the municipality each have to approve for the annexation to become effective, the subsection could be reorganized:
 - (e)(1) If a majority of all the qualified voters voting thereon in the territory proposed to be annexed approve the resolution, annexation as provided therein shall become effective thirty (30) days after the certification of the election or elections.
 - (e)(2) In the event of two (2) elections as provided for in subsections (a) and (b), if both a majority of the voters voting thereon in the territory to be annexed and a majority of the voters voting thereon in the municipality approve the resolution, annexation as provided therein shall become effective thirty (30) days after the certification of the election or elections.
- (f): “The mode of annexation provided in this section is in addition to the mode provided in § 6-51-102.”
 - This subsection could be deleted entirely, as 6-51-102 will not provide a mode of annexation after May 15, 2015.
- 4. § 6-51-106. Abandonment of proceedings.
 - “Any annexation proceeding initiated under § 6-51-102 or § 6-51-104 may be abandoned and discontinued at any time by resolution of the governing body of the municipality.”
- 5. § 6-51-109. Annexation of smaller municipality by larger municipality.
 - “...larger municipality may by ordinance annex such portion of the territory of the smaller municipality described in the petition or the totality of such smaller municipality if so described in the petition only after a majority of the qualified voters voting in an election in such smaller municipality vote in favor of the annexation.”
 - This section requires at least 20% of the voters in a smaller municipality to petition to a larger municipality for an election on the question of getting annexed into the larger city. Only voters in the smaller city vote on it.
 - Larger municipality “may” annex; it can choose not to pass ordinance.
 - Although the action is by ordinance, this annexation is still subject to voter approval. However, it varies from other requests for annexation:
 - The larger city has no option to put the annexation to a vote of its current residents.
 - Plan of services requirements would not apply unless other changes were made to 6-51-102.
 - Other notice and hearing requirements do not seem applicable.
 - Changing “by ordinance” to “by resolution” alone does not address the peculiarities of this section.
- 6. § 6-51-111. Municipal property and services.
 - (a): “Upon adoption of an annexation ordinance or upon referendum approval of an annexation resolution as provided in this part, **or upon adoption of an annexation resolution having written owner consent**, an annexing municipality and any affected instrumentality of the state . . . shall attempt to reach agreement in writing for allocation and conveyance to the annexing municipality of any or all public functions, rights, etc.”

- Something would have to be added to extend provisions to annexations by resolution without referendum approval when there is written consent.
- 7. § 6-51-119. Provision of copy of annexation ordinance, the plan for emergency services and map designating the annexed area to emergency communications district.
 - (a): “The legislative body of an annexing municipality or its designee shall provide a copy of the annexation **ordinance resolution**, along with a copy of the portion of the plan of services dealing with emergency services and a detailed map designating the annexed area, to any affected emergency communications district upon final ~~passage of the ordinance~~. **adoption of a resolution with written consent or upon certification of an annexation referendum.**”
- 8. § 6-51-121. Recording of annexation ordinance or resolution by annexing municipality.
 - Upon adoption of an annexation ordinance or upon referendum approval of an annexation resolution as provided in this part, **or adoption of an annexation resolution without a referendum when all owners have given written consent**, an annexing municipality shall record the ordinance or resolution with the register of deeds in the county or counties where the annexation was adopted or approved. The ordinance or resolution shall describe the territory that was annexed by the municipality. A copy of the ordinance or resolution shall also be sent to the comptroller of the treasury and the assessor of property for each county affected by the annexation.
- 9. § 6-58-111. Annexation procedure -- Quo warranto action to challenge annexation.
 - (a): “A municipality possesses exclusive authority to annex territory located within its approved urban growth boundaries; therefore, no municipality may annex by ordinance or by referendum any territory located within another municipality’s approved urban growth boundaries. Within a municipality’s approved urban growth boundaries, a municipality may use any of the methods in chapter 51 of this title to annex territory...”
 - This would also mean that annexation with written consent (not by referendum) cannot take place in another municipality’s UGB.
 - If an owner in one UGB wanted to be annexed into an adjacent municipality instead, it would have to go through growth plan amendment (subsection revised to apply to any annexation, not only by ordinance):
 - (c)(1) Prior to a municipality annexing by ordinance territory outside its existing urban growth boundary, whether the territory desired for annexation is within another municipality’s urban growth boundary or a county’s planned growth area or rural area, it must first amend the growth plan by having its desired change to the urban growth boundary submitted to the coordinating committee...
 - (c)(2) allows annexation outside a UGB in a PGA or RA by referendum “as provided for in §§ 6-51-104 and 6-51-105.”
 - “...the annexation must be by referendum only and not by ordinance. The municipality must follow the referendum process as provided for in §§ 6-51-104 and 6-51-105.”
 - (c): “The municipality shall have the burden of proving that an annexation ordinance is reasonable for the overall well-being of the communities involved.”
 - This part of 6-58-111 should be removed.

Statutes Applying to Plans of Services:

1. § 6-51-102. Annexation by ordinance. *[This should be re-named.]*
 - (b)(1): “Before any territory may be annexed under this section, the governing body of the municipality shall adopt a plan of services establishing at least the services to be delivered and the projected timing of the services.”
2. § 6-51-104. Resolution for annexation by referendum -- Notice.
 - (b)(1)(A): “A copy of the resolution, describing the territory proposed for annexation, shall be promptly sent by the municipality to the last known address listed in the office of the property assessor for each property owner of record within the territory proposed for annexation . . . The resolution shall also include a plan of services for the area proposed for annexation. *The plan of services shall address the same services and timing of services as required in § 6-51-102.* Upon adoption of the plan of services, the municipality shall cause a copy of the resolution to be forwarded to the county mayor in whose county the territory being annexed is located.”
 - **“Same services” – 6-51-102(b)(2):** “The plan of services shall include, but not be limited to: police protection, fire protection, water service, etc.”
 - **“Timing of services” – 6-51-102(b)(3):** “The plan of services shall include a reasonable implementation schedule for the delivery of comparable services...”
 - Question has been asked: Do other parts of 102 not specific to “services and timing of services” apply to annexations under 104 and 105? Rules of statutory construction seem to indicate that the intent of the legislature was to have all plan of service provisions of 102 apply equally.
 - (b)(4): “Before a plan of services may be adopted, the municipality shall submit the plan of services to the local planning commission, if there is one, for study and a written report . . . Before the adoption of the plan of services, a municipality shall hold a public hearing. Notice of the time, place, and purpose of the public hearing shall be published in a newspaper of general circulation...”
 - (b)(5): “A municipality may not annex any other territory if the municipality is in default on any prior plan of services.”
 - § 6-51-104(b)(1)(A) could be amended to make the intent clearer:
 - The resolution shall also include a plan of services for the area proposed for annexation. The plan of services shall address the same services and timing of services **and adhere to all provisions** as required in § 6-51-102.
3. § 6-51-108. Rights of residents of annexed territory -- Plan of service and progress report.
 - (b)(1): “This subsection (b) shall apply to any municipality whose annexation ordinance becomes effective by court order pursuant to § 6-51-103(d).”
 - 6-51-103(d)(1): “...order shall be issued sustaining the validity of such ordinance, which shall then become operative thirty-one (31) days after judgment is entered, or (2) order that the effective date of the ordinance be fixed as December 31 following the date of entry of the judgment or determination of appeal.”
 - When a court upholds a city’s annexation ordinance, this section then requires the city to provide notice that the order has been upheld and that the annexation will take effect.

