

## ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team  
at [MileHighOrdinance@DenverGov.org](mailto:MileHighOrdinance@DenverGov.org) by **3:00pm on Monday**.

***\*All fields must be completed.\****  
*Incomplete request forms will be returned to sender which may cause a delay in processing.*

Date of Request: August 11, 2014

Please mark one:  Bill Request or  Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes  No

If yes, please explain:

2. **Title:** A resolution declaring the intent of the City and County of Denver, Colorado to use its best efforts to issue housing revenue bonds or mortgage credit certificates to provide financing of residential facilities for low- and middle-income families or persons; prescribing certain terms and conditions of such bonds and certificates; and containing other provisions relating to the proposed issuance of such bonds and certificates

3. **Requesting Agency:** Finance

4. **Contact Person:** (With actual knowledge of proposed ordinance/resolution.)

- **Name:** Andrew Johnston – Debt Administrator for Special Districts and Conduit
- **Phone:** 720-913-9372
- **Email:** [Andrew.Johnston@denvergov.org](mailto:Andrew.Johnston@denvergov.org)

5. **Contact Person:** (With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council)

- **Name:** Andrew Johnston – Debt Administrator for Special Districts and Conduit
- **Phone:** 720-913-9372
- **Email:** [Andrew.Johnston@denvergov.org](mailto:Andrew.Johnston@denvergov.org)  
31730950

6. **General description of proposed ordinance including contract scope of work if applicable:** The proposed resolution is an administrative procedure being undertaken to comply with the Colorado Private Activity Bond Ceiling Allocation Act, constituting Article 32, Title 24, Part 17, Colorado Revised Statutes, as amended. The resolution will preserve the City's ability to issue private activity bonds or mortgage credit certificates in future years and will allow the City to apply for additional allocation which can be used to issue private activity bonds or mortgage credit certificates in future years, as well. The State of Colorado's Department of Local Affairs has allocated \$31,730,950 of Volume Cap Allocation to the City and County of Denver for the year 2014, of which \$31,730,950 remains unused. The State is encouraging governmental entities to apply for additional Volume Cap Allocation from the Statewide Balance during 2014. The resolution allows the City's existing and any additional allocation to be utilized in future years and allows for the City's existing and any additional allocation to be carried forward up to three years, consistent with the Colorado Private Activity Bond Ceiling Allocation Act and the Internal Revenue Code.

- a. **Contract Control Number:** N/A
- b. **Duration:** 2015, 2016, 2017
- c. **Location:** N/A
- d. **Affected Council District:** N/A
- e. **Benefits:** Adoption of this Resolution enables the City to keep the unused award of Volume Cap Allocation for future Denver projects and request additional allocation of Volume Cap when it becomes available. The carry forward allocation and any additional allocation may be utilized for Single Family Mortgage Revenue Bonds, Multifamily Housing Bonds and Mortgage Credit Certificates.
- f. **Costs:** N/A

7. **Is there any controversy surrounding this ordinance?** (Groups or individuals who may have concerns about it?) **Please explain.**

*To be completed by Mayor's Legislative Team:*

SIRE Tracking Number: \_\_\_\_\_

Date Entered: \_\_\_\_\_

## Executive Summary

The Federal government awards Private Activity Bond Volume Cap Allocations to each state. The State of Colorado, in turn, awards a proportional amount to each local issuer based on population. The State of Colorado's Department of Local Affairs has allocated \$31,730,950 of the State's Volume Cap Allocation to the City and County of Denver for the year 2014, of which \$31,730,950 remains unused at this time. The State will make additional Volume Cap available to local issuers soon. This resolution allows the current allocation and any additional allocation to be utilized in future years, consistent with the Colorado Private Activity Bond Ceiling Allocation Act and the Internal Revenue Code.

The proposed resolution is an administrative procedure being undertaken to comply with the Colorado Private Activity Bond Ceiling Allocation Act, constituting Article 32, Title 24, Part 17, Colorado Revised Statutes, as amended. The resolution will preserve the City's ability to issue private activity bonds or mortgage credit certificates in future years and will allow the City to request additional allocation when it becomes available from the Statewide balance. In general, a private activity bond is a tax-exempt bond issued by a local or state government for the purpose of financing a project owned and operated by a private user. Private activity bonds are issued to finance various types of facilities, including multifamily housing projects and single family homes. Private Activity Bonds issued by the City are special obligations and do not constitute a debt or indebtedness of the City and do not give rise to a charge against the general credit or taxing power of the City. A mortgage credit certificate allows qualifying borrowers to receive an annual federal income tax credit on a portion of the annual interest they pay on their mortgage loan. The tax credit enables a taxpayer to subtract the amount of credit from his or her annual total federal income taxes. In order to issue private activity bonds or mortgage credit certificates the City must utilize private activity bond volume cap allocation equal to the amount of such bonds or certificates issued.

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