

**– BILLS ON SECOND READING –**

**ORDINANCE NO. BL2015-1123** (PRIDEMORE) – This ordinance adopts the property tax levy for fiscal year 2015-2016. The Metropolitan Charter provides that the council's next order of business upon adopting the annual operating budget is to adopt a tax levy that fully funds the operating budget. The property tax proposed by the mayor is the same as the current fiscal year tax rate, which is \$3.924 per \$100 assessed value in the general services district (GSD) and an additional \$0.592 per \$100 assessed value in the urban services district (USD), for a total tax rate of \$4.516 in the USD.

**ORDINANCE NO. BL2015-1124** (PRIDEMORE) - This ordinance establishes the property tax relief program for low-income elderly residents of the Metropolitan Government for fiscal year 2015-2016. This is basically an extension of the existing tax relief program. State law provides that funds shall be appropriated from the state general fund to qualifying low-income taxpayers 65 years of age or older to pay or reimburse such taxpayers for all or part of their local property taxes. In addition, state law allows county legislative bodies to appropriate funds for the purpose of providing assistance to low-income elderly residents of the county and to establish guidelines for participation in the program and the disbursement of such funds. For many years, Metro has provided a double match of the state funds for the program.

The proposed fiscal year 2015-2016 operating budget includes \$3,700,000 for the property tax relief program for the elderly, which is an increase of \$200,000 over the current fiscal year's appropriation.

This ordinance authorizes the Metropolitan trustee to establish rules and procedures for implementation of the program and directs the trustee to disburse the funds accordingly to all eligible taxpayers. All persons who qualify for the state property tax relief program and whose income does not exceed \$28,690 annually will qualify for this program. As this budgetary appropriation is non-recurring funding, this program will expire on June 30, 2016.

**ORDINANCE NO. BL2015-1125** (PRIDEMORE) – This ordinance establishes the Office of Family Safety as a standalone department of the Metropolitan Government. The Jean Crowe Advocacy Center was established in 2014 and is currently funded through the mayor's office operating budget and an administrative account. Nine employees currently work at the center. The purpose of the center is to provide one place where victims can go to talk to an advocate, plan for their safety, interview with the police, meet with a prosecutor, receive medical assistance, and receive information regarding shelter and other needed services. In addition to the Jean Crowe Center, the mayor has proposed building a family justice center on Murfreesboro Road that will not only provide help to domestic violence victims, but will also assist sexual assault and child abuse victims.

The mayor's domestic violence executive committee, which is comprised of the chief of police, sheriff, director of law, district attorney, judges that handle domestic violence cases, as well as representatives from the mayor's office, finance department, and Jean Crowe Advocacy Center, has recommended that a new department be created in Metro to oversee the advocacy center (continued on next page)

**ORDINANCE NO. BL2015-1125**, continued

and family justice center. This ordinance creates the new department, which is to be headed by a director appointed by the mayor. The existing employees at the Jean Crowe Center will become employees of this new department. Neither the director nor any employees in the department will be civil service employees. The powers and duties of the new department will be as follows:

- Oversee the implementation of the recommendations in the various assessments regarding domestic violence, sexual assault, child abuse, and elder abuse.
- Advise Metro regarding policies and procedures that affect domestic violence, sexual assault, child abuse, and elder abuse victims and their families.
- Maintain data pertaining to client demographics, services provided, and outcomes, to use for future projections and policy decisions.
- Create an annual report for the Mayor and Vice Mayor regarding the services provided.
- Oversee and manage the coordination and collaboration of all Metro partner departments and private non-profit agencies in furtherance of Metro's coordinated community response to domestic violence, sexual assault, child abuse, and elder abuse victims and their families.
- Establish and annually review agreements with partner non-profit agencies and Metropolitan Government departments that provide services to domestic violence, sexual assault, child abuse, and elder abuse victims and their families.
- Work to provide victim advocacy center facilities that are safe and victim-sensitive in an effort to reduce risk and victim trauma.
- Oversee the staff, volunteers, and partner agencies working for or with the victim advocacy center facilities.
- Provide education and training for Metro employees and the public on domestic violence, sexual assault, child abuse, and elder abuse.
- Establish departmental regulations and procedures.
- Seek grant funding to aid in accomplishing departmental objectives, and oversee the implementation and budget of awarded grants.

