



METRO COUNCIL OFFICE

MEMORANDUM TO: All Members of the Metropolitan Council

FROM: Mike Jameson, Director and Special Counsel
Mike Curl, Finance Manager
Metropolitan Council Office

COUNCIL MEETING DATE: **April 5, 2016**

RE: **Analysis Report**

Unaudited Fund Balances as of 3/30/16:

4% Reserve Fund	\$23,750,196*
Metro Self Insured Liability Claims	\$3,482,885
Judgments & Losses	\$2,403,139
Schools Self Insured Liability Claims	\$2,946,299
Self-Insured Property Loss Aggregate	\$6,454,474
Employee Blanket Bond Claims	\$662,139
Police Professional Liability Claims	\$2,580,623
Death Benefit	\$1,183,840

*Assumes unrealized estimated revenues in Fiscal Year 2016 of \$7,391,388

– RESOLUTIONS ON PUBLIC HEARING –

RESOLUTION NOS. RS2016-170 (KINDALL) and -171 (O’CONNELL)

These resolutions approve exemptions for Starbucks / CCH Café, LLC (RS2016-170) and Steadfast Fine Coffee (RS2016-171) from the minimum distance requirements for obtaining a beer permit.

The Metro Code of Laws 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 (a) restaurants that already have a state on-premises liquor consumption license or (b) any retail food store, from Metro’s minimum distance requirements, allowing each to obtain a beer permit upon the adoption of a resolution by the Council. (See, Code Section 7.08.090(E)). A public hearing must be held by the Council prior to voting on each of these resolutions.

– BILLS ON PUBLIC HEARING –

BILL NO. BL2016-155 (WEINER & HAGAR) – Section 17.20.140 of the Metro Code specifies the requirements for traffic impact studies. These studies are used to identify what improvements, if any, are necessary to offset the additional traffic generated by a proposed level of development. These improvements might include the provision of traffic signals, turning lanes, or road widening.

Paragraph C of this section identifies conditions under which a traffic impact study may be waived. Currently, this includes any property within the downtown loop formed by I-265, I-65, and I-40. In addition, a property owner can seek a waiver in writing and “shall be in accordance with guidelines established by the Planning Commission.”

Due to the re-designation of the downtown interstate “I-265” loop in 2012, the definition in this section is no longer valid. This bill would change the downtown loop border definition to be I-65, I-40, and I-24.

In addition to the waiver request to be submitted to the Planning Commission, this bill would add a requirement that a copy of the written request must simultaneously be submitted to the Council member(s) in whose district(s) the development is located. Also, this bill would add a restriction that waivers may only be granted after ten (10) days have elapsed following submission of the written request.

It is anticipated that the sponsors intend to defer this ordinance.

– RESOLUTIONS –

RESOLUTION NO. RS2016-172 (PRIDEMORE) – This resolution would appropriate \$3,347,400 to various departments and programs to balance their FY2016 operating budgets. The Council typically considers a supplemental appropriation resolution each spring.

A total of \$2,914,300 would be appropriated from the undesignated fund balance of the General Services District (GSD) General Fund. \$837,900 of this total would go to an administrative account for an additional subsidy to the Farmers' Market.

Other administrative increases would be \$212,300 for an additional subsidy to the Municipal Auditorium, \$150,000 for an NCAC Youth Employment Initiative, and \$104,000 for an additional subsidy to the Metropolitan Action Commission (MAC).

In addition to the additional subsidy from the administrative account, the Municipal Auditorium would receive \$209,900 for regular pay, utilities, security services, temporary service, and building maintenance service.

The Police Department would receive a total of \$617,800 to pay for special events overtime.

The Election Commission would receive \$314,100 for staff regular pay and fringe benefits.

General Services would receive \$250,000 for EBID.

The District Attorney would receive \$154,000 for Domestic Violence regular pay and fringe benefits.

Finally, the State Trial Courts would receive \$64,300 for jury pay, transport, and lunch.

According to the policy approved by the Council in 1989 and OMB in 2005, the minimum fund balance percentage should be no lower than 5% of the operating budget. The Finance Department estimates the appropriations per this resolution would bring the undesignated GSD General Fund balance percentage down to approximately 7%.

In addition to the appropriations from the GSD General Fund, two departments would receive additional appropriations from other sources. The Public Defender would receive \$7,100 for registration (training), office supplies, and signage. This would come from their expungement fees.

