



DENVER
THE MILE HIGH CITY

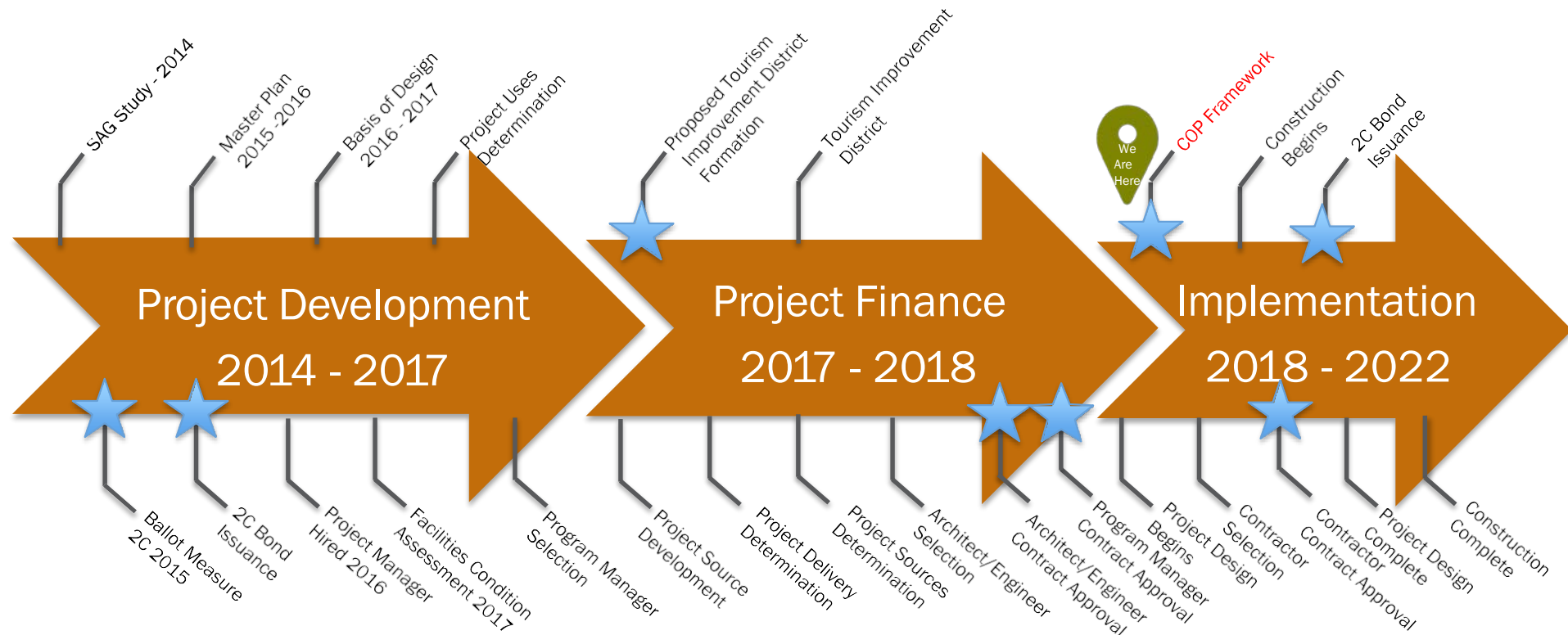
Series 2018A
Certificates of Participation (COPs)
for the
Colorado Convention Center Expansion Project
(CCC-XP)

July 10, 2018

FOR CITY SERVICES VISIT | CALL
DenverGov.org | **311**

- Convention Center Expansion Project: Recap & Update
- Series 2018A Certificates of Participation Overview
 - Requested Ordinance
 - Key Financing Terms
- Financing Timetable

