



METRO COUNCIL OFFICE

MEMORANDUM TO: All Members of the Metropolitan Council

FROM: Jon Cooper, Director
Metropolitan Council Office

COUNCIL MEETING DATE: **May 5, 2015**

RE: **Analysis Report**

Unaudited Fund Balances as of 4/29/15:

4% Reserve Fund	\$13,283,776*
Metro Self Insured Liability Claims	\$3,626,911
Judgments & Losses	\$3,016,342
Schools Self Insured Liability Claims	\$2,530,453
Self-Insured Property Loss Aggregate	\$6,925,651
Employee Blanket Bond Claims	\$666,906
Police Professional Liability Claims	\$2,683,773
Death Benefit	\$980,114

*Assumes unrealized estimated revenues in fiscal year 2015 of \$4,146,809.

– BILLS ON PUBLIC HEARING –

ORDINANCE NO. BL2015-1053 (GILMORE) – This ordinance approves what is largely a housekeeping amendment to the downtown code to update review processes, update maps, correct some typographical errors, and make changes to the urban design standards.

This ordinance has been referred to the planning commission but was deferred by the commission on April 23.

ORDINANCE NO. BL2015-1064 (S. DAVIS) – This ordinance amends the Metro zoning code to allow detached accessory dwelling units in the CL (commercial limited) zoning district as a use permitted with conditions. In June 2014, the council approved a zoning text change to allow detached accessory dwellings on lots within the R districts with certain conditions. The lot must not be within a historic overlay or UDO and must have a single-family home on the lot. The lot must also have access to an improved alley or be in excess of 15,000 square feet in size. The property owner must own both the single family home and the detached accessory dwelling, and at least one of the two dwellings must be occupied by the owner. The living area for the detached dwelling is limited to 700 square feet, and the footprint of the structure is limited to 1,000 square feet.

This ordinance essentially expands the 2014 ordinance to include single family homes built on lots in the CL zoning district.

This ordinance has been referred the planning commission.

ORDINANCE NO. BL2015-1098 (EVANS & BEDNE) – This ordinance amends the zoning code provisions pertaining to the minimum campus size requirements for elementary, middle, and high schools, and would allow schools to be located by right in the IWD zoning district. The code currently allows schools to be located in most of the zoning districts excluding the shopping center, office neighborhood, commercial neighborhood, and industrial zoning districts. The minimum campus size is currently based upon the type of school and number of students as follows:

<u>School Type</u>	<u>Minimum Campus Size</u>
Elementary (K—8)	5 acres + 1 acre/100 students
Middle (5—9)	10 acres + 1 acre/100 students
High (7—12)	15 acres + 1 acre/100 students

Public park space abutting the school site may be calculated to meet the minimum campus size, provided the metropolitan board of parks and recreation approves the site for shared use. The board of zoning appeals (BZA) can approve smaller lot sizes, provided the school does not offer extracurricular activities. In no event can the BZA permit a school on a lot less than two acres in size for a school with 75 or fewer students, or three acres for schools with more than 75 students plus an additional acre for every 100 students.

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ORDINANCE NO. BL2015-1098, continued

This ordinance would allow the BZA to permit new schools on smaller lots as a special exception as long as the total lot size is at least three acres and no athletic activities will take place on the property. Prior to granting a special exception for a reduced lot, the BZA is to obtain a recommendation from the planning department as to whether a school on the proposed site is consistent with the applicable land use policy for the area. The ordinance would also allow new schools to operate in a building that was previously used to house a church or school within the past five years, regardless of the lot size. This is to encourage the adaptive reuse of existing structures.

This ordinance has been referred to the planning commission. The public hearing for this ordinance must be deferred by council rule since less than 30 days have elapsed from the April 7 referral date to the planning commission.

ORDINANCE NO. BL2015-1099 (BENNETT, GLOVER & OTHERS) – This ordinance amends the Metro zoning code to make sex clubs a separate use permitted with conditions in the IWD, IR, and IG zoning districts. For purposes of the zoning code, sex clubs currently fall within the general definition of club. This ordinance would add “sex club” as its own use, which would only be permitted in the industrial zoning districts. The ordinance defines sex club as any establishment, business, or club that allows members to engage in specified sexual activities or the exposure of specified anatomical areas (as defined in the zoning code), and which meets one or more of the following criteria:

1. The club does not provide membership to persons under 21 years of age;
2. The club’s members do not vote on the admittance of new members;
3. The club accepts applications for membership without a current member’s written recommendation;
4. The club grants membership on the same day a membership application is filed;
5. The club contains rooms for couples and other adult-themed rooms for members.

