

BY AUTHORITY

ORDINANCE NO. _____
SERIES OF 2017

COUNCIL BILL NO. 17-0937
COMMITTEE OF REFERENCE:
Finance & Governance

A BILL

For an Ordinance approving the City's consent to the dissolution of the Denver Union Station Project Authority and related intergovernmental agreements including the DUSPA Omnibus Assignment and Assumption Agreement and the DUSPA Dissolution Project Coordination and Cash Fund Management Agreement.

(1) **WHEREAS**, the City and County of Denver (the "City"), Colorado (the "State"), is a municipal corporation duly organized and existing as a home rule city under Article XX of the State Constitution and under the Charter of the City (the "Charter") and is a political subdivision of the State;

(2) **WHEREAS**, the Denver Union Station Project Authority ("DUSPA") is a Colorado nonprofit corporation and instrumentality of the City created pursuant to Ordinance No. 334, Series of 2008, adopted by the City Council of the City (the "City Council") on June 30, 2008, and was formed as a nonprofit corporation with the Colorado Secretary of State on August 6, 2008, for the purposes of financing, equipping, designing, constructing, renovating, and taking such other action as necessary with respect to the redevelopment of Denver Union Station (the "DUS Project"); and

(3) **WHEREAS**, DUSPA incurred Obligations (as defined herein) to finance the costs of designing, constructing, renovating, and making other improvements to the DUS Project, including major transit elements and the transit oriented development of surrounding areas; and

(4) **WHEREAS**, the DUS Project was a joint and cooperative undertaking among the City, the Regional Transportation District ("RTD"), Colorado Department of Transportation ("CDOT"), the Denver Regional Council of Governments ("DRCOG") and the Denver Union Station Metropolitan District ("DUSMD") for the purpose of establishing at the DUS Project a multimodal transportation hub and transit oriented development for the City, region, and the State, and for the purpose of financing and constructing a sustainable, multimodal hub for the region's transit system, including facilities for light rail, passenger rail, commuter rail, regional and commercial buses, bicycles, taxis, and pedestrians and to incorporate private mixed use development on and around the DUS Project; and

(5) **WHEREAS**, DUSPA's Board of Directors (the "Board") is led by its officers, Elbra Wedgeworth (President), Jerrold L. Glick (Vice President), Michael West (Secretary), and Brendan

1 Hanlon (*ex-officio* member and Treasurer) and is composed of volunteer representatives of the
2 City, RTD, CDOT, DRCOG, and DUSMD; and

3 (6) **WHEREAS**, on July 23, 2010, DUSPA entered into two loan agreements in the
4 combined principal amount of \$300,600,000 to fund approximately \$482,385,126 in redevelopment
5 costs associated with the DUS Project: a Railroad Rehabilitation and Improvement Financing Loan
6 (the "RRIF Loan") by and through the Federal Railroad Administrator in the principal amount of
7 \$155,000,000, and a Transportation Infrastructure Finance and Innovation Act loan (the "TIFIA
8 Loan" and with the RRIF Loan, the "Obligations") by and through the Federal Highway
9 Administrator in the principal amount of \$145,600,000; and

10 (7) **WHEREAS**, approximately 21% of the DUS Project cost (\$103,500,000) was
11 contributed in the form of state, local, and regional grants with RTD contributing approximately
12 \$74,100,000 through land sale proceeds as well as monies from its voter authorized FasTracks
13 fund and additional amounts (\$4,200,000) being contributed via an AMTRAK contribution,
14 miscellaneous revenues, interest income, and metropolitan district bonds fund transfer; and

15 (8) **WHEREAS**, construction of the DUS Project was completed on or around December
16 31, 2014, ahead of schedule, below budget, and without incident, and the final element of the DUS
17 Project was handed over to RTD in July, 2015; and

18 (9) **WHEREAS**, on February 3, 2017, the Obligations were restructured, effectively
19 retiring the RRIF Loan and TIFIA Loan with bond proceeds and a bank loan, and extinguishing
20 DUSPA's debt obligations approximately 21 years early; and

21 (10) **WHEREAS**, because DUSPA's purposes have been achieved by way of a completed
22 DUS Project and the retirement of its Obligations, the Board is now in the process of "winding up"
23 its affairs and has taken action to dissolve DUSPA as an entity pursuant to its plan of dissolution;
24 and