This subsection should remain as-is until there are no more ordinances being challenged in court, and then it could be repealed along with 6-51-103.

- 6-51-108(e): An aggrieved property owner in the annexed territory may bring an action in the appropriate court of equity jurisdiction to enforce the plan of services at any time after one hundred eighty (180) days after an annexation by ordinance takes effect, and until the plan of services is fulfilled...

Changes to Annexation by Resolution with Written Consent:

1. § 6-51-104. Resolution for annexation by referendum -- Notice.
 - (a): “Notwithstanding any provision of this part or any other law to the contrary, property being used primarily for agricultural purposes shall be annexed only with the written consent of the property owner or owners. A resolution to effectuate annexation of any property, with written consent of the property owner or owners, shall not require a referendum, **nor shall it require the hearing or publication of notices required for referendums.**”
 - Because this is part of 6-51-104, all other provisions of this section apply: public hearing on the annexation, mailing copies of the resolution to owners, publishing notice in newspapers and public places, and including a copy of the plan of services.
 - The plan of services for a consensual annexation must also go through planning commission review and public hearing on its own, which includes more notice requirements.
 - Section could be amended as above to exempt annexations with owner consent from certain requirements.
 - Alternatively, removing this type of annexation by consent to a new part of section 102 could allow more flexibility in how these annexations are carried out compared to those that go through the referendum process.

Annexation by Ordinance in another County:

1. § 6-51-116. Annexation of territory in a county in a different time zone.
 - “Notwithstanding any provision of law to the contrary, after December 31, 1992, it is unlawful for any municipality to annex, by ordinance upon its own initiative, territory in any county other than the county in which the city hall of the annexing municipality is located, if the two (2) counties involved are located in different time zones.”
 - Should this section be amended to prohibit a municipality from initiating an annexation by referendum in another time zone, or just deleted entirely?
2. § 6-58-108. Annexation by ordinance -- Growth plan required for incorporation of new city.
 - (a)(1): “After May 19, 1998, a municipality may not annex by ordinance upon its own initiative territory in any county other than...” This statute established limits on when a city could annex by ordinance of its own initiative in a county other than where city hall is located.
 - (A) At least 7% of the city’s population has to be in the second county; (B) the city can get county commission approval in the second county; or (C) the city has to serve at least 100 customers with sanitary sewer service.

- Example: City hall and 95% of the population of Cityville are in one county; 5% of the population is in another county. Cityville does not provide sewer service to at least 100 customers in the other county. Under § 6-58-108, Cityville could not annex by ordinance of its own initiative in the other county without getting approval from that county legislature [6-58-108(a)(1)(B)].
- No such limits exist on annexation by resolution and referendum in other statutes. A city in multiple counties can adopt an annexation resolution in the secondary county and hold a referendum under 6-51-104 and 105.
 - Would the Commission want to consider placing these limitations on annexations by resolution and referendum, or would it be best to delete this language entirely?
- Subsection (b) of 6-58-108 could also be deleted:
 - “After January 1, 1999, a new municipality may only be incorporated in accordance with this section and with an adopted growth plan.”
 - Municipalities are not incorporated under 6-58-108. They are generally incorporated under one of the forms in chapters 1, 18, or 30 of Title 6.
 - This is not the only section that says a new municipality is required to adopt a growth plan. § 6-58-112(d)(1) says that:

“If the residents of a planned growth area petition to have an election of incorporation, the county legislative body shall approve the corporate limits and the urban growth boundary of the proposed municipality before the election to incorporate may be held.”

Same Territory Annexed by Multiple Municipalities:

1. § 6-51-110. Priority of municipalities in annexation.
 - (b): “If two (2) municipalities that were incorporated in the *same county* shall initiate annexation proceedings with respect to the same territory, the proceedings of the *municipality having the larger population shall have precedence* and the smaller municipality’s proceedings shall be held in abeyance pending the outcome of the proceedings of such larger municipality.”
 - (c): “If two (2) municipalities that were incorporated in *different counties* shall initiate annexation proceedings with respect to the same territory, the proceedings of the *municipality that was incorporated in the same county in which the territory to be annexed is located shall have precedence* and the other municipality’s proceedings shall be held in abeyance pending the outcome of the proceedings of the municipality that was incorporated in the same county as the territory to be annexed.”
 - (e): “If the ordinance of annexation of the larger municipality does not receive final approval within one hundred eighty (180) days after having passed its first reading **a resolution calling for annexation by referendum is adopted by the larger municipality, and the majority of voters voting in the referendum as provided in §6-51-105 do not approve**, the proceeding shall be void and a smaller municipality shall have priority with respect to annexation of the territory; provided, that its annexation ordinance shall likewise be adopted upon final passage within one hundred eighty (180) days after having passed its first reading **a resolution for annexation by referendum is adopted by the legislative body of the smaller municipality and a referendum is held in accordance with §6-51-105.**”

- When two cities both adopt resolutions calling for annexation of the same territory by referendum, this would give priority for the larger municipality to hold its election first.
- This could only take place outside of the cities' urban growth boundaries in accordance with § 6-58-111(c).
- Subsection (f) allows the smaller municipality to challenge the larger city's annexation in court.
- (g): "A smaller municipality may, by ordinance, extend its corporate limits by annexation of any contiguous territory, when such territory within the corporate limits of a larger municipality is less than seventy-five (75) acres in area, is not populated, is separated from the larger municipality by a limited access express highway, its access ramps or service roads, and is not the site of industrial plant development. The provisions of this chapter relative to the adoption of a plan of service and the submission of same to a local planning commission, if there be such, shall not be required of the smaller municipality for such annexation."
 - This subsection allows a small city—by ordinance and without consent—to annex up to 75 acres of territory (not an industrial plant) already in the limits of a larger city when the land in question is separated from the rest of the larger city by a limited-access highway.
 - This should be repealed, or at least require an owner's written consent.

