

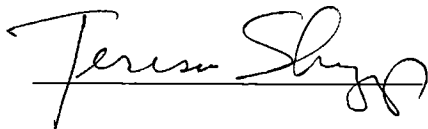
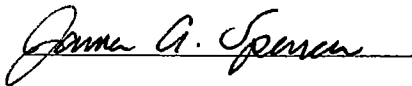
To the Graduate Council

I am submitting herewith a thesis written by Christopher Carl La Rue entitled "An Assessment of Public Chapter 1101 Implementation in Anderson County, Tennessee " I have examined the final copy for form and content and recommend that it be accepted in partial fulfillment of the requirements for the Master of Science in Planning, with a major in Planning



Cecilia Zanetta, Major Professor

We have read this thesis
and recommend its acceptance



Accepted for the Council



Associate Vice Chancellor and
Dean of the Graduate School

An Assessment of Public Chapter 1101:
Implementation in Anderson County, Tennessee

A Thesis
Presented for the
Masters of Science in Planning Degree
The University of Tennessee, Knoxville

Christopher Carl La Rue
May 2000

This thesis is dedicated

To my parents

Lanny and Cindy La Rue

And to my brother

David La Rue

Thank you for all your love and support.

Acknowledgements

I would like to thank my major professor, Dr. Cecilia Zanetta, for helping to guide me through this process and through offering her encouraging remarks. I would also like to thank Professor James Spencer and Professor Terry Shupp for their help and suggestions while serving on my committee. Thanks also to Dr. David Patterson and Nancy Loftis. Finally, I want to thank all of the graduate students at the School of Planning for making these past two years fun and memorable.

Abstract

This thesis presents an overview of Public Chapter 1101, which is the growth boundary law for the State of Tennessee. Furthermore, Anderson County, Tennessee is looked at as a case study to observe how well the objectives and mandates of the law were carried out.

A discussion of sprawl and growth management is presented with an accompanying literature review. There is also a discussion of other state growth management legislations. There is also a discussion of the history and the objectives and mandates of Public Chapter 1101.

The main part of the thesis discusses Anderson County and the municipalities of Clinton, Lake City, Norris, Oak Ridge, and Oliver Springs in terms of the process each was involved in for the implementation of the legislation. The county and each city was observed in relation to annexation history, growth scenarios, the coordinating committee, technical aspects of the planners, individual strategies, the bargaining process, public input, and the final product.

Finally, the thesis concludes with a final assessment and recommendations for Public Chapter 1101. The legislation is looked at in terms of achievement of

objectives, major factors affecting the process, assessment^v
of the outcome, key lessons learned, and policy
implications.

TABLE OF CONTENTS

CHAPTER ONE: REVALANCE OF THE THESIS.....	1
I. INTRODUCTION.....	1
II. DESCRIPTION AND SIGNIFICANCE OF THESIS RESEARCH.	3
CHAPTER TWO: GROWTH MANAGEMENT.....	7
I. WHAT IS GROWTH MANAGEMENT?.....	7
II. BRIEF OVERVIEW OF STATE-LEVEL GROWTH MANAGEMENT LEGISLATION.....	11
III. HISTORY OF PUBLIC CHAPTER 1101.....	13
IV. OBJECTIVES OF PUBLIC CHAPTER 1101.....	18
V. MANDATES OF PUBLIC CHAPTER 1101.....	21
VI. INCENTIVES/PENALTIES FOR COMPLETING/NOT COMPLETING THE GROWTH PLAN.....	27
VII. OVERVIEW.....	28
CHAPTER THREE: The IMPLEMENTATION OF PUBLIC CHAPTER 1101 IN ANDERSON COUNTY.....	29
I. ANDERSON COUNTY, TENNESSEE AND ITS MUNICIPALITIES.....	29
II. PAST HISTORY OF ANNEXATION.....	33
III. GROWTH SCENAIRO: UNIVERSITY OF TENNESSEE'S POPULATON PROJECTIONS.....	34
IV. THE COORDINATING COMMITTEE.....	38
V. TECHNICAL ASPECTS.....	43
VI. INDIVIDUAL STRATIGIES.....	64
VII. PUBLIC PARTICIPTION.....	72
VIII. THE BARGINING PROCESS: BUILDING CONSENSUS.....	75

IX. THE FINAL PRODUCT.....	78
CHAPTER FOUR: FINAL ASSESSMENT AND RECOMMENDATIONS.....	81
I. REVIEW OF THESIS.....	81
II. HOW PUBLIC CHAPTER 1101 ACCOMPLISHED ITS STATED OBJECTIVES IN ANDERSON COUNTY.....	92
REFERENCES.....	95
APPENDICES.....	99
APPENDIX A: State, County, and City Population Projections For the State of Tennessee.....	100
APPENDIX B: Public Chapter 1101.....	111
VITA.....	147

LIST OF TABLES

Table 2-1	Timetable for Public Chapter 1101.....	26
Table 3-1	Population Statistics for Anderson County.....	35
Table 3-2	Growth Percentages for the Municipalities.....	36
Table 3-3	Composition of the Coordinating Committee.....	39
Table 3-4	The Prescribed Composition of the Coordinating Committee.....	40
Table 3-5	Anderson County and Municipal Planning Resources.....	44
Table 3-6	Analysis of Urban Growth Boundaries.....	63
Table 3-7	Area Needed to Accommodate Predicted 2020 Growth at Current Gross Residential Densities.....	71

LIST OF PLATES

- PLATE 1: REAR COVER
MAP OF ANDERSON COUNTY AND ITS MUNICIPALITIES
- PLATE 2: REAR COVER
MAP OF OAK RIDGE'S BOUNDARY INTO ROANE COUNTY

CHAPTER ONE:

RELEVANCE OF THE THESIS

I. INTRODUCTION

The American city has drastically changed over time. In the period before the 1920's, cities generally followed a compact growth pattern. Services and jobs were located in a relatively close distance so that one could get to them by walking or on a short horse or carriage ride. During the second half of the 20th century, cities have continually spread out in a seemingly uncontrolled sprawling manner. This sprawl has created many problems, some of which include the following:

1. Large public and private capital and operating costs,
2. Increased transportation costs,
3. Land and natural habitat degradation,
4. Quality of life degradation,
5. Other social problems (TCRP Report 39 1998).

The move towards living in single-family homes, which tends to increase sprawl, was largely the result of transportation improvements. Before the 1920's, housing groups extended only as far as one could comfortably walk to streetcar and railway stations (ULI 1998). Developments

were set up on a grid system for maximum efficiency. After World War I, the automobile began to shape growth in suburban areas. At no other time in history were Americans able to go where they wanted and save such tremendous amounts of time. Along with this new interest in automobiles, roads and freeways were being built to accommodate the car and allow for further expansion (ULI 1998). After World War II, there was a massive move to the suburbs and out of the cities. The government even promoted this outward expansion through the Federal Highway Acts, the GI Bill, and other such legislation (ULI 1998).

After World War II the American dream of a family, a car, and a house with a large yard was realized. Industry soon followed suit by locating in the suburbs and edge cities were developed whereby the downtowns were drained of their livelihood (ULI 1998). In fact, 90 percent of the nations growth since 1980 has been in urban areas outside of core cities (Porter 1997). These new growth areas are commonly known as edge cities.

The question of whether or not the "dispersed city" is a natural course of society is raised by Safdie and Kohn (27). These authors present the case that to some, edge cities are the natural progression for modern cities. These

individual areas will become self-sufficient and offer all of the services the main cities once provided. Why then should anyone be concerned with the once important downtowns? According the authors, the city cores are just a projection of what the future may hold (35). In fact they state that "...the current levels of social malaise and economic dysfunction cannot persist within the inner city without seriously risking the health of our regions at large" (Safdie & Kohn 35).

The reasons for sprawl are numerous and cover a variety of different facets. The following list from Dantzig and Saaty lists some the socioeconomic forces that cause sprawl (4-5) which relates to the previous discussion on the history.

1. Overall increase in population.
2. Movement from the farms to the city.
3. Density of the inner city.
4. Decay of residences around the city core.
5. Rising economic means permitting residents in the inner city to move to suburbs and residents in suburbs to move to larger homes on larger lots.
6. Development of extensive highway systems.
7. The relocation of industry.
8. The development of the multicar family.
9. Rising urban transportation problems.

II. DESCRIPTION AND SIGNIFIANCE OF RESEARCH

The intent of this thesis is to provide a practical and meaningful look into the implementation of Tennessee's

Growth Policy Act in Anderson County. Furthermore, by looking at the forces involved in Anderson County, this thesis will provide a preliminary review of Public Chapter 1101 as to its effectiveness at meeting its stated goals. This case study will provide an invaluable tool that can be used by other states wishing to create a similar law as a way to identify potential problems and avoid mistakes that experience can point out. In this way, states could potentially create better growth management laws that are more concise and give some indication as to the time and effort required in this type of endeavor.

This thesis will be divided into four main chapters. The first two chapters cover an introduction and a description of the Chapter 1101 Growth Policy Act. The Introduction will cover a brief background touching on sprawl and history issues. Furthermore, it includes a description of the significance of the research and overview of the thesis structure. The chapter on the Growth Policy Act includes a discussion on growth management, an overview of state-level growth management legislations, a history of Public Chapter 1101, objectives of the bill, and mandates of the bill.

Chapter three discusses the implementation of Public Chapter 1101 in Anderson County. The county and each of the five municipalities will be examined to determine how each was affected. Also in this chapter the Steering Committee will be reviewed as to composition, personalities, and interests. The technical aspects of the process will also be discussed in terms of the planning process, urbanization patterns, urban services, and suitability. Other aspects covered will be individual strategies, bargaining processes, public input, and the final product.

The fourth chapter contains the final assessment and offers recommendations. Specifically the bill is studied to determine if the intended goals and objectives were attained. The analysis will focus on major factors affecting the process, key lessons learned, and policy implications.

Since Tennessee's growth law had an implementation date of January 31, 2000 the opportunity for first hand observation was invaluable. Information is gathered from the law, from committee meetings, from public meetings, and from conversations with the various actors who were all involved in building consensus. Furthermore, information

is gathered from several publications from the State of Tennessee. Finally, the actual plans from the municipalities and the county were looked at to illustrate how each individual entity dealt with the law. Special emphasis was placed on the planning process, planner's contributions, individual strategies, conflicts, and the final product.

CHAPTER TWO:

GROWTH MANAGEMENT

I. WHAT IS GROWTH MANAGEMENT?

The term Growth Management, which was first used in the seventies, referred to growth that was considered rigid. Growth was usually negligent, or extremely slow at best. Rather than manage growth, planners attempted to control it by following a zero growth mentality. In just the past fifteen years, growth management has evolved into a dynamic term with meanings that are anything but rigid. (DeGrove & Miness 1)

Growth Management, as the term now exists, started with a series of state laws from the 1970s. Vermont, followed by seven other states adopted an early form of growth control using land use systems. Oregon soon followed with a system that was comprehensive covering all of the state's lands. California and North Carolina had measures in place that only managed growth in coastal areas. Other states, such as Colorado and Florida protected areas that had significant historical, geographical, or some other statewide importance. The states took a big step in taking the land management

responsibility from the local governments. This was due largely in part to increased citizen concern for the environment that demanded more regional programs. (DeGrove & Miness 2)

During the 1980s, growth management addressed quality of life issues. The environment still was a major issue, but the new issues of "...keeping abreast of infrastructure needs as development occurs, properly balancing development and environmental protection, and promoting economic development" were all added as concerns (DeGrove & Miness 2). These type of plans contained mandated requirements and implementation strategies. The problem of sprawl was first dealt with during the 90s along with urban growth patterns. (DeGrove & Miness 2)

Growth management is foremost considered a tool to implement planning decisions (Kelly 7). By using this tool, planners must use skill in developing plans that are well thought out and complete. Even though planning can include social, fiscal, physical, etc., matters, the type of growth management referred to in this paper involves land use, or the "...physical change in communities and regions through development and redevelopment" (Kelly 7).

Growth management seeks to guide the development in such a way as to cause as little negative impact as possible.

Growth management is a rather broad term that describes "...an all-inclusive concept that provides ample room for further definition while suggesting a masterly approach to guiding community development" (Porter 10). There is no one set pattern to manage growth, rather there are a variety of frameworks that are continually developing that can be considered for use. A tactic that works in one community may not work in another, so there can be a lot of variety under a particular growth framework. Growth management techniques can be used by communities of all sizes to help ease development problems and keep both public and private interests in synch (Porter 12).

Growth management is a direct response to the problems of urban sprawl. Sprawl creates bad traffic congestion, destroys open spaces, and taxes residents and resources. The major causes of this problem were outlined in the introduction. Many cities are looking to growth-management tactics as a means of solving their runaway growth-related problems. Smart growth, which is one of the buzzwords in growth management, refers to "...well-planned, well-managed growth...[that adds] new homes, new offices and businesses,

and new jobs to...[an]...economy in a way that enhances and even rebuilds the communities where we already live-without requiring higher taxes, adding to our road and traffic woes, and without erasing or polluting our remaining farmland, beachfronts, woodlands and open spaces" (New Jersey Website). The following list from the Urban Land Institute gives a description of some of the common smart growth actions and tactics that have been used by the states.

- Development is economically viable and preserves open space and natural resources.
- Land use planning is comprehensive, integrated, and regional.
- Public, private, and nonprofit sectors collaborate on growth and development issues to achieve mutually beneficial outcomes.
- Certainty and predictability are inherent to the development process.
- Infrastructure is maintained and enhanced to serve existing and new residents.
- Redevelopment of infill housing, brownfield sites, and obsolete buildings is actively pursued.
- Urban centers and neighborhoods are integral components of a healthy regional economy.
- Compact suburban development is integrated into existing commercial areas, new town centers, and/or near existing or planned transportation facilities.

- Development on the urban fringe integrates a mix of land uses, preserves open space, is fiscally responsible, and provides transportation options. (ULI, 1999 3)

II. BRIEF OVERVIEW OF STATE-LEVEL GROWTH MANAGEMENT LEGISLATION

In May of 1998, the state of Tennessee passed the Public Chapter 1101 Growth Policy Act, joining ten other states in the country that have enacted growth management legislation. These other states include Florida, Georgia, Hawaii, Maine, Maryland, New Jersey, Oregon, Rhode Island, Vermont, and Washington (New Jersey Office of State Planning).

The legislation for all of these states, including Tennessee, is very similar in terms of goals, objectives, and intentions. The main goal for all of them is to control suburban sprawl and provide the means for communities to develop according to their own individualized needs. According to Eric Damian Kelly there are four basic components in common to most state mandated growth management legislation laws. These are:

1. Adequate Public facilities standards.
2. Phased Growth Programs
3. Urban Growth Boundaries
4. Rate-of-Growth Programs (Kelly 23)

The first point of adequate public facilities standards is used to try to direct growth into the most reasonable areas. These areas should contain adequately supplied public utilities. This requirement is effective in controlling growth since proper services cannot be provided in all areas at the same time. Communities are forced to take a good look into the regions they wish to incorporate. If proper service is not able to be provided at a given time, then a municipality is prohibited from developing an area prematurely. Public Chapter 1101 requires public facilities standards, which will be discussed later in this paper. (Kelly 23)

The second point of phased growth programs is supposed to follow community plans to control the location and proper timing of development. These programs generally are restricted to the availability of facilities, but are sometimes limited to environmental, economic, and other land use factors. Also included in phased growth programs are restrictions based on the capacities of roads, sewers, and water and storm systems. Services such as schools, and libraries are also factored in as requirements that must be met in order to grow. (Kelly 23)

The third point common in most state growth management legislations is urban growth boundaries. These boundaries "...limit the long-term location of growth to land within a designated boundary" (Kelly 23). These boundaries usually limit growth within set lines for a given period of time. Public Chapter 1101 utilizes this type of boundary, which will be discussed later in this paper. (Kelly 23-24)

The fourth and final point mentioned is some type of rate-of-growth program. These programs set a standard rate of growth for a community, which is usually determined by the local perception. Growth under this type of restriction varies, with some years receiving more growth than others. The growth rate is usually determined by using a percentage in the increase of the housing stock. (Kelly 24)

III. HISTORY OF PUBLIC CHAPTER 1101

The bill has undergone a progression from being a private annexation act, to a general law annexation act, and finally to Public Chapter 1101 which is a general annexation law "...within the framework of [a] comprehensive growth policy" (TAICR 5). Annexation is

basically when one municipality extends its borders to new areas that it deems vital to its future. Annexation has largely been considered a legislative power that local governments have based on state constitutions and statutes. Traditionally, landowners could request an annexation if they lived next to the municipality and had a wish to become a part of it. (TAICR 5-6)

Private act annexation has met with a lot of controversy over the years. The main complaint has been that the legislature would misuse its powers by passing acts that may go against the wishes of local officials and citizens. As the state of Tennessee became more urban following the period after World War II the central cities were losing more of their power to the suburbs. The cities felt a need to annex the fringe development while many who lived in these areas resisted it which created a lot of tension and harsh feelings. Regardless of the differences of opinion, private annexation continued until the passage of Public Chapter 113 in 1955, which required that all future municipal boundary changes follow a statute. The statute required municipalities to annex by ordinance and referendum only. Annexation could only occur when it adjoined the municipality, was in the affected resident's

best interest, did not take effect for thirty days, and deferred to large cities against smaller ones when there was conflict over the same territory. Public Chapter 113 favored annexations by cities resulting in two decades of heavy annexations. (TAICR 5-6)

By the 1970s residents of the suburbs, county governments, and utility districts complained about all of the annexations causing a slow down. As a result, the General Assembly enacted House Joint Resolution No. 159 which basically admitted that there was a problem with the current annexation laws. In 1974, Public Chapter 753 was passed which amended Public Chapter 113. The amendments required a plan of service, public hearings, and placing the burden of proof for reasonable annexation on the municipality. (TAICR 7-8)

In 1994 the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) held three public meetings concerning annexation. These meetings determined major issues that dealt with annexation and were the roots of Chapter 1101. Specifically, it was pointed out that current annexation laws did not deal with long range planning which could create more order in growth and provide some means to judge decisions. These meetings

played a major role in "...in bringing Tennessee officials and citizens together to discuss ways to improve the state's often contentious annexation laws" (TACIR 10). (TAICR 8-10)

In 1996 House Bill 2033 and Senate Bill 2710 were passed by the General Assembly. Later, these two bills became known as Public Chapter 666 of 1996, which was responsible for the process that led to Chapter 1101. Public Chapter 666 was perceived as too restrictive, which prompted the General Assembly to pass Public Chapter 98 legislation in 1997 and this only lasted a year. Public Chapter 666 and 98 were later found to be unconstitutional in the city of Oakland in Fayette County and in Davidson County. This created a large turmoil around the issue of annexation. Lieutenant Governor John S. Wilder, Speaker of the Senate and House Speaker Jimmy Naifeh both pledged to stop the controversy by creating some kind of comprehensive solution. (TAICR 10-12)

In 1997 and into 1998, Wilder and Naifeh began work on the new growth policy legislation (which would later be Public Chapter 110). Senator Robert Rochelle and Representative Matt Kisber, who are the chairs of the Ad Hoc Committee, began to look at solving the annexation

problem in a growth management setting. The speakers wanted the committee to look at the following:

1. Whether the citizens in an annexed area should have the right to vote.
2. Whether cities should be encouraged to annex areas solely for the purpose of grabbing revenue.
3. Whether cities should take county tax revenues used to fund schools.
4. What measures should be in place to provide for the orderly growth of our cities.
5. Whether 95 counties are enough or too many; whether 300+ cities are enough or too many.
6. Whether the state should establish incentives for combining city and county governments to form metropolitan governments to deal with competing interests and eliminate the overlapping services provided by cities and counties
7. Whether the sovereignty of the county and the sovereignty of the city have equal dignity.
(TACIR 13)

The Ad Hoc committee looked at each of these points and brought in experts and stakeholders. In October, November, and December of 1997 public meetings were held where information was presented on growth issues and other states' experiences with similar laws were presented. When the informational gathering stage was complete, the committee began looking at legislative issues in which "...the group became much like a legislative think tank, through which policy options were considered, enhanced, and

ultimately converted into legislation" (TACIR 14).

