

2024 GO Bond Issuance:

- Elevate Denver 6th Issuance
- RISE Denver 2nd Issuance

Finance & Governance Committee
March 5, 2024

Meeting Agenda

- Financial Management of Bond Projects
- New Mapping Tool
- Elevate Denver 6th Issuance
 - Program Overview
 - Sixth Issuance Detail
- RISE Denver 2nd Issuance
 - Program Overview
 - Second Issuance Detail
- Financing Terms
- Administration Council Actions



Financial Management of Bond Projects

- City has been able to significantly increase voters' investment:
 - Using multiple other funding streams to turn \$1.2B of GO Bond Funding into almost \$2B
- At this time, voter-approved scopes are being delivered and all projects are expected to be completed by the end of 2027
- Knowing that costs and needs can change over a 10-year bond program, we work diligently with stakeholders (e.g., Parks, Libraries) to deliver the best project we can within the budget we have available

New Mapping Tool

Map Link

- Select "Project Map" in top right



DENVER

THE MILE HIGH CITY

GO Bond Project Map

PROJECT STATUS

HELP

RESET

Elevate: ● 1-Transportation and Mobility ● 2- Cultural Facilities ● 3- Denver Health ● 4- Public Safety ● 5- Library System ● 6- Parks and Recreation ● 7- Public Facilities

RISE: ● 1-Denver Facilities ● 2- Housing and Shelter ● 3- Transportation ● 4- Parks and Recreation

Elevate Denver	RISE Denver
Council District	Phase
<input type="checkbox"/> 1	<input type="checkbox"/> 1- Development
<input type="checkbox"/> 2	<input type="checkbox"/> 2- Design
<input type="checkbox"/> 3	<input type="checkbox"/> 3- Construction
<input type="checkbox"/> 4	<input type="checkbox"/> 4- Complete
Elevate Denver Purpose	RISE Purpose
<input type="checkbox"/> 1- Transportation and M...	<input type="checkbox"/> 1- Denver Facilities
<input type="checkbox"/> 2- Cultural Facilities	<input type="checkbox"/> 2- Housing and Shelter
<input type="checkbox"/> 3- Denver Health	<input type="checkbox"/> 3- Transportation
<input type="checkbox"/> 4- Public Safety	<input type="checkbox"/> 4- Parks and Recreat...
<input type="checkbox"/> 5- Library System	
<input type="checkbox"/> 6- Parks and Recreation	
<input type="checkbox"/> 7- Public Facilities	
Elevate Denver Citywide Projects	
Citywide Bike Infrastructure	GES Pedestrian Connectivity Improv...
Citywide Sidewalk Construction	Neighborhood Park Improvements (playgro...
Deferred Maintenance (Arterial/Collector Rep...	
RISE Citywide Projects	
Bike Infrastructure Implementation	Outdoor Recreation Athletic Field and Court Replacements
Neighborhood Transportation Safety and Pedestrian Improv...	Sidewalk Construction
Project	
Search	
<input type="checkbox"/> ADA Improvements - DPAC (Ellie Studio Loft and Chamb...	
<input type="checkbox"/> ADA Improvements - Red Rocks Park and Amphitheatre	
<input type="checkbox"/> Bonfils Complex Deferred Maintenance	
<input type="checkbox"/> Buell Theater Backstage Renovation	

535 Projects

Please note that a specific site location has not been designated for some projects. Leaflet | Icon Map

Elevate: ● 1-Transportation and Mobility ● 2- Cultural Facilities ● 3- Denver Health ● 4- Public Safety ● 5- Library System ● 6- Parks and Recreation ● 7- Public Facilities

RISE: ● 1-Denver Facilities ● 2- Housing and Shelter ● 3- Transportation ● 4- Parks and Recreation

52 Projects

Elevate Denver	RISE Denver
Council District	Phase
<input checked="" type="checkbox"/> 1	<input type="checkbox"/> 1- Development
<input type="checkbox"/> 2	<input type="checkbox"/> 2- Design
<input type="checkbox"/> 3	<input type="checkbox"/> 3- Construction
<input type="checkbox"/> 4	<input type="checkbox"/> 4- Complete
Elevate Denver Purpose	RISE Purpose
<input type="checkbox"/> 1- Transportation and M...	<input type="checkbox"/> 3- Transportation
<input type="checkbox"/> 4- Public Safety	<input type="checkbox"/> 4- Parks and Recreat...
<input type="checkbox"/> 5- Library System	
<input type="checkbox"/> 6- Parks and Recreation	
<input type="checkbox"/> 7- Public Facilities	

