

MEMORANDUM TO: All Members of the Metropolitan Council

FROM: Jon Cooper, Director
Metropolitan Council Office

DATE: **June 7, 2011**

RE: **Analysis Report**

Balances As Of:	<u>5/11/11</u>	<u>5/26/10</u>
<u>GSD 4% RESERVE FUND</u>	*\$11,853,490	\$13,232,956
<u>GENERAL FUND UNDESIGNATED FUND BALANCE</u>		
GSD	\$34,183,634	\$22,157,286
USD	\$24,263,010	\$22,180,965
<u>GENERAL PURPOSE SCHOOL FUND UNRESERVED FUND BALANCE</u>		
	\$27,099,790	\$27,354,569

* Assumes estimated revenues in fiscal year 2011 in the amount of \$23,440,100

– BILLS ON PUBLIC HEARING AND SECOND READING –

ORDINANCE NO. BL2011-913 (BARRY) – This ordinance is the operating budget of the Metropolitan Government for the fiscal year 2011-2012. The budget filed by the mayor provides for the following proposed funding:

• General Fund of the General Services District	\$	696,532,900
• Schools Fund of the General Services District		638,145,600
• Schools Debt Service Fund		38,036,500
• Debt Service – General Services District		<u>86,092,900</u>
TOTAL GENERAL SERVICES DISTRICT BUDGET		\$1,458,807,900
• General Fund of the Urban Services District	\$	108,561,400
• Debt Service – Urban Services District		<u>14,879,000</u>
TOTAL URBAN SERVICES DISTRICT BUDGET	\$	123,440,400
TOTAL OPERATING BUDGET		\$1,582,248,300

The substitute budget adopted by the council for the current fiscal year is \$1,524,062,500. The mayor's proposed budget is an overall increase of \$58,185,800 (3.8%) compared to the fiscal year 2011 budget.

The budget appropriates \$9,661,900 from the schools debt service fund balance and \$13,435,500 from the general fund of the urban services district. These fund balance appropriations make it possible to transfer \$5,000,000 from the schools debt service fund to the schools operating fund, and \$3,930,300 from the general fund of the urban services district to the general fund of the general services district in lieu of modifying the tax rate distributions to achieve this funding. The use of the debt service fund balance is the result of the debt restructuring approved by the council in May 2010.

No increase in the GSD general fund or the USD general fund property tax rate is being proposed. The companion ordinance setting the tax levy for fiscal year 2011-2012 (Ordinance No. BL2011-914) specifies the same tax rates for each fund that are in effect this fiscal year.

Resolution No. R89-959 established a policy of maintaining a fund balance equal to or greater than 5% of the budget for the GSD General Fund, the USD General Fund, and the General Purpose School Fund. This requirement was expanded in 2006 by an office of management and budget (OMB) policy to include the three primary budgetary debt funds in addition to these operations funds. The mayor's proposed budget is projected to result in the following fund balance percentages by June 30, 2012:

• General Fund of the General Services District	5.1%
• Debt Service – General Services District	8.8%
• Schools Fund of the General Services District	4.2%
• Schools Debt Service Fund	15.7%
• General Fund of the Urban Services District	9.9%
• Debt Service – Urban Services District	20.2%

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ORDINANCE NO. BL2011-913 (continued)

The proposed budget includes \$4,979,800 in the GSD General Fund and \$813,400 in the USD General Fund for payments to Metro employees over and above their base salaries. This includes a one-time salary adjustment of 1.5% for all Metro employees working a minimum of 32 hours per week, and longevity payments for those Metro employees who qualify. However, a continuation of the increment pay suspension is proposed for fiscal year 2012. Amendments to the three pay plans to provide for the 1.5% bonus and the increment freeze are the subject matter of Resolution Nos. RS2011-1673 through RS2011-1675.

The proposed fiscal year 2012 budget includes the same mechanism for appropriating grants to non-profit organizations as the previous three budgets. In addition to a small number of direct contributions to non-profit agencies, the proposed budget for fiscal year 2012 would award funds to other agencies that best meet the priorities of the city from three categories. They are as follows:

- Domestic violence agencies \$675,000
- Education and afterschool care \$675,000
- Misc. community agencies \$450,000

The budget includes reductions in the general fund departments ranging from 0% to 3%. The overall reduction to the operating budgets of the general fund departments is approximately \$5,000,000 (1%). These reductions are projected to result in few, if any, employee layoffs. The final number of layoffs is still to be determined. Although all departments received some level of "cuts", a few departments will receive a net budgetary increase, excluding internal service fee reductions. Specifically, the budget provides operating increases for Metro schools, the police department, general services, public works, parks, and the public libraries.

The elimination of all travel, tuition, and registration expenses from departmental budgets are proposed to be continued for fiscal year 2012. An appropriation of \$164,500 is included to pay for essential travel that may occur during the year, compared to \$225,000 for fiscal year 2011. All travel would be required to be approved by the finance director's office to access these funds.

New stormwater fees went into effect on July 1, 2009. This made it possible for the budget to provide for dedicated stormwater funding of \$13,680,000 in fiscal year 2011. This has been reduced to \$13,285,500 for stormwater operations in fiscal year 2012, although \$14,366,000 is budgeted for stormwater revenues. The difference of \$1,080,500 will be added to the stormwater fund balance.

This budget includes a subsidy of \$43,190,700 for the hospital authority, which is the same as the subsidy for fiscal year 2011. From this subsidy, \$30,690,700 is being provided for the operating budget and \$5,000,000 for repayment of outstanding debt for capital projects due to Metro. In addition, \$7,500,000 of this subsidy is to provide Nashville General Hospital the opportunity to utilize these funds through an intergovernmental transfer to the state of Tennessee as a match to access federal funds for use by the Hospital Authority.

