



METROPOLITAN COUNCIL

Metro Council Office

MEMORANDUM TO: All Members of the Metropolitan Council

FROM: Jon Cooper, Director
Metropolitan Council Office

DATE: **August 5, 2014**

RE: **Analysis Report**

Unaudited Fund Balances as of 7/30/14:

| | |
|---------------------------------------|---------------|
| 4% Reserve Fund | \$40,553,961* |
| Metro Self Insured Liability Claims | \$4,393,330 |
| Judgments & Losses | \$2,965,911 |
| Schools Self Insured Liability Claims | \$2,233,350 |
| Self-Insured Property Loss Aggregate | \$3,616,039 |
| Employee Blanket Bond Claims | \$647,876 |
| Police Professional Liability Claims | \$2,823,730 |
| Death Benefit | \$776,653 |

*Assumes unrealized estimated revenues in fiscal year 2015 of \$27,390,526.

– RESOLUTIONS ON PUBLIC HEARING –

RESOLUTION NOS. RS2014-1165 and RS2014-1166 – These resolutions approve exemptions for two restaurants from the minimum distance requirements for obtaining a beer permit. The Metro code prevents a beer permit from being issued to an establishment located within 100 feet of a church, school, park, daycare, or one or two family residence. However, the code provides a mechanism to exempt restaurants that already have a state on-premises liquor consumption license from Metro’s minimum distance requirements to obtain a beer permit upon the adoption of a resolution by the council. A public hearing must be held by the council prior to voting on this resolution.

Resolution No. RS2014-1165 (McGuire) exempts Courtyard by Marriott Green Hills located at 3800 Bedford Avenue from the minimum distance requirements for obtaining a beer permit.

Resolution No. RS2014-1166 (Westerholm) exempts The Local Taco located at 1100 Fatherland Street, #104 from the minimum distance requirements for obtaining a beer permit.

– RESOLUTIONS –

RESOLUTION NO. RS2014-1167 (STEINE) – This resolution approves an amendment to the foreign trade zone operations agreement between Metro and Ozburn-Hessey Logistics, LLC. The mayor’s office of economic and community development manages foreign trade zone #78 in Tennessee, previously administered by the now-dissolved Metro port authority. Foreign trade zones are established under federal law for the purpose of stimulating and expediting international commerce by exempting goods from the payment of U.S. customs tariffs while they are in the zone. Such zones are designated by the U.S. department of commerce and must be within 60 miles or 90 minutes driving time from a U.S. customs and border protection port of entry.

Ozburn-Hessey has operated a FTZ site for over 20 years, but desires to move its site to 578 Aldi Boulevard in Mt. Juliet. This new agreement (identified in the resolution as an amendment) sets forth the responsibilities for operation of the FTZ site on this property. The company will bear all costs associated with performing its rights and responsibilities as the FTZ operator, and will pay the mayor’s office of economic and community development \$6,500 per year to cover the administrative cost of the operation. The company also agrees to maintain \$5 million in commercial liability insurance naming Metro as additional insured and agrees to indemnify Metro from any claims associated with the company’s operation of the FTZ site. The agreement is to remain in effect so long as the foreign trade zone status of the company remains in effect.

RESOLUTION NO. RS2014-1168 (STEINE, GILMORE & LANGSTER) – This resolution approves an intergovernmental project agreement between Metro and the Metropolitan development and housing agency (MDHA) for the construction of a new 1,183 space parking garage at 505 Church Street. It has been determined by the administration and MDHA that an additional parking garage is needed downtown in order to better meet parking demands. According to information provided by the Downtown Partnership, the current demand for parking downtown far exceeds available supply. The recent Multimodal Mobility Study prepared (continued on next page)

RESOLUTION NO. RS2014-1168 (continued)

for Metro by RPM Transportation Consultants documented 20,180 parking spaces for the 35,400 employees working in the downtown core. That does not include the additional employees that will soon be working at the UBS Tower. The Downtown Partnership also states that an additional parking garage is needed to meet visitor demand on weekends and evenings. A copy of a letter from the Downtown Partnership summarizing their findings is attached to this analysis.