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RESOLUTION NO. RS2016-172, continued

The Board of Fair Commissioners (State Fair) would receive \$426,000 to pay for overtime, utilities, repairs & maintenance, security services, temporary service, and advertising & promotion. \$250,900 of this additional appropriation would come from their additional revenue. The remaining \$175,100 would come from the undesignated fund balance of the State Fair Enterprise Fund.

RESOLUTION NO. RS2016-173 (PRIDEMORE) – This resolution would approve a grant in the amount of \$7,500 from Oasis Center, Inc. to the Davidson County Juvenile Court to provide support for implementation of the Tennessee Wyman's Teen Outreach Program. This is part of probation services in order to decrease risky behaviors and increase life skills among youth involved in the Juvenile Court.

\$6,000 of the grant proceeds would be used to pay for time spent by two existing employees who work on activities specifically related to this program. The remaining \$1,500 would be used for supplies.

No local cash match would be required. The term of this grant is from July 1, 2015 through June 30, 2016.

RESOLUTION NO. RS2016-174 (PRIDEMORE, O'CONNELL, & OTHERS) – This bill declares eight properties to be surplus and authorizes the Director of Public Property Administration to sell the properties in accordance with the standard procedures for the disposition of surplus property. The individual parcels are small and generally un-buildable. The sale proceeds will be credited to the General Fund of the district from whose operating budget the last department, commission, board, or agency using the real property is financed.

These eight properties are as follows:

- 1729 14th Ave. South (District 17)
- 56 Lyle Lane (District 17)
- 0 Jane Street (District 19)
- 1215 Scovel Street (District 19)
- 5319 Indiana Avenue (District 20)
- 2944 Torbett Street (District 21)
- 0 Belmont Boulevard (District 25)
- 8745 Hester Beasley (District 25)

The sale of these properties was approved by the Planning Commission on March 7, 2016.

RESOLUTION NO. RS2016-175 (PRIDEMORE & ALLEN) – This resolution would approve a grant in the amount of \$5,000 from the Tennessee Historical Commission to provide continuing education for staff and commissioners of the Metro Nashville Historical Commission. These funds would be used to send five persons to the National Alliance of Preservation Commissions' biannual forum in Mobile, AL in July, 2016. There is a required local cash match of \$3,500 for this grant.

RESOLUTION NO. RS2016-176 (PRIDEMORE & PARDUE) – This resolution approves a renewal of an intergovernmental agreement between the U.S. Army Corps of Engineers and the Metropolitan Police Department for the use of off-duty police officers to patrol the recreation areas at Percy Priest and Old Hickory Lakes. All officers will be assigned exclusively through the Metro Police Secondary Employment Unit.

The Corps agrees to pay a fixed hourly rate depending on the rank of the officer. The total compensation to Metro is not to exceed \$68,098. The term of this agreement is from May 1, 2016 through September 30, 2016.

RESOLUTION NO. RS2016-177 (PARDUE & PRIDEMORE) – Goodlettsville lies partly in Davidson County and partly in Sumner County. It has its own Police Department, independent of the Metro Nashville Police Department (MNPd).

This resolution would approve an intergovernmental agreement with the City of Goodlettsville for the formalization of procedures to be followed for the handling of calls requesting police service within Goodlettsville.

Basically, calls for service within the Davidson County portion of Goodlettsville would be given to the Goodlettsville Police Department for handling. These calls would be kept on Metro's Computer Aided Dispatch (CAD) System as "pending" until the Goodlettsville Police Department (GPD) responds and cancels any response by MNPd.

When circumstances indicate the necessity for urgent or emergency assistance, either agency may continue to request assistance from the other agency. Goodlettsville and Metro agree that neither party will compensate the other for any services or assistance rendered pursuant to this agreement, nor seek such compensation.

RESOLUTION NO. RS2016-178 (PRIDEMORE & PARDUE) – This resolution approves a grant in the amount of \$244,633 from the Tennessee Emergency Management Agency (TEMA) to the Office of Emergency Management (OEM) for Homeland Security Preparedness activities. These federal pass-through funds are used to implement the state homeland security strategy and the national preparedness goals through the funding of training, exercises, planning, and equipment purchases.

No local cash match is required. The term of the grant is from September 1, 2015 through April 30, 2018.

