



**CLARKSVILLE CITY COUNCIL
SPECIAL SESSION
APRIL 18, 2016**

MINUTES

CALL TO ORDER

A special session of the Clarksville City Council was called to order by Mayor Kim McMillan on Monday, April 18, 2016, at 4:35 p.m. in City Council Chambers, 106 Public Square, Clarksville, Tennessee.

A prayer was offered by Councilman Wallace Redd; the Pledge of Allegiance was led by Councilman Geno Grubbs.

ATTENDANCE

PRESENT: Richard Garrett (Ward 1), Deanna McLaughlin (Ward 2), Wallace Redd (Ward 4), Wanda Smith (Ward 6), Geno Grubbs (Ward 7), Joel Wallace, Mayor Pro Tem (Ward 9), Jeff Burkhart (Ward 12)

ABSENT: James Lewis (Ward 3), Valerie Guzman (Ward 5), David Allen (Ward 8), Mike Alexander (Ward 10), Bill Powers (Ward 11)

TAX INCREMENT FINANCING

Mayor McMillan informed the City Council that the City of Clarksville was not involved in drafting the TIF plan that was being proposed by Montgomery County. She said the City was included in the original proposal, but was removed during the Montgomery County Commission's recent voting session.

Mayor McMillan introduced Attorney Tom Trent, Bradley Arant Boult Cummings, LLC, from Nashville, Tennessee, who was representing the City of Clarksville in this matter. Mr. Trent said Industrial Development Board (IDB) Tax Increment Financing (TIF) plans are generally for project financing which is repaid from an incremental increase in property taxes. He said a TIF is new money added to the previous year's tax rate.

Mr. Trent said the County's attorney had indicated that Montgomery County would like the City to participate in this proposed TIF. He said the IDB would be the borrower and a developer would be responsible for the TIF financing. The TIF would be repaid by the IDB's pledge of tax increment revenues arising from a defined area for a specific period of time. A plan would require identification of a specific geographical area and specific projects.

Approximately 39 acres, mostly downtown, were identified in the Montgomery County plan. All of the incremental increases in property taxes would be above 2015 taxes, not limited to real property taxes and including personal property taxes. The amount per project would be limited to the lesser of 15% of the project cost or \$3 million. A project would be required to have a capital investment of at least \$1 million.

Mr. Trent noted the County's plan would allocate 10% of the proposed increment to Montgomery County for maintenance and improvement of the Civic Plaza, but the City would have no input. He said if the City were to participate in this proposal, the County and the IDB would have control of all property tax incentives for the designated area. A TIF plan would require approval by both governing bodies, following a public notice and public hearing, if the City were to participate.

ADOURNMENT

Councilwoman McLaughlin, Councilman Garrett, Councilman Redd, and Councilman Wallace left the meeting at approximately 5:38 p.m. No official action was taken.

The meeting was adjourned at 5:48 p.m.