MDHA will be constructing the parking garage and leasing it to Parking Real Estate Fund II, LP (PREF), who will in turn sublease it back to MDHA. PREF is owned by Cleveland, Ohio-based Gates Group Capital Partners. Gates has carved out a niche market for this type of financing for infrastructure projects. PREF, who will essentially be acting as a lender for the project, will front the construction costs to MDHA and will be repaid through lease payments that will cover the principal and annual interest. The annual interest rate is estimated to be between 4.8 and 4.9%. One advantage to this type of financing is that no debt service reserve is required and bond issuance costs are avoided. The reason for the lease-leaseback transaction, which is not uncommon in commercial real estate financing, is so PREF will have a right to the revenues generated by the operation of the garage and a security interest in the garage structure itself.

The parking garage revenues will be used to pay the lease payments to PREF over 30 years. Since MDHA does not have sufficient assets and revenues that can be pledged (as a result of the bulk of their revenues coming from the federal government), Metro will be pledging the urban services district (USD) non-tax revenues as a back-stop pledge to be used in the event revenues from the garage are not sufficient to pay the lease payments. These revenues, totaling approximately \$14-15 million per year, are predominantly comprised of payments-in-lieu-of-taxes from utilities, but also include business tax recording fees and a few other minor service charges. This is the same back-stop pledge used for the new downtown ballpark for the Nashville Sounds. In the event Metro had to use the non-tax revenues to cover a deficiency in revenues from the operation of the garage to make a rental payment, the USD non-tax revenues would have to be made up with general fund tax dollars or operating budget reductions until Metro is repaid by MDHA from future operating revenues.

Pursuant to the intergovernmental project agreement with MDHA, Metro agrees to advance \$1 million for architect and engineering design costs, \$9 million to purchase the land, and \$200,000 to reimburse PREF for its due diligence costs (in the event the deal does not close). Metro will be repaid once MDHA receives the funds from PREF at closing. The agreement provides that the pledge of the USD non-tax revenues will be subordinate to the ballpark pledge, and that these revenues cannot be pledged in the future unless the total revenue collection would exceed two times the maximum amount of any debt service/lease payments from the prior two pledges and any additional secured indebtedness.

MDHA and PREF have negotiated a Term Sheet outlining the primary terms of the deal. PREF will fund 100% of the \$35.5 million project costs at closing. MDHA will own the garage and will enter into a management contract with the Downtown Partnership to operate the garage. The Downtown Partnership already operates the other Metro-owned downtown garages. MDHA will be responsible for all operating and maintenance expenses for the garage. MDHA is to provide a guaranteed maximum price to PREF before closing, as well as applicable payment and
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RESOLUTION NO. RS2014-1168 (continued)

performance bonds. MDHA will use the cash flow generated from the garage to pay the lease payments to PREF. The annual rent schedule incorporated into the term sheet provides for zero rent owed in the first year, \$950,800 in the second year, \$1.9 million in the third year, and approximately \$2.7 million each year thereafter for the remainder of the 30 year term. The total amount of lease payments over the 30 year lease period will be approximately \$75.8 million. A pro forma for the new garage based upon revenues/expenses from the other Metro garages estimates net annual income from the garage to be \$2.9 million, which would cover the costs of the lease payments without using any of the pledged USD non-tax revenues.

The term sheet negotiated by MDHA and PREF is set to expire on August 8, 2014.

RESOLUTION NO. RS2014-1169 (STEINE & LANGSTER) – This resolution approves an annual grant in the amount of \$29,600 from the Tennessee arts commission to the Metropolitan arts commission for the Arts Build Communities program. These funds will be used to make grants to non-profit organizations for community arts projects. There is a required local match in the amount of \$29,600 to be provided from the Metro arts commission budget.