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ORDINANCE NO. BL2011-913 (continued)

Other significant increases in the proposed budget include the following:

- General Services Fuel, Facility, and Utility Costs \$3,900,000
- MTA Supplement \$3,300,000
- DNA Crime Lab and New Police Precincts \$3,000,000
- Pensioner Injury-On-Duty Medical Expenses \$2,400,000
- Public Works Contractual Services \$950,000
- McCabe Community Center and Riverfront Park \$850,000
- Goodlettsville Library and Limitless Library Program \$788,600

The proposed budget for the Schools General Purpose Fund is \$670,534,800, which is the full amount requested by the school board. This is an increase of \$37,182,200 over the fiscal year 2011 budget. However, this appropriation does not specifically include the additional \$4.5 million in state-mandated teacher pay increases for which the school board will be responsible. There is also a separate line item in the ordinance appropriating \$404,300 for administrative support for Metro schools, down from \$606,700 in the current budget. \$5,000,000 of the proposed Schools General Purpose Fund budget would come from a transfer from the undesignated fund balance of the Schools Debt Fund.

The undesignated fund balance of the schools fund is projected to be \$28,100,000 at the end of fiscal year 2012, or 4.2% of the operational budget. The budget does not appropriate any funds from the schools general fund balance, only the debt service fund balance. According to state law, funds cannot be appropriated from the schools fund balance if such appropriation would cause the balance to drop below 3%.

The budget ordinance is amendable on third reading.

ORDINANCE NO. BL2011-921 (BARRY & GOTTO) – This ordinance adopts the capital improvements budget for 2011-2012 through 2016-2017. A separate analysis including a list of projects by district is posted on the Council website. The capital improvements budget is a planning document and does not in itself appropriate any money. All capital projects must be provided for in this document before a capital improvement can be approved by the council, except in the case of a public emergency.

This budget is amendable on third and final reading. The Charter requires the council to adopt the capital improvements budget not later than June 15th of each year. Once adopted, future amendments to the capital improvements budget must be approved by the planning commission, be recommended by the mayor, and then be adopted by resolution of the council receiving twenty-seven (27) affirmative votes.

– RESOLUTIONS –

RESOLUTION NO. RS2011-1633 (LANGSTER & FORKUM) – This resolution amends the capital improvements budget for fiscal year 2011 to modify the description of the project related to the Lentz health center. The capital improvements budget currently includes a \$30 million project for the renovation of and addition to the existing Lentz health center. This resolution amends the capital improvements budget to include the construction of the new health facility. This project is also included in next year's capital improvements budget, which is the subject matter of Ordinance No. BL2011-921 on public hearing and second reading. The agreement between Metro and HCA providing for the land swap and the construction of the new health center was approved by the Council on third reading on May 17, 2011.

The Metro Charter requires that this resolution receive 27 affirmative votes in order to be adopted. However, this project is also included in the fiscal year 2012 capital improvements budget to be considered on third reading June 14, 2011, which only requires 21 affirmative votes for adoption.

RESOLUTION NO. RS2011-1671 (BARRY, BAKER & CLAIBORNE) – This resolution authorizes the mayor to submit an amendment to the action plan for community development block grant (CDBG) disaster recovery funds to assist with recovery needs as a result of the May 2010 floods. The U.S. department of housing and urban development (HUD) initially made \$10,731,831 in funds from the 2010 federal supplemental appropriations act available to the Metropolitan Government for disaster recovery. The council approved the submission of the plan to receive the funds in December 2010.

HUD recently allocated an additional \$22,357,982 of CDBG disaster recovery funds to Metro, which necessitates the submission of an amendment to the action plan. The majority of these funds will be used to implement the "We Are Home" program in the form of (1) a \$10,000 grant; (2) a zero percent due on sale loan up to \$20,000; and/or (3) a low interest monthly payment loan. The plan allocates the funds as follows:

- \$1,000,000 to provide loans and/or grants to rental property owners of up to four units
- \$1,250,000 to provide loans and/or grants to owners of single family homes damaged by the flood
- \$2,000,000 for the new construction of multi-family housing
- \$2,250,000 for down payment assistance for property owners that must relocate as a result of their participation in the hazard mitigation buyout program or due to the infeasibility of repairing their homes
- \$3,500,000 to make low interest loans to purchasers of abandoned or foreclosed homes that were flooded
- \$500,000 for lead-based paint assessment and abatement
- \$1,500,000 to be used as local matching funds for the hazard mitigation buyout program
- \$1,000,000 for the rehabilitation of dilapidated homes owned by low income persons
- \$400,000 for Metro water services infrastructure
- \$3,000,000 for infrastructure improvements in the downtown riverfront area

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RESOLUTION NO. RS2011-1671 (continued)

- \$1,750,000 for the construction and rehabilitation of parks, greenways, and open spaces
- \$1,000,000 to purchase and demolish flooded homes at their post-flood value that were not included as part of the buyout
- \$750,000 for codes compliance issues associated with vacant properties, including grass cutting
- \$407,982 for long-term flood recovery planning
- \$250,000 for a housing report and action plan
- \$250,000 for an office of emergency management strategic plan
- \$450,000 for a downtown riverfront coordinated revitalization plan
- \$1,100,000 for administrative costs

The Metropolitan development and housing agency (MDHA) will be the lead agency responsible for implementation of the action plan since it already administers the five year consolidated plan for housing and community development programs.

RESOLUTION NO. RS2011-1672 (BARRY) – This resolution appropriates \$11,297,800 in supplemental appropriations from the undesignated fund balance and other sources to various departments to balance their fiscal year 2010-2011 operating budgets. The specific appropriations are as follows:

- \$18,000 to information technology services for Metro channel 3.
- \$1,100,000 to the department of general services – office of fleet management for motor vehicle fuel cost overruns.
- \$2,119,800 from the state fair fund balance to the state fair to cover the costs associated with operating the functions at the fairgrounds for the entire fiscal year since the budget only funded the operation for six months.
- \$60,000 from the undesignated fund balance of the schools print shop for this operation.
- \$8,000,000 to the Metro public schools as a result of increased revenue received through the state BEP program.

