



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: **May 16, 2017**

RE: **Analysis and Fiscal Notes**

Unaudited Fund Balances as of 5/10/17:

4% Reserve Fund	\$32,237,877*
Metro Self Insured Liability Claims	\$5,291,612
Judgments & Losses	\$3,063,593
Schools Self Insured Liability Claims	\$3,988,456
Self-Insured Property Loss Aggregate	\$7,433,140
Employee Blanket Bond Claims	\$670,962
Police Professional Liability Claims	\$2,404,445
Death Benefit	\$1,389,694

*This assumes unrealized estimated revenues in Fiscal Year 2017 of \$5,052,207.

Note: No fiscal note is included for any legislation without significant financial impact.

– RESOLUTION ON PUBLIC HEARING –

RESOLUTION NO. RS2017-686 (MURPHY) – This resolution would approve an exemption for Answer Restaurant, located at 132 46th Avenue North, 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, several exceptions exist to the distance requirements. Facilities within the USD separated from these protected establishments by state or federal four-lane highways are exempt, as are retailer on-sale beer permit holders in MUL districts and events catered by holders of caterers' permits. (See, Code Section 7.08.090(A)). Additionally, the Code provides a mechanism to exempt (a) restaurants 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)). Until recently, this Code section further required restaurants to have state on-premises liquor consumption licenses to obtain such exemption. However, Ordinance No. BL2016-454, which was passed on November 15, 2016, eliminated this requirement.

A public hearing must be held by the Council prior to voting on resolutions brought under Section 7.08.090(E).

– RESOLUTIONS –

RESOLUTION NO. RS2017-616 (GLOVER) - This resolution would adopt a new policy requiring a limit on the amount of debt service funds appropriated for the amortization of general service and urban service bonds in the annual operating budget. This limit would be in relation to the total annual operating budget.

Although there are multiple special purpose funds within Metro for enterprise operations, internal service fees, *etc.*, the annual operating budget is generally considered to consist of six primary budgetary funds. These include the General Services District General Operations Fund, the Urban Services District General Operations Fund, and the Metro Nashville Public Schools General Operations Fund. Each of these three funds has a corresponding debt service fund.

The resolution under consideration would establish a new policy prohibiting the total of these three debt service funds from exceeding 10.0% of the total appropriated expenditures for the fiscal year. There has never been an established Council policy limiting the percentage of the operating budget that can consist of the total of the three debt service funds.

The approved operating budget for FY17 is \$2,087,320,200. Of this amount, \$240,452,500 consisted of the total of the three relevant debt service funds, equaling 11.5% of the overall total budget. If this policy had been in place, a reduction of the debt service funds by 1.5% would have been required. For FY18, the proposed debt service percentage is 12.7%, thereby requiring a 2.7% reduction of debt service funds if this policy is implemented.

Fiscal Note: This policy would have the effect of limiting the amount of possible capital expenditures in the future. By capping this percentage, more of the available dollars in the total operating budget in a fiscal year would be available for operational expenses instead of capital. The dollar amount of this limitation would depend on the total budget each year.

It should be noted that the Council already has authority to review or modify all proposed expenditures by the Administration. This authority exists as part of the Council's consideration and approval of the Capital Improvements Budget, Capital Spending Plan, Operations Budget, and Tax Levy each fiscal year. If the Council desires to limit any portion of the budget, it may do so.

It should also be noted that if the amount of debt service funds were ever insufficient to cover Metro's existing debt service obligations, our bond ratings would likely be adversely impacted.

In addition, it should be noted that Council cannot impose absolute restrictions on future Councils. Adopted policies can always be modified or deleted by future Council action.

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RESOLUTION NO. RS2017-616, continued

Finally, it should be noted that the amounts included in the budget each year for debt service reflect the amounts needed for the capital projects previously approved by the Council. The approval of these projects is what determines the debt service amounts needed each year. Debt service amounts should not be reduced without considering the impact on the ability to meet these obligations.

Inter-fund transfers among the six primary budgetary funds must always be considered in the calculations of the overall budget totals each year. When transfers take place from one of these funds to another, the result would be to double-count these amounts if not factored out of the overall totals. The practice for many years has been to subtract these amounts from the funds receiving the transfers so that each fund total only reflects the amounts coming from revenues such as property taxes, sales taxes, fees, etc.

For calculating debt service percentages as contemplated by this ordinance, it is more appropriate to consider the total budgets of the funds, regardless of the source. Dividing these amounts by the total budget would give a more accurate identification of impact of the debt service funds.

As noted, the approved operating budget for FY17 is \$2,087,320,200. Of this amount, \$240,452,500 consisted of the total of the three relevant debt service funds, regardless of funding source. This equates to 11.5% of the overall total budget. Therefore, a reduction of the debt service funds by 1.5% would have been required if this policy had been in effect. For FY18, the proposed debt service percentage is 12.7%. Approval of this as part of the overall operations budget is pending Council approval.

RESOLUTION NO. RS2017-667 (HASTINGS) – This resolution would authorize the Metropolitan Development and Housing Agency (MDHA) to enter an agreement accepting payments in lieu of taxes (PILOT) for the renovation of a 208-unit apartment development located at 2715 Whites Creek Pike, known as Haynes Garden Apartments.

This is the fourth such PILOT program proposed by MDHA since August of 2015 when Ordinance No. BL2015-1281 was enacted, authorizing MDHA to negotiate and accept PILOT payments from operators of low income housing tax credit (LIHTC) properties. PILOT agreements essentially provide tax abatements for real and/or personal property taxes that would otherwise be owed to the Metropolitan Government. PILOTs have previously been utilized by Metro to provide incentives through the Industrial Development Board (IDB) to large employers to create job opportunities. MDHA now has the authority to enter PILOTs to create affordable rental housing.

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RESOLUTION NO. RS2017-667, continued

MDHA developed their PILOT program to provide additional financial incentives to developers considering construction or rehabilitation of affordable housing units through a federally funded LIHTC program. Subsidized low income housing tax credit developments serve those at or below 60% of the average median income (AMI) for the Nashville area, which translates to an income cap of \$28,140 for an individual and \$40,140 for a family of four. Once negotiated by MDHA, each PILOT agreement must be approved by the Council by resolution.

The maximum term for a PILOT lease under this program is 10 years. The PILOT would only be available for additional tax liability over and above the pre-development assessed value of the property. The PILOT lease is to be terminated if the property sits vacant for two years.

MDHA is required to file an annual report with the Council, Assessor of Property, and State Board of Equalization identifying the values of the properties subject to PILOTs, the date and term for each PILOT, the amount of PILOT payments made, and a calculation of the taxes that would otherwise be owed.

Haynes Garden Apartments is an existing 208-unit apartment development located at 2715 Whites Creek Pike. The owner intends to renovate this as an LIHTC property. The application for this project as well as the associated PILOT agreement have been approved by the MDHA Board of Commissioners. The Planning Commission issued a recommendation on October 25, 2016 advising that the project is consistent with the NashvilleNext general plan.

Fiscal Note: This PILOT request would require the developer to make a first-year payment of \$80,000 in lieu of property taxes, which would increase annually by 3% in year 2 and each subsequent year for the remainder of the 10-year period. The LIHTC ensures long-term affordability by restricting rents for ten (10) years beyond the term of the PILOT.

The existing appraised value for this vacant commercial property as shown on the Assessor's web site is \$3,761,290, equating to annual ad valorem property taxes of \$59,037. Assuming the final assessed value agrees with MDHA's estimate of the project construction costs, the standard ad valorem property tax would be \$550,989 higher than the current value. Even though the abatement in the first year would be \$470,989, the developer would still be paying approximately \$80,000 more than the current property tax amount. This would increase each year, reaching a value of \$104,382 by the tenth year.

Over the 10-year life of this PILOT agreement, a total of \$4,592,782 would be abated, though Metro would still receive \$917,111 in new property taxes from this project.

