

Dear Metro Council,

June 5, 2018

The future of public education in Nashville is in your hands.

Nashville has the reputation of being a vibrant city to which many people want to move: the It City. We have had an unprecedented construction boom and tourism is at its peak. Past mayors have proclaimed our success a result of being a "low-tax city," but the truth is that Nashville has the reputation of being one of the most business friendly communities in the United States. We give tax incentives at a drop of a hat, and the Metro Equalization Board apparently likes to reduce business property taxes on appeal.

The Tourist Development Zone (TDZ) has clearly out-lived its usefulness since the Convention Center Board is sitting on a huge surplus that it treats as a slush fund for corporate deals. Taxes that otherwise would have gone to public schools and hotel/motel taxes from all of Nashville and Davidson County are flooding into the TDZ slush fund and now being used for corporate welfare projects downtown. No one envisioned that hotel occupancy rates and hotel room rates would skyrocket like they have over the past few years, and no one envisioned the creation of such a slush fund.

Ironically, the Convention Center Board's slush fund is now cash rich while Nashville's general government and schools have depleted their own reserves. In fact, Mayor Briley is resorting to a fire sale of Murrell School to keep schools afloat by incorporating the proceeds of that sale as revenue in next year's MNPS budget because the schools fund balance is too low to rob any further.

Additionally, corporate welfare schemes in Nashville designed to "create jobs" have helped our own citizens minimally. One thing we know for sure about these TIF schemes is that they drain funding away from government services and schools. Transportation Development Zones now promise to continue the conspiracy of diverting tax revenue from schools, fire, police, and other governmental services to private corporations. At the same time, Nashville will see the continued displacement of our poorest citizens and increased corporate profits.

Karl Dean was so eager to keep taxes low that he devised a tax "refinancing" plan, which force obligations that were current at that time to a later date. Today, we find ourselves paying the piper and the cost is high. Our debt service has more than doubled in the past five years, and the Dean miracle is strangling our city.

The Better Education Plan (BEP), Tennessee's formula for funding public schools, includes a fiscal capacity model that takes into account the county's ability to pay for schools. As our property values skyrocket in Nashville, our capacity to fund schools increases under the BEP. However, the overwhelming urge of our current and former mayors to keep taxes low means our schools get less money. Litigation against the State of Tennessee may indeed be a reasonable long-term solution to our schools funding crisis, but it will not help in the short term.

Nashville's public schools are not only chronically underfunded but the victim of an ongoing conspiracy to sell out our schools and government for corporate interests. Now is the time to correct the property tax rate and recoup some of what we've given away to business interests. We also need to reassess the tourist development zone over the next year to recapture money that would otherwise end up in the Convention Center Board's slush fund but should rightfully go to schools and city services.

In conclusion, Nashville has become a city focused more on building monuments like the arena, the Music City Center, the Titan stadium, the Sounds ballpark, and a new soccer facility. Nashville is abandoning our schools, fire, police, roads, and infrastructure because we cannot afford them under our corporate-friendly tax system.

"Enough is enough. It is time we put our children first."

Erick E. Huth, Ed.D.
MNEA President