The mayor's proposed operating budget includes an appropriation of \$741,500 for this new department. This consists of \$79,700 in new money for an additional position. The remainder of the funds are being transferred from the mayor's office budget and the current fiscal year's line item for the Jean Crowe Advocacy Center.

**ORDINANCE NO. BL2015-1126** (PRIDEMORE) – This ordinance amends the Metro Code to impose a \$2.00 litigation tax on all civil cases filed in general sessions court to defray the costs of salary increases for the general sessions judges. The enabling legislation for this litigation tax was recently expanded to include Metro during the last session of the Tennessee general assembly. The council is authorized to approve a tax of up to \$6.00 per case for this purpose, but the general sessions court is requesting that the amount initially be set at \$2.00.

Unlike other counties in Tennessee, the Metro Charter requires general sessions judges to be paid the same as state trial court judges, which on July 1, 2015 will be \$170,375. Pursuant to state law, the increase in salary from year to year is based upon the change in the average consumer price index. This ordinance would impose a \$2.00 tax on all civil cases filed in general (continued on next page)

**ORDINANCE NO. BL2015-1126**, continued

sessions court, such as traffic citations and civil warrants. These funds could only be used to aid in defraying the costs of the general sessions judges' salaries. It is estimated that this ordinance will generate approximately \$132,000 per year. The mayor's proposed fiscal year 2015-2016 operating budget includes this amount as anticipated revenue.

**ORDINANCE NOS. BL2015-1127 & BL2015-1128** (PRIDEMORE) – These two ordinances authorize the industrial development board of the Metropolitan Government (IDB) to negotiate and accept payments in lieu of ad valorem taxes for the benefit of American General Life Insurance Company and Asurion. State law permits local governments to delegate the authority to industrial development boards to enter into payment-in-lieu-of-tax (PILOT) agreements provided the payments are in furtherance of the public purpose of the board. PILOT agreements essentially provide tax abatements for real and/or personal property taxes the company would otherwise be required to pay to the Metropolitan Government. PILOTs are a tool utilized by Metro to provide incentives to large employers to create more job opportunities, and are subject to approval by the council. PILOT agreements are typically used to incentivize companies to either relocate or expand their existing operations in Nashville prior to such relocation or expansion. It is not customary to provide tax abatements to companies that have either already completed their expansion or have commenced construction, as is the case for these two PILOTs. However, the council office has been advised that the administration agreed to propose these PILOT agreements a couple of years ago, but the terms of the agreements have only recently been finalized.

**Ordinance No. BL2015-1127** approves a PILOT agreement for the benefit of American General Life Insurance Company. American General is a Texas-based insurance company that is a wholly-owned subsidiary of AIG. American General plans to relocate 750 business operations employees to a 3.65-acre site located at 340 Seven Springs Way on the Davidson County side of Brentwood. The building, which is currently under construction, will consist of 200,000 rentable square feet with American General operating 155,000 square feet of this space. The company expects to employ 950 people at this site within five years after beginning operations. The company's total investment at the site is estimated to be \$60 million.

This ordinance would provide a 50% real property tax abatement for three years, which could be extended by one year for each 100 new jobs created in a calendar year. It is unclear at this point what the total value of the abatement would be, as it will depend upon the assessment of the portion of the building AIG is occupying. Simply using a capital investment of \$60 million, this 50% abatement would result in approximately \$1 million in lost property tax revenue to Metro each year.

There are no performance milestones incorporated into the proposed PILOT agreement, and American General has not committed to maintaining or increasing the number of jobs at the corporate headquarters. The agreement also allows American General to assign its interest in the agreement to another company. As required by the Metro Code, American General will be required to manage a diversified business enterprise (DBE) program with a goal of 20% of the project's hard construction costs spent with DBE firms. The company would be required to provide quarterly reports to the council regarding the DBE participation. The company will also be required to use Metro's workforce development program to ensure reasonable efforts are made to use Davidson County residents in the construction of the project.