RESOLUTION NO. RS2016-179 (PRIDEMORE & PARDUE) – This resolution would approve a third amendment to a lease agreement between the Metropolitan Government and Greensboro I, L.P. for the Police Department's Domestic Violence Program. The original lease was approved by the Council in 2005 for 7,200 square feet of office space located at 804 Second Avenue North.

The first amendment to the lease added auxiliary parking spaces and extended the term for another five years.

The second amendment reduced the rent for the premises by \$1,000 per month, but Metro assumed responsibility for paying actual utility costs, which averaged \$1,922.22 per month at the time.

The amendment now under consideration would make three changes:

- The term would be extended by two years, terminating February 13, 2018.
- The base rent would become \$7,300 for the period of February 14, 2016 through February 13, 2017, and then \$7,500 until February 13, 2018.
- The monthly rent for ancillary parking would be set at \$833.33.

This lease amendment was approved by the Planning Commission on February 18, 2016.

RESOLUTION NO. RS2016-180 (DOWELL, PRIDEMORE, & HENDERSON) – This resolution approves a grant in the amount of \$2,000 from the Association for Library Service to Children (ALSC) to the Nashville Public Library to provide an outreach program in the Southeast Community. These funds would be used to create successful diverse programming. There is no required local cash match. The final report for this project must be sent to the ALSC no later than June 1, 2016.

RESOLUTION NO. RS2016-181, RS2016-182, & RS2016-183 (PRIDEMORE & GILMORE)

These three resolutions would approve applications for continuation grants from the Greater Nashville Regional Council (GNRC) to the Metropolitan Social Services Commission for meal delivery and transportation services to eligible senior citizens.

Resolution No. RS2016-181 would approve an application for a grant in the amount of \$845,194. There would also be a required local match of \$78,618.67.

These funds would be allocated as follows:

- \$287,698 (plus \$31,966.44 local match) for Nutrition Services IIIC (Hot/Bulk),
- \$137,626 for Nutrition Services NSIP (USDA),
- \$368,585 (plus \$40,953.90 local match) for Home Delivered Meals III C2 (Frozen), and
- \$51,285 (plus \$5,698.33 local match) for GNRC State Frozen Meals (State).

Resolution No. RS2016-182 would approve an application for a grant in the amount of \$70,000 to provide transportation for eligible seniors and handicapped residents. There would be a required local match of \$7,777.78.

Resolution No. RS2016-183 would approve an application for a grant in the amount of \$58,800 for meal delivery services to eligible seniors in Davidson County. No local cash match would be required.

RESOLUTION NO. RS2016-184 (PRIDEMORE & GILMORE) – This resolution would approve a continuation of a grant in the amount of \$318,600 from the Tennessee Department of Health to the Metropolitan Board of Health to enhance the health and well-being of women, infants, and families. These funds are for the fetal-infant mortality review program, which is a program to improve community resources and plan public health services that have a positive impact on the fetal-infant mortality rates. The funds would be used to pay the salaries and benefits of the Health Department employees implementing the program. The term of the grant is from July 1, 2016 through June 30, 2017.

RESOLUTION NO. RS2016-185 (PRIDEMORE & MURPHY) – This resolution would approve the first amendment to a grant from the Tennessee Department of Labor and Workforce Development to the Nashville Career Advancement Center (NCAC) to provide education, training and support services to eligible adults, youth, and dislocated workers with barriers to employment. The federal pass-through grant provides operating funding for the NCAC.

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RESOLUTION NO. RS2016-185, continued

The original grant of \$1,709,370 consisted of \$1,538,433 in Dislocated Worker program funds and \$170,937 in administrative funds. This amendment would add \$4,525 to the grant proceeds for a new total of \$1,713,895. \$1,542,506 would then be allocated for the program funds and \$171,389 for the administrative funds.

The term of the grant would remain from October 1, 2015, through June 30, 2017.

RESOLUTION NO. RS2016-186 (PRIDEMORE & MURPHY) – This resolution would approve the second amendment to a grant from the Tennessee Department of Labor and Workforce Development to the Nashville Career Advancement Center (NCAC) to provide career, training, and support services to adults.

This federal pass-through grant provides operating funding for the NCAC. The \$1,692,925 grant consisted of \$1,523,633 in program funds and \$169,292 in administrative funds. The first amendment specified that \$100,000 of the program funds be available for use in the Dislocated Worker Program.

