

**RENEW:
Real
Estate
Nashville
Enterprise
Workplan**



Metropolitan Government of Nashville and Davidson County

Real Estate Master Plan Overview, March 2023

Department naming convention

Departments are referred to by the following naming convention throughout the remainder of this document

Department	Naming convention
Metro Arts	Arts
Assessor of Property	Assessor
Codes and Building Safety	Codes
Criminal Court Clerk	Criminal Court Clerk
Davidson County Clerk	DCC
Davidson County Election Commission	DCEC
Davidson County Sheriff's Office	DCSO
Emergency Communications	DEC
Finance Department	Finance
General Services Department	DGS
General Sessions Court	GS Court
Human Relations	MHRC
Human Resources	HR
Information Technology Services	ITS
Justice Integration System	JIS
Law Department	Law
Metro Clerk	Metro Clerk

Department	Naming convention
Metro Nashville Public Schools	MNPS
Metro Public Health Department	MPHD
Metro Water Services	MWS
Metro Action Commission	MAC
Metro Council Office	Council Office
Metro Nashville Police Department	MNPD
Metro Social Services	MSS
Metro Sports Authority	Sports Authority
Nashville Department of Transportation and Multimodal Infrastructure	NDOT
Nashville Fire Department	NFD
Nashville Public Library	NPL
Office of Emergency Management	OEM
Office of Internal Audit	Internal Audit
Office of the Metropolitan Trustee	Trustee
Parks & Recreation	Parks
Planning Department	Planning
Public Defender's Office	Public Defender



Project approach | Real Estate Nashville Enterprise Workplan (RENEW)

Metro sought to address immediate needs (Task 1) and set a long-term vision & strategy for the portfolio (Task 2)

Metro Real Estate Vision



Help customer-serving Departments deliver against their missions



Improve experience for Metro employees



Design and deliver space to support new ways of working

Project RENEW

Objective: serve as a guide for implementing short- and long-term strategies to optimize Metro’s real estate portfolio and support departments’ mission needs

Task	TASK 1: Current State Assessment + Priority Projects	TASK 2: Master Plan & Operating Model Development ¹
Focus	<ul style="list-style-type: none"> Recommend solutions for immediate space and parking needs related to expiring leased space, anticipated Department growth / reorganization needs and planned facility disposals and acquisitions Estimate downtown Metro parking needs based on capacity inputs to support Metro’s presence in the downtown area 	<ul style="list-style-type: none"> Downtown growth needs – identify a solution for Departments within MOB; MOB no longer suits needs as Departments have outgrown space Warehousing & logistics strategy – relocate Departments within MSE to facilities that can support their unique nature of operations; anticipate request from MNAA to vacate premise over the next 3 to 5 years NDOT needs analysis & strategy – analyze future space needs to support the expansion of NDOT operations and potential consolidation of similar functions Workplace strategy – optimize space across Metro by providing best practices and guiding principles to implement hybrid work environment and standardize space standards Fire Station 2 (FS2) strategy – evaluate highest and best use of FS2 site given current permanent supportive housing development and planned FS2 construction

1. Task 2 also included an operating model / organizational design component, not included within the Master Plan; organizational design recommended a robust real estate function within DGS to facilitate portfolio strategy and streamline processes and decisions



Project approach | Steering Committee

A Steering Committee was convened to provide feedback and guide key decisions throughout the duration of project

Steering Committee

Steering Committee consists of cross-governmental representation, spanning across Council, the Mayor's Office and key real estate leaders



