



RISE DENVER

2021 General Obligation Bond

Budget and Policy Committee Meeting
July 15, 2021

Department of Finance



DENVER
DEPARTMENT OF FINANCE

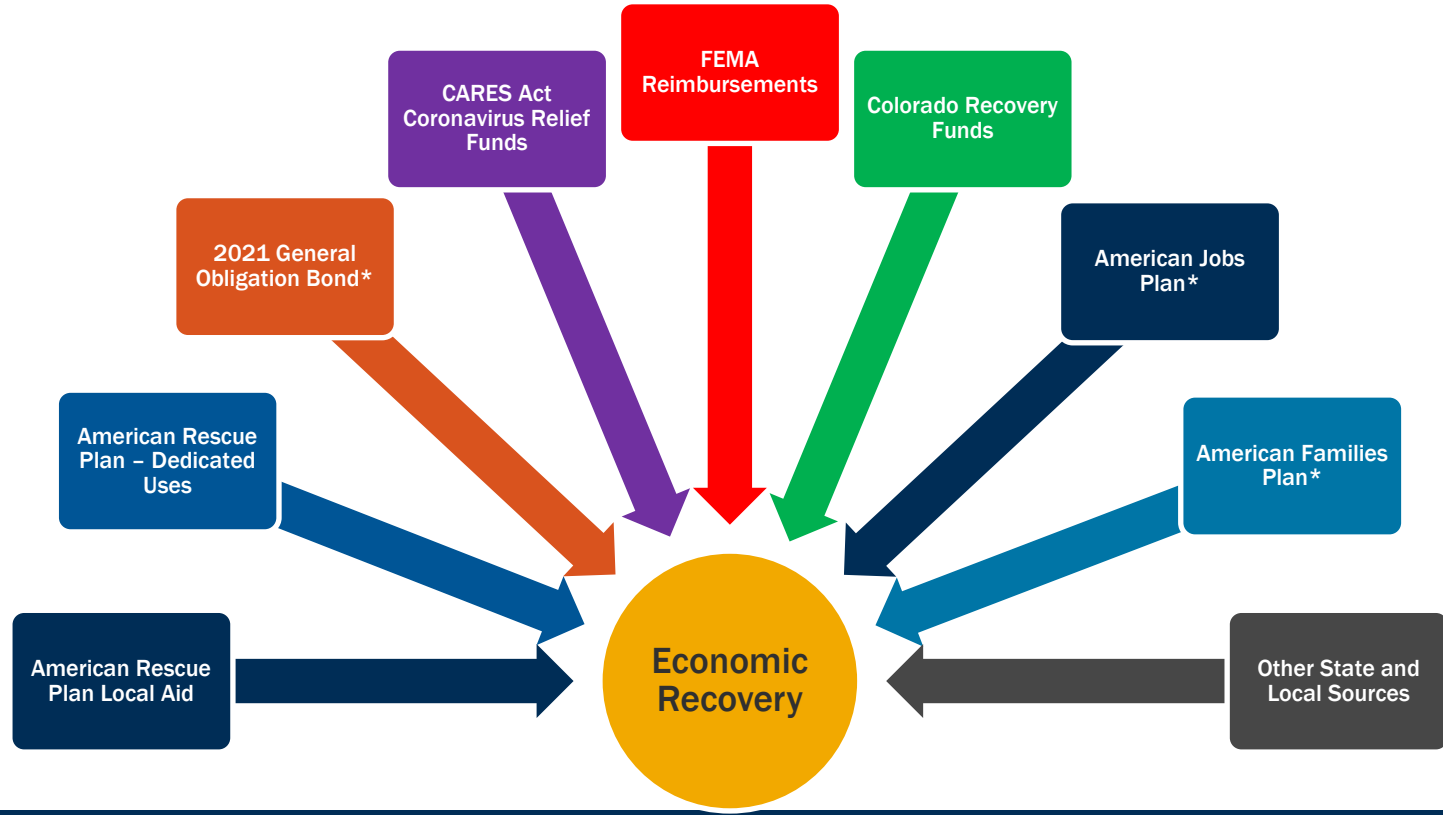
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Overview

- 2021 General Obligation Bond Planning Process
- Internal Project Evaluation
- Infrastructure Public Feedback
- City Council Priorities
- General Obligation Bond Executive Committee Process
- Next Steps

Denver's Recovery Funds

- Mix of federal, state, local funds
- Funding specific guidelines, timelines



*Not Yet Authorized

General Obligation Bonds

- Denver voters have authorized major periodic general obligation bond issues every **9 years** to restore, replace, and expand our existing capital assets.
- The City has a strong history of successfully implementing GO bond programs during US recessions to provide economic benefit.