Finally, a framework for the bill was developed, it was eventually passed through the Senate and the House, and was later signed into law on May 19, 1998. Through the whole process, Public Chapter 1101 emerged as a law that is "...while comprehensive, fundamentally a local prerogative act" (TACIR 15). In other words, the law encompasses the whole state, but allows for individualized solutions in the various communities. (TAICR 14-15)

IV. OBJECTIVES OF PUBLIC CHAPTER 1101

The broad objectives of Public Chapter 1101 as found in Sections three, seven, and eight of the legislation are as follows:

1. Eliminate annexation or incorporation out of fear.
2. Establish incentives to annex or incorporate where appropriate.
3. Provide a unified physical design for the development of the local community.
4. Minimize urban sprawl.
5. Maximize reuse, and redevelopment.
6. Encourage a pattern of compact and contiguous high density development to be guided into urban areas or planned growth areas.
7. Establish an acceptable and consistent level of public services and community facilities and

ensure timely provision of those services and facilities.

8. Manage natural resources and take into account impacts on agricultural lands, forests, recreational areas and wildlife management areas.
9. Promote the adequate provision of employment opportunities and the economic health of the region.
10. Conserve features of significant statewide or regional or regional architectural, cultural, historical, or archaeological interest.
11. Protect life and property from the effects of natural hazards such as flooding, winds, and wildfires.
12. Provide for a variety of affordable housing for future population growth.
13. Stabilize each county's education funding base and establish county-level legislative interest in education matters.
14. Take into consideration such other matters that may be logically related to or form an integral part of a plan for the coordinated, efficient and orderly development of the local community.

One of the major objectives of Public Chapter 1101 is to open the communication links and to create cooperation among planning agencies, the states, local governments, and citizens. During many annexations, there were harsh feelings and misunderstandings due to a lack of communication. The hope is that through this bill there will be far less one sidedness and more exchanges of ideas.

The law is intended to allow communities to plan their growth based on their own unique individual characteristics and needs. Furthermore, governments will be able to make better informed choices about the kind of infrastructure they need for their particular community. Citizens and business will also benefit from this law through growth opportunities and more choices. Only the areas that a "...reasonable and prudent person would project as the likely site of high density commercial, industrial and/or residential growth over the next twenty years based on historical experience, economic trends, population growth patterns and topographical characteristics..." should be considered when selecting growth boundaries (Ch 1101 Sec 7C). These areas should be the best sites for location, expansion, investment, and development. The law is rather vague on its definition of a "reasonable and prudent person", but seems to imply that one can make a good guess of where future growth will go based on the previously mentioned set of characteristics (Ch 1101 Sec 7c).

V. MANDATES OF PUBLIC CHAPTER 1101

Chapter 1101 requires that these plans be fully completed and into implementation by July of 2001. Over the last few months, all counties and municipalities in Tennessee have been working on developing these plans by gathering technical information, appointing a coordinating committee, holding public meetings, and attempting to reach agreement with the other local governments within the county. This has provided a wonderful opportunity to observe the processes as they relate to the implications of the requirements, the various stakeholders, and the dynamic elements at play.

One of the first things that Public Chapter 1101 mandates is the creation of a Coordinating Committee. This committee as described in Section five of the legislation is as follows:

(a)(1) Except as otherwise provided pursuant to subdivision (a)(9), effective September 1, 1998, there is created within each county a coordinating committee which shall be composed of the following members:

A. The county executive or the county executive's designee, to be confirmed by the county legislative body; provided, however, a member of the county legislative body may serve as such designee subject to such confirmation;

- B. The mayor of each municipality or the mayor's designee, to be confirmed by the municipal governing body;
- C. One (1) member appointed by the governing board of the municipally owned utility system serving the largest number of customers in the county;
- D. One (1) member appointed by the governing board of the utility system, not municipally owned, serving the largest number of customers in the county;
- E. One (1) member appointed by the board of directors of the county's soil conservation district, who shall represent agricultural interests;
- F. One (1) member appointed by the board of the local education agency having the largest student enrollment in the county;
- G. One (1) member appointed by the largest chamber of commerce, to be appointed after consultation with any other chamber of commerce within the county; and
- H. Two (2) members appointed by the county executive and two (2) members appointed by the mayor of the largest municipality, to assure broad representation of environmental, construction and homeowner interests. (Public Chapter 1101)

The county and each municipality within its borders have to develop their own individual 20-year growth plan. Besides minimizing sprawl and encouraging compact growth, these plans are also supposed to protect Tennessee's rural atmosphere and characteristics. The county and the municipalities are required to have two public hearings regarding their plans. The Coordinating Committee develops the countywide plan and oversees the process. Once

adopted, the plans are combined into one comprehensive growth plan for the county as a whole. The final plan is then sent for ratification by the legislative bodies of the municipalities and the county. Finally, the plan is sent to the state for approval.

One of the main mandates of the law is a plan of services must be presented before any municipality can annex a potential new area. This plan is meant to show the services to be delivered into the area as well as a timetable of when they will be available. The level of service is supposed to be at the same level as other citizens in the community are receiving. Included in the plan of services are such things as:

- police and fire protection
- water, electrical, and sanitary sewer services
- road and street construction and repair
- recreational facilities and programs
- street lighting
- zoning services (IPS 21)

Without a reasonable plan a municipality could face a lawsuit and may not be allowed to annex their desired location.

The growth boundary plan divides a given county up into three main geographical areas. These areas are:

1. Urban Growth Boundaries (UGB) "the municipality and contiguous territory where high density residential, commercial, and industrial growth is expected, or where the municipality is better able than other municipalities to provide urban services" (IPS 8)
2. Planned Growth Areas (PGA) "territory outside municipalities where high or moderate density commercial, industrial, and residential growth is projected" (IPS 8)
3. Rural Areas (RA) "territory not in a UGB of a PGA and that is to be preserved as agricultural lands, forests, recreational areas, wildlife management areas or for uses other than high density commercial, industrial, or residential development". (IPS 8)

Urban Growth Boundaries are considered the limits of urban expansion, through annexation, for a given municipality. UGBs are required to be compact, but provide enough room for twenty years of growth. Municipalities are also supposed to create full development within an area by respecting boundaries with special attention to agricultural lands, forests, and recreational areas. (IPS 8)

Planned Growth Areas are regions in a county where there is the likelihood for high-density residential, commercial, and industrial growth, but are not adjacent to a municipality. Like the UGB, PGAs should be compact, but provide enough room for twenty years of growth. These areas cannot be in the boundaries of an existing

municipality or UGB. Again, special care should be given to make sure urban sprawl is controlled without harming natural resources, agricultural lands, forests, and recreational area. (IPS 9)

Rural Areas are regions within the county that are supposed to contain no further growth in the next twenty years, and as a result be protected. RAs are considered agricultural lands, forests, recreational areas, and wildlife management areas. The county is responsible for keeping detrimental impact as in rural areas at a minimum.

As an overview, Public Chapter 1101 has a number of mandated dates that have to be met by the counties and the municipalities. In order to have progressed in a timely manner and have the plan completed by January 1, 2000, officials had to take special care to meet the assigned deadlines. In addition, it was imperative to meet the required dates so that the counties and their municipalities were not thrown off schedule to achieve the future mandates of Public Chapter 1101. Table 2-1 lists what must be done by the appropriate date.

Table 2-1. Timetable for Public Chapter 1101

July 20, 1998	Municipalities must adopt a plan of services for any annexations not final on November 25, 1997.
September 1, 1998	Coordinating committee is created within each county. Composed of members specified in statute
January 1, 1999	A new municipality may be incorporated only within a county's PGA and in accordance with other requirements in the act.
Before January 1, 2000	Counties and municipalities may propose UGBs, PGAs, and RAs to coordinating committee for inclusion in the growth plan.
January 1, 2000	By this date, the coordinating committee of each county is required to develop a recommended growth plan and submit it to the governing bodies of the county and each municipality for ratification.
May 2000 (approximate) - Within 120 days after county and cities receive growth plan from coordinating committee	County and cities must ratify or reject proposed growth plan. Failure to act within 120 days constitutes ratification.
July 1, 2000	Point incentives for grant programs become available for counties and municipalities which have adopted a growth plan.
July 1, 2001	By this date the growth plan must be submitted to the Local Government Planning Advisory Committee.
July 1, 2001	Sanctions are imposed upon those cities and counties without an approved growth plan.
July 1, 2002	Delayed sanctions are imposed upon counties and cities that formed a metropolitan charter commission but did not adopt a metro charter, if they have no approved growth plan by this date.
July 2004 (approximate) - Three years after growth plan approval	Growth plan may be amended 3 years after approval, barring extraordinary circumstances.

Source: <http://www.ips.utk.edu/growthpolicy/toc.html>

VI. INCENTIVES/PENALTIES FOR COMPLETING/NOT COMPLETING THE GROWTH PLAN

If the growth plans for all of the municipalities in a county are completed by the July 1, 2000 deadline they receive an additional 5% score in any evaluation formula for the allocation of the following funds:

- Private activity bonding authority
- Community Development Block Grants
- Tennessee Industrial Infrastructure grants
- Industrial Training Service grants
- State revolving fund loans for water and wastewater systems
- HOUSE and HOME grants and some other Tennessee Housing Development Agency programs (IPS 13)

If the growth plan for all of the municipalities in a county are not completed by the July 1, 2001 deadline then they stand to lose the following funds:

- Community Development Block Grants
- Tennessee Industrial Infrastructure grants
- Industrial Training Service grants
- Tourist Development grants
- Tennessee Housing Development Agency grant programs
- Intermodal Surface Transportation Efficiency Act (ISTEA) funds or any subsequent federal authorization for transportation funds (IPS 13)

If the county and cities do not ratify their plans, they will remain ineligible for all of the above programs until they have adopted their growth plan. The process

will be required to go into dispute mediation if the county and its municipalities cannot work out a plan. If mediation fails a board of administrative law judges will decide upon the proper boundaries. This is not the most appealing option for most counties.

VII. OVERVIEW

This chapter has given an overview of growth management and some of the ways to stop sprawl. Furthermore, a review of other states' growth legislation presents various ways different states are dealing with sprawl and how they compare to Tennessee. A review of Public Chapter 1101 presented some of the forces influencing how the legislation came into being and the various mandates and objectives required within the law. The next chapter presents an overview of Anderson County and the various factors involved in implementation within a normative framework.

CHAPTER THREE:**The IMPLEMENTATION OF PUBLIC CHAPTER 1101
IN ANDERSON COUNTY****I. ANDERSON COUNTY, TENNESSEE AND ITS MUNICIPALITIES**

Anderson County is located in the Tennessee Valley in the foothills of the Cumberlands in east Tennessee. The county is located twelve miles from Knoxville and covers 338 square miles. Anderson is home to a vast amount of natural beauty such as rivers, mountains, and TVA lakes, all of which provide multiple recreational opportunities. The county residents are proud of their small town and rural way of life. According to the University of Tennessee Center for Business and Economic Research, the unincorporated areas currently have a population of 32,402 with a projected growth to 38,281 in 2020.

There are five main municipalities which have to submit a twenty-year growth plan jointly with Anderson County. These towns are Clinton, Lake City, Norris, Oak Ridge, and Oliver Springs. The State of Tennessee Department of Economic and Community Development describes the municipalities of Anderson County in the following.

Clinton

The city of Clinton is located in south central Anderson County, which is a short distance from the boundary with Knox County. Clinton currently has a population of 9,478 with a projected growth to 10,467 in 2020 (The University of Tennessee Center for Business and Economic Research 4). The city lies along the Clinch River and consists of approximately 7,440 acres. The median family income is reported to be \$29,495 (U.S. Census 1989). Highway 61 runs through the city north of the Clinch River which provides access to I-75 to the east and the City of Oak Ridge to the west. Highway 25W provides access to the city of Knoxville to the south. Of the 7,440 acres contained within the incorporated area, approximately 1,847 acres are vacant with 1,595.7 acres being identified as suitable for high-density urban development. (Urban Growth Boundary Report for Clinton 4-8)

Lake City

Lake City consists of approximately 1.6 square miles located in the northern portion of Anderson County along I-75. Lake City currently has a population of 2,069 with a projected growth to 2,078 in 2020 (The University of

Tennessee Center for Business and Economic Research 6).

The city has a median family income of \$18,676 (U.S. Census 1989). Of the 986 acres contained within the incorporated area, 398.5 acres, or roughly 40% of the entire city is vacant. Of this vacant land, approximately 104 acres are suitable for high-density urban development. (Urban Growth Boundary Report for Lake City 3-8)

Norris

The city of Norris consists of approximately 7.75 square miles, and is located between Norris Lake and highway 61. Norris was originally designed as a "garden city" and is surrounded by a greenbelt. Norris currently has a population of 1,282 with a projected growth to 1,303 in 2020 (The University of Tennessee Center for Business and Economic Research 7). The city has a median family income of \$38,558 (U.S. Census 1989). The majority of the land within the city is designated as watershed land and is allocated to certain publicly defined uses. Watershed and other open space areas have been excluded from consideration, since ordinary development cannot occur on this type of land. (Urban Growth Boundary Report for Norris 3-6)

Oak Ridge

Oak Ridge is located in the eastern portion of the scenic Tennessee River valley. The town has considerable acreage of meadow and wooded hills within the 18 square miles of its residential and commercial area. Oak Ridge currently has a population of 24,703 with a projected growth to 24,743 in 2020 (The University of Tennessee Center for Business and Economic Research 7). The city has a median family income of \$42,345 (U.S. Census 1989). The city is a large energy research center due to new developments conducted by private and public agencies. (Oak Ridge Chamber of Commerce Web Page)

Oliver Springs

This town consists of approximately 4.3 square miles located in the southwest corner of Anderson County on Highway 61. Oliver Springs currently has a population of 2,410 with a projected growth to 2,403 in 2020 (The University of Tennessee Center for Business and Economic Research 8). The median family income is reported to be \$25,125 (U.S. Census 1989). The town is situated in the three counties of Anderson, Roane, and Morgan. Of the 2,752 acres contained within the incorporated area, 1,314

acres are vacant. After physiographical limitations are factored in, the total unrestricted vacant land consists of 461 acres. (Urban Growth Boundary Report for Oliver Springs 3-7)

II. PAST HISTORY OF ANNEXATION

As previously discussed, annexations occur when one municipality extends its borders to new areas that are deemed vital for its future. The five municipalities of Anderson County have not had many annexations through the years of 1980 to 1996 as compared to other Tennessee municipalities. Knoxville, for instance, had 591 annexations during the same period. From TAICR, Anderson County's annexations consist of the following:

Clinton	11	
Lake City	1	
Norris	0	
Oak Ridge	11	
Oliver Springs	4	(63-64)

Clinton's main reason for annexation was to keep Oak Ridge from taking lands that were perceived as belonging to Clinton. The major annexations by Oak Ridge have been of surrounding unincorporated areas. These unincorporated areas have been the main problem for Oak Ridge in terms of Public Chapter 1101. For the most part, Oak Ridge has

generally extended its borders to those landowners who desired to become a part of the city. With the onset of the bill, municipalities including Oak Ridge began "a land grab".

III. GROWTH SCENAIRO: The UNIVERSITY OF TENNESSEE'S POPULATION PROJECTIONS

The growth projections for the municipalities in Tennessee were provided by the Center for Business and Economic Research at the University of Tennessee. The center based its report on United States Census information and used statistical projections to predict the future growth numbers. For a description of the statistical analysis that was done see appendix A. The legislation granted permission for these numbers to be challenged under certain circumstances. For example, a municipality that does not feel that the assigned populations are accurate has the right to appeal and provide its own projections, provided that the reasons are justified. The University of Tennessee's projections were used in all cases since these provided a reputable source. There were no inconsistencies, but the projection could be reviewed at a

later should time if the need should arise. Anderson County's population statistics are summarized in table 3-1.

The growth rates are important for determining whether certain municipalities have a basis for the land requirements that have been requested for future growth. Table 3-2 shows the growth rate for Anderson County's municipalities. Upon analyzing the growth percentages for Anderson County, it becomes clear that growth has been slow. There are some points of major growth, but for the most part the municipalities stayed consistent. Anderson County's population trends from 1960 to 2020 are presented in figures 3-1 and 3-2. These figures clearly illustrate

Table 3-1. Population Statistics for Anderson County

	Clinton	Lake City	Norris	Oak Ridge	Oliver Springs	Anderson County	Unincorporated Areas
1960	4,943	1,914	1,389	27,169	1,163	60,032	23,454
1970	4,794	1,923	1,359	28,319	3,405	60,300	20,500
1980	7,790	2,335	1,374	27,662	3,659	67,346	24,526
1990	8,972	2,166	1,303	24,743	3,433	68,250	28,890
2000	9,573	2,078	1,303	24,743	3,472	72,502	32,402
2005	9,807	2,183	1,303	24,743	3,491	74,276	33,942
2010	10,035	2,188	1,303	24,743	3,508	76,000	35,438
2015	10,255	2,193	1,303	24,743	3,525	77,668	36,886
2020	10,467	2,197	1,303	24,743	3,540	79,275	38,281

Source: Population for 1960, 1970, 1980, and 1990 from U.S. Census
Population from 2000-2020 from University of Tennessee Center
for Business and Economic Research

the county is experiencing some growth. The municipalities, with the exception of Clinton, have experienced little to no growth. Obviously, people are moving out of the cities and into the unincorporated areas of the county.

Table 3-2. Growth Percentages for the Municipalities

	1960-1970	1970-1980	1980-1990	1990-1998
Clinton	-3.01%	62.49%	15.72%	5.64%
Lake City	0.47%	21.42%	-7.24%	0%
Norris	-2.16%	1.10%	-5.17%	-1.61%
Oak Ridge	4.23%	-2.32%	-10.55%	-0.16%
Oliver Springs	192.77%	7.46%	-6.18%	1.08%
Anderson County	0.45%	11.68%	1.34%	0%
Unincorporated Areas	-12.59%	19.64%	17.79%	-6.02%

Source: Population for 1960, 1970, 1980, and 1990, from U.S. Census

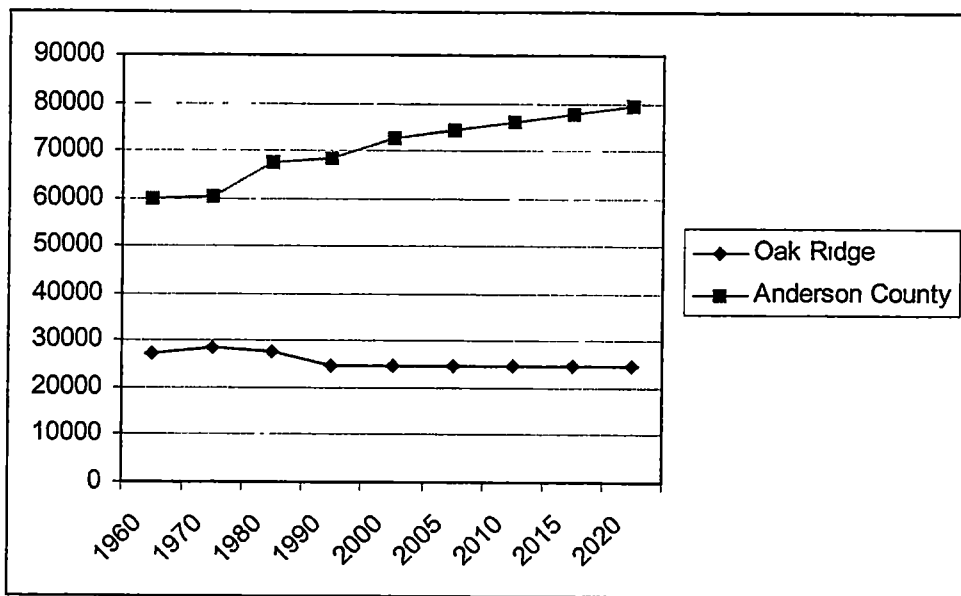


Figure 3-1

Source: 1960-1990 from United States Census 2000-2020 from University of Tennessee Center for Business and Economic Research

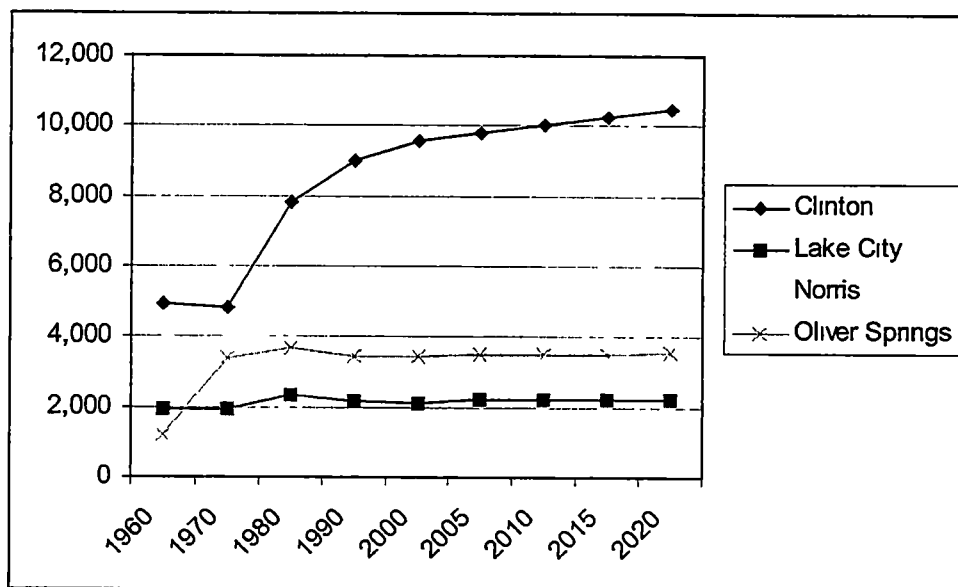


Figure 3-2

Source: 1960-1990 from United States Census 2000-2020 from University of Tennessee Center for Business and Economic Research

IV. THE COORDINATING COMMITTEE

Public Chapter 1101 requires the creation of a Coordinating Committee in all but two counties in Tennessee. The Coordinating Committee was created "...for the purposes of developing or amending a [twenty-year] growth plan for the county" (TAICR 25). The committee also holds hearings and submits plans to the county and city legislative bodies. It also uses a variety of measures to divide the county into urban growth boundaries, planned growth areas, and rural areas.

