Metropolitan Nashville and Davidson County, TN

Legislation Details (With Text)

File #:	RS2024-882		
Type:	Resolution	**Status:**	Passed
File created:	11/20/2024	**In control:**	Budget and Finance Committee
On agenda:	12/17/2024	**Final action:**	12/17/2024
Title:	An initial resolution determining to issue general obligation bonds of The Metropolitan Government of Nashville and Davidson County in an aggregate principal amount of not to exceed $527,170,000.		
Sponsors:	Delishia Porterfield		
Indexes:			
Code sections:			
Attachments:	1. Exhibits		

Date	Ver.	Action By	Action	Result
12/18/2024	1	Mayor	approved	
12/17/2024	1	Metropolitan Council	adopted	
12/16/2024	1	Budget and Finance Committee	approved	
12/3/2024	1	Metropolitan Council	deferred	
11/22/2024	1	Metropolitan Council	filed	

An initial resolution determining to issue general obligation bonds of The Metropolitan Government of Nashville and Davidson County in an aggregate principal amount of not to exceed $527,170,000.

WHEREAS, it is necessary and in the public interest of The Metropolitan Government of Nashville and Davidson County (the “Metropolitan Government”) to issue general obligation bonds in an aggregate principal amount of not to exceed $527,170,000 (the “Bonds”) for the purposes hereinafter provided; and,

WHEREAS, pursuant to Section 9-21-205, Tennessee Code Annotated, prior to the issuance of any general obligation bonds, the governing body of the local government proposing to issue said bonds shall adopt a resolution determining to issue the same; and,

WHEREAS, for the purpose of complying with the requirements of said statute, the Metropolitan County Council of the Metropolitan Government adopts this Resolution.

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

Section 1. Purpose. For the purposes of financing: (a) all or a portion of the costs of the acquisition of land for and the planning, design, development, construction, renovation, modification, improvement, upgrade, expansion, repair, maintenance, rehabilitation, equipping and/or acquisition of the following public works projects (as defined in Section 9-21-105, Tennessee Code Annotated): (1) school buildings, facilities, and grounds, including equipment, furniture, ADA compliance, safety and security, technology, infrastructure improvements, utilities, and school vehicles and fleet; (2) new Juvenile Justice Center; (3) bikeways, sidewalks, roads, streets, bridges, and rights-of-way, including streetscape improvements, street lights, parking equipment and meters, drainage improvements, signage and signalization including system upgrades, roadway improvements related to traffic management and traffic calming, public infrastructure for Nashville Yards and East Bank, and other safety or transportation improvements, including plannings and studies all

powered by Legistar™

related to the foregoing; (4) facilities related to transit centers and shelters, including improvements; (5) public transportation (including monies for grant matches and bus fleet and vehicles replacements); (6) district energy system's facilities and infrastructure; (7) buildings, land, property, hardware, software, and equipment for solid waste and recycling; (8) parks, parks' facilities, community centers, greenways, and equipment related to the foregoing; (9) public libraries and related facilities; (10) Metropolitan Government buildings, facilities, land, and utilities, including planning and studies related thereto; (11) Metropolitan Government vehicles and fleet; (12) public safety buildings and facilities, including for the police, fire, and sheriff's departments, and technology improvements related to the foregoing; (13) Fairgrounds buildings and campus, and equipment acquisitions; (14) software for Metropolitan Government departments and agencies, including cloud-based services, and equipment related to the foregoing; (15) communications and information technology infrastructure, facilities, networks, and equipment related to the foregoing; (16) public works projects of the Metropolitan Government, including planning and studies related thereto; and (17) stormwater system and improvements (all of the preceding, collectively, the "Projects"), as all such Projects are more specifically set forth on Exhibit A attached hereto; provided, however, that the specific portion of total funding allocated to each Project as set forth on Exhibit A may hereafter be amended by legislation of the Metropolitan Council; and further provided that such Projects with an estimated value in excess of $5,000,000 are more specifically set forth on collective Exhibit B attached hereto; and further provided that the Council's CIB Project Prioritization List, attached as Exhibit C, was considered when determining such Projects; (b) acquisition of all property, real and personal, appurtenant to the foregoing and acquisition or construction of certain public art as required by Ordinances Nos. BL2000-250 and BL2020-185, as codified in Chapter 5.10 of the Metropolitan Code of Laws (as amended); (c) legal, fiscal, administrative, architectural and engineering costs incident to all the foregoing; (d) all other costs authorized to be financed pursuant to Section 9-21-109, Tennessee Code Annotated, including without limitation, costs of issuance of the Bonds; and (e) the payment or reimbursement of the payment of principal of and interest on any bonds, notes or other debt obligations issued in anticipation of the Bonds, the Metropolitan County Council hereby determines to issue the Bonds in an aggregate principal amount of not to exceed $527,170,000.

