

did not pass

ORDINANCE NO. 93-27

AN ORDINANCE TO ADOPT A CAPITAL IMPROVEMENTS PLAN FOR THE TOWN OF SPRING HILL AND TO ESTABLISH A TAX ON THE PRIVILEGE OF ENGAGING IN THE BUSINESS OF DEVELOPMENT TO PROVIDE REVENUE FOR ADEQUATE PUBLIC FACILITIES AND SERVICES TO SUPPORT SUCH NEW DEVELOPMENT

BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF SPRING HILL:

Whereas, the construction of new residential and non-residential structures and buildings within the Town of Spring Hill creates demands for additional park, road, police, fire, safety, sanitation, sewer and water facilities to serve such new development as is set forth in Resolution No. 93-10 and Exhibit A to this Ordinance, both of which are hereby adopted and made a part of this Ordinance as if fully copied verbatim herein; and

Whereas, the Board of Mayor and Aldermen of the Town of Spring Hill, Tennessee, has by Resolution No. 93-10 developed a capital improvements program identifying such additional capital facilities and their estimated costs all of which are attributable to new developments; and

Whereas, the Board and Mayor and Aldermen of the Town of Spring Hill, Tennessee, has determined that a tax on the privilege of development is necessary in order to finance the capital improvements required to serve new development; and

Whereas, the levy of a tax on the privilege of development for the purpose of providing adequate public facilities and services attributable to new growth is authorized under the terms of Section 6-2-201 (14) and (15) of Spring Hill's statutory

charter and Chapter 173 Private Acts of The Tennessee General Assembly of 1988 (HB 2436); therefore

SECTION I: BE IT ORDAINED by the Board of Mayor and Aldermen of the Town of Spring Hill that Title 6 of the Spring Hill Municipal Code shall be, and is hereby, amended so as to add a new Chapter 5, which shall read in its entirety as follows:

TITLE 6

FINANCE AND TAXATION

CHAPTER

1. MISCELLANEOUS.
2. REAL PROPERTY TAXES.
3. PRIVILEGE TAXES.
4. WHOLESALE BEER TAX.
5. ADEQUATE FACILITIES TAX.

* * *

CHAPTER 5

ADEQUATE FACILITIES TAX

SECTION

- 6-501. SHORT TITLE.
- 6-502. PURPOSE.
- 6-503. FINDINGS.
- 6-504. AUTHORITY.
- 6-505. DEFINITIONS.
- 6-506. CAPITAL IMPROVEMENTS.
- 6-507. TAX LEVY.
- 6-508. PROBATION OF ISSUANCE OF BUILDING PERMIT OR CERTIFICATE OF OCCUPANCY.
- 6-509. COLLECTION OF TAX.
- 6-510. USE AND SEGREGATION OF TAX FUNDS.
- 6-511. NEW TAX LEVY.
- 6-512. EXEMPTIONS FROM TAX.
- 6-513. PROTEST OF TAX.
- 6-514. ADDITIONAL AUTHORITY.
- 6-515. NON-REPEALER.
- 6-516. SEVERABILITY.

6-501. Short Title. This Chapter shall be known and cited as the Spring Hill Adequate Facilities Tax.

6-502. Purpose. This ordinance is intended to assure the provision of adequate park, road, police, fire, safety, sanitation, sewer and water facilities to serve new development in the Town by requiring each new development to pay a tax proportionate to the need for new facilities created by such development, the proceeds of which shall be used exclusively to fund capital improvements made necessary by new growth.

6-503. Findings. The Board of Mayor and Aldermen (hereinafter "Board:") hereby finds and declares that:

(a) Spring Hill is experiencing rapid population and employment growth, as a result of the location of the General Motors Corporation's Saturn Plant.

(b) The Town of Spring Hill will experience an increase of 600 or more residential dwelling units by the year 1999.