Appendix C: Annexation Methods in the 50 States

Annexation Methods	States
Annexation by Petition (100% consent required)	Alabama, Alaska, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Missouri, North Carolina, Ohio, Oregon, South Carolina, Tennessee, Texas, Wisconsin
Annexation by Petition (<100% consent required)	Arizona, Arkansas, Colorado, Georgia, Idaho, Illinois, Indiana, Louisiana, Maryland, Mississippi, Montana, Nevada, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Texas, Utah, Washington, West Virginia, Wisconsin, Wyoming
Referendum May Be Required	Alabama, Alaska, Arkansas, Colorado, Delaware, Florida, Georgia, Illinois, Iowa, Kansas, Louisiana, Missouri, Montana, New York, North Carolina, Oregon, South Carolina, Texas, Washington, West Virginia, Wisconsin
Referendum May Be Petitioned For	California, Illinois, Kentucky, Maryland, Missouri, Ohio, South Carolina, South Dakota, Texas, Utah, Washington, Wisconsin
Unilateral Annexation	Idaho, Indiana, Nebraska
Third Party Approval of Annexation	California, Michigan, Minnesota, Mississippi, New Mexico, Virginia
No Annexations/No Unincorporated Territory	Connecticut, Hawaii, Maine, Massachusetts, New Hampshire, New Jersey, Pennsylvania, Rhode Island, Vermont

Appendix D: Populations and Projections

Comparing City Population Projections to Actual Census Information

Source: Population projections prepared by UT Center for Business and Economic Research, March 1999; US Census Bureau Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2013.

City	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Adams	633	750	633	641	821	(117)	-15.6%
Adamsville	1,876	1,983	2,207	2,252	2,068	224	11.3%
Alamo	2,471	2,519	2,461	2,487	2,564	(58)	-2.3%
Alcoa	7,237	8,201	8,449	8,640	8,833	248	3.0%
Alexandria	744	775	966	987	792	191	24.6%
Algood	2,911	3,653	3,495	3,563	4,194	(158)	-4.3%
Allardt	640	638	634	637	633	(4)	-0.6%
Altamont	758	871	1,045	1,029	956	174	20.0%
Ardmore	1,003	1,210	1,213	1,205	1,376	3	0.2%
Arlington	1,820	1,967	11,517	11,664	2,089	9,550	485.5%
Ashland City	3,330	4,639	4,541	4,660	5,825	(98)	-2.1%
Athens	13,340	15,311	13,458	13,623	16,425	(1,853)	-12.1%
Atoka	2,717	3,432	8,387	8,844	4,120	4,955	144.4%
Atwood	1,119	1,205	938	929	1,263	(267)	-22.2%
Auburntown	259	285	269	270	297	(16)	-5.6%
Baileyton	406	425	431	429	435	6	1.4%
Baneberry	325	406	482	502	480	76	18.7%
Bartlett	35,951	41,246	54,613	58,226	46,045	13,367	32.4%
Baxter	1,434	1,679	1,365	1,391	1,834	(314)	-18.7%
Bean Station	2,417	2,669	2,826	3,073	2,871	157	5.9%
Beersheba Springs	607	651	477	469	671	(174)	-26.7%
Bell Buckle	420	490	500	506	546	10	2.0%
Belle Meade	2,848	2,766	2,912	2,987	2,699	146	5.3%
Bells	2,288	2,333	2,437	2,444	2,374	104	4.5%
Benton	1,247	1,362	1,385	1,329	1,472	23	1.7%
Berry Hill	789	753	537	552	727	(216)	-28.7%
Bethel Springs	794	846	718	718	883	(128)	-15.1%
Big Sandy	587	671	557	548	733	(114)	-17.0%
Blaine	1,394	1,479	1,856	1,856	1,513	377	25.5%
Bluff City	1,677	1,737	1,733	1,732	1,777	(4)	-0.2%
Bolivar	6,114	6,271	5,417	5,241	6,370	(854)	-13.6%
Braden	335	355	282	278	361	(73)	-20.6%
Bradford	1,140	1,154	1,048	1,022	1,154	(106)	-9.2%
Brentwood	22,255	31,713	37,060	40,021	41,315	5,347	16.9%
Brighton	1,157	1,461	2,735	2,946	1,755	1,274	87.2%
Bristol	23,953	24,815	26,702	26,626	25,379	1,887	7.6%
Brownsville	10,728	11,105	10,292	10,022	11,307	(813)	-7.3%

Municipal Boundaries in Tennessee: Annexation and Growth Planning Policies after Public Chapter 707

