



Arts & Venues Denver

Reauthorization of A&V Capital Maintenance Fund (38336)

Infrastructure and Culture Committee
November 19, 2014

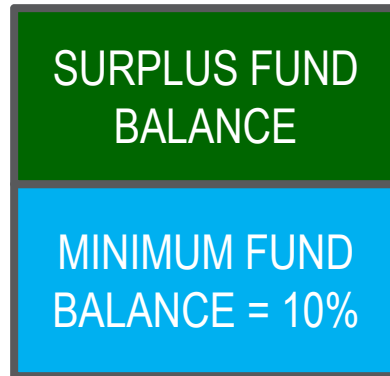
- Manages over \$1.1 billion investment in Venues such as Red Rocks, McNichols, Convention Center, Denver Coliseum, Denver Performing Arts Complex.
- Venues require regular capital maintenance investment.
- Operating revenue primarily comes from events, parking revenue, concession contracts.
- Since 2010, Arts & Venues revenue has increased \$10.8M or 50%.

- **Majority of A&V annual capital funding supports capital maintenance (approximately \$3M per year)**
 - AVD annual capital maintenance projects include HVAC replacement, roof repair, elevator repair, carpet replacement, and other building and structural improvements.
- **To remain competitive, A&V has discretionary capital needs for one-time major rehabilitation projects or venue enhancements for customer safety and satisfaction.**
- **\$8-10M is available each year for all citywide discretionary project requests, including requests from Parks, Public Works, DPL, OED, OEM, CPD, DEH, Safety, General Services, Denver Health, etc.**

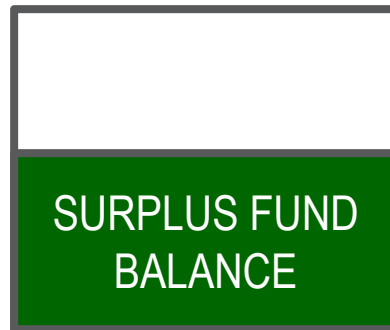
- In 2012, new capital project fund was created to support A&V capital needs for a term of three years.
- Excess operating revenue above 10% fund balance is transferred from the surplus fund balance of A&V's operating special revenue fund to the capital fund.
- Supports capital improvements to the agency's venues (Buell Theatre, Ellie Caulkins Opera House, McNichols, Denver Coliseum, Red Rocks, Boettcher, and Convention Center).



