



CITY AND COUNTY OF DENVER

DEPARTMENT OF FINANCE

201 W. COLFAX AVE.
DEPT. 1010
DENVER, COLORADO 80202

BRENDAN J. HANLON
MANAGER OF FINANCE

Michael B. Hancock
Mayor

October 12, 2020

Honorable Stacie Gilmore
Denver City Council President
City and County Building, Room 451
Denver, CO 80202

Dear Council President:

In keeping with the provisions of Section 20-93 of the Denver Revised Municipal Code (the "DRMC"), I am hereby notifying you of the Department of Finance's intent to issue City and County of Denver General Obligation Bonds, Series 2020A-B in a par amount not to exceed \$465 million. The Series 2020A Bonds will fund approximately \$170 million of Elevate Denver bond projects approved by Denver voters in November 2017. The Series 2020B Bonds, in a par amount up to \$295 million, will refund all existing Series 2010B Better Denver General Obligation Bonds to achieve interest cost savings.

The Bonds will be issued as tax-exempt, fixed-rate obligations with a term not to exceed 20 years.

The Bonds will be a General Obligation of the City, secured by the full faith and credit of the City, and are payable from general ad valorem taxes on all the taxable property within the City.

The accompanying *Attachment A* contains a more detailed description of the financing as required by Section 20-93(b) of the DRMC.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Hanlon".

Brendan J. Hanlon
Manager of Finance

Attachment

C: Honorable Tim O'Brien, Auditor
Honorable Paul D. López, Clerk and Recorder
Zach Rothmier, City Council Liaison
Kwali Farbes, City Attorney's Office
Brad Neiman, City Attorney's Office

Attachment A
**DESCRIPTION OF THE SERIES 2020A-B GENERAL OBLIGATION BONDS
IN A PAR AMOUNT NOT TO EXCEED \$465 MILLION**

I. The Proposed Financing

The Department of Finance intends to issue City and County of Denver General Obligation Bonds, Series 2020A-B in a par amount not to exceed \$465 million. The Series 2020A Bonds will fund approximately \$170 million of Elevate Denver bond projects approved by Denver voters in November 2017. The Series 2020B Bonds, in a par amount up to \$295 million, will refund all existing Series 2010B Better Denver General Obligation Bonds to achieve interest cost savings. There will be no change to the original maturity of the Series 2010B Bonds, and based on current market rates, the refunding is expected to generate approximately \$57 million or 19.7% of net present value savings.

The Series 2020A-B Bonds will be issued as fixed-rate, tax-exempt obligations with a term not to exceed 20 years and an interest rate not to exceed 4.5%. The final rate and par amount will be determined on the day of pricing and costs associated with the transaction will be paid for by the proceeds of the bonds

Security for the Bonds

The Bonds will be a General Obligation of the City, secured by the full faith and credit of the City, and are payable from general ad valorem taxes on all the taxable property within the City without limitation as to rate and in an amount sufficient to pay the principal of and interest on the Bonds when due, except to the extent other legally available funds are applied for such purpose.

II. The Sale Process

The Bonds are currently anticipated to be sold in a competitive sale process. If a competitive sale process is not utilized, then the Bonds will be sold via either a negotiated sale or private placement transaction to one or more underwriters who will be selected via a competitive process. The City uses the financial advisory services of Hilltop Securities for City financings.

III. The Proposed Timetable of Events

Major events are contained in the tentative transaction timetable below:

<i>Date</i>	<i>Event</i>
October 12, 2020	Reading of the 20-93 Notice at Council
October 13, 2020	Finance & Governance Committee
October 20, 2020	Mayor Council
October 26, 2020	First Council reading of the Ordinance
November 2, 2020	Second Council reading of the Ordinance
November 17, 2020	Price Transaction (Tentative)
December 3, 2020	Close Transaction (Tentative)

IV. Counsel

Butler Snow LLP serves as Bond Counsel and Sherman & Howard LLC serves as Special Counsel on the Bonds. Firms were selected through a competitive process conducted through the City Attorney's Office.

V. Other Information

I know of no event at this time that will affect the financing as described herein. In keeping with the intent of the 20-93 of the DRMC, the President of Council will be notified promptly of any material change to the financing. I do not anticipate formally communicating technical changes of an immaterial nature or minor changes in the timetable.