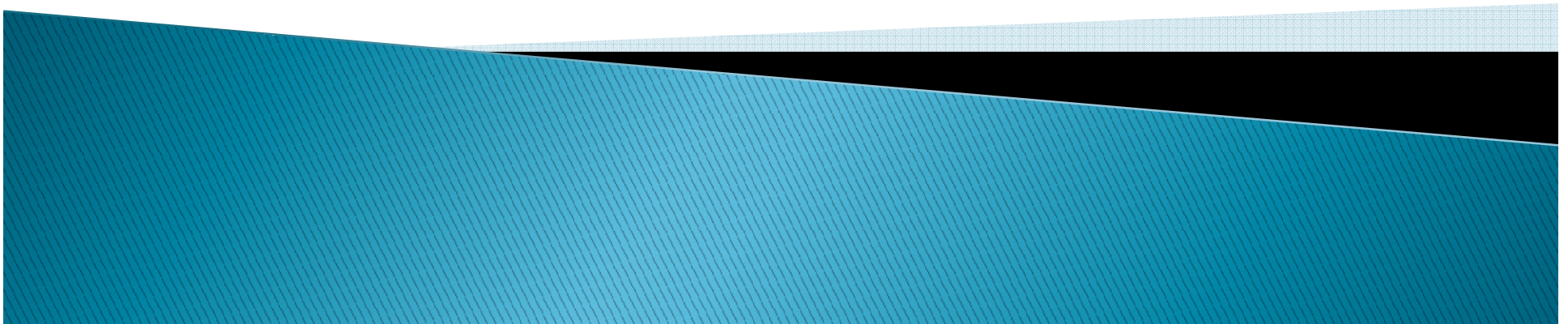


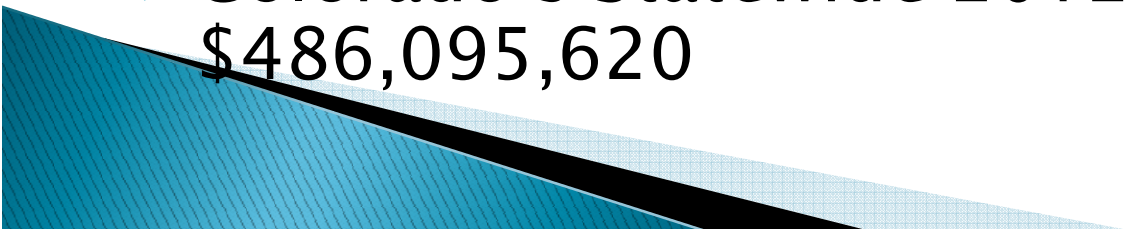
Private Activity Bond (PAB)

\$50 million additional 2012

ALLOCATION



What is private activity bond allocation?

- ▶ Tax-exempt bonds issued to support projects with a private purpose.
 - ▶ IRS allows a limited amount of tax exempt private purpose bonds to be issued, thus creating the allocation process of PAB authority.
 - ▶ PAB allocation is based on a state's population times the per capita rate established by IRS (indexed to inflation with \$5 increments).
 - ▶ Colorado's Statewide 2012 allocation is \$486,095,620
- 

Initial Allocations

January 2012

\$95 per capita rate x state pop. = Total PAB Cap

Colorado was awarded \$486,095,620 in 2012

50% of Cap

State Authorities

- CHFA
- Colorado Agriculture Development Authority
- CollegelInvest

50% of Cap

Local Governments

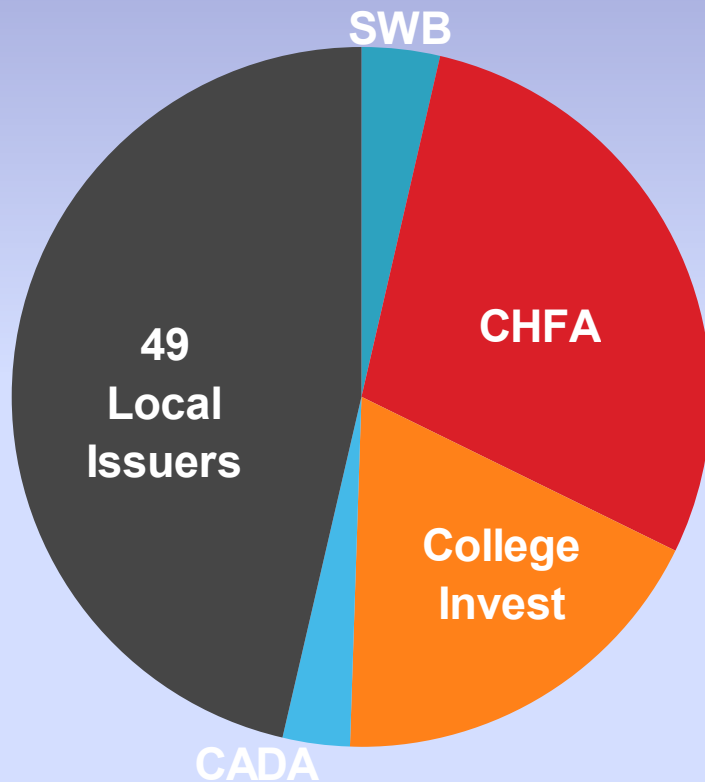
- 49 local governments
- populations exceeding 22,305
- 2012 Denver cap is \$28,771,795