Elevate Denver Citywide Projects

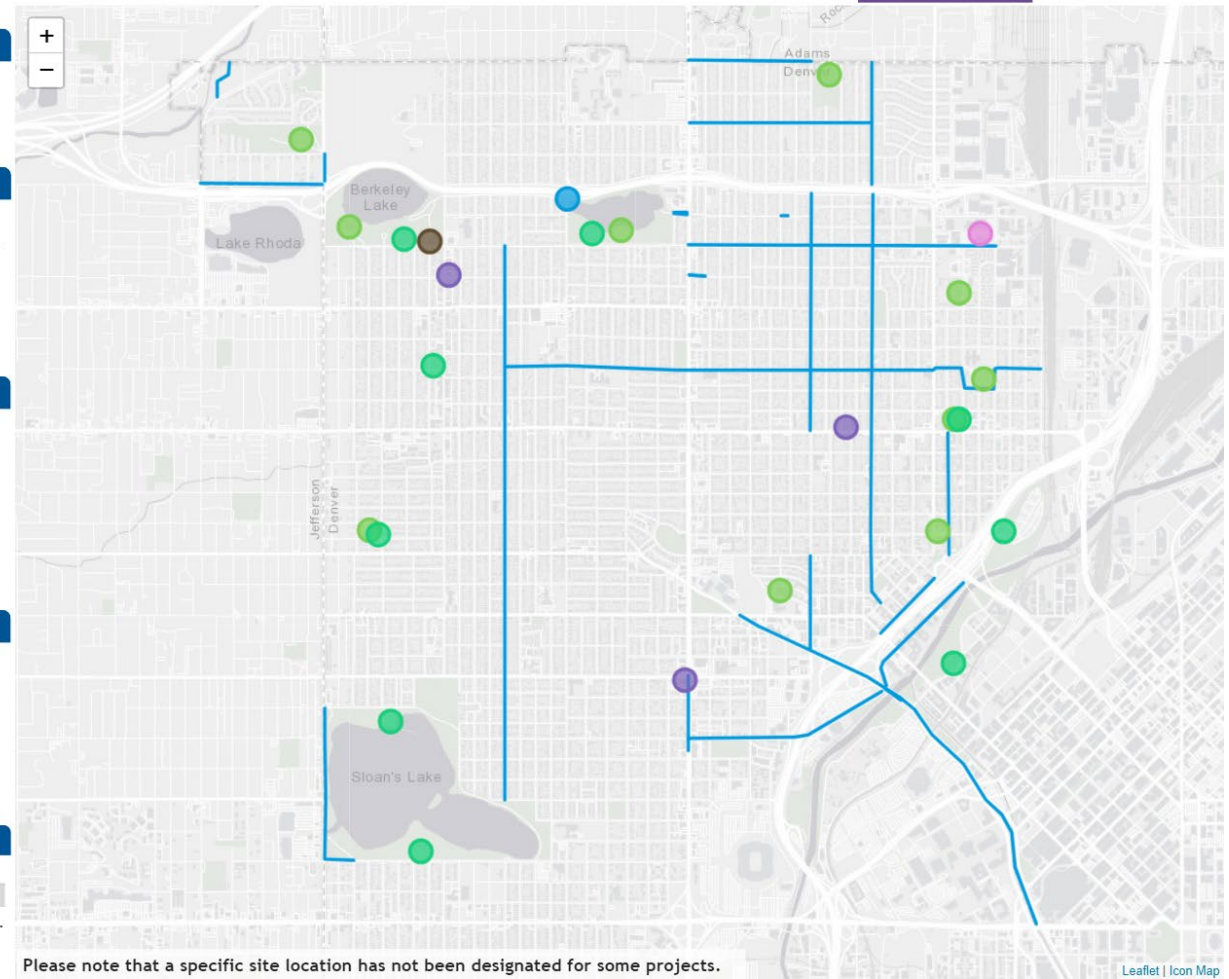
Citywide Bike Infrastructure	Deferred Maintenance (Arterial/Collector Repaving, Curb & Gutter, Major Bridge R...
Citywide Sidewalk Construction	Neighborhood Park Improvements (playgrounds/courts/w... sites)

RISE Citywide Projects

Neighborhood Transportation Safety and Pedestrian Improvements
Outdoor Recreation Athletic Field and Court Replacements

Project

- Search
- Bridge - Speer Boulevard Over Platte River
 - Central Street Improvements (Central Street Promenad...
 - Citywide Bike - W 23rd Ave/Water St 1-way (PBL)
 - Citywide Sidewalk - CD 1 - Sloans Lake



Please note that a specific site location has not been designated for some projects.