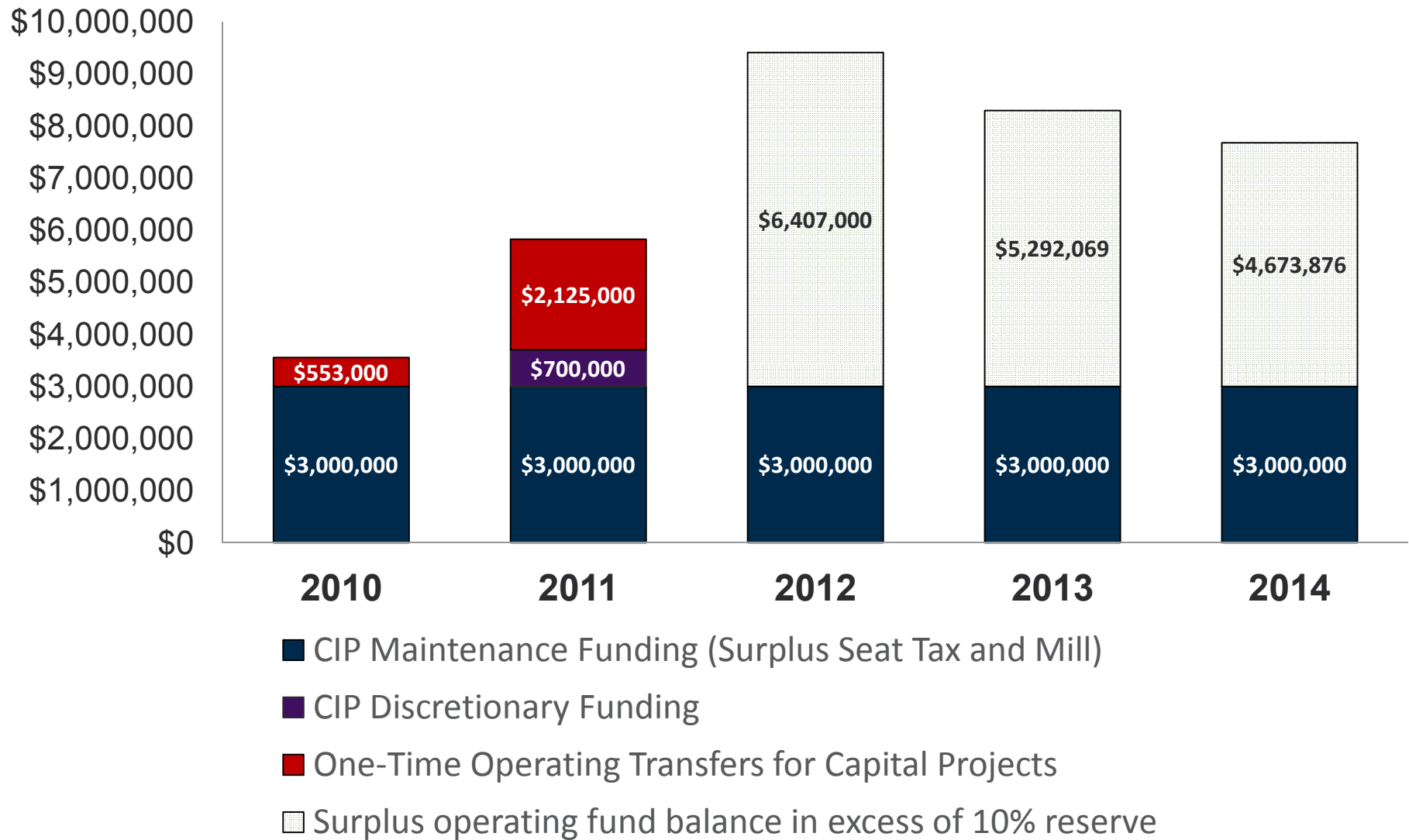
**A&V OPERATING
SRF 15815**



**A&V CAPITAL
PROJECT FUND
(38336)**



**Surplus Operating
Revenue Invested
Back Into Venues
Annually**



	2012	2013	2014
Boettcher Concert Hall	\$ 185,152	\$ -	\$ -
Colorado Convention Center	\$ 1,660,000	\$ -	\$ -
Denver Coliseum	\$ 1,600,000	\$ 300,000	\$ -
NDCC	\$ -	\$ 800,000	\$ 800,000
Arts Complex	\$ 621,848	\$ 1,039,571	\$ 2,250,000
McNichols Building Improvements	\$ 1,340,000	\$ 2,498	\$ -
Red Rocks	\$ 1,000,000	\$ 3,150,000	\$ 1,423,876
Facilities Condition Assessment	\$ -	\$ -	\$ 200,000
Total	\$ 6,407,000	\$ 5,292,069	\$ 4,673,876

Completed Project Highlights

- Coliseum Marquee (\$800K)
- Red Rocks Video Boards (\$1M)
- Red Rocks Spot Booth Concessions (\$2.1M)
- Red Rocks Trading Post Renovations (\$250K)
- McNichols Building Improvements (\$800K)



- Proposed ordinance makes permanent the practice of using excess operating funds to fund priority capital discretionary projects. Excess available will be determined on an annual basis.
- A&V will maintain a 10% reserve in A&V's operating fund balance and continue to transfer surplus to address discretionary capital project needs.
- BMO will continue to partner with AVD each year to develop projects selected for funding, in line with the City's Six-Year Capital Planning process and major capital project priorities.
- City Council will continue to review capital projects through the annual budget process and approve contracts greater than \$500K.