City	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Bruceston	1,541	1,586	1,478	1,460	1,586	(108)	-6.8%
Bulls Gap	761	889	738	731	1,006	(151)	-17.0%
Burlison	595	708	425	421	809	(283)	-40.0%
Burns	1,386	1,770	1,468	1,454	2,129	(302)	-17.1%
Byrdstown	987	998	803	805	998	(195)	-19.5%
Calhoun	575	576	490	494	561	(86)	-14.9%
Camden	3,928	4,413	3,582	3,621	4,644	(831)	-18.8%
Carthage	2,635	2,959	2,306	2,277	3,108	(653)	-22.1%
Caryville	1,975	2,348	2,297	2,257	2,580	(51)	-2.2%
Cedar Hill	409	508	314	317	575	(194)	-38.2%
Celina	1,484	1,493	1,495	1,489	1,493	2	0.1%
Centertown	357	402	243	245	432	(159)	-39.6%
Centerville	4,246	5,714	3,644	3,600	6,793	(2,070)	-36.2%
Chapel Hill	1,003	1,331	1,445	1,464	1,626	114	8.6%
Charleston	648	693	651	665	710	(42)	-6.1%
Charlotte	1,228	1,568	1,235	1,233	1,886	(333)	-21.2%
Chattanooga	150,425	152,393	167,674	173,366	152,393	15,281	10.0%
Church Hill	5,901	7,152	6,737	6,775	8,108	(415)	-5.8%
Clarksburg	342	381	393	386	410	12	3.1%
Clarksville	94,879	137,900	132,929	142,357	179,220	(4,971)	-3.6%
Cleveland	33,755	37,915	41,285	42,774	40,852	3,370	8.9%
Clifton	2,763	2,891	2,694	2,667	2,998	(197)	-6.8%
Clinton	9,478	10,035	9,841	9,908	10,467	(194)	-1.9%
Coalmont	961	1,061	841	826	1,128	(220)	-20.7%
Collegedale	5,730	6,387	8,282	9,585	6,845	1,895	29.7%
Collierville	29,295	33,610	43,965	47,333	37,521	10,355	30.8%
Collinwood	1,041	1,024	982	990	1,010	(42)	-4.1%
Columbia	32,043	36,231	34,681	35,558	38,973	(1,550)	-4.3%
Cookeville	25,224	31,655	30,435	31,135	36,337	(1,220)	-3.9%
Coopertown	2,845	3,430	4,278	4,339	3,947	848	24.7%
Copperhill	501	540	354	340	578	(186)	-34.4%
Cornersville	880	1,134	1,194	1,205	1,351	60	5.3%
Cottage Grove	95	92	88	88	88	(4)	-4.3%
Covington	8,090	9,335	9,038	9,052	10,141	(297)	-3.2%
Cowan	1,763	1,910	1,737	1,716	2,022	(173)	-9.1%
Crab Orchard	1,031	1,190	752	760	1,195	(438)	-36.8%
Cross Plains	1,430	1,752	1,714	1,719	2,076	(38)	-2.2%
Crossville	9,036	11,651	10,795	11,246	12,652	(856)	-7.3%
Crump	2,300	2,760	1,428	1,418	3,105	(1,332)	-48.3%
Cumberland City	352	436	311	310	482	(125)	-28.7%
Cumberland Gap	217	225	494	483	224	269	119.6%

Municipal Boundaries in Tennessee: Annexation and Growth Planning Policies after Public Chapter 707

City	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Dandridge	2,012	2,365	2,812	2,849	2,661	447	18.9%
Dayton	6,271	6,971	7,191	7,397	7,280	220	3.2%
Decatur	1,552	1,901	1,598	1,571	2,098	(303)	-15.9%
Decaturville	882	879	867	868	879	(12)	-1.4%
Decherd	2,326	2,559	2,361	2,445	2,716	(198)	-7.7%
Dickson	11,506	14,497	14,538	14,952	16,635	41	0.3%
Dover	1,519	1,914	1,417	1,434	2,143	(497)	-26.0%
Dowelltown	325	348	355	365	363	7	2.0%
Doyle	500	570	537	541	633	(33)	-5.8%
Dresden	2,749	2,964	3,005	2,927	3,138	41	1.4%
Ducktown	421	435	475	458	443	40	9.2%
Dunlap	4,235	4,937	4,815	5,053	5,539	(122)	-2.5%
Dyer	2,239	2,321	2,341	2,295	2,321	20	0.9%
Dyersburg	18,658	22,480	17,145	17,002	24,885	(5,335)	-23.7%
Eagleville	501	660	604	620	808	(56)	-8.5%
East Ridge	20,482	21,101	20,979	21,382	21,101	(122)	-0.6%
Eastview	596	645	705	706	681	60	9.3%
Elizabethton	13,289	13,163	14,176	14,359	13,096	1,013	7.7%
Elkton	501	584	578	562	649	(6)	-1.0%
Englewood	1,704	1,771	1,532	1,526	1,769	(239)	-13.5%
Enville	244	260	189	191	272	(71)	-27.3%
Erin	1,703	1,817	1,324	1,319	1,871	(493)	-27.1%
Erwin	5,611	5,839	6,097	6,073	6,033	258	4.4%
Estill Springs	1,541	1,669	2,055	2,044	1,767	386	23.1%
Ethridge	625	743	465	463	835	(278)	-37.4%
Etowah	3,875	3,866	3,490	3,496	3,753	(376)	-9.7%
Fairview	5,377	7,448	7,720	8,086	8,961	272	3.7%
Farragut	16,654	19,434	20,676	21,390	21,853	1,242	6.4%
Fayetteville	7,349	7,789	6,827	7,124	8,164	(962)	-12.4%
Finger	290	301	298	299	308	(3)	-1.0%
Forest Hills	4,573	5,285	4,812	4,974	5,839	(473)	-8.9%
Franklin	29,259	39,271	62,487	68,886	48,673	23,216	59.1%
Friendship	635	674	668	672	709	(6)	-0.9%
Friendsville	950	1,186	913	920	1,343	(273)	-23.0%
Gadسدn	617	629	470	467	640	(159)	-25.3%
Gainesboro	1,069	1,122	962	960	1,171	(160)	-14.3%
Gallatin	21,413	27,674	30,278	32,307	32,168	2,604	9.4%
Galloway	841	953	680	668	1,015	(273)	-28.6%
Garland	314	374	310	311	427	(64)	-17.1%
Gates	797	849	647	647	897	(202)	-23.8%
Gatlinburg	4,323	6,203	3,944	4,097	7,898	(2,259)	-36.4%

Municipal Boundaries in Tennessee: Annexation and Growth Planning Policies after Public Chapter 707