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RESOLUTION NO. RS2017-667, continued

It should be noted that the 2017 reappraisal of the existing property is \$4,193,840, which is an increase of 11.5% over the current value. Since this is a smaller increase than the average for the entire county, the taxes for the existing property will be reduced. The additional taxes for the proposed project will depend on the assessment made after completion. This could be higher, but will more probably be lower, than the projected construction costs being used for this analysis.

In addition to the PILOT payments, the developer would be required to pay a monitoring and reporting fee to MDHA. This fee will be set by MDHA, not to exceed five percent (5%) of the amount of the PILOT payment due each year.

RESOLUTION NO. RS2017-682 (COOPER) – This resolution establishes the certified tax rate of the Metropolitan Government. State law requires that once the county reappraisal program is completed, a tax rate be set that will provide the same amount of revenue for the county that was levied during the previous year based on the old assessment values and tax levy, because a government may not realize greater revenue by means of a reappraisal program. Tennessee Code Annotated §67-5-1701, *et. seq.*

The purpose of the reappraisal program is to ensure that property assessments are “equalized” by having all property appraised at the same time. The present certified tax rate for the GSD is \$3.924 per \$100 of assessed value and \$0.592 for the USD, for a total combined rate in the USD of \$4.516. The new certified tax rate to be approved by this resolution will be lowered to \$2.755 in the GSD and \$0.360 in the USD, for a combined rate of \$3.115.

A substitute is expected to be offered for this resolution to reflect the final rates approved by the state.

RESOLUTION NO. RS2017-685 (COOPER) – This resolution would approve a new fee schedule for Metro Animal Care and Control (MACC). This fee has been approved by the Board of Health. Section 8.04.130.A of the Metro Code requires these fee schedules and amended schedules to be approved by the Metro Council by resolution. The fees schedule must also set forth amounts to be charged for other incidental costs.

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RESOLUTION NO. RS2017-685, continued

Fiscal Note: The new fee schedule would be as follows:

- *Impound fee* \$50 per animal
- *Boarding fees per day (dogs)* \$18
- *Boarding fees per day (all others)* \$4
- *Duplicate tag* \$2
- *Rabies vaccination* \$10
- *License fee per year* \$6
- *Microchip implant* \$25
- *Animal trap security deposit (dogs)* \$100
- *Animal trap security deposit (cats)* \$50

The Mayor's proposed FY18 budget for the Health Department, including MACC, includes \$158,000 of increased revenue from this new fee schedule.

RESOLUTION NOS. RS2017-687 and RS2017-688

The Council adopted Resolution No. RS2003-1496 in June, 2003. This authorized a commercial paper program for the Metropolitan Government as a form of short-term financing for capital projects to cover interim construction costs while awaiting the appropriate time to issue the long-term bonds.

Commercial paper is basically a line of credit that Metro can access to commence capital projects approved by the Council. This program allows Metro to issue variable rate tax-exempt commercial paper with varying maturity dates ranging from 1 day to 270 days, but commercial paper is usually “rolled” until the bonds are issued. State law allows commercial paper to be rolled up to six years. The state of Tennessee uses a similar commercial paper program, as do many other large cities.

Resolution No. RS2003-1496 provided that no more than \$200 million in commercial paper could be outstanding at any one time. This was amended by Resolution No. RS2007-2010 in June, 2007 to increase the amount to \$400 million and to change to a credit-backed commercial paper program. In 2014, Resolutions Nos. RS2014-1065 – RS2014-1066 increased allowable outstanding commercial paper amounts to a total of \$700 million.

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RESOLUTION NO. RS2017-687 and RS2017-688, continued

Metro's commercial paper program has been successful in helping Metro Government time the market to obtain the most favorable interest rate possible for the issuance of long term bonds. The interest rates on commercial paper are often considerably lower than the interest rate for long term bonds, so the program has enabled Metro to start capital projects at a low interest rate. This in turn has enabled Metro to postpone the issuance of long-term debt until market conditions are favorable, which has saved Metro interest and debt issuance costs.

The downside of the commercial paper program is that principal payments on the capital projects are delayed until the long-term debt is issued, which may be several years later.

RESOLUTION NO. RS2017-687 (COOPER) – This resolution would authorize the issuance and sale of general obligation bond anticipation notes not to exceed \$375 million (\$375,000,000) at any one time in the form of commercial paper. This is a traditional commercial paper issuance that involves a liquidity facility, credit agreements with two banks, wherein the banks will step in to purchase the commercial paper if the Metropolitan Government ever reached the point where it could not roll the commercial paper and Metro would thereafter be obligated to the facility (although Metro has never needed to resort to this.) The resolution also approves the necessary dealer fee agreements, issuing and paying agency agreements, and liquidity facility agreements. The resolution is being filed now because the current program is nearing its end. The \$375 million capacity does not reflect an increase from the previous commercial paper limit.

The "Dealer" for these notes refers to (1) MUFG Securities Americas, Inc., with respect to the Series of Commercial Paper supported by the Initial Facility issued by MUFG Union Bank, N.A., and (2) J.P. Morgan Securities, LLC with respect to the Series of Commercial Paper supported by the Initial Facility issued by JPMorgan Chase Bank, National Association.

The "Initial Banks" means MUFG Union Bank, N.A., and JPMorgan Chase Bank, National Association. The "Issuing and Paying Agent" is the U.S. Bank National Association.

The proceeds from this commercial paper would be used only for providing for the interim financing of public works projects for which bonds have been authorized by an initial resolution, payment of prior notes, and the payment of the principal of outstanding commercial paper.

All rollover commercial paper shall not mature later than two years from the initial date of issuance of the original commercial paper. However, this commercial paper and any related bank note may be extended or renewed for not more than two additional periods not exceeding two years each with the approval of the Director of State and Local Finance.

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RESOLUTION NO. RS2017-687, continued

In each year in which it is extended or renewed beyond two years from the date of the initial issuance, Metro would be required to retire a portion thereof equal to not less than 1/20th of the principal. This requirement could be waived by the Director of State and Local Finance in writing.

RESOLUTION NO. RS2017-688 (COOPER) – On May 6, 2014, Resolution No. RS2014-1066 authorized the issuance and sale of general obligation bond anticipation notes not to exceed \$200 million in the form of extendable commercial paper. Since there is no liquidity facility for this \$200 million, Metro does not have to pay an annual capacity fee.

That resolution authorized a maximum maturity date of 90 days for commercial paper. Metro has the option of extending this maturity to a maximum of 270 days, but would pay a higher interest rate if extended. If payment of the principal and interest on the 90-day commercial paper is not made on the date of maturity, the maturity date would automatically extend to 270 days. The rate of interest for any extension is to be based on a formula set out in the resolution, which would result in a much higher interest rate than our other commercial paper. Thus, it is unlikely Metro would ever allow the commercial paper issued under this resolution to be extended.

The resolution under consideration would amend RS2014-1066 to increase the size and duration of this general obligation extendable commercial paper program. The maximum par amount of these notes would be increased from the current \$200 million to \$325 million. The final maturity dates for any notes issued thereunder would change from the current January 1, 2019 to January 1, 2022.

This resolution would take effect after approval by the Council and after receipt of confirmation by Metro from each Rating Agency that the amendments would not adversely affect the ratings in effect for any outstanding extendable commercial paper notes.

RESOLUTION NO. RS2017-689 (COOPER) – This resolution would supplement certain prior resolutions by authorizing the issuance of series 2017 Series A Revenue Bonds and Series B Electric System Revenue Refunding Bonds in a total amount not to exceed \$235 million (\$235,000,000), as approved and recommended by the NES Power Board. This is essentially a bond issuance for capital improvements for NES. It is the 28th supplement to the Electric System Revenue Bond resolution originally adopted in 1985.