The second amendment would now increase the amount of the grant by \$3,587 for a new total of \$1,696,512. The grant proceeds would now be used to pay \$1,426,861 in adult program funds, \$169,651 in administrative funds, and the remaining \$100,000 for use in the Dislocated Worker Program.

The term of the grant remains from October 1, 2015 through June 30, 2017.

RESOLUTION NO. RS2016-187 (PRIDEMORE & ELROD) – This resolution would approve an agreement between the Metropolitan Government and the U.S. Department of the Army for Phase 5 of a flood preparedness study. This study has been underway for several years to gather data and prepare modeling to develop flood insurance updates.

Phase 4 included real-time simulation modeling, as well as updating the frequency analysis and hydrologic models for 125 miles of streams in Davidson County. Phase 5 would now provide revisions and enhancements to existing real-time simulation models, the creation and training of new models for Whites Creek and Browns Creek watersheds, training of Metro and National Weather Service (NWS) staff, the transfer of technology to Metro and NWS, and ongoing coordination and communication.

The cost of Phase 5 of the study is estimated to be \$640,000, with Metro and the United States Department of the Army each paying one half of the costs. The \$320,000 payable by Metro would come from the Department of Water and Sewer Services' Operations Fund.

RESOLUTION NO. RS2016-188 (ALLEN & ELROD) – This resolution would authorize HOA Holdings, LLC, to construct, install, and maintain an aerial encroachment consisting of four shelf awnings at 184 2nd Avenue North.

The awnings will be 5' 4" high and 8' 0" wide. The bottom of the awnings will extend 3' 0" from the building. There will be a clearance of 8' 3" above the ground.

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 was approved by the Planning Commission on October 23, 2015.

RESOLUTION NO. RS2016-189 (PRIDEMORE) – This resolution would approve a compromise and settlement of claims by Mr. Jermaine Sutton against Metro. This case is the result of an incident that took place at the Kroger on Old Hickory Boulevard on April 21, 2009. A number of baby back ribs were stolen from the store on that date. Two loss prevention employees, Mr. John Szczerbiak and Mr. John Bouchard, chased the thief through the store and outside through a creek. The thief dropped a cell phone during the chase, which was recovered by the two Kroger employees. After failing to catch the suspect, MNPD was called for assistance. Mr. Bouchard advised MNPD during this call that he had chased the suspect through a creek and that the suspect was wearing jeans.

Officer Richard Martin responded to the scene. Officer Martin was given a general description of the suspect by the two Kroger employees. Mr. Szczerbiak informed Officer Martin that he could positively identify the suspect. He also expressed his desire to press charges if the suspect were to be caught.

Officer Martin used the cell phone recovered at the scene to call one of the contacts listed in the phone. The person called was Ms. Arginer Richardson, the godmother of Mr. Sutton. Officer Martin advised Ms. Richardson that he had found the phone and needed to find the phone's owner. When asked if she knew anyone in the area, she replied that Mr. Sutton was working at Summit Hospital, which is across the street from the Kroger where the theft took place.

Ms. Richardson now claims that she never told Officer Martin the phone belonged to Mr. Sutton. She also claims the call from Officer Richardson came from an "862" Metro number, not from the cell phone in question. Officer Martin disputes both claims.

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RESOLUTION NO. RS2016-189, continued

Officer Martin entered the name "Jermaine Sutton" in the computer in his car. The picture associated with that name matched the description of the thief in general terms. Officer Martin then went to Summit Hospital to speak with Mr. Sutton. He was directed to the cafeteria, where Mr. Sutton was working.

Officer Martin informed Mr. Sutton that his name was "associated" with a cell phone dropped at the scene of a theft. Officer Martin observed that Mr. Sutton was wearing scrubs, not jeans. However, there were stains on the scrubs consistent with mud from running through a creek. During this conversation, Mr. Sutton produced his cell phone and informed Officer Martin that he had been on the job all evening, leaving the building only for a smoke break.

The two Kroger loss prevention employees then arrived at Summit. Mr. Szczerbiak immediately identified Mr. Sutton as the thief, but Mr. Bouchard expressed doubt. Based on the positive identification by Mr. Szczerbiak, Officer Martin placed Mr. Sutton under arrest. Mr. Sutton was handcuffed and taken downtown for booking.

