

**Growth Policy, Annexation, and Incorporation
Under Public Act 1101 of 1998:
A Guide for Community Leaders**

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Growth Policy, Annexation, and Incorporation Under Public Act 1101 of 1998: A Guide for Community Leaders

INTRODUCTION

The Ad Hoc Study Committee on Annexation, established by Lt. Governor Wilder and Speaker Naifeh, worked through the fall of 1997 and into the 1998 legislative session to develop a new vision for growth policy in Tennessee. Under the leadership of its co-chairs, Senator Robert Rochelle and Representative Matt Kisber, the Ad Hoc Committee vigorously pursued a solution that seeks to meet the public service demands of commercial and residential growth, while maintaining the character of Tennessee's rural areas. The general concepts embraced by the Ad Hoc Committee found substantial support in the House and Senate. Ultimately, differences between the two bodies were resolved in a conference committee, and the House and Senate approved the conference committee report by an overwhelming margin. Public Chapter 1101 became law on May 19, 1998, with the signature of Governor Don Sundquist.

Through Public Chapter 1101, the General Assembly provided the structures and processes for local governments to cooperatively determine their own future, but did not impose a single statewide solution. Instead, Public Chapter 1101 provides sufficient flexibility so that local governments may tailor their growth plans to suit the unique character of their area. With flexibility and local prerogative, the act positions local governments as the linchpins in the process of successful implementation. Given the complexity and importance of the task before them, local government leaders will need to take action almost immediately. Prompt response by city, county, and other local leaders will help ensure that solutions are made based upon careful planning, public input, and reasoned negotiation.

In order to facilitate consistent statewide application of this act, the different organizations that provide assistance to local governments have joined in a cooperative effort to formulate a unified approach to education and an analytical summary of the law. Such groups as the Tennessee Advisory Commission on Intergovernmental Relations (TACIR), the University of Tennessee's Institute for Public Service (including the Municipal Technical Advisory Service (MTAS), the County Technical Assistance Service (CTAS), and the Center for Government Training (CGT)), the Division of Local Planning, development districts, and other agencies have participated in this effort.

Furthermore, the agencies participating in the development of this document relied heavily upon the guidance of the "Implementation Steering Committee," which was created to ensure that a proactive and cooperative approach is taken to implement this important growth policy act. The Implementation Steering Committee members include:

- Tom Ballard, Associate Vice President for Public Service, UT-IPS (Chair)
- J. Rodney Carmical, Executive Director, CTAS
- Sam Edwards, Planning Advisor
- Harry A. Green, Executive Director, TACIR
- John Morgan, Executive Assistant to the State Comptroller

- Maynard Pate, Secretary/Treasurer, Tennessee Development District Association
- Robert E. Schettler, Acting Executive Director, UT Center for Government Training
- Robert P. Schwartz, Executive Director, MTAS
- Bill Terry, Planning Advisor
- Don Waller, Director, Division of Local Planning

Multi-agency staff support for the Implementation Steering Committee is being coordinated by Paula Mealka, Director of Special Projects, UT-IPS. The following summary and analysis is a joint product of IPS, TACIR, MTAS, CTAS, and CGT. It is organized as follows:

- I. Countywide Planning** – how the required countywide growth plan is created, adopted, and amended, as well as the criteria for setting the various boundaries required in the plan.
- II. Annexation** – how annexation is accomplished before and after completion of the required countywide growth plan, including new limitations and requirements for all annexations.
- III. Plan of Services in Annexed Areas** – extensive new rules that govern the creation and enforcement of plan of services for newly-annexed areas, including the county’s standing in disputes over plan of services.
- IV. Incorporation** – how incorporation is accomplished before and after Jan. 1, 1999, including the plan of services requirements for newly-incorporated municipalities.
- V. Tax Revenue Implications of Annexation** – how situs-based taxes are distributed between the county and the city following annexations and incorporations.
- VI. Miscellaneous Provisions** – zoning implications of the act, the required Joint Economic and Community Development Board, and other significant provisions.

Brief Summary

The following is a brief summary, organized according to subject areas, of the growth policy legislation that passed the Tennessee General Assembly in 1998. There are numerous exceptions and limitations in the bill which cannot all be covered in a brief treatment; more detailed information is contained in the longer summary.

I. COUNTYWIDE PLANNING

The law calls for a comprehensive growth policy plan in each county that outlines anticipated development during the next 20 years. The initial draft of the growth plan is formulated by a coordinating committee whose membership is composed of representatives of the county, cities, utilities, schools, chambers of commerce, the soil conservation districts, and others. The county and cities may propose boundaries for inclusion in the plan. After the growth plan is developed, the committee conducts public hearings and submits the plan to each city and county for ratification. The committee may revise the plan upon objection from these local governments. If the governmental entities cannot agree on a plan, any one of them may petition the Secretary of State to appoint a dispute resolution panel of administrative law judges to settle the conflict. The deadline for completing and approving all plans is July 1, 2001. Once adopted, a plan may not be amended for three years, except in unusual circumstances. The amendment process is the same as that for initial adoption.

The plan identifies three distinct types of areas: (1) "urban growth boundaries" (UGB), regions which contain the corporate limits of a municipality and the adjoining territory where growth is expected; (2) "planned growth areas" (PGA), compact sections outside incorporated municipalities where growth is expected (if there are such areas in the county), and where new incorporations may occur; (3) "rural areas" (RA), territory not within one of the other two categories which is to be preserved for agriculture, recreation, forest, wildlife, and uses other than high-density commercial or residential development.

II. ANNEXATION

Annexation procedures vary according to whether the annexation takes place before or after the county's growth plan is in place. Before the plan is adopted a city may annex by referendum or by ordinance. If annexation is by ordinance, the county legislative body may vote to disapprove the action. After this disapproval vote, the county may file suit contesting the annexation if it receives a petition signed by a majority of the property owners within the territory. The petition must be filed within 60 days, and the suit within 90 days of the final passage of the annexation ordinance. The case is tried by a judge without a jury, and the burden is on the petitioner to prove that the annexation is unreasonable. A citizen affected by the annexation also retains the right to challenge the annexation as under previous law. Before adoption of the growth plan, corridor annexations are generally prohibited unless the city also annexes all parcels on one side of the corridor, obtains consent of the county legislative body, or annexes by referendum.

