

# 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: 2/13/25

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:

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 an intergovernmental agreement contract with Denver Health & Hospital Authority for two years with an end date of 12-31-2026 to administer the Denver Health Tax Fund for the purpose of funding and supporting Denver Health in its provision of: Emergency and Trauma Care; Primary Medical Care; Mental Health Care; Drug and Alcohol Use Recovery; and Pediatric Care services, all of which are within the ongoing care and services being provided by Denver Health in and by its hospital, clinics and care teams, citywide (ENVHL-202578269).

3. **Requesting Agency:** Denver Department of Public Health & Environment

## 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: Meggan Parezo	Name: Elise Matatall
Email: <a href="mailto:Meggan.parezo@denvergov.org">Meggan.parezo@denvergov.org</a>	Email: <a href="mailto:elise.matatall@denvergov.org">elise.matatall@denvergov.org</a>

5. **General description or background of proposed request. Attach executive summary if more space needed:** (who, what, why)

In recognition of the needs of the population and of the services and care provided by Denver Health, the electors of the City and County of Denver in a general election on November 5, 2024, approved a sales and use tax increase of thirty-four one-hundredths of one percent (.34%) to benefit Denver Health. The tax is to be paid on all regular taxable uses, consumptions, distributions, and storages of commodities and services (excluding uses specifically exempted by municipal ordinance) beginning January 1, 2025. The tax fund to receive the proceeds is entitled the Denver Health and Hospital Authority Tax Fund ("Denver Health Tax Fund" as that term is defined in the Ordinance) and is for the purpose of funding and supporting Denver Health in its provision of: Emergency and Trauma Care; Primary Medical Care; Mental Health Care; Drug and Alcohol Use Recovery; and Pediatric Care services, all of which are within the ongoing care and services being provided by Denver Health in and by its hospital, clinics and care teams.

All monies derived from the sales and use taxes in the Denver Health and Hospital Authority Tax Fund must be expended through an intergovernmental agreement contract with the Denver Health and Hospital Authority for emergency and trauma care, primary medical care, mental health care, drug and alcohol use recovery, and pediatric care services.

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: \_\_\_\_\_

Date Entered: \_\_\_\_\_

6. City Attorney assigned to this request (if applicable): Breena Meng

7. City Council District: Citywide

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

### Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): IGA

Vendor/Contractor Name (including any dba's): Denver Health & Hospital Authority

Contract control number (legacy and new): ENVHL-202578269

Location: 777 Bannock St, Denver, CO 80204

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): 1/1/2025-12/31/2026

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

Maximum Obligation of the City.

- i. The City shall have no obligation under this Agreement to make distributions to Denver Health which exceed the amount collected and paid into the Treasury of the City and County of Denver. Denver Health, acting by and through its Chief Financial Officer (“CFO”), shall request appropriations from the Denver Health Tax Fund on a schedule which coincides with the City’s budget calendar and in amounts which are based upon the estimated receipts of the Denver Health Tax Fund.
- ii. The financial obligations of the City under this Agreement shall extend only to monies appropriated for the purpose of this Agreement by Denver City Council, paid into the City Treasury, and encumbered for the purposes of this Agreement.
- iii. Denver Health acknowledges that: (a) the City does not by this Agreement irrevocably pledge present cash reserves for distributions in future fiscal years, and (b) this Agreement is not intended to create a multiple-fiscal year direct or indirect debt against or financial obligation of the City.