RESOLUTION NO. RS2014-1170 (STEINE & LANGSTER) – This resolution authorizes the Metro arts commission to accept a \$10,000 donation from the Nashville Local Organizing Committee for the Women’s Final Four. This donation is being made in honor of the work the arts commission did empowering women and girls as part of the 2014 Women’s Final Four activities.

RESOLUTION NO. RS2014-1171 (STEINE & PARDUE) – This resolution approves an application for a juvenile accountability block grant in the amount of \$46,743 from the state commission on children and youth to the juvenile court. These funds are federal pass through dollars that would be used for the continued funding of a probation officer position in the juvenile court’s diversion program. The juvenile court would be required to provide a cash match of \$5,194 from its operating budget if the grant is awarded.

RESOLUTION NO. RS2014-1172 (STEINE, PARDUE & LANGSTER) – This resolution approves a grant in the amount of \$239,836 from the Tennessee department of finance and administration to the state trial courts to provide funding for Metro employees to receive training to improve the criminal justice system’s response to violence against women. One of the recommendations from the 2013 Domestic Violence Safety and Accountability Assessment was for participants in the domestic violence law enforcement and judicial process to receive annual training focusing on improving understanding of victim and offender behavior, community resources, cultural and language barriers, and ways Metro law enforcement and the judicial system can better work together. These state grant funds are being provided through the STOP Violence Against Women grant program. These funds will be used to train Metro employees in the criminal and civil justice systems, as well as the employees and volunteers at the Victim Resource Center. The training will consist of ten 4-hour seminars and three full training days. It is estimated that approximately 1,700 people will be trained under this program. There is a required local match in the amount of \$13,278 to be provided from the state trial courts budget. The term of the grant is from August 15, 2014 through June 30, 2015.

RESOLUTION NO. RS2014-1173 (STEINE & PARDUE) – This resolution approves an agreement between the U.S. drug enforcement administration (DEA) and the Metropolitan police department for continued assistance with the Middle Tennessee drug enforcement task force. The purpose of the drug enforcement task force is to gather intelligence data and conduct undercover operations related to illegal drug trafficking. Pursuant to this agreement, the police department will assign one officer to the task force. The DEA will assign three special agents to the task force, and will provide the necessary funds and equipment to support the activities of the task force. The DEA agrees to reimburse the police department up to \$17,374.25 for overtime paid to the Metro officer participating in the drug enforcement task force. The term of this grant is from the date of its execution through September 29, 2015.

Similar agreements with the DEA for overtime reimbursement have been approved by the council in recent years.

RESOLUTION NO. RS2014-1174 (STEINE, MAYNARD & LANGSTER) – This resolution approves a grant in the amount of \$380,000 from the state department of health to the Metropolitan board of health for the Healthy Start program. The purpose of the Healthy Start program is to provide a variety of services for pregnant and parenting women regarding child health. This program uses health department nurses and outreach workers to provide prenatal services to mothers, services to children from birth through three years, and to promote child safety, immunizations, child development, and parenting skills. This grant will provide \$180,000 per year for fiscal years 2015 and 2016 to fund the salaries and benefits for the health department employees operating the program.

RESOLUTION NO. RS2014-1175 (STEINE, MAYNARD & LANGSTER) – This resolution approves an amendment to a contract between the Metropolitan board of health and Vanderbilt University for the health department's participation in the Tuberculosis Trials Consortium. Vanderbilt received a grant from the U.S. Centers for Disease Control and Prevention, through the U.S. Veteran Affairs Medical Centers, for this tuberculosis project. The health department's responsibilities under this contract are to provide space and equipment for the project, as well as consultation and support services.

This amendment replaces the budget for the October 1, 2013 to September 30, 2014 grant period with a revised budget in the amount of \$34,226.