(c) The anticipated population growth in Spring Hill creates the demand for additional road, park, police, fire, safety, sanitation and water facilities.

(d) The Town of Spring Hill insofar as its revenues allow is responsible for the provision of such public facilities and services at levels of service necessary to support anticipated residential growth.

(e) The Town has prepared a 5-year capital improvements plan which, to the extent possible, identifies such facilities and services levels and designates the sources of funding the same.

(f) The estimated capital improvements costs of these facilities to serve new growth for the next 10 years will be approximately ten million dollars.

(g) The Town's capital improvements plan apportions the costs of providing additional public facilities and services among existing and future users of such facilities in proportion to the demands for these facilities generated by such users, the Board realizing that the Town's facilities before Saturn were adequate for its population at that time and its pre-Saturn rate of growth for the next 20 years.

(h) The demand for additional public facilities to serve new growth in Spring Hill is generated by residential development and, to some extent, by non-residential development, such as the Ryder Transportation facilities, and anticipated future non-residential development; taking into consideration factors such as usage of public facilities by employees residing outside of the Town and demand for specialized services necessitated by non-residential development. The ratio of the impact on public facilities and services attributable to new residential development and new non-residential development as to the pre-Saturn demands of the Town of Spring Hill is approximately 100:1.

(i) The Legislature of the State of Tennessee has authorized the Town of Spring Hill to impose an adequate facilities tax on the privilege of engaging in the business of development.

(j) The tax herein imposed is within the statutory limits established by the Legislature and is otherwise reasonable and equitable.

6-504. Authority. This Ordinance is imposed under the charter powers of the Town of Spring Hill, Tennessee, and under the authority conferred on the Town to levy an adequate facilities tax on the privilege of engaging in development by Tennessee Private Acts of 1988, Chapter 173 (HB 2436).

6-505. Definitions. As used in this Ordinance, unless a different meaning appears from the context:

(a) "Building" means any structure built for the support, shelter, or enclosure of persons, chattels, or movable property of any kind, including a mobile home, but excluding buildings used for agricultural purposes.

(b) "Building permit" means a permit issued by the building official authorizing performance of a specified activity in or on a structure or building.

(c) "Capital improvement" means a park or recreational facility; police facility; fire or safety facility; or water facility, with a life expectancy of three or more years, owned and operated by or on behalf of the Town.

(d) "Capital improvements costs" means the cost of land acquisition, planning, design or construction for a capital improvement.

(e) "Capital improvements plan" means the proposed schedule of future capital improvements, listed in order of construction priority over a 5-year period, the associated capital improvements costs and the anticipated funding sources for each project together with the list of projected long-range capital improvements and capital improvements costs for the next 20 years.

(f) "Certificate of occupancy" means a license for occupancy of a building or structure after the building or structure has been inspected to determine that construction has been undertaken in compliance with the building permit application and in conformity with the Zoning Ordinance and other pertinent ordinances or codes.

(g) "Town" means the Town of Spring Hill, Tennessee.

(h) "Development" means new construction, building, reconstruction, erection, extension, betterment or improvement of land providing a building or structure or the addition to any building or structure, or any part thereof,

which provides, adds to or increases the floor area of a residential or non-residential use.

(i) "Floor area" means the total of the gross horizontal area of all floors, including usable basements and cellars, below the roof and within the outer surface of the main walls of principal or accessory buildings or the centerlines of a party wall separating such buildings or portions thereof, or within lines drawn parallel to and two (2) feet within the roof line of any building or portions thereof without walls, but excluding in the case of non-residential facilities: arcades, porticoes and similar open areas which are accessible to the general public, and which are not designed or used as sales, display, storage, service or production areas.

(k) "Non-residential" means the development of any property for any use other than residential use, except as may be exempted by this ordinance.

(l) "Person" means any individual, firm, co-partnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, or other group or combination acting as a unit, and the plural as well as the singular number.

