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: **March 15, 2016**

RE: **Analysis Report**

Unaudited Fund Balances as of 3/9/16:

4% Reserve Fund	$23,750,196*
Metro Self Insured Liability Claims	$3,710,175
Judgments & Losses	$2,810,982
Schools Self Insured Liability Claims	$2,960,729
Self-Insured Property Loss Aggregate	$6,453,474
Employee Blanket Bond Claims	$661,914
Police Professional Liability Claims	$2,617,232
Death Benefit	$1,183,437

*Assumes unrealized estimated revenues in Fiscal Year 2016 of $13,337,819, and includes the $12,727,300 appropriation in Resolution No. RS2016-162.

– RESOLUTIONS –

RESOLUTION NO. RS2016-148 (HAGAR) – On August 4, 2015, Ordinance No. BL2015-1281 was enacted authorizing the Metropolitan Development and Housing Agency (MDHA) to negotiate and accept payments in lieu of taxes (PILOT) 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 been utilized by Metro to provide incentives through the Industrial Development Board (IDB) to large employers to create more job opportunities. MDHA now has the authority to enter into PILOTs to create affordable rental housing.

MDHA developed this PILOT program to provide an additional financial incentive 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 results in 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, and there would be a cap for PILOTs in this program of $2 million per year. The PILOT would only be available for additional tax liability over and above the pre-development assessed value of the property. The PILOT program would be available for both existing and new developments based on financial need. The PILOT lease will 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.

Old Hickory Towers is a 217 unit high-rise apartment building at 930 Industrial Drive built in 1979 that currently provides affordable housing to elderly and disabled individuals earning below 60% of the average median income (AMI). Old Hickory Towers TN, L.P. (“Owner”) received a 9% Low Income Housing Tax Credit to renovate the apartments in September, 2015. The Owner then submitted an application to MDHA for a PILOT agreement to renovate and operate this project site as a LIHTC Property. That application and the PILOT agreement were approved by the MDHA Board of Commissioners in its meeting on February 2, 2016.

This PILOT request is the second to come to MDHA since the state, Metropolitan Council, and MDHA Board approved the PILOT program. It would require Old Hickory Towers TN, L.P. to make a first year payment of $140,367 in lieu of property taxes, which will increase annually

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RESOLUTION NO. RS2016-148, continued

by 3% in year #2, 10% in year #3, and 3% each 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 property value for this project, including the annual value of tax credits, has been estimated by MDHA to be $13,990,003. The existing appraised value for this property as shown on the Assessor's web site is $7,544,200. Assuming the final assessed value agrees with MDHA's estimate, the standard ad valorem property tax would be $101,173 higher than the current value. Even though the abatement in the first year would be $79,220, the developer would still pay approximately $21,953 more than the current property tax amount. This would increase each year, reaching a value of $77,180 by the tenth year.

Over the 10-year life of this PILOT agreement, a total of $496,727 would be abated. However, Metro would still receive $515,006 in new property taxes from this project.

RESOLUTION NO. RS2016-149 (PRIDEMORE & WEINER) – This is a routine, annual resolution that calls the Metropolitan Board of Equalization (MBE) into regular session convening June 1, 2016, adjourning June 13, 2016, and which calls the MBE into special session convening June 13, 2016 to complete any unfinished business regarding appeals on pro-rated assessments. The special session is not to extend beyond May 31, 2017. The MBE always meets during the month of June to hear appeals of assessments on real property. Historically, the MBE has been required to have special sessions to conclude its work due to the large number of appeals.

State law authorizes county legislative bodies to fix the number of days the Board of Equalization is to sit in regular session and to call the board into special session to complete any unfinished business. (*Tenn. Code Ann. § 67-1-404*).

RESOLUTION NO. RS2016-150 (PRIDEMORE & WEINER) – This resolution approves the appointment of 26 Davidson County citizens to serve as hearing officers for the Metro Board of Equalization (MBE). The MBE is authorized under state law to hear appeals of assessments on real property. In previous years, the members of the MBE had to be approved by the Tennessee Board of Equalization. This state law was changed to require the members to be approved by the county legislative body by resolution. (*Tenn. Code Ann. §67-5-1406*).

RESOLUTION NO. RS2016-151 (PRIDEMORE & HENDERSON) – This resolution approves a grant in the amount of $3,425.34 from the Friends of Two Rivers Mansion to the Metropolitan Nashville Parks Department to pay the salaries of two part-time employees to provide tours at the Mansion during the 2016 summer months and Christmas season. There is no required local cash match for this grant.

RESOLUTION NO. RS2016-152 (PRIDEMORE & MURPHY) – This resolution approves the first amendment to a grant from the Tennessee Department of Labor and Workforce Development to the Nashville Career Advancement Center (NCAC) to provide career, training, and support services to adults.

This federal pass-through grant provides operating funding for the NCAC. The $1,692,925 grant consists of $1,523,633 in program funds and $169,292 in administrative funds. The total amount of the grant remains unchanged. This amendment would simply specify that $100,000 of the program funds be available for use in the Dislocated Worker Program.

The term of the grant remains from October 1, 2015 through June 30, 2017.

RESOLUTION NO. RS2016-153 (PRIDEMORE & GILMORE) – This resolution approves an amendment to a grant from the Tennessee Department of Human Services to the Metropolitan Action Commission (MAC) to provide services to help low income and/or homeless individuals achieve self-sufficiency. These grant funds allow MAC to assist low income individuals in meeting basic needs including employment services, primary health services, housing, nutrition, and emergency services. The state has awarded $473,266.23 in additional funds, for a new total grant award of $1,745,365.86.

Since MAC has the authority under the code to accept grants from the federal and state governments, the original grant was included as part of MAC's FY16 budget and appropriated by Council through the budget ordinance. This amendment simply accepts additional funds for the program that were not previously budgeted.

RESOLUTION NO. RS2016-154 (PRIDEMORE & GILMORE) – This resolution approves a second amendment to an agreement between Vanderbilt University and the Metro Board of Health to participate as a member site for tuberculosis epidemiologic consortium studies. Vanderbilt, through Duke University, is the recipient of a grant from the U.S. Centers for Disease Control and Prevention to conduct clinical research, and has subcontracted with the Health Department to assist with the study. This amendment extends the term of the agreement through September 28, 2016, and approves an increase of $79,440 in the amount the Health Department is to be reimbursed for a new total of $250,085.