The minimum number of members sitting on the committee is eleven, but could be as high as twenty-one, depending on the number of municipalities located within the county. Table 3-3 lists Anderson County's fifteen members of the Coordinating Committee and the entities they represent. When analyzing the coordinating committee, it is helpful to look at its structure in a critical way. Table 3-4 represents the structure of a committee in terms of representation.

The basic prescription of table 3-4 shows the various representatives of the Coordinating Committee for all the counties in Tennessee based on number

Table 3-3. Composition of the Coordinating Committee

Member	Representing
Rex Lynch, Chairman County Executive	County
Todd Johnson, Vice Chairman County Zoning Officer	County
Bob Gregory, Anderson County Regional Planning Commissioner	County
Jerry Kuhaida-Mayor, Oak Ridge	Oak Ridge (largest municipality)
David Bradshaw, Oak Ridge City Councilman	Oak Ridge (largest municipality)
Bill Issel, Community Development Director	Oak Ridge (largest municipality)
Frank Diggs-Mayor, Clinton	Clinton
Tim Sharp-Mayor, Lake City	Lake City
Jean Creswell-Norris City Councilwoman	Norris
Ken Veach, Town Administrator for Oliver Springs	Oliver Springs
Dennis Barbe-General Manager, CUB	Largest Municipally-owned Utility
Jerry Shattuck- Powell- Clinch Natural Gas	Largest Non-municipally-owned Utility
John Price, Anderson County School Board	School Agency Representing largest enrollment
Howard Farmer, Soil Conservation Board	Agricultural Interests
Parker Hardy, Oak Ridge Chamber of Commerce	Largest Chamber of Commerce

Table 3-4. The Prescribed Composition of the Coordinating Committee

Recipe for the Coordinating Committee	Number of Municipalities				
	1	2	3	4	5
County Executive (a)	1	1	1	1	1
Representatives of each municipality (b)	1	2	3	4	5
Representative of Largest Municipal owned Utility (c)	1	1	1	1	1
Representative of Largest Non-municipal owned Utility (d)	1	1	1	1	1
Representative of Soil Conservation District (e)	1	1	1	1	1
Representative of Largest Education Agency with Largest Enrollment (f)	1	1	1	1	1
Representative of the Largest Chamber of Commerce (g)	1	1	1	1	1
2 members appointed by County Executive (h)	2	2	2	2	2
2 members appointed by Mayor of Largest Municipality (i)	2	2	2	2	2

Scenario #1

County Representation (a,f,g,h)	45.45%	41.67%	38.46%	35.71%	33.33%
Municipal Representation (b,c, i)	36.36%	41.67%	46.15%	50.00%	53.33%
Neutral Representation (d,e)	18.18%	16.67%	15.38%	14.29%	13.33%

Scenario #2

County Representation (a,h)	27.27%	25%	23.08%	21.43%	20.00%
Municipal Representation (b,c, f, g, i)	54.55%	58.33%	61.54%	64.29%	66.67%
Neutral Representation (d,e)	18.18%	16.67%	15.38%	14.29%	13.33%

Scenario #3

County Representation (a, f, h)	36.36%	33.33%	30.77%	28.57%	27.67%
Municipal Representation (b, c, g, i)	45.45%	50.00%	53.85%	57.14%	60.00%
Neutral Representation (d, e)	18.18%	16.67%	15.38%	14.29%	13.33%

of municipalities (the table shows five municipalities since Anderson County consists five main municipalities). As the number of municipalities increases, the municipal representatives goes up as well. The rest of the numbers are considered fixed since they do not change except for the representative of the largest education agency (f) with the largest enrollment and the representative of the largest chamber of commerce (g). Components (f) and (g) are variable because they will represent the county, while the others will represent the cities. The three different scenarios show which entity the Coordinating Committee is more likely to favor in terms of county representation, municipal representation, and neutral representation.

In scenario #1 the Coordinating Committee components (f) and (g) are placed into the county representation. If there were only one municipality, then the county would be favored by the coordinating committee. As the number of municipalities increases, however, the county loses its preference. With five municipalities, such as in Anderson County, municipalities are favored 53.33% by the coordinating committee, while the county is represented by 33.33%, and neutral representation in the committee is 13.33%.

In scenario #2 the Coordinating Committee components (f) and (g) are placed into the municipal representation. Obviously, it is evident that in these cases municipalities are heavily favored in Coordinating Committee representation. With five cities, as in Anderson County, 66.67% of the committee would favor the municipalities, with 20.00% representing the county, and 13.33% remaining neutral.

In scenario #3 the Coordinating Committee components (f) and (g) are placed evenly, one in the county and one in the municipalities. Once again, the municipalities are heavily favored in representation. With five cities, 60.00% of the committee would favor the municipalities, 27.67% would represent the county, and 13.33% would remain neutral.

From looking at table 3-4 it becomes apparent that, by design, the Coordinating Committee is more biased towards favoring the municipalities. Often, since counties have more than one municipality, the chance of having a county dominated Coordinating Committee is very low. Anderson County falls into scenario #3 with the municipalities being favored by 60.00%, the county receiving 27.67%, and neutral representation being 13.33%. Of Anderson's municipalities,

Oak Ridge holds four positions on the committee, while Clinton, Lake City, Norris, and Oliver Springs are each only represented by one position. Obviously, decisions that affect the municipalities lean more in favor toward Oak Ridge.

V. TECHNICAL ASPECTS

In preparation for Public Chapter 1101 each municipality had to develop a substantial amount of technical information that required the specialized work of planners. The plans varied in terms of their completeness and technical content. The county was also responsible for creating a growth plan for the non-incorporated areas.

The county and all of its municipalities had a variety of means from which to obtain the technical requirements to make their plans. Oak Ridge had an existing planning department with enough resources to develop its own plan. The smaller municipalities of Clinton, Lake City, Norris, and Oliver Springs all resorted to the Local Planning Assistance Office (LPO), with which they had contracts. Anderson County itself had its own planning office and was responsible for creating the planned growth

Table 3-5. Anderson County and Municipal Planning Resources

Entity	Planning Staff	Number of People
Anderson County	County Planning Office	2
Clinton	Local Planning Assistance Office	1 assigned
Lake City	Local Planning Assistance Office	1 assigned
Norris	Local Planning Assistance Office	1 assigned
Oak Ridge	Oak Ridge Regional Planning Commission	3
Oliver Springs	Local Planning Assistance Office	1 assigned

Source: Called Each Entity and Asked for Information

areas. Table 3-5 represents the number of staff each municipality and the county had its disposal.

Assessment of the Technical Quality of Individual Plans

Oak Ridge

The city of Oak Ridge had its own planning staff to create its urban growth boundaries. Oak Ridge creates all of its own plans, and has traditionally engaged in some annexation disputes with its neighbor Clinton. As previously mentioned, both of the two cities have 11 annexations each over the last 16 years.

The city is asking for around 6,025 acres of unincorporated land within its urban growth boundary. In order to develop their plan, Oak Ridge adopted a resolution

to support its urban growth boundaries in the county. The general reasons for the locations of the municipality's growth boundaries are as follows:

- Aggressive annexation by other cities in the past has resulted in lost opportunities for Oak Ridge.
- Obtaining land for growth from the U.S. Department of Energy (DOE), who controls over 60% of the land within the City, has been difficult and time consuming: this obstacle to land expansion has driven up land costs and limited the variety of business and residential land opportunities available to Oak Ridge.
- Wider competition for land within the expanded City could result in lower land prices for buyers.
- Looking ahead 20 years, it is important to establish control over fringe areas of Oak Ridge as the initial UGB's are established rather than hope that the UGB of another municipality or PGA will be reduced in the future.
- The UGB is intended to begin to exercise some growth management during the next 20 years to begin to begin to change past urban and suburban types of growth in the unincorporated fringe around Oak Ridge that have contributed to urban sprawl with many of its negative consequences, including lack of sustainability, loss of productive farmland, some examples of exceeding the capacity of the land to absorb private sewage systems and public safety services which are over extended.
- Major gateway entrances to the City are important growth management opportunities for City commercial growth and for the first impression that visitors receive in the appearance of the streetscape when entering Oak Ridge.

- Expansion will increase Oak Ridge's property tax base and ability to manage the growth of land in the fringe around Oak Ridge, when and if annexation occurs.
- Despite past level population growth, Oak Ridge is undertaking various economic development initiatives, which could generate the need for more industrial, business, and residential land in the future than past experience indicates.
- The Spallation Neutron Source, a 1.4 billion dollar project on the DOE Reservation, is nearing the construction stage and will bring in many more residents and businesses as a result of it being in Oak Ridge.
- Included in most of the expansion areas are urban types of residential densities close to Oak Ridge which would logically fit into Oak Ridge's growth patterns over the next 20 years.
- Large numbers of residents in these areas have multiple connections with Oak Ridge, including working there, shopping there, and using Oak Ridge cultural and recreational facilities. (from Oak Ridge Community Development Document 10/1/1999 5)

Oak Ridge's urban growth boundaries are far more complicated than any of the other municipalities in Anderson County. Obviously, this is due to the fact that Oak Ridge is a large municipality in an otherwise rural county.

Another unique feature about Oak Ridge is that parts of the town actually extend into Roane County and other sections border Knox County. The city feels that in order

to properly grow it must extend its urban growth boundaries further into both of these counties. Most often, counties and municipalities tend to guard their territory fiercely and are not willing to give up any land. This obviously presents Oak Ridge with an interesting dilemma in terms of negotiating and communication.

Oak Ridge was claiming an aggressive urban growth boundary. This is clearly illustrated in Roane County to the west. The total amount of land the municipality was trying to obtain was 1,755.31 acres and stopped at the existing town limits of Kingston within Roane County. Kingston had drawn part of its own boundary within some of the land Oak Ridge was trying to claim, which created an overlap. The outcome of this situation is detailed in section VII of this paper on the bargaining process. (The Oak Ridger website 8/24/99)

With Knox County to the south, Oak Ridge had plans to include the community of Solway within its urban growth boundary. The Solway Bridge, which spans the Clinch River, marks the boundary between these two counties. The rationale for Oak Ridge's inclusion of the Solway area in its boundary is the following.

- It is the front door of Oak Ridge, i.e. the major entrance gateway for people entering and leaving

the City; e.g. average daily traffic on SR 62 north of the bridge is 35,700, the highest traffic volume anywhere in Oak Ridge.

- The area is adjacent to the Oak Ridge city limits but miles from any other municipality and the closest shopping area in Oak Ridge.
- This gate way location includes significant potential for quality development which has not been realized; Oak Ridge has a great stake in the viability and appearance of its main gateway and the City is more likely than Knox County to invest in infrastructure improvements, a visitor welcome center, and other improvements to enable the area to achieve its potential, which would benefit Knox County with increased tax base; this represents "Smart Growth" in the best sense of the term.
- Oak Ridge has a 10" sewer line within a quarter mile of Solway at Edgemoor Road which has capacity and could be extended across the bridge to serve Solway to improve it's potential for development; if the existing public water supply need improvement, there is also a 12" water line in the same proximity.
- The proposed urban growth boundary was chosen to relate to physical features which delineate a logical service area, including the Copper Ridge drainage watershed and view-shed west and east of SR 62 and, at the southern end, the interchange of SR 62 and Pellissippi Parkway.
- TDOT is just starting to four-lane SR 62 from Bethel Valley Road to Union Valley Road, including a full interchange, which will further facilitate commuting and travel via the Solway gateway to Oak Ridge.
- Significant new development is or will soon be occurring on the Oak Ridge side of the County line opposite Solway; already existing or underway are Parke Meade residential development,

Centennial Golf Course, 10 soccer fields under construction at Haw Ridge Park, 4-lanning SR 62, Commerce Park and Bethel Valley Industrial Parks; in the proposed category are a new industrial park on the south side of Bethel Valley Road (Parcel G), a new fire station on Edgemoor Road, and Greenway which will connect with the partially completed Pellissippi Greenway in Knox County some day. (Oak Ridge Community Development Document 8/31/99 3)

As a final part of the technical aspects of Oak Ridge's urban growth boundaries, the planners made the case that they needed to extend the municipality's boundaries along three main corridors. These corridors and the reasons for their inclusion are as follows (Oak Ridge Community Development 10/1/1999):

A. Edgemoor Road Corridor

- The Bull Run Steam Plant could become private some day and stimulate further business growth in this corridor.
- Claxton is likely to become a Planned Growth Area which could be adjacent to the Oak Ridge boundary if the City does not anticipate a reasonable 20 year growth boundary now.

B. Northeast Corridor

- A potential site for a small airport for business and personal planes is within this corridor, known as the Black Oak Ridge site when the Airport Feasibility Studies were completed in the 1980s.
- This is the major gateway entrance to Oak Ridge from I-75 and needs careful growth management to remain a viable and attractive gateway.

- The urban sections of this corridor are very similar in character to Oak Ridge.

C. Northern Corridor (SR61)

- This corridor includes part of the proposed Blue Route which is one of the potential routes for the Knoxville Beltway, and the impacts of that expressway on the surrounding land could be better managed as part of Oak Ridge
- The railroads in this corridor make the surrounding land have potential for industrial growth over the next 20 years.
- This corridor includes the northern fringe of Oak Ridge which has begun to develop with suburban densities. (from Oak Ridge Community Development Document 10/1/1999 5)

Small Town Plans and the Local Planning Assistance Office

Since the smaller municipalities had no real planning staff, they choose to have their plans created by the LPO, since they already had contracts with the state agency. The LPO assigned one staff member to each one of the municipalities to create each city's growth boundary documents. All the plans prepared by the Local Planning Assistance Office followed a standard format.

All of the reports generated for the municipalities of Anderson County used information that dealt with land use and land management, the University of Tennessee's projected growth rates to 2020, and public services requirements. The LPO created an existing land use

inventory using Anderson County's property assessment information and verification surveys. Specialized maps were also utilized to identify slopes greater than twenty percent, sinkholes, flood plains, and wetlands. All of the information was analyzed to identify land, both developed and unrestricted, that would accommodate growth in the future.

Upon fully analyzing the data, the reports present existing land use inventory charts for each municipality. These charts show the different acres of land uses and the amount of vacant unrestricted land. Also included in the findings are a public service inventory and a description of the urban growth boundaries for the municipalities. Finally, the reports end with conclusions and recommendations suggested by the LPO staff member assigned to the individual report.

Clinton

Out of Clinton's 7,440 acres of land, it was determined that there are 258.1 acres of vacant land with physical restrictions and 1,588.8 acres of unrestricted vacant land. The available land constitutes 21.36% of the city that would support potential urban development. Of

these 21.36% acres of land, most is located within current industrial or residential areas. (Urban Growth Boundary Report Clinton 6)

Using the University of Tennessee's population predictions, it was determined that Clinton's population will increase by 989 persons. It was determined that only 197.8 acres of unrestricted land would be needed to accommodate the projected growth to 2020 Urban Growth Boundary Report Clinton 7). If one were to base growth boundary decisions solely on population projections then this would seem to suggest that Clinton has more than enough land to meet its growth needs.

There are four areas that are indicated for the urban growth boundaries for Clinton. The boundaries that are proposed by Clinton are:

South. Urban expansion in the South Clinton area is limited principally by topography. There are a number of parallel ridges that run through the City and surrounding area. Pine Ridge and Lost Ridge are both serious impediments to development and corporate expansion south of the Clinch River. These ridges limit the City's ability to efficiently provide urban services in the area. A land use analysis in South Clinton also found ample vacant land within the corporate limits to accommodate future residential development needs. The City is therefore not proposing an urban growth boundary in this area. (Urban Growth Boundary Report Clinton 13)

West. Westward expansion of the City is limited by Blackoak Ridge and the Clinch River (Melton Hill Lake). The Clinch River cuts into Blackoak Ridge a short distance southwest of the current corporate limits, forming a steep bluff along Highway 61. This bluff limits urban development to the west and provides a logical growth boundary for the City in this direction. (Urban Growth Boundary Report Clinton 13-14)

North. Urban expansion north of the existing central city area is again limited by Blackoad Ridge. The steep and broken topography associated with this upland ridge area greatly complicates both development, and the city's ability to provide services and infrastructure. The City is therefore proposing a very limited growth boundary in this direction. (Urban Growth Boundary Report Clinton 14)

East. The greatest opportunity for expansion lies eastward, along the Highway 61 corridor. This corridor has already begun to develop, particularly around the I-75 interchange. In response to this development pressure, the City has extended its corporate limits along Highway 61 to the interstate. The potential urban growth area surrounding this corridor is bounded by Lone Mountain to the south and by the Clinch River to the north. Corporate expansion east of I-75 is limited by the City of Norris and the Andersonville community located along Highway 61. The majority of Clinton's growth boundary request is located in this potential development corridor. (Urban Growth Boundary Report Clinton 14)

Based on these general directions the LPO drew up an extensive growth boundary description. There is enough residential land base to allow for the increased 989 people. For high density commercial development there is

reported to only be 54.49 acres of vacant land within the city for this use (Urban Growth Boundary Report Clinton 7). With the growth in the area, Clinton suggested that this is not enough to allow for the future growth needs of the area. The city uses this reason to justify its boundaries.

Lake City

Of Lake City's 986 acres in the incorporated area, only 398.5 or 40% of the city is vacant. It was determined that there are 295.0 acres of land with physical restrictions and 103.5 acres of unrestricted vacant land. Of the 103.5 acres available to support urban growth, little to moderate improvements could be made to meet or exceed the city's street, water, and sewer standards. (Urban Growth Boundary Report Lake City 6-7)

Using the University of Tennessee's population predictions, it was determined that Lake City's population will increase by only 31 people. Lake City could support a population increase of 649 people. There is also enough room to support an additional 77 new businesses and space for industrial business. Clearly, if based on population alone, the municipality has plenty of room to grow. (Urban Growth Boundary Report Lake City 7-8)

There are three areas that are indicated for the urban growth boundaries for Lake City. The boundaries as proposed by Lake City are:

East and West. Lake City lies in a valley at the Anderson-Campbell county line along I-75. The valley serves as the convergence point for several creeks, all of which feed into Coal Creek, which eventually feeds into the Clinch River. Both Walden Ridge to the west of the City, and the terrain leading into Norris Dam State park to the east of the City have elevations that are several hundred feet above the developed areas of Lake City, and have slopes that cannot reasonably be developed at urban densities. Each area effectively limits Lake City's ability to expand to the east or west. (Urban Growth Boundary Report Lake City 12-13)

South. Much of the terrain to the south of Lake City is extremely rugged and has significantly large areas with karst geology. Population pressures in the past tied with the provision of water throughout the area by the North Anderson County Utility District however, has helped much of the area to develop. There is little opportunity for additional large-scale development on the remaining vacant land due to problems with topography, but a relationship does exist between the City and the areas directly to the south. (Urban Growth Boundary Report Lake City 13)

North. Changes in annexation authority restrict the expansion of cities by their own initiative into adjacent counties unless certain conditions are met. One condition is that the municipality provides sanitary sewer services to 100 or more residential customers in an adjacent county as of January 1, 1998. Lake City has extended sewer services north for approximately 1.6 miles into the Ridgewood community of Campbell County and serves approximately 250 customers in this area that are outside the current corporate limits.

This area has benefited from the provision of services from Lake City, and Lake City is better suited to extend other municipal services into the area than any other municipality. (Urban Growth Boundary Report Lake City 13)

With the current vacant developable land the incorporated area can accommodate up to 30% growth and a population over 2,800. There is also adequate land for commercial development. The likelihood of this kind of rapid growth would seem to be small. According the Urban Growth Boundary Report, any growth Lake City obtains could be accommodated within the city limits (8).