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RESOLUTION NO. RS2017-689, continued

The Series A bonds would be issued in an amount not to exceed \$135 million (\$135,000,000). These would be used for the following:

- Payment of certain improvements to the electric system;
- Payment of interest on such 2017 Series A Bonds during this construction period plus six (6) months;
- Making the required deposit into the Debt Service Reserve Account as required per Resolution No. R85-746; and
- Payment of the administrative, legal, financing, and other expenses associated with these bonds.
- The Series B bonds would be issued in an amount not to exceed \$100 million (\$100,000,000). These would be used for the following:
- Refund certain outstanding revenue bonds used for certain improvements to the electric system;
- Making the required deposit into the Debt Service Reserve Account as required per Resolution No. R85-746, but only if and to the extent a deficiency remains after considering the proceeds of the Series A Bonds; and
- Payment of the administrative, legal, financing, and other expenses associated with these bonds.

Although the Metropolitan Charter grants NES complete control and authority over the operation of the electric system (Appendix III, Article 42, section 15), NES cannot issue bonds without permission of the Metro Council. (*Id.*, at section 16).

Fiscal Note: These bonds would be paid solely from the revenue of NES and would not be an obligation of the Metropolitan Government or be guaranteed by the taxing authority of the Metropolitan Government.

RESOLUTION NO. RS2017-690 (COOPER) – This resolution would authorize the execution of a Cooperation Agreement between Metro and the Metropolitan Development and Housing Agency (MDHA).

Metro has previously executed cooperation agreements with MDHA in support of housing projects owned by the Agency pursuant to the Tennessee Housing Authorities Act, Tenn. Code Ann. §13-20-101, *et seq.* MDHA is in the process of converting its traditional public housing to allow MDHA to participate in various financial scenarios to ensure the long-term financial security of low-income housing. The new proposed Cooperation Agreement would make it possible for Metro to assist and cooperate with MDHA to operate, maintain, construct, and reconstruct mixed-income housing, including affordable and workforce housing.

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RESOLUTION NO. RS2017-690, continued

The stated purpose of the agreement would be to furnish to MDHA and its residents the same type and level of public services and facilities that are provided without cost or charge to other dwellings and inhabitants of Metro. This resolution would terminate and replace all legacy cooperation agreements with this new single agreement that would apply to all MDHA properties and MDHA Payments In Lieu Of Taxes (PILOT) projects approved by the Council, either owned now or acquired in the future.

MDHA would be required to make annual payments to Metro in lieu of all real and personal property taxes and special assessments in payment for the public services and facilities furnished from time to time without other costs or charges.

Fiscal Note: Under the previous agreements, MDHA paid a total PILOT of \$285,795 in 2015 on a total inventory of 6,129 units, equating to a PILOT rate of Forty-Seven Dollars (\$47) per unit. The new agreement would establish a standard PILOT rate of \$50 per unit, creating a baseline PILOT payment of \$306,450 for 2017.

The PILOT rate would be adjusted by the applicable consumer price index (CPI) every four years in concurrence with the Property Assessor's schedule for reappraisals. The amount of the adjusted PILOTs to be paid to Metro would remain comparable to the 2017 baseline in that the per-unit rate after adjustments by the CPI would be further revised through an amendment to this agreement to generate PILOT payments to Metro no less than would have been generated under the legacy cooperation agreements for the upcoming four-year period.

No payment for any year would be made in excess of the amount of real property taxes which would have been paid to Metro for such year if the Housing Project were not exempt from taxation.

For all Council-approved PILOT projects, the PILOT made to Metro would be in lieu of any annual payments approved by this agreement.

RESOLUTION NO. RS2017-691 (COOPER & HURT) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-692 (COOPER & HURT) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-693 (COOPER) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-694 (COOPER & HURT) – This resolution would approve Amendment one to a contract between Election Systems & Software, LLC and Metro to extend the contract term.

The original agreement provided for maintenance and support services for Metro's existing voter registration system, and was approved per Resolution No. RS2013-725 on June 18, 2013. This initial contract was for a period of four (4) years, but the parties have the authority to extend the term of the contract by amendment if agreed in writing by both parties. Any such amendments would require Council approval.

The resolution under consideration would approve an amendment to the contract extending the term of the contract for an additional one (1) year period, through February 28, 2018.

Fiscal Note: The initial value of the four-year contract was estimated to be \$339,940.89. The one-year extension would add approximately \$79,901.64 to the value of this contract for a new total of \$419,842.53.

RESOLUTION NO. RS2017-695 (COOPER) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-696 (COOPER) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-697 (COOPER) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-698 (COOPER) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-699 (COOPER, HENDERSON, & HURT) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-700 (COOPER & GILMORE) – A contract with Opus Inspection, Inc. (formerly Systech International, LLC) to provide services relating to automobile emission testing was approved by the Council in 2006. This contract underwent a series of amendments altering its provisions and extending its duration until June 30, 2017.

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RESOLUTION NO. RS2017-700, continued

The resolution under consideration would approve a new contract between Hagar Environmental and Atmospheric Technologies ("HEAT") and the Board of Health ("Metro") for automobile emission testing. The term of the contract would be from July 1, 2017 to June 30, 2022, though it could be extended by letter signed by the Purchasing Agent in 12 month intervals up to an additional 60 months.

HEAT has proposed the use of remote sensing technology for purposes of detecting emissions compliance. However, this would require revision of relevant federal, state, and local regulations. A maximum of 30% of the testing vehicles could be serviced by this remote sensing technology, though this percentage may change, depending upon regulatory changes.

Under the contract, HEAT would be required to carry general liability insurance, professional liability insurance, and automobile liability insurance in the amount of one million dollars (\$1,000,000) each. They would also be required to carry workers' compensation insurance and employer's liability insurance with limits of no less than one hundred thousand dollars (\$100,000).

If HEAT fails to fulfill its obligations or otherwise violates any of the contract terms, Metro may identify the breach and notify HEAT in writing, whereupon HEAT would then have thirty (30) days to cure the breach. If this is not done, Metro would have the right to terminate the contract. Metro would also have the right to terminate the contract at any time upon thirty (30) days written notice.

Fiscal Note: HEAT would pay Metro \$4.50 of each \$9.00 testing fee collected. In addition, motorists would have the option of renewing their tag online through the HEAT website at a cost of \$5.75.

RESOLUTION NO. RS2017-701 (COOPER & GILMORE) – A contract with Opus Inspection, Inc. (formerly Systech International, LLC) to provide services relating to automobile emission testing was originally approved by the Council in 2006. The contract underwent a series of amendments altering its provisions and extending its duration through June 30, 2017. The parties are operating under the same terms and conditions during the extension period as are currently provided in the existing contract.

The resolution under consideration would approve a new contract between Opus and the Board of Health ("Metro") for automobile emission testing. The term of the contract would be from July 1, 2017 and end on June 30, 2022, though it could be extended by letter signed by the Purchasing Agent in 12 month intervals up to an additional 60 months.

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RESOLUTION NO. RS2017-701, continued

This contract would require that a minimum of 75% of the customers initially be serviced by the kiosks, remote on-board diagnostics, or physical garage testing technologies. Metro would reserve the right to adjust this percentage based upon regulatory changes and/or customer interest in the technologies, as long as such adjustments would ensure a minimum of 70% of initial inspections are serviced by Opus.

Opus would be required to carry general liability insurance, professional liability insurance, and automobile liability insurance in the amount of one million dollars (\$1,000,000) each. They would also be required to carry workers' compensation insurance and employer's liability insurance with limits of no less than one hundred thousand dollars (\$100,000).

If Opus fails to fulfill its obligations or violates any of the contract terms, Metro may identify the breach and notify Opus in writing; whereupon Opus would then have thirty (30) days to cure the breach. If this is not done, Metro would have the right to terminate the contract. Metro would also have the right to terminate the contract at any time upon thirty (30) days written notice.

Fiscal Note: Opus would pay Metro \$3.50 of each \$9.00 testing fee collected. In addition, motorists would have the option of renewing their tag online through the Opus website at a cost of \$6.00.

