BY AUTHORITY

ORDINANCE NO. _____ COUNCIL BILL NO. CB-24-1660

SERIES OF 2024 COMMITTEE OF REFERENCE:

Finance and Governance

A BILL

For an ordinance approving an Amended and Restated Denver Downtown Development Authority Plan of Development; ratifying action previously taken relating thereto; and providing other matters relating thereto.

(1) WHEREAS, the City and County of Denver (the "City"), is a municipal corporation duly organized and existing as a home-rule municipality under Article XX of the Constitution (the "Constitution") and laws of the State of Colorado (the “State”) and the City Charter (the "Charter"); and

(2) WHEREAS, the members of the City Council of the City (the "City Council") have been duly elected and qualified; and

(3) WHEREAS, pursuant to an election held on November 4, 2008 (the “2008 Election”) and Ordinance No. 400, Series of 2008, the City Council created the Denver Downtown Development Authority (the “DDDA”); and

(4) WHEREAS, at the 2008 Election, a majority of electors of the DDDA qualified to vote and voting thereon, approved the following ballot question:

SHALL DENVER DOWNTOWN DEVELOPMENT AUTHORITY OBLIGATIONS BE INCREASED $350,000,000 WITH A REPAYMENT COST OF $847,000,000 (MAXIMUM) FOR AN APPROVED PLAN OF DEVELOPMENT, AS AMENDED OR MODIFIED FROM TIME TO TIME, SUCH OBLIGATIONS MAY BE INCURRED FOR THE AUTHORITY BY THE CITY AND COUNTY OF DENVER FOR THE PURPOSE OF PAYING THE COSTS OF CREATING AND IMPLEMENTING ANY PLAN OF DEVELOPMENT, INCLUDING OPERATING, MAINTAINING OR OTHERWISE PROVIDING SYSTEMS, OPERATIONS AND ADMINISTRATION FOR THE PURPOSE OF CARRYING OUT THE OBJECTS AND PURPOSES FOR WHICH THE AUTHORITY WAS ORGANIZED, TOGETHER WITH ALL NECESSARY, INCIDENTAL AND APPURTENANT PROPERTIES, CAPITAL IMPROVEMENTS,

FACILITIES, EQUIPMENT, PERSONNEL, CONTRACTORS, CONSULTANTS AND COSTS AND ALL LAND, EASEMENTS AND APPURTENANCES NECESSARY OR APPROPRIATE IN CONNECTION THEREWITH, SUCH OBLIGATIONS TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF SEVEN PERCENT (7%) PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND PERIODICALLY AS MAY BE DETERMINED BY THE CITY COUNCIL, SUCH OBLIGATIONS TO BE INCURRED OR DELIVERED IN ONE SERIES OR MORE AT A PRICE ABOVE, BELOW OR EQUAL TO THE PRINCIPAL AMOUNT OF SUCH OBLIGATIONS AND ON SUCH TERMS AND CONDITIONS AS THE CITY COUNCIL MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE OBLIGATIONS PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF PREMIUM, AND WHICH OBLIGATIONS MAY BE REFINANCED WITHOUT ADDITIONAL VOTER APPROVAL, PROVIDED THAT AFTER THE ISSUANCE OF SUCH REFINANCING OBLIGATIONS THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF ALL OBLIGATIONS ISSUED PURSUANT TO THIS QUESTION DOES NOT EXCEED THE MAXIMUM AMOUNT SET FORTH ABOVE, AND PROVIDED FURTHER THAT ALL OBLIGATIONS ISSUED PURSUANT TO THIS QUESTION ARE ISSUED ON TERMS THAT DO NOT EXCEED THE REPAYMENT COSTS AUTHORIZED IN THIS QUESTION; SUCH OBLIGATIONS SHALL BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE AUTHORITY OR FROM REVENUES OF THE CITY LEGALLY AVAILABLE FOR THE AUTHORITY, INCLUDING THE REVENUES PLEDGED OR FROM TAXES PLEDGED PURSUANT TO SECTION 31-25-807(3)(B) COLORADO REVISED STATUTES OR BOTH SUCH REVENUES AND TAXES WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD OF THE AUTHORITY AND THE CITY COUNCIL, AND SHALL THE PROCEEDS OF ANY SUCH OBLIGATIONS AND THE PROCEEDS OF SUCH TAXES, ANY OTHER REVENUE USED TO PAY SUCH OBLIGATIONS, AND INVESTMENT INCOME THEREON BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE, WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE

COLORADO CONSTITUTION, OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE AUTHORITY AND THE CITY AND COUNTY OF DENVER ON BEHALF OF THE AUTHORITY?; and

(5) WHEREAS, pursuant to Ordinance No. 723, Series of 2008, the City Council approved the Denver Union Station Plan of Development dated November 25, 2008 (the "Original Plan") to facilitate the development of the Denver Union Station Project (the "DUS Project") within the plan of development area (as amended from time to time, the "Plan Area"); and