Mr. Sutton remained in jail for approximately 4 hours before bail was posted. Mr. Sutton was acquitted by a judge after a bench trial, based in part on a surveillance video from Kroger that showed Mr. Sutton was not the thief. Officer Martin never saw this video. Also, it was established during the trial that the recovered cell phone did not belong to Mr. Sutton. Officer Martin did not know this at the time. The District Attorney never asked Officer Martin to further investigate ownership of the cell phone.

MNPD determined Officer Martin acted within policy in this entire case. As a result, no disciplinary action has been administered against him.

After being acquitted, Mr. Sutton brought suit against Officer Martin, Metro Government, Mr. Szczerbiak, and Kroger. The claims against Metro have been dismissed. Kroger and Mr. Szczerbiak have settled their claims, leaving only the claim against Officer Martin. The claim against Officer Martin alleges he illegally detained Mr. Sutton without probable cause in violation of his Fourth Amendment rights. This case is scheduled for trial in September, 2016.

Several outstanding evidentiary issues have not yet been ruled upon. If evidence is admitted at trial that shows Mr. Sutton was actually innocent of the theft charges, he would become an extremely sympathetic plaintiff.

If judgment were to be rendered against Officer Martin, there are no liability caps in claims brought under 42 U.S. Code § 1983 civil actions. Attorney's fees could also be awarded to the

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RESOLUTION NO. RS2016-189, continued

prevailing plaintiff. Pursuant to Metro Code 2.40.140, Metro is only authorized to indemnify an employee up to \$50,000. The decision to indemnify at all is discretionary and would not be made until a judgment has been entered.

Even if Mr. Sutton were only awarded nominal damages, he would be entitled to recover his attorney's fees, which would likely be \$200,000 in this case. Officer Martin could be forced to declare bankruptcy, although the law is not clear that bankruptcy could protect Officer Martin after being found guilty of civil rights violations.

Mr. Sutton is willing to settle all claims against Officer Martin for \$45,000. The Department of Law and MNPD both believe the best course would be to compromise and settle this case.

RESOLUTION NO. RS2016-190 (SHULMAN) – This resolution sets the date and time for the 2016 State of Metro Address. The Charter requires the Mayor to personally address the Council regarding the state of the Metropolitan Government no later than May 25th of each year. (*See*, Charter section 1.08). This resolution sets the address for April 29, 2016, at 11:30 a.m. at the Ascend Amphitheater.

RESOLUTION NO. RS2016-191 (SHULMAN) – This resolution approves the election of certain Notaries Public in accordance with state law.

RESOLUTION NO. RS2016-193 (PRIDEMORE & PARDUE) – This resolution approves a grant in the amount of \$240,000 from the Tennessee Department of Finance and Administration to the Metropolitan Police Department for the Internet Crimes Against Children (ICAC) unit. This grant funds a forensic investigator position dedicated to investigating internet crimes against children. The grant also covers training and equipment for the unit, as well as overtime costs for working on ICAC cases.

No local cash match would be required. \$60,000 of the grant funds would be sub-granted to other local law enforcement agencies in the Middle Tennessee area. The term of the grant is from July 1, 2016 through June 30, 2017.

RESOLUTION NO. RS2016-194 (PRIDEMORE & PARDUE) – This resolution would approve a grant in the amount of \$127,500 from the Tennessee Department of Environment and

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RESOLUTION NO. RS2016-194, continued

Conservation (TDEC) to the Metro Public Works Department to provide assistance in maintaining and operating a permanent household hazardous waste collection site located at 941 Dr. Richard Adams Drive.

No local cash match would be required. The term of this grant is from May 1, 2016 through June 30, 2017.

– BILLS ON SECOND READING –

BILL NO. BL2016-176 (MENDES) – Under section 19.03 of the Metro Charter, the Charter Revision Commission is charged with the duty to hold hearings and make recommendations to the Council with respect to proposed amendments to the Charter. Section 2.120.100 of the Metro Code authorizes the Commission to employ such personnel as may be necessary to perform its functions, within the limits of its budget appropriation. To date, the Charter Revision Commission has not been assigned personnel to assist with administrative functions.

This bill would authorize the Metro Clerk's office to assist the Commission with administrative functions, removing the provision authorizing the Commission to employ such personnel. The Clerk would also be required to serve as the custodian of the minutes and records of the Commission.

