

**ORDINANCE NO. 099-1761**

**An ordinance approving Amendment No. 1 to the Arts Center Redevelopment Plan.**

WHEREAS, by Ordinance No. O98-1188, the Metropolitan Council of the Metropolitan Government of Nashville and Davidson County, Tennessee approved the "Arts Center Redevelopment Plan;" and

WHEREAS, this amendment to the "Arts Center Redevelopment Plan" (herein referred to as the "Plan") consisting of certain changes to the text, boundaries, and maps of the Plan prepared for and adopted by the Board of Commissioners of the Metropolitan Development and Housing Agency has been filed with and referred to the Metropolitan Council of Nashville and Davidson County, Tennessee (herein referred to as the "Governing Body,") for review and approval; and

WHEREAS, the Metropolitan Development and Housing Agency has examined the area proposed for inclusion in the redevelopment project and determined that it is a blighted area with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use, or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community and that such conditions should be eliminated in the public interest and the members of this Governing Body have been duly apprised and are aware of these conditions; and

WHEREAS, the members of the Governing Body have held a public hearing and carefully considered and reviewed the proposed amendment to the Plan, including the relocation of businesses that may be displaced;

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

SECTION 1. That the findings and determinations relative to the "Arts Center Redevelopment Plan," approved by Ordinance O98-1188, are hereby reaffirmed and redetermined. That it is hereby found and determined that the redevelopment area defined by the Plan entitled "Arts Center Redevelopment Plan" dated April 14, 1998, is a blighted area as defined in and in accordance with Sections 13-20-201 through 13-20-216, Tennessee Code Annotated; that conditions existing therein are detrimental to the safety, health, morals or welfare of the people of Nashville and Davidson County, that said area or such portions thereof as deemed necessary for acquisition by the Metropolitan Development and Housing Agency by negotiation, condemnation or otherwise, as provided by Tennessee Code Annotated 13-20-104 and 13-20-202 and so designated pursuant to the Plan, or any amendment or amendments thereto, should be so acquired by the Metropolitan Development and Housing Agency; and such blighting conditions eliminated.

SECTION 2. That the "Plan" is amended by deleting "Section B" thereof and substituting in lieu thereof a new "Section B, Description of Project Area" which is attached hereto as Exhibit 1 and made a part of this Ordinance.

SECTION 3. That the "Plan" is amended by adding two new objectives, (m) and (n), to "Section B.2. Redevelopment Plan Objectives" which are attached hereto as Exhibit 2 and made a part of this Ordinance.

SECTION 4. That the "Plan" is amended by replacing the first sentence of "Section B.3. Proposed Redevelopment Actions" with a new sentence which is attached hereto as Exhibit 3 and made a part of this Ordinance.

SECTION 5. That the "Plan" is amended by adding a "Section C.2.a.3. Mixed Use "Music Row" District" to "Section C.2.a. General Land Use Districts" which is attached hereto as Exhibit 4 and made a part of this Ordinance.

SECTION 6. That the "Plan" is amended by deleting "Section C.2.b.6) Signs" thereof and substituting in lieu thereof a new "Section C.2.b.6) Signs", dated June 8, 1999 which is attached hereto as Exhibit 4a and made a part of this Ordinance.

SECTION 7. That the "Plan" is amended by adding a new sentence at the end of "Section C.2.b.8) Height Restriction" which is attached hereto as Exhibit 5 and made a part of this Ordinance.

SECTION 8. That the "Plan" is amended by replacing the existing "Section G Tax Increment" with a new "Section G Tax Increment", dated June 8, 1999 which is attached hereto as Exhibit 6 and made a part of this Ordinance.

SECTION 9. That the "Plan" is amended by replacing "Exhibit A" with a new "Exhibit A", dated June 8, 1999, depicting a revised boundary description, which is attached hereto as Exhibit 7 and made a part of this Ordinance.

SECTION 10. That the "Plan" is amended by replacing "R.P. Maps 1, 2, and 3" with three new maps "R.P. Maps 1, 2, and 3", all dated June 8, 1999, which are attached hereto as Exhibit 8 and made a part of this Ordinance. Any reference in the Plan text to R. P. Maps 1, 2, and 3 shall be construed to refer to the three new maps, all dated June 8, 1999.

