

R E S O L U T I O N

BE IT RESOLVED by the Board of Mayor and Aldermen of the Town of Spring Hill, Tennessee:

1. The Board does hereby find and determine that it is wise, expedient, necessary or advisable that an Industrial Development Board be formed.

2. That Clyde Farmer, R. B. Toone and Charles Buford, who have made application to this Board for the incorporation of the Industrial Development Board of the Town of Spring Hill are hereby authorized to proceed to form such corporation.

3. The form of the Certificate of Incorporation attached to the Application and made a part thereof is hereby approved.

This Resolution is adopted pursuant to §7-53-201 of Tennessee Code Annotated.

Passed and adopted this 6th day of August, 1985.

  
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MAYOR

  
\_\_\_\_\_  
RECORDER

APPLICATION TO THE BOARD OF MAYOR AND ALDERMEN OF THE  
TOWN OF SPRING HILL, TENNESSEE

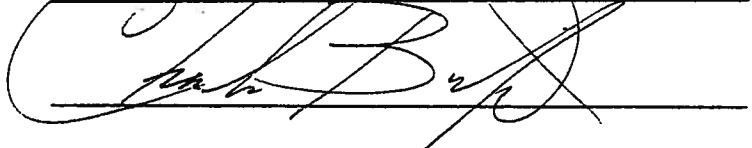
The undersigned, each of whom is a duly qualified elector of and taxpayer in the Town of Spring Hill, Tennessee, hereby seek permission from the Board of Mayor and Aldermen for the incorporation of an Industrial Development Board of the Town of Spring Hill. This application is made pursuant to §7-53-201 of Tennessee Code Annotated for the purpose of the incorporation of a public corporation to finance, acquire, own, lease and/or dispose of properties to the end that the corporation may be able to maintain and increase employment opportunities and increase the quantity of housing available in affected municipalities by promoting industry, trade, commerce, tourism, recreation and housing construction by inducing manufacturing, industrial, governmental, educational, financial, service, commercial and recreational enterprises to locate in or to remain in this State and further the use of its agricultural products and resources and for all other purposes set forth in §7-53-102 of said Code, a copy of which is attached to this Application.

There is also attached to this Application the proposed Charter of Incorporation, which is hereby made a part of this Application.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands on this the 6 day of August, 1985.

  
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CLYDE FARMER

  
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R. B. GOVE

  
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R. B. GOVE

Sections 7-53-101 — 7-53-311 are referred to in §§ 13-16-203, 13-16-204, 13-16-206.

Law Reviews. Business Associations — 1959 Tennessee Survey, 12 Vand. L. Rev. 1079.

Business Associations — 1961 Tennessee Survey (Kenneth L. Roberts), 14 Vand. L. Rev. 1141.

Financing Industrial Development in the South, 14 Vand. L. Rev. 621.

Comparative Legislation. Industrial development corporations:

Ala. Code §§ 11-54-80 — 11-54-101.

Ark. Stat. Ann. §§ 20-1601 — 20-1634.

Ga. Code Ann. §§ 69-1501 — 69-1510.

Ky. Rev. Stat. Ann. §§ 155.001 — 155.200.

Miss. Code Ann. §§ 57-5-1 — 57-5-23.

Mo. Rev. Stat. §§ 100.010 — 100.520.

N.C. Gen. Stat. §§ 123A-1 — 123A-27.

Va. Code §§ 15.1-1400 — 15.1-1499.

#### NOTES TO DECISIONS

##### 1. Constitutionality.

This act is not in violation of art. 2, §§ 17 or 28 of the Tennessee Constitution. *West v. Industrial Dev. Bd.*, 206 Tenn. 154, 332 S.W.2d 201 (1960).

Acts 1965, ch. 344 which amended this section by adding "any planetarium and/or museum" to definition of project and whose title referred to the code section amended did not violate Tenn. Const., art. 2, § 17. *Industrial Dev. Bd. v. First U.S. Corp.*, 219 Tenn. 156, 407 S.W.2d 457 (1966).

Planetariums and museums were public purposes under Tenn. Const., art. 2, § 28 and

Acts 1965, ch. 344 adding those terms to definition of "project" in this section did not violate such constitutional provision. *Industrial Dev. Bd. v. First U.S. Corp.*, 219 Tenn. 156, 407 S.W.2d 457 (1966).