RESOLUTION NOS. RS2011-1673 THROUGH RS2011-1675 – These three resolutions amend the pay plan for the employees of the Metropolitan Government, with the exception of the board of education, to delay increment raises for another year beginning July 1, 2011, in accordance with the mayor's proposed fiscal year 2011 operating budget, and to provide a onetime 1.5% payroll adjustment (bonus) for all Metro employees working a minimum of 32 hours per week. The amount of the bonus would be capped at \$1,500. A similar 2% adjustment capped at \$2,000 was provided last year.

The last pay plan increase for Metro employees was in 2007. The council approved a freeze of the increment pay increases and longevity pay as part of the fiscal year 2010. The current operating budget submitted by the mayor provides funding for the longevity pay and the 1.5% payroll adjustment. These resolutions provide that the increments will be reinstated effective

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RESOLUTION NOS. RS2011-1673 THROUGH RS2011-1675 (continued)

July 1, 2012. The pay plans may not be amended by the council except by making uniform changes, as the relationship between pay grades must remain the same. The pay plan amendments have been approved by the civil service commission, the health board and the mayor.

These resolutions should be deferred to track with the budget.

Resolution No. RS2011-1673 (BARRY & TOLER) approves the amendment to the pay plan for general employees of the Metropolitan Government.

Resolution No. RS2011-1674 (LANGSTER, BARRY & TOLER) approves the amendment to the pay plan for employees of the fire and police departments.

Resolution No. RS2011-1675 (TOLER, FORKUM & BARRY) approves the amendment to the pay plan for the board of health employees.

RESOLUTION NO. RS2011-1676 (STEINE & TYGARD) – This resolution continues the additional compensation for the Davidson County circuit court clerk in an amount equal to ten percent of his base compensation pursuant to state law, and eliminates the additional compensation for the Davidson County criminal court clerk. State law sets the minimum salaries for county officials based upon the population of the county and a complicated escalator formula tied to the general increases in state employees' compensation. The county officials include the sheriff, the property assessor, the county clerk, the court clerks, the trustee and the register of deeds. State law provides that county officials must all receive the same salary, but includes an exception for the sheriff, as well as for court clerks that serve more than one court. Upon approval of the local legislative body, such court clerks may receive additional compensation in the amount of ten percent of their base salary to compensate them for "the additional duties and time required to serve multiple courts."

In June 2006, the council approved a ten percent salary increase for the Davidson County circuit court clerk and criminal court clerk. The circuit court clerk serves the eight circuit courts (including the probate court), the civil division of the general sessions court, and the traffic court. The criminal court clerk serves the criminal division of both the general sessions court and the state trial court.

If approved, this resolution will automatically reduce the criminal court clerk's salary by ten percent, which will free up approximately \$11,500 to be used for other purposes in the substitute budget.

RESOLUTION NOS. RS2011-1677 (LANGSTER) – This resolution approves an intergovernmental agreement between the U.S. Army Corps of Engineers and the Metropolitan police department for the use of off duty police officers to patrol the Corps' (continued on next page)

RESOLUTION NOS. RS2011-1677 (continued)

recreation areas at Percy Priest and Old Hickory Lakes. All officers will be assigned exclusively through the Metro police secondary employment unit. The Corps agrees to pay a fixed hourly rate depending on the rank of the officer. The total compensation for Metro is not to exceed \$126,456. This contract will expire on September 30, 2011, but Metro reserves the right to terminate the agreement with 30 days written notice to the Corps.

State law allows the Metropolitan Government to enter into intergovernmental agreements with federal agencies with approval of the council by resolution.

RESOLUTION NO. RS2011-1678 (LANGSTER & BARRY) – This resolution approves a third amendment to a lease agreement between the Metropolitan Government and Signature Center, G.P. for the lease of 4,945 feet of office space in the building located at 1900 Church Street for use by the police advocacy support services (PASS) division. This amendment extends the term of the lease for ten years beginning July 1, 2011, and ending June 30, 2021. The base rent is being decreased slightly for the first year to \$19.00 per square foot, which equates to \$7,829.58 monthly. The rent will be increased by one percent per year thereafter. Signature Center, G.P. will also make a number of improvements to the space, including carpet replacement, repairing water damage, painting, lighting, and cabinets.

This lease amendment has been referred to the planning commission. The lease amendment should be deferred if the planning commission has not provided a recommendation prior to the June 7, 2011 council meeting.

RESOLUTION NO. RS2011-1679 (LANGSTER & BARRY) – This resolution approves an intergovernmental agreement with the City of Franklin for the distribution of state grant funds to assist with the investigation of internet crimes against children. Pursuant to a previously-approved grant agreement, the Metropolitan police department has agreed to distribute a portion of the state grant funds to surrounding Middle Tennessee Internet Crimes Against Children agencies. Metro will distribute \$25,000 in state grant funds to the Franklin police department. The term of the agreement is from July 1, 2010, through June 30, 2011. The grant funds are to be used for equipment, training, and travel expenses related to investigations in Franklin.

RESOLUTION NO. RS2011-1680 (MAYNARD & BARRY) – This resolution approves a grant in the amount of \$55,900 from Greenways for Nashville to the Metropolitan parks department to provide funding for the salary and benefits for the executive coordinator of greenways. The term of the grant is from July 1, 2011 through June 30, 2012. There is a required match of \$3,100 to be provided by the parks department to cover administrative costs.

RESOLUTION NO. RS2011-1681 & RS2011-1682 – These two resolutions approve applications for grants from the Greater Nashville Regional Council to the Metropolitan social services commission for personal care and meal delivery services.

Resolution No. RS2011-1681 (Forkum & Barry) approves an application for a grant in the amount of \$62,700 for personal care and homemaker services. This grant would provide \$20.52 per hour for personal care services, and \$20.44 per hour for homemaker services.