RESOLUTION NO. RS2016-155 (PRIDEMORE & GILMORE) – This resolution approves a first amendment to a contract between the Metro Board of Health and Family and Children's Services 211 ("contractor") to provide an access to care model for the uninsured in Davidson County using the ServicePoint/CallPoint Database system. This Health Department accesses this database to link uninsured residents with community healthcare services.

This amendment would make four changes to the terms of the contract. Section #1 specifies additional network administration services that would be provided by the contractor for Metro.

Section #2 specifies additional responsibilities for Metro, including linking uninsured residents of Davidson County to community healthcare services that serve the uninsured based on their ability to pay using the Health Assist Database.

Section #3 would change the term of the contract to be from February 1, 2013 through June 30, 2016. The contract could be renewed at the end of the term for an additional one-year period by agreement of the parties.

Section #4 would specify that Metro will pay a total administrative cost of $4,800 for the services described. Metro currently pays a total of $2,720 for access to this database.

RESOLUTION NO. RS2016-156 (PRIDEMORE & GILMORE) – This resolution approves a grant of $14,115 from Adrian Budnick and other community members to the Metro Health Department on behalf of Metro Animal Care and Control (MACC). The purpose of the grant is to pay for emergency medical care for the animals at MACC. Other than this, there are no restrictions to the use of these funds.

Because of the restriction on how this money can be used, the Metro Legal Department advised that it should be considered a grant rather than a donation. Because of this, it is required for the Council to approve this by resolution.

The Metro Board of Health voted to accept this grant at their meeting on February 11, 2016.

RESOLUTION NO. RS2016-157 (PRIDEMORE & GILMORE) – This resolution approves a grant in the amount of $2,597,077 from the U.S. Department of Health and Human Services to the Metro Board of Health to enhance access to community-based care for low income individuals and families with HIV. These grant funds are used to provide a number of medical and support services for HIV patients under the Ryan White HIV/AIDS Treatment Extension Act of 2009. The budget period for the grant is from March 1, 2016, through February 28, 2017.

RESOLUTION NO. RS2016-158 (GILMORE) – This resolution approves a contract between the Metro Health Department and Educare Childcare and Enrichment Center to perform activities related to the Project Diabetes Gold Sneaker Initiative Program. In September 2013, the Health Department received a grant from the Tennessee Department of Health for the Golden Sneakers program, a program that encourages child care providers to implement recommended amounts of physical activity each day, to address food portion control, and to limit the amount of high calorie and high fat foods. The grant funds were to be used to provide the program at 20 childcare centers in north and northeast Nashville. The program consists of a nutrition education course for the childcare employees and parents, as well as in-class instruction for children.

Under the terms of this contract, Educare Childcare and Enrichment Center will schedule monthly parent meetings for nutrition training, participate in staff surveys about exercise and nutrition, and promote the community center fitness classes offered. The Health Department will be responsible for conducting weekly preschool classroom nutrition education sessions, providing six parent nutrition training sessions, and provide an opportunity for teachers and families to participate in free exercise classes at community centers. The term of the contract expires on June 30, 2016. There is no monetary compensation associated with this contract.

The Council has already approved contracts with several other childcare providers for this program.

RESOLUTION NO. RS2016-159 (O'CONNELL & PRIDEMORE) – Ordinance No. BL2016-127 was approved by the Council on March 1, 2016. It approved a property exchange between Metro and Greyhound Lines to resolve condemnation proceedings Metro initiated against Greyhound to acquire a portion of the real property at 709 5th Avenue South, as well as a slope easement and temporary construction easement for use in connection with the Division Street Extension Project.

Metro owns a tract of land at 518 Ash Street, part of a larger parcel of property also acquired in connection with the project. This "Remnant Tract" was not needed for the project or for any other public purpose. It is now considered to be surplus property.

Disposition of this Remnant Tract, whether through conveyance to Greyhound as part of the resolution of the Condemnation Action or otherwise, and licensing its interim private use was considered to be in the best interest of Metro Government.

BL2016-127 gave the Director of Public Property Administration the authority to dispose of this Remnant Tract by quitclaim deed. This was to be in exchange for cash equal to the fair market

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RESOLUTION NO. RS2016-159, continued

value or for property rights of equivalent value. Metro Council previously authorized acquisition of the property, but not its conveyance.

Greyhound was to be authorized to use this Remnant Tract pending its disposition, pursuant to the proper license agreement. In addition to this previous authorization, it is now recognized that it will facilitate resolution of the Condemnation Action to grant authority to enter into an alternative license agreement for the use of the Remnant Tract by Greyhound for a fixed term.

The resolution under consideration would authorize entry into an alternative license agreement as attached to the resolution. This would allow Greyhound to use the Remnant Tract for a period of forty-three (43) years. No fee would be required to be paid by Greyhound to Metro. This agreement would terminate earlier if Metro conveys the lot to Greyhound in fee simple.

Further amendments to this agreement may be approved by resolution. This proposal was approved by the Planning Commission on March 9, 2016.

RESOLUTION NO. RS2016-160 (O'CONNELL & ELROD) – This resolution authorizes the Renaissance Hotel to construct, install, and maintain an aerial encroachment at 611 Commerce Street. The two signs per this encroachment will each measure 9' 0" x 16' 5". These signs will be attached to the existing pedestrian bridge over Commerce Street. The bottom of the signs will not extend below the lowest section of this bridge.

The applicant must indemnify the Metropolitan Government from all claims in connection with the construction and maintenance of the sign, and it is required to post a certificate of public liability insurance with the Metropolitan Clerk naming the Metropolitan Government as an insured party.

This proposal was approved by the Planning Commission on February 11, 2016.

RESOLUTION NO. RS2016-161 (ALLEN & ELROD) – This resolution authorizes the Belcourt Theatre, Inc. to construct, install, and maintain an aerial encroachment at 2101 Belcourt Avenue. The main "Belcourt" marquee sign will be 19' 0" tall and 4' 3" wide. This will be mounted near the center of the south wall of the building. In addition to this sign, a custom marquee will extend to the west of the sign, wrapping around the corner and continuing along the west wall. This will be 4' 4.5" wide, 66' 3.825" long on the south wall, and 15' 7.5" long on the west wall. All new signs and marquees will be at least 10' 6" above the ground.

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RESOLUTION NO. RS2016-161, continued

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.