GO Bond Program	Amount	Recession
1989 GO Bond	\$241.7M	Early 1990s (1990)
1998 GO Bond (<i>Neighborhood Bond</i>)	\$98.6M	Early 2000s (2001)
2007 GO Bond (<i>Better Denver Bond</i>)	\$549.7M	Great Recession (2007)
2017 GO Bond (<i>Elevate Denver Bond</i>)	\$937M	COVID-19 Recession (2020)

- Voters have also authorized smaller issuances for specific projects such as the Justice Center, Denver Art Museum, Central Branch Library, etc.

Economic Recovery: Infrastructure's Role

- 6,900 construction jobs lost regionally due to the pandemic
- Infrastructure projects:
 - Drive job creation, stems high unemployment
 - Offset losses in other sectors
- Every \$10 million spent on construction results in:

130 Jobs



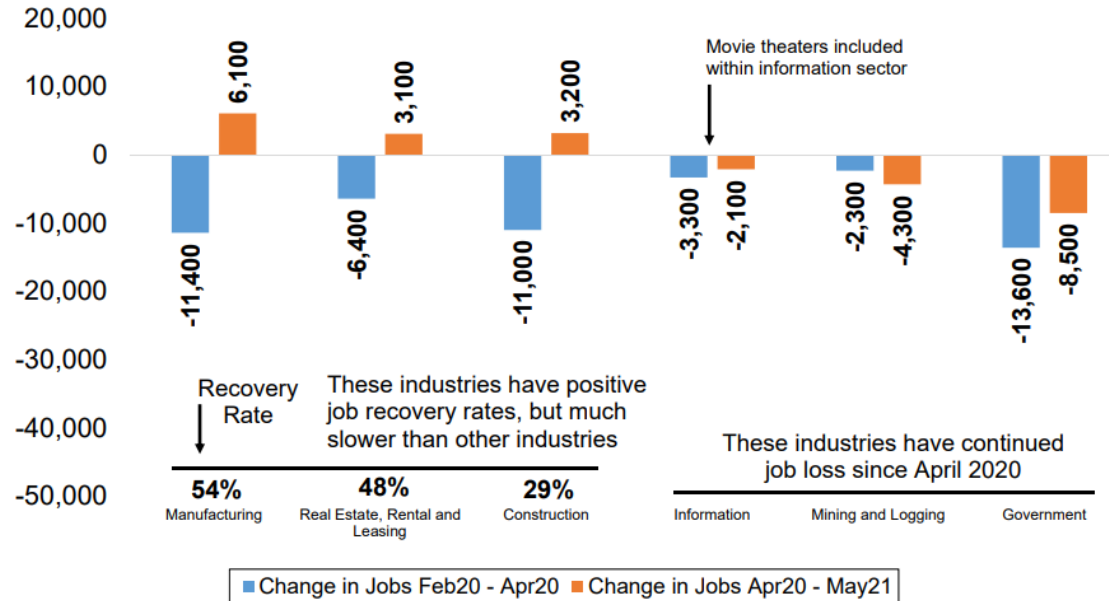
**\$8.5 million
in labor income**



**\$20 million
in economic output**

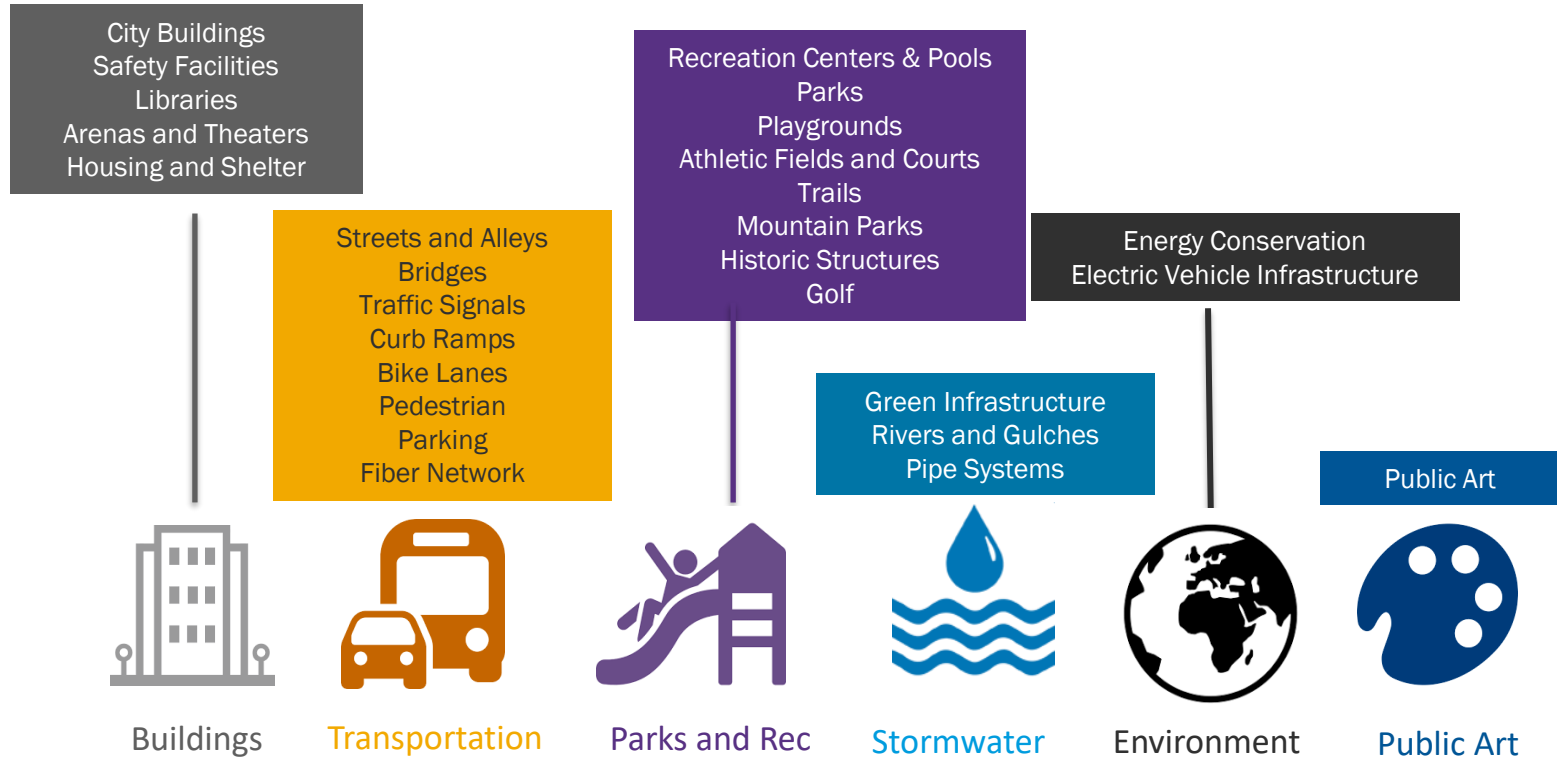


Colorado Industry Sectors with Relatively Low Recovery Rates or with Continued Losses in Payroll Jobs

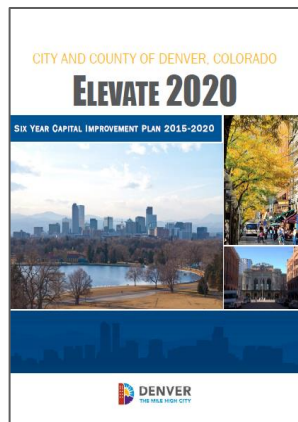


Source: Colorado Department of Labor and Employment; Bureau of Labor Statistics
Data seasonally adjusted

Denver's Capital Portfolios



2020-2025 CIP Six-Year Plan Process



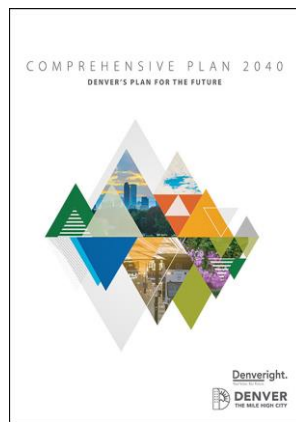
2015



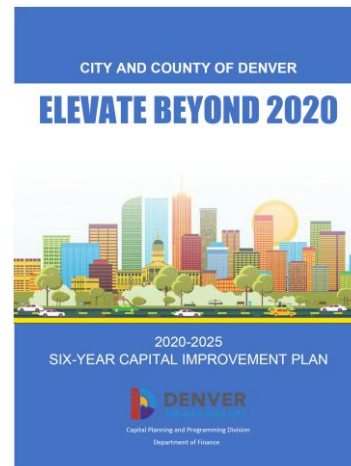
2016-2017

Denverright.