An inducement contract between the industrial development corporation and department store engaged in selling merchandise at retail is covered by this act and does not violate Tenn. Const., art. 2, § 28 or art. 11, § 8. *Small World and Industrial Dev. Bd.*, 553 S.W.2d 596 (Tenn. App. 1976).

Collateral References. Municipal Corporations ⇔ 40.

**7-53-102. Purposes of chapter — Construction.** — (a) It is the intent of the legislature by the passage of this chapter to authorize the incorporation in several municipalities in this state of public corporations to finance, acquire, own, lease, and/or dispose of properties to the end that such corporations may be able to maintain and increase employment opportunities and increase the quantity of housing available in affected municipalities by promoting industry, trade, commerce, tourism and recreation and housing construction by inducing manufacturing, industrial, governmental, educational, financial, service, commercial and recreational enterprises to locate in or remain in this state and further the use of its agricultural products and natural resources, and to vest such corporations with all powers that may be necessary to enable them to accomplish such purposes. It is further the intent of the legislature to promote the control and elimination of all types of pollution which may result from the existence, development or expansion of commerce and industry within this state and which are essential to the economic growth of the state and to the full employment and prosperity of its citizens, but are accompanied by the increased use of processes and facilities and the increased production and discharge of noise, and gaseous, liquid and solid waste which threaten and endanger the health, welfare and safety of the citizens of the state by polluting the air, land and waters of the state. Therefore, the legislature finds and

(SEE TABLE IN FRONT OF THIS VOLUME FOR CHANGES IN SECTION NUMBERING)

determines that in order to reduce, control and prevent such environmental pollution, it is imperative that action be taken at various levels of government to require acquisition and installation of devices, equipment and facilities for the collection, reduction, treatment, and disposal of such wastes and pollutants and that such actions heretofore or hereafter taken be effectively coordinated; that the cost of such acquisition and installation, if required to be assumed and paid by private enterprises without public assistance, would be unduly burdensome and would discourage or prevent their location in the state and would jeopardize their continued operation in the state; and that the assistance provided in this chapter, especially with respect to financing, is therefore in the public interest and serves a public purpose of the state in promoting the health, welfare and safety of the citizens of the state not only physically by reducing, controlling and preventing environmental pollution but also economically by the securing and retaining of private enterprises and the resulting maintenance of a higher level of employment and economic activity and stability and to vest such corporations with all powers that may be necessary to accomplish such purposes. It is not intended hereby that any such corporation shall itself be authorized to operate any such manufacturing, industrial, governmental, educational or commercial enterprise, hotel, motel or apartment building or pollution control facility.

(b) This chapter shall be liberally construed in conformity with the said intention.

(c) The statement of public policy set forth in § 3 of chapter 209 of the Public Acts of 1955 is hereby incorporated into and made a part of this chapter, and it is hereby determined and declared that the means provided by this chapter are needed to relieve the emergency created by the continuing migration from Tennessee of a large number of its citizens in order to find employment elsewhere and to control and eliminate all types of pollution within the state. [Acts 1955, ch. 210, § 2; 1959, ch. 222, § 2; 1961, ch. 285, § 2; 1969, ch. 55, § 2; 1971, ch. 304, § 2; 1973, ch. 304, § 2; 1974 (Adj. S.), ch. 587, § 2; 1976 (Adj. S.), ch. 515, § 2; 1978 (Adj. S.), ch. 739, §§ 3, 4; T.C.A., § 6-2802.]

Compiler's Notes. Acts 1955, ch. 209, § 3 referred to hereinabove is set forth as a note to § 6-55-101.

Law Reviews. Municipal Industrial Development Bonds (Alfred E. Abbey), 19 Vand. L. Rev. 25.

### NOTES TO DECISIONS

#### ANALYSIS

1. Public purpose.
2. —Taxation exemption.

#### 1. Public Purpose.

The issuance of first mortgage revenue bonds for construction and lease of a retail department store in order to increase business activity within the city concerned was valid, even though it resulted in the promotion of a private corporation. *Small World, Inc. v. Industrial Dev. Bd.*, 553 S.W.2d 596 (Tenn. Ct. App. 1976).

#### 2. —Taxation Exemption.

Property held pursuant to this chapter falls within the exception to the taxation requirement of Tenn. Const., art. 2, § 28, since the city holds the property concerned for a public purpose, that of promoting industry and developing trade to provide against low wages and unemployment. *Small World, Inc. v. Industrial Dev. Bd.*, 553 S.W.2d 596 (Tenn. Ct. App. 1976).

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