CM Tonya Hancock

Chair, Government
Operations



Kristin Wilson

Chief of Operations &
Performance



Kelly Flannery

Director, Finance



**Talia Lomax-
O'dneal**

Deputy Director, Finance



Keith Durbin

Director, ITS



Shannon Hall

Director, HR



Velvet Hunter

Interim Director,
General Services



Fabian Bedne

Senior Manager, Community
Development



Mike Jameson

Director, Legislative
Affairs



David Proffitt

Executive Director of Facilities,
Maintenance and Construction
MNPS



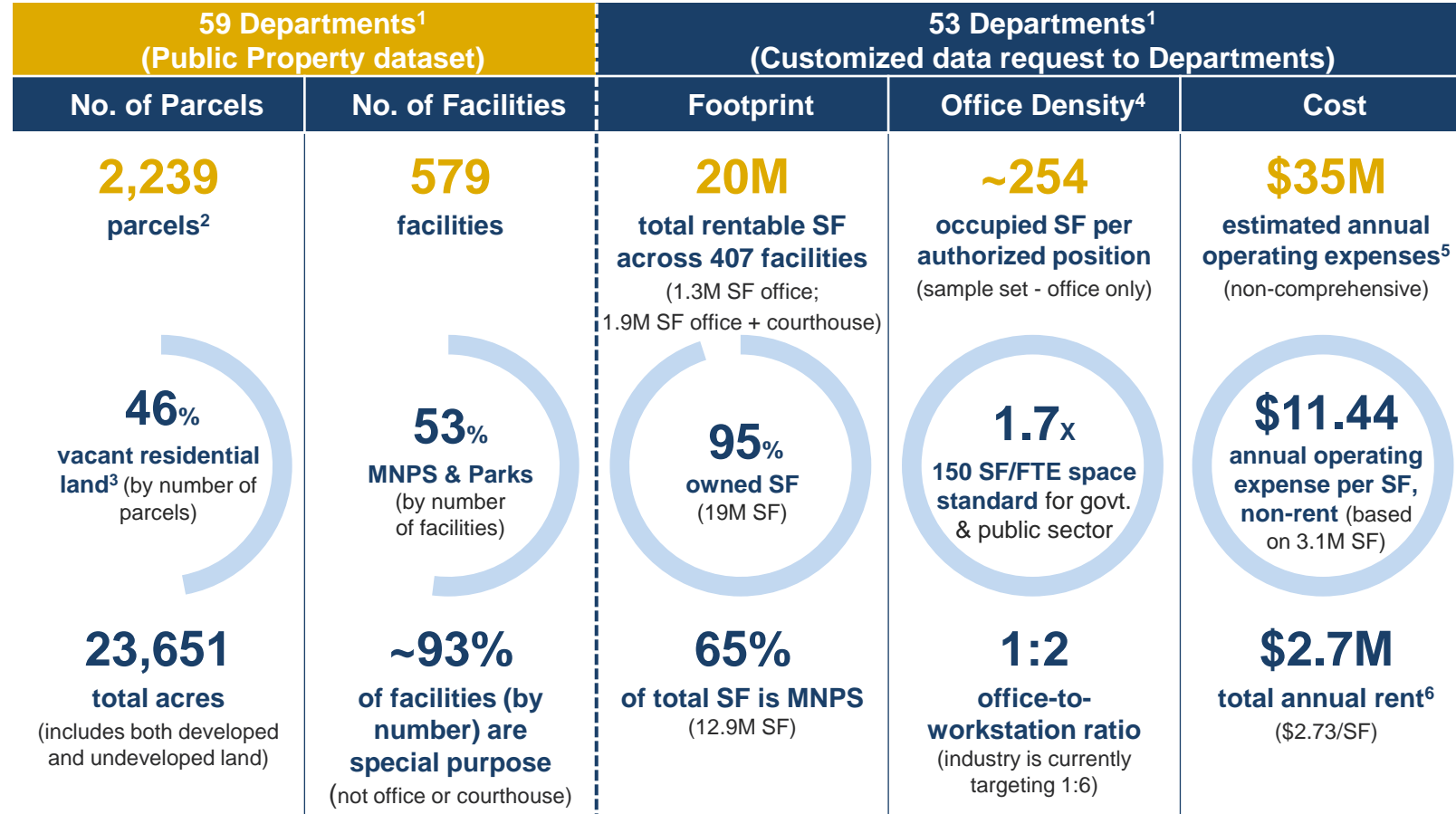
Beth Williams

Metro Project Manager, GS

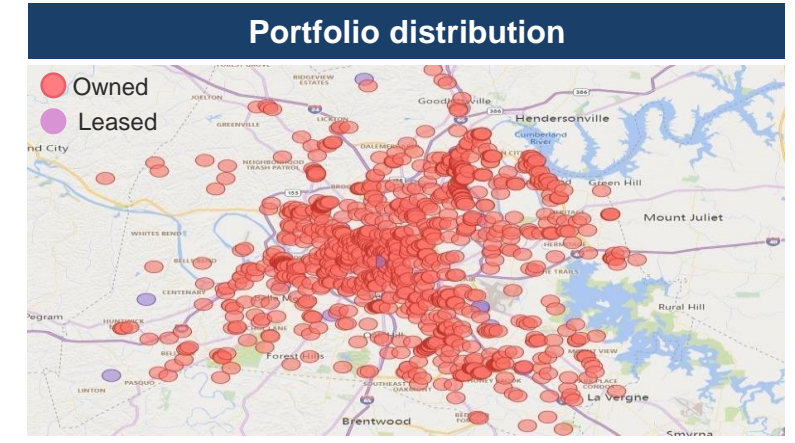


Current state baseline | Summary

Majority of Metro's footprint is owned with a high proportion of school and park facilities; office density and operating expenses are likely under-estimated



1. Includes MNPS portfolio of approximately 13M square feet
 2. Parcel types: vacant land – 54%, park or recreation – 13%, school – 8%, other – 25%
 3. Vacant parcel at time of data collection with residential zoning; building code is not considered
 4. Office density based on 12 facilities with occupied SF and authorized positions data; does align to avg. 216 SF/person on office space metrics slide due to narrower scope
 5. Estimated annual operating expense based on cost data provided for 108 facilities
 6. Represents rent costs at 12 leased facilities; rent costs for 2 radio towers are excluded and 6 leases have no rent data
 7. Location represents the Postal City corresponding to the Zip Code; source NDOT addressing



Key location clusters			
#	Locations ⁷	# Facilities %	Rentable SF %
1	Nashville	325 80%	14,809,498 74%
2	Antioch	27 7%	2,767,222 14%
3	Madison	20 5%	928,593 5%
4	Hermitage	12 3%	458,177 2%
5	Old Hickory	10 2%	247,791 1%
6	Goodlettsville	6 1%	253,409 1%
7	Joelton	4 1%	152,399 <1%
8	Whites Creek	2 <1%	300,843 2%
9	Brentwood	1 <1%	83,775 <1%
Total		407	20,001,706