25 (11) **WHEREAS**, in order to effect the dissolution of DUSPA, (a) the City and RTD will
26 enter into the DUSPA Dissolution Project Coordination and Cash Fund Management Agreement
27 (the "Coordination Agreement"), and (b) the City, RTD, and DUSPA will enter into the DUSPA
28 Omnibus Assignment and Assumption Agreement the ("Omnibus Assignment"); and

29 (12) **WHEREAS**, the forms of the Coordination Agreement and the Omnibus Agreement
30 are on file with the Clerk and Recorder, *ex-officio* Clerk (the "Clerk"); and

31 (13) **WHEREAS**, concurrent with the passage of this Ordinance, the Mayor is issuing his
32 Written Consent of the Mayor of Denver to Dissolve Denver Union Station Project Authority; and

1 (14) **WHEREAS**, concurrent with the passage of this Ordinance, the City Council is
2 issuing a proclamation honoring the Board of Directors of the Denver Union Station Project
3 Authority for its service.

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

6 **Section 1. Authority for Ordinance.** This Ordinance is adopted pursuant to the City's
7 powers as a home rule city organized and operating under the Charter and Article XX of the State
8 Constitution.

9 **Section 2. Approvals and Authorization.**

10 A. Pursuant to Section 7.03 of the DUSPA Articles of Incorporation, and in consideration
11 of the good and valuable efforts and achievements of the Board, the City Council hereby declares
12 its approval of the dissolution of the Denver Union Station Project Authority. The Coordination
13 Agreement and the Omnibus Assignment are hereby approved in substantially the form filed with
14 the Clerk under File No. 2017-0415-001 and File No. 2017-0415, respectively, provided that such
15 documents may be completed, corrected, or revised as deemed necessary by the parties thereto
16 in order to carry out the purposes of this Ordinance.

17 B. The Mayor, the Chief Financial Officer, the Clerk, the City Attorney, and other officers
18 and employees of the City are hereby independently authorized and directed to take all action
19 necessary or appropriate to effect the provisions of this Ordinance, including without limiting the
20 generality of the foregoing, executing, attesting, authenticating, and delivering the Coordination
21 Agreement, the Omnibus Assignment, and such other agreements or instruments as may be
22 necessary to effect the wind up and dissolution of the Denver Union Station Project Authority.

23 C. The execution of the Coordination Agreement, the Omnibus Assignment, and any
24 agreement or instrument by the appropriate officers of the City herein authorized shall be
25 conclusive evidence of the approval by the City of such Coordination Agreement, Omnibus
26 Assignment, agreement, or instrument in accordance with the terms hereof.

27 **Section 3. Effective Date.** This Ordinance shall become effective immediately upon its
28 final passage and publication, as provided by the Charter.

29 **Section 4. Publication.** The bill for this Ordinance is hereby authorized and directed to
30 be published as provided in the Charter.

31 **Section 5. Recordation and Authentication.** This Ordinance shall be recorded after its
32 passage in a Book of Ordinances of the City, kept for that purpose, and authenticated by the
33 signature of the Mayor and attested and countersigned by the Clerk.

1 COMMITTEE APPROVAL DATE: August 22, 2017
2 MAYOR-COUNCIL DATE: August 29, 2017 by Consent
3 PASSED BY THE COUNCIL _____ September 18, 2017
4 Al Bink _____ - PRESIDENT
5 APPROVED: J. S. [Signature] _____ - MAYOR Sep 19, 2017
6 ATTEST: _____ - CLERK AND RECORDER,
7 EX-OFFICIO CLERK OF THE
8 CITY AND COUNTY OF DENVER
9 NOTICE PUBLISHED IN THE DAILY JOURNAL _____;
10 PREPARED BY: BUTLER SNOW LLP September 7, 2017
11 REVIEWED BY: Jennifer Welborn, Assistant City Attorney September 7, 2017
12 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of
13 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
14 ordinance. The proposed ordinance is submitted to the City Council for approval pursuant to §
15 3.2.6 of the Charter.
16
17 Kristin M. Bronson, Denver City Attorney
18
19 BY: T. Sullivan, Assistant City Attorney DATE: Sep 7, 2017