(6) WHEREAS, the Original Plan contains a provision that authorizes the use of property tax and sales tax increment financing pursuant to C.R.S. § 31-25-807(3) (the "TIF Provision") to finance the costs of development projects within the boundaries of the Plan Area that will be effective for thirty years following approval of the Original Plan, or such longer period as authorized by C.R.S. §§ 31-25-801, *et seq*. (as may be amended from time to time, the "DDA Act"); and

(7) WHEREAS, the City, acting on behalf of the DDDA, previously issued its Downtown Development Authority Tax Increment Revenue Bond, Series 2017 (the "2017 Bond") to finance the development of the DUS Project; and

(8) WHEREAS, the DUS Project has been completed and the 2017 Bond will be paid and discharged on or prior to December 1, 2028; and

(9) WHEREAS, at an election held on November 5, 2024 (the "2024 Election") called pursuant to Ordinance No. 1016, Series of 2024, a majority of electors of the DDDA qualified to vote and voting thereon, approved the following ballot question:

WITHOUT INCREASING TAXES, SHALL THE CITY AND COUNTY OF DENVER, COLORADO ("CITY") DEBT BE INCREASED $570,000,000, WITH A TOTAL REPAYMENT COST OF NOT MORE THAN $847,000,000 (MAXIMUM TOTAL PRINCIPAL AND INTEREST) FOR USE BY AND ON BEHALF OF THE DENVER DOWNTOWN DEVELOPMENT AUTHORITY (THE "DDDA"), FOR OBLIGATIONS THAT ARE SUBJECT TO TABOR'S ELECTION REQUIREMENTS, FOR THE PURPOSE OF FINANCING THE COSTS OF PUBLIC FACILITIES AND OTHER IMPROVEMENTS, SUCH AS CREATING AND MAINTAINING PUBLIC SPACES

AND FACILITIES, INFRASTRUCTURE, AND OTHER IMPROVEMENTS TO PUBLIC OR PRIVATE PROPERTY IN ACCORDANCE WITH PROJECTS DESCRIBED IN THE DDDA PLAN OF DEVELOPMENT, AS IT MAY BE RESTATED OR AMENDED FROM TIME TO TIME;

SUCH DEBT AND THE INTEREST THEREON TO BE PAID FROM AND SECURED BY A PLEDGE OF THE SPECIAL FUND OF THE CITY WHICH SHALL CONTAIN TAX INCREMENT REVENUES LEVIED AND COLLECTED WITHIN THE BOUNDARIES OF THE DDDA; AND SHALL THE CITY BE AUTHORIZED TO PLEDGE THE SPECIAL FUND OF THE CITY AND THE TAX INCREMENT REVENUES COLLECTED THEREIN TO THE REPAYMENT OF THE PRINCIPAL OF AND INTEREST ON OBLIGATIONS THAT ARE NOT SUBJECT TO TABOR'S ELECTION REQUIREMENTS FOR THE PURPOSE OF FINANCING PUBLIC FACILITIES AND OTHER IMPROVEMENTS TO PUBLIC OR PRIVATE PROPERTY IN ACCORDANCE WITH PROJECTS DESCRIBED IN THE DDDA PLAN OF DEVELOPMENT, AS IT MAY BE RESTATED OR AMENDED FROM TIME TO TIME; AND SHALL ANY DEBT AUTHORIZED BY THIS QUESTION BE EVIDENCED BY BONDS, LOANS, ADVANCES, OR OTHER INDEBTEDNESS OR FINANCIAL OBLIGATIONS, TO BE SOLD IN ONE SERIES OR MORE, FOR A PRICE ABOVE OR BELOW THE PRINCIPAL AMOUNT THEREOF, ON TERMS AND CONDITIONS, AND WITH SUCH MATURITIES, AS PERMITTED BY LAW AND AS THE CITY MAY DETERMINE, INCLUDING PROVISIONS FOR THE REDEMPTION OF THE DEBT PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF A PREMIUM OF NOT MORE THAN 3% OF THE PRINCIPAL AMOUNT SO REDEEMED; AND SHALL THE CITY AND THE DDDA BE AUTHORIZED TO COLLECT, RETAIN AND SPEND THE TAX INCREMENT REVENUES, THE BOND PROCEEDS AND THE INVESTMENT INCOME THEREON AS A VOTER-APPROVED REVENUE CHANGE AND EXCEPTION TO THE LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?; and

(10) WHEREAS, collectively, the 2008 Election and the 2024 Election shall be referred to herein as the "Election;" and

(11) WHEREAS, pursuant to C.R.S. § 31-25-807(2)(d) and C.R.S. § 31-25-807(3)(a), the Board of the DDDA has determined that the Original Plan should be amended and restated in accordance with the proposed Amended and Restated Denver Downtown Development Authority Plan of Development, as set forth and filed with the office of the Denver Clerk and Recorder, *ex officio* Clerk of the City ("City Clerk") on the 12th of November, 2024, under City Clerk Filing Number 20240140 (the "Amended Plan of Development"), to establish categories for future development and redevelopment projects to be undertaken by the City and the DDDA within the Plan Area to assist the City in overcoming the economic challenges affecting the City's central business district and adopted a resolution approving the Amended Plan of Development on November 7, 2024; and