Current state baseline | Headcount distribution

Metro’s employee base is heavily concentrated within a small number of facilities; while the footprint is distributed across Davidson County, critical masses of employees are far less distributed

Headcount is clustered...and growing

7,194 authorized positions¹
collected across **407 buildings and 53 departments**, representing 33% of overall Metro authorized positions for FY23 (21,900 positions)

53% of the 7,194 authorized positions
are located within the **16 buildings found to the right**; this represents heavy concentration within the portfolio (i.e., the “core facilities” generally within a 3-5 mile radius)

Just 9% of portfolio square footage
houses **53% of authorized positions (3,811 positions listed to the right)**, which may help steer future scoping and organizational recommendations

1. Authorized Positions estimates the personnel working out of the 407 buildings
2. List includes both operational facilities (e.g., Metro Southeast) and administrative facilities, making any SF/Person calculations less indicative

Top 15 Facilities with Authorized Positions >100

#	Facility ²	Location	No. Authorized Positions (FY23)	Occupied SF
1	Metro Southeast	Nashville	501	422,497
2	Main Library	Nashville	188	300,000
3	Justice A. A. Birch Building	Nashville	306	160,667
4	Historic Courthouse	Nashville	159	146,863
5	MNPD SID, Property & Evidence	Nashville	192	121,604
6	Howard Office Building	Nashville	482	112,944
7	MNPD Headquarters	Nashville	283	107,945
8	Lentz Health Clinic	Nashville	300	102,855
9	MNPD Madison Precinct & Crime Lab	Madison	193	82,134
10	Juvenile Justice Center	Nashville	122	70,972
11	Parkway Towers	Nashville	250	54,711
12	Metro Office Building	Nashville	304	43,346
13	Emergency Communications Center	Nashville	262	30,406
14	Clifford Allen Building	Nashville	128	26,922
15	MNPD South Precinct	Hermitage	141	19,376
Total			3,811	1,803,243