Resolution No. RS2011-1682 (Barry & Forkum) approves an application for a federal pass-through grant in the amount of \$1,094,433 that would provide \$450,700 for meal delivery services to eligible seniors, with a required cash match of \$50,078. The grant would also provide \$8,000 for caregiver meals and \$165,433 for congregate meal sites. In addition, the grant would include \$184,800 in state funding to provide meals to be delivered to seniors in their homes, with a required local match of \$7,466.67.

RESOLUTION NOS. RS2011-1683 & RS2011-1684 (FORKUM & BARRY) – These two resolutions approve a contract and the corresponding business associate agreement between the Metropolitan board of health and Fisk University for the Historically Black Colleges and Universities Wellness project. The health department received a grant in the amount of \$170,636 from the state department of finance and administration to create a team of health ambassadors from each of the five historically Black colleges and universities in Tennessee. These teams consist of four students each from Fisk University, Meharry Medical College, Knoxville College, Lane College, and LeMoyne-Owen College.

Resolution No. RS2011-1683 approves the contract with Fisk University to assure compliance with the project protocols and requirements, and to identify the student health ambassadors. Fisk will be paid \$11,000 for performance of the contract in fiscal year 2011.

Resolution No. RS2011-1684 approves the corresponding business associate agreement with Fisk University to prevent the disclosure of protected health information in compliance with HIPPA.

RESOLUTION NO. RS2011-1685 (BARRY & FORKUM) – This resolution approves a contract between the Metropolitan board of health and United Neighborhood Health Services (UNHS) to provide medical services to homeless clients of the health department. The health department receives state and federal grant funds to provide healthcare services for the homeless at the downtown clinic. A contract with UNHS has been in place since 2005 to provide a portion of the medical services, including examinations, diagnosis, and treatment of medical conditions of persons seen at the downtown clinic.

Under the terms of this contract, UNHS is to provide primary medical services to 3,500 homeless clients, dental services to at least 500 homeless clients, and substance abuse services to at least 200 homeless clients. UNHS will also provide transportation to the clinic. The term of the contract is from July 1, 2011 through June 30, 2013. UNHS is to be paid no less than \$369,800 for its services.

RESOLUTION NO. RS2011-1686 (BARRY & FORKUM) – This resolution approves a business associate agreement with United Neighborhood Health Services to prevent the disclosure of protected health information in compliance with HIPPA.

RESOLUTION NO. RS2011-1687 (FORKUM & BARRY) – This resolution approves a contract between the Metropolitan board of health and Critical Learning Systems to provide funding for consultation, technical assistance, and guidance regarding health equity for the Communities Putting Prevention to Work grant. Nashville was one of 44 communities to receive this federal grant, with a purpose of implementing a campaign to facilitate healthy eating and active living. The health department will contract with Critical Learning Systems to help develop culturally sensitive messages for the healthy eating/active living campaign. The services to be provided include hosting health equity dialogues, collaborating with community and government agencies on policy changes, and the implementation of a program and lecture series on equity and social justice. Critical Learning Systems will be paid an amount not to exceed \$24,000 for its services. The term of the contract is from July 1, 2011 through March 18, 2012, but can be terminated by Metro without cause with 30 days written notice.

A similar contract with Belmont University was approved in October 2010.

RESOLUTION NO. RS2011-1688 (FORKUM & BARRY) – This resolution approves a business associate agreement with Critical Learning Systems to prevent the disclosure of protected health information in compliance with HIPPA.

RESOLUTION NO. RS2011-1689 (BARRY & FORKUM) – This resolution approves an amendment to a contract between the health department and Matthew Walker Comprehensive Health Center, Inc., for a licensed clinical social worker to provide initial behavioral health evaluations for all new Healthy Start Program participants. The Healthy Start Program supports first time parents by teaching parenting skills and providing information about child health. This amendment extends the contract through May 31, 2012, and reduces the amount of the compensation to \$9,680.

RESOLUTION NO. RS2011-1690 (BARRY & FORKUM) – This resolution approves an amendment to a grant from the state department of health to the Metropolitan health department for tuberculosis (TB) control, outreach and prevention services. These funds will be used to operate the health department's tuberculosis program consisting of direct patient care, the monitoring of existing and suspected TB cases, and operation of the TB clinic. This amendment decreases the amount of state funding by \$119,600 to \$395,865, for a new grant total of \$1,279,300, inclusive of the federal funding.

RESOLUTION NO. RS2011-1691 (FORKUM & BARRY) – This resolution approves a second amendment to a contract between the Metropolitan board of health and Matthew Walker Comprehensive Health Center for a mobile clinic to provide early periodic screening diagnosis and treatment exams to middle school children. Under this contract, the health department provides the mobile clinic unit, as well as the driver of the unit and coordinator of the program. This amendment extends the term of the contract through June 30, 2012.

RESOLUTION NO. RS2011-1692 (BARRY & FORKUM) – This resolution approves an amendment to a contract between the Metropolitan board of health and Hands On Nashville to coordinate the training of community volunteers to be used in preparedness activities. Pursuant to this contract, Hands On Nashville is responsible for recruiting and training volunteers to staff the activation, operation, and de-activation of points-of-dispensing during widespread emergencies such as a flu epidemic or bioterrorism attack. These volunteers will be responsible for performing tasks ranging from setting up dispensing stations to handing out vaccinations. Hands On Nashville will receive reimbursement in the amount of \$16.25 for each volunteer, for a maximum total of \$22,000 under the contract. This amendment revises the reimbursement method, but does not change the overall contract amount.

RESOLUTION NO. RS2011-1693 (BARRY & FORKUM) – This resolution approves an amendment to a grant in the amount of \$227,200 from the state department of health to the Metro health department for the commodity supplemental food program. This is a federal program that provides nutritious food to eligible low-income clients who are vulnerable to inadequate nutrition. This amendment adds the required Federal Funding Accountability and Transparency Act language and changes the program contact information.

