

TITLE 5

MUNICIPAL FINANCE AND TAXATION<sup>1</sup>

CHAPTER

1. MISCELLANEOUS.
2. ADEQUATE FACILITIES TAX.
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CHAPTER 1

MISCELLANEOUS

SECTION

- 5-101. Official depository for town funds.
- 5-102. Fiscal year.
- 5-103. Depository for town funds.

5-101. Official depository for town funds. The First Tennessee Bank is hereby designated as the official depository of funds for the Town of Nolensville. (Ord. #96-03, Oct. 1996)

5-102. Fiscal year. The fiscal year of the town is hereby fixed and determined to commence on the first day of July of each year. (Ord. #96-02, Oct. 1996)

5-103. Depository for town funds. Peoples State Bank of Commerce is designated as a depository of various funding for the Town of Nolensville. (as added by Ord. #06-20, Oct. 2006)

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<sup>1</sup>Charter references

For specific charter provisions on depositories of municipal funds, see Tennessee Code Annotated, § 6-4-402.

CHAPTER 2

ADEQUATE FACILITIES TAX

SECTION

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5-201. Short title. This chapter shall be known and cited as the Town of Nolensville Adequate Facilities Tax. (Ord. #98-13, May 1998)

5-202. Purpose. It is the intent and purpose of this chapter to authorize the governing body of the Town of Nolensville to impose a tax on new development within the municipality, payable at the time of issuance of a building permit, so as to ensure and require that the person responsible for new development share in the cost of public facilities necessary to serve the residents of Nolensville. (Ord. #98-13, May 1998)

5-203. Findings. The Town of Nolensville hereby finds and declares that:  
(1) Williamson County, Tennessee, has been one of the fastest growing counties in the state for the past fifteen (15) years, having been impacted by the rapid growth in the standard metropolitan area of Nashville.

(2) Anticipated continued growth from the expansion of Nashville and Williamson County is expected to accelerate due to the continuing location of commercial businesses and families in the Middle Tennessee area, and from other factors; and

(3) Current projections show that:

(a) County population will be one hundred forty five thousand four hundred (145,400) persons in the year 2010, an increase of fifty-five percent (55%) from 1990; there will be a demand for additional dwelling units between 1990 and 2010; and new residential and non-residential

development will consume an additional number of acres of land in Williamson County and Nolensville.

(b) The projected growth and land use development within these municipalities will cause a demand for municipal capital facilities (roads, parks, city governmental facilities, etc.) over the next fifteen (15) years. Anticipated revenue increases required will be \$50,000 for 1999, \$85,000 for 2000, \$120,000 for 2001, \$120,000 for 2002, \$90,000 for 2003, and \$60,000 for 2004.

(4) The municipality is committed, both to present and future residents, to maintaining a level of public facilities and services commensurate with those presently provided.

(5) The municipality is prepared to impose a fair, equitable and reasonable share of the costs of providing the necessary public facilities and services on existing residents of the municipality.

(6) The municipality's present population, employment base, tax base and budget cannot alone support the additional revenues needed to supply facilities to serve new growth without a substantial increase in the property tax rate on existing development.

(7) The municipality has adopted by resolution a capital improvements program indicating the need for and the cost of public facilities anticipated to be funded, in part, by this tax.

(8) Due to these unique circumstances, it is necessary and appropriate that the Town of Nolensville utilize the authority granted by the Legislature of the State of Tennessee to impose an adequate facilities tax on the privilege of engaging in the business of development.

(9) The tax herein imposed is in compliance with chapter 100, Private Acts of 1997.<sup>2</sup> (Ord. #98-13, May 1998)

5-204. Authority. This chapter is imposed under the charter powers of the Town of Nolensville, Tennessee, and under the authority conferred on the municipality to levy an adequate facilities tax on the privilege of engaging in development by chapter 100, Tennessee Private Acts 1997. (Ord. #98-13, May 1998)

5-205. Definitions. As used in this chapter, unless a different meaning appears from the context:

(1) "Building" means any structure built for the support, shelter, or enclosure of persons, chattels, or movable property of any kind; the term includes a mobile home. This term will not pertain to buildings used for agricultural purposes.

