

1 **BY AUTHORITY**

2 ORDINANCE NO. _____
3 SERIES OF 2024

COUNCIL BILL NO. CB24-0249
COMMITTEE OF REFERENCE:
Finance & Governance

5
6 **A BILL**

7 **For an ordinance concerning the approval of a proposed Facilities Lease No.**
8 **2024A (101 West Colfax Facilities) between Denver Public Facilities Leasing**
9 **Trust 2024A (101 West Colfax Avenue), as lessee, and the City and County of**
10 **Denver, as lessor, and a proposed Lease Purchase Agreement No. 2024A (101**
11 **West Colfax Facilities) between Denver Public Facilities Leasing Trust 2024A**
12 **(101 West Colfax Avenue), as lessor, and the City and County of Denver, as**
13 **lessee, in conjunction with the issuance of Certificates of Participation, Series**
14 **2024A and documents related thereto authorizing officials of the City and County**
15 **of Denver to take all actions necessary to carry out the transactions**
16 **contemplated hereby; ratifying actions previously taken; providing other**
17 **matters relating thereto; and providing the effective date thereof.**

18 **WHEREAS**, the City and County of Denver, Colorado (the “City”), is a municipal corporation
19 duly organized and existing as a home-rule city under Article XX of the Colorado Constitution, and
20 under the Charter of the City (references to provisions therein being to the 1960 Compilation, as
21 amended), and is a political subdivision of the State of Colorado (the “State”); and

22 **WHEREAS**, subject to certain exceptions, all legislative powers possessed by the City,
23 conferred by Article XX of the State Constitution, or contained in the Charter, as either has from time
24 to time been amended, or otherwise existing by operation of law, are vested in the City Council of
25 the City (the “Council”); and

26 **WHEREAS**, the City is authorized, pursuant to Article XX of the State Constitution and the
27 Charter and its plenary grant of powers as a home rule city, to enter into lease purchase agreements
28 in order to lease and acquire land, buildings, equipment and other property for governmental
29 purposes and to purchase, receive, hold and enjoy or sell and dispose of, as lessor or as lessee,
30 real and personal property; and

31 **WHEREAS**, the City has entered into a Purchase and Sale Agreement previously approved
32 by City Council and intends to enter into a proposed Lease Purchase Agreement No. 2024A (the
33 “2024A Lease”) and a proposed Facilities Lease No. 2024A (101 West Colfax Facilities) (the “2024A
34 Facilities Lease”) each with the Denver Public Facilities Leasing Trust 2024A (101 West Colfax

1 Avenue) (the “2024A Trust”) relating to leased property as described therein (the “2024A Leased
2 Property”) for use as office space and potentially for courtrooms; and

3 **WHEREAS**, in connection with the proposed lease financing, there have been filed on March
4 8, 2024 in the office of the Clerk the following in substantially final forms:

5 (1) the 2024A Lease; and

6 (2) the 2024A Facilities Lease; and

7 (3) the Declaration and Indenture of Trust Denver Public Facilities Leasing
8 Trust 2024A (101 West Colfax Avenue) (the “2024A Indenture”) by Zions
9 Bancorporation, National Association, as trustee (the “Trustee”) under which
10 Certificates of Participation, Series 2024 (the “2024A Certificates”) in the maximum
11 aggregate principal amount not to exceed \$90 million evidencing proportionate
12 interests in the Trustee’s rights to receive certain revenues, including Base Rentals,
13 under the 2024A Lease may be executed and delivered by the Trustee; and

14 **WHEREAS**, the 2024A Certificates are anticipated to be issued on or before June [30], 2024
15 in alignment with the Purchase and Sale Agreement due diligence period, pursuant to the 2024A
16 Indenture.

17 **WHEREAS**, new Fund numbers are required to accept and appropriate the proceeds of the
18 2024A Certificates to fund capital expenditures for the acquisition under the terms of the previously
19 approved Purchase and Sale Agreement of an office space and potentially for courtrooms.

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

22 **Section 1. Ratification of Actions.** All action heretofore taken, not inconsistent with the
23 provisions of this ordinance, by the City or its officers, directed toward the purchase and leasing of
24 the 2024A Leased Property are hereby ratified, approved and confirmed.

25 **Section 2. Findings; Authorizations.** This ordinance is adopted pursuant to the City’s
26 powers as a home rule city organized and operating under the Charter and Article XX of the State

1 Constitution; and the City hereby determines that each and every matter and thing as to which
2 provision is made herein is necessary in order to carry out and to effect the purposes hereof.

3 The Council hereby finds and determines, pursuant to the City's home rule powers, that the
4 leasing of the 2024A Leased Property to the 2024A Trust by the City under the terms and provisions
5 set forth in the 2024A Facilities Lease and the leasing back of the 2024A Leased Property to the City
6 from the 2024A Trust under the terms and provisions set forth in the 2024A Lease , respectively, is
7 necessary, convenient, and in furtherance of the governmental purposes of the City and are in the
8 best interests of the City and its residents.

9 The Council hereby authorizes the leasing of the 2024A Leased Property to the 2024A Trust
10 under and pursuant to the terms and provisions of the 2024A Facilities Lease and the leasing back
11 to the City of the 2024A Leased Property from the 2024A Trust under and pursuant to the terms and
12 provisions of the 2024A Lease.

13 **Section 3. Approvals; Execution of Documents; Authorized Officers.** The 2024A
14 Facilities Lease and the 2024A Lease in the forms substantially as filed in Clerk's Filing No.
15 20240026-A, and Clerk's Filing No. 20240026-B, respectively, are in all respects approved. The
16 Mayor is hereby authorized and directed to execute and deliver, and the Clerk is hereby authorized
17 and directed to affix the seal of the City to, and attest, the 2024A Facilities Lease and the 2024A
18 Lease in the form substantially as filed with the Clerk in Clerk's Filing No. 20240026-A and Clerk's
19 Filing No. 20240026-B.