This criteria is very similar to the criteria used in the state law definition of private club recently enacted by the Tennessee General Assembly. The ordinance also would prohibit sex clubs from locating within 1,000 feet of a residence, school, day care, park, or church. Federal courts that have considered the regulation of sex clubs have acknowledged a local government’s legitimate concern that these clubs can pose health, safety, and welfare concerns for the community.

There is a substitute for this ordinance that removes the operational criteria from the definition of sex club and adds specific conditions specifying that the clubs are prohibited from the following:

1. Admitting members that are younger than 21 years of age;
2. Admitting any new member without the affirmative vote of a majority of the other members;
3. Accepting applications for membership without a current member’s written recommendation; and
4. Granting membership within 24 hours from the time a membership application is filed.

The planning commission approved the substitute version of this ordinance.

ORDINANCE NO. BL2015-1100 (HUNT) – This ordinance amends the Metro zoning code to shift the responsibility for the posting of board of zoning appeals (BZA) public hearing signs from the codes department to the applicant. In 2014, the council approved a zoning text change to require applicants for zoning bills to post the public hearing signs. This ordinance expands this requirement to include signs providing notice of BZA appeal hearings. The ordinance also removes the requirement that the codes department advertise the public hearings in the newspaper. Notice of all such hearings is included on the Metro website and anyone can sign up on the website to receive every BZA agenda. Newspaper advertisements are quite expensive and their effectiveness given today’s technology is questionable. Notices for council public hearings would still be included in the newspaper, as required by state law.

This ordinance has been approved by the planning commission.

– RESOLUTIONS –

RESOLUTION NO. RS2015-1433 (STEINE & CLAIBORNE) – This resolution proposes an amendment to the Metropolitan Charter for possible consideration on the August 7, 2015 ballot that would increase the term limits for the Vice Mayor and Members of Council to three terms effective in August 2023. Term limits were adopted in November 1994 after being submitted to the voters by petition. The council submitted an amendment to increase the term limits to three terms in 1996 and again in 2002, both of which were defeated by the voters. The council submitted a charter amendment in 1998 to repeal term limits entirely, which was also rejected by the voters. The voters did approve a charter amendment in 2008 to clarify that serving less than one-half of a term to fill a vacancy does not count toward the limit of two consecutive terms.

The charter only allows the council to adopt two resolutions per council term that submit charter amendments to the voters for ratification. The council already adopted one resolution proposing amendments to the charter this term in 2012. Each proposed amendment to the charter must be adopted by 27 affirmative votes of the council, and the resolution itself submitting the amendment(s) must be adopted by 27 affirmative votes in order for the amendment(s) to be placed on the ballot.

This resolution has been referred to the charter revision commission.

RESOLUTION NO. RS2015-1464 (PRIDEMORE, BAKER & LANGSTER) – This resolution approves an application for the continuation of a grant in the amount of \$166,667 from the U.S. department of homeland security to the Metropolitan Nashville fire department to purchase forensic investigation equipment, surveillance cameras, night vision cameras, and training for arson investigators. The training will allow the arson investigators to complete the certification requirements established by the International Association of Arson Investigators. There will be a required local match of \$8,333 if the grant is awarded.

RESOLUTION NOS. RS2015-1465 & RS2015-1466 – These two resolutions approve intergovernmental agreements with the federal and state bureaus of investigation for participation in the state and national DNA index system. The FBI sponsors a DNA index system that allows crime labs to store, compare, and match DNA from offenders, crime scene evidence, and unidentified human remains. The Tennessee bureau of investigation also maintains a state DNA index system in partnership with the FBI, and the FBI allows sublicenses for the system to be granted to accredited forensic DNA labs. These two agreements are necessary for the new Metro DNA crime lab to be a part of the state and federal DNA indexes.

