

**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**. Contact the Mayor’s Legislative team with questions

Date of Request: 02/07/2022

Please mark one:  Bill Request or  Resolution Request

**1. Type of Request:**

- Contract/Grant Agreement     Intergovernmental Agreement (IGA)     Rezoning/Text Amendment
- Dedication/Vacation     Appropriation/Supplemental     DRMC Change
- Other:

**2. Title:** (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Approves a Business Incentive Fund (BIF) contract with Bottling Group, LLC, with the contract covering a seven-year period for an amount not to exceed \$1 million. The payout is linked directly to specific outcomes that include establishment of a state-of-the-art manufacturing facility and associated significant investments as well as job retention and creation and associated investments into upskilling and training of the manufacturing facility’s Denver-based workforce.

**3. Requesting Agency:** Economic Development and Opportunity (DEDO)

**4. Contact Person:**

|   |   |
|---|---|
| Contact person with knowledge of proposed ordinance/resolution                          | Contact person to present item at Mayor-Council and Council                           |
| Name: Deborah Cameron   | Name: Patrick Walton/Deborah Cameron/Turid Nagel-Casebolt                             |
| Email: <a href="mailto:deborah.cameron@denvergov.org">deborah.cameron@denvergov.org</a> | Email: <a href="mailto:Patrick.Walton@denvergov.org">Patrick.Walton@denvergov.org</a> |

**5. General description or background of proposed request. Attach executive summary if more space needed:**

Please refer to executive summary (attached)

**6. City Attorney assigned to this request (if applicable):**

Brian Martin

**7. City Council District:**

District 11

**8. \*\*For all contracts, fill out and submit accompanying Key Contract Terms worksheet\*\***

**Key Contract Terms**

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

Resolution/Bill Number: \_\_\_\_\_

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

**Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property):**  
Standard expenditure contract

**Vendor/Contractor Name:** Bottling Group, LLC

**Contract control number:** OEDEV-202160849-00

**Location:** *Contractor address:* 700 Anderson Hill Road, Purchase, NY 10577  
*Proposed project address:* parcel (s) generally located north of High Point Boulevard, east of Argonne Street, south of the RTD A-Line commuter rail track, and west of the future right-of-way of Himalaya Street in the City and County of Denver

Is this a new contract?  Yes  No Is this an Amendment?  Yes  No If yes, how many? \_\_\_\_\_

**Contract Term/Duration (for amended contracts, include existing term dates and amended dates):** 01/01/2022-12/31/2028

**Contract Amount (indicate existing amount, amended amount and new contract total):**

| <i>Current Contract Amount</i><br>(A) | <i>Additional Funds</i><br>(B) | <i>Total Contract Amount</i><br>(A+B) |
|---------------------------------------|--------------------------------|---------------------------------------|
| \$1,000,000                           | N/A                            | N/A                                   |

  

| <i>Current Contract Term</i> | <i>Added Time</i> | <i>New Ending Date</i> |
|------------------------------|-------------------|------------------------|
| 01/01/2022-12/31/2028        | N/A               | N/A                    |

**Scope of work:**

Please refer to executive summary (attached)

**Was this contractor selected by competitive process?** N/A **If not, why not?** N/A

**Has this contractor provided these services to the City before?**  Yes  No

**Source of funds:** 11847 Business Incentive Fund

**Is this contract subject to:**  W/MBE  DBE  SBE  XO101  ACDBE  N/A

**WBE/MBE/DBE commitments (construction, design, Airport concession contracts):** N/A

**Who are the subcontractors to this contract?** N/A

**Executive Summary**

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

Resolution/Bill Number: \_\_\_\_\_

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

Denver is being considered as the location for a significant business expansion project to be undertaken by Bottling Group, LLC and its affiliates and subsidiaries. Contingent upon the company securing the necessary entitlements and identifying no issues in the due diligence process, the company is willing to invest \$400 million dollars in the establishment of a new state-of-the-art manufacturing facility in far northeast Denver. The facility would be leading globally in the use of advanced, digitalized manufacturing processes and applied sustainability concepts. The project has a very strong job retention and job creation aspect with 475 positions to be located at the new facility.

This project fulfills Denver’s priority of attracting and retaining companies that are global leaders in their respective industries as well as in terms of their commitment to environmental and social responsibility and grassroots community enrichment.

In addition, the establishment of this facility in the community will help Denver advance its brand as a globally recognized innovation and advanced manufacturing hub. Because advanced manufacturing is a key industry in Denver, this project is an opportunity to further grow pivotal density in our skilled manufacturing workforce, to retain and create middle-skill and advanced-skill jobs creating economic mobility for our residents, and to establish an employment center near neighborhoods that would greatly benefit from more access to a diverse set of employment and training opportunities.

**The Business Incentive Fund (BIF)** is a significant and unique tool employed by DEDO to provide support that directly sustains and grows the local economy. As a competitive incentive, the BIF is one of the city’s approaches to recruit and retain business activity that creates significant local revenue and provides other direct and indirect benefit. This fund has existed in its present form for more than 15 years. The city has typically allocated \$1.2 million annually for this purpose through the General Fund.

Typically, DEDO will make a small number of strategic incentive investment offers a year on behalf of the city. City Administration and key members of the City’s executive leadership team are directly involved in final incentive decisions based on recommendations and calculations presented by DEDO, and City Council approval is sought for all contracts larger than \$500,000. Calculations are conservative and based only on direct economic and fiscal benefit, even though each project often brings significant indirect benefits to the economy. An important standard for Denver to extend such an incentive is that the direct fiscal benefit dollars can be estimated to return to the city on at least a 2:1 ratio over a defined period.

All funds are dispersed only when performance objectives are met. Every negotiated incentive offer is unique, and each has a defined criteria and payout terms, which link directly both to business decisions and the direct fiscal benefit to the city.

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