Current state baseline | Workplace strategy considerations

Customer-serving Departments are displaying more traditional / on-premise working styles; administrative Departments are pursuing new strategies

1:1 – 1:5

Office-to-workstation ratio within Top 10 multi-tenant buildings; industry is currently targeting 1:6

On-premise

majority of space is occupied by customer-serving departments (typically on-premise); these spaces generally have more outdated space configurations

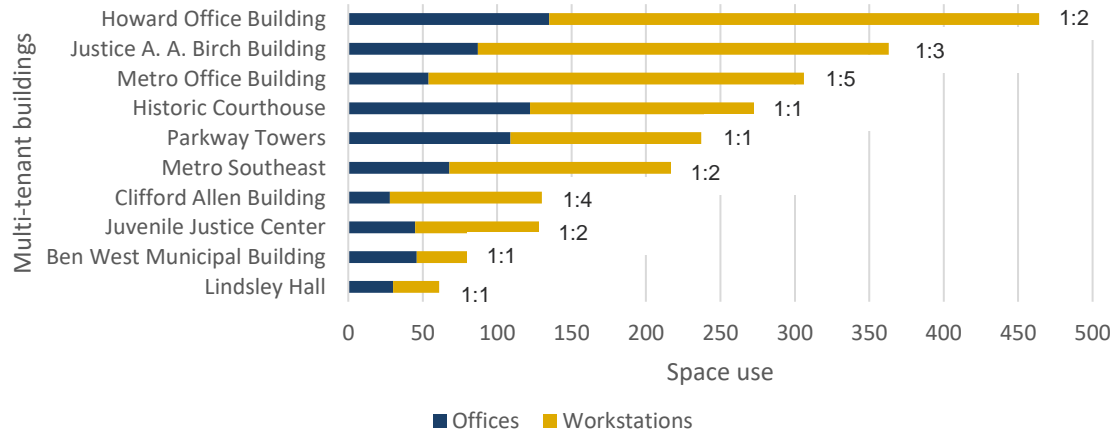
11%

of authorized positions are currently exhibiting **medium-to-high hybrid or remote working styles**

Work styles by Department in multi-tenant buildings^{1,2}

Department	On-prem	Hybrid	Remote	Department	On-prem	Hybrid	Remote
MNPD	100%	0%	0%	MWS	75%	25%	0%
NFD	100%	0%	0%	MHRC	0%	100%	0%
Codes	100%	0%	0%	Arts	0%	100%	0%
Public Defender	100%	0%	0%	Internal Audit	0%	100%	0%
MSS	100%	0%	0%	Finance	1%	98%	1%
OEM	100%	0%	0%	HR	8%	92%	0%
County Clerk	100%	0%	0%	Metro Clerk	60%	40%	0%
DCEC	100%	0%	0%	DGS	45%	19%	36%
DCSO	100%	0%	0%	ITS	37%	26%	37%
NDOT	100%	0%	0%	JIS	25%	25%	50%
Trustee	100%	0%	0%				
Council Office	100%	0%	0%				
Assessor	92%	5%	3%				
MAC	93%	0%	7%				
Planning	10%	85%	5%				

Office-to-workstation ratios in top 10 multi-tenant buildings



1. Departments submitted the percent of total authorized positions at an occupied building that are on-premise (4+ days in office per week), hybrid (2-3 days in office per week), and remote (4+ days at offsite location per week); percentages in above table reflect estimated percentages at the Department-level
2. Data represents department self-reported estimated allocation of work styles; based on definitions of work styles provided by the project



Real Estate Master Plan overview | Recommendation summary

Recommendations summarized by asset type; guidance document provided for hybrid best practices



Office



Mixed-Use



Warehouse



Hybrid Best Practices

Recommendations

- **Densify HOB** to support administrative Departments
- **Reconfigure MOB** to expand DSC and restack development Departments to account for recent growth
- **Reconfigure Fire HQ** to support Water Services and additional synergistic functions
- **Construct Metro-wide conference center and drop-in space at Lindsley Hall** to support internal and external meetings / collaboration
- **Identify leased space within Metro Center** to support MAC & MSS that face high customer foot traffic and confidentiality needs