(m) "Place of worship" means that portion of a building owned by a religious institution which has tax-exempt status, which is used for worship services and related functions, but does not include buildings or portions of buildings which are used for purposes other than for worship and related functions or which are or are intended to be leased, rented or used by persons who do not have tax-exempt status.

(n) "Public buildings" means a building owned by the state of Tennessee or any agency thereof, a political subdivision of the state of Tennessee, including but not necessarily limited to counties, cities, school districts and special districts, or the federal government or any agency thereof.

(o) "Residential" means the development of any property for a dwelling unit or units.

(p) "Structure" means anything which is constructed or erected, and the use of which requires more or less permanent location on ground or attachment to something having permanent location on ground, not, however, including wheels; an edifice of any kind; any production or piece of work, artificially built up or composed of parts of and joined together in some definite manner.

6-506. Capital Improvements Plan. There is hereby adopted the Capital Improvements Plan for the Town for the years 1994-1999 set forth in Resolution No. 93-10 a copy of which is attached hereto as Exhibit B and incorporated by reference herein or as it may be amended by resolution or ordinance from time to time. The fact that the Capital Improvements Plan also identifies the capital costs of public facilities and services other than capital improvements as defined in this ordinance has no effect on the computation or assessment of taxes herein established.

6-507. Tax Levy. There is hereby levied a tax on each person engaging in the business of development in the Town, which tax is to be paid at the time of occupancy, as provided in 6-509, as follows:

(a) \$.35 per gross square foot of new residential or non-residential development; and

(b) \$500.00 for each residential unit and each non-residential building; and

Provided, however, that the total fees herein imposed shall in no event exceed one dollar (\$1.00) per gross square feet of each such development.

6-508. Prohibition on Issuance of Building Permit or Certificate of Occupancy. No building permit nor certificate of

and until the tax herein imposed has been paid in full by the person engaging in such new development, as provided in §6-509.

6-509. Collection of Tax.

(a) Each applicant for a building permit for new development shall state, on a form provided by the Town, the amount of gross square footage contained in the development for which the permit is sought.

(b) The Town Building Official shall calculate the tax due on the development and collect such tax in cash prior to acceptance of the application for the permit.

(c) In the event that a building permit is not required for the new development, the applicant for a certificate of occupancy shall state the amount of gross square footage contained in the development for which the certificate is sought, and the Town Building Official shall calculate the tax due on the development and collect such tax in cash prior to acceptance of the application for the certificate.

(d) In its sole discretion, the Town may permit a person engaging in the business of developments, upon application for a building permit for a development, to defer payment of the tax until the time for issuance of the certificate of occupancy for such development, provided that such person provides security for the full amount of the tax due in a form acceptable to the Town.

5-510. Use and Segregation of Tax Funds. All taxes on new development collected pursuant to this Ordinance shall be deposited in a separate account. Funds of the account shall be expended solely for those capital improvements identified in the Town's Capital Improvements Plan.

6-511. New Tax Levy. The Board may, from time to time, amend the tax herein imposed on new development, based upon

adoption of a revised Capital Improvements Plan, which identifies new capital improvements costs reasonably attributable to the new development. Such tax shall be collected prospectively only.

6-512. Exemptions from Tax. No tax shall be assessed or collected for the development of:

- (a) public buildings; or
- (b) places of worship.

6-513. Protest of Tax. Any person aggrieved by the assessment of the tax herein authorized may protest such assessment in the manner provided by the laws of the State of Tennessee.

6-514. Additional Authority. The Spring Hill Adequate Facilities Tax on new development is in addition to all other authority the Town may exercise to impose taxes, fees, assessments, or other revenue raising or land development regulatory measures granted either by private or public acts of the State of Tennessee and the imposition of such tax, in addition to any other authorized tax, fee, assessment or charge, shall not be deemed to constitute double taxation.

6-515. Non-repealer. The provisions of this Ordinance shall in no manner repeal, modify or interfere with the authority granted by any other public or private law applicable to the Town.