RESOLUTION NO. RS2011-1694 (FORKUM & BARRY) – This resolution approves a third amendment to a grant from the U.S. environmental protection agency (EPA) to the Metropolitan board of health to achieve established ambient air quality standards. These funds are used to collect data and to monitor the ambient air concentrations for ozone, fine particulate matter, regional haze, sulfur dioxide, carbon monoxide, and mercury. The Metro health department is responsible for air quality monitoring within Nashville and Davidson County on behalf of the EPA. The amendment increases the grant amount by \$139,792 for a new grant total of \$760,326.

RESOLUTION NO. RS2011-1695 (FORKUM & BARRY) – This resolution approves a grant in the amount of \$3,480,000 from the state department of health to the Metropolitan health department to provide school based oral disease prevention services to children that qualify for TennCare. These funds will be used to retain dental personnel to provide oral disease prevention services to school children in grades K-8 attending schools with a high population of low income students. The oral disease prevention services to be provided include oral health education, dental screenings, referral and follow-up for children who need urgent dental treatment, and dental sealants with parental consent. The term of the grant is from July 1, 2011 through June 30, 2016. The grant will provide annual funding for the program in the amount of \$696,000.

RESOLUTION NO. RS2011-1696 (FORKUM & BARRY) – This resolution approves a grant in the amount of \$80,000 from the state department of health to the Metropolitan health department for tobacco use prevention services through billboard advertising. These federal pass-through funds are used to purchase space on billboards in Davidson County to run ads targeting smokers advertising the Tennessee Tobacco Quitline. The term of the grant is from July 1, 2011 through December 31, 2011.

RESOLUTION NO. RS2011-1697 (FORKUM & BARRY) – This resolution approves an annual grant in the amount of \$116,000 from the state department of health to the Metropolitan health department for health promotion programs. These federal pass-through funds will be used to pay the salaries of the two health department employees that provide various health promotion programs with the goals of reducing health disparities and increasing the quality of life for the citizens of Nashville. The term of the grant is from July 1, 2011, through June 30, 2012.

RESOLUTION NO. RS2011-1698 (BARRY & FORKUM) – This resolution approves an annual grant in the amount of \$202,200 from the state department of health to the Metropolitan department of health to enhance the health and well-being of women, infants, and families. These funds are for the fetal-infant mortality review program, which is a program to improve community resources and plan public health services that have a positive impact on the fetal-infant mortality rates. The majority of the funds will be used to pay the salaries of the health department employees implementing the program. The term of the grant is from July 1, 2011 through June 30, 2012.

RESOLUTION NO. RS2011-1699 (FORKUM & BARRY) – This resolution approves a grant in the amount of \$786,900 from the state department of health to the Metropolitan board of health to provide care coordination services for the children's special services program. This grant funds the salaries of health department personnel in the children's special services program whose duties include providing care coordination services for the children's special services program, comprehensive pediatric and developmental assessments, audiology and speech pathology services, as well as administrative and clinical support. The term of the grant is from July 1, 2011 through June 30, 2012.

RESOLUTION NO. RS2011-1700 (FORKUM & BARRY) – This resolution approves an amendment to an annual grant from the state department of health to the Metropolitan board of health to provide care coordination services for the children's special services programs including pediatric and developmental assessment. This amendment decreases the amount of the grant by \$50,600 for a new grant total of \$736,500.

RESOLUTION NO. RS2011-1701 (FORKUM & BARRY) – This resolution approves an amendment to a contract between the Metropolitan board of health and Vanderbilt University for the health department's participation in the Tuberculosis Trials Consortium. Vanderbilt received a grant from the U.S. Centers for Disease Control and Prevention, through the U.S. Veteran Affairs Medical Centers, for this tuberculosis project. The health department's responsibilities under this contract are to provide space and equipment for the project, as well as consultation and support services.

This resolution amends the contract budget for year two to \$47,535 for a term of October 1, 2010 through September 30, 2011.

RESOLUTION NO. RS2011-1702 (BARRY & MAYNARD) – This resolution approves an amendment to a grant from Vanderbilt University to the board of parks and recreation to collaborate on the Growing Right Onto Wellness (GROW) program. This 7-year initiative is a behavioral intervention to prevent childhood obesity. The grant funds are used to provide personnel to participate on the study steering committee and to run the intervention, as well as to cover transportation costs and materials. The amendment increases the amount of the grant by \$127,428.07 for a new grant total of \$196,710.67, and extends the term of the grant through April 30, 2012.

RESOLUTION NO. RS2011-1703 (HODGE & BARRY) – This resolution approves an amendment to a contract between the Metropolitan Government and the City of LaVergne for the acceptance and treatment of sewage flow from LaVergne's sewage collection system. This contract was approved in December 2009 to set the rate calculation for the treatment of sewage by Metro, excluding the sewage that flows into LaVergne's system from Metro for transportation and then back into Metro's system for treatment.

This amendment substitutes the approved points of connection list to reflect an increase in sewer capacity at one of the connection points.

RESOLUTION NO. RS2011-1704 (HODGE) – This resolution approves an agreement between the state department of transportation and the Metropolitan department of public works for streetscape improvements at the I-40 exit ramps at 28th Avenue North and Jefferson Street. The public works department received a \$608,000 grant in 2008 from the state department of transportation (TDOT) for these streetscape improvements, which were to include new landscaping, directional signage, and an irrigation system. The grant had a required local match of \$152,000.

This resolution is a companion to Ordinance No. BL2011-905 on third reading, which approves an agreement between the Metropolitan Government, Tennessee State University (TSU), Meharry Medical College, and Jefferson Street United Merchants Partnership (JUMP) for the maintenance of the streetscape improvements. This agreement with the state accepts a license for the operation and maintenance of all of the landscaping improvements for this project within the state right-of-way. This license is for a term of 20 years beginning May 1, 2011 and ending April 30, 2031, but the agreement may be renewed at the end of the term.