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<sup>2</sup>See page C-39 of this code for the complete text of Priv. Acts 1997, ch. 100.

(2) "Building permit" means a permit for development issued in the Town of Nolensville.

(3) "Capital improvement program" means a proposed schedule of future projects, listed in order of construction priority, together with cost estimates and the anticipated means of financing each project. All major projects requiring the expenditure of public funds, over and above the annual local government operating expense, for the purchase, construction, or replacement of the physical assets of the community are included.

(4) "Certificate of occupancy" means a license for occupancy of a building or structure issued in the Town of Nolensville.

(5) "Development" means the construction, building, reconstruction, erection, extension, betterment, or improvement of land providing a building or structure or the addition to any building or structure, or any part thereof, which provides, adds to or increases the floor area of a residential or non-residential use.

(6) "Dwelling unit" means a room, or rooms connected together constituting a separate, independent housekeeping establishment for owner occupancy, rental or lease on a daily, weekly, monthly, or longer basis; physically separated from any other room(s) or dwelling units which may be in the same structure; and containing independent cooking and sleeping facilities.

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

(b) "Floor area" for residential development means the total or the gross horizontal area of all floors, including basements, cellars, or attics which is heated and/or air-conditioned living space, or designed to be finished into heated and/or air-conditioned living space at a future date.

(8) "General plan" means the official statement of the municipal planning commission which sets forth major policies concerning the future development of the jurisdictional area and meeting the provisions set forth in Tennessee Code Annotated, §§ 13-3-301, 13-3-303, and 13-4-302. For the purposes of this chapter only, a general plan may consist solely of the land development plan element which sets out a plan or scheme of future land usage.

(9) "Governing body" means the municipal governing body of the Town of Nolensville.

(10) "Major street or road plan" means the plan adopted by the municipal planning commission, pursuant to Tennessee Code Annotated,

§§ 13-4-401, and 13-4-302, showing among other things, "the general location, character, and extent of public ways (and) the removal, relocation, extension, widening, narrowing, vacating, abandonment or change of use of existing public ways";

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

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

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

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

(15) "Public facility or facilities" means a physical improvement undertaken by the county or city, including, but not limited to the following: roads and bridges, parks and recreational facilities, jail and law enforcement facilities, schools, libraries, government buildings, fire stations, sanitary landfills, water, wastewater and drainage projects, airport facilities and other government capital improvements benefitting the citizens of the county and/or city.

(16) "Residential" means the development of any property for a dwelling unit or units. (Ord. #98-13, May 1998)

5-206. Tax levy. There is hereby levied a tax on each person engaging in the business of development in the municipality, which tax is to be paid at the time of application for a building permit for development, as provided in § 5-209.

Tax Rate Schedule

New residential development	\$1.00 per gross square foot of floor area
New non-residential development	\$2.00 per gross square foot of floor area

(Ord. #98-13, May 1998, as amended by Ord. #99-24, Sept. 1999; and Ord. #04-14, April 2005)

5-207. Prohibition of issuance of building permit. No building permit for development shall be issued within the municipality unless the tax has been paid in full to the municipality, as provided in § 5-209. (Ord. #98-13, May 1998)

5-208. Exemptions from tax. No tax shall be assessed or collected for the development of:

- (1) Public buildings.
- (2) Places of worship.
- (3) Barns or outbuildings used for agricultural purposes.
- (4) Replacement structures for previously existing structures destroyed by fire or other disaster.

(5) Additions to a single family dwelling.

(6) A structure owned by a non-profit corporation which is qualified 501(c)(3) corporation under the Internal Revenue code.

(7) Permanent residential structures replacing mobile homes where the mobile home is removed within thirty (30) days of the issuance of the certificate of occupancy for the permanent residential structure, provided that the permanent structure is a residence for the owner and occupant of the mobile home and that owner and occupant has resided on the property for a period of not less than three (3) years.