RESOLUTION NO. RS2017-702 (COOPER, GILMORE, & HURT) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-703 (COOPER, GILMORE, & HURT) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-704 (GILMORE) – Medical records and other health information are protected from disclosures under federal legislation known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Often, entities in possession of confidential health information need to make limited disclosures to other business associates to effectively provide health care and related services. HIPAA authorizes “business associate agreements” that allow such disclosures while securing protections for the health information.

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RESOLUTION NO. RS2017-704, continued

This resolution would approve a business associate agreement between the Metropolitan Board of Health and Park Center to provide safeguards for the use or disclosure of protected health information. It defines the permitted uses of protected health information, as well as identifying the safeguards that must be in place for the protection of this data.

The term of the agreement would be effective when filed in the office of the Metropolitan Clerk. It would terminate when all the protected health information provided to Park Center, or created or received by Park Center on behalf of Metro, is either destroyed or returned to Metro.

If there is a breach of these terms by Park Center, Metro would provide an opportunity for cure of the breach or to end the violation. If the breach has not been cured or the violation ended within the time specified by Metro, Metro would have the authority to immediately terminate this agreement.

RESOLUTION NO. RS2017-705 (GILMORE) – Medical records and other health information are protected from disclosures under federal legislation known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Often, entities in possession of confidential health information need to make limited disclosures to other business associates to effectively provide health care and related services. HIPAA authorizes “business associate agreements” that allow such disclosures while securing protections for the health information.

This resolution would approve a business associate agreement between the Metropolitan Board of Health and Saint Thomas Health to provide safeguards to prevent the use or disclosure of protected health information. It defines the permitted uses of protected health information and identifies the safeguards that must be in place for the protection of this data.

If there is a breach of these terms by Saint Thomas Health, Metro would provide an opportunity to cure the breach or to end the violation. If the breach has not been cured or the violation ended within the time specified by Metro, Metro would have the authority to immediately terminate this agreement.

RESOLUTION NO. RS2017-706 (GILMORE & HURT) – This resolution would approve a clinical affiliation agreement between the Metropolitan Board of Health and the University of Tennessee College of Veterinary Medicine. The Health Department would provide clinical training experiences as part of the veterinary students’ training. Students would not receive any compensation. There would be no cost to the Metropolitan Government for participating in this program.

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RESOLUTION NO. RS2017-706, continued

The term of the agreement would be from February 1, 2017 through January 31, 2022, but may be terminated by either party upon 90 days written notice. The school is required to provide assurance that the students are covered by health and professional liability insurance, and the school agrees to assume responsibility for all its students participating in the program.

RESOLUTION NO. RS2017-707 (COOPER & ELROD) – See attached grant summary spreadsheet.

RESOLUTION NO. RS2017-708 (ELROD, COOPER, & HURT) – Resolution No. RS2008-245 approved an agreement with the Tennessee Department of Transportation (TDOT). This included a grant of \$920,808 with a required match of \$480,203 for intersection improvements on Jefferson Street.

Resolution No. RS2013-745 approved the first amendment to this agreement, extending the agreement to June 1, 2017. It also specifically identified the intersections on Jefferson Street at 28th Avenue/Ed Temple and 21st Avenue North to be improved. Finally, it better reflected TDOT's current fund descriptions.

The resolution under consideration would simply extend the date for completion of all phases of work identified in the agreement to June 1, 2019.

Fiscal Note: There would be no changes to the financial terms of this agreement.

RESOLUTION NO. RS2017-709 (ELROD & ALLEN) - This resolution would authorize Mellow PGA, Inc., dba Mellow Mushroom, to construct, install, and maintain an aerial encroachment at 423 Broadway. The encroachment consists of a double-faced, illuminated projecting sign. Section 13.16.030 of the Metro Code provides for the approval of aerial encroachments by Council resolution.

Pursuant to the terms of the resolution, the applicant must indemnify the Metropolitan Government from all claims in connection with the construction and maintenance of the sign, and is required to post a certificate of public liability insurance with the Metropolitan Clerk naming the Metropolitan Government as an insured party. The applicant must also hold the Metropolitan Government harmless from all claims connected with the installation.

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RESOLUTION NO. RS2017-709, continued

Metropolitan Government retains the right to pass resolutions or ordinances regulating the use of surrounding streets, including the right to construct and maintain utilities, and to order the relocation of facilities at the expense of PGA. Metro further retains the right to repeal approval of the encroachment without liability.

Plans for the encroachment must be submitted to the Director of Public Works for approval, along with all work and materials; and the installation, when completed, must be approved by the Director.

The sign's construction must be carefully guarded, completed promptly, and cause the least inconvenience to the public.

This proposal has been approved by the Planning Commission.

RESOLUTION NO. RS2017-710 (ELROD & ALLEN) - This resolution would authorize Whiskey Row Nashville, LLC to construct, install, and maintain an aerial encroachment at 400 Broadway. The encroachment consists of a double-faced, illuminated projecting sign. Section 13.16.030 of the Metro Code provides for the approval of aerial encroachments by Council resolution.

Pursuant to the terms of the resolution, the applicant must indemnify the Metropolitan Government from all claims about the construction and maintenance of the sign, and is required to post a certificate of public liability insurance with the Metropolitan Clerk naming the Metropolitan Government as an insured party. The applicant must also hold the Metropolitan Government harmless from all claims connected with the installation.

Metropolitan Government retains the right to pass resolutions or ordinances regulating the use of surrounding streets, including the right to construct and maintain utilities, and to order the relocation of facilities at the expense of Whiskey Row Nashville, LLC. Metro further retains the right to repeal approval of the encroachment without liability.

Plans for the encroachment must be submitted to the Director of Public Works for approval, along with all work and materials; and the installation, when completed, must be approved by the Director.

The sign's construction must be carefully guarded, completed promptly, and cause the least inconvenience to the public.

This proposal has been approved by the Planning Commission.

RESOLUTION NO. RS2017-711 (COOPER) – This resolution would authorize the Department of Law to settle the personal injury claim of Mr. Ramses Vazquez-Marin against the Metropolitan Government in the amount of \$15,000.

On May 5, 2016, Mr. Vazquez-Marin was leaving the Tennessee Performing Arts Center at night when he tripped and fell due to uneven concrete in the sidewalk. The sidewalk is maintained by the Metro Public Works Department.

Mr. Vazquez-Marin sought treatment for a contusion of the left foot and fracture of the left medial cuneiform bone. Mr. Vazquez-Marin has agreed to accept a total of \$15,000 in full settlement of this case, based upon \$5,853.39 for medical bills, \$7,296 for lost wages, and \$1,850.61 for pain and suffering.

The Department of Law recommends settlement of this claim for \$15,000.

Fiscal Note: This settlement would reduce the balance of the Self-Insured Liability Fund by \$15,000.

– ORDINANCES ON SECOND READING –

BILL NO. BL2017-608 (HAGAR, RHOTEN, & OTHERS) – This ordinance would make multiple changes to the Metro Code of Laws (MCL) concerning Short-Term Rental Property (STRP) regulations. In its most significant provisions, the ordinance would establish two STRP uses: (1) STRP (owner-occupied) – an accessory use to residential uses; and (2) STRP (not owner-occupied) – a commercial use permitted with conditions in zoning districts where multi-family residential uses are allowed (RM2 through RM20-A, RM40 through RM100-A, MUN and MUN-A, MUL and MUL-A, MUG and MUG-A, MUI and MUI-A, OG, OR20 through OR40-A, ORI and ORI-A, CN and CN-A, CL and CL-A, CS and CS-A, CA, CF, DTC North, DTC South, DTC-West, DTC Central, SCN, SCC and SCR). STRPs that are not owner-occupied would be prohibited in AG, AR2a, R, R-A, RS and RS-A districts. Additionally, the ordinance would allow permits issued under previous regulations to be renewed, but only until a phase-out date of June 28, 2019.