DNA records are only to be released in compliance with applicable state and federal law. Metro agrees to take reasonable precautions to prevent unauthorized persons from accessing the database. Under federal law, knowingly disclosing DNA information to an unauthorized person can result in a federal fine of up to \$350,000 and/or one year in jail.

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RESOLUTION NOS. RS2015-1465 & RS2015-1466, continued

There are no funding requirements associated with either of these agreements. Either party may terminate the agreement with 30 days notice.

Resolution No. RS2015-1465 (Pridemore & Baker) approves the agreement with the TBI.

Resolution No. RS2015-1466 (Baker & Langster) approves the agreement with the FBI.

RESOLUTION NO. RS2015-1467 (BAKER & LANGSTER) – This resolution approves an intergovernmental agreement between the Tennessee bureau of investigation (TBI) and the Metropolitan police department authorizing the crime lab director to serve as representative of the director of the TBI for purposes of certifying test results of criminal cases involving toxicology. Under state law, requests for toxicology examinations are to be sent to the TBI director or a duly appointed representative. This agreement simply provides that the Metro crime lab director is to serve as this appointed representative.

RESOLUTION NO. RS2015-1468 (PRIDEMORE & GILMORE) – This resolution approves an amendment to a sub-recipient grant agreement between the Metropolitan development and housing agency (MDHA) and the Metro homelessness commission to provide rental and utility deposits for chronically homeless individuals. As part of the implementation of the consolidated plan for housing and urban development submitted to the federal government, MDHA awarded a sub-recipient grant in the amount of \$200,000 to the homelessness commission for one-time payments of the first month's rent and security/utility deposits for persons that have been identified as chronically homeless. Payments are made directly to the housing provider, not the individual client. The total amount of payments made on behalf of a single client shall not exceed \$1,000. This amendment extends the term of the grant through January 21, 2016. No additional funds are provided as a result of the extension.

RESOLUTION NO. RS2015-1469 (PRIDEMORE & A. DAVIS) – This resolution authorizes Metro water services to enter into contracts with the City of Ridgetop and the White House Utility District, and approves an amendment to a contract with the Hendersonville Utility District, for the acceptance and treatment of sewage flow. Metro has a number of contracts with other municipalities and utility districts to transport and treat their sewage.

The agreements set forth the maximum amount of sewage Metro agrees to treat and sets a treatment price of \$1.30 per 100 cubic feet of sewage flow. The maximum flow amount for Ridgetop will be 10,000 gallons per hour, and the maximum for White House Utility District will be 60,000 gallons per hour. If Metro agrees to accept sewage for treatment in excess of the maximum rate set forth in the contract, the cost will be 125% of the base treatment rate. The treatment price is to be adjusted annually based upon a price index, and the rate is to be recalculated every five years as determined by a mutually acceptable rate consultant.

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RESOLUTION NO. RS2015-1469, continued

The Ridgetop contract further requires Ridgetop to administer an industrial pretreatment program within its service area at its sole expense. The White House Utility District would also be required to administer such an industrial pretreatment program if a large industrial user ever discharges waste into the system. The Ridgetop and White House contracts are for a term extending through October 1, 2024.

The amendment to the agreement with the Hendersonville Utility District pertains to the rate consultant selection procedure for the calculation of rates in 2019, 2024, and 2029.

RESOLUTION NO. RS2015-1470 (PRIDEMORE, A. DAVIS & LANGSTER) – 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 \$4,230,886 to \$3,938,426;
- Thermal ash monofill – decrease from \$1,044,283 to 1,016,283;
- Due West dump site – decrease from \$1,210,686 to 1,167,979.

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. RS2015-1471 (TODD & A. DAVIS) – This resolution approves an intergovernmental agreement between the state department of transportation and the Metro department of public works for the acceptance of traffic signal improvements on Franklin Pike at the Harding Place/Battery Lane intersection. Once installed, Metro will assume the responsibility for the operation and maintenance of the signals, and for supplying the electricity. The safety improvements will include the installation of new signs, refurbishment of pavement markings, sidewalk/crosswalk upgrades, and traffic signal modifications. Metro will be responsible for maintaining the traffic signals once they are installed.