Your Voice. Our Future.



2018-2019



2020

<https://www.denvergov.org/Government/Departments/Department-of-Finance/Our-Divisions/Capital-Planning-and-Programming/6-Year-CIP>

History of Public Input Received

2016

- Over 3,000 comments received during the public engagement phase of Elevate Denver Bond (online survey, comment cards, email)
- Over half the comments received were related to mobility projects

2017

- Public testimony at committee meetings, emails, and written letters for Elevate Denver Bond (over 1,000 comments received)



2019

- 1,000 new comments received during update of the Six-Year CIP Plan
- Major themes included citywide sidewalks, bike lanes, outdoor pools, dog parks, recreation center upgrades, shelter facilities

Neighborhood Plans, Community Meetings, Denveright, City Council



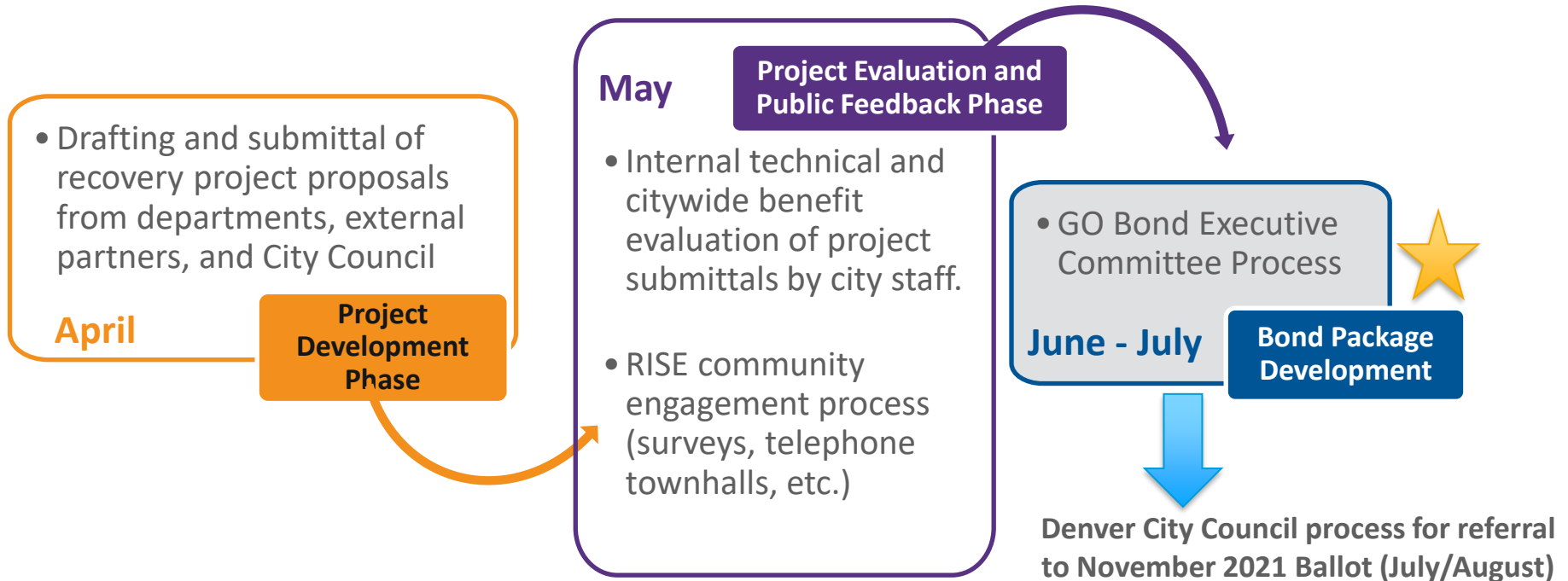
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2021 GO Bond Planning Process

2021 GO Bond Planning Process (April - August)



Recovery Investments Planning Process

Previous community engagement through Elevate Denver Bond and the 2020 Six-Year Capital Improvement Plan update

Project Development Phase (April)

- *Elevate Beyond 2020-2025* (Six Year Capital Improvement Plan)
- Departmental project priorities
- City-owned partner institutions and Denver Health
- Housing and shelters
- Initial City Council project priorities

Project Evaluation and Public Feedback Phase (May-July)