- **FS2 to support public safety administrative functions** including NFD HQ and MNPD; opportunities to add incremental Departments based on Metro's future needs
- **Incorporate residential, casual retail, and office components on FS2** to activate highest and best use
- Gauge private developer interest in a **public-private-partnership** to help offset building costs

- **Construct public safety campus on Murfreesboro Pike¹** to house NFD Logistics and OEM ESU functions exiting MSE; adjacent to planned Southeast Precinct and new ECC
- **Leverage Anderson Lane²** to support additional Metro storage needs
- **Consolidate Heavy & Light Fleet** operations and **MNPD Fleet to current Police Impound Lot³**; site to support DGS Operations and eBid storage needs
- **Create a consolidated NDOT campus by leveraging Dr. Richard G Adams Drive⁴** and surrounding properties

Overview

- **Implement guiding principles** as Metro reconfigures space in support of hybrid work; adoption based on degree of customer interface and business needs
- **DGS, HR, ITS and Finance should jointly support implementation** of a hybrid policy throughout Metro
- **Adopt and standardize space standards across** the portfolio to align with industry best practices and create equitable and consistent spaces
- **Implement additional seating configurations** that consist of various focus and collaborative spaces (i.e., huddle rooms) to inform a successful hybrid environment

Guiding Principles

- Recognize Department adjacencies
- Enhance the customer experience
- Optimize space utilization while addressing Department growth needs
- Leverage owned facilities / properties where available
- Broaden mobility and accessibility as possible

- Maximize remaining property given planned uses (FS2 and PSH)
- Respect adjacency sensitivities between Departments (i.e., NFD Homeland Security requirements)
- Broaden mobility and accessibility as possible

- Respect drive times from current locations
- Co-location and consolidation of similar functions onto campuses
- Leverage owned facilities / properties where available

1. 2491 Murfreesboro Pike
2. 801 Anderson Lane

3. 1201 Freightliner Drive
4. Consolidate NDOT operations from South 5th Street to Dr. Richard G Adams Drive



Real Estate Master Plan overview | Value-add

Optimize Metro's real estate portfolio to account for growing departments and changing employee preferences, customer expectations and operational requirements



Office

- Purchase of Citizen's Plaza not in Metro's best interest; **avoids excess space** that could not be filled in foreseeable future and costly renovations
- Create an administrative hub at Fulton Campus; **adjacency benefits** between departments with ability to leverage shared space
- Convert Lindsley Hall into a multi-use conference center; **creates meeting and collaboration space** for use by all Metro departments
- Expand the Development Services Center (DSC); **improves the customer experience** and addresses Department adjacency and space needs
- Secure strategic leases for MAC/MSS and PD given unique needs; **offers location flexibility** as demographics shift and programs evolve



Mixed-use

- Incorporate ~75k SF of office above Fire Station 2; **enables co-location** of NFD HQ functions and MNPD functions exiting MSE
- Strategically place FS2 on the parcel; **allows future flexibility for additional development** in pursuit of highest & best use (i.e., causal retail, residential)
- Explore public-private partnership for FS2; **potential to minimize Metro's upfront capital** in exchange for potential incentives or entitlements



