

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**. For any questions please contact Skye Stuart.

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

Date of Request: May 30, 2017

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: (Include a concise, one sentence description – please include name of company or contractor and contract control number - that clearly indicates the type of request: **grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.**)

An ordinance to amend the City and County of Denver Dedicated Tax Revenue Bond Ordinance, Series 2016AB (ORD16-0050) to conform and clarify the exemption of Charitable Corporations under the municipal code (BR17-0529) from pledged revenues.

3. Requesting Agency: Department of Finance

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

- **Name:** Michelle Johnson
- **Phone:** 720-913-9353
- **Email:** michelle.johnson2@denvergov.org

5. Contact Person: (With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council and who will be available for first and second reading, if necessary.)

- **Name:** Michelle Johnson
- **Phone:** 720-913-9353
- **Email:** michelle.johnson2@denvergov.org

6. General description/background of proposed ordinance including contract scope of work if applicable:

This ordinance is an administrative amendment to conform and clarify within the 2016 Dedicated Tax Revenue Bond Ordinance that pledged revenues to repay the bonds do not include Charitable Corporations under the municipal code. The 2016 Bonds provided funding for the National Western Center and the Colorado Convention Center, and contains certain covenants with which the City is legally obligated to comply. Proposed amendments to the City's sales tax code to broaden the definition and exemption of Charitable Corporations (BR17-0529) requires that the Bond Ordinance reflect this change.

Please see Executive Summary for further details.

****Please complete the following fields:** (Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field – please do not leave blank.)

- a. **Contract Control Number:** N/A
- b. **Contract Term:** The 2016AB Bonds mature in 2046
- c. **Location:** Bond funded projects are located at the National Western Center and the Colorado Convention Center
- d. **Affected Council District:** Council District 9
- e. **Benefits:** Enables Treasury to revise the definition of Charitable Corporations under the municipal code (BR17-0529)
- f. **Contract Amount (indicate amended amount and new contract total):** N/A

7. Is there any controversy surrounding this ordinance? (Groups or individuals who may have concerns about it?) **Please explain.** None known.

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date Entered: _____



CITY AND COUNTY OF DENVER

DEPARTMENT OF FINANCE

CASH RISK AND CAPITAL FUNDING
201 WEST COLFAX AVE.
DENVER, COLORADO 80202
PHONE: (720) 913-5500

Executive Summary

An Ordinance to Amend the Bond Ordinance for City and County of Denver Dedicated Tax Revenue Bonds, Series 2016AB (ORD16-0050)

On May 16, 2017, the City's Treasury Division presented to the Finance & Governance Committee information concerning four proposed amendments to the City's municipal tax code. These four bills (BR-17-0526, 0527, 0528, and 0529) were approved to move forward for Council consideration. Subsequently, it was determined that the 2016AB Dedicated Tax Revenue Bond Ordinance will also require an amendment to make the definition of pledged revenues in the Bond Ordinance consistent with the definition of Charitable Corporations proposed in BR17-0529. The purpose of the proposed tax code change is to more closely align the City's definition of 501c3 corporations with the treatment of such organizations by federal and state governments.

The 2016 Bonds have legal requirements and covenants with which the City must comply as long as Bonds remain outstanding. Although the 2016 Bond documents already disclose that revenues from Charitable Corporations are exempt from pledged revenues, they also contain restrictions against taking any action to reduce the excise taxes pledged for bond repayment (the pledged revenues to repay the 2016 Bonds are portions of the City's lodger's, short term auto rental, and food & beverage taxes). Due to the proposed modification to the tax code in BR17-0529, the Bond Ordinance needs to be amended to remain consistent. The amendment being sought is a narrow, administrative action to clarify the definition of Charitable Corporations.

The Series 2016AB Bonds were issued in April 2016 in a par amount of approximately \$397 million for the purpose of funding initial costs related to the development of the National Western Center and improvements at the Colorado Convention Center and to refund existing Excise Tax Revenue Bonds Series 2005A and 2009A.

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