After the growth plan is adopted a city may use any statutory method to annex property within its UGB, including annexation by ordinance and referendum. Outside the UGB a city may annex by referendum or by amending its UGB to include the new territory. Amendment of a growth plan, including any boundary it contains, requires the same steps described above for the initial adoption of the plan. Any challenges to annexation after the

adoption of the growth plan are heard by the judge without a jury, and the burden of proof is on the petitioner to show that the annexation is unreasonable.

A city may annex upon its own initiative only territory within the county in which the city hall is located, with three main exceptions: (1) at least 7% of the city's population was located in the second county on November 25, 1997; (2) the county legislative body in the second county approves the annexation; or (3) the city provided sewer service to 100 or more customers on January 1, 1998. These restrictions do not apply to annexation by referendum.

III. PLAN OF SERVICES

For any area to be annexed, a municipality must formulate a plan of services which addresses police and fire protection; water, electrical, and sanitary sewer service; street construction and repair; recreation; street lighting; and zoning. If any of these services are provided to the area by another entity (except the county), the municipality may omit those from the plan. The plan must include a description of the level of each service and a reasonable schedule for implementing services in the annexed area which are comparable to those delivered to other citizens of the community. Amendments are allowed only if the changes are not material, if they are necessary because of reasonably unforeseen circumstances, or if they are approved by majority of property owners. Counties have standing to challenge the reasonableness of the plan before the growth plan is adopted; after adoption, the county has standing only if it is petitioned by a majority of the landowners in the annexed area. Aggrieved property owners have standing to enforce the plan. A municipality in default on a plan of services may not annex additional territory until it complies with the previous plan. These provisions are retroactive and apply to any plan of services which was finalized after November 25, 1997.

IV. INCORPORATION

Before January 1, 1999, new cities may be incorporated if they meet population and distance requirements contained in previously existing law, as well as the requirements listed below. After this date, a territory may be incorporated only inside a PGA (after the growth plan is adopted), and only with approval of its growth boundary and city limits by the county legislative body. All newly incorporated cities, both before and after January 1, 1999, are subject to the following requirements: (1) a new city must enact a property tax that raises revenue at least equal to the annual amount the city receives from state-shared taxes; (2) the amount of situs-based wholesale beer and local option sales tax revenues generated in the territory on the day of incorporation continues to be distributed to the county for 15 years, just as if the territory were annexed (see discussion below under "Tax Revenue Implications"); and (3) the city must develop a plan of services similar to that required for annexation.

V. TAX REVENUE IMPLICATIONS OF ANNEXATION

When a city annexes territory, the county is "held harmless" for the loss of a portion of tax revenue which was distributed to cities under prior law. Revenue amounts generated in the annexed area by local option sales taxes and wholesale beer taxes which had been received by the county prior to the annexation continue to go to county for fifteen years after the date of the annexation. Any increases in these revenues generated in the annexed area are distributed to the annexing municipality. (Note that this does not affect the distribution of the first half of the local option sales tax, which continues to go to education funding.) If commercial activity in the annexed area decreases due to business closures or

relocations, a city may petition the Department of Revenue to adjust the payments it makes to the county.

VI. MISCELLANEOUS PROVISIONS

There are several sections of the law which affect zoning regulations: (1) Even if a city has received extra-territorial zoning authority under Title 13, it may not enact zoning or planning regulations beyond its UGB. If it has not been granted this authority, it may nevertheless enact zoning provisions outside its city limits (but inside its UGB) with the approval of the county legislative body. (2) A city may not use its zoning power to interfere with land used for agricultural purposes. (3) Counties have the authority to establish separate taxing districts for the provision of services, and to establish separate zoning regulations for territory in different types of areas.

The law requires establishment of a joint economic and community development board to foster communications among all sectors of the community. The law also allows the creation of a consolidation commission upon petition of 10% of the county's voters (previous law required the county and principal city to call for a commission). It also prohibits establishment of any new school system.

Moreover, the TACIR is charged with monitoring the implementation of Public Act 1101 and reporting its findings and recommendations to the General Assembly.

I. COUNTYWIDE PLANNING

A. Coordinating Committee¹

In each county, a “Coordinating Committee” must be established to develop the required countywide growth plan. The membership of this committee is to include:

CATEGORY	NUMBER
County Executive (or designee confirmed by county legislative body)	1
Mayor of each municipality in the county (or designee confirmed by governing body)	1 (minimum)
One member appointed by the governing board of the largest municipally-owned utility	1
One member appointed by the governing board of the largest non-municipally-owned utility	1
One member appointed by the board of directors of the county's soil conservation district (representing agricultural interests)	1
One member appointed by the board of the local education agency having the largest student enrollment	1
One member appointed by the largest chamber of commerce (after consulting others)	1
Two members appointed by the county executive (representing environmental, construction, and homeowner interests)	2
Two members appointed by the mayor of the largest municipality (representing environmental, construction, and homeowner interests)	2

This scheme will produce a committee with a minimum of 11 members. The membership will be as high as 20 or 21 in some counties, depending on the number of municipalities. The committee becomes effective **September 1, 1998**.

B. Alternatives to Coordinating Committee

(1) Alternative Coordinating Committees by Agreement of County and Cities²

The governing bodies of the county and each city within the county can all agree that another entity shall perform the duties of the coordinating committee.

(2) Special-Case Counties³

In any county where the largest city is at least 60 percent of the county population and no other city's population is larger than 1,000, the coordinating committee is the planning commission of the largest city, combined with the planning commission of the county. In addition, the mayor of the largest city and the county executive can jointly appoint as many additional members as they determine are necessary. This alternative applies to Madison and Montgomery Counties. This will exclude Medon (pop. 233) from representation in the Madison County process; Clarksville is the only city in Montgomery County.

(3) Counties with Metropolitan Governments⁴

Counties with Metropolitan Governments (Davidson and Moore) are not required to appoint a committee or develop a plan. Any city that is in a county with Metropolitan Government and also in another county must participate in the second county's planning process. This applies only to Goodlettsville, which is in both Davidson and Sumner Counties, and to Ridgetop, which is in both Davidson and Robertson Counties.

C. Developing the Countywide Plan⁵

The coordinating committee is charged with developing a countywide growth plan based on a 20-year projection of growth and land use, using a variety of measures, which divides the county into three types of areas:

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.