This proposal was approved by the Planning Commission on January 29, 2016.

RESOLUTION NO. RS2016-162 (PRIDEMORE & WEINER) – This resolution appropriates $12,727,200 from the General Fund Reserve Fund (4% Fund) to eleven (11) departments. The Four Percent Fund may only be used for the purchase of equipment and repairs to buildings. The balance in the General Fund Reserve Fund prior to the appropriation in this resolution was $23,750,196. This consists of unrealized revenue for fiscal year 2016 in the amount of $13,337,819.

The resolution provides in part: "The Director of Finance may schedule acquisitions authorized herein to ensure an appropriate balance in the Fund." Copies of the supporting information sheets required by Ordinance No. O86-1534 are attached to this analysis. The following departments and agencies are to receive funding:

Finance - $45,000 for Archibus software for real estate tracking;

Fire - $500,000 contracted maintenance, medical equipment, and fire suppression supplies;

General Hospital - $300,000 for renovation, repairs, and equipment;

General Services - $5,500,000 for fleet replacements and major building maintenance;

Historical Commission - $30,000 for GIS, Photoshop, and other Adobe software;

Information Technology Services - $1,777,200 for end-of life network equipment, O/S, PC, Server & Productivity Agreement;

Municipal Auditorium - $2,000,000 for facility upgrades and seat refurbishing;

Office of Emergency Management - $75,000 for projection systems for EOC;

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RESOLUTION NO. RS2016-162, continued

Parks and Recreation - $500,000 for consolidated maintenance, equipment and supplies for community centers, cultural, arts, & nature centers, golf, Sportsplex, Wave County, Parthenon, and Parks Administration;

Police - $500,000 for ballistic plates, trauma plate medical kits, computer equipment, bomb robot, EOD heave vest, CVSA equipment, shelter, and motorcycle carport.

Public Library - $50,000 for books, periodicals, library materials, miscellaneous maintenance, and repairs.

RESOLUTION NO. RS2016-163 (PRIDEMORE & WEINER) – This resolution authorizes the Department of Law to settle the personal injury claim of Ms. Denise Collins against the Metropolitan Government for the amount of $19,500.00. On May 8, 2014 near the intersection of Murfreesboro Pike and Ransom Place Ms. Collins was stopped in traffic on Murfreesboro Pike when the vehicle driven by Detective Charles Robinson of the Metropolitan Police Department, traveling in the same direction, struck the rear end of Mr. Collins vehicle. The impact pushed Ms. Collins' vehicle into the vehicle stopped immediately in front of her.

Ms. Collins, in addition to the damage to her automobile, suffered injury to her hip and knee and was treated the day after the accident and diagnosed with a contusion to her hip and a sprained knee. Her pain persisted and she was treated at a hospital later for testing. Ms. Collins incurred $7,394.01 in medical bills as a result of her injuries.

The Department of Law recommends settling this claim for $19,500 to be paid from the Self-Insured Liability Fund. Detective Robinson was suspended for one day as a result of the accident and had remedial training.

RESOLUTION NO. RS2016-164 (SHULMAN) – This resolution approves the election of certain Notaries Public in accordance with state law. Per Council Rule 27, the resolution attaches the name, address and length of term of each applicant, as well as a letter from the County Clerk certifying that each applicant meets all of the qualifications of the office.

– BILLS ON SECOND READING –

ORDINANCE NO. BL2015-32 (GLOVER) – This ordinance revises Section 13.08.040 of the Metropolitan Code. Paragraph B.1.b of this section presently allows an exemption for vendors selling "newspapers, magazines, periodicals, or other such written items" from the prohibition against obstructing "any public way, including alleys, roadways, sidewalks, and streets".
The present language only requires these vendors to meet the requirements for clearance at intersections per Section 13.12.190 and "not utilize a cart, wagon, or any other mobile device or vehicle to sell such written materials." The requirement for clearance at intersections prohibits any sign, poster, pennant, etc. within the right-of-way of any street within the area of the Metropolitan Government.

The revised language in Paragraph B.1.b proposed by this ordinance would add a new restriction. A vendor on the side of the road would no longer be allowed to hand any materials to an occupant of any motor vehicle. Also, occupants of motor vehicles would be prohibited from handing anything to the vendor selling or distributing the materials. Sales of newspapers such as the "Contributor" to motorists would no longer be possible under the proposed new restrictions. A similar law was enacted in Brentwood and was upheld in 2013 by the Sixth Circuit Court of Appeals (*Harrington v. City of Brentwood*).

Under the provisions of *Tennessee Code Annotated 55-8-135(a*), it is already prohibited for a pedestrian crossing a street to fail to yield the right-of-way to all vehicles, unless they are in a marked crosswalk or an unmarked crosswalk at an intersection. It is likewise currently illegal to obstruct a highway, street or sidewalk, subject to certain exceptions, under *Tennessee Code Annotated 39-17-307*. The Metro Code of Laws currently prohibits the solicitation of employment, business or contributions from the occupant of any vehicle (section 12.52.130) and similarly prohibits the obstruction of any public way, although vendors exclusively engaged in the sale of newspapers are exempted. (13.08.040) The new restrictions in Paragraph B.1.b would prohibit vendors from selling newspapers to motorists, even if they never leave the side of the road.

ORDINANCE NO. BL2016-100 (HAGAR, K. JOHNSON, & BEDNE) – This ordinance would require the Codes Department to notify the Metropolitan Council of all building permits and applications. These reports have been provided to individual Council members in the past, but some gaps in the reports have been reported.

Section 16.04.70 of the Metropolitan Code of Laws (MCL) currently requires a record of "all such permits and notices and all other business transactions" to be available for public inspection during the regular business hours of the department. The revision proposed by this ordinance would add an ongoing requirement to provide this information to Council members each month.

ORDINANCE NO. BL2016-147 (PRIDEMORE) – In 2013, Ordinance No. BL2013-420 created a small business economic development incentive grant program that included a provision to provide cash grants to businesses that invested in blighted areas. The program was modeled after state legislation that allows local governments to make grants directly to developers who invest in blighted property "to encourage the repair, rebuilding and renovations of existing facilities and structures in neighborhoods whose stability depends upon the elimination of blight and the upgrading of structural needs of a facility." (*Tenn. Code Ann. § 7-51-1901, et seq.*)

These grants could only be used for the purpose of constructing or rehabilitating the exterior portions of commercial property located within a redevelopment district approved by the Council. The value of the property could not exceed $1,000,000 at the time the grant application was made in order for a business to be eligible to receive the funds. The amount of the grant would be ten percent of the documented investment of the business to fix up the property, up to a maximum grant amount of $50,000. This grant program would be managed by the Mayor's Office of Economic and Community Development, and the grants would be awarded on a first-come-first-served basis.