Leaflet | Icon Map

New Mapping Tool

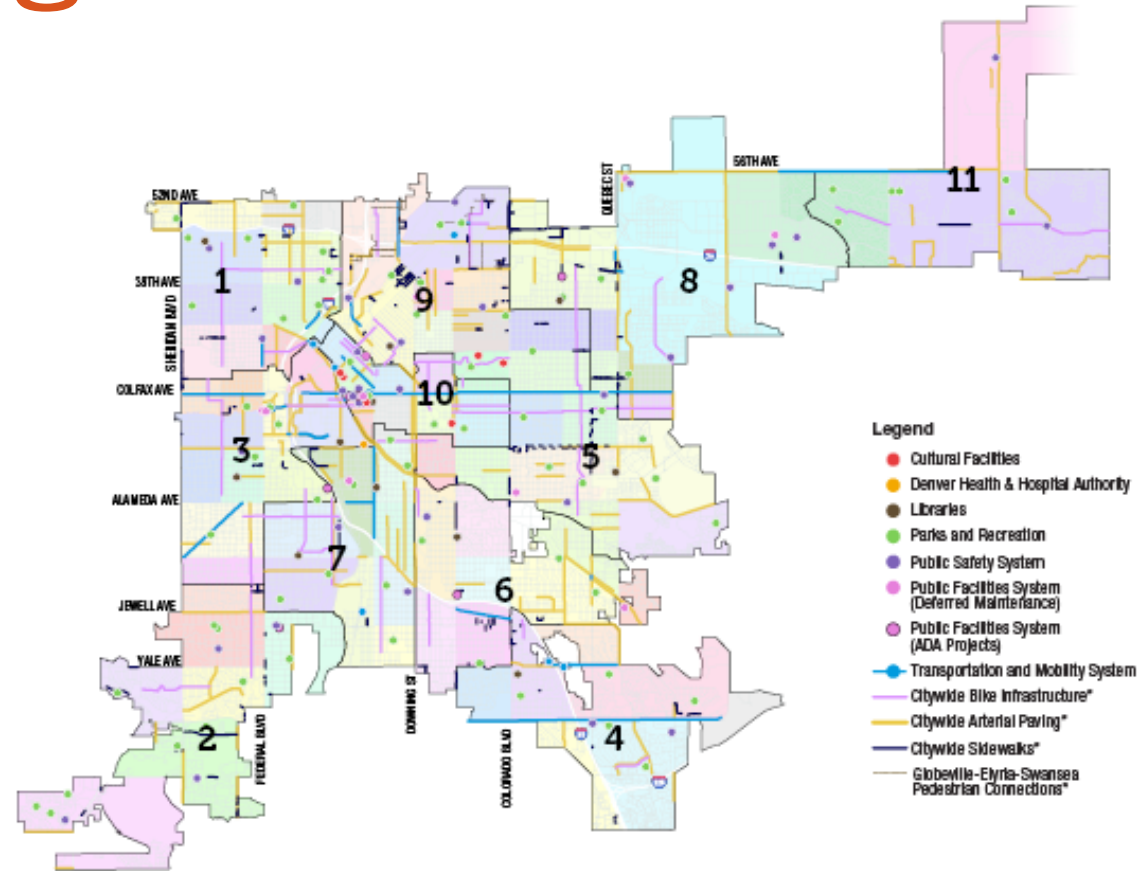
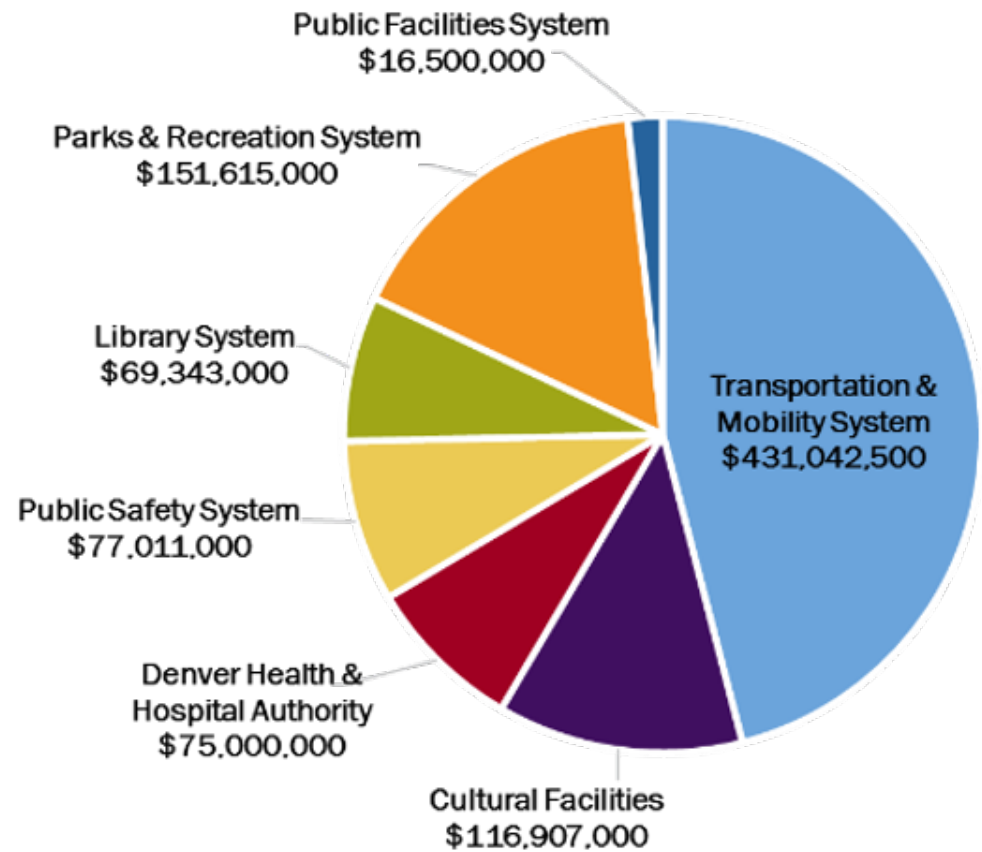
Map Link