Norris

The majority of Norris's municipal land is protected as watershed land and as a result has to be factored out growth considerations. For boundary purposes, 1,510 acres of the total area is considered usable for land uses regarding growth. It was determined that there are 217.59 acres of vacant land with physical restrictions and 278.83 acres of unrestricted vacant land. A majority of the 278.83 acres available has good access to the city streets and water systems. (Urban Growth Boundary Report Norris 4-6)

Through the use of the University of Tennessee's population predictions it was determined that Norris's population over the next twenty years would not grow significantly from the current report of 1,303 it currently has. Businesses within city limits are small and varied. Large-scale industrial businesses are not very likely to occur within the city boundaries, but there are a few sites just outside of town. (Urban Growth Boundary Report Norris 3)

The areas that are indicated for urban growth boundaries for Norris are:

North of the city, the proposed urban growth area includes Norris Dam State Park, which is located between the Clinch River and the city's existing boundaries. Norris currently provides potable water to the park under an agreement with the State of Tennessee. On the western side of the city, the proposed growth area includes acreage extending from the Clinch River, near River Road, to some parcels bordering Bethel Road. At its northern extremity, the boundary of this area extends from the river, runs along the outer edge of Parcel 40.02, Tax Map 20; then extends along the western boundary of Parcel 25, Tax Map 31; subsequently, running along the western boundary of a series of parcels on Tax Map 31; then extending in a northeasterly direction to Bethel Road; and, finally, following the right of way of Bethel Road to its intersection with the Norris Freeway. On the southern portion of the growth area, the boundary extends in a southerly direction from Bethel Road across Highway 61; then continues in a southerly direction, through an area located west of Cross Pike Road, to the vicinity of the intersection of that road with

Mountain Road; then extends eastward along Mountain Road before turning northward for a distance before proceeding westward until turning northward to the Hwy 61 right of way, finally running to the existing city boundary. (Urban Growth Boundary Report Norris 12-13)

Norris is surrounded on all sides by areas that are not in its jurisdiction. These areas are controlled by Anderson County or the State of Tennessee. There are no other municipalities that border, or have territory that falls within significant distance of the city. It is expected that the land use surrounding Norris and outside of city boundaries, will change from less intense to more intensive uses. For this reason, Norris justifies its urban growth boundaries to the north, south, and west of the city limits.

Oliver Springs

Of Oliver Springs's 2,752 acres of incorporated area, 1,314 acres are vacant. Of this, it was determined that 853 acres were vacant with physical restrictions. This leaves 461 acres of unrestricted land. The 461 acres available are fairly evenly divided by residential, commercial, and industrial zonings leaving 153.7 acres each. (Urban Growth Boundary Report Oliver Springs 4)

The University of Tennessee's population projections forecasted that Oliver Springs's population would increase by 70 people in the next twenty years. In terms of land acres, the town has more than enough area to accommodate their small increase of population. Business growth is promising with the intended goal of establishing an industrial park in the area for economic and job opportunities. (Urban Growth Boundary Report Oliver Springs 3)

There are four areas that Oliver Springs looked at when considering its urban growth boundaries. These areas are:

North and West. Walden Ridge creates a physical obstacle for development into Morgan County, therefore, growth is not expected to be of a significant amount. The UGB is not proposed for the north side of the Town into Anderson or Morgan Counties. (Urban Growth Boundary Report Oliver Springs 10)

South. The most progressive area proposed for urban growth is located southwest of Oliver Springs into Roane County. The first boundary extends south down TriCounty Boulevard into Roane County for about 2400 feet on both sides of the boulevard until it meets Hollow Road. The second boundary extends east of Oliver Springs down Old Harriman Highway for approximately one mile and properties bordering both sides of Joel Road traveling east. This second boundary includes the area from Harriman Highway north to the existing Town limits and east along Joel Road. (Urban Growth Boundary Report Oliver Springs 10)

East. Approximately fifty-eight acres are proposed for urban growth into Anderson County. This area is located immediately east of the Town limits surrounded by the Brushy Creek to the north, Highway 61 to the east and the existing Town limits to the West and the South. (Urban Growth Boundary Report Oliver Springs 11)

The town of Oliver Springs claims that boundary decisions are based on the ability to provide adequate services for the public and development standards that will promote orderly growth. Furthermore, since the municipality cannot support its boundaries on population alone, it supports its recommendations on the following three items:

1. The territory proposed is reasonable in area.
2. The territory proposed is contiguous to the existing municipal corporate limits.
3. Public services are available in the area and provided by the Town of Oliver Springs. (Urban Growth Boundary Report Oliver Springs 12)

Conclusions

In creating the urban growth boundaries for each municipality, special attention had to be paid to the technical aspects. There is no permanent formula on how to set up the growth boundaries, so each city had its own idea on accomplishing this goal. Of Anderson's five main municipalities, Oak Ridge had its own planning staff and

department on which to draw in creating plans. The other four smaller municipalities all relied on the Local Planning Assistance Office.

The University of Tennessee did not predict very much growth for Oak Ridge in the next twenty years. The city felt that this prediction did not accurately foresee its situation. As a result, Oak Ridge's urban growth boundaries were very ambitious. The town outlined an array of reasons supporting its boundaries.

Clinton, Lake City, Norris, and Oliver Springs all worked with the Local Planning Assistance Office to create their plans. The information gathered by the staff writing these reports was well researched, and as a result, gave strong technical merit to the recommendations. The staff writer consulted closely with each municipality to develop the urban growth boundaries. The writer kept the boundaries reasonable so that the lines could stand up to close scrutiny by the Coordinating Committee. Once the plans were completed, the burden of working through conflicts with the Coordinating Committee fell upon the municipalities.

When looking at all of the plans for Anderson County's municipalities, it is important to compare them to some

technical standardized criteria. The results are summarized in table 3-6.

All of the plans lacked detailed information concerning what impacts the urban growth boundaries would have on the environment. The basics were covered in terms of slope percentage, sinkholes, and floodplains. The recommendations in the plan avoided lands that it deemed sensitive or unsafe for future development. All of the plans written by the Local Planning Assistance Office contain a section called "Impact on Agricultural, Forests, Recreation, and Wildlife Management". These sections are very brief in terms of content, but give a general sense of what surrounds the various municipalities. Unfortunately, the plans make no real effort to investigate possible negative environmental impacts. Rather, the documents attempt to demonstrate how their particular boundary does not do anything to cause further harm. For instance, all of the town plans mention how they are not currently near a wildlife or recreation area. The exception is Norris, which is entertaining the possibility of including Norris Dam State Park in its urban growth boundary.

Table 3-6. Analysis of Urban Growth Boundaries

	Clinton	Lake City	Norris	Oak Ridge	Oliver Springs
Environmental Constraints	/	/	/	/	/
Existing Municipal Public Services	X	X	X	X	X
Existing Land Use Inventory	X	X	X	X	X
Agricultural Lands	X	/	/	/	X
Land Analysis Including Land Capability/Suitability	X	X	X	/	X
Least Constrained Land	X	X	X	X	X
Recreational and Wildlife Management Areas	/	/	/	/	/
Urban Growth Projections	X	X	X	X	X
Urbanized Land Analysis	X	X	X	X	X
Vacant Land (Excluding Open Space)	X	X	X	X	X

X Met Goal

/ Some Progress Toward Goal

0 Did not meet Goal

As for the other criteria, the plans did very well. They seemed to have enough technical information to provide a logical argument for their boundaries.

The only drawback in creating the urban growth boundaries was a lack of citizen participation. There was a general feeling among the residents that the bill was forced on them without any prior knowledge or consent. Perhaps earlier involvement by residents would have reduced the initial harsh feelings.

In summary, the technical work performed by the municipalities was very good. The fact that Public Chapter 1101 is vague in the sense of defining exactly what each municipality should include in its reports, produces a variety of results. For their part, the Local Planning Assistance Office created reports that were consistent from municipality to municipality. If the law had spelled out a general formula for all municipalities to follow, there would have been less confusion and more consistency.

VI. INDIVIDUAL STRATEGIES

When looking at Public Chapter 1101 as a whole, one of the main strategies was to stop municipalities from disputing with one another about annexation. It was hoped

that meaningful communication links could be established amongst the various entities of the county with the Coordinating Committee as a moderator. In reality, this strategy initially turned out to be more of a land grab with most of the municipalities trying to obtain land they felt was theirs. Many cities feared a loss of revenue if they could not acquire the proper areas. While the intent of the law was not to create this panic, many municipalities felt that if they did not get what they could for future development they would be at a disadvantage. For the most part, Anderson County was affected in this way.

Anderson County

Anderson County took on the role of establishing the planned growth areas and the rural areas. Urban growth boundaries were left as the responsibility of the municipalities. For the most part, the county acted as a controller to the competitive strategies followed by the municipalities. All of the municipalities and the suggested urban growth boundaries overlapped with the county's planned growth area. Once a city suggested its

boundaries, the Coordinating Committee drew up the plan as best as it could using the suggestions as a guide.

Once each municipality had its growth boundaries established, it was up to the county to either reject or accept those boundaries. Usually, the municipalities, especially Oak Ridge, would feel that the county's proposed planned growth areas were infringing upon their own urban growth boundaries. In summation, Anderson County included 1,016 single-family houses and 168 mobile homes in its planned growth area.

Oak Ridge

Oak Ridge exemplified the idea of land grabbing in terms its urban growth boundaries. The town felt that the University of Tennessee's population statistics were unfair and did not take into account its economic aspects. One Oak Ridge official implied that the future would be changed by some of the municipality's economic development initiatives. The city stresses the point that the Department of Energy (DOE) controls over 60% percent of the land within the city. Obtaining land from that entity is a difficult task. Adding to the situation is the fact that

parts of Oak Ridge extend into Roane County with which it shares its borders.

In the pursuit of obtaining its land, Oak Ridge, according to one city official, was giving itself a 35% increase in growth. The first part of the plan was to extend the urban growth boundaries into some of the small unincorporated communities, that according to the city, enjoyed many of the amenities that Oak Ridge had to offer, but paid none of the taxes. These communities include the Claxton community, the Marlow community, the Westwood subdivision, the Solway community and the Bull Run Steam Plant and the residential area around it. Most of the citizens in these areas were opposed to their inclusion and were very vocal with their opinions.

Oak Ridge also extended its boundaries towards Clinton and Oliver Springs. In fact, Oak Ridge's boundary came all the way to Clinton's city limit, which, in turn, had its boundary, extended one-third of the way towards Oak Ridge. This created an overlap. The situation was similar with Oliver Springs except that the overlap was not as large. Clinton and Oak Ridge were both very vocal towards the other's urban growth boundaries.

Clinton

Clinton's main strategy in creating its urban growth boundaries involved keeping Oak Ridge out of its perceived territory. The municipality felt that Oak Ridge had been too aggressive in the past, and wanted to make sure that its land was protected. Clinton also felt that its existing vacant land for commercial purposes would not be enough to meet its future demands.

Lake City

Lake City extended into its neighbor of Campbell County. Statistically, 96% of the municipality is in Anderson County and 4% is in Campbell County. Unlike the situation in Oak Ridge, Lake City had less vocal opposition. The town's Local Planning Assistance Office plan stated that Lake City had enough vacant acreage to accommodate its projected growth for the next 20 years. As in the previous towns, there were some people in the city who felt there was greater potential for growth than what was reported. Since the town is small and has slow growth, the growth boundaries were not very extensive and this resulted in little controversy.

Norris

There was no mention of problems with the University of Tennessee's population statistics, so it was assumed that any disputes were minor. One of the advantages of Norris is that no other municipalities are within the general area of the city. For this reason, there was very little confrontation or contention. Proposed growth boundaries are located near the city to the north, south, and west. There was some overlap with the county's planned growth areas, but the discrepancy did not create much controversy.

Quantitative Assessment

Upon careful inspection of all the growth plans with respect to location and size, a numerical test can determine the minimal amount of land area required for the 20-year growth plan. It is important to remember that this quantitative assessment is only one way to analyze this process. There are always other measures that could be similarly used to study Public Chapter 1101. The first step was to obtain the land area in acres for each municipality. Second, the latest population data was subtracted from the 2020 estimate to obtain the overall

population growth for the next 20 years. Third, the number of households in each city needs to be determined. This is accomplished by dividing the additional population predicted for each city by 2.5, which is the average number of people per household in Anderson County from the 1990 Census. Fourth, the gross residential densities had to be found. This was accomplished by dividing the number of housing units by the total land area in each municipality. Fifth, the current net residential density per acre was determined by dividing the total housing units by the areas occupied by housing land uses. Sixth, the current gross residential densities were multiplied by the predicted number of additional households to obtain the acreage needed to maintain the current gross residential density. Seventh, the additional land acreage was then converted to square miles. The end result is the amount of unrestricted vacant land within each municipality.

The numerical results for each municipality are illustrated in table 3-7. Anderson County's municipalities can now be carefully analyzed. The table illustrates that Clinton would need an additional .8345 square miles, Lake City would need .0734 square miles, Norris would need .0096 square miles, Oak Ridge would need .0255 square miles, and

Table 3-7. Area Needed to Accommodate Predicted 2020 Growth at Current Gross Residential Densities.

	Clinton	Lake City	Norris	Oak Ridge	Oliver Springs
Area (acres) [a]	7,440	1024	4,960	11,520	2,752
Latest Population Data (7/1/98) [b]	9,478	2,166	1,282	24,703	3,470
2020 Predicted Population [c]	10,467	2,197	1,303	24,743	3,540
Additional Growth from Latest to 2020 $[h]=[c]-[b]$	989	31	21	40	70
Additional Households to be Accommodated $[i]=[h]/2.5$	395.60	12.4	8	16	28
Current Gross Residential Density per Acre 1999 [j]	0.497	0.846	0.120	1.02	0.4880
Current Net Residential Density per Acre 1999 [k]	1.35	3.79	0.730	unknown	1.50
Additional Land (acres) Necessary to Maintain Current Gross Residential Densities $[l]=[i] * [j]$	196.61	10.49	0.96	16.32	13.664
Converted to Square Miles $[m]=[l] / [640]$	0.3072	0.0164	0.0015	0.0255	0.0213
Unrestricted Vacant Land Area Within Current City Limits (sq.mi.) [n]	2.4825	0.1617	0.4357	unknown	1.0021

Oliver Springs would need .0656 square miles. This will allow for the number of added households for the next twenty years while maintaining the current residential densities. The additional land to maintain current residential densities can then be compared to the amount of unrestricted vacant space in each municipality. It is evident that Clinton, Lake City, Norris, and Oliver Springs all have enough land within their current boundaries to handle the predicted 2020 growth. For Oak Ridge, the current amount of unrestricted vacant land is not known, but a strong estimate predicts that it adequate land to grow.

VII. PUBLIC PARTICIPTION

Public participation was intended to be an integral part of Public Chapter 1101. As a result, the legislation mandated certain requirements in order to meet this demand. Each municipality and the county were required to hold two public meetings with fifteen days prior notice posted in the newspaper. The Coordinating Committee also had to hold at least two public hearings for public input before it submitted the final recommendation to the Local Government Planning Advisory Committee (LGPAC) for approval.

Most public participation took place after all the technical work was put into the plans. In fact, Public Chapter 1101 was written and passed without citizen input. This contributed to a feeling of surprise during local public meetings as a result of having had Public Chapter 1101 thrust upon them. The process would have been more economical in saving time and money, if there would have been preliminary public forums before so much of the planning was done. This would have avoided confusion, hard feelings, and poor public relations. In fact, at one of the Coordinating Committee meetings (which was open to the public, but not one of the required two) one member stated that a failing of the law was that there were not enough public hearings.

It was mentioned often in the Coordinating Committee meetings that part of the problem resulting in the negative feelings of the residents was that they did not fully understand what was happening with the process involved in implementing Public Chapter 1101. News of an "annexation" law was passed around the communities, mostly by word of mouth, causing an initial massive turnout of angry citizens speaking about a violation of their right for choosing where they want to live. Anderson County is basically

rural with an opinionated citizenry who reacted negatively at the first hint of land use control. Another comment made after the second Coordinating Committee public hearing indicated that as people become more educated they tend to back off and are less reactionary and more introspective. A citizen education program may have decreased the initial negative impact.

Despite some of the negative aspects of the public participation requirements, there is strong evidence to show that it made a large impact on the process. This is especially true and easily seen in Oak Ridge. Specifically, there were three main examples in the unincorporated areas of Marlow, Solway and Claxton.

Marlow lies northeast of Oak Ridge with Claxton and Solway to the southeast. Oak Ridge originally included these communities in its urban growth boundaries. At the public hearings, the various residents turned out in force and spoke vehemently that under no circumstances, did they want to be placed under Oak Ridge's urban growth boundaries. In response, Oak Ridge decided to avoid opposition and to comply with the resident's wishes.

VIII. THE BARGINING PROCESS: BUILDING CONSENSUS (The following was taken from the public meetings and the Oak Ridger Online)

By its very nature, Public Chapter 1101 fosters a situation in which there will be a lot of discussion among the various entities of a county. To facilitate this process, the writers of the legislation created the Coordinating Committee. The Coordinating Committee was designed to represent the stakeholders of any given county equally. Anderson County has five municipalities which give it a fifteen member Coordinating Committee. This is out of a minimum of eleven for a county with only one city. The representatives of the municipalities in Anderson outnumbered the county's, which created a seemingly biased body.

The main points of contention in the Coordinating Committee were overlaps between the county's planned growth areas and the various municipalities' urban growth boundaries. Only Lake City avoided this problem and this was due to the fact that the county had no planned growth areas near the city. Actually, most of the northern part of the county is designated as a rural area. Norris did not have a large overlap and this resulted in little controversy in this matter. Both Clinton and Oliver

Springs had come close to solving their respective differences with the county. Most of the disputes were handled in a calm manner with both sides making compromises, but there are still problem areas that need to be resolved.

Oak Ridge is the main area of conflict area and this makes the minor squabbles of the smaller municipalities seem trivial. Oak Ridge continually objected to the county's planned growth areas and complained that it was given only a 1.5% increase of developable land for the next 20 years. Oak Ridge stated that very few of its requests were included in the county plan, while most of Clinton's had been accepted. Clinton and Oak Ridge have been in dispute through most of the process. In response, Oak Ridge submitted its own alternative plan for consideration by the Coordinating Committee, which was not responsive to the idea. Oak Ridge stated that most of the jobs in the county are located within its boundaries and felt that the county as a whole would benefit if Oak Ridge were allowed to grow. As of late March 21, 2000 things were at a standstill. The Anderson County Board of Commissioners were to vote whether or not to approve the county growth plan that had been voted down by Oak Ridge. The day

scheduled for the vote was April 17, 2000, which was past the March 2000 deadline, but was still within the 120 day grace period. After this period, if there is no action the plan goes into effect.

In terms of Oak Ridge and the county growth plan, there has not been that much of a bargaining process. The county extends its planned growth areas into the incorporated areas making them "safe", while Oak Ridge desires to spread out. Many people in the proposed urban growth boundaries have expressed a desire to stay rural, and they turned out in numbers to express themselves.

In the few cases mentioned in the public participation section, there was some forced consensus by Oak Ridge to the communities of Solway, Marlow, and Claxton, but there was not much bargaining. If Oak Ridge had included those areas in its urban growth boundaries, it would have had to contend with many angry people.

The other aspect of Oak Ridge that involved bargaining was Oak Ridge's desire to extend its boundaries into both Knox and Roane counties. There was also an attempt by the city of Kingston in Roane County to obtain some land from Oak Ridge. Neither situation came about, but there was a lot of talking and discussion in the process.

Oak Ridge at one point had its urban growth boundary extended to the city limits of Kingston and included 237 homes. After some discussion, Oak Ridge agreed to roll back the line of growth from 1,755.31 acres to only 400 or 500. Roane County's Coordinating Committee eventually voted down the Oak Ridge expansion. Roane County's Executive came up with a counter offer. Oak Ridge would be given a \$500,000 Community Development Block Grant (CDBG) to support infrastructure in the area. This would be in exchange for the Oak Ridge's support of Roane County's 20-year growth plan, which included territory that Oak Ridge wished to include. Ultimately, Oak Ridge voted down the offer. The city was willing to negotiate, but not "sell our future growth for \$500,000" (Oak Ridger website 2/8/2000).