- **BILLS ON SECOND READING** -

ORDINANCE NO. BL2011-858 (JAMESON) – This ordinance amends the Metro zoning code provisions applicable to home occupations. The zoning code currently allows a home occupation as an accessory use in the residential zoning districts not to exceed 25 percent of the floor area, with a maximum of 500 square feet. The code prohibits clients/customers from being served on the property, and only allows one employee that is not a resident in the home. Further, the code prohibits signage to advertise a home occupation, and only one vehicle associated with the home occupation is allowed to be on the property, although the code does not limit the number of deliveries that can be made to the property. The code also prohibits certain types of businesses, such as auto repair, and limits the materials that can be stored on the property.

This ordinance replaces the home occupation section in the code. Home occupations would still be an accessory use with a maximum of one non-resident employee. The maximum floor area provisions would stay the same. The ordinance would allow up to two visitors, customers, or deliveries every hour, not to exceed a total of eight per day. Sufficient parking must be provided to accommodate customers not to exceed 25 percent of the lot area. One non-illuminated sign would be allowed to be attached to the residence with a maximum size of six square feet and a maximum height of five feet.

Ordinance No. BL2011-924 is a replacement for this ordinance. Assuming the new ordinance is adopted on first reading June 7, the ordinance will be on public hearing and second reading July 5, 2011.

ORDINANCE NO. BL2011-912 (TYGARD, WILHOITE & OTHERS) – This ordinance amends the Metropolitan Code to create an office of administrative hearing officer. In 2010, the Tennessee General Assembly enacted legislation authorizing municipalities to create, by ordinance, the “office of administrative hearing officer” to hear building and property maintenance code violations. The purpose of this enabling legislation is to provide an alternate enforcement mechanism for certain codes violations. Today, all citations for violations of the property standards code are processed through the environmental court, which is a division of the general sessions court. Judgments entered by the environmental court referee may be appealed *de novo* to the environmental court judge, whose judgments are then appealable *de novo* to the circuit or chancery court. The Tennessee constitution limits the assessment of fines without a jury trial to fifty dollars per violation, which has limited the ability of local governments to adequately address serious codes violations.

This ordinance creates the office of administrative hearing officer in accordance with state law. The administrative hearing officer process would be in lieu of the standard environmental court process, but would not take the place of environmental court. It is envisioned that the administrative hearing officer would hear codes violations that are considered the “worst of the worst”, as well as repeat offenders that continue to commit new codes violations even after going through the environmental court process a number of times. Persons cited to environmental court would also have the option of having the matter heard by an administrative hearing officer if they so choose.

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ORDINANCE NO. BL2011-912 (continued)

When this enforcement method is chosen by the codes department for a particular defendant, the codes department is to issue a citation to the alleged violator. Citations issued upon absentee property owners may be served via certified mail sent to the last known address of the recorded owner of the property. Notice of the citation must also be provided to the administrative hearing officer within two days of issuance. Upon receipt of a citation, an administrative hearing officer will review the alleged violation and can levy a fine upon the alleged violator in an amount not to exceed \$500 per violation for violations occurring upon residential properties, and \$500 per violation *per day* for commercial properties.

Upon the levy of a fine, the hearing officer must within seven business days provide notice via certified mail to the alleged violator regarding the amount of the fine and the time and place of the hearing. The hearing must be held no less than 30 calendar days following the issuance of the citation. If an alleged violator remedies the violation prior to the hearing, the fine will be canceled. A person who is aggrieved by a final decision in a contested case is entitled to file a petition for review in the chancery court. Such petition must be filed within 60 days after the entry of the final order.

Each administrative hearing officer must be appointed by the council and will serve at the pleasure of the council. This ordinance creates two administrative hearing officer positions to be appointed by the council whose compensation is to be established by a resolution receiving twenty-one affirmative votes. Pursuant to the state enabling legislation, an administrative hearing officer must be a licensed building inspector, plumbing inspector, electrical inspector, attorney, architect, or engineer. The state law also allows municipalities to contract with the secretary of state for the employment of an administrative law judge on a temporary basis to serve as an administrative hearing officer. State law requires administrative hearing officers, within six months of being appointed, to participate in a training program conducted by the municipal technical advisory service (MTAS). Administrative hearing officers would also be required to complete six hours of continuing education every calendar year.

The clerical and administrative support for the officer of administrative hearing officer is to be provided by the department of codes administration. The director of finance was unable to certify that funds are available for the implementation of this ordinance due to a lack of information regarding the costs associated with the position. Any cost incurred by the codes department should be offset by the increased amount of the fines that may be levied by the administrative hearing officer.

ORDINANCE NO. BL2011-914 (BARRY) – This ordinance adopts the property tax levy for fiscal year 2011-2012. The Metropolitan Charter requires that the council's next order of business upon adopting the annual operating budget is to adopt a tax levy that fully funds the operating budget. The property tax proposed by the mayor is \$3.54 per \$100 assessed value in the general services district (GSD) and an additional \$0.56 per \$100 assessed value in the urban services district (USD), for a total tax of \$4.10 in the USD. The breakdown of the tax levy is identical to the fiscal year 2011 tax levy, although the operating budget ordinance would transfer funds from the schools debt service fund to the schools operating fund as a result of the debt restructuring approved by the council last May.

ORDINANCE NO. BL2011-916 (STEINE) – This ordinance amends the Metropolitan Code provisions regarding the regulation of valet parking services. In 1997, the Code was amended to require individuals engaged in valet parking on public streets to obtain a permit from the department of public works. Under the existing regulations, valet parkers are allowed to use two spaces in front of the establishment being serviced during specified hours upon obtaining permit from the traffic and parking commission.