RESOLUTION NO. RS2014-1176 (STEINE & MAYNARD) – This resolution accepts a donation in the amount of \$160,500 from the estate of James Bomar Talbot for the benefit of Metro animal care and control. Mr. Talbot left 11% of his residual estate to Metro animal care and control with no restrictions as to use.

RESOLUTION NO. RS2014-1177 (STEINE & TYGARD) – This resolution approves a grant in the amount of \$63,924 from Greenways for Nashville to the Metropolitan parks department to provide funding for the salary and benefits for the development coordinator of greenways. The term of the grant is from July 1, 2013 through June 30, 2014. There is a required match of \$3,405.18 to be provided by the parks department to cover administrative costs.

RESOLUTION NO. RS2014-1178 (STEINE) – This resolution approves an application for a state recycling grant in the amount of \$97,030. The state technically calls this a “rebate”, but it functions in the same manner as a grant. These funds will be used to defray the cost of operating the Metro recycling centers. There will be a required match of \$97,030 to be provided from the department’s operating budget.

RESOLUTION NO. RS2014-1179 (STEINE & DOMINY) – This resolution approves amendments to three agreements with the state department of environment and conservation (TDEC) regarding the maintenance of closed solid waste facilities. State law requires that all owners of closed landfills either put up a performance bond or execute a contract agreeing to pay a penalty if the site is not adequately maintained. The Metropolitan Government has entered into contracts with TDEC in lieu of a performance bond as assurance of financial responsibility for our solid waste facility maintenance duties. This resolution approves a decrease of the financial assurance amounts, as follows:

- Bordeaux sanitary landfill – decrease from \$4,515,724 to \$4,230,886;
- Thermal ash monofill – decrease from \$1,071,719 to \$1,044,283;
- Due West dump site – decrease from \$1,252,433 to \$1,210,686.

These amounts would only be paid if Metro failed to adequately maintain the sites.

Ordinance No. BL2010-719 allows amendments to these financial responsibility agreements to be approved by resolution.

RESOLUTION NO. RS2014-1180 (STEINE, DOMINY & OTHERS) – This resolution authorizes the Metropolitan Government to enter into an agreement with the City of Belle Meade for the acceptance and treatment of sewage flow from Belle Meade’s system, and approves amendments to similar agreements with the cities of Brentwood, Goodlettsville, La Vergne, and Millersville. Metro has contracts with a number of municipalities to transport and treat their sewage. This resolution approves a new agreement with Belle Meade, and amendments to the agreements with four other cities that will essentially mirror the Belle Meade agreement as it relates to calculating the treatment rates the cities are to pay. This will place all of the cities on equal footing as to the base rate to be paid. The terms of the agreements are also being modified to have a uniform start date of October 1, 2014 for a ten year period, subject to extension by agreement of the parties.

Under the Belle Meade agreement, Metro water services (MWS) agrees to read the meters for Belle Meade’s sewer customers and bill such customers the applicable standard Metro water rates and \$1.30 per hundred cubic feet of flow for sewer service plus Metro’s standard 10% sewer surcharge, a 10% administrative fee, and Belle Meade’s surcharge (the amount of which is determined by Belle Meade).

For the first five years of the agreement, the price for treating the sewage will be adjusted annually based upon the percentage increase or decrease in the service charge index published by the National Association of Clean Water Agencies or an applicable consumer price index. Beginning October 1, 2019, the price is to be set using a cost allocation approach for operating the system and a proportionate share capital allocation. The operating portion is to be based on (continued on next page)

RESOLUTION NO. RS2014-1180 (continued)

MWS's actual operating costs divided by the total treated sewage flow. The capital cost allocation is to be based upon the total depreciated value of MWS capital assets and Belle Meade's proportionate share of treated sewage flow. The specific amount is to be determined by a mutually acceptable rate consultant to be engaged not later than October 1, 2018. All future disputes regarding the price are to be submitted to mediation.