Statewide Balance

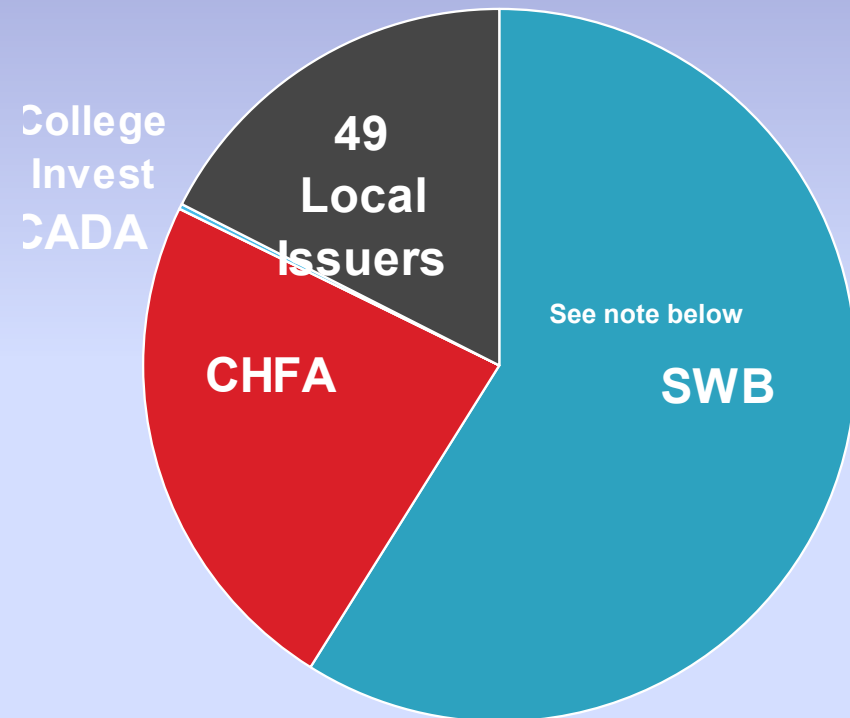
- Remaining or relinquished PAB Cap
- Available to all upon application to DOLA
- September 15th, relinquished PAB Cap becomes part of the statewide balance
- December 31st, unallocated PAB Cap expires unless distributed to a local authority with the ability to carry forward up to 3 years

Comparison of 2012 Allocation

January 2012



October 2012



NOTE: As of October, \$285,700,000 of PAB Cap remains unallocated in the Statewide Balance (SWB) and will expire on December 31, 2012 unless distributed to local issuers with ability to carry forward.

Denver's Current Allocations

BENEFITS:

- ▶ Once a local government is awarded the PAB Cap, the IRS allows the PAB Cap to be carried forward up to 3 years
- ▶ There is no cost to the City to receive an award of PAB Cap.
- ▶ By seeking additional PAB Cap, Denver is assisting the State in preserving a resource that would otherwise expire at the end of the year.
- ▶ Denver benefits from the additional allocation being available for future development.

Proposed PAB Additional Allocation - Sources/Uses							
Year	CF Amount	New Allocation	Used/Expired	Project	Unused	Available Use	Expiration
2012	\$ 50,000,000				\$ 50,000,000	Addition for 2012	12/31/2015
2012		\$ 28,771,795	\$ (5,000,000)	MCC	\$ 23,771,795	Amount for 2012	12/31/2015
2011	\$ 15,000,000				\$ 15,000,000	Addition for 2011	12/31/2014
2011	\$ 29,385,875		\$ (25,000,000)	MCC	\$ 4,385,875	Amount for 2011	12/31/2014
2010	\$ 30,000,000				\$ 30,000,000	Multifamily (8328)	12/31/2013
2010	\$ 27,517,905				\$ 27,517,905	Multifamily (8328)	12/31/2013
2009*	\$ 21,346,190		\$ (21,346,190)	Expired	\$ -	Multifamily (8328)	12/31/2012
TOTAL	\$ 173,249,970	\$ 28,771,795	\$ (51,346,190)		\$ 150,675,575		
*Note: 2009 to expire at the end of 2012							