(12) WHEREAS, the Amended Plan of Development is not intended to modify and shall not be construed to modify the TIF Provision contained in the Original Plan; therefore, the TIF Provision will be effective for thirty years following approval of the Original Plan, or such longer period as authorized by the DDA Act; and

(13) WHEREAS, since the TIF Provision may continue to be in effect until at least 2038 in accordance with the DDA Act, the City Council has determined and hereby determines that the Original Plan should be amended and restated in accordance with the terms of the Amended Plan of Development in order to authorize additional development and redevelopment projects to be undertaken within the Plan Area in order to promote the safety, prosperity, security, and general welfare of the Plan Area and its inhabitants, to prevent deterioration of property values and structures within the Plan Area, to prevent the growth of blighted areas within the Plan Area, and to assist the City in the development, redevelopment, and planning of the economic and physical restoration and growth of the Plan Area, all in accordance with the DDA Act and the Amended Plan of Development; and

(14) WHEREAS, the Denver Planning Board, which is the duly designated and acting official planning body of the City, has submitted to the City Council its report and recommendations respecting the Amended Plan of Development in accordance with C.R.S. § 31-25-807(4)(b) and the City Council has duly considered the report and recommendations of the Denver Planning Board; and

(15) WHEREAS, after notice as required by the DDA Act, a public hearing has been held concerning the Amended Plan of Development in accordance with C.R.S. § 31-25-807(4)(c) (the "Public Hearing"); and

(16) WHEREAS, the City permitted School District No. 1 of the City to participate in an advisory capacity regarding the inclusion of the TIF Provision in the Original Plan, which provision remains unmodified by the Amended Plan of Development; and

(17) WHEREAS, the City Council has determined and does hereby declare that it is necessary and in the best interests of the City that the City approve the Amended Plan of Development.

BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:

Section 1. **Ratification**. All action heretofore taken (not inconsistent with the provisions of this ordinance) by the City and the officers, agents and employees thereof, directed towards the Amended Plan of Development and the objects and purposes herein stated are hereby ratified, approved and confirmed.

Section 2. **Findings**. The foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the City Council. Based upon the evidence presented at the Public Hearing and contained in the Amended Plan of Development, the City Council has determined and hereby finds and determines in accordance with the DDA Act that: (a) there continues to be a need to take corrective measures in order to halt or prevent deterioration of property values and structures within the Plan Area, as amended from time to time, or to halt or prevent the growth of blighted areas in the Plan Area, as it is amended from time to time, or any combination thereof; and (b) the Amended Plan of Development will afford maximum opportunity, consistent with the sound needs and plans of the City as a whole, for the development or redevelopment of the Plan Area, as amended from time to time, by the DDDA and by private enterprise.

Section 3. **Approvals and Authorization**. The proposed Amended Plan of Development, in the words and figures contained and set forth in that form available in the office and on the web page of City Council, and filed in the office of the City Clerk under City Clerk's Filing No. 20240140, is hereby approved and shall amend and restate the Original Plan in its entirety.

Section 4. **Severability**. If any provision of this Ordinance or the Amended Plan of Development shall be held invalid or unenforceable, such holding shall not affect any other provisions hereof or thereof.

Section 5. **Effective Date**. This Ordinance shall become effective immediately upon its final passage and publication, as provided by the Charter of the City.

Section 6. **Publication**. The bill for this Ordinance is hereby authorized and directed to be published as provided in the Charter of the City.

Section 7. **Recordation and Authentication**. This Ordinance shall be recorded after its passage in a Book of Ordinances of the City, kept for that purpose, and authenticated by the signature of the Mayor and attested and countersigned by the City Clerk.

COMMITTEE APPROVAL DATE: November 19, 2024

MAYOR-COUNCIL DATE: November 26, 2024 by Consent

PASSED BY THE COUNCIL:

_____

_____ - PRESIDENT

APPROVED: _____ - MAYOR

ATTEST: _____ - CLERK AND RECORDER,
EX-OFFICIO CLERK OF THE
CITY AND COUNTY OF DENVER

NOTICE PUBLISHED IN THE DAILY JOURNAL: _____; _____,

PREPARED BY: Butler Snow, LLP

REVIEWED BY: Bradley T. Neiman, Assistant City Attorney DATE: November 27, 2024

Pursuant to section 13-9, D.R.M.C., this proposed ordinance has been reviewed by the office of the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to § 3.2.6 of the Charter.

Kerry C. Tipper, City Attorney for the City and County of Denver

BY: _____, Assistant City Attorney

DATE: _____, 2024