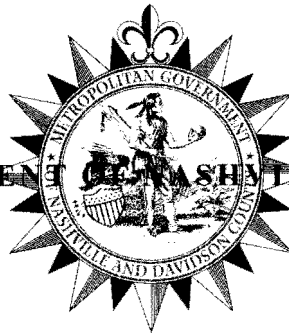


METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY




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MEMORANDUM

To: Vice Mayor Diane Neighbors
Members of the Metropolitan Council

From: Richard M. Riebeling 
Director of Finance

Date: January 4, 2013

Subject: Mid-Year Capital Spending Plan/Initial Bond Resolution Authorizing Not To Exceed \$110 Million of General Obligation Bonds

Earlier today, legislation was filed in the form of an initial bond resolution authorizing the issuance of up to \$110 million of General Obligation bonds to finance a variety of important projects for this community. Typically, we have presented Capital Spending Plans in connection with the Metro Council's deliberation of the proposed operating budget but felt it was important to move forward at this time on these projects—several of which merely formalize prior commitments by this government (the list is included as an attachment to this correspondence). We would anticipate filing an additional Capital Spending Plan this spring.

Lentz Public Health Center: Construction has started on this important project which constitutes a public-private partnership with HCA. As you may recall, the Council authorized this project which is being constructed by HCA (to Metro specifications). Upon completion, the City will reimburse HCA for the cost, netting out the property values as HCA will receive the current health facility. At some point, Council approval of bonds to pay for the project is required and we wanted to take that procedural step at this time as construction commences.

Storm Water Program: When the Council adopted the storm water fee, it was decided to initially fund \$50 million of needed projects through general obligation bonds that would be repaid from the fee. Utilizing this structure enables the lowest possible financing costs and therefore maximizes the number of projects. This process has worked, however, principally due to the unexpected need to buy a number of flood-prone properties, most of the initial authorization has been spent or committed. Adoption of the resolution will authorize an additional \$50 million in projects over the next five years.

Central Police Precinct: Currently housed inside the Bridgestone Arena, there is a unique opportunity to construct a new precinct on the Metro-owned property along Korean Veterans Boulevard immediately in front of the new NES substation. Moving the facility to this location will provide more visibility as Downtown grows with the spring opening of the Music City Center.

Bridgestone Arena: With 1800 parking spaces across Demonbreun, patrons of the Arena, far more than ever, will utilize the south entrance. These funds will be used to enhance the outside area and entrance to better reflect the Arena's new neighbor, the Music City Center. Timing of this is critical so the work can be completed this fall as the new Omni Hotel and Country Music Hall of Fame expansion also open. Details of the project are being fine-tuned but will increase the area available for the public and provide a greater connection up 5th Avenue from Demonbreun to Broadway.

Public Works/Parks: Approval of these additional funds enables the departments to be positioned to make necessary improvements in the spring. In addition, we wanted to include additional funds for Open Space/Riverfront to take advantage of opportunities that might arise to expand our efforts to increase land for park usage. With the most recent purchase of the Stones River Farm property, most of the available funds have been committed.

Finally, I should add that a resolution amending the Capital Improvements Budget must also be adopted to include several projects in the proposed Capital Spending Plan.

As always, we appreciate the Metro Council's support of these important projects that will keep our City moving forward.

Attachment

FY 2013 MID-YEAR CAPITAL SPENDING PLAN
\$110 MILLION (\$104 MILLION GENERAL GOVERNMENT PROJECTS /
\$6 MILLION CONTINGENCY)

| | |
|--------------------------------|--------------|
| Lentz Public Health Center | \$28,000,000 |
| Storm Water Program | \$50,000,000 |
| Central Police Precinct | \$ 4,000,000 |
| Bridgestone Arena Improvements | \$ 7,000,000 |
| Open Space/Riverfront | \$ 5,000,000 |
| Public Works: | |
| • Paving/Road Projects | \$ 5,000,000 |
| • Sidewalks | \$ 2,500,000 |
| Parks - Paving/Maintenance | \$ 2,500,000 |