- Eligibility review
- Internal citywide value and technical project evaluation
- RISE Denver community engagement process
- GO Bond external Executive Committee review of project list
- City Council project priorities

GO Bond project list submitted to Denver City Council for referral to November 2021 ballot (July/August)

American Jobs Plan (Infrastructure Bill) programming (TBD – Late Summer/Fall)



Project Evaluation and Public Feedback

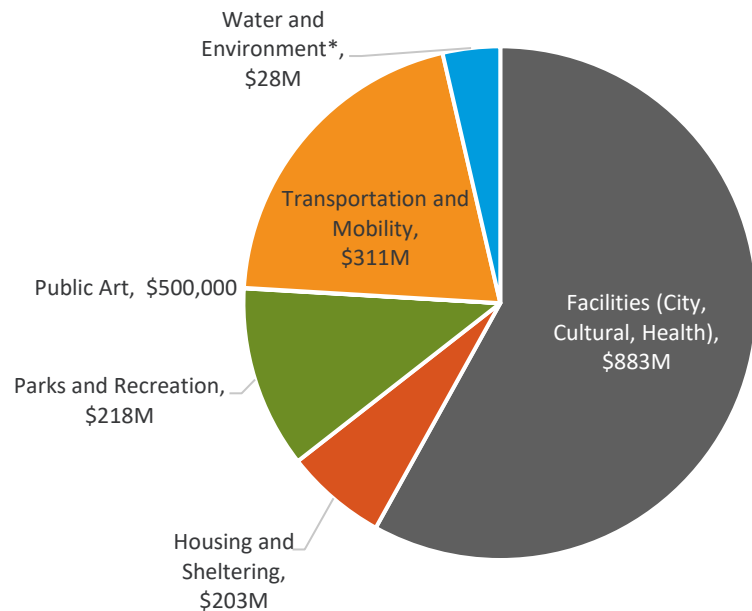
Recovery Capital Project Requests



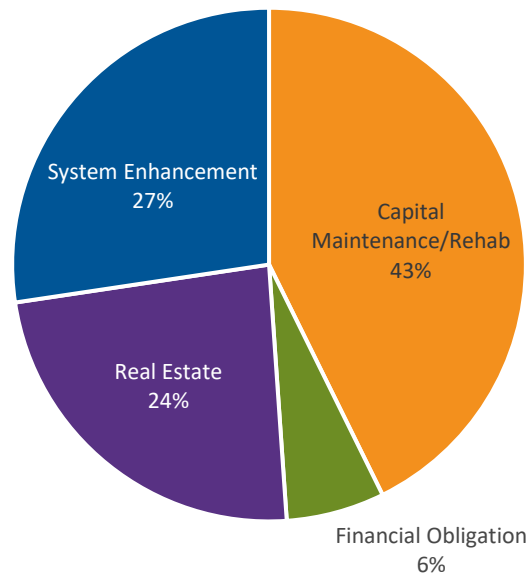
- The 2020-2025 Six-Year Capital Improvement Plan served as the foundation for recovery capital project requests in addition to unfunded cultural/partner institution capital needs.
- Over 130 projects totaling approximately \$1.7B were submitted by city departments, City Council, and cultural/partner institutions for consideration for all recovery funding sources.
- Projects were categorized into “portfolios”