RESOLUTION NO. RS2015-1472 (PRIDEMORE & A. DAVIS) – This resolution approves an intergovernmental agreement between Williamson County, Tennessee and the Metropolitan Government for the sharing of GIS (geographic information system) data. Pursuant to this agreement, each party grants the other party a non-exclusive license to use their GIS data at no cost. The term of the agreement is for three years, but can be terminated by either party with 15 days written notice.

RESOLUTION NO. RS2015-1473 (A. DAVIS & HUNT) – This resolution is an annual housekeeping matter required by state law to classify all public roads in Davidson County. By adoption of this resolution, those roads and alleys listed on the geographic information systems street and alley centerline layer map approved by Ordinance No. BL2015-1041 will be officially classified as public roads.

RESOLUTION NO. RS2015-1474 (ALLEN) – This resolution authorizes H.G. Hill Realty, LLC, to install and maintain an aerial sign encroachment at 1807 21st Avenue South for the Hill Center Acklen development. The encroachment will consist of a 8’5” tall by 1’10” wide sign to be constructed above the sidewalk. The applicant must indemnify the Metropolitan Government from all claims in connection with the construction and maintenance of the signs, and is required to post a certificate of public liability insurance with the Metropolitan clerk naming the Metropolitan Government as an insured party.

This resolution has been approved by the planning commission.

RESOLUTION NO. RS2015-1475 (HARMON) – This resolution approves the election of notaries public in accordance with state law.

– **BILLS ON SECOND READING** –

ORDINANCE NO. BL2015-1069 (TODD) – This ordinance abandons a portion of the Forsythe Place right-of-way from Lynwood Boulevard to Harpeth Hills Drive. This right-of-way abandonment has been requested by Chandelier Development. The ordinance retains all utility easements. Consent of the affected property owners is attached to the ordinance. This ordinance has been approved by the planning commission and the traffic and parking commission.

ORDINANCE NO. BL2015-1070 (TODD) – This ordinance abandons a portion of the Franklin Pike Circle right-of-way on properties located at 5644 and 5648 Franklin Pike Circle. This section of right-of-way dead ends prior to reaching Old Hickory Boulevard. This right-of-way abandonment has been requested by Dale & Associates. The ordinance also abandons all utility easements, but Nashville Electric Service facilities are to remain in place until an agreement is reached with NES for relocation or removal. Consent of the affected property owners is attached to the ordinance. This ordinance has been approved by the planning commission and the traffic and parking commission.

ORDINANCE NO. BL2015-1102 (BENNETT) – This ordinance amends the Metro Code to clarify that the board of parks and recreation has the authority to permit the sale and consumption of beer and other alcoholic beverages in all parks. The Metro Charter provides that the board of parks and recreation has the exclusive duty to control and operate the Metro parks. However, the council has the authority under state law to control the sale of beer. While the code currently authorizes the parks board to permit the possession of alcoholic beverages at such places and at such times as it deems appropriate under its rules and regulations, the code only permits the sale of beer in parks within the downtown area. The code does not expressly permit the sale of other alcoholic beverages besides beer in parks.

The parks department receives many requests to hold festivals, events, and ceremonies at parks outside of the downtown area, and the parks board has deemed it necessary that the alcoholic beverage restrictions in the code be revised to allow the sale of alcohol in parks county-wide with the approval of the board.

This ordinance would specifically allow the sale of alcoholic beverages at all parks, including at special events within parks, subject to the parks board's approval. The ordinance also removes the 1:00 p.m. starting time restriction for the sale of beer at golf courses on Sundays, which is in conflict with the 10:00 a.m. starting time in the beer code for all beer permit holders on Sundays.

ORDINANCE NO. BL2007-1103 (BAKER) – This ordinance adds the juvenile court judge to the criminal justice steering committee. This committee was formally established by ordinance in 2007 to address criminal justice policies and procedures and the future needs of Davidson County's criminal justice system. The committee currently is comprised of the mayor, a general sessions judge, a criminal court judge, the district attorney, the public defender, the sheriff, the chief of police, and the criminal court clerk. This ordinance simply adds the juvenile court judge to the roster of committee members.

