

BY AUTHORITY

ORDINANCE NO. _____
SERIES OF 2017

COUNCIL BILL NO. CB17-0813
COMMITTEE OF REFERENCE:

Special Meeting: General Obligation (GO) Bond

A BILL

For an ordinance submitting to a vote of the qualified and registered electors of the City and County of Denver at a special municipal election to be held on Tuesday, November 7, 2017, the question of whether the City shall be authorized to issue or incur general obligation debt for the purpose of financing and/or refinancing the cost of repairs and improvements to Denver cultural facilities; providing the form of the ballot question; providing for other details in connection therewith; and ratifying action previously taken.

(1) **WHEREAS**, the City and County of Denver (the "City"), is a municipal corporation duly organized and existing as a home-rule municipality under Article XX of the Constitution (the "Constitution") and laws of the State of Colorado and the City Charter (the "Charter"); and

(2) **WHEREAS**, the members of the City Council of the City (the "City Council") have been duly elected and qualified; and

(3) **WHEREAS**, Article X, Section 20 of the Constitution ("TABOR") requires voter approval for the creation of any debt, imposition of any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, and for collecting, retaining and expending certain moneys above limits established by TABOR; and

(4) **WHEREAS**, Section 7.5.1 of the Charter provides that no general obligation bonds shall be issued until the question of issuing the bonds shall have been submitted to a vote of the qualified and registered electors of the City and a majority of those voting upon the question by ballot shall have voted in favor of issuing such bonds; and

(5) **WHEREAS**, the City Council, after consultation with the Mayor and other appropriate municipal officers, has determined that the question of whether the City shall be authorized to issue or incur general obligation debt, including bonds, notes, loan agreements or other multiple fiscal year financial obligations of the City for the purposes and in the manner set forth in this ordinance should be submitted to the qualified and registered electors of the City at the special municipal election called by this ordinance to be held on November 7, 2017 (the "Election"); and

(6) **WHEREAS**, TABOR also requires the City to submit ballot issues (as defined in TABOR) to the City's electors on limited election days before action can be taken on such ballot issues; and

(7) **WHEREAS**, November 7, 2017, is one of the election dates at which ballot issues may

1 be submitted to the City's qualified and registered electors pursuant to TABOR; and

2 (8) **WHEREAS**, the Denver Clerk and Recorder (the "Clerk") is conducting a coordinated
3 election pursuant to the Uniform Election Code of 1992, being articles 1 through 13 of title 1, C.R.S.
4 (the "Uniform Election Code") on November 7, 2017; and

5 (9) **WHEREAS**, pursuant to Section 8.2.1 of the Charter, Section 15-4 Denver Revised
6 Municipal Code, Section 1-1-102 of the Uniform Election Code, Section 31-10-102.7, C.R.S. of the
7 Municipal Election Code, and this ordinance, the City Council may elect to utilize the provisions of
8 the Uniform Election Code in order to participate in the coordinated election on November 7, 2017;
9 and

10 (10) **WHEREAS**, the City Council hereby determines that it is necessary to submit to the
11 qualified and registered electors of the City, at the coordinated election to be held on November 7,
12 2017, the question of creating an indebtedness in the amounts specified in Section 3 below and the
13 imposition of an ad valorem property tax for the payment of such indebtedness; and

14 (11) **WHEREAS**, it is necessary to set forth certain procedures concerning the conduct of
15 the Election.

16 **NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF**
17 **DENVER:**

18 **Section 1.** All action heretofore taken (not inconsistent with the provisions of this
19 ordinance) by the City and the officers thereof, directed towards the election, and the objects and
20 purposes herein stated is hereby ratified, approved and confirmed.

21 **Section 2.** Unless otherwise defined herein, all terms used herein shall have the meanings
22 defined in the Uniform Election Code.

23 **Section 3.** Pursuant to Section 8.2.3 of the Charter, the City Council hereby determines to
24 call a special election to be conducted pursuant to the Uniform Election Code as part of the
25 coordinated election being conducted by the Clerk on November 7, 2017. The City Council hereby
26 determines that at the Election, there shall be submitted to the qualified and registered electors of
27 the City the following question:

28 **Denver Cultural Facilities Bonds**

29 **SHALL THE CITY AND COUNTY OF DENVER DEBT BE INCREASED \$116,907,000, WITH**
30 **A MAXIMUM REPAYMENT COST OF \$210,465,000, WITH NO INCREASE IN THE CITY'S**
31 **CURRENT RATE OF TAXATION FOR GENERAL OBLIGATION DEBT SERVICE BASED ON THE**
32 **CITY'S PROJECTED ASSESSED VALUE, THE PROCEEDS THEREOF TO BE USED FOR**
33 **REPAIRS AND IMPROVEMENTS TO DENVER CULTURAL FACILITIES, INCLUDING, WITHOUT**