Additional changes made under the ordinance are as follows:

- Section 1 would amend the STRP definition in Section 17.04.060 of the MCL, and would specify that STRPs must contain no more than four (4) sleeping rooms, (for both owner-occupied and not owner-occupied.)
- Section 2 would modify the district land use tables per Section 17.08.030 of the MCL by deleting STRPs.
- Section 3 would further modify the district land use tables by adding owner-occupied STRPs as an accessory use.
- Section 4 would further modify the district land use tables by adding not owner-occupied STRPs as a use permitted with conditions.
- Section 5 of the ordinance would modify the title of Section 17.16.250.E of the MCL, presently titled “Short Term Rental Property (STRP)”, to “Short term rental property (STRP) — Owner-Occupied”.
- Section 6 would replace Subsection 17.16.250.E.1 in the MCL with similar provisions regarding permit requirements.
- Section 7 would add a new subsection to Section 17.16.070 of the MCL establishing regulations for STRPs that are not owner-occupied.

A substitute was approved by the Planning Commission at its April 27, 2017 meeting, though not yet introduced at Council.

BILL NO. BL2017-646 (ROSENBERG & SLEDGE) – Chapter 13.08 of the Metro Code of Laws (MCL) lists the regulations concerning streets and sidewalks within Metro. The ordinance under consideration would add Section 13.08.080 within this chapter concerning surveillance or electronic data gathering devices on the public rights of way.

The new section to this chapter would limit the use of "surveillance technology" beginning on July 1, 2017. Approval by the Council would be required before any department, board, or commission, or any individual acting on their behalf, installed unmanned surveillance technology on any public right of way. Additionally, Council approval would be granted only upon determination that the benefits to citizens and residents of Nashville outweighed the costs; that the proposal will safeguard civil liberties; and that, in the judgment of the Council, no alternative with a lesser economic cost or impact upon civil rights would be as effective.

As amended, paragraph A.(2)(a) of the new section lists fourteen (14) different types of equipment under the "surveillance technology" definition. In addition to typical devices (*e.g.*, closed-circuit television cameras), the list includes more exotic technologies including as x-ray vans, biometric software and databases, mobile DNA capture technology, and through-the-wall radar or similar imaging technology.

Paragraph A.(2)(b) lists six (6) items that would not be identified as "surveillance technology" for the purposes of this section. These would include items such as televisions, printers, handheld digital cameras, radios, and email systems.

In addition to the prohibited devices already listed, Paragraph H would make it "unlawful to operate any license plate scanner installed onto or within the public right of way."

As amended, the ordinance would not apply to facilities or areas of facilities that are not open to the general public.

The ordinance as amended would further define "installing" to exempt mobile devices intended to be present for limited periods.

Subsection E specifies that the ordinance would not apply to activities conducted by or on behalf of law enforcement agencies which are part of an active investigation targeting a specific person or persons, provided that any data collected that isn't pertinent to the investigation would be destroyed at the conclusion of the investigation.

The new Subsection F would further specify that the changes per this ordinance would not apply to surveillance equipment installed for securing a building or facility from unlawful entry.

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BILL NO. BL2017-646, continued

A second amendment is anticipated that would: (1) exempt surveillance technology that collects data in anonymized form; (2) incorporate a public hearing process; (3) require approval for installations of new technology types or of significant increase (*i.e.*, 50%) of previously deployed technologies; (4) facilitate the use of license plate scanners used in conjunction with emissions sensors; (5) exclude criminal investigations; (6) exempt technology used to secure facilities; and (7) exempt certain departments.

Fiscal Note: The primary costs that would be generated by the requirements of this proposed ordinance are difficult to quantify, but would be borne by the Council in the form of additional legislation and staff time that would be required to comply.

BILL NO. BL2017-688 (COLEMAN) – This ordinance would modify Section 16.04.200 of the Metro Code of Laws (MCL) concerning the construction and use of electric fences. This section currently prohibits electric fences in all zoning districts unless under the requirements of keeping domestic animals or wildlife on the property per Section 17.16.330 of the MCL.

The ordinance under consideration would change this to allow electric fences in non-residential zoning districts, subject to the following standards:

- The energizer for electric fences must be driven by a commercial storage battery not to exceed 12 volts DC. This battery would be charged primarily by a solar panel, but the panel may be augmented by a commercial trickle charger.
- The electric charge produced by the fence upon contact shall not exceed energizer characteristics as set forth in Paragraph 22.108 of the International Electrotechnical Commission (IEC).
- Electric fences would be required to be completely surrounded by a non-electrical fence or wall not less than six feet (6') in height.
- Electric fences would be permitted on any non-residential outdoor storage area.
- Electric fences would be required to be at least ten feet (10') high.
- Electric fences would be required to have warning signs at intervals on not less than thirty feet (30').
- A Knox Box or similar device would be required for purposes of minimizing damage and to allow access to the enclosed area.

A substitute is anticipated that would limit installation in residential districts to the AG, AR2a, RS80, RS40, RS30, RS20, R80, R40, R30, and R20 zoning districts when installed per Code section 17.16.330 for the keeping of domestic animals and wildlife. The substitute would also reduce the minimum height of ten feet (10') to a height not to exceed the maximums permitted by Title 17 of the Metro Code of Laws (MCL). Finally, the substitute would attach as an exhibit the referenced International Electro-technical Commission standards.

BILL NO. BL2017-705 (SHULMAN & BLALOCK) – This ordinance would establish a new incentive program to give awards to neighborhoods that meet all Codes requirements.

Some neighborhoods in Metro have a persistent problem with various Codes violations, such as grass too high, trash piled up, or cars parked in the front yard. The traditional method of dealing with violations through enforcement would be supplemented by the establishment of this new incentive system.

Under this plan, neighborhoods could request a review by the Codes Department without enforcement penalties. The neighborhood could then work to come into full compliance. If successful, such neighborhoods could obtain an incentive grant from Metro for the further benefit of the neighborhood.

These grants could not exceed \$5,000 per neighborhood, with no more than \$25,000 being awarded per Council district per year. The Codes Department would be required to draft policies and procedures for this program, aiming for implementation of the program no later than September 30, 2017.

Fiscal Note: The potential cost of this program would be \$875,000 per year, based on \$25,000 per district. No money for this program has been included in the proposed FY18 operating budget for the incentive awards themselves nor for the increased operational costs that would result for the Codes Department.

BILL NO. BL2017-706 (S. DAVIS) – The Metropolitan Government assesses a hotel occupancy or transient occupancy privilege tax that applies to short term rental properties. The portion of these taxes derived from STRPs is currently dedicated exclusively for appropriation to the Barnes Fund for Affordable Housing. (See, Metro Code, section 5.12.060.A(4)). This ordinance would direct a portion of the transient occupancy privilege taxes generated by STRPs to a new Metropolitan Neighborhood Improvement Fund (NIF) – dividing the revenues equally between this new fund and the Barnes Fund, effective January 1, 2018

The Metro Code of Laws (MCL) would be further amended to establish a new Metropolitan Neighborhood Improvement Fund Commission. This would be composed of seven (7) members. One would be designated by the Board of the Metropolitan Development and

Housing Agency (MDHA). Another would be a Metro Council member designated by the Vice-Mayor for a term of two (2) years. The remaining 5 would be appointed by the Mayor and approved by the Council.

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BILL NO. BL2016-706, continued

The purpose of this commission would be as follows:

- A. Promote neighborhood stability by eliminating blight;
- B. Provide financing and other assistance for home ownership opportunities; and
- C. Oversee the management and operation of the Neighborhood Improvement Fund.