– BILLS ON THIRD READING –

BILL NO. BL2016-147 (PRIDEMORE) – In 2013, Bill No. BL2013-420 created a small business economic development incentive grant program that included a provision to provide cash grants to businesses that invested in blighted areas. The program was modeled after state legislation that allows local governments to make grants directly to developers who invest in blighted property “to encourage the repair, rebuilding and renovations of existing facilities and structures in neighborhoods whose stability depends upon the elimination of blight and the upgrading of structural needs of a facility.” (*Tenn. Code Ann. § 7-51-1901, et seq.*)

These grants could only be used for the purpose of constructing or rehabilitating the exterior portions of commercial property located within a redevelopment district approved by the Council. The value of the property could not exceed \$1,000,000 at the time the grant application was made in order for a business to be eligible to receive the funds. The amount of the grant would be ten percent of the documented investment of the business to fix up the property, up to a maximum grant amount of \$50,000. This grant program would be managed by the Mayor’s Office of Economic and Community Development, and the grants would be awarded on a first-come-first-served basis.

This grant program was added to the Metro Code as Section 2.212.030. In an effort to expand their application, the bill under consideration would make two changes to this section. The existing language specifies that the grant funds for this purpose are to be used for the exterior portions of commercial property located within “a redevelopment district approved by the metropolitan council.” The new language deletes the reference to redevelopment districts approved by the Council and replaces it with “blighted commercial property located within Eligible Census Tracts.” (Under the current Code language, the phrase “approved by the metropolitan council” was apparently intended to modify “redevelopment districts”, rather than the eligible property; although redevelopment districts are always approved by Council.)

The definition of an “Eligible Census Tract” would be those “where at least 65% of households are at or below 80% AMI (average median income).” This paragraph goes on to require the Mayor’s Office of Economic and Community Development to maintain, on file and open for inspection, a list and map of eligible census tracts, to be updated annually.

BILL NO. BL2016-157 (MENDES, GILMORE, & OTHERS) – This bill is being offered as an alternative to BL2016-123. That bill would approve Amendment #8 to the Rutledge Hill Redevelopment Plan.

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BILL NO. BL2016-157, continued

TIF is a form of development incentive whereby the increased property taxes generated by a development are used to pay part of the development costs or pay down a TIF loan. Examples of projects that have been built using TIF as a financing tool include restoration of the Ryman Auditorium, the Viridian, the BellSouth Building, the Country Music Hall of Fame, and the Omni convention center hotel.

The Rutledge Hill Redevelopment District was established in 1980 for redevelopment activities in areas south of downtown Nashville. This plan expires in 2040. The current tax increment financing (TIF) capacity for this district is \$60 million, which is basically a cap on the amount of project costs to be financed through TIF within that particular district.

There are various concerns with the current version of the plan which the proposed bill seeks to address broadly. The first concern recognizes that the original plan required any proceeds from the sale of land owned by MDHA in this district either to be re-invested in the same district or to be returned to the GSD General Fund. (Under state law, MDHA can only sell land in a redevelopment district "in accordance with the redevelopment plan." *Tenn. Code Ann §13-20-202(a)*).

In a 1986 amendment to this plan, this requirement was deleted and not replaced with any different language or direction to MDHA. The current version of the plan is now silent on how MDHA is to apply the proceeds from the sale of property owned by MDHA within this district. Assuming each redevelopment district is a separate entity – subject to separate TIF limits and redevelopment plans – allowing proceeds from one district to be applied in another begs the question why separate districts exist and may be contrary to *Tenn. Code Ann. § 13-20-202(a)(5)* wherein MDHA is empowered to undertake a redevelopment project and, "to that end", may sell or lease land "in accordance with the redevelopment plan." .

A second concern stemmed from the 2014 amendment wherein new Tax Increment provisions allowed MDHA to apply the \$60 million TIF capacity not only for purposes of carrying out the Rutledge Hill Redevelopment Plan, but for any other redevelopment plan as well.

An additional concern stemmed from the fact there is no source readily available outside of MDHA to determine the amount, terms, or duration of any bonds, loans, or other indebtedness incurred and payable from tax increment funds related to the Rutledge Hill Plan. There are also no means outside of MDHA to determine the amount of money on deposit in MDHA's tax increment funds related to this plan. But under state law and the redevelopment plan itself, Metro is entitled to retain all tax increment funds once the original debt related to the TIF financing has been paid, or MDHA otherwise has reserved sufficient funds to pay that debt.