- Select "Project Map" in top right



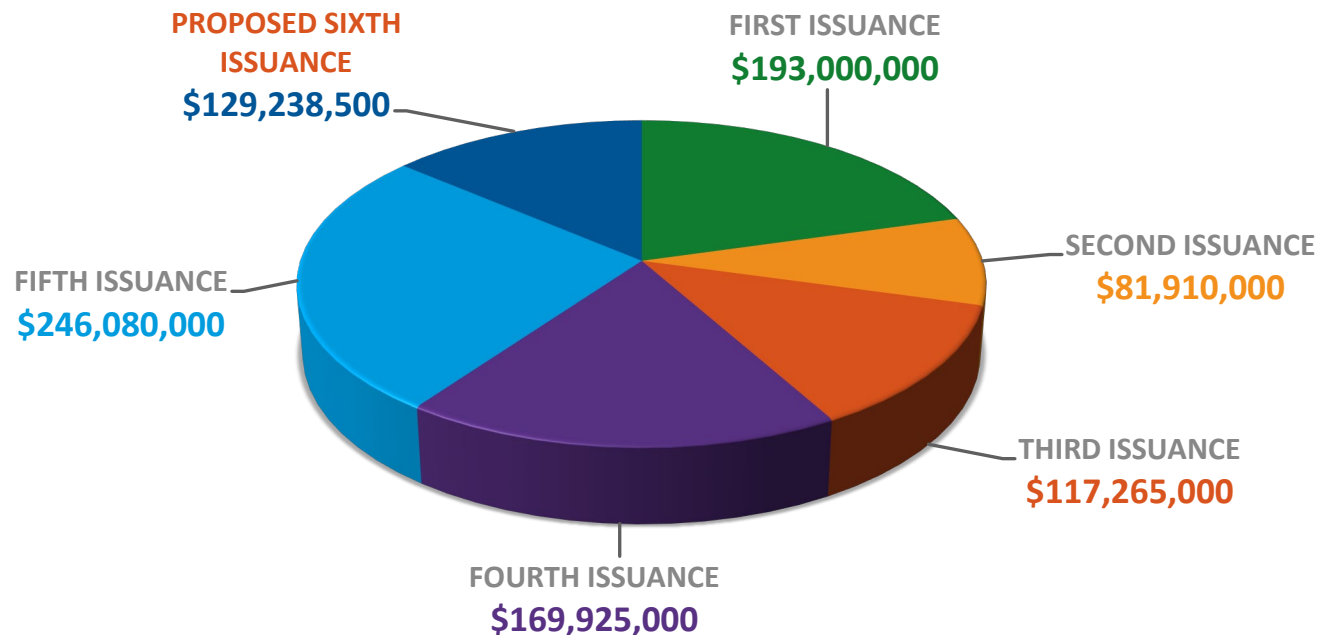
Elevate Denver 6th Issuance

Elevate Denver Program Overview



Elevate Issuance Overview

~\$937M authorized by Voters

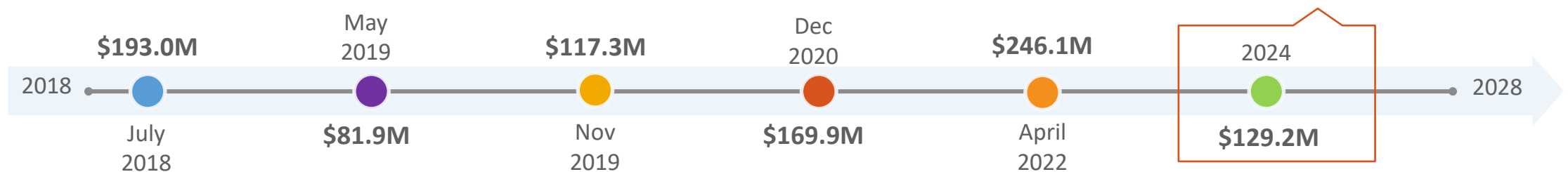


Sixth and Final Issuance

- \$129.2 million will go toward 17 projects across the City in alignment with project schedules
- Sixth Issuance anticipated in April 2024
- Most Sixth Issuance funds will be spent on Construction
- Elevate bonds will be fully issued

Elevate Denver Bond Program Plan of Finance & Timeline – Issuance 6

Purpose	Issuance 1 (rounded)	Issuance 2 (rounded)	Issuance 3 (rounded)	Issuance 4 (rounded)	Issuance 5 (rounded)	Proposed Issuance 6 (rounded)	Total Par Value (rounded)
2A: Transportation/ Mobility System	\$41,181,000	\$0	\$49,662,000	\$95,410,000	\$161,490,000	\$83,382,500	\$431,042,500
2B: Cultural Facilities	\$65,000,000	\$51,907,000	\$0	\$0	\$0	\$0	\$116,907,000
2C: Denver Health and Hospital Authority	\$45,000,000	\$30,000,000	\$0	\$0	\$0	\$0	\$75,000,000
2D: Public Safety System	\$5,438,000	\$0	\$10,411,000	\$18,050,000	\$29,442,000	\$13,670,000	\$77,011,000
2E: Library System	\$5,312,000	\$0	\$19,190,000	\$26,905,000	\$10,598,000	\$7,335,000	\$69,343,000
2F: Parks & Recreation System	\$30,525,000	\$0	\$28,079,000	\$29,060,000	\$39,100,000	\$24,851,000	\$151,615,000
2G: Public Facilities	\$627,000	\$0	\$9,923,000	\$500,000	\$5,450,000	\$0	\$16,500,000
Total Funded at Issuance	\$193,083,000	\$81,907,000	\$117,265,000	\$169,925,000	\$246,080,000	\$129,238,500	\$937,418,500
Adjustments at Issuance	(\$83,000)	\$3,000					\$0
Total Par Value	\$193,000,000	\$81,910,000	\$117,265,000	\$169,925,000	\$246,080,000	\$129,238,500	\$937,418,500