SECTION 11. That it is hereby found and determined that the additional area to be incorporated into the "Plan" dated June 8, 1999 by this amendment is a blighted area as defined in and in accordance with Tennessee Code Annotated Sections 13-20-201 through 13-20-216; that conditions existing therein are detrimental to the safety, health, morals or welfare of the people of Nashville and Davidson County; that said area or such portions thereof as deemed necessary for acquisition by the Metropolitan Development and Housing Agency by negotiation, condemnation or otherwise, as provided by Tennessee Code Annotated 13-20-104 and 13-20-202 and so designated pursuant to the Plan, or any amendment or amendments thereto, should be so acquired by the Metropolitan Development and Housing Agency, and such blight and slum conditions should be eliminated.

SECTION 12. That this Ordinance take effect from and after its adoption, the welfare of the Metropolitan Government of Nashville and Davidson County requiring it.

#### EXHIBIT 1

##### ARTS CENTER REDEVELOPMENT PLAN DESCRIPTION OF PROJECT AREA

"The Arts Center Redevelopment Project is located on the western boundary of the Nashville Central Business district. The area is generally bordered on the west and south by 17<sup>th</sup> Avenue North and Division Street, on the east by the Capitol Mall Redevelopment Project and on the north by Broadway and McGavock Streets. The general physical condition of the area is blighted based on building surveys conducted in conjunction with this Plan, the 1991 *Subarea 9 Plan/Center City Plan*, and for the *Subarea 9 Master Plan Update*. The area encompasses about one hundred acres, exclusive of public rights-of-way, and a large portion of the area is vacant or underutilized.

The project area includes a number of historic or landmark properties. Significant local and federal grant funds were utilized to preserve the Union Station Hotel landmark property resulting in employment opportunities for low and moderate income families, elimination of a significant blighted condition and restoration of a historic treasure. Cummins Station, which was a large warehouse, has subsequently been renovated by the private sector for commercial and office space. Work has begun toward stabilizing the dilapidated Train Shed, and the area under the historic structure is being used temporarily for surface parking. Stalled for several years, stabilization and restoration of the Baggage Building is complete.

The U.S. Post Office building on Broadway is being converted to a visual arts center, for which this document is named. The arts center will give new life to this relatively rare example of art deco construction in Nashville and will serve as the catalyst in the redevelopment of this area of downtown.

In order to assure the long term economic viability of these recently restored properties and proposed projects, the Arts Center Redevelopment Plan is proposed as a defined area. In particular, the redevelopment or renovation of the Train Shed, Baggage Building, and U.S. Post Office are key to eliminating blight and supporting the long term economic viability of the western entrance to Nashville's Central Business District. Coordinated redevelopment efforts will provide for parking and access necessary for any new development. The proposed Franklin Street Corridor, a new east-west roadway south of Cummins Station, will provide the

impetus for assembling properties for new development and elimination of underutilized land and deteriorated structures on the southern and eastern edges of the Arts Center Redevelopment Project Area.

The Arts Center Redevelopment Plan is consistent with and implements recommendations of the General Plan for Nashville and Davidson County as reflected in the *Subarea 9/Center City Plan* (1991) and the *Subarea 9 Masterplan Update* (1997). The *Subarea 9/Center City Plan* promoted the development of an arts center on Broadway in the downtown area, and the *Subarea 9 Masterplan Update* specifically supported the placement of a visual arts center in the U.S. Post Office Building. The Arts Center Redevelopment Plan promotes the recommended preservation and reuse of the Train Shed, U.S. Post Office, and Cummins Station and the development of a mixed-use, small business and residential area south of Broadway. The Redevelopment Plan is compatible with local plans for street improvements in the area, including the proposed Franklin Street Corridor.

In addition to the core area of the Arts Center Redevelopment Project described in the preceding paragraphs, the Project Area was extended in 1999 to include properties on and in the vicinity of the area known as "Music Row". This additional area abuts the original Arts Center Project Area along the railroad gulch and extends westward to the vicinity of Division Street. This additional area exhibits characteristics of and is a blighted area based on surveys conducted in 1999 by the Metropolitan Development and Housing Agency. Approximately one-third of the structures were classified as substandard, exhibiting characteristics of dilapidation or major deterioration. Inclusion of this area will assist the implementation of the *Subarea 10 Plan* and the 1997 *Music Row Planning and Design Study* which recommend revitalization of the commercial corridor along Demonbreun Street now characterized by small tourist shops and surface parking facilities. This area has been impacted by the planned relocation of the Country Music Hall of Fame and the resulting reduction in the number of tourists visiting the area. Inclusion of the additional area will encourage revitalization into a more intensive mixed-use development pattern consistent with that found and developing elsewhere within the Music Row area."

## EXHIBIT 2 ARTS CENTER REDEVELOPMENT PLAN

### B. DESCRIPTION OF PROJECT AREA

#### B.2. REDEVELOPMENT PLAN OBJECTIVES

"To promote the long-term use and viability of the area in the Demonbreun Street vicinity, west of Interstate 40, in a manner consistent with the growth of the Music Row office market and ancillary uses that support the music industry.