Planned Growth Areas (PGA) - territory outside municipalities where high or moderate density commercial, industrial, and residential growth is projected.

Rural Areas (RA) - territory not in a UGB or 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.

Cities may propose UGBs and counties may propose PGAs and RAs to the coordinating committee, if they do so in a timely fashion.

(1) Proposing Urban Growth Boundaries (UGBs) - Municipalities⁶

(a) Criteria for Defining the UGB

The Urban Growth Boundary is to include territory:

- reasonably compact but large enough to accommodate 20 years of growth;
- that is contiguous to the existing municipal boundaries;
- that is reasonably likely to experience growth over the next 20 years, based upon history, economic and population trends, and topographical characteristics;
- where the municipality is better able than other municipalities to efficiently and effectively provide urban services; and
- that reflects the municipality's duty to fully develop the area within the current boundaries, while controlling and managing growth outside those boundaries, taking into account the impact on agriculture, forests, recreation, and wildlife.

(b) Factors to be Considered in Developing the UGB

Every municipality is required to include the following tasks in the process for developing its UGB:

- develop and report population growth projections in conjunction with the University of Tennessee;
- determine and report the costs and projected costs of core infrastructure, urban services, and public facilities necessary to fully develop the resources

within the city's current boundaries, as well as the cost of expanding these into the territory proposed for inclusion within the UGB;

- determine and report on the need for additional land suitable for high density industrial, commercial, and residential development, after taking into account areas within current municipal boundaries that can be used, reused, or redeveloped to meet such needs;
- examine and report on agricultural areas, forests, recreational areas, and wildlife management areas under consideration for inclusion in the UGB, and on the likely long-term impact of urban expansion in such areas.

(c) Public Hearing Requirements

Each municipality will hold two public hearings with at least 15 days advance notice in a newspaper of general circulation in the city before formally proposing its UGB to the coordinating committee.

(2) Proposing Planned Growth Areas (PGAs) - Counties⁷

(a) Criteria for Defining the PGA

The Planned Growth Area is to include territory:

- that is reasonably compact yet sufficiently large to accommodate residential and nonresidential growth projected to occur during the next 20 years;
- that is not within the existing boundaries of any municipality or within an urban growth boundary;
- that is reasonably likely to experience growth over the next 20 years, based upon history, economic and population trends, and topographical characteristics;
- that reflects the county's duty to manage natural resources and to manage and control urban growth, taking into account the impact on agriculture, forests, recreation, and wildlife.

(b) Factors to be Considered in Developing the PGA

Before proposing a PGA the county must take the following actions:

- develop and report population growth projections in conjunction with the University of Tennessee;
- determine and report projected costs of providing core infrastructure, urban services, and public facilities in the area, as well as the feasibility of funding them through taxes or fees within the area;
- determine and report on the need for additional land suitable for high-density development, after considering areas within current municipal boundaries that could be used, reused, or redeveloped to meet those needs;

- determine and report on the likelihood that the territory will eventually incorporate as a new municipality or be annexed; and
- examine and report on agricultural, forest, recreation, and wildlife management areas within the territory proposed for inclusion within the PGA, and the likely long-term effects of urban expansion on these areas.

(c) Public Hearing Requirements

Before proposing a PGA to the coordinating committee, the county must hold two public hearings with at least 15 days advance notice of each in a newspaper of general circulation in the county.

(3) Proposing Rural Areas (RAs) - Counties⁸

(a) Criteria for Defining the RA

A Rural Area is to include territory:

- that is not within an urban growth boundary or a planned growth area;
- that is to be preserved over the next 20 years as agricultural, forest, recreation, or wildlife management areas, or for uses other than high-density development; and
- that reflects the county's duty to manage growth and natural resources in a way that reasonably minimizes detrimental impact to agricultural, forest, recreation, and wildlife management areas.

(b) Public Hearing Requirements

Before proposing a rural area to the coordinating committee, the county must hold two public hearings with at least 15 days advance notice of each in a newspaper of general circulation in the county.

(4) Coordinating Committee Process⁹

The coordinating committee will hold two public hearings with at least 15 days advance notice in a newspaper of general circulation in the county. After the hearings, and no later than Jan. 1, 2000, the coordinating committee will submit its recommended growth plan to the governing bodies of the county and of each municipality in the county for their approval. (In the case of a municipality surrounded by one or more municipalities, the municipality's corporate limits are its UGB, and the city will not have a vote on the plan.)

In developing the plan, the legislation encourages the coordinating committee to seek the assistance of local planning resources, the state local planning office, CTAS, and MTAS.

No later than 120 days after receiving the recommended growth plan from the coordinating committee, the county and municipal governing bodies in the county must either ratify or reject the plan. The failure of a county or municipality in the county to do one or the other within the 120 days serves as a ratification of the recommended growth plan.

In Madison and Montgomery Counties, the coordinating committee submits its recommended growth plan to the county legislative body for ratification. That body may only disapprove the recommendation of the coordinating committee if, by two-thirds vote, it makes an affirmative finding that the committee acted in an arbitrary or capricious manner or abused its official discretion in applying the law. If the such finding is made, the dispute resolution process described in this section applies.

(5) Annexation Reserve Agreements and Other Agreements Regarding Powers¹⁰

Any annexation reserve agreements between one or more cities, or between one or more cities and a county, which are in effect on the effective date of the act (May 19, 1998) remain in effect. Such agreements may be subsequently amended by consensus of the parties to the agreement. The provisions of the act applicable to annexations also apply to annexations made pursuant to such agreements and amended agreements. There is a specific provision for counties with a charter form of government (Shelby and Knox Counties), stating that the annexation reserve agreements in effect on Jan. 1, 1998, satisfy the requirement for a growth plan, and the growth plan submitted for final approval by the county is based on those agreements.

Counties and cities are authorized to make agreements with or without a set term to refrain from exercising powers, including annexation and receipt of revenue. Regardless of whether such an agreement contains a set time for termination, after five years it may be renegotiated or terminated upon 90 days notice. The act also explicitly allows written contracts between municipalities and owners (developers) regarding annexation, validating those in existence on the effective date of the act.

(6) Procedure Upon Rejection by a City or County¹¹

If a city or county rejects the recommended growth plan, it must submit its objections and supporting reasons to the coordinating committee for reconsideration. Following reconsideration of the recommended growth plan, the coordinating committee may submit to the county and each city a revised recommended growth plan or its original recommended growth plan.