City	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Germantown	37,130	40,124	38,844	39,375	42,613	(1,280)	-3.2%
Gibson	433	441	396	383	443	(45)	-10.2%
Gilt Edge	502	579	477	476	629	(102)	-17.6%
Gleason	1,428	1,571	1,445	1,413	1,667	(126)	-8.0%
Goodlettsville	12,770	15,590	15,921	16,813	17,836	331	2.1%
Gordonsville	1,088	1,312	1,213	1,199	1,450	(99)	-7.5%
Grand Junction	358	365	325	308	365	(40)	-11.0%
Graysville	1,490	1,797	1,502	1,509	1,990	(295)	-16.4%
Greenback	667	750	1,064	1,095	798	314	41.9%
Greenbrier	3,955	5,063	6,433	6,645	6,123	1,370	27.1%
Greeneville	14,606	15,305	15,062	15,020	15,638	(243)	-1.6%
Greenfield	2,169	2,333	2,182	2,136	2,465	(151)	-6.5%
Gruetli-Laager	1,910	2,227	1,813	1,792	2,433	(414)	-18.6%
Guys	545	622	466	468	681	(156)	-25.1%
Halls	2,286	2,431	2,255	2,240	2,431	(176)	-7.2%
Harriman	7,070	7,222	6,350	6,261	7,334	(872)	-12.1%
Harrogate	4,286	4,687	4,389	4,324	4,916	(298)	-6.4%
Hartsville	2,373	2,471	7,870	7,828	2,445	5,399	218.5%
Henderson	5,558	6,530	6,309	6,488	7,426	(221)	-3.4%
Hendersonville	38,085	48,731	51,372	54,068	58,159	2,641	5.4%
Henning	1,186	1,341	945	939	1,490	(396)	-29.5%
Henry	475	502	464	464	515	(38)	-7.6%
Hickory Valley	157	159	99	95	159	(60)	-37.7%
Hohenwald	4,262	5,706	3,757	3,703	6,594	(1,949)	-34.2%
Hollow Rock	928	954	718	710	967	(236)	-24.7%
Hornbeak	461	504	424	412	536	(80)	-15.9%
Hornsby	317	317	303	289	316	(14)	-4.4%
Humboldt	9,917	9,558	8,452	8,402	9,158	(1,106)	-11.6%
Huntingdon	4,391	4,625	3,985	3,981	4,802	(640)	-13.8%
Huntland	854	885	872	863	885	(13)	-1.5%
Huntsville	971	1,002	1,248	1,237	1,046	246	24.6%
Iron City – became unincorporated after projections were made							
Jacksboro	1,711	2,034	2,020	1,996	2,235	(14)	-0.7%
Jackson	51,376	56,913	65,211	67,685	61,526	8,298	14.6%
Jamestown	2,072	2,341	1,959	1,949	2,540	(382)	-16.3%
Jasper	3,122	3,464	3,279	3,297	3,743	(185)	-5.3%
Jefferson City	7,339	9,722	8,047	8,195	11,429	(1,675)	-17.2%
Jellico	2,580	2,836	2,355	2,304	2,947	(481)	-17.0%
Johnson City	55,542	67,331	63,152	65,123	77,133	(4,179)	-6.2%
Jonesborough	3,513	4,212	5,051	5,174	4,912	839	19.9%
Kenton	1,399	1,345	1,281	1,251	1,292	(64)	-4.8%

Municipal Boundaries in Tennessee: Annexation and Growth Planning Policies after Public Chapter 707

City	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference	Percent
						From Projection (2010)	Difference (2010)
Kimball	1,295	1,402	1,395	1,403	1,466	(7)	-0.5%
Kingsport	41,414	41,495	48,205	52,962	41,237	6,710	16.2%
Kingston	4,935	5,799	5,934	5,866	6,508	135	2.3%
Kingston Springs	2,425	3,587	2,756	2,771	4,734	(831)	-23.2%
Knoxville	167,854	184,487	178,874	183,270	197,343	(5,613)	-3.0%
Lafayette	4,011	4,726	4,474	4,811	5,165	(252)	-5.3%
LaFollette	7,488	7,993	7,456	7,251	8,133	(537)	-6.7%
LaGrange	151	167	133	133	167	(34)	-20.4%
Lake City	2,166	2,188	1,781	1,777	2,197	(407)	-18.6%
Lakeland	5,429	6,027	12,430	12,590	6,547	6,403	106.2%
Lakesite	1,551	1,703	1,826	1,877	1,825	123	7.2%
LaVergne	16,001	22,373	32,588	34,077	28,788	10,215	45.7%
Lawrenceburg	11,109	12,178	10,428	10,446	12,923	(1,750)	-14.4%
Lebanon	18,159	23,396	26,190	28,408	27,804	2,794	11.9%
Lenoir City	8,890	11,503	8,642	8,981	13,517	(2,861)	-24.9%
Lewisburg	10,975	13,332	11,100	11,339	14,735	(2,232)	-16.7%
Lexington	7,048	8,706	7,652	7,857	9,986	(1,054)	-12.1%
Liberty	412	440	310	313	457	(130)	-29.5%
Linden	1,137	1,281	908	904	1,402	(373)	-29.1%
Livingston	4,029	4,678	4,058	4,072	5,039	(620)	-13.3%
Lobelville	961	1,090	897	890	1,198	(193)	-17.7%
Lookout Mountain	1,812	1,901	1,832	1,890	1,901	(69)	-3.6%
Loretto	1,667	1,880	1,714	1,723	2,068	(166)	-8.8%
Loudon	4,544	5,112	5,381	5,705	5,435	269	5.3%
Louisville	1,455	1,649	2,439	2,461	1,776	790	47.9%
Luttrell	1,119	1,396	1,074	1,077	1,628	(322)	-23.1%
Lynchburg	5,227	5,860	6,362	6,301	6,406	502	8.6%
Lynnville	407	454	287	282	492	(167)	-36.8%
Madisonville	3,161	3,332	4,577	4,759	3,365	1,245	37.4%
Manchester	8,482	9,629	10,102	10,261	10,299	473	4.9%
Martin	10,022	10,921	11,473	11,359	11,665	552	5.1%
Maryville	23,042	28,766	27,465	27,992	32,570	(1,301)	-4.5%
Mason	1,040	1,237	1,609	1,608	1,413	372	30.1%
Maury City	826	881	674	672	932	(207)	-23.5%
Maynardville	1,596	1,992	2,413	2,375	2,322	421	21.1%
McEwen	1,720	1,829	1,750	1,706	1,913	(79)	-4.3%
McKenzie	5,363	5,603	5,310	5,578	5,742	(293)	-5.2%
McLemoresville	306	322	352	351	335	30	9.3%
McMinnville	12,060	13,629	13,605	13,669	14,715	(24)	-0.2%
Medina	732	792	3,479	3,955	835	2,687	339.3%
Medon	233	274	178	177	311	(96)	-35.0%