IX. THE FINAL PRODUCT

At the time this thesis is written, there is no final plan or proposal. The meeting for a decision to approve the county growth plan was not scheduled until April 17, 2000. There was talk that if an agreement could not be made, then the decision to file for arbitration would have to be made. Oak Ridge's remaining issue is that it will

only have a small "ribbon" of land if the Roane and Anderson County plans are allowed.

With the citizens in the affected areas of Oak Ridge's urban growth boundary and the resistance of both the Anderson and Roane county plans, it seems unlikely that a plan will be finalized any time soon. It has been suggested that the county has resisted efforts to grow while the cities have demanded more land so they will not be restricted in the next 20 years. The decision may end up in the hands of the arbitration judges in Nashville, which could leave many of the individuals involved with harsh feelings.

The current state of the plan leaves all of the smaller municipalities satisfied with their growth boundaries. Lake city had no real controversies with their boundaries and these remain intact from the original plan. Clinton has slightly adjusted its boundaries and is left with lines that are similar, but smaller in scope to the original plan. Overall, it is estimated that Clinton is experiencing a 50% increase in size with its current urban growth boundary proposals. Oliver Springs's plan remained similar with a movement away from Oak Ridge, but the boundaries amount to same size of the current municipal

limits. The urban growth boundaries for Norris also had little change other than an adjustment for the overlap with the county's planned growth areas.

Oak Ridge has drastically reduced its urban growth boundary from what it originally planned. The city had an estimated 35% increase in growth, but after all of the resistance to the original plan, this growth has been reduced to an estimated 3% growth. Now, the thought is to extend the boundaries to those who wish to be included. Officials in Oak Ridge are angry that they are being refused permission to grow into their neighboring counties. They are not likely to roll back their lines to accommodate the unincorporated areas. The outcome of the whole process is still uncertain.

CHAPTER FOUR:

FINAL ASSESSMENT AND RECOMMENDATIONS

I. REVIEW OF THESIS

The purpose of this thesis was to provide a practical and meaningful look into the implementation of Tennessee's Public Chapter 1101 Growth Policy Act in Anderson County. Furthermore, by looking at the forces involved in Anderson County, this thesis provided a preliminary review of Public Chapter 1101 as to its effectiveness at meeting its stated goals. This case study provided an invaluable tool that can now be used as a way to identify potential problems and avoid mistakes for other states wishing to create a similar law. Other, states could create better growth management laws that are more concise and have some indication for the time and effort required in this type of endeavor.

This thesis was divided into four main chapters. The first two chapters covered an introduction on growth management and a description of the Chapter 1101 Growth Policy Act. Chapter three discussed the implementation of Public Chapter 1101 in Anderson County as it pertained to the various mandates and objectives contained in the bill. The third chapter was a discussion about the Coordinating

Committee, the technical aspects involved, and other important factors involved in implementation. The fourth chapter contained the final assessment and offers recommendations. Specifically, the bill was examined to assess whether it attained its goals and objectives in Anderson County. The analysis also included major factors affecting the process, key lessons learned, and policy implications.

II. HOW PUBLIC CHAPTER 1101 ACCOMPLISHED ITS STATED OBJECTIVES IN ANDERSON COUNTY

The Explicit Objectives of Chapter 1101 are as follows:

- 1. Eliminate annexation or incorporation out of fear. Establish incentives to annex or incorporate where appropriate. (Section 3 of PC 1101)**

For many years in the state of Tennessee, there had been conflicting annexations among its cities. From 1980 to 1986 Anderson County has had a total of 27 annexations among its municipalities. Out of the total annexations of the state this amounts to only .8294%. Obviously, the county has not been exposed to the bitter fights typical of other areas. Anderson County's problems have primarily involved Oak Ridge and Clinton.

Both of these cities have 11 annexations each, which shows the push and pull relationship the two municipalities have engaged in. Both have been afraid of losing territory to the other. Public Chapter 1101 was supposed to end these kinds of struggles. For Anderson County, the bill created an instant land grab among all of the municipalities. They all claimed as much land as possible in fear of not being able to grow any further than the set boundaries.

In the future, if all the differences are solved, annexation out of fear could be eliminated since each city will know its limits in comparison to its "competitor". If the plan is accepted by the administrative law judges, the affected municipalities will obviously be unhappy, but there will be an end to the uncertainty of where a city will grow. Overall, one of the major effects of the legislation will be to create less uncertainty and more predictability in terms of future growth.

Public Chapter 1101 offers a number of advantages for completing the requirements in a timely manner, (this can be found in section VI of Chapter 2). These incentives usually take the form of grants and special loans. In regards to offering incentives to annex where appropriate,

the bill makes municipalities think long and hard before they annex an area. This measure allows the county, not the city, to keep the taxes in a newly annexed area for five years. After that time the tax money goes to the city. Before annexing, a municipality would have to decide if an area was crucial enough for its future to forego any revenue for five years. In this way, annexations may be more thought out and logical.

2. Establish an acceptable and consistent level of public services and community facilities and ensure timely provision of those services and facilities. (Section 8 of PC 1101)

This objective must be met in order for plan approval. Municipalities are required to provide a plan of services for the following.

- police and fire protection
- water, electrical, and sanitary sewer services
- road and street construction and repair
- recreational facilities and programs
- street lighting
- zoning services (IPS 21)

Included with the plan of services in the urban growth boundary plan is an outline that describes the specific services to be provided, and a relative timeline of when they are to be enacted. The services provided in a new

area must be comparable to those provided to all of a municipality's citizens.

A progress report must be issued six months after implementation and then yearly until the plan of services is fully in place. Two public hearings must accompany each report. Property owners have the right to sue the city for services they feel they are entitled to if not received within 180 days after the plan is put into effect.

In Anderson County, all of the Local Assistance Planning Office plans include an analysis of the services that each municipality provides, and in some cases, the costs associated with it. Oak Ridge gave every indication that it would extend its services to all of the areas it intended to annex. The city also distributed a document that illustrated the infrastructure costs associated with its urban growth boundaries. This document also included a quick overview of the major causes for additional costs.

The public service and community facility requirement seems as though it will be met within Anderson County without any severe problems. The real challenge involves Oak Ridge and the county working thorough their differences in order to avoid arbitration and the administrative law

judges. If this were to happen, the plan of services could be affected in a negative way.

3. Minimize urban sprawl. Maximize reuse and redevelopment. Encourage a pattern of compact and contiguous high-density development to be guided into urban areas or planned growth areas. (Section 3 of PC 1101)

This objective basically refers to the growth management portion of Public Chapter 1101. Since this is what the bill is supposed to promote, one would expect this objective to be the goal for which the municipalities strive.

Addressing urban sprawl, the law clearly attempts to direct growth by placing limits within the urban growth boundary for the next twenty years. In order to create controlled growth, a city is not supposed to extend beyond these lines. The law will have the effect of controlling growth within the set boundaries. The question is whether or not the control is enough. There are definite annexation rules that have been created which should make this process more streamlined and structured.

The reality of the matter is that most municipalities in Tennessee did not look at the law as a way to create compact growth. Rather, most cities wanted extensive growth, which is in sharp contrast to the desires of most

counties, who advocated larger planned growth areas and rural areas.

There are no guarantees in the law that will cause compact growth to happen. Most urban growth boundaries are too large with no incentives to promote infill. If better incentives were offered, there might have been more of an effort to accomplish this type of growth. As it stands, if all the municipalities and the county accept the plan, it is passed on for approval and given a rubber stamp by the state. There is definitely a lack of quality control in the whole process that needs to be remedied to make sure the plans meet the requirements.

In Anderson County, there will be growth boundaries established after the decision was made at the April 17, 2000 meeting. Most of the general requirements will be met, especially if the process goes into arbitration.

4. Provide a unified physical design for the development of the local community. (Section 8 of PC 1101)

This objective, though noble in its intent, has no real provisions in the actual law itself. Public Chapter 1101 was written without any relation or connection to the comprehensive plans of the various counties and municipalities in Tennessee. Since each county has a

different comprehensive plan, there was no real way to realistically meet this objective. The physical design of each county and its urban areas are largely dependent on local law and zoning.

5. Promote the adequate provision of employment opportunities and the economic health of the region. (Section 8 of PC 1101)

This objective also has good intentions but little support. Nowhere in the law is there a description of what should be done to provide employment opportunities for an area. Perhaps this objective is meant to be addressed with the creation of the Economic and Community Development Board. This board is supposed to "...foster communication among governmental entities, industry, and private citizens on economic and community development" (IPS 27). Although the potential exists for this goal to be met there is still uncertainty.

6. Conserve features of significance statewide or regional architectural, cultural, historical, or archeological interest. (Section 8 of PC 1101)

This objective is also written with more good thoughts and intentions than the actual measures to enforce it. As part of the land use inventory that each county and

municipality should conduct for its plans, areas of architectural, cultural, historical, or archeological importance should be identified. In the case of Anderson County and its cities, this issue never came up because there were probably no such structures that warranted special mention.

7. Protect life and property from the effects of natural hazards, such as flooding, winds, and wildfires. Manage natural resources and take into account impacts on agricultural lands, forests, recreational areas and wildlife management areas. (Section 8 of PC 1101)

This could be thought of as environmental protection. In Public Chapter 1101, it seems that this goal met with medium success. Even though this component was mentioned in the bill, there were no major provisions requiring an extensive environmental report.

The legislation promoted the careful observation of flood plains, and advocated that urban growth boundaries should avoid these areas. In Anderson County, all of the Local Planning Assistance Office reports contained a detailed land use section. This section lists the land areas that are vacant as a result of physical restrictions. These restrictions include steep topography, flood/drainage difficulties, and sinkholes. The descriptions are short

but give a good indication of the type of environmental land constraints that exist.

There is also a section in the reports on the impact of development on agriculture, forests, recreation areas, and wildlife management. This section is brief, and gives a minimal description of the impacts, but it does give a good indication of the constraints around the municipalities.

8. Take into consideration such other matters that may be logically related to or form an integral part of a plan for the coordinated, efficient and orderly development of the local community. (Section 8 of PC 1101)

This objective could be considered the catchall element of the objectives. It was most likely written to cover those special circumstances that are unique to a given community or municipality that require attention but are not specifically dealt with in the legislation.

In Anderson County, Oak Ridge might be able to make special use of this objective in their argument that the Department of Energy uses up to 60% of their land. Even though the city had stressed that this is a reason for its aggressive urban growth boundaries, it had not specifically cited this objective in their arguments. This may be due to the fact that there are no special tools or advantages

specifically spelled out in the law.

9. Provide for a variety of housing choices and assure affordable housing for future population growth. (Section 8 of PC 1101)

This is another example of an objective with good intentions but without any positive measures to promote it. Nowhere in the legislation is there any kind of guidelines or recommendations on how a county or municipality should go about achieving this goal. In Anderson County, this objective has not been addressed, nor has it ever come up in any of the meetings or discussions.

10. Stabilize each county's education funding base and establish an incentive for each county legislative body to be more interested in education matters. (Section 3 of PC 1101)

This objective could be considered ambiguous because of a lack of definition. The legislation only mentions this as an objective and never gives guidelines or requirements for counties or municipalities to follow. In fact, the legislation requires that no new school systems be established by an existing municipality or newly incorporated town after the effective date of Public Chapter 1101.

III. CONCLUSIONS AND RECOMMENDATIONS

Public Chapter 1101 is the first law of its kind to be passed in the state of Tennessee. The annexation process was intended to be brought under control by making it more structured and orderly. Eventually, the law became a growth management vehicle by requiring counties and municipalities to draw urban growth boundaries, planned growth areas, and rural areas.

Many felt that this progressive legislation would prevent Tennessee's problems of growth and annexation. Others felt the law was pointless and did not do anything but create new problems. In spite of the varied opinions, the law has resulted in significant accomplishments.

The foremost achievement of Public Chapter 1101 is that it opened up the lines of communication. Municipalities and counties were forced to discuss matters pertaining to the mandates of the bill in an effort to reach decisions and compromises. Anderson County was no exception. The municipalities engaged in a lot of open communication that should make future obstacles much easier to overcome.

The legislation has also created annexation rules that give the process the order that it was lacking. The hope

was that all of the hostile and often bitter territory disputes would end, giving way to formal and open communication. The way it is now structured, this goal has been met and future disputes should now be a lot less heated.

In terms of smart growth, the law could be said to have met with partial success. The process is in place to create boundaries, but there is no guarantee of actual smart growth. Perhaps if the other sections of the law, such as the plan of services, are enforced then this goal may be met. As it stands, the bill helps annexation practices more than it helps promote smart growth.

Overall, Public Chapter 1101 is an important step in the right direction. Clearly, it is better to have some type of growth management law than to not have one at all. There is, however, still work to be done for the legislation to be fully effective. More quality control and more public participation should be included as part of the process. The real test will be in the courts, when the level of enforcement will become more apparent. If there were serious consequences for not following the guidelines then there would be more meaningful qualitative and quantitative results. Hopefully, the efforts resulting

from Public Chapter 1101 will continue in order to strengthen the legislation. This should create an environment that makes all citizens proud and happy to live in Tennessee.

REFERENCES

Anderson County Website.

<http://www.korrnet.org/accc/>

Chapter Bill Text for PUBC 1101 for the State of Tennessee
http://www.legislature.state.tn.us/bills/100gahtm/100_chap/pubc1101.htm

State of New Jersey Office of State Planning. Statewide Planning and Growth Management Programs in the United States Document #113. New Jersey Government Printing Office, 1997.

Dantzig, George B. and Thomas L. Saaty. 1973. Compact City A Plan For A Liveable Urban Environment. San Francisco: W.H. Freeman and Company.

DeGrove, John M. and Deborah A. Miness. 1992. Planning and Growth Management in the States. Cambridge: Lincoln Institute of Land Policy.

Kelly, Eric Damian. 1993. Managing community Growth Policies, Techniques, and Impacts. Westport, Connecticut: Praeger Publishers.

Meck, Stuart, et. al. 1999. Planning Communities for the 21st Century: A Special Report of the American Planning Association's Growing Smart Project. Washington D.C.: American Planning Association.

New Jersey Website on Achieving Smart Growth.
<http://www.njfuture.org/HTMLSrc/njfsprawl.html>

Population Projections for Tennessee counties and Municipalities 2000-2020. The University of Tennessee Center for Business and Economic Research.
<http://www.ips.utk.edu/growthpolicy/popproj.pdf>

The Oak Ridger Online.
<http://www.oakridger.com/>

Porter, Douglas R. 1997. Managing Growth in America's Communities. Washington D.C.: Island Press.

Porter, Douglas R., ed. 1986. Growth Management: Keeping on Target? Washing D.C.: ULI the Urban Land Institute, with the Lincoln Institute of Land Policy.

Safdie, Moshe and Wendy Kohn. 1997. The City After the Automobile. New York: Harper Collins Publishers.

The State of Tennessee Department of Economic and Community Development Local Planning Assistance Office East Tennessee Region. 1999. Urban Growth Boundary Report: Prepared for the city of Clinton, Tennessee. Knoxville, Tennessee: Author.

The State of Tennessee Department of Economic and Community Development Local Planning Assistance Office East Tennessee Region. 1999. Urban Growth Boundary Report: Prepared for the city of Lake City, Tennessee. Knoxville, Tennessee: Author.

The State of Tennessee Department of Economic and Community Development Local Planning Assistance Office East Tennessee Region. 1999. Urban Growth Boundary Report: Prepared for the city of Norris, Tennessee. Knoxville, Tennessee: Author.

The State of Tennessee Department of Economic and Community Development Local Planning Assistance Office East Tennessee Region. 1999. Urban Growth Boundary Report: Prepared for the Town of Oliver Springs, Tennessee. Knoxville, Tennessee: Author.

The Tennessee Advisory Commission on Intergovernmental Relations. 1999. Implementation of Tennessee's Growth Policy Act: The History of Public Chapter 1101 and the Early Stages of its Implementation. Nashville, Tennessee: Author.

Transit Cooperative Research Program. 1998. Transit Cooperative Research Program Report 39 The Costs of Sprawl-Revisited. Washington D.C.: National Academy Press.

United States Census Website.
<http://www.census.gov>

The Tennessee Advisory Commission on Intergovernmental Relations (TAICR). 1999. Staff Implementation Report Implementation of Tennessee's Growth Policy Act: The History of Public Chapter 1101 and the Early Stages of its Implementation. Nashville, Tennessee: TAICR

University of Tennessee Institute for Public Service (IPS) and The Tennessee Advisory Commission on Intergovernmental Relations (TACIR). 1998. Growth Policies, Annexation, and Incorporation Under Public Act 1101 of 1998: A Guide for Community Leaders. Knoxville, Tennessee: Author.

Urban Land Institute. 1998. ULI on the Future: Smart Growth. Washington D.C.: The Urban Land Institute.

Urban Land Institute. 1999. Smart Growth Myth and Fact. Washington D.C.: The Urban Land Institute.

Other Sources Consulted but not Cited

Audirac, Ivonne, and Maria Zifou. 1989. Urban Development Issues: What is Controversial in Urban Sprawl? An Annotated Bibliography of Often Overlooked Sources. Chicago, Illinois: Council of Planning Librarians.

Stein, Debra. 1992. Winning Community Support for Land Use Projects. Washington D.C.: ULI -the Urban Land Institute.

APPENDICES

APPENDIX A
STATE, COUNTY, AND CITY POPULATION PROJECTIONS
FOR THE STATE OF TENNESSEE

State, County, and City Population Projections

For the State of Tennessee

1. Statistical Techniques

The projections of state, county, and city population through 2020 have been generated in three stages. First, projections of population for each of Tennessee's 95 counties are produced. These county projections are then summed to obtain the state population projection. Finally, the city projections are generated by combining forecasts of each city's share of its county's population with the projected county population. The statistical techniques used to generate the county and city projections are detailed below.

County Projections

The county population projections are based on the following definition of annual population change:

$$\text{change in population} = \text{births} - \text{deaths} + \text{net migration}$$

Given this relationship, the county projections are generated by first producing projections of births, deaths, and net migration by county. From these forecasted components of population change, forecasts of the annual

change in county population, and of annual total county population, are easily calculated.

The forecasts of births, deaths, and net migration are generated using a statistical model referred to as a vector autoregression, or VAR. A VAR is a sophisticated yet convenient statistical model used to capture the evolution of a set of related variables over time. Because it is used to model the evolution of variables over time, a VAR is referred to as a time series model. It is highly appropriate to model a set of variables using a VAR when it is believed that the primary force determining the values of a variable are the past values of the variable itself, as well as interactions with other related variables.

Generally, time series models such as the VAR have been shown to be highly effective tools for forecasting a small set of variables over a relatively long period. A primary benefit of using a VAR to produce a forecast is that all information necessary to generate the forecast is present in the VAR model. That is, no external data are required to forecast from a VAR. An alternative approach to forecasting population would be to develop a structural model which attempts to fully describe all determinants of

population growth. A structural model would need to include a large number of variables such as: infrastructure provision, local area income and employment, education, and so on. In other words, factors that explain fertility and death rates, and the factors that repel and attract people (i.e., net migration).

The use of such a model to accurately forecast population would entail two largely intractable steps: detailing the impacts of these variables on population growth (or its components), and developing forecasts of each of these variables for the purpose of forecasting population itself. Thus, forecasting population using a structural model requires first generating forecasts of every variable which has an impact on population and its component parts. These external forecasts will of course be obtained with some degree of uncertainty, compounding the uncertainty surrounding the population forecast itself. In contrast, the VAR does not require external forecasts, and indeed VAR models often produce forecasts which are superior to those produced by large structural models. The U.S. Bureau of the Census maintains both a time series and a structural model for developing forecasts of state population. They explicitly prefer the time series model,

for the reasons outlined above, as well as for more technical statistical concerns.

Several statistical checks and adjustments have been performed on the forecasts of county variables to help ensure their accuracy. These adjustments are necessary in some cases because of the relatively short data history available. A short data history may lead to raw forecasts of population components which are clearly (from a statistical point of view) unreliable. If this is the case, a simple statistical adjustment is performed which produces a more reliable forecast. These statistical adjustments involve examining the births, deaths, and net migration forecasts for each county and modifying the results when necessary.

First, the forecast of births for each county is considered. If this forecast displays either an upward or downward trend in births which is significantly different from the historical births trend, the forecast is adjusted to reflect the historical trend. This same check and adjustment is also used in the case of the county deaths forecasts. In contrast, the net migration series often does not display clear historical trends as do the births and deaths variables. To determine if the net migration

forecast for a county needs to be adjusted, the final period net migration value is compared with the historical average value of net migration. If the VAR has produced a statistically unreliable forecast, these two values should be significantly different. If they are, the net migration series is adjusted by extending the historical average net migration throughout the entire forecast.