To connect the Music Row vicinity with the Arena Campus and other downtown venues through design and corridor enhancements, promotional events targeting tourists, and compatible land uses along Demonbreun and adjoining streets."

## EXHIBIT 3 ARTS CENTER REDEVELOPMENT PLAN

### B. DESCRIPTION OF PROJECT AREA

#### B. 3. PROPOSED REDEVELOPMENT ACTIONS

"The ultimate objective of the Redevelopment Plan is to create an environment conducive to the creation of a visual arts center, the long-term economic viability of the Union Station, Train Shed, Baggage Building, and Cummins Station, and the revitalization and redevelopment of the gulch area and the eastern gateway to Music Row."

June 8, 1999

## EXHIBIT 4 ARTS CENTER REDEVELOPMENT PLAN

### C. LAND USE PLAN

## 2. a. General Land Use Districts:

"Mixed Use *Music Row*" District: This district applies to the area west of Interstate 40. This area has historically served as the entrance to the Music Row area and as such was a hub of tourist activity. Due to economic and land use trends the area has increasingly shifted its focus away from tourism and towards office development and uses ancillary to the needs of the music industry. It is recommended that the change in focus be encouraged, while to the extent possible physically incorporating the traditional retail/tourism related activities through building design. New multi-storied office development could incorporate first floor retail.

It is appropriate that development in the Music Row district, particularly at the street level, promote a pedestrian scale of activity. The intent is to create an atmosphere of excitement and a grand entrance to Music Row. This can be accomplished through building designs that relate to Demonbreun Street and the Owen Bradley Park, as well as pedestrian scale features such as lighting, open spaces, plazas that flow into expanded sidewalks, and attractive landscape treatments.

### Permitted Uses

All uses permitted under the Mixed Use Arts District

Conditional Uses: The following uses may be permitted in Mixed Use *Music Row* District if they have no frontage on Demonbreun Street and are designed, located and proposed to be compatible with surrounding land uses and operated such that the public health, safety, and welfare will be protected and will not adversely affect other property in the area:

Auto sales

Auto service and repair"

## EXHIBIT 4a ARTS CENTER REDEVELOPMENT PLAN

### C. LAND USE PLAN

#### C.2.b.6) Signs

"Signs shall be limited to on-premise signs, related to the use or business conducted on the same site, and to incidental signs of a clearly general nature such as to portray time, temperature, or announcements of activities taking place at the location. An on-premise sign is further defined as a sign that advertises or attracts attention to a specific event, activity, establishment, commodity, product, service, or entertainment which is conducted, sold, distributed or offered on the same premises as the sign. No billboards or general advertising signs shall be permitted.

Freestanding identification for each property shall be limited to one sign identifying uses of the property on each street on which the property has frontage. This restriction shall not prohibit the installation of directional or enter/exit signs to the extent permitted by applicable codes. All freestanding identification signs shall be subject to approval by MDHA's Design Review Committee. All freestanding signs must be reasonably proportionate to the size of the improvements located on each property and surrounding developments and generally harmonious with nature, business use, size design and materials of the improvements in which the advertised use is conducted and with the objectives of the redevelopment plan, as determined by the Design Review Committee.

All signs will be subject to review and approval by MDHA and will be permitted only when designed and placed in harmony with the improvements upon the building site and surrounding development. MDHA approval of any and all sign permits shall be conditioned upon Permittee's continued compliance with these restrictions."

June 8, 1999

## EXHIBIT 5 ARTS CENTER REDEVELOPMENT PLAN

### C. LAND USE PLAN

C.2.b.8) Height Restriction

"This restriction shall not apply to the Mixed Use "*Music Row*" District."

June 8, 1999

EXHIBIT 6  
ARTS CENTER REDEVELOPMENT PLAN

TAX INCREMENT

"The projected future increase in the value of property developed in conjunction with the Plan on land leased or sold by MDHA is estimated to exceed \$108.0 million. The total net annual increase of about \$4.6 million in property taxes so generated in the Arts Center Project will not occur without the redevelopment activities of MDHA.

Given the conditions of blight as well as the difficulty of development presented by poor access and the diversity of ownership of individual tracts evident in the Arts Center Redevelopment Project Area, private investment and redevelopment is unlikely to occur. The activities of MDHA will make the area conducive to new private development and result in increased tax revenues to the Metropolitan Government. The tax increment backed debt of \$25.0 million provided for by the Plan will require approximately fifty percent of the projected net new property taxes generated by the Project Area if development can be induced to occur. Therefore, the Metropolitan Government, as the taxing agency within the Project Area, will realize substantial revenues from the project and will not be substantially impacted by a tax increment financing provision. As of 1997, tax increment financing from all redevelopment districts in Nashville and Davidson County consumed only 1.2 percent of the annual amount of property taxes due the Metropolitan Government.