This grant program was added to the Metro Code as Section 2.212.030. In an effort to expand their application, the ordinance under consideration would make two changes to this section. The existing language specifies that the grant funds for this purpose are to be used for the exterior portions of commercial property located within "a redevelopment district approved by the metropolitan council." The new language deletes the reference to redevelopment districts approved by the Council and replaces it with "blighted commercial property located within Eligible Census Tracts." (Under the current Code language, the phrase "approved by the metropolitan council" was apparently intended to modify "redevelopment districts", rather than the eligible property; although redevelopment districts are always approved by Council.)

The definition of an "Eligible Census Tract" would be those "where at least 65% of households are at or below 80% AMI (average median income)." This paragraph goes on to require the Mayor's Office of Economic and Community Development to maintain, on file and open for inspection, a list and map of eligible census tracts, to be updated annually.

ORDINANCE NO. BL2016-157 (MENDES, GILMORE, & OTHERS) – This ordinance is being offered as an alternative to BL2016-123. That ordinance would approve Amendment #8 to the Rutledge Hill Redevelopment Plan.

TIF is a form of development incentive whereby the increased property taxes generated by a development are used to pay part of the development costs or pay down a TIF loan. Examples of projects that have been built using TIF as a financing tool include restoration of the Ryman

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ORDINANCE NO. BL2016-157, continued

Auditorium, the Viridian, the BellSouth Building, the Country Music Hall of Fame, and the Omni convention center hotel.

The Rutledge Hill Redevelopment District was established in 1980 for redevelopment activities in areas south of downtown Nashville. This plan expires in 2040. The current tax increment financing (TIF) capacity for this district is $60 million, which is basically a cap on the amount of project costs to be financed through TIF within that particular district.

There are various concerns with the current version of the plan which the proposed ordinance seeks to address broadly. The first concern recognizes that the original plan required any proceeds from the sale of land owned by MDHA in this district either to be re-invested in the same district or to be returned to the GSD General Fund. (Under state law, MDHA can only sell land in a redevelopment district "in accordance with the redevelopment plan." *Tenn. Code Ann §13-20-202(a))*.

In a 1986 amendment to this plan, this requirement was deleted and not replaced with any different language or direction to MDHA. The current version of the plan is now silent on how MDHA is to apply the proceeds from the sale of property owned by MDHA within this district. Assuming each redevelopment district is a separate entity – subject to separate TIF limits and redevelopment plans – allowing proceeds from one district to be applied in another begs the question why separate districts exist and may be contrary to *Tenn. Code Ann. § 13-20-202(a)(5*) wherein MDHA is empowered to undertake a redevelopment project and, "to that end", may sell or lease land "in accordance with the redevelopment plan." .

A second concern stemmed from the 2014 amendment wherein new Tax Increment provisions allowed MDHA to apply the $60 million TIF capacity not only for purposes of carrying out the Rutledge Hill Redevelopment Plan, but for any other redevelopment plan as well..

An additional concern stemmed from the fact there is no source readily available outside of MDHA to determine the amount, terms, or duration of any bonds, loans, or other indebtedness incurred and payable from tax increment funds related to the Rutledge Hill Plan. There are also no means outside of MDHA to determine the amount of money on deposit in MDHA's tax increment funds related to this plan. But under state law and the redevelopment plan itself, Metro is entitled to retain all tax increment funds once the original debt related to the TIF financing has been paid, or MDHA otherwise has reserved sufficient funds to pay that debt.
An amendment to the Rutledge Hill Plan was therefore proposed which, among other changes, added text to require MDHA to deliver a written report to the Council within 90 days after the end of each fiscal year. This report would require details for each project providing any tax increment funds under the terms of this plan during the fiscal year, including the date MDHA

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provided TIF funding for the project, maturity date, balance remaining (if any), amount of TIF funds received by MDHA during the fiscal year, and the total amount of bonded or other indebtedness obligation(s) owed by MDHA related to the plan.

The report would also state the total amount of bonded or other indebtedness obligation(s) owed by MDHA related to the Rutledge Hill Redevelopment Plan. For each obligation comprising this total amount of bonded or other indebtedness, the report would state the original principal amount of the obligation, terms of the obligation, remaining balance, and the amount reserved by, or otherwise on deposit with, MDHA in connection with the obligation at the end of the fiscal year.

The current ordinance provides a more comprehensive solution of these concerns and is not limited to addressing problems with the Rutledge Hill Plan. The ordinance now under consideration would make changes to five sections of the Metro Code of Laws.

Section 5.06.020 would require MDHA to collect only the incremental tax revenues for properties that are being redeveloped, unless the Council approves the collection and use of these incremental tax revenues for other properties within the Plan Area. This would apply to all MDHA plans approved after July 1, 2006.

Section 5.06.030 would require all TIF revenue collected for future TIF project loans to stay within Metro's GSD General Fund after the loan is paid off by the developers of those projects.

Section 5.06.040 would require MDHA to make reports to the Council and Finance Director no later than April 30 of each year. This report would include an identification of each outstanding TIF loan, the amount of incremental tax revenues from the plan area used to pay administrative fees, a description of the administrative costs incurred, the total of all incremental tax revenues allocated to MDHA during the preceding year, and the total of all outstanding TIF loans as of the end of the reporting period.

Section 5.06.050 would require that the debt service portion of all future TIF loans to developers will remain with Metro and not be pledged toward the payment of the TIF loans.

Section 5.06.060 would require that land sold by MDHA as part of all future redevelopment plans would be used solely within that district and not for any other purpose. However, three exceptions would be allowed to this requirement. Proceeds from the sale of three specific properties in the Rutledge Hill Redevelopment District would be allowed to be used for the Cayce Place Redevelopment District. These three parcels are 30 Peabody Street, Peabody Street, unnumbered, and 400 1st Avenue South.

ORDINANCE NO. BL2016-158 (SHULMAN & K. JOHNSON) – This ordinance would make three substantive changes to the Metro Code of Laws.

