

ORDINANCE NO. BL2016-422

An ordinance approving an agreement between The Metropolitan Government of Nashville and Davidson County and LP North Nashville, LLC for the continued lease of real property located at 1414 County Hospital Road and transfer of operations of the Bordeaux Long Term Care facility (Proposal No. 2016M-028PR-001).

WHEREAS, pursuant to Ordinance No. BL2014-688, the Metropolitan Government agreed to lease the real property and operations of the Bordeaux Long Term Care facility located at 1414 County Hospital Road to LP North Nashville, LLC, which is a subsidiary of Signature Healthcare, LLC ("Signature"); and

WHEREAS, pursuant to that agreement, Signature agreed to lease and operate the Bordeaux Long Term Care facility while state legislation was sought to approve a split of the skilled nursing bed licenses into two facilities; and

WHEREAS, also pursuant to that agreement, the Metropolitan Government agreed to provide financial support to Signature for the operation of the Bordeaux Long Term Care facility, which had previously been subsidized by the Metropolitan Government, along with the Knowles Home for the Aged, in the amount of approximately ten million five hundred thousand dollars (\$10,500,000); and

WHEREAS, pursuant to a separate agreement also approved by Ordinance No. BL2014-688, a new nursing home facility was to be constructed in North Nashville and operated by Signature; and

WHEREAS, the state legislation was not passed by the General Assembly; and

WHEREAS, Signature and the Metropolitan Government have agreed to a revised lease and transfer agreement which provides for an extension of the lease and the construction of a new nursing home facility in North Nashville to replace the Bordeaux Long Term Care facility; and

WHEREAS, this revised lease and transfer agreement also provides for a reimbursement of losses incurred by Signature of up to three million five hundred thousand dollars (\$3,500,000) per fiscal year; and

WHEREAS, it is in the best interest of the citizens of Nashville and Davidson County to approve the agreement described herein.

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

Section 1. That the Operating Lease and Transfer Agreement by and between LP North Nashville, LLC and the Metropolitan Government of Nashville and Davidson County, a copy of which is attached hereto and incorporated herein, is hereby approved, and the Metropolitan Mayor or her designee is authorized to execute the same.

Section 2. The amount of three million dollars (\$3,000,000) is hereby appropriated from the Undesignated Fund Balance of the General Fund of the General Services District to an administrative account as determined by the Director of Finance for the purpose of reimbursing LP North Nashville, LLC for its losses during Fiscal Year 2016-2017 in accordance with the terms of the Operating Lease and Transfer Agreement.

Section 3. Amendments to this agreement may be approved by resolution of the Metropolitan Council receiving twenty-one affirmative votes.

Section 4. The Metropolitan Mayor or her designee is authorized to execute such documents as are necessary to effectuate the transaction contemplated herein.

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

Sponsored by: Nick Leonardo, John Cooper, Erica Gilmore, Burkley Allen, Sharon Hurt

If you would like a copy of the attachment to any ordinance or resolution, please email your request to the Metro Clerk's Office at metro.clerk@nashville.gov

LEGISLATIVE HISTORY

Introduced:	September 20, 2016
Passed First Reading:	September 20, 2016
Referred to:	Planning Commission Budget & Finance Committee Health, Hospitals and Social Services Committee Planning, Zoning & Historical Committee
Passed Second Reading:	October 4, 2016
Re-Referred to:	Budget & Finance Committee
Passed Third Reading:	October 18, 2016
Approved:	October 19, 2016
By:	

Requests for ADA accommodation should be directed to the Metropolitan Clerk at 615/862-6770.