(continued on next page)

**ORDINANCE NOS. BL2015-1127 & BL2015-1128**, continued

**Ordinance No. BL2015-1128** approves a PILOT agreement for the benefit of Asurion, LLC. Asurion is one of the largest providers of wireless headset insurance programs in North America. In 2011, the council approved an economic development incentive grant having a total value of \$2.4 million for the benefit of Asurion as an incentive to keep the company in Nashville and to incentivize the location of its North American operations center in Nashville. In 2014, Asurion rehabbed an office building located at 5720 Crossings Boulevard in Antioch. This office space consists of 121,596 square feet plus a 164,571 square-foot parking lot that will be completed in 2015. Asurion's total investment is \$9.6 million in property improvements and \$8.5 million in personal property (equipment, furniture, etc.)

This ordinance would grant a 100% tax abatement for four years on the value of the improvements Asurion made to the property. This includes a tax abatement for both the real property and the personal property. Asurion would still pay the base tax amount of \$136,448 per year. The amount of lost property tax revenue to Metro as a result of the abatement based upon a \$9.6 million property improvement and \$8.5 million in personal property would be approximately \$288,300 per year, or \$1.15 million over the four year term of the PILOT agreement. This does not factor in any amount for depreciation of the personal property, which would lower the amount of the abatement. Asurion would be required to start paying the full amount of the property taxes if their number of employees at the site drops below 640. In December 2014, Asurion laid off 178 technology systems employees in Nashville, but these employees were not located at the Crossings Boulevard site.

**ORDINANCE NO. BL2015-1129** (BEDNE) – This ordinance amends the Metro code to establish a codes offender school. This school, which would be similar to the traffic school, DUI school, and the animal offender school currently in existence, would be operated under the supervision of the codes department. This ordinance would give the environmental court the discretion to order a person found to be in violation of the property standards code to attend the codes offender school in addition to, or in lieu of, any monetary fine. The purpose of the school would be to provide education about the purpose of the property standards code and the impact of violations on the health, safety, and welfare of the community. Persons ordered to attend the school would be responsible for paying a fee up to ninety dollars, which would be used to cover the expenses of the school. The ordinance would give the codes department the authority to select a nonprofit organization or organizations to operate the codes offender school subject to approval of the council by resolution.

The director of finance has refused to certify funds are available for this ordinance as a result of a lack of information regarding whether the costs of the program would be offset by the revenue generated from the class.

**ORDINANCE NO. BL2015-1130** (PRIDEMORE & BAKER) – This ordinance approves agreements between the Metropolitan Government and Nashville Electric Service (NES), and the U.S. Marshals Service, Belmont University, and Smyrna/Rutherford County Airport Authority for access to the 800-MHz emergency radio dispatch and response system. The Metropolitan Government and NES jointly own and operate the emergency radio dispatch and radio response (continued on next page)

**ORDINANCE NO. BL2015-1130**, continued

system utilizing 800-MHz radio frequencies licensed by the Federal Communications Commission. This system was jointly funded by Metro and NES, with Metro general services now maintaining the system and NES contributing funds to help pay for its maintenance.

These agreements will allow these entities to connect to the emergency radio dispatch system. The U.S. Marshals Service and the Smyrna/Rutherford County Airport Authority will pay for access to the system, usage, and the maintenance of equipment. However, Belmont will not be charged for access to the system since the Metro radio management committee has a policy of not charging for interoperability access. The terms of the U.S. Marshals and Smyrna/Rutherford county agreements are through June 30, 2024, and the term of the Belmont agreement extends through June 30, 2025. The agreements may be terminated by either party with 90 days written notice.

The council has approved similar agreements with other entities.

**ORDINANCE NO. BL2015-1131** (PRIDEMORE, A. DAVIS & HUNT) – This ordinance approves an agreement between Metro and Google Fiber to provide for the relocation of certain Metro equipment on poles in the right-of-way as needed to accommodate Google Fiber’s placement of its fiber optic cables on the poles (primarily Nashville Electric Service poles). Google Fiber recently selected Nashville as one of the areas for the expansion of its service, and the company has obtained a state cable and video services franchise allowing it to install equipment in the public rights-of-way. Metro currently maintains radio equipment, cameras, and cabling on some NES poles needed for Metro facilities and other government purposes. In order to install its fiber optic cable, Google Fiber will need to relocate some of the Metro equipment on certain poles. This agreement will allow Google Fiber to move the equipment or pay Metro to move it as the circumstances may warrant.