In resolving disputes between cities over UGBs, the committee is directed to favor the municipality that is “better able to efficiently and effectively provide urban services within the disputed territory.” Consideration is also to be given to any municipality that “relied upon priority status conferred under prior annexation laws” and had incurred expenses based on that status to prepare for annexation of the disputed territory. This will favor those cities with the larger population of the two, since under preexisting *T.C.A. § 6-51-110(b)* the larger city has priority in an annexation dispute with a smaller city.

If a city or county rejects whichever plan the coordinating committee submits to it the second time, the county or any municipality may declare an impasse, and ask the Tennessee Secretary of State to appoint a dispute resolution panel.

(7) Role of the Dispute Resolution Panel¹²

In the event of a dispute resolution request, the Tennessee Secretary of State must promptly appoint a dispute resolution panel. The panel will consist of three administrative law judges (or one judge, if the county and all municipalities in the county agree) trained in dispute resolution and mediation.

The panel will attempt to mediate the dispute. If resolving the dispute by mediation fails, the panel would then propose a non-binding resolution to the county and the cities. The county and the cities have a reasonable time to consider the resolution and either adopt or reject it. If the county and/or the city governing bodies reject the resolution, they must then submit their final recommendations to the panel. Then, “for the sole purpose of resolving the impasse the panel shall adopt a growth plan.”

All costs of the dispute resolution process will be billed by the Secretary of State to the participating county and cities, prorated by population. If the panel finds that one party acted frivolously or in bad faith in initiating or prolonging the process, costs may be reallocated “in a manner clearly punitive” to these actions. Any failure to pay this assessment will lead to withholding state-shared taxes to satisfy the bill.

(8) Adoption of the Growth Plan by Local Government Planning Advisory Committee¹³

No later than July 1, 2001, the growth plan ratified by the county and cities within the county, or adopted by the dispute resolution panel, must be submitted to and approved by the Local Government Planning Advisory Committee (LGPAC), an appointed body of local planning officials established in the Department of Economic and Community Development by *T.C.A. § 4-3-727* to oversee the establishment, appointments to, and operations of regional planning commissions in the state.

If the growth plan was recommended by the coordinating committee and ratified by the county and all cities, then the LGPAC grants approval of the plan automatically. The LGPAC has no authority to conduct a content review of the plan or to change any of its provisions. Approval is also automatic for charter counties with annexation reserve agreements in effect on January 1, 1998 (Shelby), which become the growth plan.

If the growth plan resulted from the dispute resolution process, the LGPAC approves growth plans only if the UGB, PGA, and RA boundaries conform to the requirements contained in the law. If the LGPAC determines that the UGB, PGA, and RA boundaries do not conform to those requirements, it may adopt alternative UGB, PGA, and RA boundaries for the sole purpose of ensuring that they comply with the requirements of the law.

After approval of the plan, a copy is sent to the county executive, who in turns files the plan in the county register’s office.

(9) Term of the Approved Growth Plan and Amendments¹⁴

Except in Shelby County, once a growth plan has been formulated and approved by the LGPAC, the plan will stay in effect for three years, “absent a showing of extraordinary circumstances.” After the end of the three-year period, a city or county may propose amendments to the plan by filing notice with the county executive and the mayor of every city. The coordinating committee is then reestablished and uses the original process to amend the growth plan. In charter counties with annexation reserve agreements existing on January 1, 1998 (Shelby), amendments to the annexation reserve scheme that serves as the growth plan may be proposed at any time by following the same notice requirements to the county and all municipalities.

(10) Consistency Requirement¹⁵

After the approval of the growth plan, all land use decisions made by a city or county must be consistent with the provisions of the growth plan.

D. Appealing a Growth Plan to the Courts¹⁶

Any affected county or city, any resident of the county, or any owner of real property located in the county can obtain judicial review of the growth plan. Suits must be filed in the chancery court of the affected county within 60 days after the final approval of the growth plan by LGPAC. The suit is heard by the court without a jury. The county, city, or other person bringing the suit has the burden of showing by a preponderance of the evidence that the UGB, PGA, or RA boundaries were approved in “an arbitrary, capricious, illegal, or other manner characterized by the abuse of official discretion,” which is a difficult standard to prove. If more than one suit is filed in the county, they are consolidated and tried as one.

The filing of a suit does not automatically stay the effectiveness of the plan, but the chancellor may order a stay if any party would be likely to suffer injury if a stay were not granted. If the chancery court does find against the growth plan, it vacates the same “in whole or in part,” and the process for adopting the appropriate new UGB, or PGA, or RA boundary or boundaries is the same as for the adoption of the original growth plan.

E. Incentives/Penalties for Completing/Not Completing the Growth Plan

(1) Incentives for Completing the Growth Plan¹⁷

Beginning July 1, 2000, any county (and municipalities within the county) that have an LGPAC-approved countywide growth plan will receive an additional 5 percent score in any evaluation formula for allocation of:

- 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

(2) Penalties for Not Completing the Growth Plan¹⁸

Effective July 1, 2001, any county (and municipalities within the county) that does not have an LGPAC-approved countywide growth plan in place will not be eligible for or receive:

- 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

The county and its cities will remain ineligible for all of these programs until a growth plan is adopted.

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II. ANNEXATION

The law governs annexation both before and after the required countywide growth plan is adopted, including any annexation initiated after May 19, 1998.

A. Annexation BEFORE the Adoption of the Growth Plan¹⁹

After the effective date of the new law (May 19, 1998) and before final adoption of the countywide growth plan, cities still have the right to annex territory by ordinance or by referendum. However, that right is considerably restricted, especially for annexation by ordinance.

(1) Annexation by Ordinance - Before Growth Plan

There are two methods for contesting an annexation ordinance before the adoption of the growth plan:

(a) **First Method:** The county legislative body can contest the annexation, but only after the completion of events (i), (ii), and (iii), below:

(i) The county passes a resolution disapproving the annexation within 60 days of the final passage of the annexation ordinance.

(ii) Within the same 60 days, a majority of the property owners *within* the territory to be annexed petition the county to contest the annexation. Each parcel is counted only once; a parcel with multiple owners is counted if the majority of the owners petition together. The county property assessor has 15 days after receiving the petition to determine if it represents 50 percent of the property holders. The assessor reports whether the 50 percent threshold has been met to the county executive and to the county legislative body. Successful completion of such a petition gives the county standing to contest an annexation ordinance.