The present language of Section 2.20.020 (A) documents the responsibility of the Codes Department to enforce all laws, ordinances, and regulations "relating to electrical installations, building and construction, plumbing installations, gas/mechanical installations, the housing code and the zoning code and regulations." The new language would preface this by the addition of the phrase "including, but not limited to", removing any limitation on the enforcement authority of the Codes Department. An amendment may be appropriate to clarify the limitation.

The present language of Section 2.20.040 (A.5.) requires the Codes Department to prepare monthly reports on departmental activities, including "The number, by type, location, and date filed, of any and all complaints to the department by council districts". The new language would reflect the change in Section 2.20.020 (A), requiring this report to include "All complaints filed with the department of codes including, but not limited to, the type of complaint, the location of the complaint subject, the date received, and when and how the complaint was resolved, organized by council district."

The last change would create a new requirement for the Department of Law. Section 2.40.105 would be added to require the Metropolitan Attorney to report the number and types of actions brought by the Department of Law that are related to the violations of the Metro Code to the Council on a quarterly basis.

ORDINANCE NO. BL2016-159 (COOPER) – Section 2.24.300 in Article IV of the Metro Code of Laws established the Division of Metropolitan Audit, directed by the Metropolitan Auditor. The ordinance under consideration would add new Subsections H through L. A summary of the provisions added by these subsections is as follows:

- H. The Division of Metropolitan Audit shall have full access to all records, agreements, information systems, properties, and personnel of the Metropolitan Government.

- I. In addition to financial, performance, or other audit services, the Division of Metropolitan Audit is required to establish a process by which suspected illegal, improper, wasteful, or fraudulent activity can be reported. All such reports are required to be investigated.

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ORDINANCE NO. BL2016-159, continued

- J. All reports of unlawful conduct within Metro completed in accordance with the Tennessee Local Government Instances of Fraud Reporting Act are required to be communicated to the Metropolitan Auditor. They are also to be reported to the Comptroller of the Treasury if so required by state law.

- K. All engagement plans and final reports for all financial, performance, and other audit activities conducted on behalf of Metro Government shall be communicated to the Metropolitan Auditor.

- L. This reaffirms that the Division of Metropolitan Audit is authorized to conduct audits, including investigation and disposition of reported incidents of fraud as contemplated in the new Subsection I. This authority covers any department, board, commission, officer, agency, or office of Metro.

The Council office is informed that a deferral at the March 15, 2016 meeting is anticipated by the sponsor.

ORDINANCE NO. BL2016-160 (SLEDGE) – 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, the code provides a mechanism to exempt (*a*) restaurants that already have a state on-premises liquor consumption license 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)).

The ordinance under consideration would add a new exemption for establishments in the USD that sell beer for on-premises consumption that are separated by a state or federal highway with at least four lanes of traffic (excluding parking lanes) from any church, school or its playground, park, licensed day care center or nursery school or its playgrounds, or dwelling for one or two families. A significant highway divide between such facilities could be considered a sufficient substitute in lieu of distance requirements.

ORDINANCE NO. BL2016-161 (GLOVER) – On December 1, 2015, the Board of Fair Commissioners ("Fair Board") voted to terminate gun shows at the Fairgrounds following the conclusion of current gun vendors' operator contracts in 2016, pending adoption of new rules.

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ORDINANCE NO. BL2016-161, continued

After the ensuing Fair Board meeting of February 16, 2016, legal representatives for current gun show vendors publicly commented on the "inevitability" of litigation if gun shows were not permitted after 2016.

This ordinance would require the Fair Board to hold certain dates open for gun show events in 2017 until the legality of the Fair Board's December 2015 actions is determined by a court or the Attorney General. (Tennessee Sen. Brian Kelsey submitted a formal request on December 10, 2015 for a legal opinion from Tennessee Attorney General regarding the legality of the Fair Board's action.)

Among other issues presented by this ordinance is the Council's authority to direct the actions of the Fair Board. In 1909, the Tennessee general assembly enacted a private act to create a state fair board to manage property that had been conveyed to Davidson County. This property was leased to the state in 1911 for a 99 year term. However, in 1923, the general assembly enacted another private act to authorize the termination of the lease and to authorize the board of fair commissioners to use the property for a "fair or exposition for the benefit of the people". When the city and county governments were consolidated in 1963, the Metropolitan Charter essentially re-established the board of fair commissioners and vested it with the power to perform all duties imposed on the board in the 1909 and 1923 state acts. The Charter further provides that the Council can assign "other duties" to the fair board by ordinance.

In addition to the annual state fair, which is the primary purpose for the existence of the fair board, the fairgrounds property has long been used for expo center functions and auto racing. The Metropolitan Government now owns the fee interest in the property. The Tennessee attorney general has opined that there are no deed restrictions on the property pertaining to use, so the present uses of the property are not legally required to be continued absent some action by the Council.

Article II, Section 10 of the Related Private Laws to the Metropolitan Charter provides in part that the Fair Board may lease the Fairgrounds property "for amusement purposes" and that "[t]he agricultural, mineral, livestock, commercial, industrial, and all other interests, shall be duly exhibited, and every reasonable effort shall be made to develop, improve, encourage and stimulate all lawful and substantial interests and industries." However, this section further provides that the Fair Board is vested with the power to negotiate with the state of Tennessee for any lease held by the state over any fair property and to then "take complete charge and control" on behalf of counties.

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ORDINANCE NO. BL2016-161, continued

Section 11.602(a) of the Metropolitan Charter requires the Fair Board to exercise all powers and perform all duties heretofore "or hereafter" imposed on the Board. Section 11.602(c) of the Metropolitan Charter provides that it is the duty of the Fair Board to "[p]erform such other duties as may be imposed upon the board by ordinance." By subsequent Charter amendment dated August 4, 2011, Section 11.602(d) of the Metropolitan Charter states in relevant part: "All activities being conducted on the premises of the Tennessee State Fairgrounds as of December 31, 2010, including, but not limited to, the Tennessee State Fair, Expo Center Events, Flea Markets, and Auto Racing, shall be continued on the same site."

The precise meaning of "all activities" is susceptible to interpretation, but the preeminence of Article II, section 10 – providing the Board with "complete charge and control" – has never been asserted in response to previous Council ordinances directing the Fair Board's actions. For example, the Council assigned additional "duties" to the Fair Board without challenge under Ordinance no. BL2010-820, as amended, which required the Fair Board to negotiate with the Tennessee State Fair Association to hold a State Fair in 2011 and 2012, to continue the operation of the expo center at the fairgrounds site, and to develop a master plan for the site.