6-516. Severability. If any of the provisions of this Ordinance, or the application thereof to any person or circumstance, is held invalid, such invalidity shall not affect other provisions, or applications of this Ordinance which can be given effect without the invalid provision or application, and to

that end the provisions of this Ordinance are declared to be severable.

SECTION II: BE IT FINALLY ORDAINED by the Board of Mayor and Aldermen of the Town of Spring Hill, Tennessee, this ordinance shall take effect from and after its passage on second and final reading, the health, safety and welfare of the citizens requiring it.

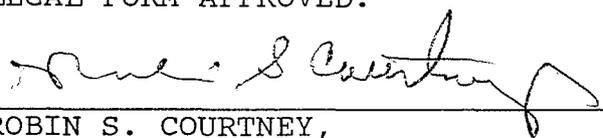
Passed on Final Reading this ____ day of _____, 1993.

FREEMAN COWHERD, MAYOR

ATTEST:

JUNE QUIRK, RECORDER

LEGAL FORM APPROVED:



ROBIN S. COURTNEY,
TOWN ATTORNEY

Passed on 1st Reading: _____
Passed on 2nd Reading: _____

EXHIBIT A TO ORDINANCE NO. 93-27 OF
THE TOWN OF SPRING HILL

Prior to the July 1985 announcement by General Motors Corporation that it would locate its Saturn automobile manufacturing plant adjacent to the town of Spring Hill, its public facilities were adequate to serve its then population as well as its projected growth for a period of at least 20 years as its population had remained at or near 1,000 inhabitants for many years.

Spring Hill had in the late 1970's and early 1980's made substantial investments in its infrastructure including the following capital improvements:

1. The construction and installation of its first sanitary sewer system and the construction of the sewage treatment plant north of the Kedron Road, several miles outside its then present city limits;
2. The expansion and improvement of its water system including the construction of the present tank located adjacent to the City Hall, the enlargement of the size of certain water mains and the installation of a pump to fill the reservoir.
3. The repaving of all streets damaged by the water and sewer line construction which included almost every street within the city limits with the exception of U.S. Highway 31.

It had also renegotiated its 1965 contract with the Columbia Board of Public Utilities which furnishes Spring Hill its entire water requirements by extending it for an additional 40 years from 1979.

The size of Spring Hill had remained more or less constant since its initial incorporation in about the year 1836 and its population had actually decreased since that date. Subsequent to Saturn, Spring Hill undertook several major annexation programs

as the result of which its pre-Saturn size of approximately 900 acres is now approximately 3,000 acres.

The residential and some limited commercial and industrial developments and those proposed or foreseen within the annexed areas have created demands for additions and expansions to the public facilities and infrastructure of the town of Spring Hill including but not limited to:

An additional fire hall; an additional water storage facility; the improvement of certain roads, especially Buckner Road, Kedron Road, and Beechcroft Road; the acquisition of additional police cars and fire fighting equipment; eventually the construction of its own facilities to acquire a public water supply for Spring Hill, either from underground sources or Duck River, and the construction and operation of a water treatment plant as well as the water lines required to connect the eventual source of water to the treatment plant; and fire hydrants and street lights in new subdivisions.

Before the Saturn announcement in 1985, the police force of the town of Spring Hill consisted of a full-time Town Marshall and one part-time policeman which were served by one police car. Since Saturn the police force has increased to eight (8) including a Chief, Assistant Chief, Captain, and five (5) Patrolmen, all full-time. The city now often maintains five (5) police cars. The only other employees of the town of Spring Hill were a part-time Recorder, an employee who operated the sewage treatment plant and another employee who supervised the public water system. The Recorder operated in a small room adjacent to the old fire hall on

McLemore Avenue. Since Saturn the Spring Hill work force, besides the police, include, in addition to the full-time Recorder, two full-time employees at City Hall, a building inspector, three (3) maintenance employees, a salaried Fire Chief, a sewage treatment plant supervisor and his assistant.