ORDINANCE NO. BL2015-1104 (CLAIBORNE) – This ordinance designates Old Lebanon Pike as “Donnie Whitworth Way”. Donnie Whitworth was an intellectually disabled man that collected cans for recycling in the Donelson area for 40 years until his death this year. Mr. Whitworth was well known in the Donelson community, and it is estimated that he walked 8 to 10 miles a day, 7 days a week, collecting cans.

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 centerline layer map.

This ordinance does not officially rename Old Lebanon Pike, and property owners will not be required to change their address.

ORDINANCE NO. BL2015-1105 (GILMORE) – This ordinance renames Jackson Street between 2nd Avenue North and 5th Avenue North as “Junior Gilliam Way”. Junior Gilliam was a professional baseball player from Nashville that started playing in the Negro leagues with the Nashville Black Vols. Mr. Gilliam went on to have a very successful major league career with the Brooklyn and Los Angeles Dodgers. This name change for this section of roadway, which is adjacent to the new First Tennessee Ballpark, been requested by the Nashville Sounds Baseball Club.

As required by the Metro code, the planning department mailed notices to all property owners that would be affected by the renaming of this street offering them the opportunity to provide written comments about the name change. No responses from the affected property owners were submitted.

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

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.

ORDINANCE NO. BL2015-1107 (GILMORE, A. DAVIS & HUNT) – This ordinance abandons portions of the Malloy Street right-of-way and easements in front of property located at 222 2nd Avenue South. The ordinance also authorizes the execution of a quitclaim deed to convey any property interests Metro may have in the right-of-way that is not already extinguished by the abandonment. This ordinance has been approved by the planning commission and the traffic and parking commission. The recommendation of approval from the planning commission is conditioned upon the existing electric utilities are to remain until an agreement is reached with Nashville Electric Service for their removal and/or relocation.

ORDINANCE NO. BL2015-1108 (TODD, A. DAVIS & HUNT) – This ordinance authorizes the acceptance of permanent and temporary easements for properties located at 1302 and 1304 Hildreth Drive, and 1302, 1306, and 1308 Tyne Boulevard for a stormwater improvement project. There is no cost associated with acquisition of the easements identified in the ordinance. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2015-1109 (GILMORE, A. DAVIS & HUNT) – This ordinance abandons a 2,067 square-foot utility and drainage easement for property located at 1221 Division Street. This ordinance has been approved by the planning commission. Future amendments to this ordinance may be approved by resolution.

ORDINANCE NO. BL2015-1110 (HAGAR, A. DAVIS & HUNT) – This ordinance abandons 130 feet of a sewer easement for an unnumbered parcel of property on Dabbs Avenue. This ordinance has been approved by the planning commission. Future amendments to this ordinance may be approved by resolution.

ORDINANCE NO. BL2015-1111 (A. DAVIS & HUNT) – This ordinance abandons 500 linear feet of an 8-inch sewer line and easement, abandons 375 feet of a 6-inch water main and easement, and authorizes the construction of 609 feet of replacement sewer main for an unnumbered property on Main Street. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2015-1112 (TENPENNY, A. DAVIS & HUNT) – This ordinance abandons 146 linear feet of a 10-foot water main easement for property located at 2971 Kraft Drive. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2015-1113 (TENPENNY, A. DAVIS & HUNT) – This ordinance authorizes the director of Metro water services to replace 2,520 feet of 6-inch water main with 1,150 feet of 12-inch water main for property located at 719 Thompson Lane. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

– BILLS ON THIRD READING –

ORDINANCE NO. BL2015-1065 (WEINER) – This ordinance amends the Metro code pertaining to the format of the information to be submitted to the council as part of the pay plan worksheets. The Metro charter requires the civil service commission to develop a pay plan to be submitted to the finance director and mayor, which in turn is submitted to the council for final approval. In 1971, the council enacted an ordinance to require worksheets for the general government, police/fire, and health pay plans to be submitted to the council prior to the time they are to be acted upon. The oddly-worded code language that has been in place since 1971 requires the department of human resources to prepare complex worksheets identifying the base rate or monthly salary for every class title, and showing the total number of Metro employees receiving that base rate or monthly salary plus a growth factor increment. Last year's worksheet document totaled 88 pages and, in the opinion of Metro HR and the council office, is difficult to comprehend and is not very helpful. It is also time consuming for HR to prepare. In order to prepare the document, HR must look at where employees that receive step increments were on the increment scale last year and predict where they are expected to be on July 1 of this year.

