

LOUDON COUNTY COMMISSION WORKSHOP

Monday, October 17, 2016

County Office Building

IMMEDIATELY FOLLOWING SPECIAL CALLED MEETING

- 1. Comments by Members of the General Public**

- 2. Loudon County Mayor, Buddy Bradshaw**
 - A. PILOT Agreement with Overlook Assisted Living in Lenoir City
 - B. Property at Greenback School
 - C. Rosemary Quillen - CASA Funding

- 3. Rachel Baker**
 - A. Tourism Update

- 4. Loudon County Planning Director, Laura Smith**
 - A. Planned Unit Developments

- 5. Loudon County Budget Director, Tracy Blair**
 - A. Budget Committee Meeting Update

- 6. Adjournment**

PAYMENT IN LIEU OF TAX (“PILOT”) AGREEMENT

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THIS AGREEMENT is hereby entered into by and between OVERLOOK SENIOR CITIZENS HOUSING OF KNOX COUNTY, INC. (“the Property Owner), a Tennessee not-for-profit corporation, the CITY OF LENOIR CITY, TENNESSEE (the “City”) and LOUDON COUNTY, TENNESSEE (the “County”) (together with the City, the “Local Governing Entities”), with reference to a parcel of property located at 200 Dogwood Terrace, Lenoir City, TN 37771, identified as CM 020B, Group C, Parcel 045.00, SI 000 on the Tax Map of Loudon County (the “Subject Property”).

WHEREAS, Tennessee Code Annotated § 67-5-207 provides an exemption from local ad valorem taxes for any portion of real and personal property, owned by a qualifying Tennessee not-for-profit corporation, that is used for permanent housing of low income persons with disabilities, or low income elderly or handicapped persons, and financed by grants or loans as provided in T.C.A. § 67-5-207(a)(1); and,

WHEREAS, said legislation requires payments in lieu of taxes projects exceeding twelve (12) units; and,

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Effective Date. The effective date shall be the effective date of the exemption as determined by the Tennessee State Board of Equalization (the “Board”), by and through its designee, unless the determination of the Board is appealed. Should the Board’s determination, as made by its designee, be appealed, the effective date shall be the effective date, if any, as established at the conclusion of the matter.

Section 2. Obligation of the Property Owner. The Property Owner represents and warrants to the Local Governing Entities that it meets all qualifications set forth in T.C.A. § 67-

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5-297 to receive the benefit of this PILOT Agreement ("Agreement"), and it acknowledges these representations and warranties are a material term and condition of the Local Governing Entities executing this Agreement. The Property Owner shall pay to the Local Governing Entities, as payment in lieu of taxes, a sum equivalent to twenty-five percent (25%) of the amount of ad valorem tax that would otherwise be due if the Subject Property were not exempt under T.C.A. § 67-5-207.

Section 3. Annual Payment. Payments made pursuant to this Agreement will be due and payable to the City and County at the same time and in the same manner as ad valorem taxes.

Section 4. Term. This Agreement will remain in effect for only as long as the Property Owner is entitled to an exemption from real and personal property taxation under T.C.A. § 67-5-207.

Section 5. Scope. Any portion of Subject Property that does not qualify for exemption will be subject to ad valorem taxes.

Section 6. Remedies for Default. Should the Property Owner fail to timely pay to the Local Governing Entities the payment in lieu of taxes, the Local Governing Entities shall have all remedies available to the Local Governing Entities for the collection of real property taxes. The Property Owner agrees that all unpaid in lieu of tax payments shall bear interest in the same amount as unpaid real property taxes pursuant to T.C.A. § 67-1-101, et seq.

Section 7. Miscellaneous.

(a) Severability. If a court of competent jurisdiction holds that one or more clauses, sections or provisions of this Agreement are unlawful, invalid or unenforceable, the parties

hereto agree that all remaining clauses, sections and provisions shall continue in full force and effect.

(b) Applicable Law. The parties agree that this Agreement is executed in and is to be performed in the State of Tennessee, and that all provisions of this Agreement and any dispute arising hereunder shall be governed by the laws of the State of Tennessee.

(c) Successor and Assigns. The provisions of this Agreement shall inure to the benefit of and shall be binding on the respective successors and assigns of the parties hereto.

(d) Amendment. This Agreement is subject to modification, alteration, amendment or change only upon the mutual agreement of the parties. Any such amendment will become effective only after approval by the Local Governing Entities and Property Owner, reduced to writing and signed by the parties hereto..

(e) Entire Agreement. This Agreement constitutes the totality of the agreement between the parties pertaining to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no warranties, representations, or other agreements between the parties in connection with the subject matter hereof except as set forth specifically herein..

IN WITNESS WHEREOF, the Local Governing Entities and the Owner have respectively executed this Agreement this _____ day of _____, 2016.

CITY OF LENOIR CITY, TENNESSEE

ATTEST: _____

(Seal) _____
Name: _____
Title: _____

LOUDON COUNTY, TENNESSEE

ATTEST: _____

(Seal) _____
Name: _____
Title: _____

OVERLOOK SENIOR CITIZENS HOUSING OF KNOX COUNTY, INC.
a Tennessee nonprofit corporation

By: _____
Susan Luker, President