Google Fiber agrees to pay all actual, reasonable, and documented costs incurred by Metro in connection with the relocations within 45 days of being invoiced by Metro. Google Fiber will provide Metro with the location of Metro equipment that needs to be relocated. If the relocation of certain equipment is deemed by Metro to be complex, Metro will have the right to relocate it or use a contractor of its choice to undertake the relocation. All relocations will be subject to the approval of a statement of work that identifies the nature and extent of the work, as well as the estimated costs of the work. If Google Fiber is performing the relocation work, it agrees to only use contractors approved by Metro and to provide a relocation schedule before undertaking the work. Metro will have the right to monitor and inspect the relocation of its equipment. The agreement includes indemnification provisions protecting Metro, and requires Google to maintain commercial liability insurance in the amount of \$1 million per occurrence.

There is no fixed termination date for this agreement, but the agreement does reserve Metro’s rights to exercise its police powers and enforce all applicable Metro ordinances pertaining to use of the right-of-way. This would arguably include the ability to terminate the agreement at a later date in the event Metro’s ability to enforce its laws was being negatively impacted. Obviously, the bulk of the relocations would occur while Google Fiber is initially building out the system.

**ORDINANCE NO. BL2015-1132** (LANGSTER, PRIDEMORE & HUNT) – This ordinance authorizes the director of public property administration to sell property located at 2508 Finland Street and 4802 Hopedale Drive to Google Fiber company. In May 2014, the council enacted Ordinance No. BL2014-744 to approve an agreement between Metro and Google Fiber for the identification of suitable Metro property for the installation of fiber optic network “huts” to house network equipment. It was contemplated that Google Fiber would lease most of the sites, which would be subject to approval of the council by resolution once the sites are identified. However, Google Fiber has decided it would like to purchase two of the parcels owned by Metro for the fair market appraised value of the property. The Finland Street property was acquired as a result of a demolition lien on the property and has an appraised value of \$28,000. The Hopedale Drive property was acquired through a back tax sale and is appraised at \$36,000.

This ordinance has been referred to the planning commission.

**ORDINANCE NO. BL2015-1133** (PRIDEMORE & A. DAVIS) – This ordinance approves a construction agreement between the Metropolitan Government and CSX Transportation, Inc., related to the installation and maintenance of traffic signals at the grade crossing located at 40<sup>th</sup> Avenue North and Charlotte Avenue. Metro plans to install new signals at this location and connect them with the circuitry for the railroad warning signals at the crossing to change the sequence of the traffic signals when a signal is received from the crossing warning device. Metro agrees to reimburse CSX for its costs associated with the interconnection, which is estimated to be \$38,173.

**ORDINANCE NO. BL2015-1134** (GILMORE, A. DAVIS & HUNT) – This ordinance abandons the water and sewer easement rights that were retained by Ordinance No. O92-318 when a portion of Alley No. 12 was abandoned for properties located at 200, 206, 216, and 222 2<sup>nd</sup> Avenue South. Metro water services has no future need for these easements. This ordinance has been approved by the planning commission.

**ORDINANCE NO. BL2015-1135** (HARRISON) – This ordinance abandons a portion of Woodfolk Avenue, Alley No. 1089, and an unnumbered alley on various properties located west of Brick Church Pike. This abandonment has been requested by Hawkins Development, Co. for improvements to the Tennessee Processing Center. This ordinance retains all existing utility easements. A petition evidencing the consent of the affected property owners is included as an attachment to the ordinance. This ordinance has been approved by the planning commission and the traffic and parking commission.

**ORDINANCE NO. BL2015-1136** (LANGSTER) – This ordinance abandons a portion of an unnumbered alley from Alley No. 701 southward to its terminus. This section of alley is located near the Long Boulevard and Avoca Street intersection. This alley closure has been requested by Dewey-Estes Engineering. The ordinance also abandons all existing utility easements. A petition evidencing the consent of the affected property owners is included as an attachment to the ordinance. This ordinance has been approved by the planning commission and the traffic and parking commission.