This ordinance would require valet parking operators to obtain an annual license from the traffic and parking commission in addition to the parking permit. The license would only be required for those companies that provide valet services using the public right-of-way. The application for the license is to include references as to financial responsibility, the names and addresses of all employees, and proof of a valid business tax license. The fee for the annual license is \$100. The applicant must also maintain insurance of not less than \$1 million per occurrence naming the Metropolitan Government as an additional insured.

The valet parking operator, as well as all employees of the operator, must undergo a background check. No person will be eligible to serve as a valet operator or employee if he/she has been convicted of certain crimes within the past five years. Employees must have a valid Tennessee driver's license, and are not to be considered independent contractors of the operator. The ordinance also includes procedures pertaining to the suspension or revocation of a license.

The traffic and parking commission will have the authority to adopt the necessary rules and regulations to implement the ordinance.

ORDINANCE NO. BL2011-917 (BARRY & FORKUM) – This ordinance amends Ordinance No. BL2007-1460 to transfer the homelessness commission in Nashville from the Metropolitan housing and development agency (MDHA) to the department of social services effective July 1, 2011. The homelessness commission was created by the Council in May 2005 based upon the recommendations of the homelessness task force's "Strategic Plan to End Chronic Homelessness in Nashville 2005-2015". The commission is charged with overseeing the implementation of the strategic plan.

The homelessness commission employees were originally a part of the department of social services, but were transferred to MDHA in 2007. This ordinance simply transfers the employees back to social services, which will have no impact on the operation of the commission. The employees will continue to serve in a non-civil service capacity.

The proposed fiscal year 2012 operating budget recognizes this transfer.

ORDINANCE NO. BL2011-918 (MATTHEWS & MOORE) – This ordinance amends the Metropolitan Code to create a community garden commission. This ordinance is modeled after the 1991 ordinance that created the greenway commission. The purpose of the commission would be to promote the concept of community gardening in Nashville and to identify areas that are suitable for community gardening. The Council amended the zoning code in 2009 to add community gardens as a permitted land use in almost all of the zoning districts.

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ORDINANCE NO. BL2011-918 (continued)

The community garden commission would be comprised of five members appointed by the mayor, two members of council, and five Metro employees representing the mayor's office, farmers' market, planning commission, health department, and parks department. The commission would be charged with the following:

- Identifying areas of the county which are appropriate for the development of community gardens;
- Developing a long-range, comprehensive community garden plan for the county;
- Promoting the concept of community gardens throughout the area of the Metropolitan Government on both public and private property;
- Educating the public about the health and environmental benefits associated with locally-grown fresh fruits and vegetables;
- Providing educational opportunities focused on gardening; and
- Identifying funding sources for community gardens and means of encouraging the donation of land or easements.

As with the greenway commission and the beautification commission, the community garden commission would not be deemed to be an official board or commission of the Metropolitan Government.

ORDINANCE NO. BL201-919 (COLEMAN, BARRY & GILMORE) – This ordinance authorizes the director of public property administration to accept the donation of 11.07 acres of property in the Antioch area from Belz/Becker-Lewis-Shlenker Properties for the construction of Cane Ridge elementary school. As a condition of a 2003 zoning bill, the property owner was required to make a school site available for an elementary school with a capacity of 500 students. This transfer fulfills this zoning condition.

This ordinance has been approved by the planning commission.

– **BILLS ON THIRD READING** –

SUBSTITUTE ORDINANCE NO. BL2010-825 (TYGARD) – This ordinance amends the Metropolitan Code to provide free parking at parking meters within the downtown central business improvement district for vehicle owners that purchase carbon offset credits. This ordinance was filed in response to Ordinance No. BL2010-734, approved in December 2010, allowing free parking for environmentally friendly vehicles. This ordinance would require the county clerk's office to issue an annual sticker for passenger vehicles if the vehicle owner provides proof he/she purchased carbon offsets from a nonprofit organization that uses the funds for carbon counterbalance projects in Nashville. The vehicle owner would be required to present a certificate from the nonprofit organization evidencing that the amount of credits purchased coincides with the carbon footprint of the vehicle for which the parking permit is sought. The council office's research indicates that nonprofit organizations offering carbon offsets online charge between \$40 and \$72 for a typical mid-sized sedan.

The county clerk would be authorized to collect a \$10 fee per sticker to cover the costs associated with the issuance of the sticker and the enforcement costs incurred by the department of public works. The provisions of this substitute ordinance would become effective July 1, 2011, with a sunset of June 30, 2013 unless extended by a resolution adopted by the council.

This substitute ordinance has been approved by the traffic and parking commission.

There is an amendment for this ordinance requested by the mayor's office of sustainability to require all qualifying nonprofits to have a protocol that will lead to the registration of the project with a carbon offset registry. This amendment will require a suspension of the rules since the bill is on third reading.

ORDINANCE NO. BL2011-901 (COLE & TOLER) – This ordinance, as amended, amends the zoning code to add single-family cottage developments as a use permitted with conditions in all two-family (R) zoning districts within the urban services district. Cottage developments are defined in the zoning code as single family residential developments of four to ten dwelling units arranged on small lots toward a common open space on at least two sides. These cottage developments are currently only permitted in multifamily districts, not the R and RS districts. This use was added as part of the multi-family districts in 2006, but developers have not taken advantage of it due to the density restrictions created by the bulk standards.

Under this ordinance, single-family cottage developments would be allowed in the R zoning districts if certain conditions are satisfied. Buildings must be 1 or 1 ½ stories with a maximum height of 25 feet. The maximum building footprint would be 1,000 square feet. All units must either face the street or common open space. A minimum of four and a maximum of twelve units would be allowed around a common open space. The development must designate at least 350 square feet of common open space per unit. Further, each unit must have at least 200 square feet of contiguous private open space next to the unit for use by the homeowner.
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ORDINANCE NO. BL2011-901 (continued)

All parking must be screened from the common open space, from all public streets, and from the properties adjacent to the cottage development. A covered front porch at least 60 square feet in size is required for all units. The ordinance also modifies the required rear setbacks under the base zoning districts to accommodate cottage development units abutting an alley.