A new City Hall costing in excess of \$1,000,000 has been erected and it is necessary that it be maintained. A new fire hall has been constructed on Beechcroft Road which was financed by a loan from the Farmers Home Administration.

The following is a list of the proposed capital improvements along with their estimated costs required to serve the new developments almost all of which have developed or will develop in areas annexed to the corporate limits of the town of Spring Hill since July of 1985:

PROPOSED IMPROVEMENTS AND ESTIMATED COSTS

1994-1999

1. STREET IMPROVEMENTS	
a. Kedron Road Improvement	\$ 500,000
b. Buckner Road Improvement	100,000
c. Buckner Lane Improvement	50,000
d. Duplex Road Improvement	200,000
e. Beechcroft Road Improvement	<u>100,000</u>
	\$ 950,000
2. NEW WATER STORAGE FACILITIES	
a. Williamson County Tank	\$ 200,000
b. Kedron Road Tank	<u>200,000</u>
	\$ 400,000
3. NEW FIRE HALL	\$ 100,000
4. NEW FIRE EQUIPMENT (pumper, tanker truck, rescue equipment vehicle, extraction equipment, gear for additional firemen, etc.)	\$375,000
5. ADDITIONAL POLICE CARS	\$ 50,000

6. ADDITIONAL PUBLIC WORKS EQUIPMENT	\$ 30,000
7. WATER SUPPLY AND TREATMENT PLANT	\$2,000,000
8. STREET LIGHTS IN NEW SUBDIVISIONS	<u>\$ 100,000</u>
TOTAL ESTIMATED COSTS	\$4,005,000

As stated in the introductory paragraphs, prior to July 1985, the public facilities of Spring Hill were adequate for its purposes for the next 20 years. All of the foregoing facilities, constructed and proposed, and the additional personnel are required because of developments since the Saturn announcement almost all of which are in areas annexed to Spring Hill since that time. It is anticipated that the costs of the proposed facilities will be paid at least in part by the privilege tax imposed by this ordinance and any impact fees that may be imposed. In order to construct some of the improvements it is anticipated that funds may be borrowed on the full faith and credit of the town of Spring Hill and the taxes herein levied and any impact fees imposed will also be used as partial repayment of such indebtednesses. A portion of the costs will, of necessity, be born by the inhabitants of the town of Spring Hill located within its old corporate limits which will be required to help defray the cost of the facilities which would not have been required except for the development outside the old corporate limits. Where the revenue realized from the taxes herein imposed and any impact fees that might be imposed are inadequate to meet the payments on any future indebtednesses, the deficiency will be paid by the general revenues of the town of Spring Hill.

The proposed improvements will be undertaken as the revenues of Spring Hill allow. The initial priority of the projects is in the order set forth above. The Board of Mayor and Aldermen may, at any time, by appropriate motion or resolution change the priority of the projected capital improvements.

EXHIBIT B TO RESOLUTION NO. 93-27
OF THE TOWN OF SPRING HILL

**A RESOLUTION ADOPTING A CAPITAL IMPROVEMENT PROGRAM
FOR THE TOWN OF SPRING HILL**

Whereas, the Board of Mayor and Aldermen recognizes that new development within the city limits of the Town of Spring Hill will require considerable capital improvements to serve such new developments including the construction, enlargement, improvement and repair of a number of public facilities including additional park, road, police, fire, safety, sanitation and water facilities to serve such new development for the following reasons:

Prior to the July 1985 announcement by General Motors Corporation that it would locate its Saturn automobile manufacturing plant adjacent to the town of Spring Hill, its public facilities were adequate to serve its then population as well as its projected growth for a period of at least 20 years as its population had remained at or near 1,000 inhabitants for many years.

