



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: BL2023-1891, **Version:** 1

An ordinance approving Amendment No. 6 to the Arts Center Redevelopment Plan, Amendment No. 1 to the Bordeaux Redevelopment Plan, Amendment No. 1 to the Cayce Place Redevelopment Plan, Amendment No. 1 to the Central State Redevelopment Plan, Amendment No. 2 to the Jefferson Street Redevelopment Plan, Amendment No. 6 to the Phillips-Jackson Redevelopment Plan, Amendment No. 8 to the Rutledge Hill Redevelopment Plan, and Amendment No. 1 to the Skyline Redevelopment Plan. (Proposal No. 2023M-002OT-001)

WHEREAS, BL2019-1645 proposed amendments to the Metropolitan Development and Housing Agency Redevelopment Plans of Arts Center, Bordeaux, Cayce Place, Central State, Jefferson Street, Phillips Jackson, Rutledge Hill, and Skyline;

WHEREAS, language in the redevelopment plans require that only the Metropolitan Development and Housing Agency may initiate a modification, change, or amendment to the Plans;

WHEREAS, BL2019-1645 was passed by Metropolitan Council approving Amendment No. 6 to the Arts Center Redevelopment Plan, Amendment No. 1 to the Bordeaux Redevelopment Plan, Amendment No. 1 to the Cayce Place Redevelopment Plan, Amendment No. 1 to the Central State Redevelopment Plan, Amendment No. 2 to the Jefferson Street Redevelopment Plan, Amendment No. 6 to the Philips-Jackson Redevelopment Plan, Amendment No. 8 to the Rutledge Hill Redevelopment Plan, and Amendment No. 1 to the Skyline Redevelopment Plan on August 6, 2019;

WHEREAS, the Metropolitan Development and Housing Agency approved Amendment No. 6 to the Arts Center Redevelopment Plan, Amendment No. 1 to the Bordeaux Redevelopment Plan, Amendment No. 1 to the Cayce Place Redevelopment Plan, Amendment No. 1 to the Central State Redevelopment Plan, Amendment No. 2 to the Jefferson Street Redevelopment Plan, Amendment No. 6 to the Philips-Jackson Redevelopment Plan, Amendment No. 8 to the Rutledge Hill Redevelopment Plan, and Amendment No. 1 to the Skyline Redevelopment Plan on August 13, 2019;

WHEREAS, after the passage of BL2019-1645 the Metropolitan Development and Housing Agency did not enter into any agreements providing Tax Increment Financing pursuant to any of the redevelopment plans;

WHEREAS, it is the intent of the Metropolitan Council that this ordinance repeal and replace BL2019-1645;

WHEREAS, this ordinance will correct the sequence of the approval of the amendments;

WHEREAS, the Arts Center Redevelopment Plan (the "Arts Center Plan") consisting of text, exhibits, and maps, currently exists as previously approved by Ordinance Number O98-1188, and subsequently amended by the adoption of Ordinance Nos. O99-1761, BL2002-1063, BL2009-436, BL2013-377, and BL2014-699;

WHEREAS, the Bordeaux Redevelopment Plan (the "Bordeaux Plan") consists of text, exhibits, and maps, currently exists as previously approved by Ordinance No. BL2015-1273;

WHEREAS, the Cayce Place Redevelopment Plan (the "Cayce Place Plan") consists of text, exhibits, and maps, currently exists as previously approved by Ordinance No. BL2015-1274;

WHEREAS, the Central State Redevelopment Plan (the "Central State Plan") consists of text, exhibits, and maps, currently exists as previously approved by Ordinance No. O99-1763;

WHEREAS, the Jefferson Street Redevelopment Plan (the "Jefferson Street Plan") consists of text, exhibits, and maps, currently exists as previously approved by Ordinance No. BL2005-797, and subsequently amended by the adoption of Ordinance No. BL2014-699;

WHEREAS, the Phillips-Jackson Redevelopment Plan (the "Phillips-Jackson Plan") consists of text, exhibits, and maps, currently exists as previously approved by Ordinance No. O93-773, and subsequently amended by the adoption of Ordinance Nos. O99-1762, BL2001-861, BL2005-798, BL2013-377, and BL2013-595;