(iii) The county legislative body may then adopt a resolution contesting the annexation and authorizing a suit. The suit must be filed within 90 days of the final passage of the annexation ordinance. Therefore, the resolution in most cases would need to pass in less than 90 days. Even if the petition is filed, the county is not required to file suit.

(iv) No Jury Trial – Cases are tried by chancellor or circuit court judge without a jury.

(v) Burden of Proof – The burden of proof is on the county to prove that the annexation is “. . . unreasonable for the overall well-being of the communities involved,” or “the health, safety and welfare of the citizens and property owners of the municipality and [the annexed] territory will not be materially retarded in the absence of such annexation.”

(b) **Second Method²⁰:** An aggrieved owner of property that *borders on or lies within* the territory proposed for annexation²¹ retains the right to contest the annexation

under *T.C.A. § 6-51-103*. The property owner has 90 days to file suit, instead of the 30 days specified in *T.C.A. § 6-51-103*.

(i) Jury Trial – Plaintiff is entitled to a jury trial.

(ii) Burden of Proof – The burden is on the city to prove the reasonableness of the annexation.

(2) Annexation by Referendum – Before Growth Plan²²

Cities are still entitled to annex by referendum under *T.C.A. §§ 6-51-104* and 105. However, if there are no residents in the territory, annexation by ordinance must be used, and the county may disapprove or intervene in the process as described above.

B. Annexation AFTER the Adoption of the Growth Plan²³

(1) Annexation by a City Within Its Urban Growth Boundary (UGB) - After Growth Plan

Within its UGB, a city can use any of the annexation methods provided by Tennessee’s annexation law contained in *T.C.A. Title 6, Chapter 51*. This includes annexation by ordinance and by referendum, as modified by the new law. As provided in those statutes, aggrieved owners of property that borders on²⁴ or lies within the territory annexed have 30 days to challenge an annexation.

(2) Annexation by a City Outside Its UGB

A city may annex territory outside its UGB in either of two ways:

(a) by obtaining approval of an amendment to its UGB in the same way that the original growth plan was established, or

(b) by referendum, under *T.C.A. §§ 6-51-104 and 105*.

(3) Jury Trial and Burden of Proof

(a) Jury Trial: Cases are tried by chancellor or circuit court judge without a jury.

(b) Burden of Proof: Burden of proof is on the plaintiff to prove that:

- the annexation is “...unreasonable for the overall well-being of the communities involved,” or
- “the health, safety, and welfare of the citizens and property owners of the municipality and [the annexed] territory will not be materially retarded in the absence of such annexation.

C. Restrictions on Corridor Annexations²⁵

(1) Corridor Annexations - Before Growth Plan

Before the adoption of the growth plan, “corridor” annexations achieved by annexing public rights of way, easements owned by governmental or quasi-governmental entities, railroads, utility companies, or federal entities (such as TVA, DOE, etc.), or by annexing natural waterways, are prohibited, except under the following conditions:

(a) the annexed areas also include each parcel of property contiguous on at least one side of the right of way, easement, waterway, or corridor; or

(b) the city receives the approval of the county legislative body of the county where the territory proposed to be annexed is located; or

(c) the owners of the property at the end of the corridor petition the city for annexation, the owners agree to pay for necessary infrastructure improvements to the property, the property is larger than three acres, the property is located within 1.5 miles of the existing boundaries of the city, and the corridor annexation is not an extension of any previous corridor annexation.

Restrictions prohibiting corridor annexation do not apply to annexation by referendum.²⁶

(2) Corridor Annexations - After Approval of the Growth Plan

After the adoption of the countywide growth plan, these provisions on corridor annexations no longer apply.²⁷

D. Annexation by a City in More Than One County (Before and After Growth Plan Approval)²⁸

A city can annex by ordinance upon its own initiative only territory within the county in which the city hall is located. There are three main exceptions:

(1) a municipality located in two or more counties as of Nov. 25, 1997, may annex in all such counties unless the percentage of the city population residing in the county or counties other than the one in which the city hall is located is less than 7 percent of the total population of the municipality;²⁹ or

(2) a municipality may annex in the second county if the legislative body of the county in which the territory proposed for annexation is located approves the annexation by resolution; or

(3) the city may annex in any county in which, on Jan. 1, 1998, it provided sanitary sewer service to 100 or more residential and/or commercial customers.

These restrictions do not apply to annexation by referendum.³⁰ After growth plan approval, any annexation must also conform to the provisions of the growth plans in both counties.

III. PLAN OF SERVICES IN ANNEXED AREAS³¹

The plan of services requirement applies to annexation ordinances that were not final on Nov. 25, 1997. In such cases where the city has not prepared a plan of services, it will have 60 days from the effective date of the act (May 19, 1998), or until July 20, 1998, to do so.

The governing body of the annexing city must adopt a plan of services which outlines the services to be provided and their timing. The plan of services must be “reasonable” with respect to both the scope of services to be delivered and to the implementation schedule; the implementation schedule must provide for delivery of services in the new territory which are comparable to those provided to all citizens of the municipality. The plan must address all of the services below, regardless of whether the city currently provides those services.

A. Plan of Services Requirements³²

The plan of services “shall include”:

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

The plan of services may exclude services that are provided by another public or private agency, other than those services provided by the county. The city may include services in addition to those required.

Before adoption, the plan of services must be submitted to the city’s planning commission (if the city has a planning commission), which must issue a written report on the plan within 90 days. Also, the city governing body is required to hold a public hearing on the plan of services after giving 15 days written notice of the hearing in a newspaper of general circulation in the city. The notice must include the locations where at least three copies of the plan of services are available for public inspection. If the city is in default on any other plan of services, it may not annex any other territory.

If a city operates a school system, any students annexed into the city from a neighboring school system may continue to attend their present school until the beginning of the next school year, unless the two school systems agree otherwise.

B. County Standing to Contest the Plan of Services³³

(1) County Standing Before Approval of the Growth Plan

The county has standing to challenge the reasonableness of any plan of services not final on the effective date of the act, or any plans of services adopted after the effective date of the act (May 19, 1998), but before the approval of the growth plan.