The Belle Meade agreement and the various amendments for the agreements with the four other cities have all been approved by their respective legislative bodies. State law allows intergovernmental agreements to be approved by resolution of the council.

RESOLUTION NO. RS2014-1181 (STEINE & HUNT) – This resolution approves a grant in the amount of \$100,000 from Smart Growth America to the planning department (to be sub-granted to the Metropolitan planning organization) to establish a framework for measuring progress towards metrics to improve public health, reduce social inequalities, protect the environment, and enhance public involvement in transportation decision making. This grant will be used by the MPO to develop and implement a model to evaluate the relationship between transportation/built environment characteristics and public health outcomes, and to develop performance measures, programs, and funding mechanisms to improve health outcomes and address environmental concerns within the greater Nashville region. The term of the grant is from January 1, 2014 through December 31, 2015.

RESOLUTION NO. RS2014-1182 (STEINE & HUNT) – This resolution appropriates \$250,000 in state department of transportation grant funds to the Metro planning commission for a new staff position to perform regional bike and pedestrian planning and coordination activities. This agreement will pay a majority of the salary and benefits of the new position, to be titled "Active Mobility Planner", for a four year period. The planning department will be responsible for providing a local match in the amount of \$62,500.

RESOLUTION NO. RS2014-1183 (STEINE) – This resolution authorizes the department of law to settle the personal injury and property damage claims of Hibo Gedi and Ahmad Jimale in the amount of \$35,000, and the claim of Bounnhune Senmounnarath in the amount of \$19,000. On January 26, 2012, Mr. Senmounnarath was driving on White Bridge Road when he hit a loose manhole cover causing him to lose control of his vehicle and collide with a vehicle driven by Hibo Gedi and owned by Ahmad Jimale. The day before the accident, the Metro emergency communications center (ECC) received numerous 911 calls about a missing manhole cover on White Bridge Road near the Charlotte Pike intersection. ECC notified Metro water services (MWS), and MWS dispatched an employee to inspect. However, a citizen replaced the manhole cover before the employee arrived, so the Metro employee did not see a missing cover when he drove to the area. The employee does not recall whether he exited the vehicle to inspect the manhole. The next day, the car in front of Mr. Senmounnarath ran over the manhole cover and knocked it into the roadway, which resulted in the accident. It was subsequently determined that the manhole in question had a broken rim.

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RESOLUTION NO. RS2014-1183 (continued)

Both drivers were taken to St. Thomas hospital for treatment. Ms. Gedi went through physical therapy to treat the loss of function in her right hand, as well as neck and back pain, incurring medical bills totaling \$16,822.35. The vehicle driven by Ms. Gedi, which was owned by Ahmad Jimale, sustained damage totaling \$6,126. Mr. Senmounnarath had multiple staples placed in his head and incurred \$4,007.36 in medical bills, plus \$9,596.71 in damage to his vehicle.

Metro filed a motion for summary judgment arguing that the government did not have adequate notice of the defective manhole cover, but this motion was denied by the judge. If the Metro employee had actually inspected the manhole cover, he probably would have noticed the broken rim and the accident would have been avoided.

This resolution settles the Gedi and Jimale claims for \$35,000 and the Senmounnarath claim for \$19,000 to be paid out of the self-insured liability fund. Metro would likely pay significantly more if the case went all the way to trial.

No disciplinary action was taken against the Metro water services employee dispatched to inspect the manhole.

RESOLUTION NO. RS2014-1184 (STEINE) – This resolution authorizes the department of law to settle the personal injury claim of Melissa Sanchez against the Metropolitan Government in the amount of \$9,500. On December 6, 2012, a Metro police department employee rear-ended Ms. Sanchez's vehicle on Nolensville Road causing a lumbar strain resulting in medical bills totaling \$4,709.06. The Metro employee had taken her eyes off the road because she thought she heard an accident behind her.

Given Metro's clear liability in the case, the department of law recommends settling the claim for \$9,500 to be paid out of the self-insured liability fund. The Metro employee that caused the accident received disciplinary action consisting of a one day suspension.