An amendment to the Rutledge Hill Plan was therefore proposed which, among other changes,

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BILL NO. BL2016-157, continued

added text to require MDHA to deliver a written report to the Council within 90 days after the end of each fiscal year. This report would require details for each project providing any tax increment funds under the terms of this plan during the fiscal year, including the date MDHA provided TIF funding for the project, maturity date, balance remaining (if any), amount of TIF funds received by MDHA during the fiscal year, and the total amount of bonded or other indebtedness obligation(s) owed by MDHA related to the plan.

The report would also state the total amount of bonded or other indebtedness obligation(s) owed by MDHA related to the Rutledge Hill Redevelopment Plan. For each obligation comprising this total amount of bonded or other indebtedness, the report would state the original principal amount of the obligation, terms of the obligation, remaining balance, and the amount reserved by, or otherwise on deposit with, MDHA in connection with the obligation at the end of the fiscal year.

The current bill provides a more comprehensive solution of these concerns and is not limited to addressing problems with the Rutledge Hill Plan. The bill now under consideration would make changes to five sections of the Metro Code of Laws.

Section 5.06.020 would require MDHA to collect only the incremental tax revenues for properties that are being redeveloped, unless the Council approves the collection and use of these incremental tax revenues for other properties within the Plan Area. This would apply to all MDHA plans approved after July 1, 2006.

Section 5.06.030 would require all TIF revenue collected for future TIF project loans to stay within Metro's GSD General Fund after the loan is paid off by the developers of those projects.

Section 5.06.040 would require MDHA to make reports to the Council and Finance Director no later than April 30 of each year. This report would include an identification of each outstanding TIF loan, the amount of incremental tax revenues from the plan area used to pay administrative fees, a description of the administrative costs incurred, the total of all incremental tax revenues allocated to MDHA during the preceding year, and the total of all outstanding TIF loans as of the end of the reporting period.

Section 5.06.050 would require that the debt service portion of all future TIF loans to developers will remain with Metro and not be pledged toward the payment of the TIF loans.

Section 5.06.060 would require that land sold by MDHA as part of all future redevelopment plans would be used solely within that district and not for any other purpose. However, three

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BILL NO. BL2016-157, continued

exceptions would be allowed to this requirement. Proceeds from the sale of three specific properties in the Rutledge Hill Redevelopment District would be allowed to be used for the Cayce Place Redevelopment District. These three parcels are 30 Peabody Street, Peabody Street, unnumbered, and 400 1st Avenue South.

BILL NO. BL2016-160 (SLEDGE) – The Metro Code of Laws 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 (a) restaurants that already have a state on-premises liquor consumption license or (b) any retail food store from Metro's minimum distance requirements, allowing each to obtain a beer permit upon the adoption of a resolution by the Council. (See, Code Section 7.08.090(E)).

The bill under consideration as amended would add a new exemption for establishments in the USD that sell beer for on-premises consumption that are separated by a state or federal highway with at least four lanes of traffic (excluding parking lanes) from all churches, schools or school playgrounds, parks, licensed day care centers or nursery schools or their playgrounds, or dwellings for one or two families that are otherwise less than 100 feet from such establishments. A significant highway divide between such facilities could be considered a sufficient substitute in lieu of distance requirements.

BILL NO. BL2016-162 (RHOTEN, ALLEN, & ELROD) – This bill would abandon an existing unused sanitary sewer easement located at 1176 Stones River Road.

This was approved by the Planning Commission on January 29, 2016. Future amendments to this bill may be approved by resolution.

BILL NO. BL2016-163 (A. DAVIS, ALLEN, & ELROD) – This bill would abandon an existing sewer main and easement and accepts new sewer mains, manholes, new water mains and fire hydrants, and negotiates and accepts temporary and permanent easements for property located at 1414 Rosebank Avenue.

This was approved by the Planning Commission on December 3, 2015. Future amendments to this bill may be approved by resolution.

BILL NO. BL2016-164 (WITHERS, ALLEN, & ELROD) – This bill would abandon an existing sewer main and manhole and accepts a new sewer main, manhole, and easements for property located at 970 Woodland Street.

This was approved by the Planning Commission on January 26, 2016. Future amendments to this bill may be approved by resolution.

BILL NO. BL2016-165 (M. JOHNSON, HENDERSON, & OTHERS) – This bill would abandon an existing sewer main and accepts new sewer main and easements for properties located along Lynnwood Boulevard and Abbot Martin Road.

This was approved by the Planning Commission on January 25, 2016. Future amendments to this bill may be approved by resolution.