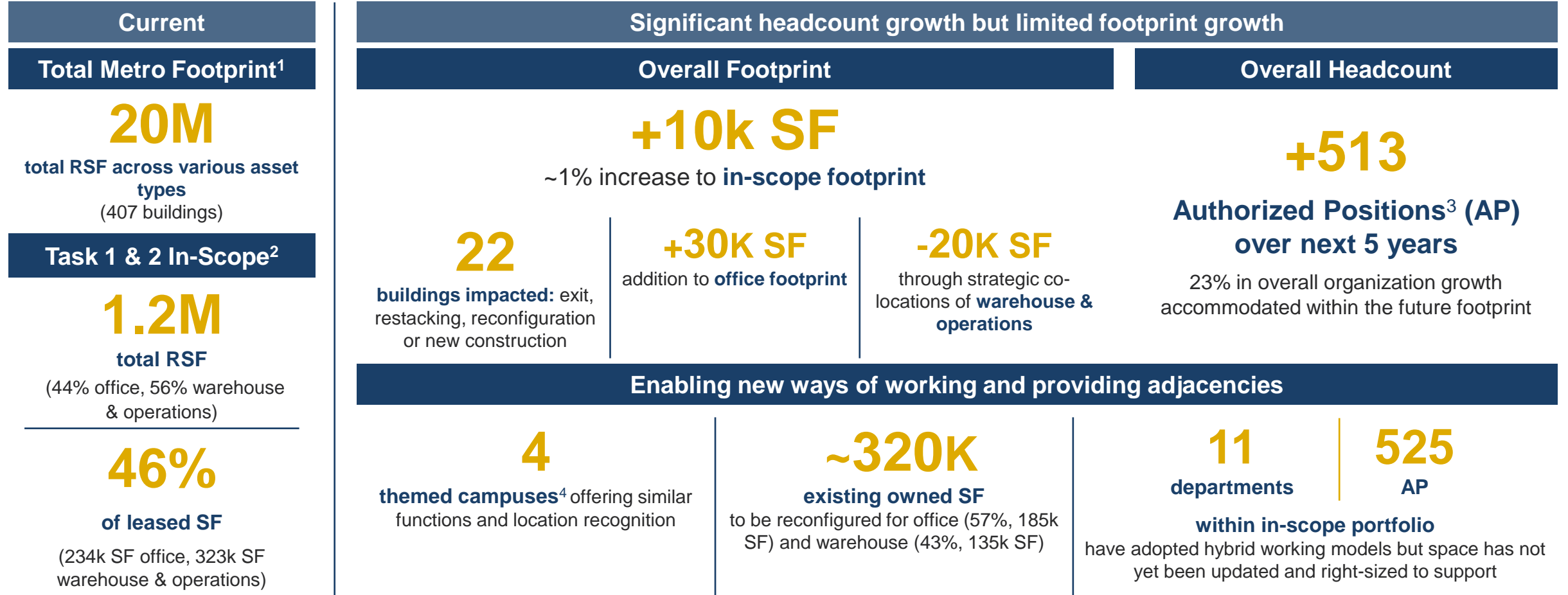
Warehouse

- Utilize Metro owned properties to co-locate similar functions exiting MSE; **reduces risk of future lease exits**, limits redundant fit-out costs and addresses long-term space needs of ~20 operational Departments
- Consolidate specific NDOT & DGS functions onto individual campuses; **creates center of excellences**, accommodates growth and drives operational benefits



Real Estate Master Plan overview | By the numbers

Metro can leverage the Master Plan as a guide for implementing critical short and long-term strategies



1. Based on data request responses from 53 Metro Departments; includes all asset types in Metro's portfolio
 2. Includes SF from all Metro spaces analyzed as part of Task 1 and Task 2; may include only sections of a building if analysis did not cover the entire footprint

3. Increase in AP over the next five years includes current vacant positions in addition to anticipated growth
 4. Four new themed campuses include: Public Safety at Murfreesboro Pike, DGS Operations at Police Impound Lot, NDOT at Dr. Richard G Adams Drive, Public Safety at FS2



Real Estate Master Plan overview | By the numbers (cont'd)

Greater utilization of owned footprint across a variety of asset types; accommodate future growth within similar sized portfolio

In-scope portfolio transition

Percentage of owned SF increases from 54% to 80%

represents a 26% increase from current portfolio mix; recommendations leverage existing owned facilities and land where possible

20 Divisions moving from leased to owned locations

total of 392 current AP exiting leases and relocating into owned space; owned locations will accommodate additional growth of 100+ AP from these Divisions

Increase from 2,254 to 2,765 Authorized Positions (AP)

estimated growth over the next five years can be accommodated within future footprint; +513 AP

1. New build SF amount does not include residential component on FS2 campus
2. Five new leases include two leases underway for MAC/MSS, Public Defender and three future leases (totaling 124k SF) for Departments leaving MSE that do not have a currently defined future location; future space could be leased or owned depending on market availability