(2) County Standing After Approval of the Growth Plan

If the county is petitioned by a majority of the property owners by parcel within the territory proposed for annexation, the county is treated as an aggrieved owner of

property with standing to challenge the reasonableness of the plan of services. The petition must be filed with the county clerk within 60 days of the adoption of the plan of services. The county property assessor has 15 days to determine whether the petition represents a majority of the property owners. The assessor reports his or her determination to the county executive and the county legislative body. The county legislative body may then decide by resolution to contest the reasonableness of the plan of services. The suit must be filed within 90 days of the adoption of the plan of services.

C. Progress Report³⁴

Six months after the plan is adopted and then annually until it is fully implemented, the city must publish a report on the progress it has made in fulfilling the plan, and must hold a public hearing on the report. These reporting and hearing requirements, which are also contained in previous law, apply to any plan of services “which is not fully implemented.”

D. Amending a Plan of Services³⁵

A plan of services can be amended under limited conditions:

- (1) an occurrence such as a natural disaster, an act of war, terrorism, or other unforeseen circumstances beyond the control of city;
- (2) the amendment does not substantially or materially decrease the type or the level of services, or delay the provision of such services; or
- (3) the amendment has received approval in writing of a majority of the property owners by parcel in the annexed area.

Before any amendment, the city must hold a public hearing, giving at least 15 days notice.

E. Court Review of the Plan of Services³⁶

If the court finds the plan of services to be unreasonable or outside the city’s powers conferred by law, the city has 30 days to submit a revised plan of services. However, the city can by motion request to abandon the plan of services. In that case, it cannot annex by ordinance any part of the territory originally proposed for annexation for 24 months. The city cannot annex any territory by ordinance where the court has issued a decision adverse to a plan of services until the court determines the city is in compliance.

F. Enforcement of the Plan of Services³⁷

Any aggrieved property owner can sue the city to enforce the plan of services after 180 days following the date the annexation ordinance takes effect. A property owner can also challenge the legality of an amendment to the plan of services within 30 days following the adoption of the amendment. If an amendment is found unlawful, it is void and the prior plan of services is reinstated. The right to sue ends when the plan of services has been fulfilled.

The court has the duty to issue a writ of mandamus to compel the city to comply with the plan of services, to establish written timetables for the provision of services, and to enjoin the city from further annexations until the services called for in the plan of services have been provided to its satisfaction. The city must pay the costs of the suit if the court finds the city has unlawfully amended a plan or failed without cause to comply with a plan.

IV. INCORPORATION

A. Incorporation BEFORE Jan. 1, 1999³⁸

Prior to Jan. 1, 1999, new cities may be incorporated provided they meet the population and distance requirements contained in the general law charters. In addition, those incorporations must meet all of the requirements contained in Section C below, *Conditions that Apply to ALL Newly-Incorporated Cities*.

There are two exceptions to the general rule stated above that all new incorporations must meet general law population and distance requirements:

(1) Prior Incorporation Attempts

A second incorporation election is permitted for territories that attempted to incorporate under Public Acts 1997, Chapter 98, and Public Acts 1996, Chapter 666, (Midtown, Hickory Wythe, Walnut Grove, Helenwood, and Three Way). If the second incorporation election is successful, the new city in question has priority over any prior or pending annexation ordinance by any other municipality.

(2) Exception to the Five-Mile Distance Rule

The law allows territory to incorporate even though it may be within five miles of an existing municipality of 100,000, if the existing city adopts, by a two-thirds vote, a resolution indicating it has no desire to annex that territory. This provision allows for an incorporation attempt by Seymour, southeast of Knoxville in Knox and Sevier Counties.

There is no express time limit on when those special incorporation elections must be held, but apparently it is Jan. 1, 1999. Any such new city must also meet the requirements listed in Section C, below.

B. Incorporation AFTER Jan. 1, 1999

After Jan. 1, 1999, new cities may only be incorporated in a PGA.³⁹ The new law does not change the procedures for filing an incorporation petition as prescribed by the appropriate general law charter. The county legislative body must approve the corporate limits and the new UGB of the proposed city before the incorporation election can be held.⁴⁰ Note that after this date, there can be no new incorporations until after the growth plan is adopted.

C. Conditions that Apply to ALL Newly-Incorporated Cities

All newly-incorporated cities, including those incorporated under special provisions of the act, must meet the following conditions:

(1) Property Tax Required⁴¹

All new cities must levy a property tax that raises revenue at least equal to the annual revenues the city receives from state-shared taxes. The tax must be levied and collected before the city receives state shared taxes.

(2) County Revenue Held Harmless⁴²

The county continues to receive situs-based wholesale beer and local option sales tax revenue from businesses in the newly-incorporated area for 15 years in the same manner as if the territory had been annexed. (See Section V, Tax Revenue Implications of Annexation, below.) The county continues to receive all other situs-based state shared tax revenues until the beginning of the next fiscal year following the incorporation.⁴³

(3) No New City School Systems⁴⁴

The new city cannot establish a city school system. The same provision applies to existing cities that do not already have a school system.

(4) Plan of Services⁴⁵

The plan of services for a new incorporation is similar to the binding enforceable plan required under the act when a city annexes territory. Existing general law provisions previously required a plan for delivering services to be included with the incorporation proposal; these provisions have not been changed. The plan must be adopted by ordinance within six months of incorporation; before adoption it must be published in a newspaper of general circulation in the city. Citizens in the newly incorporated municipality have all the rights and remedies prescribed by *T.C.A. § 6-51-108* for plans of services for annexed areas, including:

- (a) the annual publication in a newspaper of general circulation in the city of a report on the progress in last year on fulfilling the plan of services, and any proposed changes;
- (b) a public hearing on the report by the city governing body; and
- (c) ability to obtain a writ of mandamus to compel the city to complete items (a) and (b).

The plan of services can be amended and enforced in the manner outlined in *Section III, Plans of Services in Annexed Areas*.

(5) Simplified Petition for Incorporation⁴⁶

T.C.A. § 6-1-202 is changed to clarify and simplify the petition for incorporation. The most significant change is that the petition must include the list of *registered voters* in the territory proposed for incorporation.

V. TAX REVENUE IMPLICATIONS OF ANNEXATION⁴⁷

For 15 years following any annexation or new incorporation, the county is “held harmless” for the loss of wholesale beer and local option sales tax revenues that would otherwise have gone to the city under prior law. This dollar amount for any annexed tax-generating property is referred to as “annexation date revenue.” Any increases over this amount are distributed to the annexing municipality. (Note that these provisions do not affect the distribution of the first half of the local option sales tax which continues to go to education funding.)