Section 2. Authorization. The Bonds described herein shall be issued pursuant to the Charter of the Metropolitan Government and/or the Local Government Public Obligations Act of 1986, as amended, codified as Title 9, Chapter 21, Tennessee Code Annotated, and no referendum or election shall be required for the issuance of the Bonds unless a petition for an election relating to their issuance is filed within the time and in the manner provided for in said statute.

Section 3. Interest. The maximum rate of interest of the Bonds shall not exceed seven and one-quarter percent (7.25%) or the maximum rate permitted by applicable law.

Section 4. Source of Payment. Debt service on the Bonds shall be payable from and secured by ad valorem taxes on all taxable property in the General Services District and Urban Services District, fully sufficient to pay all such debt service falling due prior to the time of collection of the next succeeding tax levy; provided, however, taxes so levied in the General Services District shall be levied in an amount sufficient to pay that portion of such debt service attributable to school projects and projects in the General Services District financed by the Bonds; and the taxes so levied in the Urban Services District shall be levied in an amount sufficient to pay that portion of such debt service attributable to projects in the Urban Services District financed by the Bonds; provided, further, however, that the Metropolitan Government shall be unconditionally and irrevocably obligated to levy and collect ad valorem taxes without limit as to rate or amount on all taxable property within the Metropolitan Government to the full extent necessary to pay all debt service on the Bonds, and the full faith and credit of Metropolitan Government shall be irrevocably pledged to the payment thereof.

Section 5. Publication of Resolution. The Metropolitan Clerk is hereby directed to cause this Resolution, upon its adoption, together with the statutory notice required by Section 9-21-206, Tennessee Code Annotated, to be published in full once in a newspaper published and having general circulation in the Metropolitan Government meeting the requirements of Section 1-3-120, Tennessee Code Annotated.

Section 6. Effective Date. This Resolution shall take effect from and after its adoption, the welfare of the Metropolitan Government requiring it.

Analysis

This initial resolution authorizes the issuance of up to $527,170,000 in general obligation bonds to provide funding for various projects contained in the Mayor's proposed capital spending plan.

This initial resolution provides $413,267,000 for the General Government, $98,400,000 for Metropolitan Nashville Public Schools, and a total contingency amount of $15,503,000.

Exhibit A to the initial resolution provides a list of the capital projects to be funded through this capital spending plan. Information for each project includes the cost allocation and the identifying FY25 Capital Improvements Budget project number. The specific funding allocation for each project may only be amended by Council legislation.

Exhibit B to the initial resolution includes the capital project cost itemization forms as required by Ordinance No. BL2019-77. Exhibit B provides project funding history and projected itemized costs for projects with an expected capital expenditure over $5 million. Approval of this initial resolution would allow the Metropolitan Government to use its commercial paper program to provide short-term financing to commence construction prior to the authorization, issuance, and sale of the long-term general obligation bonds.

Exhibit C to the initial resolution includes Council's FY25 CIB Prioritization List as required by Rule 21 of the Council Rules of Procedures.

In accordance with Metro Code of Laws Section 5. 04.110, a memo from the Director of Finance was provided to Council on November 25, 2024.

This resolution was previously deferred at the December 3 Council meeting in accordance with Council Rule 21.

Once adopted, the full resolution along with specific statutory notice will be published in a newspaper as required by state law.

Fiscal Note: This resolution would authorize issuance of up to $527,170,000 in general obligation bonds to provide funding for the Mayor's proposed capital spending plan.

powered by Legistar™