RESOLUTION NO. RS2013-1185 (BARRY) – This is a routine resolution that approves the election of certain notaries public for Davidson County.

– BILLS ON SECOND READING –

ORDINANCE NO. BL2014-771 (HUNT, ALLEN & OTHERS) – This ordinance amends the Metro zoning code to create the “contextual overlay district”. The planning commission recently approved changes to the subdivision regulations to require proposed infill lots to be compatible with surrounding lots. In conjunction with these changes, the planning commission has proposed the creation of a new contextual overlay district that could be used in established neighborhoods to ensure infill lot compatibility. The standards in this ordinance could be used in place of an urban design overlay (UDO) district if so desired by the residents and district council member. UDOS take a great deal of staff time to develop, which results in a lengthy process to establish the districts. The contextual overlay district would provide fixed design standards and contextual measurements that could be applied to specific neighborhoods in a quicker fashion. A separate zoning bill applying the overlay to specific neighborhoods would be required in order for the standards to become effective for a particular neighborhood.

The minimum required street setback under the contextual overlay would be the average setback of the two developed lots abutting either side of the infill lot. The maximum height of any primary structure could not exceed 35 feet or 125% of the average height of the principal structures on the two lots abutting either side of the lot, whichever is less. The maximum building coverage could not exceed 150% of the average building coverage of the two abutting developed lots on either side. If the lot has access to an improved alley, the driveway access must be to the alley. The front of any detached garage must be located to the rear of the primary structure. The garage door for attached garages must face the side or rear property line.

A contextual overlay district would not be permitted in areas with a historic overlay district already in place. Adoption of a historic overlay district would supersede a previously adopted contextual overlay. Once a contextual overlay has been adopted, a final site plan must be approved by the zoning administrator before obtaining a building permit. No modifications to the design standards in the overlay would be permitted. Council members would be permitted to file an application for a contextual overlay without paying a filing fee.

The zoning code was recently amended to modify the setback requirements for infill lots in existing established neighborhoods to require the street setback to be the average of the street setback of the lots immediately adjacent on either side of the lot, up to three times the street setback otherwise provided in the code for that base zoning district. Such change would still be applicable in established neighborhoods where a contextual overlay has not been adopted. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-824 (GARRETT & MATTHEWS) – This ordinance designates Old Clarksville Pike between Whites Creek Pike and Eaton’s Creek Road as “Keaton’s Cut Place”. Carl Keaton operated Joelton Barber Shop from 1955 until 2003, and continues to cut hair in the Joelton area. Ordinance No. BL2012-262 established a procedure for the use of honorary street signs whereby the council, by ordinance, can authorize and direct the department of public works to install honorary street signs beneath the official street name sign for any street identified on the official street and alley acceptance and maintenance map.

This ordinance does not officially rename Old Clarksville Pike, and property owners will not be required to change their address. The designation as “Keaton’s Cut Place” is only honorary.

ORDINANCE NO. BL2014-826 (WESTERHOLM) – This ordinance abandons a portion of Alley No. 1999 adjacent to 1001 Riverside Drive. The corner of the existing building on the property is encroaching upon this portion of right-of-way. This alley closure has been requested by the owner of the affected property. This ordinance retains all existing utility easements. Petitions evidencing the consent of the affected property owners are included as an attachment to the ordinance.

This ordinance has been approved by the planning commission and traffic and parking commission.

ORDINANCE NO. BL2014-840 (DOWELL) – This ordinance amends the Metro beer code to prohibit beer permits from being issued to establishments located within a shopping mall containing a community center and/or public library. The beer code currently prohibits establishments located within 100 feet of a church, school, park, daycare, or one or two family residence from obtaining a beer permit. The ordinance would expand this prohibition to include establishments located within indoor shopping malls that have a community center operated by the department of parks and recreation and/or a public library on the premises. The ordinance defines "indoor shopping mall" as a shopping center with stores and businesses facing a system of enclosed walkways for pedestrians.