As an incentive to developers to utilize the cottage development approach, this ordinance provides a density bonus of up to 1 ½ times the units allowed under the base zoning district, with no minimum lot size. This would allow significantly greater density on infill lots in established neighborhoods. However, the density bonus would not be available if an historic structure has been demolished on the site within the two years prior to site plan approval.

Like the specific plan (SP) district, cottage developments would be required to have a final site plan approved by the planning commission.

This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2011-903 (COLEMAN & DOMINY) – This ordinance amends the Metropolitan Code to require the planning department to provide written notice to every property owner whose property is being included in the floodway or floodplain for the first time. The planning department would be required to provide this written notice within 30 days of the publication of new flood maps. The planning department has advised the sponsor that this ordinance will have a negligible financial impact.

ORDINANCE NO. BL2011-904 (BARRY) – This ordinance approves the transfer of a telecommunications franchise from DukeNet Communications, LLC, to DukeNetOpCo, LLC. The council approved this franchise in December 2009. DukeNet is a North Carolina-based company that develops and manages fiber optic telecommunications systems in several southeastern states. This ordinance simply reflects the company name change, which has been approved by the Tennessee Regulatory Authority. The company will continue to operate as DukeNet Communications.

The Metropolitan Code requires telecommunications franchise transfers to be approved by ordinance.

ORDINANCE NO. BL2011-905 (LANGSTER & HODGE) – This ordinance approves an agreement between the Metropolitan Government, Tennessee State University (TSU), Meharry Medical College, and Jefferson Street United Merchants Partnership (JUMP) for the maintenance of streetscape improvements along I-40 at Jefferson Street and 28th Avenue North. The public works department received a \$608,000 grant in 2008 from the state department of transportation (TDOT) for these streetscape improvements, which were to include new landscaping, directional signage, and an irrigation system. The grant had a required local match of \$152,000.

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ORDINANCE NO. BL2011-905 (continued)

This agreement specifies the parties' obligations regarding the maintenance and landscaping of the streetscape improvements. The agreement contemplates a future agreement with TDOT regarding the right to enter and use the property. TSU, Meharry, and JUMP agree to fulfill the requirements of such future TDOT agreement, and each agrees to contribute up to \$22,000 per year toward the maintenance of the improvements in the form of in-kind services. JUMP will pay the irrigation hook-up fees and utilities, as well as in-kind maintenance services. TSU and Meharry's contribution will solely consist of in-kind maintenance services. Metro will have no required financial contribution toward the maintenance of the improvements. The agreement also includes insurance and indemnification requirements to protect Metro. The term of this agreement is for five years.

ORDINANCE NO. BL2011-906 (ADKINS) – This is a routine ordinance that readopts the Metropolitan Code prepared by Municipal Code Corporation to include all ordinances enacted on or before December 21, 2010. Municipal Code Corporation has the contract with Metro to codify all ordinances enacted by the council, as well as to update and maintain the on-line version of the code. The council periodically readopts the code to make sure the printed and online versions are kept up to date.

ORDINANCE NO. BL2011-908 (FORKUM & BARRY) – This ordinance accepts a donation of 100 bicycles from Regions Financial Corporation to the board of health for the purpose of promoting active living. These bicycles, having a total value of \$18,825, will be donated over a period of two years in installments of 25 bicycles every six months.

ORDINANCE NO. BL2011-909 (HUNT, BARRY & HODGE) – This ordinance authorizes the acquisition of two utility easements for the Whites Creek water main project. The estimated total cost for these easement acquisitions is \$3,000, which is to be paid from the water and sewer extension and replacement fund. The acquisition of additional easements for this same project may be approved by resolution.

This ordinance approves the acquisition of easements for the following properties:

1. 4421 Whites Creek Pike
2. 4419 Judy Creek Road

This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2011-910 & BL2011-911– These two ordinances authorize the acquisition and acceptance of right-of-way easements for sidewalk improvements to be made under the direction of the department of public works. These ordinances have been approved by the planning commission.

Ordinance No. BL2010-910 (BARRY & HODGE) authorizes the acquisition and acceptance of right-of-way easements for sidewalk improvements on Abbott Martin Road from Vailwood Drive to Cross Creek Road.

Ordinance No. BL2010-911 (HODGE & BARRY) authorizes the acquisition and acceptance of right-of-way easements for sidewalk improvements on Harding Place from Timberhill Drive to Danby Drive.

ORDINANCE NO. BL2011-915 (JAMESON) – This ordinance approves a lease between the Metropolitan Government and the Center for Charter School Excellence in Tennessee for the use of property at 217 South 10th Street, which formerly housed the East Head Start Center. This 4,979 square-foot building will be used as a charter school incubator to assist in the development, support, and growth of charter schools. The term of the lease is from July 1, 2011 through June 30, 2016, with a possible extension of an additional five year term. Metro will receive rent in the amount of \$2,074.58 per month, which is to increase by two percent each year over the life of the lease. The Center will also be required to pay all utility charges, as well as provide janitorial and trash collection services. However, the Center will receive a credit against the payment of rent for improvements they make to the property. Metro will be entitled to sign off on all plans for the tenant improvements prior to the commencement of work. All improvements must be to ADA standards.

The Center will be responsible for maintaining the property in accordance with the standards required by Metro Nashville public schools. The Center must provide general liability insurance coverage in the amount of \$1,000,000 per occurrence, plus excess insurance with a limit of not less than \$5,000,000 per occurrence, naming Metro as an additional insured. The Center will also be required to maintain insurance on the property itself. The Center agrees to indemnify Metro for all claims resulting from the actions of its employees or agents.