Legislative action is not required in order for the Fair Board to take the actions provided for in this ordinance. The Fair Board has the authority to determine the use of the property while under its control. Thus, the Board on its own initiative can vote whether to continue gun shows after 2016. However, it is the opinion of the Council office that should an ordinance be approved by the Council directing the Fair Board to perform certain functions, the Board's discretionary authority is removed and it would be obligated to operate in a manner consistent with the provisions of the ordinance.

ORDINANCE NO. BL2016-162 (RHOTEN, ALLEN, & ELROD) – This ordinance abandons an existing unused sanitary sewer easement located at 1176 Stones River Road.

This was approved by the Planning Commission on January 29, 2016. Future amendments to this ordinance may be approved by resolution.

ORDINANCE NO. BL2016-163 (A. DAVIS, ALLEN, & ELROD) – This ordinance abandons an existing sewer main and easement and accepts new sewer mains, manholes, new water mains and fire hydrants, and negotiates and accepts temporary and permanent easements for property located at 1414 Rosebank Avenue.

This was approved by the Planning Commission on December 3, 2015. Future amendments to this ordinance may be approved by resolution.

ORDINANCE NO. BL2016-164 (WITHERS, ALLEN, & ELROD) – This ordinance abandons an existing sewer main and manhole and accepts a new sewer main, manhole, and easements for property located at 970 Woodland Street.

This was approved by the Planning Commission on January 26, 2016. Future amendments to this ordinance may be approved by resolution.

ORDINANCE NO. BL2016-165 (M. JOHNSON, HENDERSON, & OTHERS) – This ordinance abandons an existing sewer main and accepts new sewer main and easements for properties located along Lynnwood Boulevard and Abbot Martin Road.

This was approved by the Planning Commission on January 25, 2016. Future amendments to this ordinance may be approved by resolution.

– BILLS ON THIRD READING –

ORDINANCE NO. BL2016-117 (SYRACUSE) – This ordinance amends the Metropolitan Code of Laws (MCL) to modify the zoning conditions applicable to cash advance, check cashing, pawnshop, and title loan establishments. Prior to 2008, cash advance, check cashing, and title loan businesses were considered "financial institutions". The Council amended the MCL in 2008 to make each of these a separate use and to add a definition for each use. The current definition of financial institutions includes establishments that provide a variety of financial services, including banks, credit unions, and mortgage companies. The zoning definitions of check cashing, title loan, pawnshop and cash advance reference the state law provisions that regulate these types of establishments.

Various studies purport to show that cash advance, title loan, and check cashing businesses tend to cluster in close proximity to one another. Maps showing the location of these establishments in Nashville evidenced a high concentration along major thoroughfares. A study conducted by the Regional Planning Agency (RPA) of Chattanooga-Hamilton County, Tennessee concluded that the proliferation and clustering of cash advance, check cashing, pawnshops, and title loan establishments can have a detrimental effect on local property values and economic redevelopment. In addition, a study by the Board of Governors of the Federal Reserve System provides evidence that these businesses tend to locate in areas where the population is disproportionately minority and poorly educated.

Financial institutions, check cashing, title loan, and cash advance establishments are currently permitted by right in most of the mixed-use, office, commercial, and shopping center districts, and permitted with conditions in the MUN, ON and CN districts. Such businesses in the MUN, ON, and CN districts cannot exceed 2,500 square feet of floor area. Pawnshops are permitted in most of the same districts, but pawnshops in certain districts are limited to 5,000 square feet.

This 2008 change to the MCL prohibited new cash advance, check cashing, and title loan businesses from being located within 1,320 feet (1/4 mile) of another cash advance, check cashing, or title loan business, and prohibited new pawnshops from locating within 1,320 feet of another pawnshop. Existing businesses were grandfathered in by state law. The distance requirement only applied to new businesses seeking to locate in close proximity to existing similar establishments.

Title 45, Chapter 12 of the Tennessee Code Annotated (TCA) was changed to establish new rules and regulations governing financial institutions, effective January 1, 2015. As a result of this legislation, there are now additional types of alternative finance lenders (flexible credit

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ORDINANCE NO. BL2016-117, continued

loans) that are not currently identified in the zoning code, though they may have a similar impact as the alternative financial services noted above.

In order to close this loophole and include these new types of lenders within the definitions and protections defined for other financial institutions, changes are proposed in three sections of the MCL.

MCL Section 17.04.060 adds two new definitions, as follows:

"Flex loan" means any building, room, space or portion thereof where a written agreement providing open-end credit, either unsecured or secured by personal property, in which repeated non-commercial loans for personal, family or household purposes is contemplated, as regulated by Title 45, Chapter 23, of the Tennessee Code Annotated.

"Installment loan" means any building, room, space or portion thereof where a loan is repaid over time with a set number of scheduled payments to a financial institution.

MCL Section 17.08.030 adds "flex loan" and "installment loan" as uses permitted with conditions (PC), similarly to other financial institutions.

MCL 17.16.050 adds "flex loan" and "installment loan" to the list or office use restrictions. This requires new establishments of this type to be at least 1,320 feet (1/4-mile) from the property line of another property upon which another cash advance, check cashing, title loan, flex loan, or installment loan off is located. It also adds the requirement that a flex loan or installment loan office in the MUN, MUN-A, ON, or CN zoning district shall be limited to 2,500 square feet of gross floor area per establishment.

BL2016-132 is an alternate ordinance being offered by the sponsor. An amendment to BL2016-117 is anticipated to eliminate matters addressed in the alternate ordinance.

ORDINANCE NO. BL2016-132 (SYRACUSE) – This ordinance is an alternate to Ordinance No. BL2016-117. Both would amend the Metropolitan Code of Laws (MCL) to modify the zoning conditions applicable to cash advance, check cashing, pawnshop, and title loan establishments. Prior to 2008, cash advance, check cashing, and title loan businesses were considered "financial institutions". The Council amended the MCL in 2008 to make each of these a separate use and to add a definition for each use. The current definition of financial institutions includes establishments that provide a variety of financial services, including banks, credit unions, and

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mortgage companies. The zoning definitions of check cashing, title loan, pawnshop and cash advance reference the state law provisions that regulate these types of establishments.