Metro HR has proposed simplifying the worksheets to make them more user-friendly and less time consuming to prepare. The new worksheets are to summarize the changes being made to the pay plan and describe the implementation and proposed effective dates. This is essentially the same information the civil service commission receives from HR staff prior to their consideration of the pay plans. It is estimated that this will reduce the size of the document from 88 pages down to 3-7 pages.

ORDINANCE NO. BL2015-1067 (GILMORE, PRIDEMORE & OTHERS) – This ordinance approves an agreement for the sale and redevelopment of the old convention center property located on a 6.2 acre tract at 601 Commerce Street. The former convention center opened in 1987. In 2013, the council approved several agreements with the Renaissance Hotel that resulted in a release of Metro's obligation to continue operating a convention center on the property in exchange for ownership of the hotel property, and approved a 30 year, rent-free, lease for the old convention center meeting and ballroom space. The hotel further agreed to enter into a room block agreement with the convention center authority (CCA) to serve as an overflow hotel for large conventions. The hotel was also granted use of the pedway and other ancillary areas of the convention center for 99 years as part of the 2013 agreements.

The CCA issued a request for qualification (RFQ) in 2013 for developers to submit a proposal for the redevelopment of the old convention center site. The objectives listed in the RFQ were to:

1. Maximize the development opportunities and possibilities for the site;
2. Minimize disruption to the Renaissance Hotel;
3. Encourage expansion of retail development on Broadway;
4. Limit Metro's financial participation and risk; and
5. Incorporate space for the National Museum for African American Music.

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ORDINANCE NO. BL2015-1067, continued

Of the five responses to the RFQ, Spectrum I Emery, associating with OliverMcMillan, was selected by the CCA for a \$390 million redevelopment of the site. Spectrum I Emery, formed in 2010, is a real estate company that provides leasing, property management, and development of multi-tenant office buildings. The company currently manages over 1.5 million square feet of office space at the Corporate Centre campus and the Carothers Building. OliverMcMillan, based in San Diego, CA, is a commercial real estate firm that has developed 42 properties, mostly in the western U.S. Its most recent project is Buckhead Atlanta, which comprises a six block area and includes luxury retail, restaurant, and high-rise residential.

Under the terms of the agreement to be approved by this ordinance, the developers will pay Metro \$5 million in cash at closing for the property, and will pay \$250,000 per year to Metro for 25 years starting five years after a certificate of occupancy is issued for the development, which would result in a total payment to Metro of \$11.25 million. The developer will have the option of paying the \$250,000 per year payments in one lump sum at a 7% discount rate. Metro did not procure an independent appraisal for the property, but the property assessor's website lists the value of the property at \$27 million. However, an appraiser would discount the value of the property as a result of the agreements in place with the Renaissance Hotel.

The development is to consist of the following components:

- The existing structure is to be demolished at an estimated cost to the developer of \$7 million
- 50,000 square feet of office space (increasing to 200,000 square feet if the developer acquires the rights to the existing meeting space from the Renaissance Hotel)
- 150,000 square feet of "retail and/or entertainment space", which is not defined in the agreement
- 45,000 square feet as the shell for the National Museum of African American Music (estimated to cost the developer \$11 million)
- A minimum of 250 residential units
- The developer is to construct one or more parking garages for the office and residential components of the project
- The CCA agrees to pay \$32 million to the developer for the construction of another 781 space two-level underground parking garage, which will be owned by the CCA. The revenue generated by this garage is expected to be sufficient to cover the debt service. The CCA can elect to increase the size of the garage by 400 spaces at an additional cost of \$12 million.
- Although not part of the agreement to be approved by this ordinance, the developer has agreed to spend at least \$7 million to help construct new meeting space for the Renaissance Hotel.

Closing is to take place by December 31, 2015, but may be extended for up to four periods of three months each with a payment to Metro of \$250,000 for each quarterly extension, which will be applied toward the \$5 million purchase price. The agreement provides that the development may be constructed in phases, but redevelopment must commence within six months of closing. The developer will be required to provide quarterly status reports to the director of finance, the CCA president, "and/or" the chairperson of the council budget and finance committee.

