

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at [MileHighOrdinance@DenverGov.org](mailto: MileHighOrdinance@DenverGov.org) by 9 a.m. Friday. Contact the Mayor's Legislative team with questions

Date of Request: **10-11-2024**

Please mark one: Bill Request or Resolution Request

Please mark one: The request directly impacts developments, projects, contracts, resolutions, or bills that involve property and impact within .5 miles of the South Platte River from Denver's northern to southern boundary? (Check map [HERE](#))

Yes No

1. Type of Request:

Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment

Dedication/Vacation Appropriation/Supplemental DRMC Change

Other: Ordinance to Issue (Subordinate) Interim Note Obligations

2. Title: An ordinance to authorize the Manager of Finance, Chief Financial Officer to issue City and County of Denver, for and on behalf of its Department of Aviation, Airport System Tax-Exempt Interim Revolving Note Subordinate Obligation, Series 2024A (the "Note"), in an amount not to exceed \$500 million for the purpose of providing cash flow for current projects in the airport's existing 2023-2035 Capital Improvement Plan.

3. Requesting Agency: Department of Finance, for and on behalf its Department of Aviation

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution (e.g., subject matter expert)	Contact person for council members or mayor-council
Name: Jessica Skibo, Capital Funding Debt Manager	Name: Carolina Flores, Dep. Director of Legislation & Policy
Email: Jessica.skibo@denvergov.org	Email: Carolina.flores@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:
Please see Executive Summary

6. City Attorney assigned to this request (if applicable): Kevin Cain/Everett Martinez

7. City Council District: District 11 – Stacie Gilmore

8. **For all contracts, fill out and submit accompanying Key Contract Terms worksheet**

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): Airport System
Tax-Exempt Interim Revolving Note Subordinate Obligation

Vendor/Contractor Name (including any dba's): N/A

Contract control number (legacy and new): N/A

Location: District 11

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates): Term of Note will be 12 months from the date of closing.

Contract Amount (indicate existing amount, amended amount and new contract total): n/a

<i>Current Contract Amount</i> (A)	<i>Additional Funds</i> (B)	<i>Total Contract Amount</i> (A+B)
n/a	n/a	n/a

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
n/a	n/a	n/a

Scope of work: n/a

Was this contractor selected by competitive process? The Note is being sold as a direct placement to a Bank who was selected via a competitive process. **If not, why not?**

Has this contractor provided these services to the City before? Yes No

Source of funds: Interim Note will be repaid solely by revenues/fees of the Airport

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): n/a

Who are the subcontractors to this contract? n/a

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

Executive Summary- An Ordinance to Issue (Subordinate) Interim Note Obligations

The proposed ordinance authorizes the Manager of Finance, for and on behalf of the Department of Aviation, to issue an Airport System Tax-Exempt Interim Revolving Note Subordinate Obligation, Series 2024A, (the “Note”) to be directly purchased by Truist Commercial Equity, Inc. for the purpose of securing interim funding of up to \$500 million. The Note will serve as an interim financing vehicle for DEN to fund immediate needs in the 2023-2035 Capital Improvement Plan (CIP), most notably the Great Hall Completion, Baggage Modernization, and Restroom Renewal. This transaction enables progress to continue on the CIP projects by providing funding; while also providing flexibility for DEN to draw funds as needed. The city expects to refund the Note balance with long-term fixed rate bonds mid to late next year which will also be subject to City Council approval.

The Note constitutes a subordinate contract obligation, authorized under the Airports General Subordinate Bond Ordinance. The direct purchaser of the Note is Truist Commercial Equity, Inc., which was selected via a competitive selection process. Truist will not require a rating or disclosure document for the transaction.

The Note will be issued as a variable rate obligation. The interest rate for amounts drawn under the facility will be set/reset at 79% of the One Month Secured Overnight Financing Rate (SOFR) index plus a fixed 28.56 basis points each month the Note is outstanding. There is a 10-basis point standby fee for amounts which are available, but not drawn under the facility. The proposed 2024A Note is not considered new money financings that would add to the Airports existing principal portfolio balance. The Note will be paid solely from airport revenues and are not a direct obligation of the city.

The city has by ordinance designated the Department of Aviation as an Enterprise within the meaning of the TABOR Amendment to the Colorado State Constitution. Subordinate Airport System Revenue Bonds and Obligations such as this Subordinate Note Obligation are special obligations of the city, for and on behalf of the Department of Aviation, payable solely from and secured by a subordinate pledge of the Net Revenues of the Airport System. None of the properties of the Airport System is subject to any mortgage or other lien for the benefit of the owners of the Bonds. Neither the full faith and credit, nor the taxing power of the city, will be pledged in payment of Airport System Revenue Bonds or Obligations.

To be completed by Mayor’s Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____