

ORDINANCE NO. _____

An ordinance adopting a transit improvement program for the Metropolitan Government of Nashville and Davidson County, approving a surcharge for the program, and requesting the Davidson County Election Commission to call a county-wide referendum election to be held on May 1, 2018, regarding the levying of the surcharge on certain taxes to fund the program.

WHEREAS, T.C.A. § 67-4-3202 provides that a local government is authorized to levy a surcharge for the costs associated with the planning, engineering, development, construction, implementation, administration, management, operation, and maintenance of public transit system projects that are part of a transit improvement program (“Program”); and,

WHEREAS, T.C.A. § 67-4-3206 provides that before such surcharge may be imposed, a Program must be approved by a majority vote of the local legislative body through a resolution or ordinance; and,

WHEREAS, consistent with the requirements of T.C.A. § 67-4-3206, the Metropolitan Government of Nashville and Davidson County (“Metropolitan Government”) has developed a Program, known as “Let’s Move Nashville: Metro’s Transportation Solution”, including the development of a financing plan; and,

WHEREAS, Kraft CPAs is in the process of determining that the financing plan for the Program is feasible; and,

WHEREAS, the Metropolitan Government intends to maximize minority-owned, women-owned, and small business participation regarding the transportation improvements to be funded by the surcharge to the fullest extent permitted by law; and,

WHEREAS, T.C.A. § 67-4-3202(b) provides that no surcharge for a transit improvement program shall become effective unless approved by a majority of the number of registered voters of the local government voting on the question of whether the surcharge shall be levied; and,

WHEREAS, it is in the best interest of the residents of the Metropolitan Government that the Program be adopted, and that a referendum election be held May 1, 2018.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. The Metropolitan County Council hereby approves the Program attached hereto as Exhibit A and the surcharge described in Section 2 of this Ordinance.

Section 2. The Metropolitan County Council hereby approves the following summary of the Program, which shall be printed on the ballot in accordance with T.C.A. §67-4-3202(b)(1):

“Passage of this measure will allow the Metropolitan Government to improve and expand its transit services to include: expanded bus service countywide; new transit lines; new light rail and/or rapid bus service along Nashville’s major corridors, including the Northwest Corridor and a connection through downtown Nashville; new neighborhood transit centers; improvements to the Music City Star train service; safety improvements, including sidewalks and pedestrian connections; and system modernization. The Metropolitan Transit Authority and the Metropolitan Department of Public Works will undertake the projects and implement the program. The transit improvements and expansion will be funded by tax surcharges that will end once all debt issued for the program has been paid and the Metropolitan Council determines upon the adoption of a resolution that the revenues from the surcharges are no longer needed for operation of the program. The surcharges will consist of: (1) a sales tax surcharge of 0.5% for the first five years, increasing to 1% in 2023; (2) a hotel/motel tax surcharge of 0.25% for the first five years, increasing to 0.375% in 2023; (3) a 20% surcharge on the business/excise tax; and (4) a 20% surcharge on the rental car tax. The capital cost of the program is estimated to have a present day value of \$5,354,000,000, with recurring operations and maintenance costs having a present day value at the year the improvements are completed of approximately \$99,500,000.

FOR or AGAINST”

Section 3. The Metropolitan County hereby requests the Davidson County Election Commission to hold a referendum election on the Program surcharge on May 1, 2018 to allow the voters to vote FOR or AGAINST Ordinance No. BL2018-_____.

Section 4. The Metropolitan Clerk is directed to send a certified copy of this Ordinance to the Davidson County Election Commission.

Section 5. This Ordinance shall take effect from and after its enactment, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

