

Document: Tenn. Code Ann. § 7-53-302

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7-53-302. Corporate powers – Meetings public.

(a) The corporation has the following powers, together with all powers incidental to such powers or necessary for the performance of those powers, to:

- (1) Have succession by its corporate name for the period specified in the certificate of incorporation, unless sooner dissolved;
- (2) Sue and be sued and prosecute and defend, at law or in equity, in any court having jurisdiction of the subject matter and of the parties;
- (3) Have and use a corporate seal and alter the corporate seal at pleasure;
- (4) Acquire, whether by purchase, exchange, gift, lease, or otherwise, and improve, maintain, equip and furnish one (1) or more projects, including all real and personal properties the board of directors of the corporation may deem necessary in connection with the projects and regardless of whether or not any such projects shall then be in existence; provided, that no hotel, motel or apartment building shall be purchased or otherwise acquired by a corporation under this subdivision (a)(4) after July 1, 1988, except that this proviso shall not affect the development or financing of any project that is located in a center city area or in a central business improvement district and that involves an apartment or residential building, hotel, motel or of any project acquired prior to July 1, 1988, regardless of when such project is completed, nor shall this proviso be construed to impair, limit, abrogate or modify the contractual

rights and obligations that any such corporation assumes with the issuance of any bonds, notes or other forms of indebtedness or any other contract, nor shall this proviso apply to any hotel listed in the National Register of Historic Places acquired by the corporation prior to December 31, 1989, nor shall this proviso apply to any hotel that contains conference or convention center facilities containing at least seventy-five thousand square feet (75,000 sq. ft.), nor shall this proviso apply to any hotel or hotels, and related conference, mixed use or convention center facilities, if any, constructed in connection with a project or series of related projects involving an aggregate investment of public and private funds in excess of two hundred million dollars (\$200,000,000), nor shall this proviso apply to any project located in a county having a population greater than nine hundred thousand (900,000), according to the 2010 federal census or any subsequent federal census, nor shall this proviso apply to any project described in § 7-53-101(15)(E), nor shall this proviso apply to any apartment building or buildings, including, but not limited to, affordable and workforce housing, as those terms are defined in § 5-9-113, to be occupied, in whole or in part, by persons of low to moderate income, elderly, or handicapped persons as may be determined by the board of directors, which determination shall be conclusive;

(5) Lease to others one (1) or more projects and charge and collect rent for the projects and terminate any such lease upon the failure of the lessee to comply with any of the obligations of such lease; and include in any such lease, if desired, a provision that the lessee of the projects shall have options to purchase any or all of its projects or that upon payment of all of the indebtedness of the corporation it may lease or convey any or all of its projects to the lessee of the projects with or without consideration, and to enter into amendments to such leases, which amendments, among other things, may provide for extending the terms of such leases, amending or extending any payments in lieu of taxes due under the leases, subject to any applicable limitations provided in § 7-53-305(b), and amending or extending any rents or other payments due under the leases;

(6) Sell to others one (1) or more projects for such payments and upon such terms and conditions as the board of directors of the corporation may deem advisable, in accordance with sale contracts entered into pursuant to this chapter;

(7) Enter into loan agreements with others with respect to one (1) or more projects for such payments and upon such terms and conditions as the board of directors of the corporation may deem advisable, in accordance with this chapter;

(8) Sell, exchange, donate and convey any or all of its properties, including, without limitation, all or any part of the rents, revenues and receipts of the corporation from its projects, whenever its board of directors shall find any such action to be in

furtherance of the purposes for which the corporation was organized;

(9) Issue its bonds, and otherwise borrow money from banks or other financial institutions by issuing its notes for the purpose of carrying out any of its powers;

(10) Borrow money from a municipality through a loan agreement executed with a municipality for the purpose of carrying out any of its powers;

(11) As security for the payment of the principal of and interest on any bonds or notes so issued and any agreements made in connection with the bonds or notes, or to secure any indebtedness or obligations of any lessee of the corporation, mortgage and pledge any or all of its projects or any part or parts of the projects, whether then owned or thereafter acquired, and pledge the revenues and receipts from any projects, or assign and pledge all or any part of its interest in and rights under the leases, sale contracts or loan agreements relating to the projects, including, without limitation, the pledging and/or assignment and pledging of all or any part of the rents, revenues and receipts of any project as security for payment of any bonds or notes of the corporation issued with respect to the project, or any other project or projects of the corporation and any agreements made in connection with the projects, or procure or pledge municipal bond insurance, letters of credit, lines of credit or other liquidity facilities as additional security and liquidity for the bonds or notes;

(12) Employ and pay compensation to such employees and agents, including attorneys, as the board of directors shall deem necessary for the business of the corporation; and

(13) Exercise all powers expressly given in its certificate of incorporation and establish bylaws and make all rules and regulations not inconsistent with the certificate of incorporation or this chapter, deemed expedient for the management of the corporation's affairs.

(b) The corporation does not have the power to operate any project financed under this chapter as a business or in any manner except as specifically provided in this chapter, nor does it have the power to pledge at any time or in any manner the general credit or taxing power of the municipality except as provided in § 7-53-306.

(c) Any meeting held by the board of directors for any purpose whatsoever shall be open to the public.

(d) In addition to the powers specified in subsection (a) and upon the adoption of a resolution of the county legislative body, a corporation in any county having a population of over nine hundred thousand (900,000), according to the 2010 federal census or any subsequent federal census:

(1) Has the following powers, together with all powers incidental to such powers or necessary for the performance of those powers, to:

(A) Enter into loan agreements with others with respect to one (1) or more projects or for activities, costs, debt restructuring or working capital associated with projects for such payments or deferrals and upon such terms and conditions as the board of directors of the corporation may deem advisable in accordance with this chapter; and

(B) Sell, exchange, donate, forgive debt, grant and convey any or all of its assets or properties, including, without limitation, all or any part of the rents, revenues and receipts of the corporation from its projects, whenever its board of directors shall find any such action to be in furtherance of the purposes for which the corporation was organized; and

(2) Shall not enter into a loan agreement, accept a note or issue any indebtedness, or otherwise provide financing for working capital that:

(A) Exceeds two hundred fifty thousand dollars (\$250,000) in principal amount to any project or borrower; or

(B) Provides for a term in excess of five (5) years, including any renewals or extensions of such financing.

History

Acts 1955, ch. 210, § 8; 1959, ch. 222, § 3; 1970, ch. 587, §§ 1-3; 1976, ch. 515, § 3; 1978, ch. 739, § 7; T.C.A., § 6-2808; Acts 1989, ch. 180, § 1; 1990, ch. 1089, § 1; 1993, ch. 197, § 2; 1998, ch. 828, §§ 1-3; 2007, ch. 461, § 6; 2007, ch. 524, § 2; 2009, ch. 84, § 2; 2014, ch. 752, § 1; 2018, ch. 728, § 1; 2020, ch. 722, § 1; 2025, ch. 353, § 3.

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