

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor’s Legislative Team
At MileHighOrdinance@DenverGov.org by **3:00pm on Monday**.

All fields must be completed.

Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: August 21, 2017

Please mark one: **Bill Request** or **Resolution Request**

1. Has your agency submitted this request in the last 12 months?

Yes **No**

If yes, please explain:

2. Title: *(Include a concise, one sentence description – please include name of company or contractor and contract control number - that clearly indicates the type of request: grant acceptance, contract execution, amendment, municipal code change, supplemental request, etc.)*

An ordinance to authorize the creation of the Airport System General Junior Lien Bond Ordinance, which establishes a junior lien in the Airports flow of funds and the general provisions and parameters for any and all future Junior Lien Obligations of the Airport.

3. Requesting Agency: Department of Finance

4. Contact Person: *(With actual knowledge of proposed ordinance/resolution.)*

- **Name:** Guadalupe Gutierrez
- **Phone:** 720-913-9370
- **Email:** lupe.gutierrez@denvergov.org

5. Contact Person: *(With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council and who will be available for first and second reading, if necessary.)*

- **Name:** Guadalupe Gutierrez
- **Phone:** 720-913-9370
- **Email:** lupe.gutierrez@denvergov.org

6. General description of proposed ordinance including contract scope of work if applicable:

The proposed ordinance is an administrative task being undertaken to allow for the creation of an Airport System General Junior Lien Bond Ordinance which establishes general provisions and parameters for any and all future Junior Lien Obligations of the Airport and to provide for terms and conditions of such obligations.

This ordinance is being submitted in conjunction with an ordinance to incur a Junior Lien Obligation (as contemplated and approved in the Great Hall Development Agreement) pursuant to this General Junior Lien Bond Ordinance.

****Please complete the following fields:** *(Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field – please do not leave blank.)*

- a. Contract Control Number:** N/A
- b. Contract Term:** n/a
- c. Location:** Denver International Airport
- d. Affected Council District:** 11
- e. Benefits:** Allow for the creation of a General Junior Lien Ordinance, which would enable the incurrence of future Junior Lien Obligations, subject to further City Council approval.
- f. Contract Amount (indicate amended amount and new contract total):** N/A

7. Is there any controversy surrounding this ordinance? *(Groups or individuals who may have concerns about it?)* **Please explain.**

None

To be completed by Mayor’s Legislative Team:

SIRE Tracking Number: _____

Date Entered: _____



CITY AND COUNTY OF DENVER

DEPARTMENT OF FINANCE

201 W. COLFAX AVE. Dept. 1010
DENVER, COLORADO 80202
PHONE: (720) 913-5000

BRENDAN J. HANLON
CHIEF FINANCIAL OFFICER

DENVER
THE MILE HIGH CITY

MICHAEL B. HANCOCK
Mayor

Executive Summary

An Ordinance to create a General Junior Lien Bond Ordinance, for and on behalf of the Department of Aviation

The proposed ordinance, which is administrative in nature, enables the creation of the Airport System General Junior Lien Bond Ordinance, to establish a junior lien and the general provisions and parameters for any and all Junior Lien Obligations of the Airport. The incurrence of any Junior Lien Obligation, would require further Council approval/action.

key provisions to the General Junior Lien Bond Ordinance include:

- Creates a new lien in the Airport flow of funds, subordinate to Senior and Subordinate Bonds and Obligations of the Airport for Junior Lien Obligations (*see flow of funds on the following page*).
- Junior Lien Obligations include, junior lien bonds, commercial paper or other securities, contracts or obligations payable from net revenues of the Airport having a lien subordinate and junior to the lien of subordinate bonds and obligations.
- As is the case with Senior and Subordinate Bonds, the incurrence of Junior Lien Obligations must meet certain requirements before they can be issued such as, no events of default, 110% historical debt service coverage and 5-year forecast of debt service coverage that demonstrates 110% coverage of all Junior Lien Obligations.

The proposed General Junior Lien Bond Ordinance is considered non-controversial as it does not affect the position of Senior or Subordinate Bond/Obligations holders/investors in the Airport flow of funds. The General Junior Lien Bond Ordinance also conforms with the General and Subordinate Bond Ordinances of the Airport System and does not require existing Senior or Subordinate bondholder approval or consent to enact.

