

Resolution No. RS2014- 1168

A resolution approving the execution and delivery of an Intergovernmental Project Agreement (Downtown Parking Garage Project) by and between The Metropolitan Government of Nashville and Davidson County, Tennessee and the Metropolitan Development and Housing Agency

WHEREAS, the Capitol Mall Redevelopment Project Plan (the “Redevelopment Plan”) as approved by the Metropolitan Development and Housing Agency (“MDHA”) and the Metropolitan Council pursuant to Ordinance No. O82-845, and subsequently amended by Ordinance Nos. O87-1695, O91-1567, O93-774, O97-755, O98-1187, BL2002-1033, BL2004-424, BL2009-436, BL2013-377 and BL2014-699, provides for a plan for the orderly redevelopment of large portions of Downtown Nashville in furtherance of the objectives of The Housing Authorities Law, Tennessee Code Annotated Sections 13-20-101, *et seq.*; and

WHEREAS, the Metropolitan Government and MDHA have determined that the construction of a new 1,183 space, multi-level, state-of-the-art parking garage (the “Parking Facility”) on a portion of the property located at 505 Church Street (Parcel ID No. 09306108200) (the “Land”), which is located within the area subject to the Redevelopment Plan, will further redevelopment consistent with the terms of the Redevelopment Plan; and

WHEREAS, MDHA and Parking Real Estate Fund II, LP, a Delaware limited partnership, (“PREF”) will enter into a Term Sheet (the “Term Sheet”), which provides that subject to the negotiation and execution of the definitive documents, PREF will provide an amount up to Thirty Five Million Five Hundred Thousand and No/100 Dollars (\$35,500,000.00) to finance 100% of the costs of acquisition of the Land, the construction of the Parking Facility and any necessary off-site improvements (the “Financing”), MDHA will acquire the Land and construct the Parking Facility, MDHA and PREF will enter into a Purchase Agreement governing the Financing and the construction of the Parking Facility, MDHA will lease the Land and Parking Facility to PREF pursuant to a master lease (the “Master Lease”), PREF will sublease the Land as improved by the Parking Facility to MDHA pursuant to a sublease (the “Sublease”), and MDHA will operate the Parking Facility and pay base semiannual rental payments to PREF pursuant to the Sublease (the “Base Rent”) from the revenues MDHA receives from the operation of the Parking Facility; and

WHEREAS, pursuant to Tenn. Code Ann. § 13-20-417, the Metropolitan Council is authorized to lend or donate money to MDHA; and

WHEREAS, the Metropolitan Council now desires to facilitate the acquisition of the Land and the development of the Parking Facility by MDHA in accordance with the Term Sheet; and

WHEREAS, it is deemed necessary and desirable by the Metropolitan Council and MDHA that the parties enter into an agreement addressing funding of certain expenses contemplated by the Term Sheet prior to the Closing Date as defined in the Term Sheet and the pledging of certain Non-Tax Revenues (as defined and described hereinbelow) to PREF to cover

any deficiency in the amount of the operating revenues from the Parking Facility needed by MDHA to pay the Base Rent to PREF pursuant to the Sublease; and

WHEREAS, as used herein, the term “Non-Tax Revenues” shall mean all income and revenues collected from the Urban Services District (“USD”) of the Metropolitan Government which, according to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and normal and customary accounting practices of the Metropolitan Government, are deposited to and become assets of the USD General Fund of the Metropolitan Government and are derived from any source other than income and revenues derived from the exercise by the Metropolitan Government of its powers to levy and collect taxes of any kind. The term “Non-Tax Revenues” does not include: ad-valorem property taxes; sales taxes; State-shared taxes; revenues of any agency or instrumentality of the Metropolitan Government; revenues which according to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and the normal and customary accounting practices of the Metropolitan Government, are deposited to and become assets of any proprietary fund or enterprise fund of the Metropolitan Government; and

WHEREAS, a form of the Intergovernmental Project Agreement (Downtown Parking Garage Project) by and between the Metropolitan Government and the MDHA has been presented to the Metropolitan Council and is attached hereto as Exhibit A (the “Intergovernmental Agreement”).

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

SECTION 1. The Metropolitan Council pledges and agrees to provide the Non-Tax Revenues to the MDHA for the purposes and on the terms and conditions set forth in the Intergovernmental Agreement.

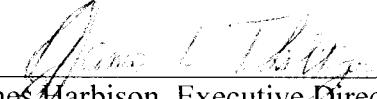
SECTION 2. The form, terms and provisions of the Intergovernmental Project Agreement (Downtown Parking Garage Project) attached hereto as Exhibit A (the “Intergovernmental Agreement”) are hereby approved and the Metropolitan Mayor of the Metropolitan Government (the “Metropolitan Mayor”) is hereby authorized, empowered and directed to execute and deliver the Intergovernmental Agreement in the name and on behalf of the Metropolitan Government in the form now before this meeting. From and after the execution and delivery of the Intergovernmental Agreement, the officers of the Metropolitan Government or any of them, are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Intergovernmental Agreement as executed.

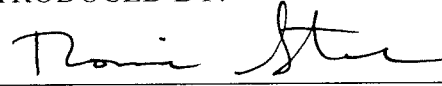
SECTION 3. All acts and doings of the Metropolitan Mayor, the Director of Finance and any other officer of the Metropolitan Government which are in conformity with the purposes and intent of this Resolution shall be, and the same hereby are in all respects, approved and confirmed as may be necessary or appropriate in order for the Metropolitan Government to comply with the terms of the Intergovernmental Agreement.

SECTION 4. This Resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

RECOMMENDED:

INTRODUCED BY:

  
James Harbison, Executive Director  
Metropolitan Development and Housing  
Agency

  
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APPROVED AS TO FORM AND  
LEGALITY:

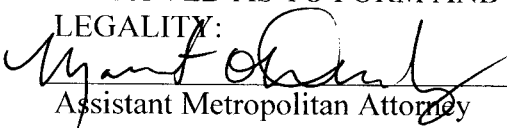
  
MDHA Attorney

APPROVED AS TO AVAILABILITY  
OF FUNDS:

  
Richard M. Riebeling  
Finance Director

Members of Council

APPROVED AS TO FORM AND  
LEGALITY:

  
Assistant Metropolitan Attorney