- D. The commission would have the following powers and duties:
 - E. Enter into contracts with nonprofit agencies to assist the commission in carrying out these duties;
 - F. Elect a chairman and other officers;
 - G. Promulgate and maintain its own regulations and bylaws;
 - H. Conduct its affairs, to select advisory committees or panels of experts to assist the commission;
 - I. Accept gifts of funds, goods, and services donated to the commission and the NIF;
 - J. Receive and expend any money appropriated or donated for the purposes of the commission;
 - K. Make recommendations to the Council regarding the awarding of grants by contract from the NIF; and
 - L. Perform and additional functions consistent with the purpose of the commission.

Fiscal Note: Section 5.12.060 of the Metro Code of Laws (MCL) would be amended so that after January 1, 2018, the transient occupancy privilege tax revenue generated by short-term rental properties would be appropriated evenly between the Barnes Fund for Affordable Housing and this new Neighborhood Improvement Fund.

BILL NO. BL2017-707 (MURPHY & COOPER) – The Metro Code regulates sole source contracts in Chapter 4.12. Under section 4.12.080, purchasing agents may purchase or contract for various utility services, including telephone, electricity, gas, and other services for which a rate has been “established by a public authority.” This section does not, however, allow for purchase of internet or telecom services because these rates are not established by a public authority. This ordinance would amend Section 4.12.080 of the Metro Code of Laws (MCL) to allow for more flexibility in procuring internet and telecom service at specific facilities.

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BILL NO. BL2016-707, continued

Although a competitive purchasing process in general is preferable, when a provider is determined to be the "sole source" of specified equipment or services, it is permissible to award the contract to that provider. This is in addition to authority of the Purchasing Agent to procure utility services with rates established by a public authority without bidding when determined to be in Metro's best interest.

The ordinance under consideration would expand this authority. In cases involving telephone, telecommunications, and internet access services where rates for their use have not been established by a public authority, they may be procured at the lowest rates available for comparable services upon the determination by the Purchasing Agent -- with the concurrence of the Director of Information Technology Services and the Director of Finance -- that requiring a competitive process is not in the best interests of Metro.

Fiscal Note: Although fewer services would be obtained through the customary RFPs, requiring the evaluation and concurrence by the Purchasing Agent, Director of Finance, and the Director of ITS should continue to assure that Metro is receiving these services at the best available prices.

BILL NO. BL2017-708 (SLEDGE & MURPHY) – The State of Tennessee now requires governmental entities within the state to establish and adopt a written public records policy no later than July 1, 2017. (See, 2016 Tennessee Laws Pub. Ch. 722). As part of this policy, an individual or individuals must be designated as the Public Records Request Coordinator.

Section 2.140.010 of the Metro Code of Laws (MCL) established the Public Records Commission for the purpose of providing for the orderly disposition of public records created by all departments, agencies, boards, and commissions of Metro.

The ordinance under consideration would appoint the Metropolitan Clerk as the Public Records Request Coordinator for Metro. It would also accept and adopt the Public Records Policy for Metro, authorizing the Metropolitan Public Records Commission to establish rules and regulations expanding upon the policy. The head of each department would be required to designate a Records Officer and Records Custodian, which may be the same person. These would be the primary facilitator(s) between the department and the staff of the Records Commission.

However, certain departments, agencies, boards, or commissions with public records policies of their own would be allowed to opt out of this policy. In such cases, they would be required to appoint their own Public Records Request Coordinator to comply with the state requirements for public records.

BILL NO. BL2017-709 (COOPER) – This ordinance would approve a contract between the Department of Public Works and the Nashville Downtown Partnership (NDP) for the management of public parking facilities of Metro.

Metro has had a contract with the NDP for operation of parking garages since 2002. The NDP currently manages the Public Library garage (with 1,030 spaces) and the Historic Courthouse garage (with 1,050 spaces). The ordinance under consideration would continue this relationship between Metro and the NDP.

In addition to these two garages, the NDP also incurs shuttle program expenses. This is defined as the operational and marketing expenses of the parking program operated by NDP, consisting of parking and shuttle transportation for the parking lots surrounding LP Field, including lots used primarily for parking by Metro employees.

The NDP would be required to create a yearly budget and operations forecast, including any requests for capital expenses for review and approval by Metro. This would include marketing, access, shuttle support, NDP fee and parking ticket equipment upgrades and replacement.

The term of this contract would begin on the date it is signed by all required parties and filed in the office of the Metropolitan Clerk and end sixty (60) months later.

This contract may be amended by Council resolution receiving at least 21 affirmative votes.

Fiscal Note: The NDP would pay a partnership management fee of \$5,250 per month to Metro for operating the Library garage and \$3,750 per month for the Historic Courthouse garage. In addition, NDP would be required to pay sixteen percent (16%) of all revenues from the Library garage to Metro.

The NDP would guarantee that the minimum amount of the payment to Metro from the Library garage would not be less than \$301,200. This amount could be reduced if Metro were to withdraw this garage from the terms of this contract or if the number of usable parking spaces at the garage were to be reduced.

This contract would also address the use of any surplus revenues, defined as the gross profit of the Library garage less the payments to Metro, the NDP management fee for the Library garage and the shuttle program expenses.

These surplus revenues would be allocated equally between Metro and the NDP. The portion allocated to Metro could be used for any purpose. The portion allocated to the NDP would be required to be used for projects or activities to improve the downtown area.

BILL NO. BL2017-710 (COOPER, ELROD, & ALLEN) – This ordinance would authorize Metro to enter a consulting contract with CDM Smith, Inc. for the development of a long-term solid waste management plan. This would involve the evaluation of the existing solid waste management system and provide options to improve and enhance the system and increase waste reduction and diversion.

The ultimate goal of this plan would be zero waste, setting the vision for waste reduction, diversion, and management for the next thirty (30) years.

This would be an Indefinite Delivery / Indefinite Quantity (ID/IQ) contract. The term of this contract would be from June 1, 2017 through May 31, 2021.

Exhibit A of the ordinance lists the scope of services to be performed by CDM Smith, Inc. in their development of this plan. The tasks involved in this project are as follows:

- Task 1 - Research
- Task 2 - Evaluation
- Task 3 - Public Engagement
- Task 4 - Recommendations and Goals
- Task 5 - Cost Studies
- Task 6 - Waste Stream Characterization

Fiscal Note: The estimated value over the four-year term of this contract is \$2,000,000. This would be paid from the Public Works' FY17 USD Capital Projects Fund.

The initial master plan development services are estimated to cost \$499,999 plus \$220,000 for the waste characterization scope of services which is to be reimbursed by the Tennessee Department of Environment and Conservation (TDEC).

Task #5 calls for a triple bottom line (3BL) cost study on the top three recommendations and on the cost to landfill waste. The 3BL on landfilling should include the social, environmental, and economic cost to landfill a typical ton of municipal solid waste in a landfill instead of recovering all reusable, recyclable, and compostable materials.

BILL NO. BL2017-711 (COOPER, ELROD, & ALLEN) – This ordinance would authorize the acquisition of certain right-of-way easements, drainage easements, temporary construction easements, and property rights by negotiation or condemnation for use in public projects for Hobson Pike Sidewalk Improvements.

This has been approved by the Planning Commission.

Fiscal Note: The price to be paid for the easements and property rights has not yet been determined. This would be paid from the FY16 Capital Projects Fund.

BILL NO. BL2017-712 (PRIDEMORE, COOPER, & OTHERS) – This ordinance would authorize the acquisition of certain right-of-way easements, drainage easements, temporary construction easements, and property rights by negotiation or condemnation for use in public projects for Delaware Avenue Sidewalk Improvements.

This has been approved by the Planning Commission.

Fiscal Note: The price to be paid for the easements and property rights has not yet been determined. This would be paid from the FY16 Capital Projects Fund.

BILL NO. BL2017-713 (MURPHY, ELROD, & ALLEN) – This ordinance would abandon and accept sewer and water mains and easements and to accept new sanitary sewer main, manholes, and easements for property located at 4101 Ridgefield Drive and 211 Ensworth Place.

This has been approved by the Planning Commission. Future amendments to this ordinance may be approved by resolution.