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
(A)	(B)	(A+B)
N/A (sales tax projection)		

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
1/1/2025-12/31/2026		

Scope of work:

#### 4. PLANNING AND REPORTING BY DENVER HEALTH ON USE OF MONIES FROM THE DENVER HEALTH TAX FUND

*To be completed by Mayor’s Legislative Team:*

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Date Entered: \_\_\_\_\_

- A.** Commencing March 31, 2025, and by no later than May 31, 2025, Denver Health shall provide an annual addendum to this agreement which shall be provided by Denver Health to DDPHE and City Council and which outlines and proposes how the Denver Health Tax Fund will be expended by Denver Health in 2025, and which is aligned with the areas of services identified in the ordinance, including anticipated administrative expenses. This addendum shall include, but not be limited to, the following:
- i.** Proposed annual spending plan for 2025 showing categories and amounts of anticipated expenditures of Denver Health Tax Fund monies including anticipated administrative expenses and carry forward, and such Addendum shall also include metrics referenced in 4.A.ii.;
  - ii.** Metrics which reflect or quantify the performance, effectiveness or quality of the services or products included in the annual spending plan included in the Addendum for 2025, including, but not limited to, metrics such as: patient volumes, patient demographics, and quality metrics.
- B.** Commencing January 1, 2026, and each year thereafter, by no later than the end of the first calendar quarter of that year, Denver Health shall provide an annual addendum to this agreement which shall be provided by Denver Health to DDPHE and City Council and which outlines and proposes how the Denver Health Tax Fund will be expended by Denver Health in that year, and which is aligned with the areas of services identified in the ordinance including anticipated administrative expenses. This addendum shall include, but not be limited to, the following:
- i.** Proposed annual spending plan for that current year showing categories and amounts of anticipated expenditures of Denver Health Tax Fund monies including anticipated administrative expenses and carry forward, and such Addendum shall also include metrics referenced in 4.B.ii.;
  - ii.** Metrics which reflect or quantify the performance, effectiveness or quality of the services or products included in the annual spending plan included in the Addendum for the upcoming year, including, but not limited to, metrics such as: patient volumes, patient demographics, and quality metrics.
- C.** Commencing January 1, 2026, and by no later than the end of the first calendar quarter of 2026 and for each year thereafter, Denver Health shall provide a written report which outlines and identifies how the amounts from the Denver Health Tax Fund were used and expended by Denver Health in the preceding calendar year.
- D.** Among the information to be included in the annual report described in the preceding section (C.) will be:
- i.** Audited financial statements for Denver Health conducted by an independent auditor for the prior fiscal year. Draft financial statements for Denver Health can be provided annually upon request but no earlier than March 31, and final audited financial statements will be provided within 30 days after issuance.
  - ii.** The uses of monies from the Tax Fund, including total dollars expended in each category of: Emergency and Trauma Care; Primary Medical Care; Mental Health Care; Drug and Alcohol Use Recovery; and Pediatric Care services (“Denver Health Tax Fund Service Lines”) as well as an accounting of the associated expenditures;
  - iii.** A report on metrics identified in 4.A. or 4.B. for the prior year;
  - iv.** An indication of amounts expended in the preceding year from the Tax Fund for administrative expenditures versus direct patient care costs;
  - v.** Additional information, as reasonably requested by DDPHE, the Mayor of the City and County of Denver, Denver City Council or City and County of Denver Auditor.
- E.** In addition to a written report, Denver Health shall, no less than twice per year (which shall be by the end of March and by the end of August each year) make itself available to DDPHE and City Council, to provide information on the following:
- i.** Actual expenditures of Tax Fund dollars in the preceding year;
  - ii.** Proposed expenditures of Tax Fund dollars for the current year;
  - iii.** Material variances, if any, between its proposed spending plan and actual expenditures and reasons for those

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variances;

iv. Performance with respect to metrics in Section 4.A. or 4.B. for the preceding year and current year;

v. Proposed metrics for Section 4.A. or 4. B for the current year; and

vi. Additional information, as reasonably requested by DDPHE, the Mayor of the City and County of Denver, Denver City Council or City and County of Denver Auditor.

**Was this contractor selected by competitive process? No**

**If not, why not?** The intent of the Denver Health and Hospital Authority Tax Fund in DRMC 24-708 is to be expended in an intergovernmental agreement contract with Denver Health and Hospital Authority.

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

**Source of funds:** Denver Health Sales Tax Fund

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

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

**Who are the subcontractors to this contract?** To be determined

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