Note: due to rounding, the dollars in this timeline may not add up to \$937.4M

Elevate Issuance 6: Project List

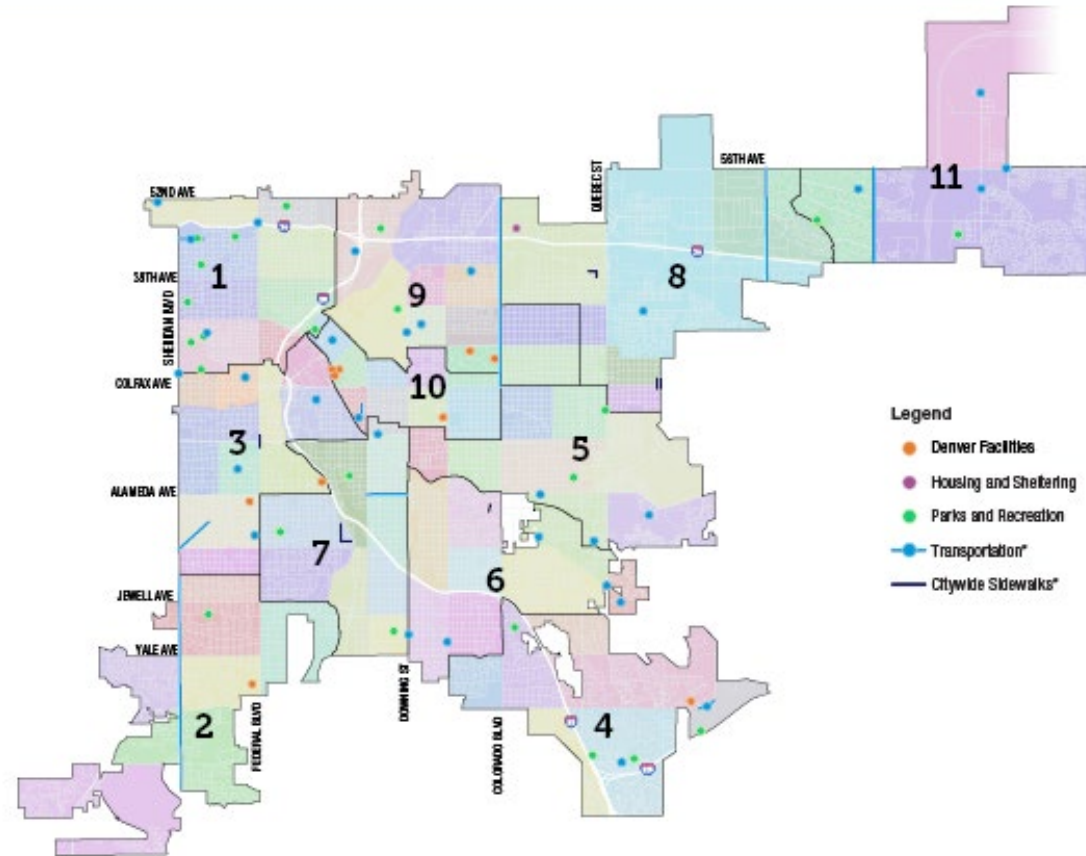
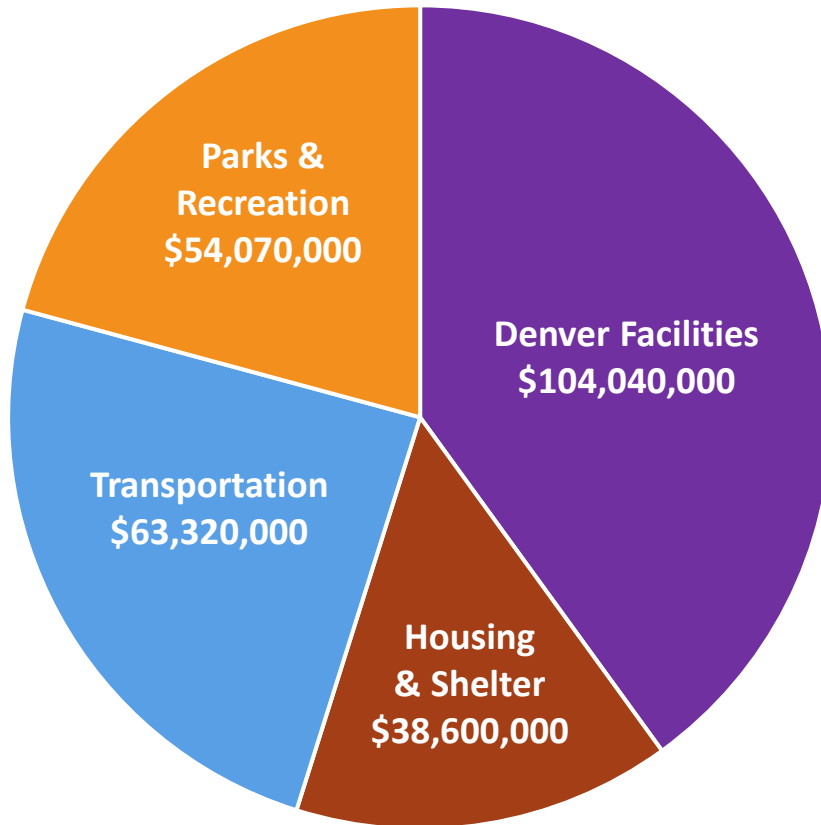
17 Projects across
4 Purposes

PROJECT	DISTRICT	FUNDED PHASE/ACTIVITY	AMOUNT	PURPOSE CONTINGENCIES
Transportation and Mobility				\$5,899,500
Central Street Improvements (Central Street Promenade)	1	Construction	\$650,000	
Colfax Corridor Improvements	1 3 5 8 9 10	Construction	\$12,580,000	
Colfax BRT	3 5 8 9 10	Construction	\$44,200,000	
High Line Canal Connections	4	Design / Construction	\$1,700,000	
Jewell/Evans Station Bike/Pedestrian Bridge	7	Construction	\$11,450,000	
Citywide Sidewalk Construction	Citywide	Design / Construction	\$83,000	
Washington Street Reconstruction (47th to 52nd)	9	Design / Construction	\$6,020,000	
Yale Avenue Improvements (I-25 to Quebec)	4	Design / Construction	\$800,000	
Public Safety				N/A
Denver Fire Station 40	11	Design / Construction	\$13,670,000	
Libraries				N/A
Eugene Field Branch Library Renovation	6	Design / Construction	\$2,145,000	
Ross-Broadway Branch Library Renovation	7	Design / Construction	\$1,986,000	
Ross-University Hills Branch Library Renovation	4	Design / Construction	\$3,204,000	
Parks and Recreation				\$6,326,000
Civic Center - Greek Theater Improvements	10	Design / Construction	\$3,400,000	
Downtown Park Acquisition & Existing Park Improvements - Skyline Park	9	Design / Construction	\$1,950,000	
Irrigation Projects	1 3 8 9 11	Construction	\$500,000	
Neighborhood Park Improvements	Citywide	Construction	\$2,675,000	
Westwood Recreation Center	3	Construction	\$10,000,000	10