Spring Hill had in the late 1970's and early 1980's made substantial investments in its infrastructure including the following capital improvements:

1. The construction and installation of its first sanitary sewer system and the construction of the sewage treatment plant north of the Kedron Road, several miles outside its then present city limits;

2. The expansion and improvement of its water system including the construction of the present tank located adjacent to the City Hall, the enlargement of the size of certain water mains and the installation of a pump to fill the reservoir.

3. The repaving of all streets damaged by the water and sewer line construction which included almost every street within the city limits with the exception of U.S. Highway 31.

It had also renegotiated its 1965 contract with the Columbia Board of Public Utilities which furnishes Spring Hill its entire water requirements by extending it for an additional 40 years from 1979.

The size of Spring Hill had remained more or less constant since its initial incorporation in about the year 1836 and its population had actually decreased since that date. Subsequent to Saturn, Spring Hill undertook several major annexation programs as the result of which its pre-Saturn size of approximately 900 acres is now approximately 3,000 acres.

The residential and some limited commercial and industrial developments and those proposed or foreseen within the annexed areas have created demands for additions and expansions

to the public facilities and infrastructure of the town of Spring Hill including but not limited to:

An additional fire hall, an additional water storage facility, the improvement of certain roads, especially Buckner Road, Kedron Road, and Beechcroft Road, the acquisition of additional police cars, fire fighting equipment and eventually construction of its own facilities to acquire its own public water supply either from underground sources or Duck River and the construction and operation of a water treatment plant as well as the water lines required to connect the eventual source of water to the treatment plant. Also, the new subdivisions are in immediate need of street lights; and

Whereas, a study of the requirements of such new facilities has been referred to a committee of which Gwynne Evans was the Chairman; and

Whereas, this committee has made certain recommendations which have been considered and approved by the Board of Mayor and Aldermen;

Now, therefore, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN of the Town of Spring Hill, that, to the extent that revenues become available, it hereby adopts the following capital

improvements program which will be funded in whole or in part by certain revenues realized by the imposition of an Adequate Facilities Tax and Impact Fees on new developments;

PROPOSED IMPROVEMENTS AND ESTIMATED COSTS

1994-1999

1. STREET IMPROVEMENTS	
a. Kedron Road Improvement	\$ 500,000
b. Buckner Road Improvement	100,000
c. Buckner Lane Improvement	50,000
d. Duplex Road Improvement	200,000
e. Beechcroft Road Improvement	<u>100,000</u>
	\$ 950,000
2. NEW WATER STORAGE FACILITIES	
a. Williamson County Tank	\$ 200,000
b. Kedron Road Tank	<u>200,000</u>
	\$ 400,000
3. NEW FIRE HALL	\$ 100,000
4. NEW FIRE EQUIPMENT (pumper, tanker truck, rescue equipment vehicle, extraction equipment, gear for additional firemen, etc.)	\$375,000
5. ADDITIONAL POLICE CARS	\$ 50,000
6. ADDITIONAL PUBLIC WORKS EQUIPMENT	\$ 30,000
7. WATER SUPPLY AND TREATMENT PLANT	\$2,000,000
8. STREET LIGHTS IN NEW SUBDIVISIONS	<u>\$ 100,000</u>
TOTAL ESTIMATED COSTS	\$4,005,000

To the extent that revenues become available for such improvements, the foregoing capital improvements program is hereby adopted.

In anticipation of the collection of such fees, one or more of the above projects may be financed by means of debts

secured by the full faith and credit of the Town of Spring Hill which, to the extent such funds are available, will be repaid by the revenues realized from the Adequate Facilities Tax and Impact Fees.

Passed and adopted by the Board of Mayor and Aldermen on the ____ day of December, 1993.

FREEMAN COWHERD, MAYOR

ATTEST:

JUNE QUIRK, RECORDER

LEGAL FORM APPROVED:

ROBIN S. COURTNEY,
TOWN ATTORNEY