Once the population component forecasts for each county have been examined, and adjusted when necessary, the forecasted annual change in population and the resulting annual total population is calculated. Aside from the statistical checks outlined above, the county projections have been examined in light of two additional factors: population density and group quarters population. First, the projected 2020 population density for each county is compared with the county's own current population density, and with that for all of the other counties in the state. This check serves to identify counties with an unsustainable projected growth in population. Second, each county is examined for recent large changes in group quarters population, which will result in recent erratic behavior of the county's net migration series. If a county experienced an unusual change in group quarters population,

such as the addition of a prison, the county's net migration series is adjusted accordingly. Therefore, the county projections are not affected by one-time changes in group quarters population.

After the county projections have been thoroughly scrutinized, they are summed to obtain the state population projection. The county population projections also serve as the foundation for the city population projections, as detailed below.

City Projections

The general approach to projecting city population is to first produce forecasts of each city's share of its respective county's total population. Given these forecasted shares, and the previously generated county population projections, the city population projections are easily calculated. More specifically, the forecasts of city population shares have in most cases been produced by extrapolating the historical trend of the city population share.

Efforts were made to ensure that the city population projections take into account recent annexations and other recent sources of city population change. This is

accomplished by comparing the city's 1998 certified population with the Census Bureau population estimate for 1996. If the 1998 population is higher than the 1996 estimate, the city's population forecast is adjusted upward to reflect the higher level of population. For those cities which had zero population through 1996, the population projection is generated by extending the 1998 city population share which is based on the 1998 certified population.

A consistent adjustment was made for cities whose population declined after 1990, and for which the projection was for a continued decrease. In light of the relatively short series of historical city-level data available, it is difficult to justify projecting a continued fall in the population of these declining cities through 2020. Therefore, in these cases the city's population is projected to be at least at its 1990 level throughout the entire forecast.

The use of city-specific historical data ensures a reliable relationship between the city and county growth patterns. However, this relatively short data series does not automatically ensure consistency with longer-term settlement patterns in terms of the mix of urban and rural

population. For the state as a whole, in 1970 and 1980 approximately 60 percent of the total population was accounted for by incorporated areas. While this percentage slipped slightly to 58.8 percent in 1990, the long-term historical state-level data suggests that a reliable projection of population should have between 58 and 60 percent of total population in incorporated areas. Indeed, the city population projections do indicate that the percent of people living in incorporated areas is consistent with the long-term trend. In the year 2000, the projections indicate a 58.8 percent incorporated population. By 2020, this figure rises slightly to 59.2 percent.

Thus, the county and city population projections are completely consistent with historical settlement patterns for the state as a whole. However, this alone does not ensure that the projections for any one county are consistent with historical settlement trends within that county. Therefore, the projected urban-rural mix for each individual county was examined in light of the settlement patterns in that county between 1960 and 1996. This final check strongly indicates that the split between incorporated and unincorporated areas, as implied by the

population projections, is entirely consistent with historical trends both as a statewide average and at the individual county-level.

2. Data Sources

County Projections

The 1970, 1980 and 1990 Decennial Censuses of Population, collected and published by the Bureau of the Census, U.S. Department of Commerce, provide the core data for the county projections. Estimates for intercensal years, 1971-1979, 1981-1989, and 1991-1997, were also produced and published by the Population Division of the Census Bureau.

The components of change-births, deaths, and net migration-are detailed on the Census Bureau web site for the years 1980-1996. These data were used as reported with the exception that 1980 births and deaths were adjusted to equal a 12-month period (July 1980-June 1981) rather than a 15-month period (April 1980-June 1981).

Data on births and deaths for 1970-1980 are not available from the Census Bureau. For these years, details of births and deaths by county of residence are those reported annually in Tennessee Vital Statistics by the

Tennessee Department of Health. Also, net migration data for 1970-1980 were computed by the Center for Business and Economic Research as a residual of the later year's population less the earlier year's population adjusted for natural increase (births minus deaths).

Information on persons living in Group Quarters from 1990 to 1997 are also from the Census Bureau. Prison populations, as well as prison capacities, are detailed in the Annual Report, Tennessee Department of Corrections.

Finally, measures of population density incorporate the area measurements for counties as reported in the 1990 Census of Population.

City Projections

The 1990 Census counts, and Census estimates for 1991-1996, are the core data for the city population projections. These data are from the Bureau of the Census, U.S. Department of Commerce, and can be found on the Census Bureau web site. These data were supplemented by information on annexations and special censuses from the "1998 Certified Population of Tennessee Counties" compiled by the Tennessee Department of Economic and Community Development, Local Planning Assistance Office.

APPENDIX B:
PUBLIC CHAPTER 1101

CHAPTER NO. 1101

SENATE BILL NO. 3278

By Rochelle

Substituted for: House Bill No. 3295

By Kisber, Walley, Rinks, McDaniel, Curtiss

AN ACT To amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 13; Title 49; Title 67 and Title 68, relative to growth.

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

SECTION 1. As used in this act, unless the context otherwise requires:

(1) "Committee" means the local government planning advisory committee established by §4-3-727.

(2) "Council" means the joint economic and community development council established by Section 15 of this act.

(3) "Growth Plan" means the plan each county must file with the committee by July 1, 2001, as required by the provisions of Section 8.

(4) "Planned growth area" means an area established in conformance with the provisions of Section 7(b) and approved in accordance with the requirements of Section 5.

(5) "Rural area" means an area established in conformance with the provisions of Section 7(c) and approved in accordance with the requirements of Section 5.

(6) "Urban Growth Boundary" means a line encompassing territory established in conformance with the provisions of Section 7(a) and approved in accordance with the requirements of Section 5.

SECTION 2. Tennessee Code Annotated, Title 6, is amended by adding Sections 3 through 16 as a new Chapter 58.

SECTION 3. With this act, the General Assembly intends to establish a comprehensive growth policy for this state that:

- (1) Eliminates annexation or incorporation out of fear;
- (2) Establishes incentives to annex or incorporate where appropriate;
- (3) More closely matches the timing of development and the provision of public services;
- (4) Stabilizes each county's education funding base and establishes an incentive for each county legislative body to be more interested in education matters; and
- (5) Minimizes urban sprawl.

SECTION 4.

(a) The provisions of this chapter shall not apply to any county having a metropolitan form of government. Provided, however, each such county shall receive full benefit of all incentives available pursuant to Section 10, and each such county shall escape the sanctions imposed by Section 11. Provided, further, any municipality that lies within a county having a metropolitan form of government and another county must establish an urban growth boundary in conjunction with the county containing the territory that is not within the county having a metropolitan form of government.

(b) Notwithstanding the provisions of this act to the contrary, **IF** a metropolitan government charter commission is duly created within any county after the effective date of this act but prior to July 1, 2001, **AND IF** the metropolitan charter proposed by such commission is either rejected or otherwise not ratified by the voters prior to July 1, 2001, **THEN** the sanctions established by Section 11 shall not be imposed in such county prior to July 1, 2002.

SECTION 5.

(a)(1) Except as otherwise provided pursuant to subdivision (a)(9), effective September 1, 1998, there is created within each county a coordinating committee which shall be composed of the following members:

(A) The county executive or the county executive's designee, to be confirmed by the county legislative body; provided, however, a member of the county legislative body may serve as such designee subject to such confirmation;

(B) The mayor of each municipality or the mayor's designee, to be confirmed by the municipal governing body;

(C) One (1) member appointed by the governing board of the municipally owned utility system serving the largest number of customers in the county;

(D) One (1) member appointed by the governing board of the utility system, not municipally owned, serving the largest number of customers in the county;

(E) One (1) member appointed by the board of directors of the county's soil conservation district, who shall represent agricultural interests;

(F) One (1) member appointed by the board of the local education agency having the largest student enrollment in the county;

(G) One (1) member appointed by the largest chamber of commerce, to be appointed after consultation with any other chamber of commerce within the county; and

(H) Two (2) members appointed by the county executive and two (2) members appointed by the mayor of the largest municipality, to assure broad representation of environmental, construction and homeowner interests.

(2) It shall be the duty of the coordinating committee to develop a recommended growth plan not later than January 1, 2000, and to submit such plan for ratification by the county legislative body and the governing body of each municipality. The recommended growth plan shall identify urban growth boundaries for each municipality within the county and shall identify planned growth areas and rural areas within the county, all in conformance with the provisions of Section 7. In developing a recommended growth plan, the coordinating committee shall give due consideration to such urban growth boundaries as may be timely proposed and submitted to the coordinating committee by each municipal governing body. The coordinating committee shall also give due consideration to such planned growth areas and rural areas as may be timely-proposed and submitted to the coordinating committee by the county legislative body. The coordinating committee is encouraged to utilize planning resources that are available within the county, including municipal or county planning commissions. The coordinating committee is further encouraged to utilize

the services of the local planning office of the Department of Economic and Community Development, the county technical assistance service, and the municipal technical advisory service.

(3) Prior to finalization of the recommended growth plan, the coordinating committee shall conduct at least two (2) public hearings. The county shall give at least fifteen (15) days advance notice of the time, place and purpose of each public hearing by notice published in a newspaper of general circulation throughout the county.

(4) Not later than January 1, 2000, the coordinating committee shall submit its recommended growth plan for ratification by the county legislative body and by the governing body of each municipality within the county. Provided, however, and notwithstanding any provision of this act to the contrary, if a municipality is completely contiguous to and surrounded by one or more municipalities, then the corporate limits of the surrounded municipality shall constitute the municipality's urban growth boundaries and such municipality shall not be eligible to ratify or reject the recommended growth plan. Not later than one hundred twenty (120) days after receiving the recommended growth plan, the county legislative body or municipal governing body, as the case may be, shall act to either ratify or reject the recommended growth plan of the coordinating committee. Failure by such county legislative body or any such municipal governing body to act within such one hundred twenty (120) day period shall be deemed to constitute ratification by such county or municipality of the recommended growth plan.

(5) If the county or any municipality therein, rejects the recommendation of the coordinating committee, then the county or municipality shall submit its objections, and the reasons therefor, for resolution in accordance with subsection (b). In resolving disputes arising from disagreements over which urban growth boundary should contain specific territory, due consideration shall be given if one (1) of the municipalities is better able to efficiently and effectively provide urban services within the disputed territory. Due consideration shall also be given if one (1) of the municipalities detrimentally relied upon priority status conferred under prior annexation law and, thereby, justifiably incurred significant expense in preparation for annexation of the disputed territory.

(6) (A) A municipality may make binding agreements with other municipalities and with counties to refrain from exercising any power or privilege granted to the municipality by this title, to any degree contained in the agreement including, but not limited to, the authority to annex.

(B) A county may make binding agreements with municipalities to refrain from exercising any power or privilege granted to the county by Title 5, to any degree contained in the agreement including, but not limited to, the authority to receive annexation date revenue.

(C) Any agreement made pursuant to this subdivision need not have a set term, but after the agreement has been in effect for five (5) years, any party upon giving ninety (90) days written notice to the other parties is entitled to a renegotiation or termination of the agreement.

(7) (A) Notwithstanding any provisions of this chapter or any other provision of law to the contrary, any annexation reserve agreement or any agreement of any kind either between municipalities or between municipalities and counties setting out areas reserved for future municipal annexation and in effect on the effective date of this act are ratified and remain binding and in full force and effect. Any such agreement may be amended from time to time by mutual agreement of the parties. Any such agreement or amendment may not be construed to abrogate the application of any provision of this chapter to the area annexed pursuant to the agreement or amendment.

(B) In any county with a charter form of government, the annexation reserve agreements in effect on January 1, 1998, are deemed to satisfy the requirement of a growth plan. The county shall file a plan based on such agreements with the committee.

(8) (A) No provision of this chapter shall prohibit written contracts between municipalities and property owners relative to the exercise of a municipality's rights of annexation or operate to invalidate an annexation ordinance done pursuant to a written contract between a municipality and a property owner in existence on the effective date of this act.

(9) (A) Instead of the coordinating committee created under subsection (a) (1), in any county in which the largest

municipality comprises at least sixty percent (60%) of the population of the entire county and on the effective date of this act there is no other municipality in the county with a population in excess of one thousand (1,000), according to the 1990 federal census or any subsequent federal census, the coordinating committee in such county shall be the municipal planning commission of the largest municipality and the county planning commission, if the county has a planning commission. The mayor of the largest municipality and the county executive of such county may jointly appoint as many additional members to the coordinating committee as they may determine.

Notwithstanding the provisions of subsection (a) with respect to the adoption or ratification of the recommended growth plan, in any county to which subdivision (9) (A) applies, upon adoption of a recommended growth plan, the coordinating committee shall submit its recommendation to the county legislative body for ratification. The county legislative body may only disapprove the recommendation of the coordinating committee if it makes an affirmative finding, by a two-thirds (2/3) vote, that the committee acted in an arbitrary, or capricious manner or abused its official discretion in applying the law. If the county legislative body disapproves the recommendation of the coordinating committee, then the dispute resolution process of this section shall apply.

(B) Instead of the coordinating committee created pursuant to subsection (a) (1), if the county legislative body and the governing body of each municipality located therein all agree that another entity shall perform the duties assigned by this act to the coordinating committee, then such other entity shall perform such duties of the coordinating committee, and such coordinating committee shall not be created or continued, as the case may be.

(b) (1) If the county or any municipality rejects the recommended growth plan, then the coordinating committee shall reconsider its action. After such reconsideration, the coordinating committee may recommend a revised growth plan and may submit such revised growth plan for ratification by the county legislative body and the governing body of each municipality. If a recommended growth plan or revised growth plan is rejected, then the county or any municipality may declare the existence of an impasse and may request the Secretary of State to provide an alternative method for

resolution of disputes preventing ratification of a growth plan.

(2) Upon receiving such request, the Secretary of State shall promptly appoint a dispute resolution panel. The panel shall consist of three (3) members, each of whom shall be appointed from the ranks of the administrative law judges employed within the administrative procedures division and each of whom shall possess formal training in the methods and techniques of dispute resolution and mediation. Provided, however, if the county and all municipalities agree, the Secretary of State may appoint a single administrative law judge rather than a panel of three (3) members. No member of such panel, nor the immediate family of any such member or such member's spouse, may be a resident, property owner, official or employee of the county or of any municipality therein.

(3) The panel shall attempt to mediate the unresolved disputes. If, after reasonable efforts, mediation does not resolve such disputes, then the panel shall propose a non-binding resolution thereof. The county legislative body and the municipalities shall be given a reasonable period in which to consider such proposal. If the county legislative body and the municipal governing bodies do not accept and approve such resolution, then they may submit final recommendations to the panel. For the sole purpose of resolving the impasse, the panel shall adopt a growth plan. In mediating the dispute or in making a proposal, the panel may consult with the University of Tennessee or others with expertise in urban planning, growth, and development. The growth plan adopted by the panel shall conform with the provisions of Section 7.

(4) The Secretary of State shall certify the reasonable and necessary costs incurred by the dispute resolution panel, including, but not necessarily limited to, salaries, supplies, travel expenses and staff support for the panel members. The county and the municipalities shall reimburse the Secretary of State for such costs, to be allocated on a pro rata basis calculated on the number of persons residing within each of the municipalities and the number of persons residing within the unincorporated areas of the county; provided, however, if the dispute resolution panel determines that the dispute resolution process was necessitated or unduly prolonged by bad faith or frivolous actions on the part of the county and/or any one (1) or more

of the municipalities, then the Secretary of State may, upon the recommendation of the panel, reallocate liability for such reimbursement in a manner clearly punitive to such bad faith or frivolous actions.

(5) If a county or municipality fails to reimburse its allocated or reallocated share of panel costs to the Secretary of State after sixty (60) days notice of such costs, the Department of Finance and Administration shall deduct such costs from such county's or a municipality's allocation of state shared taxes.

(d) (1) No later than July 1, 2001, the growth plan recommended or revised by the coordinating committee and ratified by the county and each municipality therein or alternatively adopted by a dispute resolution panel shall be submitted to and approved by the local government planning advisory committee. **IF** urban growth boundaries, planned growth areas and rural areas were recommended or revised by a coordinating committee and ratified by the county and each municipality therein, **THEN** the local government planning advisory committee shall grant its approval, and the growth plan shall become immediately effective. In addition, in any county with a charter form of government, the annexation reserve agreements in effect on January 1, 1998, are deemed to satisfy the requirement of a growth plan, and the local government planning advisory committee shall approve such plan. In all other cases, **IF** the local government planning advisory committee determines that such urban growth boundaries, planned growth areas and rural areas conform with the provisions of Section 7, **THEN** the local government planning advisory committee shall grant its approval and the growth plan shall immediately become effective; **HOWEVER, IF** the local government planning advisory committee determines that such urban growth boundaries, planned growth areas and/or rural areas in any way do not conform with the provisions of Section 7, **THEN** the committee shall adopt and grant its approval of alternative urban growth boundaries, planned growth areas and/or rural areas for the sole purpose of making the adjustments necessary to achieve conformance with the provisions of Section 7. Such alternative urban growth boundaries, planned growth areas and/or rural areas shall supersede and replace all conflicting urban growth boundaries, planned growth areas and/or rural areas and shall immediately become effective as the growth plan.

(2) After the local government planning advisory committee has approved a growth plan, the committee shall forward a copy to the county executive who shall file the plan in the register's office. The register may not impose a fee on the county executive for this service.

(e) (1) After the local government planning advisory committee has approved a growth plan, the plan shall stay in effect for not less than three (3) years absent a showing of extraordinary circumstances. After the expiration of the three (3) year period, a municipality or county may propose an amendment to the growth plan by filing notice with the county executive and with the mayor of each municipality in the county. Upon receipt of such notice, such officials shall take appropriate action to promptly reconvene or re-establish the coordinating committee. The burden of proving the reasonableness of the proposed amendment shall be upon the party proposing the change. The procedures for amending the growth plan shall be the same as the procedures in this section for establishing the original plan.

(2) In any county with a charter form of government with annexation reserve agreements in effect on January 1, 1998, any municipality or the county may immediately file a proposed amendment after the effective date of this act in accordance with this subsection (e).

SECTION 6. (a) The affected county, an affected municipality, a resident of such county or an owner of real property located within such county is entitled to judicial review under this section, which shall be the exclusive method for judicial review of the growth plan and its urban growth boundaries, planned growth areas and rural areas. Proceedings for review shall be instituted by filing a petition for review in the chancery court of the affected county. Such petition shall be filed during the sixty (60) day period after final approval of such urban growth boundaries, planned growth areas and rural areas by the local government planning advisory committee. In accordance with the provisions of the Tennessee rules of civil procedure pertaining to service of process, copies of the petition shall be served upon the local government planning advisory committee, the county and each municipality located or proposing to be located within the county.

(b) Judicial review shall be de novo and shall be conducted by the chancery court without a jury. The

petitioner shall have the burden of proving, by a preponderance of the evidence that the urban growth boundaries, planned growth areas and/or rural areas are invalid because the adoption or approval thereof was granted in an arbitrary, capricious, illegal or other manner characterized by abuse of official discretion. The filing of the petition for review does not itself stay effectiveness of the urban growth boundaries, planned growth areas and rural areas; provided, however, the court may order a stay upon appropriate terms if it is shown to the satisfaction of the court that any party or the public at large is likely to suffer significant injury if such stay is not granted. If more than one (1) suit is filed within the county, then all such suits shall be consolidated and tried as a single civil action.

(c) IF the court finds by a preponderance of the evidence that the urban growth boundaries, planned growth areas and/or rural areas are invalid because the adoption or approval thereof was granted in an arbitrary, capricious, illegal or other manner characterized by abuse of official discretion, THEN an order shall be issued vacating the same, in whole or in part, and remanding the same to the county and the municipalities in order to identify and obtain adoption or approval of urban growth boundaries, planned growth areas and/or rural areas in conformance with the procedures set forth within Section 5.

(d) Any party to the suit, aggrieved by the ruling of the chancery court, may obtain a review of the final judgment of the chancery court by appeal to the court of appeals.

SECTION 7.

(a) (1) The urban growth boundaries of a municipality shall:

(A) Identify territory that is reasonably compact yet sufficiently large to accommodate residential and nonresidential growth projected to occur during the next twenty (20) years;

(B) Identify territory that is contiguous to the existing boundaries of the municipality;

(C) Identify territory that a reasonable and prudent person would project as the likely site of high density

commercial, industrial and/or residential growth over the next twenty (20) years based on historical experience, economic trends, population growth patterns and topographical characteristics; (if available, professional planning, engineering and/or economic studies may also be considered);

(D) Identify territory in which the municipality is better able and prepared than other municipalities to efficiently and effectively provide urban services; and

(E) Reflect the municipality's duty to facilitate full development of resources within the current boundaries of the municipality and to manage and control urban expansion outside of such current boundaries, taking into account the impact to agricultural lands, forests, recreational areas and wildlife management areas.