This ordinance would prevent establishments within a mall meeting this criteria from obtaining either a retail beer permit or a permit to sell beer for on-premises consumption.

There is a proposed amendment that would limit the application of the bill to retail beer permits only.

ORDINANCE NO. BL2014-841 (BENNETT, S. DAVIS & OTHERS) – This ordinance amends the Metro code to establish a minimum size for an outdoor animal enclosure. This ordinance is modeled after an ordinance in Brentwood, Tennessee. Under this ordinance, outdoor dog enclosures would be required to be a minimum on all sides of four times the length of the dog, plus space for shelter. For each additional dog in the pen, a minimum of one additional dog length (using the measurement of the largest dog) would be required on all sides.

There is a housekeeping amendment for this ordinance.

ORDINANCE NO. BL2014-842 (BAKER, DOMINY & HUNT) – This ordinance abandons a utility easement for property located at 4915 Illinois Avenue. This easement was retained when a portion of 50th Avenue North was abandoned in 1974, and Metro water services no longer has a need for the easement. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-843 (HARMON, DOMINY & HUNT) – This ordinance abandons 525 linear feet of an 8-inch sewer main and accepts 1,600 linear feet of new 8-inch sewer main for property located at 440 Hogan Road. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-844 (LANGSTER, DOMINY & HUNT) – This ordinance abandons 200 linear feet of an 8-inch water main, 375 feet of an 8-inch water main and easement, and accepts 1,263 feet of 10-inch water main, 355 feet of an 8-inch water main with seven fire hydrant assemblies, and 1,438 feet of 8-inch sewer main and easements for five properties located south of Charlotte Avenue. This ordinance is necessary for the One City development located at the 28th – 31st Avenue Connector and Charlotte Avenue. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-845 (DUVALL, STEINE & DOMINY) – This ordinance authorizes the Metropolitan Government to enter into a participation agreement with Ole South to fund a portion of the operation and maintenance of a public pressure sewer extension at the Harvest Grove Phase 2 development. Global Development, the previous developer of this subdivision, constructed a sewer pump station and had agreed to pay \$500 per lot to offset future costs associated with the operation of the pump station. Global Development subsequently went bankrupt and Ole South now desires to develop the property.

Pursuant to this agreement, Ole South will pay a total of \$50,500 representing \$500 per lot for 101 lots in Harvest Grove Phase 2 to offset the future costs associated with the maintenance of the pump station. This amount is to be paid at the time Ole South files for final plat approval with the planning commission.

– BILLS ON THIRD READING –

ORDINANCE NO. BL2014-822 (GILMORE) – This ordinance amends the Metro beer code to modify the definition of “performing arts facility” to include symphony concert halls. The purpose of this ordinance is to allow the Schermerhorn Symphony Center to sell beer without providing food service. The code exempts performing arts facilities from the food requirement, but the definition of performing arts facility effectively limits the exemption to the Tennessee Performing Arts Center downtown and “Oz” located on Cockrill Bend Circle.

This ordinance expands the definition of performing arts facility to include a facility totaling more than 175,000 square feet in size that is owned by a nonprofit corporation, is located in the downtown area, and includes a concert hall at which live symphonic music is regularly performed. Facilities meeting the expanded definition would also be able to enter into a management agreement with a concessionaire to provide beer at the facility as long as the concessionaire obtains a beer permit.

ORDINANCE NO. BL2014-823 (HOLLEMAN, STEINE & TYGARD) – This ordinance approves a participation agreement between Metro parks and the Cumberland River Compact (CRC) for the removal of the low dam in Richland Creek at McCabe Golf Course. The project will consist of removing the existing dam and replacing it with a cross vane structure in an effort to improve water quality. CRC will be responsible for construction of the project and agrees to indemnify Metro as to any liability arising in connection with the dam removal up and until Metro has accepted the new structure. Metro agrees to contribute \$35,000 from the parks deferred maintenance capital fund toward the project. All other project costs will be borne by CRC.