WHEREAS, the Rutledge Hill Redevelopment Plan (the "Rutledge Hill Plan") consisting of text, exhibits, and maps, currently exists as previously approved by Ordinance Number 80-133, and subsequently amended by the adoption of Ordinance Nos. 86-1131, 87-1695, 91-1520, 97-755, 97-754, BL2005-875, BL2013-377, and BL2014-699;

WHEREAS, the Skyline Redevelopment Plan (the "Skyline Plan") consists of text, exhibits, and maps, currently exists as previously approved by Ordinance No. BL2008-154;

WHEREAS, each of these Plans is also subject to the requirements of Chapter 5.06 of the Metropolitan Code of Laws;

WHEREAS, these amendments to the Arts Center Plan, Bordeaux Plan, Cayce Place Plan, Central State Plan, Jefferson Street Plan, Phillips-Jackson Plan, Rutledge Hill Plan, and Skyline Plan consist of certain changes to the text of the Plans adopted by the Board of Commissioners of the Metropolitan Development and Housing Agency and are subject to review and approval by the Metropolitan Council; and

WHEREAS, the Metropolitan Council has held a public hearing and has carefully considered and reviewed the proposed amendments to the redevelopment plans.

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

Section 1. Arts Center Plan

A. The Arts Center Plan is amended by deleting the following text from the end of the section entitled "Tax Increment":

", or other adopted and approved redevelopment plans"

B. The Arts Center Plan is amended by adding a new section J that states as follows:

J. 2023 Plan Amendments

1. Portion of tax increment used: Notwithstanding anything to the contrary in the Plan, for all bonded or other indebtedness approved by MDHA under the Plan after the effective date of BL2023-_____ that is to be paid using tax increment funds, the portion of tax increment funds that may be used to pay the indebtedness shall not be greater than seventy-five percent (75%); provided however: (a) that MDHA shall be entitled to increase or decrease this percentage pursuant to criteria set forth in a written policy adopted by the Board of Commissioners of MDHA; and (b) nothing herein shall be interpreted as overriding or nullifying the requirements of Chapter 5.06 of the Metropolitan Code of Laws entitled "Tax Increment Financing."

2. Periodic assessment of activities and improvements eligible for tax increment financing:

(i) Notwithstanding anything to the contrary in the Plan, there shall be a mandatory periodic assessment of the activities and improvements eligible for tax increment financing under the Plan. An assessment may be requested by MDHA or the Metropolitan Council. The first such assessment was completed in August 2022. Future assessments shall occur no earlier than seven (7) years after the previous assessment, provided however that each subsequent assessment must be completed within ten (10) years after the previous assessment.

(ii) Each assessment shall include a review of the impact and goals of the Plan. For an assessment to be considered complete, MDHA and the Metropolitan Council must agree on the activities and improvements that are eligible for tax increment financing under the Plan. The Council's agreement shall be indicated by the passage of a resolution approved by a majority of the members to which the Council is entitled.

(iii) It shall be a New Loan Termination Event if any subsequent assessment is not complete within ten (10) years after the previous assessment. If a New Loan Termination Event occurs, MDHA shall not approve any additional bonded or other indebtedness to be paid by tax increment funds under the Plan. The occurrence of a New Loan Termination Event does not terminate the Plan or have any impact on any tax increment financing approved prior to the New Loan Termination Event.

3. Metropolitan Council or MDHA may initiate a Plan amendment: Subject to all other conditions and requirements set forth in Section H of the Plan, either the Metropolitan Council or MDHA may initiate a modification, change, or amendment to the Plan subject to the subsequent approval of the other. If the Metropolitan Council initiates a modification, change, or amendment, the approval of MDHA must be obtained before the third reading of the ordinance adopting such modification, change, or amendment.

Section 2. Bordeaux Plan

A. The Bordeaux Plan is amended by adding a new section J that states as follows:

J. 2023 Plan Amendments

1. Portion of tax increment used: Notwithstanding anything to the contrary in the Plan, for all bonded or other indebtedness approved by MDHA under the Plan after the effective date of BL2023____ that is to be paid using tax increment funds, the portion of tax increment funds that may be used to pay the indebtedness shall not be greater than seventy-five percent (75%); provided however: (a) that MDHA shall be entitled to increase or decrease this percentage pursuant to criteria set forth in a written policy adopted by the Board of Commissioners of MDHA; and (b) nothing herein shall be interpreted as overriding or nullifying the requirements of Chapter 5.06 of the Metropolitan Code of Laws entitled "Tax Increment Financing."