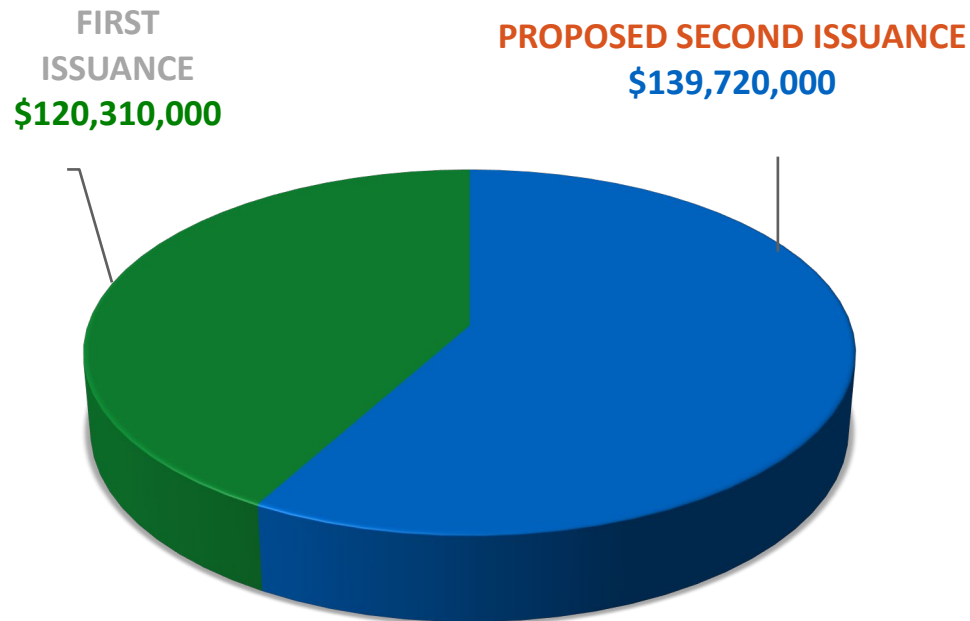
RISE Denver 2nd Issuance

RISE Denver: Program Overview



RISE Issuance Overview

~\$260M authorized by Voters

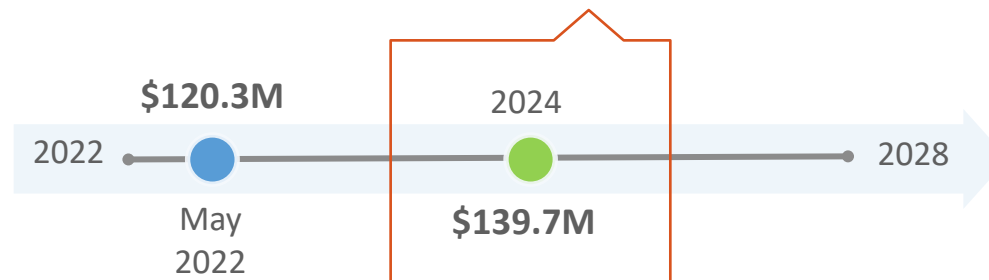


Second and Final Issuance

- \$139.7 million will go toward approximately 17 projects across the City in alignment with project schedules
- Second Issuance anticipated in April 2024
- Most Second Issuance funds will be spent on Construction
- RISE bonds will be fully issued

RISE Denver Bond Program Plan of Finance & Timeline – Issuance 2

Purpose	Issuance 1 (rounded)	Proposed Issuance 2 (rounded)	Total Par Value (rounded)
Denver Facilities	\$55,060,000	\$48,980,000	\$104,040,000
Housing and Sheltering	\$38,600,000	\$0	\$38,600,000
Transportation	\$19,400,000	\$43,920,000	\$63,320,000
Parks and Recreation	\$7,250,000	\$46,820,000	\$54,070,000
Total Funded at Issuance	\$120,310,000	\$139,720,000	\$260,030,000



Note: due to rounding, the dollars in this timeline may not add up to \$260M

RISE Issuance 2: Project List

17 Projects across
3 Purposes

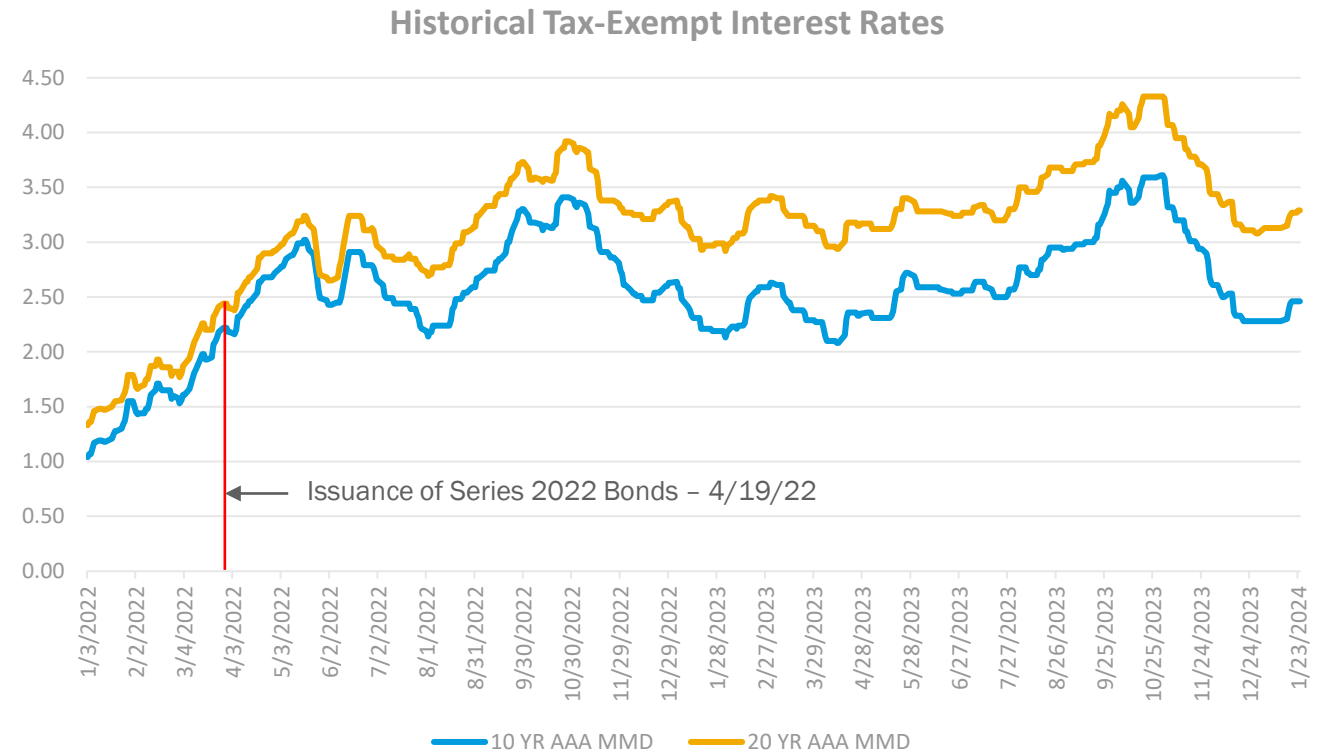
PROJECT	DISTRICT	FUNDED PHASE/ACTIVITY	AMOUNT	PURPOSE CONTINGENCIES
Transportation				\$1,600,000
5280 Trail Development	10	Construction	\$6,250,000	
Bike Infrastructure Implementation	7 9 10	Design / Construction	\$9,100,000	
Neighborhood Transportation Safety and Pedestrian Improvements	Citywide	Design / Construction	\$10,650,000	
Peoria Multimodal Improvements	8 11	Construction	\$4,520,000	
Sidewalk Construction	3 5 7 8 10	Design / Construction	\$11,800,000	
Denver Facilities				\$8,350,000
Globeville Branch Library Construction	9	Design / Construction	\$8,000,000	
Hampden Branch Library Expansion	4	Design / Construction	\$3,040,000	
May Bonfils Stanton Theater at Loretto Heights Campus Renovation	2	Design / Construction	\$24,000,000	
Youth Empowerment Center Improvements	7	Design / Construction	\$5,590,000	
Parks and Recreation				\$1,050,000
47th and Walden Park Construction (Phase 1)	11	Construction	\$4,600,000	
Community Park Playground Replacements	2 5 7	Design / Construction	\$4,000,000	
Mestizo-Curtis Pool Reconstruction	9	Construction	\$5,050,000	
Outdoor Recreation Athletic Field and Court Replacements	1 4 5 6 7 11	Design / Construction	\$2,590,000	
Park Maintenance Facilities Construction	1 11	Design / Construction	\$15,000,000	
Restroom Facilities Improvements and Construction	4 7 9 11	Design / Construction	\$2,040,000	
Sloan's Lake Boat House Renovation	1	Design / Construction	\$7,000,000	
University Hills Park Construction	4	Design / Construction	\$5,490,000	