Existing and anticipated sources of revenue to finance the undertaking, including the estimated amount from tax increment backed bonds or other indebtedness are:

State & Local Funds \$60,000,000

Private Funds \$50,000,000

Tax Increment Financing \$25,000,000

The estimated amount of total bonded or other indebtedness from the beginning to the end of the project is \$85,000,000. State and local cost estimates include planned improvements to the Franklin Street Corridor. The amount of bonds or other indebtedness backed by the tax increment shall not exceed \$25.0 million. The final maturity date on any bonded or other indebtedness backed by the tax increment from eligible properties shall be on or before December 31, 2028. Upon retirement of all bonds, loans, or other indebtedness incurred and payable from tax increment funds or at such time as moneys on deposit in the tax increment fund or funds are sufficient for such purpose, all property taxes resulting from the incremental development of the Project shall be retained by the Metropolitan Government. Activities or improvements eligible for tax increment funding shall be in compliance with State law."

June 8, 1999

EXHIBIT 7  
EXHIBIT A

ARTS CENTER REDEVELOPMENT PLAN

PROJECT BOUNDARY DESCRIPTION

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LEGAL DESCRIPTION

Being a tract of land in Metropolitan Nashville and Davidson County, Tennessee as shown on Project Boundary Map No. 1 and generally described as follows:

Beginning at a point at the southwest corner of Broadway at 9<sup>th</sup> Avenue South, then south-southeast approximately 745 feet along the west margin of 9<sup>th</sup> Avenue South to the south margin of Demonbreun Street; then approximately 750 feet east-northeast along the south margin of Demonbreun Street to the southwest corner of 7<sup>th</sup> Avenue South; then south approximately 1,325 feet along the west margin of 7<sup>th</sup> Avenue South to the northwest corner of 7<sup>th</sup> Avenue South and Lea Avenue; then west approximately 455 feet along the north margin of Lea Avenue to the southwest corner of 8<sup>th</sup> Avenue South; then south approximately 1,030 feet along the west margin of 8<sup>th</sup> Avenue South to the northwest corner of 8<sup>th</sup> Avenue South and (Old) Division Street; then west approximately 315 feet along the north margin of (Old) Division Street to the west margin of 9<sup>th</sup> Avenue South; then west approximately 460 feet along the rear property lines of property fronting Division Street to the west margin of Overton Street; then south approximately 145 feet along the west margin of Overton Street to north margin of Division Street; then west approximately 460 feet along the north margin of Division Street to the west margin of 11<sup>th</sup> Avenue/Industrial Boulevard/12<sup>th</sup> Avenue; then south approximately 115 feet along the west margin of 11<sup>th</sup> Avenue/Industrial Boulevard/12<sup>th</sup> Avenue to the northeast right-of-way of Interstate 40; then west approximately 2,005 feet across Interstate 40 along the rear property lines of properties fronting on Division Street to the east margin of 17<sup>th</sup> Avenue South; then north approximately 160 feet along the east margin of 17<sup>th</sup> Avenue South to the southeast corner of 17<sup>th</sup> Avenue North and Demonbreun Street; then northwest approximately 460 feet along the east margin of 17<sup>th</sup> Avenue South to Alley No. 236; then northeast approximately 400 feet along the southeast margin of Alley No. 236 to the west margin of 16<sup>th</sup> Avenue South; then southeast approximately 215 feet to the southwest corner of McGavock Street and 16<sup>th</sup> Avenue South; then northeast approximately 2,180 feet along the south margin of McGavock Street across Interstate 40 to the southwest corner of 11<sup>th</sup> Avenue and McGavock Street; then northwest approximately 370 feet along the east margin of 11<sup>th</sup> Avenue to the southeast corner of Broadway and 11<sup>th</sup> Avenue; then northeast approximately 830 feet along the south margin of Broadway to the point of beginning.

June 8, 1999

Sponsored by: Morris Haddox & Leo Waters

LEGISLATIVE HISTORY	
Introduced:	June 15, 1999
Passed First Reading:	June 15, 1999
Referred to:	Planning Commission Federal Grants Review Committee Planning & Zoning Committee
Passed Second Reading:	July 6, 1999
Passed Third Reading:	July 20, 1999
Approved:	July 21, 1999
By:	