2. Periodic assessment of activities and improvements eligible for tax increment financing:

(i) Notwithstanding anything to the contrary in the Plan, there shall be a mandatory periodic assessment of the activities and improvements eligible for tax increment financing under the Plan. An assessment may be requested by MDHA or the Metropolitan Council. The first such assessment was completed in August 2022. Future assessments shall occur no earlier than seven (7) years after the previous assessment, provided however that each subsequent assessment must be completed within ten (10) years after the previous assessment.

(ii) Each assessment shall include a review of the impact and goals of the Plan. For an assessment to be considered complete, MDHA and the Metropolitan Council must agree on the activities and improvements that are eligible for tax increment financing under the Plan. The Council's agreement shall be indicated by the

passage of a resolution approved by a majority of the members to which the Council is entitled.

(iii) It shall be a New Loan Termination Event if any subsequent assessment is not complete within ten (10) years after the previous assessment. If a New Loan Termination Event occurs, MDHA shall not approve any additional bonded or other indebtedness to be paid by tax increment funds under the Plan. The occurrence of a New Loan Termination Event does not terminate the Plan or have any impact on any tax increment financing approved prior to the New Loan Termination Event.

3. Metropolitan Council or MDHA may initiate a Plan amendment: Subject to all other conditions and requirements set forth in Section H of the Plan, either the Metropolitan Council or MDHA may initiate a modification, change, or amendment to the Plan subject to the subsequent approval of the other. If the Metropolitan Council initiates a modification, change, or amendment, the approval of MDHA must be obtained before the third reading of the ordinance adopting such modification, change, or amendment.

Section 3. Cayce Place Plan

A. The Cayce Place Plan is amended by adding a new section J that states as follows:

J. 2023 Plan Amendments

1. Portion of tax increment used: Notwithstanding anything to the contrary in the Plan, for all bonded or other indebtedness approved by MDHA under the Plan after the effective date of BL2023-_____ that is to be paid using tax increment funds, the portion of tax increment funds that may be used to pay the indebtedness shall not be greater than seventy-five percent (75%); provided however: (a) that MDHA shall be entitled to increase or decrease this percentage pursuant to criteria set forth in a written policy adopted by the Board of Commissioners of MDHA; and (b) nothing herein shall be interpreted as overriding or nullifying the requirements of Chapter 5.06 of the Metropolitan Code of Laws entitled "Tax Increment Financing."

2. Periodic assessment of activities and improvements eligible for tax increment financing:

(i) Notwithstanding anything to the contrary in the Plan, there shall be a mandatory periodic assessment of the activities and improvements eligible for tax increment financing under the Plan. An assessment may be requested by MDHA or the Metropolitan Council. The first such assessment was completed in August 2022. Future assessments shall occur no earlier than seven (7) years after the previous assessment, provided however that each subsequent assessment must be completed within ten (10) years after the previous assessment.

(ii) Each assessment shall include a review of the impact and goals of the Plan. For an assessment to be considered complete, MDHA and the Metropolitan Council must agree on the activities and improvements that are eligible for tax increment financing under the Plan. The Council's agreement shall be indicated by the passage of a resolution approved by a majority of the members to which the Council is entitled.

(iii) It shall be a New Loan Termination Event if any subsequent assessment is not complete within ten (10) years after the previous assessment. If a New Loan Termination Event occurs, MDHA shall not approve any additional bonded or other indebtedness to be paid by tax increment funds under the Plan. The occurrence of a New Loan Termination Event does not terminate the Plan or have any impact on any tax increment financing approved prior to the New Loan Termination Event.

3. Metropolitan Council or MDHA may initiate a Plan amendment: Subject to all other conditions and requirements set forth in Section H of the Plan, either the Metropolitan Council or MDHA may initiate a modification, change, or amendment to the Plan subject to the subsequent approval of the other. If the Metropolitan Council initiates a modification, change, or amendment, the approval of MDHA must be obtained

before the third reading of the ordinance adopting such modification, change, or amendment.