BILL NO. BL2017-714 (KINDALL, ELROD, & ALLEN) – This ordinance would abandon existing combination sewer main and any associated easements and to accept a new sanitary sewer manhole, fire hydrants, and any associated easements for property located at 350 22nd Avenue North.

This has been approved by the Planning Commission. Future amendments to this ordinance may be approved by resolution.

BILL NO. BL2017-715 (ELROD & ALLEN) – This ordinance would authorize the acquisition of certain permanent and temporary easements by negotiation or condemnation for the Forest Drive Stormwater Improvement Project for two (2) properties located at 3617 and 3621 Roundwood Forest Drive.

This has been approved by the Planning Commission. Future amendments to this ordinance may be approved by resolution.

BILL NO. BL2017-716 (ELROD & ALLEN) – This ordinance would authorize the acquisition of certain permanent and temporary easements by negotiation for the Van Buren Street Stormwater Improvement Project for two (2) properties located at 101-A and 101 Van Buren Street.

This was approved by the Planning Commission on April 5, 2017. Future amendments to this ordinance may be approved by resolution.

BILL NO. BL2017-717 (VANREECE, ELROD, & ALLEN) – This ordinance would amend the official Geographic Information Systems Street and Alley Centerline Layer by changing the name of a portion of Due West Avenue to "West Due West".

This was approved by the Planning Commission and the Emergency Communications. A recommendation from both, prior to third reading, is required under Section 13.08.015.D of the Metro Code of Laws (MCL).

In addition, pursuant to the requirements of Section 13.08.015.B. of the MCL, the Historical Commission must provide a report to the Council prior to third reading stating the historical significance, if any, associated with the existing street name.

The Historical Commission is working to prepare the required report, but have expressed their doubts about being able to provide this in time for third reading. If this is not ready in time, it will be necessary to defer third reading. However, approval on second reading does not need to be deferred.

BILL NO. BL2017-718 (ELROD & ALLEN) – This ordinance would authorize Drury Nashville, LLC to install, construct, and maintain underground and aerial encroachments in the right-of-way located at 315 3rd Avenue South. These encroachments are comprised of upper tower signage on 3rd Avenue, corner overhang at Korean Veterans Boulevard and Almond Street, parking garage overhang on 3rd Avenue, entry canopy and signage at the corner of Korean Veterans Boulevard and 3rd Avenue, tower element on 3rd Avenue, signage at northwest corner and an NES vault encroaching the right-of-way. Section 13.16.030 of the Metro Code provides for the approval of aerial encroachments by Council resolution.

Drury Nashville, LLC has agreed to indemnify and hold the Metropolitan Government harmless from any and all claims in connection with the installation and maintenance of the encroachments, and would be required to provide a \$3 million certificate of public liability insurance naming the Metropolitan Government as an insured party.

This proposal has been approved by the Planning Commission.

– ORDINANCES ON THIRD READING –

BILL NO. BL2016-611 (BEDNE) – The ordinance under consideration would make a change to the requirements for the operation of a short-term rental property (STRP) found in newly established paragraph 17.16.250.E.

Currently, Section 17.16.250.E.2.v requires that an STRP application include a statement that “the applicant has confirmed that operating the proposed STRP would not violate any Home Owners Association agreement or bylaws, Condominium Agreement, Covenants, Codes and Restrictions or any other agreement governing and limiting the use of the proposed STRP property.”

As amended, BL2017-611 would likewise require a statement that the applicant has notified in writing the Home Owners Association, Condominium Association, or other such community association governing the proposed STRP property. But it would further require the applicant to advise “the department of codes administration of any objection or opposition to the application by any such association of which the applicant is aware.”

The Metro Planning Commission recommended disapproval of this Ordinance at its April 27, 2017 meeting.

BILL NO. BL2017-653 (ALLEN & BEDNE) – Currently, applicants for owner-occupied short term rental property permits can establish their ownership of the property by submitting two (2) of any of the following documents:

- Tennessee Driver's license
- Other valid State of Tennessee identification card
- Davidson County voter registration card
- Current employer verification of residential address
- Paycheck / check stub
- Work ID or badge
- Internal Revenue Service W-2 form
- Bank statement

The ordinance under consideration would add two (2) additional documents as acceptable modes of proof, for the benefit of applicants without traditional forms of identification:

- Current employer verification of residential address or a letter from employer on company letterhead with original signature (notarized if not on letterhead)
- Current automobile, life, or health insurance policy

The Metro Planning Commission recommended approval of this Ordinance at its April 27, 2017 meeting.

BILL NO. BL2017-654 (WEINER, ROSENBERG, & OTHERS) – The Metropolitan Code uses the term “church” when referencing buildings or property used for religious worship. The Code broadly defines “church” to include any building or property where a congregation regularly meets for religious worship (MCL §7.08.010).

However, the term “church” is generally construed as referring primarily to a building used for Christian worship or even the whole body of Christian believers. (See, *e.g.*, Merriam-Webster’s unabridged dictionary, 11th ed.) Because Nashville is home to a variety of religious denominations whose congregations may not necessarily subscribe to the term “church”, the ordinance under consideration would substitute “place of worship” or “religious institution” for “church” in twelve (12) sections of the Code.

In ten (10) of the revised sections, the term “place of worship” would be substituted for “church” without otherwise changing the definition in MCL §7.08.010 (“a building or property where a congregation regularly meets at least one day per week for religious worship.”)

The final two (2) revised sections appear in Title 17, and would instead use “religious institution” as the substituted term because that is the term currently used in Title 17.

BILL NO. BL2017-684 (HENDERSON & WITHERS) – This ordinance would alter Note 2 in Table 17.12.020.A of the Metro Code of Laws (MCL) which establishes the bulk standards for structures. This table in the zoning regulations concerns single-family and two-family dwellings. This change was prompted by the Metro Council’s adoption of ordinance No. BL2016-493 which, in part, revised provisions for the dedication of rights-of-way to facilitate the construction of sidewalks.

Currently, Note 2 provides that when a right-of-way dedication is required for an existing lot or parcel “that could be subdivided into two or more lots” that would each meet the minimum lot size requirements, the minimum lot area is considered to be the area *prior* to the dedication. The ordinance under consideration would also apply this minimum lot area to existing lots or parcels *that meet the minimum lot area*.

BILL NO. BL2017-689 (PULLEY, ELROD, & ALLEN) – This ordinance would approve a lease agreement between the Metropolitan Government and Grace’s Plaza, Ltd., for the lease of space at 4005 Hillsboro Pike for use by the County Clerk. The County Clerk has maintained a satellite office at this Grace’s Plaza location for many years.

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BILL NO. BL2017-689, continued

This lease consists of a written agreement for the lease of 638 square feet of office space to be used solely for the dispensing of auto license tags, license plates, and transferring auto titles. The premises could not be used for any other purpose.

The term of this lease agreement would be from June 1, 2017 through May 31, 2021, with an option to terminate as of January 31, 2018 with written notice no later than November 30, 2017. Either party would have the ability to terminate the lease at any time thereafter with 180 days written notice.

Metro would be responsible for the general upkeep of the premises, but Grace's Plaza would be responsible for repairs to the exterior walls, roof, and HVAC system. If litigation arises out of a dispute regarding the lease agreement, the prevailing party will be entitled to recover reasonable costs and attorney's fees.

This lease agreement has been approved by the Planning Commission.

Fiscal Note: The base rent for the office space would be \$10,555.68 for the first year, which is to increase by three percent (3%) each year thereafter. In addition to the base rent, Metro would pay Grace's Plaza a proportionate share of property taxes, which would currently amount to \$212.37 per month.

BILL NO. BL2017-690 (WEINER, COOPER, & ALLEN) – This ordinance would approve an agreement between Metro and Bellevue Redevelopment Associates, LP ("BRA") concerning a parcel exchange to enable the construction of a new community center and hockey facility.