(8) Buildings which either have previously had a privilege tax paid upon them, or which have been continuously occupied by the individual(s) making application for three (3) years immediately preceding the date of application for a building permit, and which are moved from on site within the municipality to another site within the municipality, provided that no new building replaces the building moved. If a new building is to be placed on the site, then the person(s) having (a) paid the privilege tax for the building which originally occupied the site, or (b) otherwise qualified in accordance with provisions herein for exemption from paying the privilege tax, will be given first right to the exemption. Payment of the privilege tax would take precedence. The other building would then be required to pay the privilege tax. (Ord. #98-13, May 1998)

5-209. Collection of tax. (1) Each applicant for a building permit for development, as herein defined, shall state on a form provided by the municipality, the proposed use (residential or non-residential) and the amount of gross square footage of floor area contained in the development for which the permit is sought.

(2) The municipal official designated in the administrative guidelines shall calculate the tax due on the development and collect such tax prior to acceptance of the application for the permit.

(3) In its sole discretion, the municipality may permit a person engaging in the business of development to defer payment of the tax due until the time for issuance of the building permit. (Ord. #98-13, May 1998)

5-210. Use and segregation of tax funds. All tax funds collected within the municipality as authorized herein, shall be deposited and accounted for in a special revenue or capital projects fund, and shall be used for the purpose of

public facilities to serve the residents of the municipality. (Ord. #98-13, May 1998)

5-211. Authority to amend. The municipality may, from time to time, amend the tax herein imposed on development, based upon adoption of a revised capital improvements program. (Ord. #98-13, May 1998)

5-212. Protest of tax. Any person aggrieved by the decision of the municipal building official or other responsible official concerning any aspect of chapter 100, Private Acts of 1997 or this chapter may obtain a review of the official's decision in the manner provided in said act. (Ord. #98-13, May 1998)

5-213. Additional authority. The authority to impose this privilege tax on new developments within the municipality is in addition to all other authority to impose taxes, fees, assessments, or other revenue-raising or land development regulatory measures granted either by the private or public acts of the State of Tennessee and the imposition of such tax, in addition to any authorized tax, fee, assessment or charge, shall not be deemed to constitute double taxation. (Ord. #98-13, May 1998)

5-214. Non-repealer. The provisions of this chapter shall in no manner repeal, modify, or interfere with the authority granted by any other public or private law applicable to the Town of Nolensville. Chapter 100, Private Acts of 1997 and this chapter shall be deemed to create an additional and alternative method for the municipality to impose and collect taxes for the purpose of providing public facilities within the municipality. (Ord. #98-13, May 1998)

CHAPTER 3

PURCHASING

SECTION

5-301. Purchasing agent.

5-302. Public advertisement and competitive bidding.

5-301. Purchasing agent. (1) As provided in Tennessee Code Annotated, § 6-56-201, et seq., the office of purchasing agent is hereby created and the mayor and/or town recorder shall faithfully discharge the duties of said office or appoint an individual to make purchases for the town. Purchases shall be made in accordance with the Municipal Purchasing Law of 1983 and amendments thereto, this chapter and purchasing procedure approved by the governing body.

(2) The purchasing agent, or designated representative, as provided herein, shall purchase materials, supplies, services, and equipment, provide for leases and lease-purchases and dispose of surplus property in accordance with purchasing procedures approved by the governing body and filed with the town recorder.

(3) After initial approval by resolution of the governing body of this town, changes or revisions to the purchasing procedures shall be made only by resolution. (Ord. #96-14, Jan. 1997)

5-302. Public advertisement and competitive bidding. Public advertisement and competitive bidding shall be required for the purchase of all goods and services exceeding an amount of ten thousand dollars (\$10,000.00) except for those purchases specifically exempted from advertisement and bidding by the Municipal Purchasing Act of 1983. (Ord. #97-02, March 1997, as amended by Ord. #99-17, Sept. 1999)