(2) Before formally proposing urban growth boundaries to the coordinating committee, the municipality shall develop and report population growth projections; such projections shall be developed in conjunction with the University of Tennessee. The municipality shall also determine and report the current costs and the projected costs of core infrastructure, urban services and public facilities necessary to facilitate full development of resources within the current boundaries of the municipality and to expand such infrastructure, services and facilities throughout the territory under consideration for inclusion within the urban growth boundaries. The municipality shall also determine and report on the need for additional land suitable for high density, industrial, commercial and residential development, after taking into account all areas within the municipality's current boundaries that can be used, reused or redeveloped to meet such needs. The municipality shall examine and report on agricultural lands, forests, recreational areas and wildlife management areas within the territory under consideration for inclusion within the urban growth boundaries and shall examine and report on the likely long-term effects of urban expansion on such agricultural lands, forests, recreational areas and wildlife management areas.

(3) Before a municipal legislative body may propose urban growth boundaries to the coordinating committee, the municipality shall conduct at least two (2) public hearings. Notice of the time, place and purpose of the public hearing

shall be published in a newspaper of general circulation in the municipality not less than fifteen (15) days before the hearing.

(b) (1) Each planned growth area of a county shall:

(A) Identify territory that is reasonably compact yet sufficiently large to accommodate residential and nonresidential growth projected to occur during the next twenty (20) years;

(B) Identify territory that is not within the existing boundaries of any municipality;

(C) Identify territory that a reasonable and prudent person would project as the likely site of high or moderate density commercial, industrial and/or residential growth over the next twenty (20) years based on historical experience, economic trends, population growth patterns and topographical characteristics; (if available, professional planning, engineering and/or economic studies may also be considered);

(D) Identify territory that is not contained within urban growth boundaries; and

(E) Reflect the county's duty to manage natural resources and to manage and control urban growth, taking into account the impact to agricultural lands, forests, recreational areas and wildlife management areas.

(2) Before formally proposing any planned growth area to the coordinating committee, the county shall develop and report population growth projections; such projections shall be developed in conjunction with the University of Tennessee. The county shall also determine and report the projected costs of providing urban type core infrastructure, urban services and public facilities throughout the territory under consideration for inclusion within the planned growth area as well as the feasibility of recouping such costs by imposition of fees or taxes within the planned growth area. The county shall also determine and report on the need for additional land suitable for high density industrial, commercial and residential development after taking into account all areas within the current boundaries of municipalities that can be used, reused or redeveloped to meet such needs. The county shall also determine and report on the likelihood that the territory under consideration for

inclusion within the planned growth area will eventually incorporate as a new municipality or be annexed. The county shall also examine and report on agricultural lands, forests, recreational areas and wildlife management areas within the territory under consideration for inclusion within the planned growth area and shall examine and report on the likely long-term effects of urban expansion on such agricultural lands, forests, recreational areas and wildlife management areas.

(3) Before a county legislative body may propose planned growth areas to the coordinating committee, the county shall conduct at least two (2) public hearings. Notice of the time, place and purpose of the public hearing shall be published in a newspaper of general circulation in the county not less than fifteen (15) days before the hearing.

(c)(1) Each rural area shall:

(A) Identify territory that is not within urban growth boundaries;

(B) Identify territory that is not within a planned growth area;

(C) Identify territory that, over the next twenty (20) years, is to be preserved as agricultural lands, forests, recreational areas, wildlife management areas or for uses other than high density commercial, industrial or residential development; and

(D) Reflect the county's duty to manage growth and natural resources in a manner which reasonably minimizes detrimental impact to agricultural lands, forests, recreational areas and wildlife management areas.

(2) Before a county legislative body may propose rural areas to the coordinating committee, the county shall conduct at least two (2) public hearings. Notice of the time, place and purpose of the public hearing shall be published in a newspaper of general circulation in the county not less than fifteen (15) days before the hearing.

(d) Notwithstanding the extraterritorial planning jurisdiction authorized for municipal planning commissions designated as regional planning commissions in Title 13, Chapter 3, nothing in this act shall be construed to

authorize municipal planning commission jurisdiction beyond an urban growth boundary; provided, however, in a county without county zoning, a municipality may provide extraterritorial zoning and subdivision regulation beyond its corporate limits with the approval of the county legislative body.

SECTION 8. Not later than July 1, 2001, a growth plan for each county shall be submitted to and approved by the local government planning advisory committee in accordance with the provisions of Section 5. After a growth plan is so approved, all land use decisions made by the legislative body and the municipality's or county's planning commission shall be consistent with the growth plan. The growth plan shall include, at a minimum, documents describing and depicting municipal corporate limits, as well as urban growth boundaries, planned growth areas, if any, and rural areas, if any, approved in conformance with the provisions of Section 5. The purpose of a growth plan is to direct the coordinated, efficient, and orderly development of the local government and its environs that will, based on an analysis of present and future needs, best promote the public health, safety, morals and general welfare. A growth plan may address land-use, transportation, public infrastructure, housing, and economic development. The goals and objectives of a growth plan include the need to:

- (1) Provide a unified physical design for the development of the local community;
- (2) Encourage a pattern of compact and contiguous high density development to be guided into urban areas or planned growth areas;
- (3) Establish an acceptable and consistent level of public services and community facilities and ensure timely provision of those services and facilities;
- (4) Promote the adequate provision of employment opportunities and the economic health of the region;
- (5) Conserve features of significant statewide or regional architectural, cultural, historical, or archaeological interest;
- (6) Protect life and property from the effects of natural hazards, such as flooding, winds, and wildfires;

(7) Take into consideration such other matters that may be logically related to or form an integral part of a plan for the coordinated, efficient and orderly development of the local community; and

(8) Provide for a variety of housing choices and assure affordable housing for future population growth.

SECTION 9.

(a) (1) After the effective date of this act but before the approval of the growth plan by the local government planning advisory committee, a municipality may annex territory by ordinance as provided by § 6-51-102 unless the county legislative body adopts a resolution disapproving such annexation within sixty (60) days of the final passage of the annexation ordinance.

(2) If the county disapproves the annexation by adopting a resolution within the sixty (60) day period, then the ordinance shall not become operative until ninety (90) days after final passage subject to the proceedings under this section.

(3) If a quo warranto action is filed to challenge the annexation, if and after the requirements of subsection (b) below are met, a county filing the action has the burden of proving that:

(A) The annexation ordinance is unreasonable for the overall well-being of the communities involved; or

(B) The health, safety, and welfare of the citizens and property owners of the municipality and territory will not be materially retarded in the absence of such annexation.

(4) If the court without a jury finds that the ordinance by a preponderance of the evidence satisfies the requirements of subdivision (a) (3), the annexation ordinance shall take effect.

(b) (1) If a county disapproves the annexation as provided in subsection (a) and if the county is petitioned by a majority of the property owners by parcel within the territory which is the subject of the annexation to represent their interests, a county shall be deemed an aggrieved owner of property giving the county standing to contest an annexation ordinance. In determining a majority of property owners, a parcel of property with more than one

(1) owner shall be counted only once and only if owners comprising a majority of the ownership interests in the parcel petition together as the owner of the particular parcel.

(2) A petition by property owners under this section shall be presented to the county clerk, who shall forward a copy of such petition to the county executive, county assessor of property and the chairperson of the county legislative body. After examining the evidence of title based upon the county records, within fifteen (15) days of receiving the copy of the petition, the assessor of property shall report to the county executive and the chairperson of the county legislative body whether or not in his or her opinion a majority of the property owners by parcel have petitioned the county according to this section.

(3) Notwithstanding any other provision of this chapter, a petition by property owners to the county under this section to contest an annexation shall be brought within sixty (60) days of the final passage of the annexation ordinance, and if the county legislative body adopts a resolution to contest the annexation, the county shall file suit to contest the annexation pursuant to this section within ninety (90) days of the final passage of the annexation ordinance.

(4) If the county or any other aggrieved owner of property does not contest the annexation ordinance under §6-51-103 within ninety (90) days of final passage of the annexation ordinance, the ordinance shall become operative ninety (90) days after final passage thereof.

(5) If the county legislative body does not vote to permit the county to contest an annexation, the provision of Section 6-51-103 shall apply.

(c) After the effective date of this act, and before the approval of the growth plan by the local government planning advisory committee, a municipality may not extend its corporate limits by means of corridor annexation of a public right-of-way, or any easement owned by a governmental entity or quasi-governmental entity, railroad, utility company, or federal entity such as the U.S. Army Corps of Engineers or the Tennessee Valley Authority, or natural or man-made waterway, or any other corridor except under the following circumstances:

(1) The annexed area also includes each parcel of property contiguous to the right-of-way, easement, waterway or corridor adjacent on at least one (1) side; or

(2) The municipality receives the approval of the county legislative body of the county wherein the territory proposed to be annexed lies; or

(3) The owners of the property located at the end of the corridor petitioned the municipality for annexation, such owners agree to pay for necessary improvements to infrastructure on such property, such owners' property totals three (3) acres or more and is located within one and one-half (1.5) miles of the existing boundaries of the municipality, and the corridor annexation does not constitute an extension of any previous corridor annexation.

(d) Nothing in this section shall be construed to prevent a municipality from proposing extension of its corporate limits by the procedures in Sections 6-51-104 and 105. Provided, further, if the territory proposed to be annexed does not have any residents, such annexation may be accomplished only with the concurrence of the county as provided in (a) above.

(e) After the effective date of this act a municipality may not 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, unless one (1) of the following applies:

(1) A municipality that is located in two (2) or more counties as of November 25, 1997, may annex by ordinance in all such counties, unless the percentage of the municipal population residing in the county or counties other than that in which the city hall is located is less than seven percent (7%) of the total population of the municipality; or

(2) A municipality may annex by ordinance with the approval by resolution of the county legislative body of the county in which the territory proposed to be annexed is located; or

(3) A municipality may annex by ordinance in any county in which, on January 1, 1998, the municipality provided sanitary sewer service to a total of one hundred (100) or more residential customers, commercial customers, or a combination thereof.

(4) This subsection (e) shall not affect any annexation ordinance adopted on final reading by a municipality prior to the effective date of this act, if such ordinance annexed property within the same county where the municipality is located or annexed property in a county other than the county in which the city hall is located if the property is used or is to be used only for industrial purposes.

(f) (1) After the effective date of this act but prior to January 1, 1999, a new city may be incorporated under the provisions of this act as long as the population requirements and the distance requirements of Sections 6-1-201, 6-18-103 or 6-30-103 and the requirements of Section 13(c) of this act are met.

(2) After January 1, 1999, a new municipality may only be incorporated in accordance with this act and with an adopted growth plan.

(3) (A) Notwithstanding any other provision of law to the contrary, if any territory with not less than two hundred twenty-five (225) residents acted pursuant to Chapter 98 of the Public Acts of 1997 or Chapter 666 of the Public Acts of 1996 from January 1, 1996, through November 25, 1997, and held an incorporation election, and a majority of the persons voting supported the incorporation, and results of such election were certified, then such territory upon filing a petition as provided in § 6-1-202, may conduct another incorporation election.

(B) If such territory votes to incorporate, the new municipality shall have priority over any prior or pending annexation ordinance of an existing municipality which encroaches upon any territory of the new municipality. Such new municipality shall comply with the requirements of Section 13(c) of this act.

SECTION 10.

(a) Upon approval of the growth plan by the local government planning advisory committee but beginning no earlier than July 1, 2000, each municipality within the county and the county shall receive an additional five (5) points on a scale of one hundred (100) points or a comparable percentage increase as determined by the commissioner in any evaluation formula for the allocation of private activity bond authority and for the distribution of

grants from the department of economic and community development for the:

- (1) Tennessee Industrial Infrastructure Program;
- (2) Industrial Training Service Program; and
- (3) Community Development Block Grants.

(b) Upon approval of the growth plan by the local government planning advisory committee but beginning no earlier than July 1, 2000, each municipality within the county and the county shall receive an additional five (5) points on a scale of one hundred (100) points or a comparable percentage increase as determined by the commissioner if permissible under federal requirements in any evaluation formula for the distribution of grants from the Department of Environment and Conservation for state revolving fund loans for water and sewer systems; provided, however, no such preferences shall be granted if prohibited by federal law or regulation.

c) Upon approval of the growth plan by the local government planning advisory committee but beginning no earlier than July 1, 2000, each municipality within the county and the county shall receive an additional five (5) points on a scale of one hundred (100) points or a comparable percentage increase as determined by the executive director in any evaluation formula for the distribution of HOUSE or HOME grants from the Tennessee Housing Development Authority or low income tax credits or private activity bond authority; provided, however, no such preferences shall be granted if prohibited by federal law or regulation.

SECTION 11. Effective July 1, 2001, the following loan and grant programs shall be unavailable in those counties and municipalities that do not have growth plans approved by the local government planning advisory committee, and shall remain unavailable until growth plans have been approved:

- (1) Tennessee Housing Development Agency Grant Programs;
- (2) Community Development Block Grants;
- (3) Tennessee Industrial Infrastructure Program Grants;
- (4) Industrial Training Service Grants;

(5) Intermodal Surface Transportation Efficiency Act funds or any subsequent federal authorization for transportation funds; and

(6) Tourism Development Grants.

SECTION 12.

(a) Within a municipality's approved urban growth boundaries, a municipality may use any of the methods in Title 6, Chapter 51 to annex territory. Provided, however, if a quo warranto action is filed to challenge the annexation, the party filing the action has the burden of proving that:

(1) An annexation ordinance is unreasonable for the overall well-being of the communities involved; or

(2) The health, safety, and welfare of the citizens and property owners of the municipality and territory will not be materially retarded in the absence of such annexation.

(b) In any such action, the action shall be tried by the circuit court judge or chancellor without a jury.

(c) A municipality may not annex territory by ordinance beyond its urban growth boundary without following the procedure in subsection (d).

(d)(1) If a municipality desires to annex territory beyond its urban growth boundary, the municipality shall first propose an amendment to its urban growth boundary with the coordinating committee under the procedure in Section 5.

(2) As an alternative to proposing a change in the urban growth boundary to the coordinating committee, the municipality may annex the territory by referendum as provided in §§6-51-104 and 6-51-105.

SECTION 13.

(a)(1) After January 1, 1999, a new municipality may only be created in territory approved as a planned growth area in conformity with the provisions of Section 5;

(2) A county may provide or contract for the provision of services within a planned growth area and set a separate tax rate specifically for the services provided within a planned growth area; and

(3) A county may establish separate zoning regulations within a planned growth area, for territory within an urban growth boundary or within a rural area.

(b) An existing municipality which does not operate a school system or a municipality incorporated after the effective date of this act, may not establish a school system.

(c) A municipality, incorporated after the effective date of this act, shall impose a property tax that raises an amount of revenue not less than the amount of the annual revenues derived by the municipality from state shared taxes. The municipality shall levy and collect the property tax before the municipality may receive state shared taxes. Furthermore, the provisions of Tennessee Code Annotated, Section 6-51-115(b), shall apply within the territory of such newly incorporated municipality as if such territory had been annexed rather than incorporated.

(d) (1) 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.

(2) Within six (6) months of the incorporation election, the municipality shall adopt by ordinance a plan of services for the services the municipality proposes to deliver. The municipality shall prepare and publish its plan of services in a newspaper of general circulation distributed in the municipality. The rights and remedies of §6-51-108 apply to the plan of services adopted by the municipality.

SECTION 14. Until December 31, 2002, the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) shall monitor implementation of this act and shall periodically report its findings and recommendations to the General Assembly. Each agency of the executive branch, each municipal and county official, each local government organization, including any planning commission and development district, shall cooperate with the commission and provide necessary information and assistance for the commission's reports. TACIR reserve funds may be expended for the purpose of performing duties assigned by this section.

SECTION 15.

(a) It is the intent of the General Assembly that local governments engage in long-term planning, and that such planning be accomplished through regular communication and cooperation among local governments, the agencies attached to them, and the agencies that serve them. It is also the intent of the General Assembly that the growth plans required by this bill result from communication and cooperation among local governments.

(b) There shall be established in each county a joint economic and community development board which shall be established by interlocal agreement pursuant to Tennessee Code Annotated, Section 5-1-113. The purpose of the board is to foster communication relative to economic and community development between and among governmental entities, industry, and private citizens.

(c) Each joint economic and community development board shall be composed of representatives of county and city governments, private citizens, and present industry and businesses. The final makeup of the board shall be determined by interlocal agreement but shall, at a minimum, include the county executive and the mayor or city manager, if appropriate, of each city lying within the county and one (1) person who owns land qualifying for classification and valuation under Tennessee Code Annotated, Title 67, Chapter 5, Part 10. Provided, however, in cases where there are multiple cities, smaller cities may have representation on a rotating basis as determined by the interlocal agreement.

(d) There shall be an executive committee of the board which shall be composed of members of the joint economic and community development board selected by the entire board. The makeup of the executive committee shall be determined by the entire joint economic and community development board but shall, at a minimum, include the county executive and the mayors or city manager of the larger municipalities in the county.

(e) The terms of office shall be determined by the interlocal agreement but shall be staggered except for those positions held by elected officials whose terms shall coincide with the terms of office for their elected positions. All terms of office shall be for a maximum of four (4) years.

(f) The board shall meet, at a minimum, four (4) times annually and the executive committee of the board shall meet at least eight (8) times annually. Minutes of all meetings of the board and the executive committee shall be documented by minutes kept and certification of attendance. Meetings of the joint economic and community development board and its executive committee are subject to the open meetings law.

(g) (1) The activities of the board shall be jointly funded by the participating governments. The formula for determining the amount of funds due from each participating government shall be determined by adding the population of the entire county as established by the last federal decennial census to the populations of each city as determined by the last federal decennial census, or special census as provided for in Section 6-51-114, and then determining the percentage that the population of each governmental entity bears to the total amount.

(2) If a special census has been certified pursuant to Tennessee Code Annotated, Section 6-51-114, during the five (5) year period after certification of the last federal decennial census, the formula shall be adjusted by the board to reflect the result of the special census. Provided, however, the board shall only make such an adjustment during the fifth year following the certification of a federal decennial census.

(3) The board may accept and expend donations, grants and payments from persons and entities other than the participating governments.

(4) If, on the effective date of this act, a county and city government have a joint economic and community development council which has an established funding mechanism to carry out a unified economic and community development program for the entire county, such funding mechanism shall be utilized in lieu of the formula established in this subsection. (h) An annual budget to fund the activities of the board shall be recommended by the executive committee to the board which shall adopt a budget before the first day of April of each year. The funding formula established by this act shall then be applied to the total amount budgeted by the board as the participating governments' contributions for the ensuing fiscal year. The budget and a statement of the amount due from each

participating government shall be immediately filed with the appropriate officer of each participating government. In the event a participating government does not fully fund its contribution, the board may establish and impose such sanctions or conditions as it deems proper.

(i) When applying for any state grant a city or a county shall certify its compliance with the requirements of this section.

(j) If there exists within a county a similar organization on the effective date of this act, that organization may satisfy the requirements of this section. The county executive shall file a petition with the committee who shall make a determination whether the existing organization is sufficiently similar to the requirements of this section. When the committee has made its determination, an affected municipality or county may rely upon that status of the existing organization to satisfy the certification requirements of subsection (i).

SECTION 16. The provisions of this chapter shall not apply to any annexation ordinance that was pending, but not yet effective, on November 25, 1997.

SECTION 17.

SECTION 18. (a) Tennessee Code Annotated, Section 7-2-101, is amended by adding the following as subdivision (4):

(4) The commission may be created upon receipt of a petition, signed by qualified voters of the county, equal to at least ten percent (10%) of the number of votes cast in the county for governor in the last gubernatorial election.

(A) Such petition shall be delivered to the county election commission for certification. After the petition is certified, the county election commission shall deliver the petition to the governing body of the county and the governing body of the principal city in the county. Such petition shall become the consolidation resolution of the county and the principal city in the county. The resolution shall provide that a metropolitan government charter commission is established to propose to the people the consolidation of all, or substantially all, of the government and corporate functions of the county and its principal city and the creation of a metropolitan government for the administration of the consolidated functions.

(B) Such resolution shall either:

(i) Authorize the county executive or county mayor to appoint ten (10) commissioners, subject to confirmation by the county governing body, and authorize the mayor of the principal city to appoint five (5) commissioners, subject to confirmation by the city governing body; or

(ii) Provide that an election shall be held to select members of the metropolitan government charter commission; provided, however, if the governing body of the county and the governing body of the principal city cannot agree on the method of selecting members of the metropolitan government charter commission within sixty (60) days of certification, then an election shall be held to select members of the metropolitan government charter commission as provided in Section 7-2-102.