Various studies purport to show that cash advance, title loan, and check cashing businesses tend to cluster in close proximity to one another. Maps showing the location of these establishments in Nashville evidence a high concentration along major thoroughfares. A study conducted by the Regional Planning Agency (RPA) of Chattanooga-Hamilton County, Tennessee concluded that the proliferation and clustering of cash advance, check cashing, pawnshops, and title loan establishments can have a detrimental effect on local property values and economic redevelopment. In addition, a study by the Board of Governors of the Federal Reserve System provides evidence that these businesses tend to locate in areas where the population is disproportionately minority and poorly educated.

Financial institutions, check cashing, title loan, and cash advance establishments are currently permitted by right in most of the mixed-use, office, commercial, and shopping center districts, and permitted with conditions in the MUN, ON and CN districts. Such businesses in the MUN, ON, and CN districts cannot exceed 2,500 square feet of floor area. Pawnshops are permitted in most of the same districts, but pawnshops in certain districts are limited to 5,000 square feet.

This 2008 change to the MCL prohibited new cash advance, check cashing, and title loan businesses from being located within 1,320 feet (1/4 mile) of another cash advance, check cashing, or title loan business, and prohibited new pawnshops from locating within 1,320 feet of another pawnshop. Existing businesses were grandfathered in by state law. The distance requirement only applied to new businesses seeking to locate in close proximity to existing similar establishments.

Title 45, Chapter 12 of the Tennessee Code Annotated (TCA) was changed to establish new rules and regulations governing financial institutions, effective January 1, 2015. As a result of this legislation, there are now additional types of alternative finance lenders (flexible credit loans) that are not currently identified in the zoning code, though they may have a similar impact as the alternative financial services noted above.

In its original form, Ordinance No. BL2016-117 attempts to close this loophole and include these new types of lenders within the definitions and protections defined for other financial institutions. This would be done by including new definitions for “flex loans” and “installment

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ORDINANCE NO. BL2016-132, continued

loans". The concern is that alternative finance lenders would circumvent these restrictions by creating new types of financial products that would not be included within the revised definitions.

This alternative ordinance would attempt to prevent that from happening by adding definitional language defining the hours of operation of traditional financial institutions. These would specify the time between 8:00 AM and 6:00 PM on Mondays through Fridays and 8:00 AM to 1:00 PM on Saturdays. "Alternative Financial Services" would include any establishment offering financial services of any type outside of these operating hours.

ORDINANCE NO. BL2016-148 (ELROD) – In 2014, Ordinance No. BL2014-925 amended the Metro Code of Laws (MCL) to adopt new regulations for pedicabs and pedal carriages. Section 6.75.120 was added to list the requirements for obtaining a pedicab driver's permit.

These requirements include:

1. Valid driver's license;
2. Social security card or birth certificate;
3. If a resident alien, a current work permit or other valid United States Immigration and Customs Enforcement document;
4. No convictions within the last five years for hit and run, DUI, reckless or careless driving;
5. No more than three moving violations within the last three years and no more than two in the last year (initial permit);
6. No more than four moving violations within the last three years and no more than two in the last year (renewal permit).

In addition to these requirements, Section 6.75.129(C)(4) requires a current drug test result. But this is not required in the section of the MCL establishing the requirements for other low-speed vehicle operators.

The Metropolitan Department of Law as well as the Metropolitan Transportation Licensing Commission (MTLC) agree that the requirement for a drug test at the time of application provides little information about a driver's ability once the permit has been granted and is an ineffectual way to determine if a driver has drug and/or alcohol issues.

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ORDINANCE NO. BL2016-148, continued

Section 6.75.430 of the MCL already requires a drug screen if an accident occurs, even if there are no injuries. Additionally, section 6.75.190 gives the director of the MTLC wide latitude to order a drug screen for probable cause.

The ordinance under consideration would delete Section 6.75.129(C)(4), eliminating the requirement for applicants to submit a current drug test result at time of application for a pedicab driver's permit.

ORDINANCE NO. BL2016-149 (O'CONNELL & PRIDEMORE) – Capitol View Joint Venture has proposed a development on property owned by them in the North Gulch area, including property under contract to be sold to Lifeway Christian Resources, as well as existing properties in the surrounding area.

Metro previously approved the plans for the design and construction of the necessary public infrastructure improvements to the right-of-way and water and sewer system portion of this project. The ordinance under consideration would obligate Metro to spend up to $3,490,000 for the construction of this required public infrastructure improvements. Metro would own the improvements and be responsible for their ongoing operation and maintenance.

Also as part of this agreement, Capitol View Joint Venture would convey 1.26 acres, known as Tracts 12 and 13 in the Capitol View Development, to Metro for the purpose of creating a public park connected to the Music City Greenway. This property is bounded by Gay Street to the north and Nelson Merry Street to the south and bisected by 10th Avenue North. (The Letter of Intent submitted as an exhibit to the ordinance included a slight drafting error, referring to the land to be acquired as bounded by Gay Street to the south, and Nelson Street to the north. The description should read "Jo Johnston to the north.")

Under the First Amendment to the U.S. Constitution, the Establishment Clause provides in part that "Congress shall make no law respecting an establishment of religion..." In essence, the Establishment Clause is a limitation placed upon Congress preventing it from passing legislation respecting an establishment of religion.

Because Lifeway Christian Resources is a religious organization, a grant consisting of the entirety of their infrastructure costs could be construed as a violation of the Establishment Clause. But federal courts have evaluated legislation for Establishment Clause violations using a three-pronged test: First, does the legislation have a secular purpose? Second, is the primary

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ORDINANCE NO. BL2016-149, continued

effect of the legislation such that it neither advances nor inhibits religion? Third, does the legislation foster excessive government entanglements with religion? Should the grant proposed by this ordinance fail any one of these tests, the Establishment Clause is deemed violated.

But it is the opinion of the Metro Council Office that the proposed grant satisfies each of these test elements. Funding public infrastructure to be retained by the city, in exchange for additional parcels for park development, is a secular objective. There is little to no indication of intent to further the religious objectives of Lifeway. While the grant may certainly benefit Lifeway, the effect appears incidental – not an effort to exert Metro's influence to advance religion. Lastly, a one-time grant is unlikely to "entangle" Metro with the religious objectives of Lifeway.