20 **Section 4. No General Obligation or Other Indebtedness.** The obligation of the City to
21 make rental payments under the 2024A Lease is subject to annual appropriation by the Council and
22 constitutes an undertaking of the City to make current expenditures. No provision of this ordinance,
23 the 2024A Lease, the 2024A Facilities Lease, the 2024A Indenture or the 2024A Certificates shall
24 be construed as constituting or giving rise to a general obligation or other indebtedness or a multiple
25 fiscal year direct or indirect debt or other financial obligation of the City within the meaning of any
26 home rule, constitutional or statutory debt limitation nor a mandatory charge or requirement against
27 the City in any ensuing fiscal year beyond the current fiscal year. On an annual basis, the City may
28 choose to not renew, and thereby terminate its obligations under the 2024A Lease and, if applicable
29 under its terms, the 2024A Facilities Lease.

1 **Section 5. Reasonable Base Rentals.** The Council hereby determines and declares that
2 the Base Rentals due under the 2024A Lease do not exceed a reasonable amount so as to place
3 the City under an economic compulsion to renew and therefore not to terminate either the 2024A
4 Lease or to exercise its option to purchase the 2024A Leased Property, pursuant to the 2024A
5 Lease.

6 **Section 6. Sale of 2024A Certificates.** The Council hereby acknowledges (1) the 2024A
7 Indenture (2) the execution and delivery by the Trustee of, the form of, and private placement sale
8 of the 2024A Certificates, all pursuant to the 2024A Indenture, in substantially the form of the 2024A
9 Indenture filed with the Clerk in Clerk's Filing No. 20240026-C and (3) that the proceeds of the sale
10 of the 2024A Certificates are to be used for the City to acquire the 2024A Leased Property and to
11 reimburse the City for funds used to secure the Purchase and Sale Agreement.

12 **Section 7. Fund Creation.** A new Special Revenue Fund is hereby established in the
13 Grant and Other Money Projects Fund Series, Accounting No. 38511, the "101 West Colfax Campus
14 Facilities" Fund, Accounting No. 38511, for the purpose of accounting for the receipt and expenditure
15 of the proceeds of the 2024A Certificates of Participation. Monies received from the 2024A Trustee
16 funded with proceeds of the 2024A Certificates of Participation, shall be deposited into the Treasury
17 of the City and credited to the "101 West Colfax Campus Facilities" Fund, Accounting No. 38511, as
18 described in Section 20-18 of the Revised Municipal Code of the City and County of Denver.
19 Expenditures are hereby authorized for the "101 West Colfax Campus Facilities" Fund, Accounting
20 No. 38511 to be expended by the Manager of Finance for the purposes of purchasing the 2024A
21 Leased Property located at 101 West Colfax. This is a revenue-based, non-lapsing fund.

22 **Section 8. Appropriation of 2024A Base Rentals for Fiscal Year 2024.** From the
23 General Fund, Accounting No. 01010, out of moneys not otherwise appropriated and in addition to
24 any supplemental appropriations or rescissions, there is hereby appropriated to the appropriation
25 accounts hereinafter designated the amount of money following each such designation, to be
26 expended for the purposes and upon the authorizations in this Ordinance set forth:

<u>Accounting Number</u>	<u>Appropriation Account</u>	<u>Expending Authority</u>	<u>Amount</u>
[01010-2565000]	[Annual Rental Payments]	Manager of Department of Finance	Not to Exceed \$4,042,500.00

1 The Manager of Finance of the City is hereby authorized and directed to make such book and
2 record entries and to do such other things as may be necessary to accomplish the purposes of this
3 Section 8.

4 **Section 9. Delegated Powers; Additional Documents.** The Manager of Finance, and the
5 Manager of General Services are authorized to perform all of the duties and undertake all of the
6 responsibilities set forth as the duties and responsibilities of such officials in the 2024A Lease, the
7 2024A Facilities Lease, and any other document related to the 2024A Lease. The Clerk is hereby
8 authorized and directed to attest all signatures and acts of any official of the City in connection with
9 the matters authorized by this ordinance. The Mayor, the Auditor, the Clerk, the Manager of General
10 Services and the Manager of Finance and other officials and employees of the City are hereby
11 authorized to execute and deliver for and on behalf of the City any and all additional certificates,
12 documents, easements, agreements and other papers and to perform all other acts that they may
13 deem necessary or appropriate in order to implement and carry out the transactions and other
14 matters authorized by this ordinance. Such necessary or appropriate actions include, without
15 limitation, activities necessary for the Trustee’s execution and delivery of such certificates and
16 opinions as may be reasonably required by the Trustee, the 2024A Trust, or the City’s counsel
17 relating to, among other things, the tenure and identity of the officials of the City and the Council, the
18 absence of pending litigation affecting the validity of the 2024A Lease and the 2024A Facilities
19 Lease, and federal and state securities laws, all as contemplated by this ordinance and are not
20 inconsistent with this ordinance.

21 **Section 10. Severability.** If any section, paragraph, clause or provision of this ordinance
22 shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such
23 section, paragraph, clause or provision shall not affect any of the remaining provisions of this
24 ordinance.

25 **Section 11. Effective Date.** This ordinance shall take effect as provided in the Charter of
26 the City.

27 **Section 12. Publications.** The bill for this ordinance and this ordinance are hereby
28 authorized and directed to be published as required by the Charter.