A. Formula for Distribution

The annexation date revenue is calculated as follows:

- If the business operated for a full 12 months before annexation, the county receives the monthly average for that period.
- If the business operated for at least one full month but fewer than 12 months before annexation, the county receives the monthly average of all full months of operation.
- If the business operated for less than a month before annexation, or if it began operation within three months of annexation, then the revenue for the first three months is averaged, and the county receives that amount.

B. Exceptions

- If the wholesale beer tax or the local option sales tax is repealed, revenue amounts from the repealed tax will end.
- If the General Assembly changes the formula for the distribution of wholesale beer or local option sales tax revenues, thereby reducing the amounts for local governments, the annexation date revenue will be reduced proportionally.
- A county may voluntarily waive rights to the revenue.
- If a business closes or relocates, thereby reducing tax revenues, the city may petition to the Department of Revenue no more than once annually for a proportional reduction.

C. County Responsibility

Upon annexation, each county is responsible for identifying tax-producing properties and providing a list of them to the Department of Revenue.

VI. MISCELLANEOUS PROVISIONS

A. Consolidation of City and County Governments⁴⁸

The new law allows the creation of a consolidation commission upon the petition of 10 per cent of the county's voters (previous law required the county and principal city to call for a consolidation commission). The law also specifies procedures for appointment of the consolidation commission. In any county in which a charter commission is created but the charter is not ratified by July 1, 2001, sanctions regarding grants are delayed for a year, until July 1, 2002.⁴⁹

B. Zoning Implications

(1) Restrictions on Municipal Planning Commission⁵⁰

(a) Municipal Planning Commissions *With* Extra-Territorial Zoning Authority:⁵¹

Municipal planning commissions which have been designated as the regional planning commission (and therefore have zoning authority beyond their city limits under *T.C.A. § 13-3-102*) retain this extra-territorial zoning authority; however, once the growth plan has been adopted, the city may not exercise planning and zoning authority beyond its UGB, even with this additional authority.

(b) Municipal Planning Commissions *Without* Extra-Territorial Zoning Authority:

A second method by which a city may establish zoning and subdivision regulations beyond its corporate limits (up to its UGB) is to obtain the approval of the county legislative body. Without such approval or the designation as a regional planning commission (described above), a city has no authority to zone beyond its city limits. The city is not authorized to zone beyond its UGB in either circumstance.⁵²

(2) Restrictions on City Zoning of Agricultural Land⁵³

A city cannot use its zoning power to interfere with the use of land presently being used for agricultural purposes.

(3) County Zoning in UGBs, PGAs, and RAs⁵⁴

Under the law, counties can "establish separate zoning regulations within a PGA, for territory within a UGB or within a RA." Since existing law permits cities to zone within their own boundaries, this provision applies in the UGB only to territory outside of municipal limits.

(4) County Services in Planned Growth Areas (PGAs)⁵⁵

Counties can provide or contract for services in a PGA and set a separate tax rate for such services. This provision evidently includes all types of governmental and proprietary services, including utilities.

C. Economic and Community Development Board⁵⁶

(1) Establishment and Purpose

A joint economic and community development board must be established by interlocal agreement under *T.C.A. § 5-1-113*. The purpose of the board is to foster communication among governmental entities, industry, and private citizens on economic and community development.

(2) Membership and Terms

The board is composed of representatives of local governments, private citizens, industry, and business. Membership is determined by the interlocal agreement, but must include the county executive, the mayor or city manager of “. . . the larger municipalities in the county,” and one landowner. In counties with multiple small municipalities, the interlocal agreement may provide for rotating terms among the smaller cities. Terms are to be staggered, except for the elected officials, whose terms are to correspond with their terms of elected office. No term can exceed four years.

(3) Executive Committee

The board selects an executive committee, but it must include the county executive and the mayors or city managers of the “larger municipalities in the county.”

(4) Meetings

The board must meet at least four times a year, and the executive committee must meet at least eight times a year.

(5) Funding

All local governments represented on the board fund the board’s activities according to a formula set out in the act. The formula uses the population in the federal decennial census, as adjusted by any special censuses occurring at least five years after the certification of the federal census results. The board may also accept donations, grants, and contracts from any source.

D. No New School Systems⁵⁷

Neither an existing municipality nor a newly incorporated one may establish a school system after the effective date of the act.

E. Monitoring and Reporting: Role of the Tennessee Advisory Commission on Intergovernmental Relations⁵⁸

Until December 31, 2002, TACIR will monitor the implementation of the act, periodically reporting its findings and recommendations to the General Assembly. TACIR may call upon state agencies, as well as local governmental officials and organizations for cooperation, information, and assistance.

ENDNOTES

¹ *Section 5(a), 1998 Public Chapter 1101.*

² *Section 5(a)(9)(B), 1998 Public Chapter 1101.*

³ *Section 5(a)(9)(A), 1998 Public Chapter 1101.*

⁴ *Section 4(a), 1998 Public Chapter 1101.*

⁵ *Section 7, 1998 Public Chapter 1101.*

⁶ *Section 7(a), 1998 Public Chapter 1101.*

⁷ *Section 7(b), 1998 Public Chapter 1101.*

⁸ *Section 7(c), 1998 Public Chapter 1101.*

⁹ *Section 5(a), 1998 Public Chapter 1101.*

¹⁰ *Section 5(a), 1998 Public Chapter 1101.*

¹¹ *Section 5(b), 1998 Public Chapter 1101.*

¹² *Section 5(b), 1998 Public Chapter 1101.*

¹³ *Section 5(d), 1998 Public Chapter 1101.*

¹⁴ *Section 5(e), 1998 Public Chapter 1101.*

¹⁵ *Section 8, 1998 Public Chapter 1101.*

¹⁶ *Section 6, 1998 Public Chapter 1101.*

¹⁷ *Section 10, 1998 Public Chapter 1101.*

¹⁸ *Section 11, 1998 Public Chapter 1101.*

¹⁹ *Section 9, 1998 Public Chapter 1101.*

²⁰ *Section 9(b)(5), 1998 Public Chapter 1101.*

²¹ Although current statutory language authorizes landowners bordering the territory proposed for annexation to bring suit to challenge the annexation, see State ex rel. Cordova Area Residents for the Env't v. City of Memphis, 862 S.W.2d 525 (Tenn. App. 1992), which states that bordering landowners do not have standing.