Financing Terms

Current Market Conditions

- The municipal **bond** market has seen strong investor demand in recent months even with uncertainty surrounding inflation, the health of the economy, and geopolitical risks.
- Municipal rates dropped considerably during the last few months of 2023 and are currently around historical 20-year averages.



Key Financing Terms

- ✓ G.O. bonds are backed by full faith and credit of the city and repayable for property tax mill levies
- ✓ Current (and expected) G.O. Credit Ratings: AAA-Moody's / Aaa-S&P / AAA-Fitch
- ✓ Competitive bond sale (pricing)

	Series 2024A Tax-Exempt (Elevate Denver Bond Program)	Series 2024B Tax-Exempt (RISE Denver Bond Program)
Par Amount*	\$129.2 million	\$139.7 million
Interest Rate*	Tax-Exempt: Not to exceed 5%	Tax-Exempt: Not to exceed 5%
Final Maturity	August 2039	August 2042

*The final par amount and interest rate will be determined on the day of pricing and is dependent on market conditions.

Financing Strategy

- Programs and amounts were approved in 2017 and 2021 by Denver Voters to fund specific identified city-wide projects through the issuance of General Obligation bonds paid for by dedicated Mill Levies supported by property taxes. This financing delivers on the commitments made to Denver Voters.
- Delays could impact (increase) project costs. The timing of the bond issuance aligns with project funding needs already under construction. If funding is delayed additional costs (material, staff, inflation) may be incurred making the projects more expensive.
- Greater economic benefit. Moving forward with the delivery of committed projects also helps drive local economic activity (i.e., jobs taxes).

Elevate Issuance 6 and RISE Issuance 2 Tentative Financing Timeline

Date	Action Item
Feb 13 – March 1, 2024	Council Briefings
February 23, 2024	Submit Ordinance Request
March 5, 2024	Finance & Governance Committee
March 7, 2024	Communication of Ordinance 20-93
March 12, 2024	Mayor Council
March 20, 2024	Filing of Bond Docs with City Council
March 26, 2024	First Reading City Council
April 1, 2024	Second Reading City Council
April 2, 2024	Post Bond Official Statement
April 9, 2024*	Bond Pricing (sale)
April 23 - 25, 2024*	Pre-closing & Closing

*Subject to market conditions



Administrative Actions

Project Revisions

Program	Project	Notes
Elevate	Denver Police District 6 (Public Safety)	Adjust companion ordinance language: "Police District 6 Station Replacement Building" is to become "Police District 6 Station Expansion and Renovation"
RISE	Unnamed 51st and Zuni Basketball Court (Parks and Recreation)	Adjust companion ordinance language: "Unnamed 51st and Zuni Park" is to become "La Raza Park"
RISE	Westwood Branch Library (Facilities)	Adjust companion ordinance language: "Westwood Branch Library" is to become "Lena Archuleta Branch Library"



Questions?