**ORDINANCE NO. BL2015-1137** (STITES) – This ordinance renames Woodland Point Drive as “Woodland Pointe Drive” from Bell Road to the cul-de-sac. This change has been requested by the Woodland Pointe homeowners association so that the street name will match the name of the subdivision.

This ordinance has been approved by the planning commission and the ECD board.

**ORDINANCE NO. BL2015-1138** (WESTERHOLM) – This ordinance abandons a portion of Alley Nos. 766 and 767 between Powers Avenue, Tillman Lane, and Porter Road. This alley closure has been requested by Littlejohn Engineering. The ordinance retains all existing utility easements. A petition evidencing the consent of the affected property owners is included as an attachment to the ordinance. This ordinance has been approved by the planning commission and the traffic and parking commission.

**ORDINANCE NO. BL2015-1141** (GILMORE) – This ordinance authorizes Nashville Urban Venture, LLC to install and maintain an encroachment consisting of a garage entry sign located within the sidewalk of 11<sup>th</sup> Avenue South between Laurel Street and Demonbreun Street. The applicant has agreed to indemnify the Metropolitan Government from all claims in connection with the installation and maintenance of the encroachments and is required to provide a certificate of public liability insurance of \$2 million per occurrence naming the Metropolitan Government as an insured party. This ordinance has been approved by the planning commission.

**– BILLS ON THIRD READING –**

**ORDINANCE NO. BL2015-1106** (MCGUIRE) – This ordinance abandons a portion of Benham Avenue right-of-way from Woodmont Boulevard to Graybar Lane. The abandonment of this unused right-of-way has been requested by Walter Davidson & Associates. The reason given for the abandonment is that the neighborhood wants to ensure this section of roadway is not built out. This ordinance retains all existing utility easements. A petition evidencing the consent of the affected property owners is included as an attachment to the ordinance. This ordinance has been approved by the planning commission and the traffic and parking commission.

Although the caption of the ordinance references a prohibition on the resale of tickets, the actual ordinance itself does not reference ticket sales. Although the term is not defined in the ordinance, "tickets" theoretically could be considered goods or personal property.

**ORDINANCE NO. BL2015-1115** (A. DAVIS & HUNT) – This ordinance authorizes the acceptance of permanent easements for property located at 9262 and 9269 Hester Beasley Road for a stormwater project. There is no cost associated with the acquisition of the easements. This ordinance has been approved by the planning commission.

**ORDINANCE NO. BL2015-1116** (BAKER, A. DAVIS & HUNT) – This ordinance abandons the water and sewer easement rights that were retained by Ordinance No. BL2004-176 when the former right-of-way was abandoned for property located at 4911 Tennessee Avenue. There is no longer a government need for this easement. This ordinance has been approved by the planning commission.

**ORDINANCE NO. BL2015-1117** (BAKER, A. DAVIS & HUNT) – This ordinance abandons the water and sewer easement rights that were retained by Ordinance No. O77-71 when the former 50<sup>th</sup> Avenue North right-of-way was abandoned for property located at 4913 Kentucky Avenue. There is no longer a government need for this easement. This ordinance has been approved by the planning commission.

**ORDINANCE NOS. BL2015-1118 & BL2015-1119** (BAKER, A. DAVIS & HUNT) – These two ordinances abandon water and sewer lines and easements that are no longer being used by the department of water and sewerage services, and accepts replacement infrastructure. These ordinances have been approved by the planning commission.

**Ordinance No. BL2015-1118** abandons 51 linear feet of an 18-inch sewer main and easement, accepts 385 linear feet of a 10-inch sewer main and easement along with two fire hydrant assemblies, and accepts 21 feet of 8-inch sewer for property located at 6834 Charlotte Pike. This is for the Overlook at Nashville West project.

**Ordinance No. BL2015-1119** abandons an 8-inch sewer main, manhole, and easement, and accepts a new manhole for properties located at 1202 and 1204 Tremont Street.