Project Activities to Date

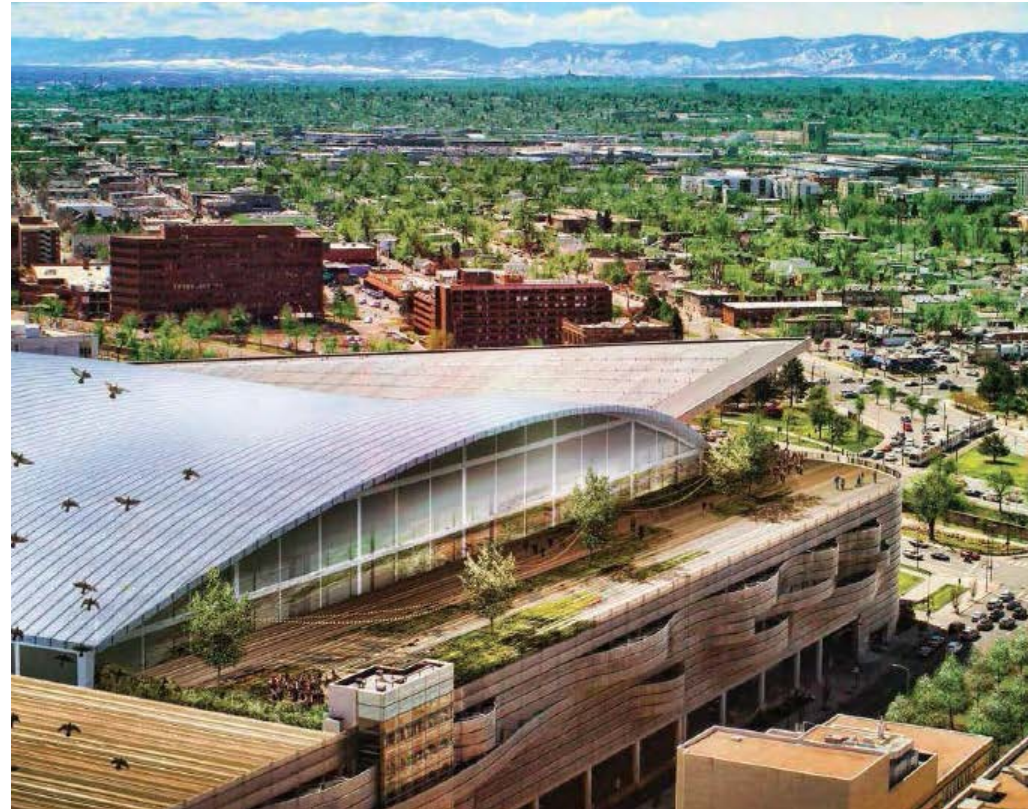


 City Council Action

Key Scope Elements (Basis of Design):

- Rooftop Expansion
 - Increase multi-function flexible meeting space
 - Rooftop Terrace
 - Additional Support Space
- D & E Lobby Improvements
 - Modify lobbies to accommodate access to rooftop expansion
- B Lobby Improvements
 - Enhance the arrival experience from Welton
- Interior & Exterior Wayfinding
 - Improved Navigation

Total of Funding Sources = \$233M*



(Conceptual Project Rendering - Subject to Change)

Economic Impact

- 25 additional center users per year
- More than \$85 million in annual economic impact
- \$47.2 million annual direct spending
- Negative impact of doing nothing could result in millions of dollars of lost business



(Conceptual Project Rendering - Subject to Change)

**\$233M
Capital
Stack**

\$129M COP Financing

FDA \$1.2M Annually

Facilities Development Admission tax equal to 10% of admission price to ticketed events.

Denver Convention Center
Hotel Authority
Excess Revenues

The Economic Development Agreement with the Authority entitles the City to payments in lieu of taxes and excess revenues not required for debt service or other obligations.

\$3.5M Annually

Tourism Improvement
District
\$3.8M Annually

TID members (hotels with 50+ rooms) voted in November 2017 to levy a 1% taxes on themselves or their guests beginning January 1, 2018.

Ballot
Measure 2C

\$104M

*(\$6M already issued for
CCC-XP in 2016)*

At the November 2015 election, City voters approved an extension of the 1.75% lodger's tax and short-term car rental tax (as well the issuance of bonds) to fund a portion of the total project cost of the National Western Center campus and the expansion of the Colorado Convention Center.

Certificates of Participation (COP):

- A lease purchase (“rent-to-own”) transaction subject to annual appropriation by City Council; not subject to voter approval
- A City-owned asset serves as the collateral for the transaction
 - Collateral is released when COPs are paid off
 - If the City fails to appropriate the lease payment, the Trustee takes possession of the asset for the benefit of the COP holders

Ordinance Request:

- Authorizes the Manager of Finance, on behalf of the City, to enter into a Lease Purchase Agreement under which the Trustee will execute and deliver Series 2018A Certificates of Participation in a par amount not to exceed \$129,000,000 for the purpose of funding the Colorado Convention Center Expansion Project.

- **Par Amount***: Not to exceed \$129 million
- **Term**: Not to exceed 30 years
- **Interest Rate***: Not to exceed 5.0%
- **Pledged collateral**: Portions of Colorado Convention Center rooftop expansion
- **Annual lease payment**: Approximately \$8.5 million*, subject to annual appropriation by City Council
- Costs associated with the transaction paid from proceeds

* Final par amount, interest rate, and annual lease payments will be determined on the day of pricing and is dependent on market conditions.

Tentative Dates*

July 9	Reading of 20-93 at City Council
July 10	Finance & Governance Committee
July 17	Mayor Council
July 19	Filing of Documents with City Council
July 23	First Reading
July 30	Second Reading
August 3	Publication of Ordinance
August 8	COP Pricing
August 21	COP Closing

* Subject to change