(C) It is the legislative intent that the persons appointed to the charter commission shall be broadly representative of all areas of the county and principal city and that every effort shall be made to include representatives from various political, social, and economic groups within the county and principal municipality.

(D) When such resolution shall provide for the appointment of commissioners of the county and city, the metropolitan government charter commission shall be created and duly constituted after appointments have been made and confirmed.

(E) When such resolution shall provide for an election to select members of the metropolitan government charter commission, copies thereof shall be certified by the clerk of the governing bodies to the county election commission, and thereupon an election shall be held as provided in Section 7-2-102.

(F) When the consolidation resolution provides for the appointment of members of the metropolitan government charter commission, such appointments shall be made within thirty (30) days after the resolution is submitted to the governing bodies of the county and the principal city.

(G) If the referendum to approve consolidation fails, another commission may not be created by petition for three (3) years.

(b) Tennessee Code Annotated, Section 7-2-101(1)(B)(i), is amended by deleting the words "presiding officer of the county governing body" and substituting instead the words "county executive or county mayor".

(c) Tennessee Code Annotated, Section 7-2-101(2)(B), is amended by deleting the words "presiding officer of the county governing body" and substituting instead the words "county executive or county mayor".

(d) Tennessee Code Annotated, Section 7-2-101(2)(B)(i), is amended by deleting wherever they may appear, the words "presiding officer of the county governing body" and substituting instead the words "county executive or county mayor".

SECTION 19. Tennessee Code Annotated, Section 6-51-102, is amended by deleting subsection (b) and substituting instead the following:

(b)(1) Before any territory may be annexed under this section by a municipality, the governing body shall adopt a plan of services establishing at least the services to be delivered and the projected timing of the services. The plan of services shall be reasonable with respect to the scope of services to be provided and the timing of the services.

(2) The plan of services shall include, but not be limited to: 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, and zoning services. The plan of services may exclude services which are being provided by another public agency or private company in the territory to be annexed other than those services provided by the county.

(3) The plan of services shall include a reasonable implementation schedule for the delivery of comparable services in the territory to be annexed with respect to the services delivered to all citizens of the municipality.

(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, to be rendered within ninety (90) days after such submission, unless by resolution of the governing body a longer period is allowed. 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 in the municipality not less than fifteen (15) days before the hearing. The notice shall include the locations of a minimum of three (3) copies of the plan of services which the municipality shall provide for public inspection during all business hours from the date of notice until the public hearing.

(5) A municipality may not annex any other territory if the municipality is in default on any prior plan of services.

(6) If a municipality operates a school system, and if the municipality annexes territory during the school year, any student may continue to attend his or her present school until the beginning of the next succeeding school year unless the respective boards of education have provided otherwise by agreement.

SECTION 20. Tennessee Code Annotated, Section 6-51-102(a)(2), is amended by adding the following new subdivisions:

(2)(A) If an annexation ordinance was not final on November 25, 1997, and if the municipality has not prepared a plan of services, the municipality shall have sixty (60) days to prepare a plan of services.

(B)(1) For any plan of services that is not final on the effective date of this act or for any plan of services adopted after the effective date and before the approval of the growth plan by the committee, the county legislative body of the county where the territory subject to the plan of services is located may file a suit in the nature of a quo warranto proceeding to contest the reasonableness of the plan of services.

(2) If the county is petitioned by a majority of the property owners by parcel within the territory which is the subject of the plan of services to represent their interests, a county shall be deemed an aggrieved owner of property giving the county standing to contest the reasonableness of the plan of services. In determining a majority of property owners, a parcel of property with more than one (1) owner shall be counted only once and only if owners comprising a majority of the ownership interests in

the parcel petition together as the owner of the particular parcel.

(3) A petition by property owners under this section shall be presented to the county clerk, who shall forward a copy of such petition to the county executive, county assessor of property and the chairperson of the county legislative body. After examining the evidence of title based upon the county records, within fifteen (15) days of receiving the copy of the petition, the assessor of property shall report to the county executive and the chairperson of the county legislative body whether or not in his or her opinion a majority of the property owners by parcel have petitioned the county according to this section.

(4) Notwithstanding any other provision of this chapter, a petition by property owners to the county under this section to contest the reasonableness of the plan of services shall be brought within sixty (60) days of the final adoption of the plan of services, and if the county legislative body adopts a resolution to contest the plan of services, the county shall file suit to contest the plan of services pursuant to this section within ninety (90) days of the final adoption of the plan of services.

(C) If the court finds the plan of services to be unreasonable, or to have been done by exercise of powers not conferred by law, an order shall be issued vacating the same, and the order shall require the municipality to submit a revised plan of services for the territory within thirty (30) days; provided, however, by motion the municipality may request to abandon the plan of services, and in such case the municipality is prohibited from annexing by ordinance any part of such territory proposed for annexation for not less than twenty-four (24) months. In the absence of such finding, an order shall be issued sustaining the validity of such plan of services ordinance, which shall then become operative thirty-one (31) days after judgment is entered unless an abrogating appeal has been taken therefrom.

(D) If a municipal plan of services has been challenged in court under this section and if the court has rendered a decision adverse to the plan, then a municipality may not annex any other territory by ordinance until the court determines the municipality is in compliance.

SECTION 21.

(a) Tennessee Code Annotated, Section 6-51-108(b), is amended by deleting the first sentence and substituting instead the following:

Upon the expiration of six (6) months from the date any annexed territory for which a plan of service has been adopted becomes a part of the annexing municipality, and annually thereafter until services have been extended according to such plan, there shall be prepared and published in a newspaper of general circulation in the municipality a report of the progress made in the preceding year toward extension of services according to such plan, and any changes proposed therein. The governing body of the municipality shall publish notice of a public hearing on such progress reports and changes, and hold such hearing thereon.

(b) Tennessee Code Annotated, Section 6-51-108, is amended by deleting the next to the last sentence in subsection (b) and by adding the following as new subsections (c) and (d):

(c) A municipality may amend a plan of services by resolution of the governing body only after a public hearing for which notice has been published at least fifteen (15) days in advance in a newspaper of general circulation in the municipality when:

(1) The amendment is reasonably necessary due to natural disaster, act of war, act of terrorism, or reasonably unforeseen circumstances beyond the control of the municipality; or

(2) The amendment does not materially or substantially decrease the type or level of services or substantially delay the provision of services specified in the original plan; or

(3) The amendment:

(i) Proposes to materially and substantially decrease the type or level of services under the original plan or to substantially delay those services; and

(ii) Is not justified under (c)(1); and

(iii) Has received the approval in writing of a majority of the property owners by parcel in the area annexed. In determining a majority of property owners, a

parcel of property with more than one (1) owner shall be counted only once and only if owners comprising a majority of the ownership interests in the parcel petition together as the owner of the particular parcel.

(d) 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, and may bring an action to challenge the legality of an amendment to a plan of services if such action is brought within thirty (30) days after the adoption of the amendment to the plan of services. If the court finds that the municipality has amended the plan of services in an unlawful manner, then the court shall decree the amendment null and void and shall reinstate the previous plan of services. If the court finds that the municipality has materially and substantially failed to comply with its plan of services for the territory in question, then the municipality shall be given the opportunity to show cause why the plan of services was not carried out. If the court finds that the municipality's failure is due to natural disaster, act of war, act of terrorism, or reasonably unforeseen circumstances beyond the control of the municipality which materially and substantially impeded the ability of the municipality to carry out the plan of services, then the court shall alter the timetable of the plan of services so as to allow the municipality to comply with the plan of services in a reasonable time and manner. If the court finds that the municipality's failure was not due to natural disaster, act of war, act of terrorism, or reasonably unforeseen circumstances beyond the control of the municipality which materially and substantially impeded the ability of the municipality to carry out the plan of services, then the court shall issue a writ of mandamus to compel the municipality to provide the services contained in the plan, shall establish a timetable for the provision of the services in question, and shall enjoin the municipality from any further annexations until the services subject to the court's order have been provided to the court's satisfaction, at which time the court shall dissolve its injunction. If the court determines that the municipality has failed without cause to comply with the plan of services or has unlawfully amended its plan of services, the court shall assess the costs of the suit against the municipality.

SECTION 22. For any land that is presently used for agricultural purposes, a municipality may not use its zoning power to interfere in any way with the use of such land for agricultural purposes as long as the land is used for agricultural purposes.

SECTION 23. Tennessee Code Annotated, Title 6, Chapter 51, Part 1, is amended by adding the following as a new section:

Section __. No provision of this act applies to an annexation in any county with a metropolitan form of government in which any part of the general services district is annexed into the urban services district. Provided, however, any section of Title 6, Chapter 51, Part 1, specifically referenced on the effective date of this act in the charter of any county with a metropolitan form of government shall refer to the language of such sections in effect on January 1, 1998.

SECTION 24. Tennessee Code Annotated, Section 6-51-115, is amended by designating the existing section as subsection (a), renumbering present subsections as subdivisions, and adding the following as new subsections:

(b) In addition to the preceding provisions of this section, when a municipality annexes territory in which there is retail or wholesale activity at the time the annexation takes effect or within three (3) months after the annexation date, the following shall apply:

(1) Notwithstanding the provisions of Section 57-6-103 or any other law to the contrary, for wholesale activity involving the sale of beer, the county shall continue to receive annually an amount equal to the amount received by the county in the twelve (12) months immediately preceding the effective date of the annexation for beer establishments in the annexed area that produced Wholesale Beer Tax revenues during that entire twelve (12) months. For establishments that produced Wholesale Beer Tax revenues for at least one (1) month but less than the entire twelve (12) month period, the county shall continue to receive an amount annually determined by averaging the amount of Wholesale Beer Tax revenue produced during each full month the establishment was in business during that time and multiplying this average by twelve (12). For establishments which did not produce revenue before the annexation date but

produced revenue within three (3) months after the annexation date, and for establishments which produced revenue for less than a full month prior to annexation, the county shall continue to receive annually an amount determined by averaging the amount of Wholesale Beer Tax revenue produced during the first three (3) months the establishment was in operation and multiplying this average by twelve (12). The provisions of this subdivision are subject to the exceptions in subsection (c). A municipality shall only pay the county the amount required by this subdivision, for a period of fifteen (15) years.

(2) Notwithstanding the provisions of Section 67-6-712 or any other law to the contrary, for retail activity subject to the Local Option Revenue Act, the county shall continue to receive annually an amount equal to the amount of revenue the county received pursuant to Section 67-6-712(a)(2)(A) in the twelve (12) months immediately preceding the effective date of the annexation for business establishments in the annexed area that produced Local Option Revenue Act revenue during that entire twelve (12) months. For business establishments that produced such revenues for more than a month but less than the full twelve (12) month period, the county shall continue to receive an amount annually determined by averaging the amount of Local Option Revenue produced by the establishment and allocated to the county under Section 67-6-712(a)(2)(A) during each full month the establishment was in business during that time and multiplying this average by twelve (12). For business establishments which did not produce revenue before the annexation date and produced revenue within three (3) months after the annexation date, and for establishments which produced revenue for less than a full month prior to annexation, the county shall continue to receive annually an amount determined by averaging the amount of Local Option Revenue produced and allocated to the county under Section 67-6-712(a)(2)(A) during the first three (3) months the establishment was in operation and multiplying this average by twelve (12). The provisions of this subdivision are subject to the exceptions in subsection (c). A municipality shall only pay the county the amount required by this subdivision, for a period of fifteen (15) years.

(c) Subsection (b) is subject to these exceptions:

(1) Subdivision (b)(1) ceases to apply as of the effective date of the repeal of the Wholesale Beer Tax, should this occur.

(2) Subdivision (b)(2) ceases to apply as of the effective date of the repeal of the Local Option Revenue Act, should this occur.

(3) Should the General Assembly reduce the amount of revenue from the Wholesale Beer Tax or the Local Option Revenue Act, accruing to municipalities by changing the distribution formula, the amount of revenue accruing to the county under subsection (b) will be reduced proportionally as of the effective date of the reduction.

(4) A county, by resolution of its legislative body, may waive its rights to receive all or part of the revenues provided by subsection (b). In these cases, the revenue shall be distributed as provided in Sections 57-6-103 and 67-6-712 of the respective tax laws unless otherwise provided by agreement between the county and municipality.

(5) Annual revenues paid to a county by or on behalf of the annexing municipality are limited to the annual revenue amounts provided in subsection (b) and known as "annexation date revenue" as defined in subdivision (e)(2). Annual situs-based revenues in excess of the "annexation date revenue" allocated to one (1) or more counties shall accrue to the annexing municipality. Any decrease in the revenues from the situs-based taxes identified in subsection (b) shall not affect the amount remitted to the county or counties pursuant to subsection (b) except as otherwise provided in this subsection. Provided, however, a municipality may petition the Department of Revenue no more often than annually to adjust annexation date revenue as a result of the closure or relocation of a tax producing entity.

(d)(1) It is the responsibility of the county within which the annexed territory lies to certify and to provide to the department of revenue a list of all tax revenue producing entities within the proposed annexation area.

(2) The Department of Revenue shall determine the local share of revenue from each tax listed in this section generated within the annexed territory for the year before the annexation becomes effective, subject to the

requirements of subsection (b). This revenue shall be known as the "annexation date revenue".

(3) The Department of Revenue with respect to the revenues described in subdivision (b)(2), and the municipality with respect to the revenues described in subdivision (b)(1), shall annually distribute an amount equal to the annexation date revenue to the county of the annexed territory.

SECTION 25. Tennessee Code Annotated, Section 13-3-102, is amended by inserting in the first sentence between the words "is" and "more" the language "outside the municipality's urban growth boundary or, if no such boundary exists,".

SECTION 26. Tennessee Code Annotated, Section 13-3-401(2), is amended by inserting between the words "is" and "more" the language "outside the municipality's urban growth boundary or, if no such boundary exists,".

SECTION 27. Tennessee Code Annotated, Section 6-1-201(b), is amended by adding the following language as subdivision (1):

If any part of the unincorporated territory proposed for incorporation is within five (5) miles of an existing municipality of one hundred thousand (100,000) or more according to the most recent federal census and if the governing body of such municipality adopts a resolution by a two-thirds (2/3) vote indicating that the municipality has no desire to annex the territory, such territory may be included in a proposed new municipality. A petition for incorporation shall include a certified copy of such resolution from the affected municipality.

SECTION 28. Tennessee Code Annotated, Section 6-1-202, is amended by deleting subsection (a) and substituting instead the following:

The county election commission shall hold an election for the purpose of determining whether this charter shall become effective for any municipality or newly incorporating territory upon the petition in writing of at least thirty-three and one-third percent (33 1/3%) of the registered voters of the municipality or territory. The petition shall include a current list of the registered voters who live within the proposed territory. The petition shall state in a

sufficient manner the boundaries of the proposed municipal corporation, which may be done by a general reference to the boundaries then existing if there is one. Upon receipt of the petition the county election commission shall examine the petition to determine the validity of the signatures in accordance with Section 2-1-107. The county election commission shall have a period of twenty (20) days to certify whether the petition has the sufficient number of signatures of registered voters. If the petition is sufficient to call for an election on the issue of incorporation, the county election commission shall hold an election, providing options to vote "FOR" or "AGAINST" the incorporation of the new charter, not less than forty-five (45) days nor more than sixty (60) days after the petition is certified. The date of the election shall be set in accordance with Section 2-3-204. The county election commission shall, in addition to all other notices required by law, publish one (1) notice of the election in a newspaper of general circulation within the territory of the municipality or of the proposed municipality, and post the notice in at least three (3) places in the territory.

SECTION 29. 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 30. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 1, 1998

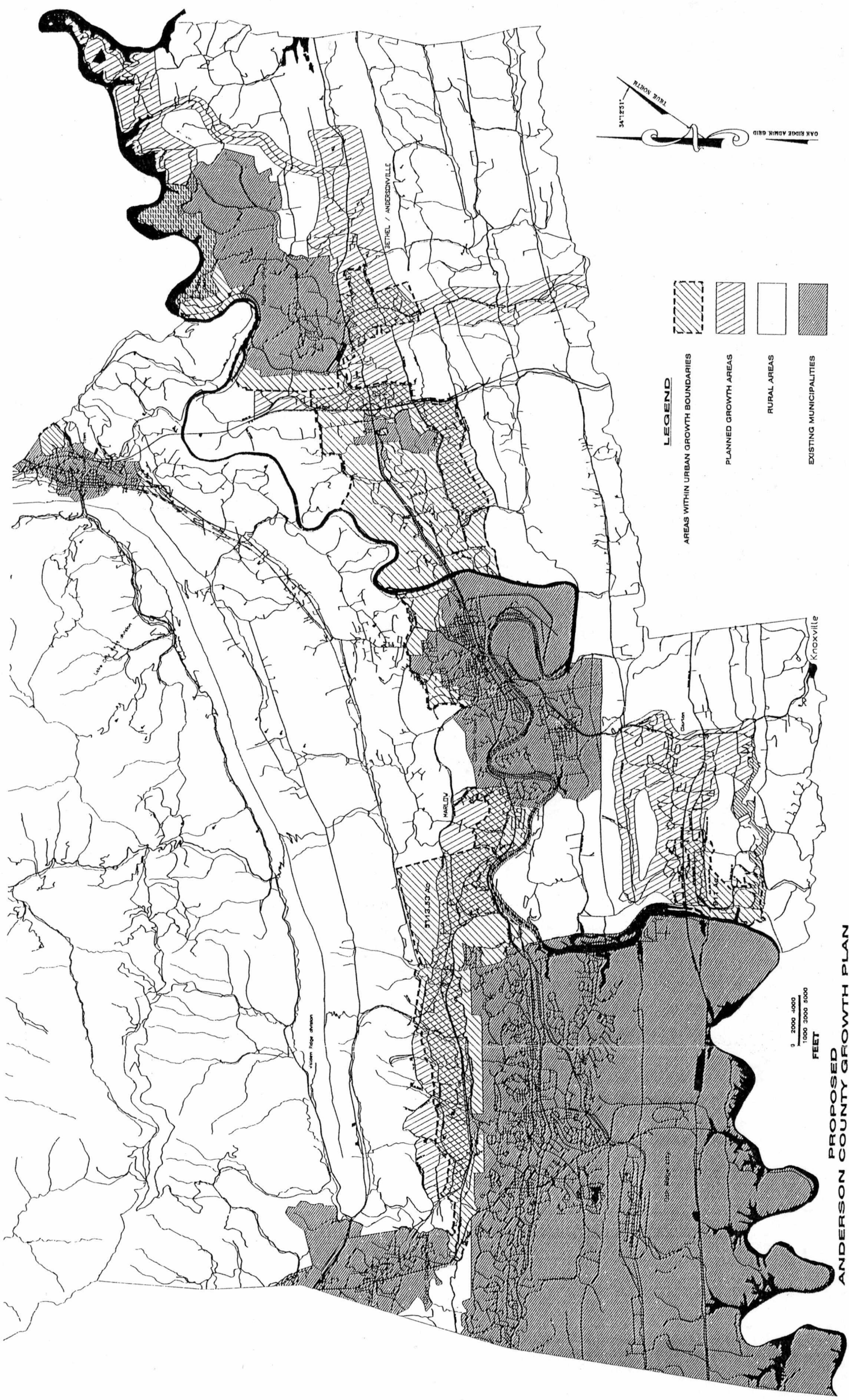
APPROVED this 19th day of May 1998

VITA

Christopher C. La Rue was born in Columbia, South Carolina on July 10, 1974. In 1979 he moved with his family to Lilburn, Georgia where he attended school and eventually graduated from Shiloh High School in June of 1993. The following September he entered The State University of West Georgia, Carrollton GA and in August 1998 received a Bachelor of Science in Geography with a concentration in small town and rural planning. In the fall of 1998 he entered The University of Tennessee, Knoxville Graduate School of Planning. In May 2000 he received his Master of Science in Planning degree.

His current plan is to obtain a job in the planning field "somewhere out west".

An Assessment of Public Chapter 1101.
Implementation in Anderson County, Tennessee
Plate 1
The University of Tennessee, Knoxville
Christopher C La Rue May 2000



LEGEND

AREAS WITHIN URBAN GROWTH BOUNDARIES

PLANNED GROWTH AREAS

RURAL AREAS

EXISTING MUNICIPALITIES

**PROPOSED
ANDERSON COUNTY GROWTH PLAN**
AUGUST 20, 1999

0 2000 4000
1000 3000 5000
FEET

of Public Chapter 1101. Implementation in
Anderson County, Tennessee
Plate 2
The University of Tennessee, Knoxville
Christopher C La Rue May 2000

