

# 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: November 24, 2023

Please mark one:  Bill Request or  Resolution Request

## 1. Type of Request:

- Contract/Grant Agreement  Intergovernmental Agreement (IGA)  Rezoning/Text Amendment  
 Dedication/Vacation  Appropriation/Supplemental  DRMC Change  
 Other:

2. **Title:** (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Approves a Purchase and Sale Agreement between the City and County of Denver and Kayan, LLC for 101 West Colfax Avenue.

3. **Requesting Agency:** Department of Finance/Real Estate

## 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: Lisa Lumley	Name: Carolina Flores
Email: Lisa.Lumley@denvergov.org	Email: Carolina.Flores@denvergov.org

5. **General description or background of proposed request. Attach executive summary if more space needed:**

See Executive Summary.

6. **City Attorney assigned to this request (if applicable):** Maureen McGuire

7. **City Council District:** 10

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): Purchase and Sale Agreement

**Vendor/Contractor Name (including any dba's):** Kayan, LLC

**Contract control number (legacy and new):** FINAN-

**Location:** 101 West Colfax Avenue, Denver CO 80202

**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):** 180 days from the Effective Date in the Purchase and Sale Agreement.

**Contract Amount (indicate existing amount, amended amount and new contract total):**

<i>Current Contract Amount</i> (A)	<i>Additional Funds</i> (B)	<i>Total Contract Amount</i> (A+B)
\$88,500,000		\$88,500,000

  

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
See Contract Term/Duration Above		

**Scope of work:** Purchase and Sale Agreement between the City and County of Denver and Kayan, LLC for 101 West Colfax Avenue.

**Was this contractor selected by competitive process?** N/A **If not, why not?**

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

**Source of funds:** Certificate of Participation (COP)

**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

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## EXECUTIVE SUMMARY

The City has a seller executed Purchase and Sale Agreement with Kayan, LLC to purchase the Denver Post Building located at 101 West Colfax Avenue (“101 Building”) for \$88,500,000. The property is approximately 303,733 rentable square feet, with a 635 space parking garage situated on ~1.4 acres.

In 2020 the Division of Real Estate with DOTI and its consultant completed a Courts Master Plan. Space requirements were reviewed through 2040 for County, District, Probate and Juvenile Courts. The projections use the framework established in recent weighted caseload studies commissioned by the State of Colorado for judgeships and court staffing as well as changes to cases being sent down to County Courts.

**The plan determined that there is a current deficit of 50,450 square feet. By 2030, the combined courts will require approximately 171,050 square feet and another 58,500 square feet by 2040, for total required additional space of 280,000 square feet.**

Due to its proximity to the City and County Building, the Lindsey-Flanigan Courthouse, and other municipal buildings, the 101 Building represents a uniquely strategic opportunity to meet the future courts’ requirements within proximity to existing judicial facilities. IT infrastructure is currently in place at the 101 Building that provides access to the City’s IT network. The 101 Building also has building security systems, parking, ground floor auditorium and quality of build out.

Currently, the City attempts to provide undedicated space in the City and County Building to support judicial advocate services, such as Colorado Legal Services and multiple rental assistance programs. Comprehensive space programming would allow for dedicated space for nonprofit providers delivering these community services.

City employees in the 101 Building will still move back to the Webb Building upon completion of the Webb Building Capacity Project.

The purchase will be funded by a Certificate of Participation (COP) which will require City Council approval. Importantly, annual revenue from the current Denver Post master lease will cover the annual COP payments.

The Denver Post has a master lease for the entire building which generates more than \$7.25 million annually through 2029 (increases in October 2026). The parking garage also generates annual revenue.

It is anticipated that the COP agreement will be at City Council in January 2024.

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