This ordinance is being submitted in conjunction with an ordinance to incur a Junior Lien Obligation (as contemplated and approved in the Great Hall Development Agreement) pursuant to this General Junior Lien Bond Ordinance.

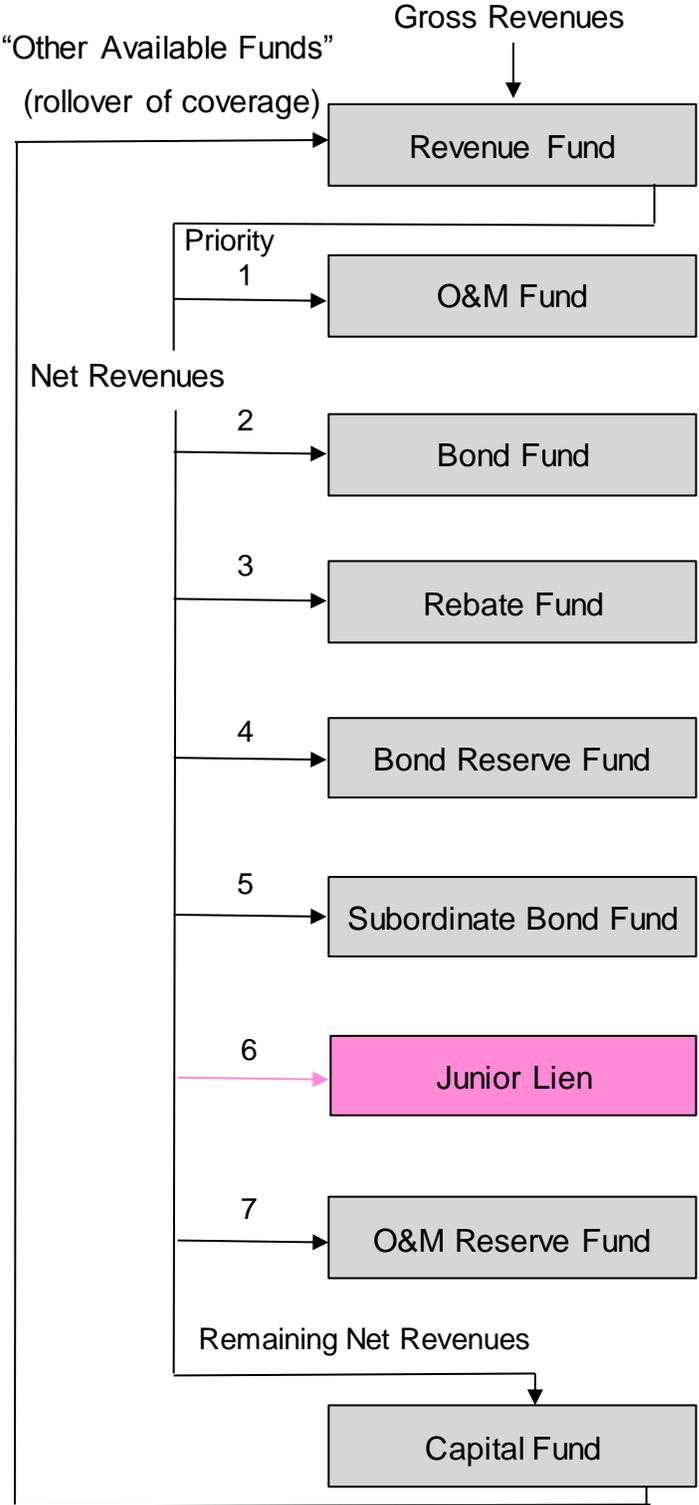
The City has by ordinance designated the Department of Aviation as an Enterprise within the meaning of the TABOR Amendment to the Colorado State Constitution. Any future Junior Lien Obligations incurred under this General Junior Lien Bond Ordinance are considered special obligations of the City, for and on behalf of the Department of Aviation, payable solely from and secured by a pledge of the Net Revenues of the Airport System with a lien subordinate to Senior Airport System Bonds and Obligations and Subordinate Airport System Bonds and Obligations. Any incurrence of a Junior Lien Obligation pursuant to this General Junior Lien Bond Ordinance would require City Council approval. Neither the full faith and credit, nor the taxing power of the City, will be pledged in payment of any Airport System bonds or obligations.

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Flow of Funds for Denver International Airport Including Proposed Junior Lien



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