ORDINANCE NO. BL2014-825 (BARRY & STITES) – This ordinance readopts the Metro code prepared by Municipal Code Corporation to include supplemental and replacement pages for ordinances enacted on or before February 5, 2014. This is a routine re-adoption to ensure the Metro Code is kept up to date.

ORDINANCE NO. BL2014-827 (GILMORE) – This ordinance abandons a portion of Keys Alley and Alley No. 241 near the intersection of 12th Avenue North and Grundy Street. This closure has been requested by North Gulch Partners II, LLC for the purpose of consolidating properties for future development. The ordinance retains all existing utility easements. Petitions evidencing the consent of the affected property owners are included as an attachment to the ordinances.

This ordinance has been approved by the planning commission and traffic and parking commission.

ORDINANCE NO. BL2014-828 (BAKER, DOMINY & HUNT) – This ordinance abandons utility easements for properties located at 5300 Pennsylvania Avenue and 5215 Centennial Avenue. These easements were retained when a portion of 53rd Avenue North was abandoned in 1971, and Metro water services no longer has a need for the easements. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-829 (HOLLEMAN, DOMINY & HUNT) – This ordinance abandons approximately 175 linear feet of 20 foot water main easement for property located at 3516 Wrenwood Drive. Metro water services has no future need for this easement. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-830 (GILMORE, DOMINY & HUNT) – This ordinance abandons approximately 77 linear feet of an existing eight inch sewer main and easement, and accepts a new sewer manhole for properties located at 301, 307, and 315 8th Avenue South, and 300 and 312 9th Avenue South. This abandonment is necessary for construction of the Westin Music City Hotel. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-831 (GILMORE, DOMINY & HUNT) – This ordinance abandons approximately 190 linear feet of an existing ten inch sewer main and easement, and accepts approximately 194 feet of an eight inch sewer main for properties located at 105, 107, and 109 16th Avenue South, and at McGavock Street, unnumbered. This abandonment is necessary for construction of a new multifamily residential development. This ordinance has been approved by the planning commission.



July 24, 2014

TO: Rich Riebeling
Metro

FROM: Tom Turner
NDP

Like all cities, downtown Nashville needs parking inventory for employees, residents and visitors. With increased office and residential density downtown, parking demand is greater. Also, downtown's vibrant weekend and evening activity creates additional and profitable utilization of parking garages.

Office buildings designed in 20th century now have dramatically different occupancy patterns that allow for greater employee capacity. A 2012 regional Employee Preferences and Global Workplace Strategy report released by Knoll, Inc., a workplace research company, indicates that the per person space allocation for North American workers is steadily decreasing. In 2001, the average workspace per employee was 237 SF. By 2012, new leasing activity allocated only 135 SF per employee.

A recent analysis by RPM Transportation Consultants for downtown Nashville's Multimodal Mobility Study documented 20,180 parking spaces for the 35,400 employees in the downtown core.

The availability of parking directly impacts the occupancy of downtown office buildings and as a result, the building's value, which impacts property taxes. For example, two buildings that are significantly "under parked" (UBS Tower at 315 Deaderick Street and Fifth Third Center at 424 Church Street) generate approximately \$1.27 per square foot in property taxes while two "well parked" buildings (One Nashville Place at 150 4th Avenue North and SunTrust Plaza at 401 Commerce Street) generate \$3.25 per square foot in property taxes.

There is just under 600,000 square feet of available office space with occupancy limited by the parking supply. Allocating 135 SF per employee, another 4,444 new employees could occupy this underutilized space if adequate parking were available.

In summary, the current demand for parking far exceeds supply. Additionally, space lease up will create more demand for parking. Even with the planned parking garage, supply will not meet demand.