Section 4. Central State Plan

A. The Central State Plan is amended by adding a new section J that states as follows:

J. 2023 Plan Amendments

1. Portion of tax increment used: Notwithstanding anything to the contrary in the Plan, for all bonded or other indebtedness approved by MDHA under the Plan after the effective date of BL2023-_____ that is to be paid using tax increment funds, the portion of tax increment funds that may be used to pay the indebtedness shall not be greater than seventy-five percent (75%); provided however: (a) that MDHA shall be entitled to increase or decrease this percentage pursuant to criteria set forth in a written policy adopted by the Board of Commissioners of MDHA; and (b) nothing herein shall be interpreted as overriding or nullifying the requirements of Chapter 5.06 of the Metropolitan Code of Laws entitled "Tax Increment Financing."

2. Periodic assessment of activities and improvements eligible for tax increment financing:

(i) Notwithstanding anything to the contrary in the Plan, there shall be a mandatory periodic assessment of the activities and improvements eligible for tax increment financing under the Plan. An assessment may be requested by MDHA or the Metropolitan Council. The first such assessment was completed in August 2022. Future assessments shall occur no earlier than seven (7) years after the previous assessment, provided however that each subsequent assessment must be completed within ten (10) years after the previous assessment.

(ii) Each assessment shall include a review of the impact and goals of the Plan. For an assessment to be considered complete, MDHA and the Metropolitan Council must agree on the activities and improvements that are eligible for tax increment financing under the Plan. The Council's agreement shall be indicated by the passage of a resolution approved by a majority of the members to which the Council is entitled.

(iii) It shall be a New Loan Termination Event if any subsequent assessment is not complete within ten (10) years after the previous assessment. If a New Loan Termination Event occurs, MDHA shall not approve any additional bonded or other indebtedness to be paid by tax increment funds under the Plan. The occurrence of a New Loan Termination Event does not terminate the Plan or have any impact on any tax increment financing approved prior to the New Loan Termination Event.

3. Metropolitan Council or MDHA may initiate a Plan amendment: Subject to all other conditions and requirements set forth in Section H of the Plan, either the Metropolitan Council or MDHA may initiate a modification, change, or amendment to the Plan subject to the subsequent approval of the other. If the Metropolitan Council initiates a modification, change, or amendment, the approval of MDHA must be obtained before the third reading of the ordinance adopting such modification, change, or amendment.

Section 5. Jefferson Street Plan

A. The Jefferson Street Plan is amended by deleting the following text from the end of the section entitled "Tax Increment":

", or other adopted and approved redevelopment plans"

B. The Jefferson Street Plan is amended by adding a new section J that states as follows:

J. 2023 Plan Amendments

1. Portion of tax increment used: Notwithstanding anything to the contrary in the Plan, for all bonded or other indebtedness approved by MDHA under the Plan after the effective date of BL2023-_____ that is to be paid using tax increment funds, the portion of tax increment funds that may be used to pay the indebtedness shall not be greater than seventy-five percent (75%); provided however: (a) that MDHA shall be entitled to increase or decrease this percentage pursuant to criteria set forth in a written policy adopted by the Board of Commissioners of MDHA; and (b) nothing herein shall be interpreted as overriding or nullifying the requirements of Chapter 5.06 of the Metropolitan Code of Laws entitled "Tax Increment Financing."

2. Periodic assessment of activities and improvements eligible for tax increment financing:

(i) Notwithstanding anything to the contrary in the Plan, there shall be a mandatory periodic assessment of the activities and improvements eligible for tax increment financing under the Plan. An assessment may be requested by MDHA or the Metropolitan Council. The first such assessment was completed in August 2022. Future assessments shall occur no earlier than seven (7) years after the previous assessment, provided however that each subsequent assessment must be completed within ten (10) years after the previous assessment.

(ii) Each assessment shall include a review of the impact and goals of the Plan. For an assessment to be considered complete, MDHA and the Metropolitan Council must agree on the activities and improvements that are eligible for tax increment financing under the Plan. The Council's agreement shall be indicated by the passage of a resolution approved by a majority of the members to which the Council is entitled.