Recommendation breakdown

Category	Recommendation	SF (1,000s)
Total Current State		1,210
Exit	Lease exit	(560)
	Potential disposal	(60)
	<i>Building no longer part of Metro portfolio</i>	(30)
Exit Sub-total		(650)
Remain	No change	240
	<i>Building kept as part of Metro portfolio</i>	320
Remain Sub-total		560
Add	New build ¹	420
	<i>Building added to Metro portfolio</i>	240
Add Sub-total		660
Total Future State		1,220

~10k SF increase across the in-scope portfolio



Real Estate Master Plan overview | Office space metrics

Growth in customer-facing space offset by decrease in administrative function space due to the new ways of working

In-scope portfolio transition

18% decrease

in square footage allocated to administrative functions¹; adoption of new ways of working (hybrid and remote work) provides the opportunity to downsize

40% increase

in square footage allocated to customer-serving functions²; departments serving customers in-person have limited ability to adopt new ways of working and growth has resulted in the need for additional space

Right-sized spaces

decreases in administrative spaces offset increases for customer-serving spaces

- expand customer-serving DSC across MOB & Fire HQ
- create admin hub in HOB maximizing adjacencies

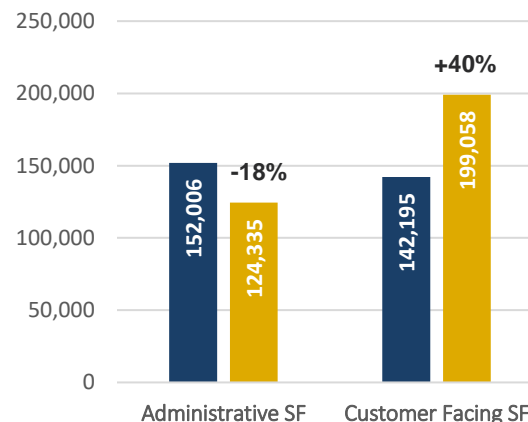
1. Includes DGS, Finance, HR, ITS, Internal Audit, JIS, NFD, and Development Services Center (DSC) administrative functions
 2. Includes Public Defender, MAC, MSS, COB, MHRC, Trustee, Assessor, DCC, NDOT and DSC customer-serving functions
 3. Includes HOB, MOB, Lindsley Hall, CAB, Parkway Towers, Fire HQ, and COB space at Washington Square
 4. Includes HOB, MOB, Metro Center, 150 2nd Ave N, MWS and Alarms Space at Fire HQ, JIS space at Historic Court House

Overall Office Summary

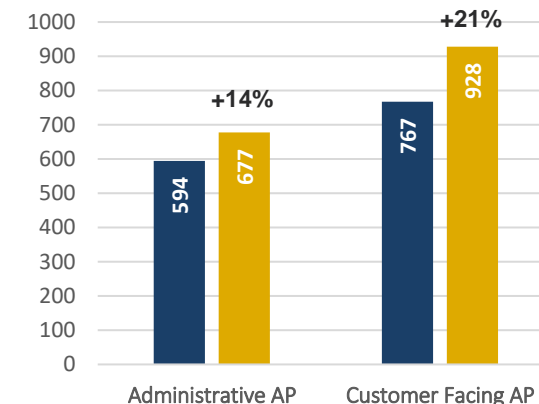
	Current ³	Future ⁴	% Change
Total Authorized Positions (AP)	1,361	1,605	+18%
Total Department Occupied SF	294,201	323,393	+10%
Average SF per Person	216	201	-7%

Changes to Administrative & Customer Serving Departments

Square Footage



Authorized Positions



■ Current ■ Future



Real Estate Master Plan overview | High-level timeline

Implementation projected to span 6 years; short-term activities include lease exits in 2023 and densification of owned buildings; longer-term strategies recommend construction of new facilities