Appendix



Debt Financing Overview

Capital Project Funding Types

DENVER CAPITAL PROJECTS

Capital Improvement Fund

- Pay-as-you-go

Multi-Year Financing Tools

- Allows the City to acquire assets without waiting for sufficient cash to purchase them outright
- Spreads the cost of acquiring assets to those who benefit from it both today and in the future

Multi-Year Financing Tools

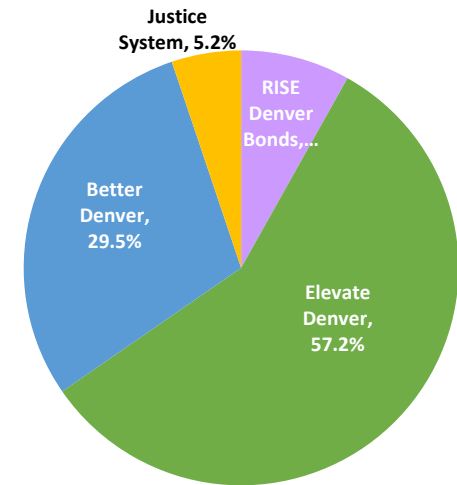
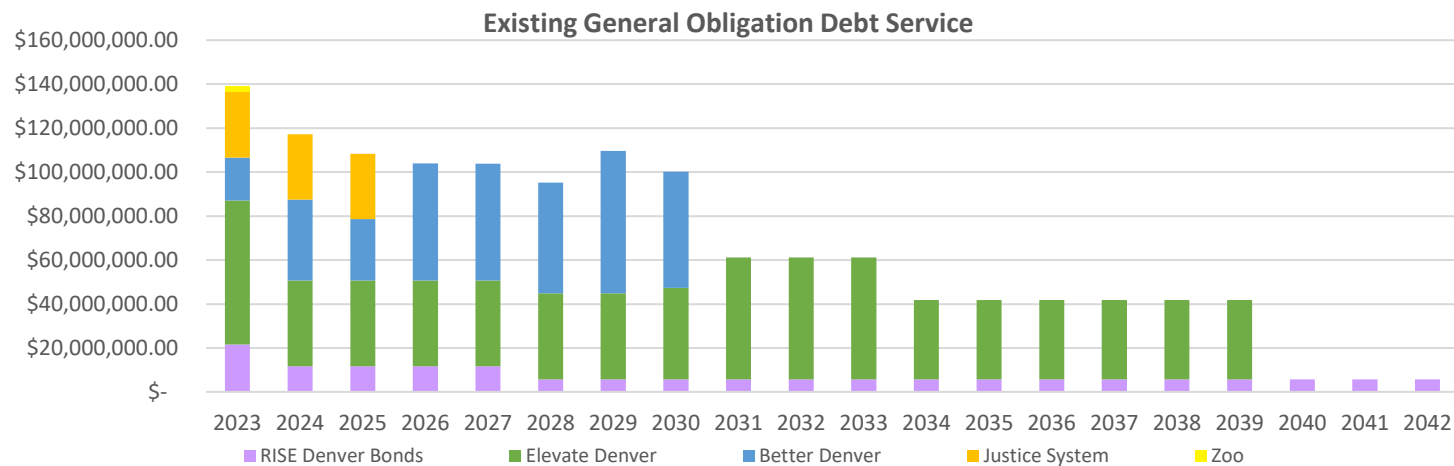
Financing Mechanism	Description	Revenue Repayment Source	Recent Issuances
General Obligation (GO) Bonds*	Long-term obligation, secured by the full faith and credit of the City	Ad valorem taxes (dedicated Property Tax Mill Levy)	Elevate Denver Bond Program: Series 2020A and 2022A Bonds RISE DENVER Bond Program: Series 2022B and 2022C (Taxable)
Revenue Bonds • Excise/Dedicated Tax Bonds* • Enterprise: DEN, Golf, Wastewater	Issued for a specific capital project and repaid solely by an associated revenue stream	New or renewed special taxes or fees (i.e. lodger's, food & beverage, short term auto rental fees, airline & non-airline revenues, etc.)	Excise/Dedicated Tax Bonds: NWC/CCC - Series 2021A Bonds DEN: Series 2022A-B and 2022C-E Bonds Wastewater: Series 2018 Bonds
Certificates of Participation (COPs) & Capital Leases	Lease purchase with City asset used as collateral. Subject to annual appropriation	Existing revenues; new fees, new revenue increment, program savings	COPs: CCC Expansion Project – Series 2023A Bonds Capital Leases: DPD helicopter, Solid Waste compost trucks, fire trucks, energy improvement equipment, fleet equipment
Commercial Paper	Short term unsecured debt obligation primarily used for interim financing	Generally repaid with bond proceeds	None

Municipal Bonds: Legal and IRS Requirements

- Bonds constitute a formal agreement to pay between borrower (City) and lender (investors)
- Municipal bonds are generally issued as tax-exempt bonds, which are subject to IRS rules and regulations
- Once debt is issued, funds should be spent in three years
- Funds must be spent on eligible (capital) expenditures
 - Cannot fund operations
 - Cannot benefit private interests
 - Useful life of asset must align with term of financing

General Obligation Bond Debt

- Backed by the full faith and credit of the City and payable from dedicated property tax mill levies
- City Charter limits GO debt to 3% of actual real and personal property value (\$5.7B as of 2023)
- Must be voter authorized (TABOR):
 - Authorized debt should be issued within a period of 10 years
 - Term of each issuance varies depending on market conditions, assets being financed and other considerations



General Obligation Bond Debt Mill Levy

2023 Mill Levy for 2024 Collection

Taxing Entity	2023
City and County of Denver	
General Fund	7.510
Bond Principal Fund	5.044
Bond Interest Fund	1.456
Social Services	2.423
Developmentally Disabled	1.008
Fire Pension	0.973
Police Pension	1.161
Capital Maintenance	2.515
Capital Improvement	1.789
Affordable Housing	0.389
Library	1.507
TOTAL DENVER MILL LEVY	25.775
School District No. 1	50.711
Urban Drainage and Flood Control District	1.000
TOTAL MILL LEVY:	77.486

- Total GO Mill Levy is 6.50 mills
 - Reduced from 8.433 mills in 2018 (for 2019 collection)
- In 2023, median residential single-family home (valued at \$631,900) could expect approximately \$278 (~6.8%) of its property tax bill related to Denver’s GO Bonds