(iii) It shall be a New Loan Termination Event if any subsequent assessment is not complete within ten (10) years after the previous assessment. If a New Loan Termination Event occurs, MDHA shall not approve any additional bonded or other indebtedness to be paid by tax increment funds under the Plan. The occurrence of a New Loan Termination Event does not terminate the Plan or have any impact on any tax increment financing approved prior to the New Loan Termination Event.

3. Metropolitan Council or MDHA may initiate a Plan amendment: Subject to all other conditions and requirements set forth in Section H of the Plan, either the Metropolitan Council or MDHA may initiate a modification, change, or amendment to the Plan subject to the subsequent approval of the other. If the Metropolitan Council initiates a modification, change, or amendment, the approval of MDHA must be obtained before the third reading of the ordinance adopting such modification, change, or amendment.

Section 6. Phillips-Jackson Plan

A. The Phillips-Jackson Plan is amended by deleting the following text from the end of the section entitled "Tax Increment":

", or other adopted and approved redevelopment plans"

B. The Phillips-Jackson Plan is amended by adding a new section J that states as follows:

J. 2023 Plan Amendments

1. Portion of tax increment used: Notwithstanding anything to the contrary in the Plan, for all bonded or other indebtedness approved by MDHA under the Plan after the effective date of BL2023-_____ that is to be paid using tax increment funds, the portion of tax increment funds that may be used to pay the indebtedness shall not be greater than seventy-five percent (75%); provided however: (a) that MDHA shall be entitled to increase or decrease this percentage pursuant to criteria set forth in a written policy adopted by the Board of Commissioners of MDHA; and (b) nothing herein shall be interpreted as overriding or nullifying the

requirements of Chapter 5.06 of the Metropolitan Code of Laws entitled "Tax Increment Financing."

2. Periodic assessment of activities and improvements eligible for tax increment financing:

(i) Notwithstanding anything to the contrary in the Plan, there shall be a mandatory periodic assessment of the activities and improvements eligible for tax increment financing under the Plan. An assessment may be requested by MDHA or the Metropolitan Council. The first such assessment was completed in August 2022. Future assessments shall occur no earlier than seven (7) years after the previous assessment, provided however that each subsequent assessment must be completed within ten (10) years after the previous assessment.

(ii) Each assessment shall include a review of the impact and goals of the Plan. For an assessment to be considered complete, MDHA and the Metropolitan Council must agree on the activities and improvements that are eligible for tax increment financing under the Plan. The Council's agreement shall be indicated by the passage of a resolution approved by a majority of the members to which the Council is entitled.

(iii) It shall be a New Loan Termination Event any subsequent assessment is not complete within ten (10) years after the previous assessment. If a New Loan Termination Event occurs, MDHA shall not approve any additional bonded or other indebtedness to be paid by tax increment funds under the Plan. The occurrence of a New Loan Termination Event does not terminate the Plan or have any impact on any tax increment financing approved prior to the New Loan Termination Event.

3. Metropolitan Council or MDHA may initiate a Plan amendment: Subject to all other conditions and requirements set forth in Section H of the Plan, either the Metropolitan Council or MDHA may initiate a modification, change, or amendment to the Plan subject to the subsequent approval of the other. If the Metropolitan Council initiates a modification, change, or amendment, the approval of MDHA must be obtained before the third reading of the ordinance adopting such modification, change, or amendment.

Section 7. Rutledge Hill Plan

A. The following language in Section 6 of Ordinance No. BL2014-699, previously amending the Rutledge Hill Plan, is hereby deleted:

"That the Rutledge Hill Plan is amended by replacing Section G "Tax Increment" of the Plan in its entirety and replacing it with the following:"

and instead is hereby replaced with the following:

"That the Rutledge Hill Plan is amended by replacing Section H "Tax Increment" of the Plan in its entirety and replacing it with the following:"

B. The Rutledge Hill Plan is amended by deleting the following text from the end of the section entitled "Tax Increment":

" , or other adopted and approved redevelopment plans"