1 LIMITATION:

- 2 • MAKE IMPROVEMENTS TO SECURITY AND SAFETY SYSTEMS AND
3 EQUIPMENT AT THE DENVER PERFORMING ARTS COMPLEX, DENVER MUSEUM OF
4 NATURE AND SCIENCE, AND THE DENVER ART MUSEUM,
- 5 • RENOVATION, PRESERVATION, AND EXPANSION OF THE DENVER ART
6 MUSEUM'S 46-YEAR-OLD NORTH BUILDING AND WELCOME CENTER,
- 7 • CONSTRUCT A NEW ANIMAL HOSPITAL TO IMPROVE ANIMAL CARE AND MAKE
8 IMPROVEMENTS TO ENHANCE ANIMAL EXHIBIT SPACE AT THE DENVER ZOO,
- 9 • INCREASE EDUCATION AND SCIENTIFIC RESEARCH OPPORTUNITIES BY
10 CONSTRUCTING THE CENTER FOR SCIENCE, ART AND EDUCATION AND A CHILDREN'S
11 EDUCATION AREA AT THE DENVER BOTANIC GARDENS,
- 12 • INFRASTRUCTURE RESTORATION, INCLUDING STAGE ROOF REPLACEMENT
13 AND OTHER FACILITY REPAIRS AT RED ROCKS AMPHITHEATRE AND BUELL THEATRE
14 RENOVATIONS, AND
- 15 • CRITICAL CAPITAL IMPROVEMENTS TO INCREASE ENERGY EFFICIENCY AND
16 COST SAVINGS AND IMPROVE ACCESSIBILITY AT THE DENVER MUSEUM OF NATURE AND
17 SCIENCE, DENVER CENTER FOR THE PERFORMING ARTS, AND THE DENVER ART
18 MUSEUM,

19 BY THE ISSUANCE AND PAYMENT OF GENERAL OBLIGATION BONDS, NOTES, LOAN
20 AGREEMENTS OR OTHER MULTIPLE FISCAL YEAR FINANCIAL OBLIGATIONS WHICH SHALL
21 BE ISSUED OR INCURRED IN SUCH MANNER AND CONTAINING SUCH TERMS, NOT
22 INCONSISTENT HEREWITH, AS THE CITY MAY DETERMINE (THE EXPENDITURE OF THE
23 PROCEEDS THEREOF TO BE PUBLICLY REPORTED BY THE CITY ON AN ANNUAL BASIS);
24 AND SHALL CITY AD VALOREM PROPERTY TAXES BE INCREASED BY NOT MORE THAN A
25 MAXIMUM PHASED IN ANNUAL AMOUNT OF \$8,582,000 AND ANNUALLY WITHOUT
26 LIMITATION AS TO RATE, IN AMOUNTS SUFFICIENT TO PAY THE PRINCIPAL OF, PREMIUM,
27 IF ANY, AND INTEREST ON SUCH FINANCIAL OBLIGATIONS; AND SHALL THE CITY BE
28 AUTHORIZED TO ISSUE FINANCIAL OBLIGATIONS TO REFUND OR REFINANCE SUCH
29 FINANCIAL OBLIGATIONS AUTHORIZED IN THIS QUESTION, PROVIDED THAT SUCH
30 REFUNDING FINANCIAL OBLIGATIONS WHEN COMBINED WITH OTHER OUTSTANDING
31 FINANCIAL OBLIGATIONS AUTHORIZED IN THIS QUESTION DO NOT EXCEED THE MAXIMUM
32 PRINCIPAL LIMITS OR REPAYMENT COSTS AUTHORIZED BY THIS QUESTION; AND IN
33 CONNECTION THEREWITH, SHALL THE CITY BE AUTHORIZED TO COLLECT, RETAIN AND

1 EXPEND ALL SUCH PROPERTY TAXES, OTHER LEGALLY AVAILABLE FUNDS AND
2 INVESTMENT EARNINGS ON THE PROCEEDS OF SUCH FINANCIAL OBLIGATIONS,
3 PROPERTY TAXES AND OTHER LEGALLY AVAILABLE FUNDS FOR SUCH PURPOSE, AS A
4 VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO
5 CONSTITUTION OR ANY OTHER LAW?

6 **Section 4.** The Clerk is hereby appointed as the designated election official of the City for
7 purposes of performing acts required or permitted by law in connection with the Election.

8 **Section 5.** The officers and employees of the City are hereby authorized and directed to
9 take all action necessary or appropriate to effectuate the provisions of this ordinance.

10 **Section 6.** If a majority of the votes cast on the question to authorize general obligation
11 indebtedness and the levy of ad valorem property taxes submitted at the Election shall be in favor
12 of incurring general obligation indebtedness and levying ad valorem property taxes as provided in
13 such question, the City, acting through the Mayor and City Council, shall be authorized to proceed
14 with the necessary action to incur general obligation indebtedness and levy ad valorem property
15 taxes in accordance with such question. Any authority to contract general obligation indebtedness
16 or to levy ad valorem property taxes, if conferred by the results of the Election, shall be deemed and
17 considered a continuing authority to contract the general obligation indebtedness and levy the ad
18 valorem taxes so authorized at any one time, or from time to time, and neither the partial exercise of
19 the authority so conferred, nor any lapse of time, shall be considered as exhausting or limiting the
20 full authority so conferred.

21 **Section 7.** If a majority of the votes cast on the question authorize the incurrence of general
22 obligation indebtedness and levy of an ad valorem property tax as described in the question set forth
23 in Section 3 above, the City intends to issue or incur such general obligation indebtedness in the
24 approximate aggregate principal amount of \$116,907,000 to pay the costs of the certain public
25 improvements described in the election question (the "Project") including the reimbursement of
26 certain costs incurred by the City prior to the execution and delivery of such bonds, upon terms
27 acceptable to the City, as authorized in an ordinance to be hereafter adopted and to take all further
28 action which is necessary or desirable in connection therewith. The officers, employees and agents
29 of the City shall take all action necessary or reasonably required to carry out, give effect to and
30 consummate the transactions contemplated hereby and shall take all action necessary or desirable
31 to finance the Project and to otherwise carry out the transactions contemplated by the ordinance.
32 This ordinance is intended to be a declaration of "official intent" to reimburse expenditures within the
33 meaning of Treasury Regulation §1.150-2.