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ORDINANCE NO. BL2015-1067, continued

The agreement provides that it is conditioned upon council approval not later than June 30, 2015, and upon providing the finance director with proof of financing for the project. The developer will have the right to transfer any completed portion of the project to another owner without Metro's consent, and can grant a security interest in the property to lenders.

The Metropolitan development and housing agency has stated it intends to provide the developer with \$25 million in tax increment financing (TIF). TIF loans are repaid from the incremental increase in taxes created by the project. The developers will apply 75% of the increased property tax revenue toward repayment of the TIF loan, which should be repaid in 12 to 15 years. The remaining 25% of the increased tax revenue will go to the Metro general fund, which is estimated to be \$1.76 million per year once the development is built out.

The RFQ issued for the redevelopment included a requirement that the development include a diversified business enterprise goal of 20% of the project's costs and use of Metro's workforce development program. Although not included within the terms of the agreement, the developer has submitted a letter confirming their commitment to the 20% DBE goal and participation in the workforce development program. Metro's workforce development program is designed to ensure that reasonable efforts are used to hire Davidson County workers on economic development incentive projects. A copy of this letter has been distributed to the council.

The developer retained Dr. Mark Burton, a Research Assistant Professor at the University of Tennessee, to conduct an economic impact study of the proposed development. According to Dr. Burton's analysis, this development would create approximately 2,600 jobs and would generate roughly \$7.9 million in local tax revenue for Metro each year.

The mayor has indicated that the \$5 million proceeds from the sale of the old convention center site will be dedicated to the Barnes Fund for Affordable Housing. However, such funds would be subject to appropriation by the council after closing on the property.

The ordinance provides that amendments to the agreement are subject to approval of the council by resolution.

ORDINANCE NO. BL2015-1068 (ALLEN) – This ordinance abandons a portion of the Alley No. 922 right-of-way from Belcourt Avenue southward to Alley No. 917 between 17th Avenue South and 18th Avenue South. This right-of-way abandonment has been requested by Civil Design Group, PLLC to allow for the consolidation of property for development. The ordinance also abandons all utility easements. Consent of the affected property owners is attached to the ordinance. This ordinance has been approved by the planning commission and the traffic and parking commission.

ORDINANCE NO. BL2015-1071 (GILMORE) – This ordinance authorizes Fountains of Germantown Holdings, LLC to install and maintain structural and aerial encroachments in the right-of-way at 1401 and 1403 3rd Avenue North, 1408 and 1410 4th Avenue North, and 302 Taylor Street. These encroachments will include a sky bridge with festival lights, stoop, upper balcony, awning, and sign. The applicant has agreed to indemnify the Metropolitan Government from all claims in connection with the installation and maintenance of the encroachment, and is required to maintain \$2 million in liability insurance naming Metro as additional insured.

This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2015-1072 (GILMORE) – This ordinance authorizes Gulch Hotel Owner, LLC to install and maintain an aerial and underground encroachment along 11th Avenue South, 12th Avenue South, and Pine Street for the Thompson Hotel in the Gulch. These encroachments will include an entry canopy, signage, and irrigation lines. The applicant has agreed to indemnify the Metropolitan Government from all claims in connection with the installation and maintenance of the encroachment, and is required to maintain \$2 million in liability insurance naming Metro as additional insured.

This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2015-1073 (PRIDEMORE, A. DAVIS & HUNT) – This ordinance authorizes the acceptance of temporary and permanent easements for nine properties located along Bixler and Delaware Avenues for the Bixler Avenue stormwater improvement project. There should be no cost associated with acquisition of the easements identified in the ordinance. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2015-1074 (BENNETT, A. DAVIS & HUNT) – This ordinance authorizes the acceptance of temporary and permanent easements for 17 properties located along Hart Lane, Hutson Avenue, and Ben Allen Road for a stormwater improvement project. There should be no cost associated with acquisition of the easements identified in the ordinance. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL205-1075 (LANGSTER, A. DAVIS & HUNT) – This ordinance abandons 160 linear feet of an 8-inch sewer main and authorizes construction for 231 feet of replacement sewer main for properties located at 250 26th Avenue North and 26th Avenue North (unnumbered). Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.