The Metropolitan Board of Parks and Recreation approved the acceptance of this property at their meeting on March 1, 2016.

ORDINANCE NO. BL2016-150 (O'CONNELL, PRIDEMORE, & ELROD) – This ordinance authorizes the Director of Public Property Administration to sell a portion of the right-of-way of Korean Veterans Boulevard.

A portion of the Korean Veterans Boulevard right-of-way between 7th Avenue South and the roundabout was acquired through condemnation in the name of Metro Government by the Attorney General's Office for improvements on the Shelby Avenue Continuation / Gateway Boulevard / Korean Veterans Boulevard from Fourth to Eighth Avenues South. This was approved by Resolution No. RS2010-1106 on January 20, 2010. The costs of this program were shared on an 80/20 basis by the Federal Government and Metro.

Mr. Frank Ghertner has now requested to purchase the portion of the property in question. The request has been evaluated through the Department of Transportation's Excess Land process. It was concluded that the property is no longer needed by the state or Metro for any purpose.

All parties agree the fair market value is $1,385,000. Because Metro originally paid for 20% of this property, Metro would receive 20% of this fair market value, amounting to $277,000.

This sale was approved by the Planning Commission.

ORDINANCE NO. BL2016-151 (SLEDGE & PRIDEMORE) – Metro currently has a lease agreement with STEM Preparatory Academy for the use of a portion of the Tennessee

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ORDINANCE NO. BL2016-151, continued

Preparatory School (TPS) campus located at 1250 Foster Avenue. Prior to December 2013, Metro had been leasing a portion of the TPS property from the state. In May 2013, the Council approved a sublease with STEM to use 26,000 square feet of the old high school building as a grade 5-8 charter school. STEM is a public charter school focused on science, technology, engineering, and math.

Ownership of 28 acres of the TPS property was transferred to Metro as part of the land transaction for the new Sounds ballpark, which was approved by the Council in December 2013.

A new sublease was entered with terms similar to the former sublease, though the 20,200 square foot Field House/Gymnasium was added as part of the lease. The agreement provided that the premises may only be used for a charter school serving fifth through eighth grade students in the South Nashville area. The term of the agreement was to be through July 31, 2024, with a possible extension of two additional five year periods. Under that new agreement, STEM was to pay $11,781 per month, which is to increase by 2% each year.

The ordinance under consideration would approve a new lease agreement with the state for a portion of the TPS property and improvements, commonly known as the Hardison Complex. This would be sub-let to STEM Preparatory Academy to use for a certified public charter high school serving ninth through twelfth grade students who reside in South Nashville with an integrated focus on a science, technology, engineering, and mathematics curriculum.

The initial term of this lease shall begin upon issuance of the Certificate of Occupancy and continue until July 31, 20224. For this initial term, Metro will make lease payments to the state according to the following schedule:

Years 1-2 - $295,800 per year
Years 4-6 - $310,764 per year
Years 7-9 - $326,076 per year
Year 10 - $342,432

At any point during the initial term, Metro has the option to purchase the leased property. The purchase price would be as follows:

Years 1-2 - $2,000,000
Years 4-6 - $2,100,000
Years 7-9 - $2,200,000
Year 10 - $2,320,000
Year 11 (or later) – Fair Market Value

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ORDINANCE NO. BL2016-151, continued

The sublease with STEM shall also be for ten years. At the end of the initial ten-year term, STEM shall have the option to extend the term for two (2) additional periods of five (5) years each unless the sub-lease is terminated earlier. If another property owned or leased by Metro on or within one mile of the "TPS location" becomes available and would be suitable at the discretion of Metro for operation of a charter school by STEM, Metro has the right to terminate this agreement after ninety (90) days' written notice. In such event, Metro and STEM may work together to enter a lease or sublease agreement for the newly identified property for the use of this property.

STEM shall make sublease payments to Metro that are equal to the lease payments made by Metro to the state, according to the following schedule:

Years 1-2 - $295,800 per year ($24,650 per month)
Years 4-6 - $310,764 per year ($25,897 per month)
Years 7-9 - $326,076 per year ($27,173 per month)
Year 10 - $342,432 ($28,536 per month)

STEM will continue to be responsible for all utility and maintenance expenses. The school will be allowed to make improvements to the property and Metro will give a rent credit to the school for the documented costs of such improvements. The plans for all improvements must be approved in advance by the department of general services. STEM will also have the right to place portable classrooms on the property.

The lease includes the typical insurance and indemnification provisions for the protection of Metro. Metro will have the ability to terminate the agreement if STEM has not cured any default within 30 days. Future amendments to or extension of the lease could be approved by the Council by resolution.

ORDINANCE NO. BL2016-152 (O'CONNELL, ALLEN, & ELROD) – This ordinance authorizes CFD Sobro, LLC to install and maintain an aerial and underground encroachment in the right of way of 501, 500, 517, 511, and 519 Fifth Avenue South. These encroachments will include balconies and irrigation lines to street trees in the right of way.

The applicant has agreed to indemnify the Metropolitan Government from all claims in connection with the construction, installation, operation, and maintenance of the encroachment, and is required to maintain $2 million in liability insurance naming Metro as additional insured.

This has been approved by the Planning Commission.

ORDINANCE NO. BL2016-156 (PRIDEMORE, COLEMAN, & SLEDGE) – Until July 1, 2015, the Tennessee Department of Commerce and Insurance was responsible for issuing licenses for motor vehicle race tracks in the state, pursuant to *Tennessee Code Annotated § 55-22-101, et seq*. The Tennessee General Assembly repealed this section and transferred the licensure requirements to the counties. In Davidson County, this authority has now been given to the Davidson County Clerk.

As of July 1, 2015, it is the responsibility of the Davidson County Clerk to verify that any person, firm, or corporation operating or conducting a motor vehicle race has insurance for the general public. This insurance must have minimum limits of $100,000 per person and $300,000 per accident or $300,000 combined single limit. This insurance must cover loss because of bodily injury, including death, resulting from bodily harm caused by the operation of the track.

This ordinance would now authorize the Davidson County Clerk to establish the application process and procedure and to assure compliance with the insurance requirements shown above for the licensure of operating or conducting a motor vehicle race at race tracks in Davidson County. The fee charged for processing these applications and performing verification of the insurance requirements would be $150, which is the same amount charged by the Department of Commerce and Insurance prior to July 1, 2015 for performing these functions.