²² *Section 9(d), 1998 Public Chapter 1101.*

²³ *Section 12, 1998 Public Chapter 1101.*

²⁴ See Endnote 21, above.

²⁵ *Section 9(c), 1998 Public Chapter 1101.*

²⁶ *Section 9(d), 1998 Public Chapter 1101.*

²⁷ The ability of an aggrieved party to challenge a corridor annexation is discussed in the recent Supreme Court case of State of Tennessee ex rel. Earhardt v. City of Bristol, (June 22, 1998).

²⁸ *Section 9(e), 1998 Public Chapter 1101.*

²⁹ See Table 1 (below) for a listing of all Tennessee municipalities in more than one county.

³⁰ *Section 9(d), 1998 Public Chapter 1101.*

³¹ *Section 19, 20, and 21, 1998 Public Chapter 1101.*

³² *Section 19, 1998 Public Chapter 1101.*

³³ *Section 20, 1998 Public Chapter 1101.*

³⁴ *Section 21(a), 1998 Public Chapter 1101.*

³⁵ *Section 21(b), 1998 Public Chapter 1101.*

³⁶ *Section 20, 1998 Public Chapter 1101.*

³⁷ *Section 21(b), 1998 Public Chapter 1101.*

³⁸ *Section 9(f), 1998 Public Chapter 1101.*

³⁹ *Section 13(a)(1), 1998 Public Chapter 1101.*

⁴⁰ *Section 13(d)(1), 1998 Public Chapter 1101.*

⁴¹ *Section 13(c), 1998 Public Chapter 1101.*

⁴² *Section 13(c), 1998 Public Chapter 1101.*

⁴³ *1998 Public Chapter 651.*

⁴⁴ *Section 13(c), 1998 Public Chapter 1101.*

⁴⁵ *Section 13(d)(2), 1998 Public Chapter 1101.*

⁴⁶ *Section 28, 1998 Public Chapter 1101.*

⁴⁷ *Section 24, 1998 Public Chapter 1101.*

⁴⁸ *Section 18, 1998 Public Chapter 1101.*

⁴⁹ *Section 4(b), 1998 Public Chapter 1101.*

⁵⁰ *Section 25, 1998 Public Chapter 1101.*

⁵¹ *T.C.A. § 13-3-102, as amended by Section 25 of 1998 Public Chapter 1101.* This statute, along with *T.C.A. § Title 13, Chapter 7, Part 2*, allows a city planning commission which has been designated a

regional planning commission (under the procedures of *Title 13, Chapter 3*) to zone within its UGB or, if there is no UGB, up to five mile beyond its city limits. The city may be granted regional zoning authority only if the county has not adopted zoning; if the county subsequently adopts zoning after such designation of the regional planning commission, then the city's extra-territorial zoning authority is automatically repealed. *T.C.A. §§ 13-7-302 and 306.*

⁵² *Section 7(d), 1998 Public Chapter 1101.*

⁵³ *Section 22, 1998 Public Chapter 1101.*

⁵⁴ *Section 13(a), 1998 Public Chapter 1101.*

⁵⁵ *Section 13(a), 1998 Public Chapter 1101.*

⁵⁶ *Section 15, 1998 Public Chapter 1101.*

⁵⁷ *Section 13(c), 1998 Public Chapter 1101.*

⁵⁸ *Section 14, 1998 Public Chapter 1101.*

Table 1. Cities/Towns in More than One County

The following table lists all Tennessee municipalities that are in more than one county. Those cities that meet the 7 percent population requirement in the non-city hall county and thus, can annex in the second county, appear with an asterisk (*). The population distribution percentages are drawn from the 1990 Census, which is the only source for this data. The total population figures, however, are the 1997 Certified Population figures produced by the Local Planning Assistance Office in the Department of Economic and Community Development. A few cities on the list may now meet the 7 percent requirement through population growth in their second county areas. Absent a special census, there is no way to determine this, and the new law is silent on what source of information is to be used for such decisions.

Sources: Population Percentage by County: 1990 Census Population

1997 Certified Population: Local Planning Assistance Office

(= Can annex in the second & third county, except Oliver Springs in Morgan County)*

City (City Hall County)	Total Pop	County 1	%	County 2	%	County 3	%
Enville (Chester)	244	Chester	100.0	McNairy	0.0		
*Goodlettsville (Davidson)	12,526	Davidson	73.0	Sumner	27.0		
Grand Junction (Hardeman)	365	Hardeman	99.0	Fayette	1.0		
Iron City (Lawrence)	402	Lawrence	100.0	Wayne	0.0		
Johnson City (Washington)	52,739	Washington	98.0	Carter	1.8	Sullivan	0.2
*Kenton (Obion)	1,397	Obion	44.0	Gibson	56.0		
Kingsport (Sullivan)	41,338	Sullivan	93.9	Hawkins	6.1		
Lake City (Anderson)	2,166	Anderson	96.0	Campbell	4.0		
McKenzie (Carroll)	5,197	Carroll	96.0	Henry	2.1	Weakley	1.9
*Milledgeville (McNairy)	290	McNairy	52.7	Hardin	15.1	Chester	32.2
*Monteagle (Grundy)	2,562	Grundy	61.0	Marion	39.0		
*Oak Ridge (Anderson)	27,310	Anderson	91.0	Roane	9.0		
*Oliver Springs (Roane)	3,433	Roane	28.5	Anderson	70.0	Morgan	1.5
*Petersburg (Lincoln)	612	Lincoln	71.0	Marshall	29.0		
Ridgetop (Robertson)	1,843	Robertson	95.5	Davidson	4.5		
*Scotts Hill (Henderson)	699	Henderson	65.0	Decatur	35.0		
Silerton (Hardeman)	102	Hardeman	98.0	Chester	2.0		
Spring Hill (Maury)	4,357	Maury	100.0	Williamson	0.0		
Trimble (Dyer)	766	Dyer	100.0	Obion	0.0		
Tullahoma (Coffee)	16,761	Coffee	94.0	Franklin	6.0		
*White House (Sumner)	5,594	Sumner	43.0	Robertson	57.0		

**Table 2. TIMETABLE
1998 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.