City	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Memphis	626,603	677,133	646,889	653,450	719,142	(30,244)	-4.5%
Michie	727	814	591	587	879	(223)	-27.4%
Middleton	611	635	706	686	656	71	11.2%
Milan	7,651	7,797	7,851	7,779	7,825	54	0.7%
Milledgeville	296	326	265	266	347	(61)	-18.7%
Millersville	4,150	5,583	6,440	6,575	6,942	857	15.4%
Millington	18,142	18,527	10,176	11,107	18,766	(8,351)	-45.1%
Minor Hill	403	436	537	528	460	101	23.2%
Mitchellville	194	240	189	196	270	(51)	-21.3%
Monteagle	1,222	1,266	1,192	1,180	1,282	(74)	-5.8%
Monterey	2,872	3,432	2,850	2,858	3,805	(582)	-17.0%
Morrison	656	716	694	692	765	(22)	-3.1%
Morristown	22,229	23,256	29,137	29,324	23,631	5,881	25.3%
Moscow	472	512	556	544	547	44	8.6%
Mosheim	1,569	1,644	2,362	2,341	1,680	718	43.7%
Mount Carmel	4,554	5,520	5,429	5,471	6,285	(91)	-1.6%
Mount Juliet	10,953	14,982	23,671	28,222	18,715	8,689	58.0%
Mount Pleasant	4,596	5,010	4,561	4,654	5,126	(449)	-9.0%
Mountain City	2,379	2,354	2,531	2,504	2,306	177	7.5%
Munford	4,110	5,191	5,927	6,027	6,233	736	14.2%
Murfreesboro	59,506	78,368	108,755	117,044	95,934	30,387	38.8%
Nashville	511,263	548,511	601,222	634,464	577,790	52,711	9.6%
New Hope	905	1,020	1,082	1,071	1,098	62	6.1%
New Johnsonville	1,914	2,161	1,951	1,913	2,376	(210)	-9.7%
New Market	1,286	1,512	1,334	1,355	1,701	(178)	-11.8%
New Tazewell	2,031	2,219	3,037	2,973	2,298	818	36.9%
Newbern	2,868	3,146	3,313	3,337	3,313	167	5.3%
Newport	7,911	8,893	6,945	6,926	9,399	(1,948)	-21.9%
Niota	839	884	719	719	902	(165)	-18.7%
Nolensville	1,854	2,488	5,861	6,213	3,084	3,373	135.6%
Normandy	123	137	141	143	145	4	2.9%
Norris	1,282	1,303	1,491	1,634	1,303	188	14.4%
Oak Hill	4,407	4,497	4,529	4,679	4,546	32	0.7%
Oak Ridge	27,742	28,314	29,330	29,419	28,750	1,016	3.6%
Oakdale	247	268	212	219	268	(56)	-20.9%
Oakland	733	795	6,623	7,107	849	5,828	733.1%
Obion	1,195	1,241	1,119	1,092	1,241	(122)	-9.8%
Oliver Springs	3,470	3,508	3,231	3,246	3,540	(277)	-7.9%
Oneida	3,562	3,470	3,752	3,732	3,445	282	8.1%
Orlinda	543	647	859	873	711	212	32.8%
Orme	173	210	126	124	239	(84)	-40.0%

Municipal Boundaries in Tennessee: Annexation and Growth Planning Policies after Public Chapter 707

City	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Palmer	877	970	672	661	1,032	(298)	-30.7%
Paris	9,815	10,137	10,156	10,166	10,202	19	0.2%
Parkers Crossrds	242	289	330	328	323	41	14.2%
Parrottsville	141	146	263	265	147	117	80.1%
Parsons	2,213	2,305	2,373	2,349	2,369	68	3.0%
Pegram	1,928	2,851	2,093	2,107	3,764	(758)	-26.6%
Petersburg	612	644	544	548	666	(100)	-15.5%
Philadelphia	560	708	656	673	818	(52)	-7.3%
Pigeon Forge	3,987	5,431	5,875	6,036	6,915	444	8.2%
Pikeville	1,866	2,001	1,608	1,612	2,083	(393)	-19.6%
Piperton	618	656	1,445	1,512	666	789	120.3%
Pittman Center	564	735	502	539	874	(233)	-31.7%
Plainview	1,729	2,291	2,125	2,076	2,808	(166)	-7.2%
Pleasant Hill	575	647	563	569	638	(84)	-13.0%
Pleasant View	2,143	2,985	4,149	4,218	3,749	1,164	39.0%
Portland	6,743	9,580	11,480	11,993	11,915	1,900	19.8%
Powells Crossrds	1,196	1,436	1,322	1,326	1,617	(114)	-7.9%
Pulaski	8,667	9,621	7,870	7,641	10,317	(1,751)	-18.2%
Puryear	743	767	671	668	772	(96)	-12.5%
Ramer	357	387	319	320	409	(68)	-17.6%
Red Bank	11,842	12,320	11,651	11,830	12,320	(669)	-5.4%
Red Boiling Spgs	1,133	1,259	1,112	1,126	1,354	(147)	-11.7%
Ridgely	1,807	1,848	1,795	1,765	1,887	(53)	-2.9%
Ridgeside	371	400	390	412	400	(10)	-2.5%
Ridgetop	1,996	2,264	1,874	1,942	2,478	(390)	-17.2%
Ripley	7,228	7,700	8,445	8,399	8,135	745	9.7%
Rives	353	377	326	317	395	(51)	-13.5%
Rockford	746	884	856	862	964	(28)	-3.2%
Rockwood	5,435	5,552	5,562	5,458	5,638	10	0.2%
Rogersville	4,535	5,259	4,420	4,433	5,777	(839)	-16.0%
Rossville	355	433	664	679	486	231	53.3%
Rutherford	1,277	1,303	1,151	1,123	1,303	(152)	-11.7%
Rutledge	976	1,111	1,122	1,133	1,195	11	1.0%
Saltillo	429	515	303	515	579	(212)	-41.2%
Samburg	367	374	217	209	374	(157)	-42.0%
Sardis	456	531	381	383	579	(150)	-28.2%
Saulsbury	118	121	81	97	124	(40)	-33.1%
Savannah	6,939	7,633	6,982	7,105	8,169	(651)	-8.5%
Scotts Hill	699	743	984	982	761	241	32.4%
Selmer	4,454	4,732	4,396	4,502	4,933	(336)	-7.1%
Sevierville	10,070	13,717	14,807	16,011	17,466	1,090	7.9%

