METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

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MEMORANDUM

To: Vice Mayor Diane Neighbors
Members of the Metropolitan Council

From: Richard M. Riebeling
Director of Finance

Date: September 14, 2010

Subject: Fiscal Year 2011 Capital Spending Plan / Initial Bond Resolution Authorizing Not to Exceed $250 Million of General Obligation Bonds

On Friday, the Administration filed an Initial Bond Resolution authorizing the issuance of up to $250 million in General Obligation Bonds to finance a variety of critical projects that comprise the Fiscal Year 2011 Capital Spending Plan. The plan originally was filed with the Metro Council in late April but was withdrawn following the natural disaster that hit our community the next weekend.

Until now, we have been reluctant to go forward until we were confident we had a handle on the fiscal impact of those floods. We now have that level of comfort and in fact, have communicated this with the major rating agencies that have reaffirmed our solid AA bond rating and withdrawn any plan to downgrade Metro Nashville's outstanding debt.

Attached to this memo is a complete list of the projects we expect to be funded under the FY2011 Capital Spending Plan. We believe it represents our continued focus on our City's priorities and delivers much needed services throughout our community.

While we are prepared to discuss each project in detail, we did want to provide you with some additional information on our plans for Southeast Nashville and the Madison/Goodlettsville area.

SOUTHEAST DAVIDSON

Clearly, this is one of the fastest growing regions of our City and probably also the one area lacking some critical services. We believe our plan to provide a number of Metro services addresses those areas while also serving to help revitalize one of the most recognized items in southeast Nashville, the Hickory Hollow Mall. We anticipate spending $18 million to renovate the old J.C. Penny's building including the following:

- 25,000 sq ft. Regional Community Center including a multi-acre outdoor play area
- 19,000 sq. ft. Public Library to replace the existing smaller and crowded facility
- 4,000 sq. ft. Metro Archives reading room plus sufficient storage room
- Space for a new Public Health Center

A complete agreement outlining the lease-purchase arrangement with the Mall owners will be finalized and filed with the Metro Council soon.

In addition, we will also soon be filing a lease-purchase agreement for the vacant Dillard's building at Hickory Hollow which will be renovated to be the new home for the Nashville Expo Center to be the permanent home for the Nashville Flea Market and other events such as Christmas Village and the Lawn and Garden Show.

Finally, we also have included $15 million for the new Cane Ridge area elementary school.

MADISON/GOODLETTSVILLE

Along with the Metro Transit Authority, we have decided to take advantage of another opportunity to purchase the Peterbilt property in Madison. MTA has an agreement to purchase the buildings and 50+ acres for $16 million. Under our agreement with MTA, Metro's share of the purchase is $6.5 million. We will enter into an agreement with Metro for the ownership, management and use of the facility that will become the new home for a number of Metro functions including:

- Headquarters and major maintenance operations for the Metro Transit Authority
- New Madison/Goodlettsville Police Precinct
- Home for the Metro Police DNA Crime Lab and the Special Operations Division
- Approximately 200,000 of unused space for future Metro needs

Other items in the plan to briefly note include:

- New Sevier Park Community Center and funds to start development of the Fairgrounds Park
- Funds to start implementation of master plans for Open Space, Centennial Park and Shelby Park
- Construction of the $28^{th}/31^{st}$ avenue connector
- More than $30 million for sidewalks, bikeways, road paving and bridge improvements

Please feel free to contact me if you have any questions.

Attachment

Copy: Jon Cooper

CAPITAL PROJECTS LIST
FISCAL YEAR 2011
September 14, 2010

SOUTHEAST NASHVILLE	
Community Recreation Center / Library Relocation Including Archives / Public Health Center	$18,000,000
MADISON / GOODLETTSVILLE	
Property Acquisition; Police Precinct; Special Operations Division	16,000,000
POLICE	
South Precinct (Land and Construction)	6,000,000
PUBLIC LIBRARY	
Bellevue Planning / Land Acquisition	1,000,000
PARKS	
New Sevier Community Center	4,000,000
Fairgrounds Park Planning / Initial Development	2,000,000
Sportsplex Renovations	2,000,000
Two Rivers Mansion Renovation	750,000
Centennial Park Master Plan	500,000
Shelby Park Master Plan	1,000,000
Greenway Projects	3,250,000
Joelton Park Improvements	250,000
Warner Park Local Match	315,000
Open Space Fund	5,000,000
FIRE	
Master Plan Implementation	7,500,000
ITS	
General Improvements	6,500,000
MS Enterprise Agreement	4,500,000

PUBLIC WORKS

28th / 31st Avenue Connector	$18,000,000
Sidewalks	12,500,000
Bikeways	3,000,000
Paving / Resurfacing	12,000,000
Bridges	4,000,000
Traffic Signals	4,000,000
ITS Matching (Wayfinding Grant)	1,000,000
Solid Waste (Equipment)	1,000,000

MTA

Grant Match / Route Analysis	2,350,000
Replacement Buses	7,200,000
12 Paratransit Vehicles	1,200,000

METRO SCHOOLS

New Elementary (Cane Ridge Area)	15,000,000
Technology	5,000,000
Bus Replacement	5,000,000
Energy Program (Self-Funded)	15,000,000

GENERAL SERVICES

Howard Building FF&E	3,000,000
Clifford Allen Renovation (MAC and Social Services)	2,000,000
Misc. Building Improvements (Roofs, Security, Energy Projects)	4,750,000
Highland Heights Renovation	10,000,000
Flood-Related Projects	5,000,000

SELF-FUNDED PROJECTS

District Energy System (MCC Connection)	8,500,000
Radio Purchases (Funded By Emergency Communications District)	22,700,000