Metro currently owns a 2.02-acre parcel at the mixed-use project called One Bellevue Place (formerly the site of Bellevue Mall). This parcel was donated to Metro by the project's developer, Crosland Southeast. The original plan called for the construction of a regional community center on this parcel. Metro now desires to construct an adjacent ice center, requiring additional space.

BRA owns an 8.38-acre parcel within the same development that would be suitable for construction of the ice center, in addition to the community center. This ordinance would authorize the exchange of the 8.38-acre parcel owned by BRA for the 2.02-acre parcel owned by Metro plus \$2,226,000.

If this agreement is not approved by May 31, 2017, either party would have the right to terminate the agreement with written notice to the other party. Metro would also have the right to inspect the property through July 15, 2017 to confirm the suitability for the intended use. Metro would have the absolute right to cancel this agreement during that time.

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BILL NO. BL2017-690, continued

This proposed land exchange has been approved by the Planning Commission.

Fiscal Note: The \$2,226,000 payment in addition to the exchange of the two parcels only addresses the property needs for a new ice center and community center. Construction costs for these two facilities would require inclusion in a future capital spending plan and Council approval.

BILL NO. BL2017-692 (ELROD & ALLEN) – This ordinance would abandon any easement rights for property located at 5212 Louisiana Avenue, formerly 53rd Avenue North, between Louisiana Avenue and Alley #1209. It has been determined that these easements are no longer needed.

This was approved by the Planning Commission on April 13, 2017. Amendments to this legislation may be approved by resolution

BILL NO. BL2017-693 (WITHERS, ELROD, & ALLEN) – This ordinance would authorize the acquisition of certain permanent and temporary easements by negotiation or condemnation for the Barclay Drive Stormwater Improvement Project for two (2) properties located at 2819 and 2821 Barclay Drive.

This was approved by the Planning Commission on April 13, 2017. Future amendments to this ordinance may be approved by resolution.

BILL NO. BL2017-694 (WITHERS, ELROD, & ALLEN) – This ordinance would amend the official Geographic Information Systems Street and Alley Centerline Layer by abandoning an Unnumbered Alley right-of-way and easement.

This was approved by the Planning Commission on March 23, 2017.

BILL NO. BL2017-695 (ELROD & ALLEN) – This ordinance would amend the official Geographic Information Systems Street and Alley Centerline Layer by abandoning a portion of Alley Number 2004 right-of-way and easement.

This has been approved by the Planning Commission.

BILL NO. BL2017-696 (O'CONNELL, ELROD, & ALLEN) – This ordinance would amend the official Geographic Information Systems Street and Alley Centerline Layer by abandoning a portion of Demonbreun Street, 5th Avenue South, 6th Avenue South, and Korean Veterans Boulevard right-of-way.

This was approved by the Planning Commission on April 13, 2017.

BILL NO. BL2017-697 (O'CONNELL, ELROD, & ALLEN) – This ordinance would amend the official Geographic Information Systems Street and Alley Centerline Layer by abandoning Lannom Avenue and a portion of Alley Number 2062 right-of-way and easement.

This was deferred indefinitely by the applicant before the Planning Commission.

BILL NO. BL2017-698 (MURPHY, ELROD, & ALLEN) – This ordinance would amend the official Geographic Information Systems Street and Alley Centerline Layer by abandoning an unimproved portion of Alley Number 1705 right-of-way.

This has been approved by the Planning Commission.

BILL NO. BL2017-699 (SWOPE, ELROD, & ALLEN) – This ordinance would amend the official Geographic Information Systems Street and Alley Centerline Layer by changing the name of a portion of Sterling Oaks Drive to "Montessori Drive".

This has been approved by the Planning Commission and the Emergency Communications District. A recommendation from both, prior to third reading, is required under Section 13.08.015.D of the Metro Code of Laws (MCL).

In addition, pursuant to the requirements of Section 13.08.015.B. of the MCL, the Historical Commission provided a report to the Council on April 26, 2017 stating the historical significance, if any, associated with the existing street name.

GRANTS AND DONATIONS LEGISLATION - MAY 16, 2017

Legislative Number	Parties	Amount	Local Cash Match	Term	Purpose
RS2017-691	<u>From:</u> State Justice Institute <u>To:</u> Davidson County Juvenile Court	Not to exceed \$41,545	\$4,155	May 1, 2017 through May 1, 2018	The grant proceeds would be used to provide funding to obtain expert assistance to diagnose a problem, develop a response to that problem, and initiate implementation of any needed changes.
RS2017-692	<u>From:</u> Tennessee Department of Human Services <u>To:</u> Davidson County Juvenile Court	\$1,078,445	\$555,563	Change end date to June 30, 2018	This Amendment #6 to the grant would increase the amount and extend the end date. The proceeds would be used to establish and enforce federal and state mandated child support program guidelines for children born out of wedlock.
RS2017-693	<u>From:</u> Tennessee Department of Correction <u>To:</u> State Trial Courts	Not to exceed \$4,910,000	\$0	July 1, 2017 through June 30, 2022	The grant proceeds would be used for the expenses of housing and treating non-violent felony offenders with co-occurring addiction and mental health disorders.
RS2017-695	<u>From:</u> Baby+Co. <u>To:</u> Sports Authority	Not to exceed \$3,500	\$0	N/A	The grant proceeds would be used to provide funding for the purchase and design of two Mamava Suites as part of the Public Investment Plan (PIP) proposal, "A Mother's Place: Infrastructure for Breastfeeding Support".
RS2017-696	<u>From:</u> Nashville Sounds Baseball Club <u>To:</u> Sports Authority	Not to exceed \$12,350	\$0	N/A	The grant proceeds would be used to provide funding for the purchase and design of two Mamava Suites as part of the Public Investment Plan (PIP) proposal, "A Mother's Place: Infrastructure for Breastfeeding Support".
RS2017-697	<u>From:</u> Southern Blood Services <u>To:</u> Sports Authority	Not to exceed \$1,000	\$0	N/A	The grant proceeds would be used to provide funding for the purchase and design of two Mamava Suites as part of the Public Investment Plan (PIP) proposal, "A Mother's Place: Infrastructure for Breastfeeding Support".
RS2017-698	<u>From:</u> Tennessee Titans <u>To:</u> Sports Authority	Not to exceed \$12,350	\$0	N/A	The grant proceeds would be used to provide funding for the purchase and design of two Mamava Suites as part of the Public Investment Plan (PIP) proposal, "A Mother's Place: Infrastructure for Breastfeeding Support".

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Legislative Number	Parties	Amount	Local Cash Match	Term	Purpose
RS2017-699	From: National Recreation and Park Association (NRPA) To: Metropolitan Parks and Recreation Department	Not to exceed \$25,000	\$0	Final report is due January 12, 2018.	The grant proceeds would be used to increase the number of healthy meals children in low income communities receive, provide nutrition literacy, and implement nutrition standards to access healthier foods. This was approved by the Board of Parks and Recreation on April 4, 2017.
RS2017-702	From: Tennessee Department of Health To: Metro Board of Health	Not to exceed \$4,030,120 (\$806,024 per year)	\$406,000	July 1, 2017 through June 30, 2022	The grant proceeds would be used to ensure federal preparedness funds are directed to Tennessee Regional and Metropolitan Emergency Preparedness programs to prepare for, respond to, and recover from public health threats.
RS2017-703	From: Tennessee Department of Health To: Metro Board of Health	Not to exceed \$267,000	\$0	July 1, 2017 through June 30, 2020	The grant proceeds would be used to provide the Tennessee Breast and Cervical Screening Program to offer individualized assistance to clients and to facilitate timely access to quality screening and diagnostics.
RS2017-707	From: Tennessee Emergency Management Agency To: Metro Nashville Water Services Department	Not to exceed \$953,260	\$0	May 29, 2015 through October 30, 2018	The proceeds from this federal grant would be used for the administration and completion of an approved Flood Mitigation Assistance Project to purchase and remove five houses that lie in various floodplain areas.