City	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Sharon	994	1,047	944	925	1,047	(103)	-9.8%
Shelbyville	15,766	19,417	20,335	20,764	22,053	918	4.7%
Signal Mountain	7,446	7,700	7,554	8,464	7,851	(146)	-1.9%
Silerton	102	106	111	107	109	5	4.7%
Slayden	127	176	178	179	217	2	1.1%
Smithville	4,110	4,688	4,530	4,655	5,113	(158)	-3.4%
Smyrna	24,077	33,665	39,974	43,060	43,318	6,309	18.7%
Sneedville	1,654	1,795	1,387	1,365	1,909	(408)	-22.7%
Soddy Daisy	10,585	11,622	12,714	13,118	12,456	1,092	9.4%
Somerville	2,593	2,813	3,094	3,115	3,002	281	10.0%
South Carthage	1,177	1,350	1,322	1,327	1,492	(28)	-2.1%
South Fulton	2,561	2,688	2,354	2,304	2,688	(334)	-12.4%
South Pittsburg	3,080	3,295	2,992	3,117	3,342	(303)	-9.2%
Sparta	4,990	5,623	4,925	5,100	6,071	(698)	-12.4%
Spencer	1,171	1,269	1,601	1,613	1,370	332	26.2%
Spring City	2,381	2,520	1,981	2,012	2,541	(539)	-21.4%
Spring Hill	5,939	7,393	29,036	32,576	8,647	21,643	292.7%
Springfield	13,019	15,698	16,440	16,659	18,062	742	4.7%
St Joseph	872	1,034	782	779	1,161	(252)	-24.4%
Stanton	485	487	452	428	487	(35)	-7.2%
Stantonville	284	307	283	278	325	(24)	-7.8%
Sunbright	586	615	552	547	630	(63)	-10.2%
Surgoinsville	1,653	1,825	1,801	1,797	1,968	(24)	-1.3%
Sweetwater	5,302	5,590	5,764	5,899	5,646	174	3.1%
Tazewell	2,314	2,456	2,218	2,191	2,492	(238)	-9.7%
Tellico Plains	859	949	880	894	1,014	(69)	-7.3%
Tennessee Ridge	1,407	1,612	1,368	1,353	1,747	(244)	-15.1%
Thompsons Station	1,276	1,713	2,194	2,716	2,123	481	28.1%
Three Way – was not incorporated when the projections were made							
Tiptonville	2,158	2,149	4,464	4,426	2,149	2,315	107.7%
Toone	283	284	364	353	284	80	28.2%
Townsend	426	532	448	452	602	(84)	-15.8%
Tracy City	1,597	1,745	1,481	1,456	1,820	(264)	-15.1%
Trenton	4,646	4,836	4,264	4,191	4,836	(572)	-11.8%
Trezevant	910	962	859	850	994	(103)	-10.7%
Trimble	766	891	637	628	985	(254)	-28.5%
Troy	1,069	1,130	1,371	1,342	1,173	241	21.3%
Tullahoma	18,835	22,539	18,655	18,837	25,049	(3,884)	-17.2%
Tusculum	2,172	2,377	2,663	2,662	2,468	286	12.0%
Unicoi	2,941	3,060	3,632	3,592	3,162	572	18.7%
Union City	10,764	11,019	10,895	10,749	11,224	(124)	-1.1%

Municipal Boundaries in Tennessee: Annexation and Growth Planning Policies after Public Chapter 707

City	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Vanleer	414	550	395	398	654	(155)	-28.2%
Viola	128	133	131	132	136	(2)	-1.5%
Vonore	918	1,069	1,474	1,484	1,193	405	37.9%
Walden	1,795	1,971	1,898	2,001	2,112	(73)	-3.7%
Wartburg	907	953	918	914	975	(35)	-3.7%
Wartrace	537	615	651	647	663	36	5.9%
Watauga	428	465	458	454	495	(7)	-1.5%
Watertown	1,354	1,744	1,477	1,501	2,073	(267)	-15.3%
Waverly	4,178	4,332	4,105	4,127	4,416	(227)	-5.2%
Waynesboro	2,371	2,481	2,449	2,436	2,573	(32)	-1.3%
Westmoreland	2,027	2,570	2,206	2,253	3,041	(364)	-14.2%
White Bluff	2,295	3,255	3,206	3,301	4,066	(49)	-1.5%
White House	5,002	7,546	10,255	10,752	9,238	2,709	35.9%
White Pine	2,175	2,769	2,196	2,230	3,164	(573)	-20.7%
Whiteville	2,674	2,738	4,638	4,573	2,799	1,900	69.4%
Whitwell	1,513	1,622	1,699	1,705	1,642	77	4.7%
Williston	403	427	395	390	434	(32)	-7.5%
Winchester	6,687	7,244	8,530	8,527	7,668	1,286	17.8%
Winfield	727	785	967	956	851	182	23.2%
Woodbury	2,454	2,704	2,680	2,723	2,818	(24)	-0.9%
Woodland Mills	402	414	378	373	423	(36)	-8.7%
Yorkville	370	409	286	282	432	(123)	-30.1%

Comparing County Population Projections to Actual Census Information

Source: Population projections prepared by UT Center for Business and Economic Research, March 1999; US Census Bureau Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2013.

County	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Anderson	71,429	76,000	75,129	75,542	79,275	(871)	-1.1%
Bedford	34,162	40,523	45,058	45,901	45,100	4,535	11.2%
Benton	16,311	18,910	16,489	16,290	20,591	(2,421)	-12.8%
Bledsoe	10,599	11,672	12,876	12,841	12,546	1,204	10.3%
Blount	100,377	115,135	123,010	125,099	124,018	7,875	6.8%
Bradley	80,250	91,091	98,963	101,848	98,148	7,872	8.6%
Campbell	37,859	41,236	40,716	40,238	43,104	(520)	-1.3%
Cannon	12,039	13,852	13,801	13,775	15,177	(51)	-0.4%
Carroll	28,904	30,595	28,522	28,513	31,765	(2,073)	-6.8%
Carter	53,082	53,630	57,424	57,338	54,246	3,794	7.1%
Cheatham	34,405	49,721	39,105	39,492	62,435	(10,616)	-21.4%
Chester	14,524	16,707	17,131	17,321	18,409	424	2.5%
Claiborne	28,999	31,968	32,213	31,560	33,531	245	0.8%
Clay	7,331	7,361	7,861	7,774	7,463	500	6.8%
Cocke	31,597	32,792	35,662	35,479	32,970	2,870	8.8%
Coffee	45,520	51,413	52,796	53,357	55,450	1,383	2.7%
Crockett	13,798	14,082	14,586	14,591	14,332	504	3.6%
Cumberland	43,120	50,372	56,053	57,466	52,038	5,681	11.3%
Davidson	533,689	574,279	626,681	658,602	605,030	52,402	9.1%
Decatur	10,766	10,908	11,757	11,661	10,948	849	7.8%
DeKalb	15,801	17,291	18,723	19,164	18,577	1,432	8.3%
Dickson	41,024	53,594	49,666	50,266	64,480	(3,928)	-7.3%
Dyer	36,451	40,597	38,335	38,213	42,754	(2,262)	-5.6%
Fayette	29,526	32,236	38,413	38,690	34,410	6,177	19.2%
Fentress	15,903	16,591	17,959	17,909	17,121	1,368	8.2%
Franklin	37,146	40,488	41,052	41,129	42,858	564	1.4%
Gibson	48,108	49,284	49,683	49,457	49,460	399	0.8%
Giles	28,478	32,047	29,485	28,746	34,741	(2,562)	-8.0%
Grainger	19,462	21,691	22,657	22,702	23,332	966	4.5%
Greene	59,446	62,605	68,831	68,267	63,965	6,226	9.9%
Grundy	13,975	15,361	13,703	13,498	16,201	(1,658)	-10.8%
Hamblen	53,737	56,163	62,544	63,074	57,069	6,381	11.4%
Hamilton	294,676	305,767	336,463	348,673	311,762	30,696	10.0%
Hancock	6,805	6,926	6,819	6,679	7,006	(107)	-1.5%
Hardeman	24,155	24,862	27,253	26,306	25,413	2,391	9.6%
Hardin	24,746	27,456	26,026	26,034	29,385	(1,430)	-5.2%
Hawkins	48,777	54,521	56,833	56,800	58,801	2,312	4.2%