C. The Rutledge Hill Plan is amended by adding a new section J that states as follows:

J. 2023 Plan Amendments

1. Portion of tax increment used: Notwithstanding anything to the contrary in the Plan, for all bonded or other indebtedness approved by MDHA under the Plan after the effective date of BL2023-_____ that is to be paid

using tax increment funds, the portion of tax increment funds that may be used to pay the indebtedness shall not be greater than seventy-five percent (75%); provided however: (a) that MDHA shall be entitled to increase or decrease this percentage pursuant to criteria set forth in a written policy adopted by the Board of Commissioners of MDHA; and (b) nothing herein shall be interpreted as overriding or nullifying the requirements of Chapter 5.06 of the Metropolitan Code of Laws entitled "Tax Increment Financing."

2. Periodic assessment of activities and improvements eligible for tax increment financing:

(i) Notwithstanding anything to the contrary in the Plan, there shall be a mandatory periodic assessment of the activities and improvements eligible for tax increment financing under the Plan. An assessment may be requested by MDHA or the Metropolitan Council. The first such assessment was completed in August 2022. Future assessments shall occur no earlier than seven (7) years after the previous assessment, provided however that each subsequent assessment must be completed within ten (10) years after the previous assessment.

(ii) Each assessment shall include a review of the impact and goals of the Plan. For an assessment to be considered complete, MDHA and the Metropolitan Council must agree on the activities and improvements that are eligible for tax increment financing under the Plan. The Council's agreement shall be indicated by the passage of a resolution approved by a majority of the members to which the Council is entitled.

(iii) It shall be a New Loan Termination Event if any subsequent assessment is not complete within ten (10) years after the previous assessment. If a New Loan Termination Event occurs, MDHA shall not approve any additional bonded or other indebtedness to be paid by tax increment funds under the Plan. The occurrence of a New Loan Termination Event does not terminate the Plan or have any impact on any tax increment financing approved prior to the New Loan Termination Event.

3. Metropolitan Council or MDHA may initiate a Plan amendment: Subject to all other conditions and requirements set forth in Section I of the Plan, either the Metropolitan Council or MDHA may initiate a modification, change, or amendment to the Plan subject to the subsequent approval of the other. If the Metropolitan Council initiates a modification, change, or amendment, the approval of MDHA must be obtained before the third reading of the ordinance adopting such modification, change, or amendment.

Section 8. Skyline Plan

A. The Skyline Plan is amended by adding a new section J that states as follows:

J. 2023 Plan Amendments

1. Portion of tax increment used: Notwithstanding anything to the contrary in the Plan, for all bonded or other indebtedness approved by MDHA under the Plan after the effective date of BL2023-_____ that is to be paid using tax increment funds, the portion of tax increment funds that may be used to pay the indebtedness shall not be greater than seventy-five percent (75%); provided however: (a) that MDHA shall be entitled to increase or decrease this percentage pursuant to criteria set forth in a written policy adopted by the Board of Commissioners of MDHA; and (b) nothing herein shall be interpreted as overriding or nullifying the requirements of Chapter 5.06 of the Metropolitan Code of Laws entitled "Tax Increment Financing."

2. Periodic assessment of activities and improvements eligible for tax increment financing:

(i) Notwithstanding anything to the contrary in the Plan, there shall be a mandatory periodic assessment of the activities and improvements eligible for tax increment financing under the Plan. An assessment may be requested by MDHA or the Metropolitan Council. The first such assessment was completed in August 2022. Future assessments shall occur no earlier than seven (7) years after the previous

assessment, provided however that each subsequent assessment must be completed within ten (10) years after the previous assessment.

(ii) Each assessment shall include a review of the impact and goals of the Plan. For an assessment to be considered complete, MDHA and the Metropolitan Council must agree on the activities and improvements that are eligible for tax increment financing under the Plan. The Council's agreement shall be indicated by the passage of a resolution approved by a majority of the members to which the Council is entitled.

(iii) It shall be a New Loan Termination Event if any subsequent assessment is not complete within ten (10) years after the previous assessment. If a New Loan Termination Event occurs, MDHA shall not approve any additional bonded or other indebtedness to be paid by tax increment funds under the Plan. The occurrence of a New Loan Termination Event does not terminate the Plan or have any impact on any tax increment financing approved prior to the New Loan Termination Event.