6 years

for master plan implementation

Mar 2026

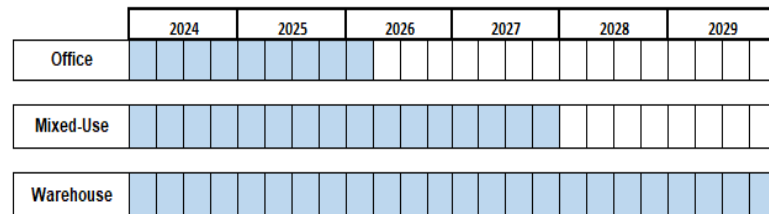
estimated completion of office restacks

Nov 2027

estimated completion of office mixed-use; residential / retail component to occur sequentially

Dec 2029

estimated completion of warehouse construction and reconfiguration



Recommendation Timelines

	Property	Target start ¹	Target end	Timeline considerations <i>Seek funding in the fall prior to project commencement</i>
Office	Historic Courthouse	Underway	Aug 2023	<ul style="list-style-type: none"> Recommended MOB office renovations and relocations are targeted for a March 2026 completion Office timelines are dependent upon a lease extension of Parkway Towers and Clifford Allen Building to enable fit-out at future destinations
	New leases	Underway	Dec 2023	
	Howard Office Building	Underway	Jul 2024	
	Metro Office Building	Jan 2024	Mar 2026	
	Fire HQ	Mar 2024	Jul 2024	
Mixed-Use	Lindsley Hall	Sep 2024	Jul 2025	<ul style="list-style-type: none"> Completion of office space is dependent on FS2 construction timeline; future Departments are anticipated to vacate MSE in November 2027 Consider staggering of construction of residential / retail component to support laydown needs
	FS2 Office	TBD	TBD, by Nov 2027	
Warehouse	Anderson Lane	Jan 2025	July 2025	<ul style="list-style-type: none"> Timing for completion of renovations and new construction of warehouse facilities is driven by the date Metro is required to exit MSE; estimated as November 2027 within the Master Plan Activity assumptions are inclusive of procurement, design, permitting and construction timelines
	Murfreesboro Pike		Oct 2027	
	Police Training Academy		Oct 2027	
	Police Impound Lot		Oct 2027	
	Dr. Richard G Adams Drive	TBD	TBD 2028-2029	

1. Target started date reflects recommended activity commencement to complete project by deadline; initial activity does not reflect activities to seek budgeting



Real Estate Master Plan overview | Recommendation status summary

Status of implementation activities by asset type

	Master Plan Recommendation	Impacted Departments	Nov 2023 Status	Phase I Implementation Target Entry Dates
Office	Densify HOB to support administrative Departments	HR, DGS, Finance, ITS, Assessor, DCC, Trustee, NDOT	In process	<ul style="list-style-type: none"> • HR Nov 2023 • Finance Jan 2024
	Identify leased space to support Public Defender, MAC, & MSS that face high customer foot traffic and confidentiality needs	PD, IA, MHRC, Sports Authority, Beer Board, MAC, MSS	In process	<ul style="list-style-type: none"> • PD Dec 2023 • IA, MHRC, Sports Authority, Beer Board Jan 2024 • MSS Apr 2024 • MAC May 2024
Mixed-Use	FS2 to support public safety administrative functions including NFD HQ and MNPd; opportunities to add incremental Departments based on Metro's future needs	Fire HQ, Fire Marshal, MNPd		Initial planning in process
	Incorporate residential, casual retail, and office components on FS2 to activate highest and best use			
Warehouse	Construct public safety campus on Murfreesboro Pike¹ to house NFD Logistics and OEM ESU functions exiting MSE; adjacent to planned Southeast Precinct and new ECC	NFD, OEM, ITS, ECC, OEM		Initial planning in process
	Leverage Anderson Lane² to support additional Metro storage needs	Criminal Court Clerk, Metro Clerk, Health, DGS		
	Consolidate Heavy & Light Fleet operations and MNPd Fleet to current Police Impound Lot³ ; site to support DGS Operations and eBid storage needs	DGS, ITS, MNPd		
	Create a consolidated NDOT campus by leveraging Dr. Richard G Adams Drive ⁴ and surrounding properties	NDOT		
Office	Reconfigure select facilities on Fulton Campus to support Water Services and additional synergistic functions, expand DSC, and restack development Departments to account for recent growth	Planning, Codes, NDOT, NFD, DCEC, Water Services		Not started



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