Municipal Boundaries in Tennessee: Annexation and Growth Planning Policies after Public Chapter 707

County	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Haywood	19,798	20,567	18,787	18,224	20,942	(1,780)	-8.7%
Henderson	23,998	28,450	27,769	28,048	31,046	(681)	-2.4%
Henry	29,702	30,799	32,330	32,210	30,996	1,531	5.0%
Hickman	19,906	24,873	24,690	24,267	28,578	(183)	-0.7%
Houston	7,801	8,830	8,426	8,292	9,540	(404)	-4.6%
Humphreys	16,797	17,928	18,538	18,243	18,753	610	3.4%
Jackson	9,553	10,109	11,638	11,517	10,548	1,529	15.1%
Jefferson	42,054	50,173	51,407	52,123	56,435	1,234	2.5%
Johnson	16,556	17,437	18,244	17,977	17,962	807	4.6%
Knox	365,626	404,666	432,226	444,622	432,866	27,560	6.8%
Lake	8,190	8,279	7,832	7,731	8,453	(447)	-5.4%
Lauderdale	24,161	25,830	27,815	27,795	27,287	1,985	7.7%
Lawrence	39,114	44,529	41,869	41,990	48,975	(2,660)	-6.0%
Lewis	10,741	14,116	12,161	11,961	16,317	(1,955)	-13.8%
Lincoln	29,203	31,178	33,361	33,633	32,678	2,183	7.0%
Loudon	38,234	44,941	48,556	50,448	50,238	3,615	8.0%
McMinn	45,890	48,656	52,266	52,341	49,657	3,610	7.4%
McNairy	23,678	25,126	26,075	26,140	26,193	949	3.8%
Macon	17,779	20,036	22,248	22,701	21,551	2,212	11.0%
Madison	84,795	94,869	98,294	98,733	102,558	3,425	3.6%
Marion	26,733	29,930	28,237	28,374	32,344	(1,693)	-5.7%
Marshall	25,658	32,769	30,617	31,130	38,079	(2,152)	-6.6%
Maury	68,099	77,898	80,956	83,761	83,793	3,058	3.9%
Meigs	9,697	11,549	11,753	11,649	12,888	204	1.8%
Monroe	33,934	37,565	44,519	45,265	39,886	6,954	18.5%
Montgomery	124,252	163,927	172,331	184,119	202,680	8,404	5.1%
Moore	5,227	5,860	6,362	6,301	6,406	502	8.6%
Morgan	18,494	20,765	21,987	21,915	22,355	1,222	5.9%
Obion	32,118	32,958	31,807	31,131	33,572	(1,151)	-3.5%
Overton	19,136	21,593	22,083	22,075	23,204	490	2.3%
Perry	7,487	8,600	7,915	7,869	9,410	(685)	-8.0%
Pickett	4,605	4,833	5,077	5,090	5,013	244	5.0%
Polk	14,703	15,926	16,825	16,690	17,031	899	5.6%
Putnam	58,264	67,128	72,321	73,525	73,308	5,193	7.7%
Rhea	27,588	30,882	31,809	32,513	32,741	927	3.0%
Roane	49,909	54,433	54,181	53,047	58,113	(252)	-0.5%
Robertson	51,482	63,121	66,283	67,383	72,627	3,162	5.0%
Rutherford	159,543	215,417	262,604	281,029	263,701	47,187	21.9%
Scott	19,788	20,471	22,228	22,015	21,365	1,757	8.6%
Sequatchie	10,102	11,203	14,112	14,681	12,265	2,909	26.0%
Sevier	62,602	82,031	89,889	93,570	99,369	7,858	9.6%

Municipal Boundaries in Tennessee: Annexation and Growth Planning Policies after Public Chapter 707

County	Base (1997)	Projection (2010)	Census (2010)	Census (2013 est.)	Projection (2020)	Difference From Projection (2010)	Percent Difference (2010)
Shelby	865,970	943,806	927,644	939,465	1,002,359	(16,162)	-1.7%
Smith	16,079	17,622	19,166	19,074	18,532	1,544	8.8%
Stewart	11,257	14,595	13,324	13,362	16,960	(1,271)	-8.7%
Sullivan	150,684	156,630	156,823	156,595	160,191	193	0.1%
Sumner	121,836	158,227	160,645	168,888	187,218	2,418	1.5%
Tipton	47,260	55,559	61,081	61,586	63,460	5,522	9.9%
Trousdale	6,805	7,345	7,870	7,828	7,607	525	7.1%
Unicoi	17,259	18,059	18,313	18,082	18,659	254	1.4%
Union	15,913	20,216	19,109	19,102	23,574	(1,107)	-5.5%
Van Buren	4,994	5,382	5,548	5,583	5,760	166	3.1%
Warren	35,779	39,408	39,839	39,965	42,096	431	1.1%
Washington	101,558	115,998	122,979	125,546	128,699	6,981	6.0%
Wayne	16,553	17,279	17,021	16,939	17,919	(258)	-1.5%
Weakley	32,844	35,593	35,021	34,450	37,608	(572)	-1.6%
White	22,167	25,617	25,841	26,244	28,458	224	0.9%
Williamson	111,373	153,589	183,182	198,901	190,359	29,593	19.3%
Wilson	81,172	107,792	113,993	121,945	128,101	6,201	5.8%