3. Metropolitan Council or MDHA may initiate a Plan amendment: Subject to all other conditions and requirements set forth in Section H of the Plan, either the Metropolitan Council or MDHA may initiate a modification, change, or amendment to the Plan subject to the subsequent approval of the other. If the Metropolitan Council initiates a modification, change, or amendment, the approval of MDHA must be obtained before the third reading of the ordinance adopting such modification, change, or amendment.

Section 9. This ordinance repeals and replaces BL2019-1645.

Section 10. This ordinance shall take effect from and after its final passage, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

Analysis

This ordinance approves Amendment No. 6 to the Arts Center Redevelopment Plan, Amendment No. 1 to the Bordeaux Redevelopment Plan, Amendment No. 1 to the Cayce Place Redevelopment Plan, Amendment No. 1 to the Central State Redevelopment Plan, Amendment No. 2 to the Jefferson Street Redevelopment Plan, Amendment No. 6 to the Phillips-Jackson Redevelopment Plan, Amendment No. 8 to the Rutledge Hill Redevelopment Plan, and Amendment No. 1 to the Skyline Redevelopment Plan.

Ordinance No. BL2019-1645 proposed amendments to the Metropolitan Development and Housing Agency ("MDHA") Redevelopment Plans of Arts Center, Bordeaux, Cayce Place, Central State, Jefferson Street, Phillips Jackson, Rutledge Hill, and Skyline. Language in the redevelopment plans require that only the Metropolitan Development and Housing Agency may initiate a modification, change, or amendment to the Plans. The Council passed BL2019-1645 on August 6, 2019. MDHA approved these amendments on August 13, 2019. After the passage of BL2019-1645 MDHA did not enter into any agreements providing Tax Increment Financing pursuant to any of the redevelopment plans.

The ordinance under consideration repeals BL2019-1645 and seeks to correct the sequence of the approval of the amendments. The amendments to the Redevelopment Plans would be labeled the "2023 Plan Amendments". These changes would be identical to the prior 2019 Plan Amendments approved by BL2019-1645.

Like the 2019 Plan Amendments, these amendments would make three main changes. First, this new section would require that the portion of tax increment funds that may be used to pay the indebtedness could not be

greater than seventy-five percent, except that MDHA could increase or decrease this percentage pursuant to criteria set forth in a written policy adopted by the Board of Commissioners of MDHA. Further, this would still be subject to the requirements of Chapter 5.06 of the Metro Code of Laws entitled “Tax Increment Financing”.

Second, the new section would require a periodic assessment of the activities and improvements eligible for tax increment financing (“TIF”) under the plan. An assessment could be requested by either the Council or the tax increment agency. Assessments could be requested no earlier than seven years after the adoption of the plan, or the previous assessment, and would be required to be completed within 10 years after the adoption of the plan or the previous assessment. The assessment would include a review of the impact and goals of the Plan, and MDHA and the Council would have to agree on the eligible activities or improvements. Council’s agreement would be indicated by the adoption of a resolution approved by 21 members. It would constitute a New Loan Termination Event if any subsequent assessment is not completed within 10 years after the previous assessment. If a New Loan Termination Event occurs, MDHA would be prohibited from approving any additional bonds or indebtedness to be paid by TIF under the Plan. A New Loan Termination Event would not terminate the Plan, nor would it impact any TIF approved prior to the Event.

Third, the section would clarify that the Council or MDHA may initiate a Plan amendment, subject to the approval of the other. (Currently, only MDHA initiates such amendments.) If the Council initiates the amendment, the approval of MDHA must be obtained before the third reading of the ordinance adopting the amendment.

This ordinance would also make certain housekeeping changes, including language clarifying in the Rutledge Hill Redevelopment Plan from the amendment adopted pursuant to BL2014-699 which inadvertently identified the “Tax Increment” section of the plan as “Section G” instead of “Section H”. Additionally, several Redevelopment Plans authorize tax increment financing related to the Plan to be used to carry out “other adopted and approved redevelopment plans”, potentially outside of the designated Plan area. This ordinance would remove that language from the various Plans.