Recovery Investment Submittals*

Amount by Portfolio



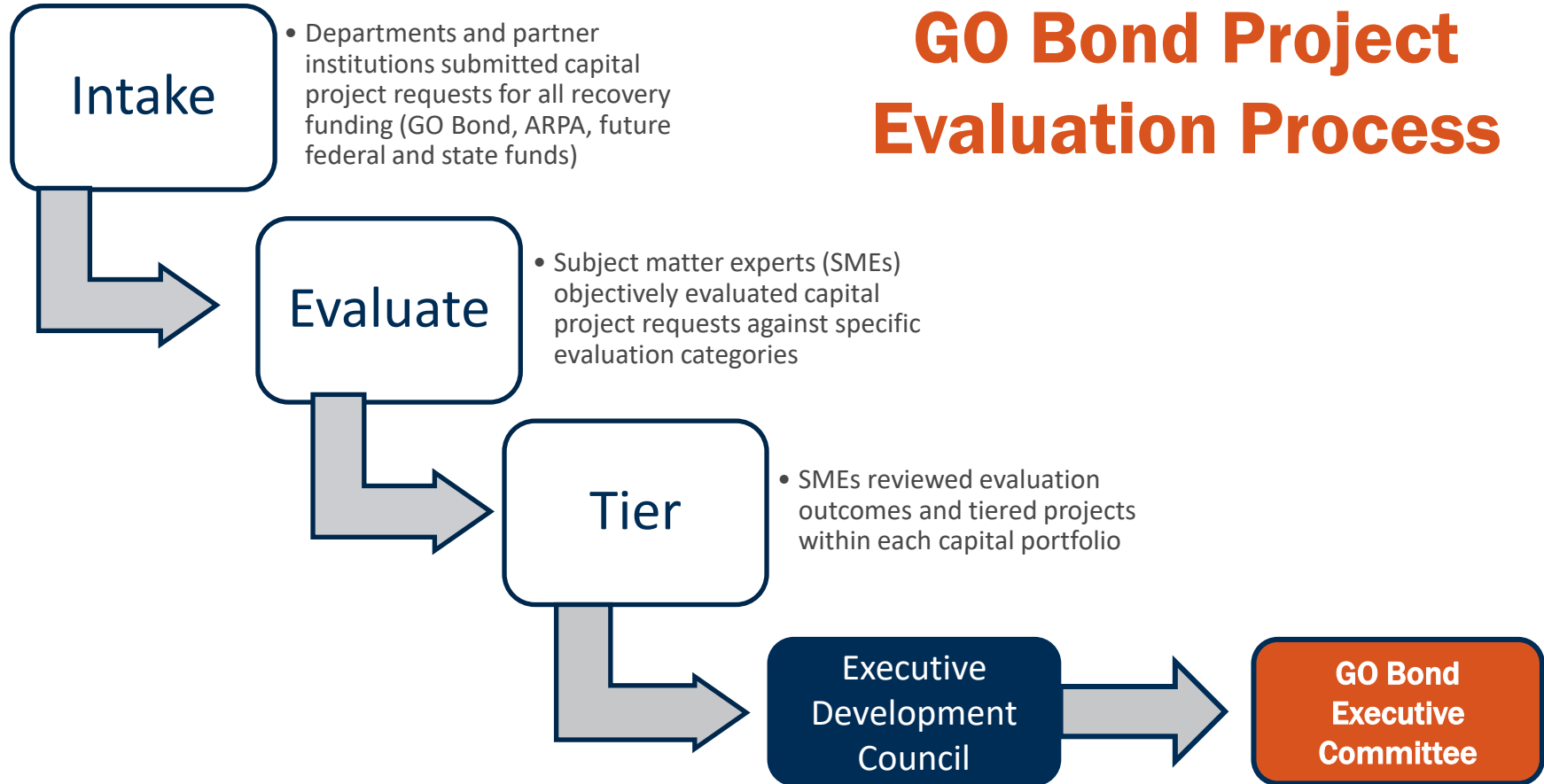
Amount by Project Type



134 project proposals totaling \$1.7B

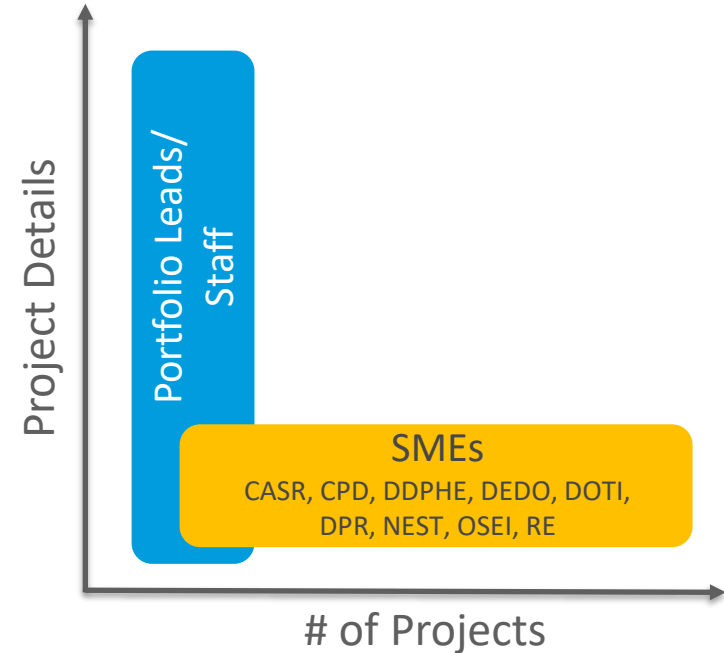
**Project types removed for consideration for GO bond funding.*

GO Bond Project Evaluation Process

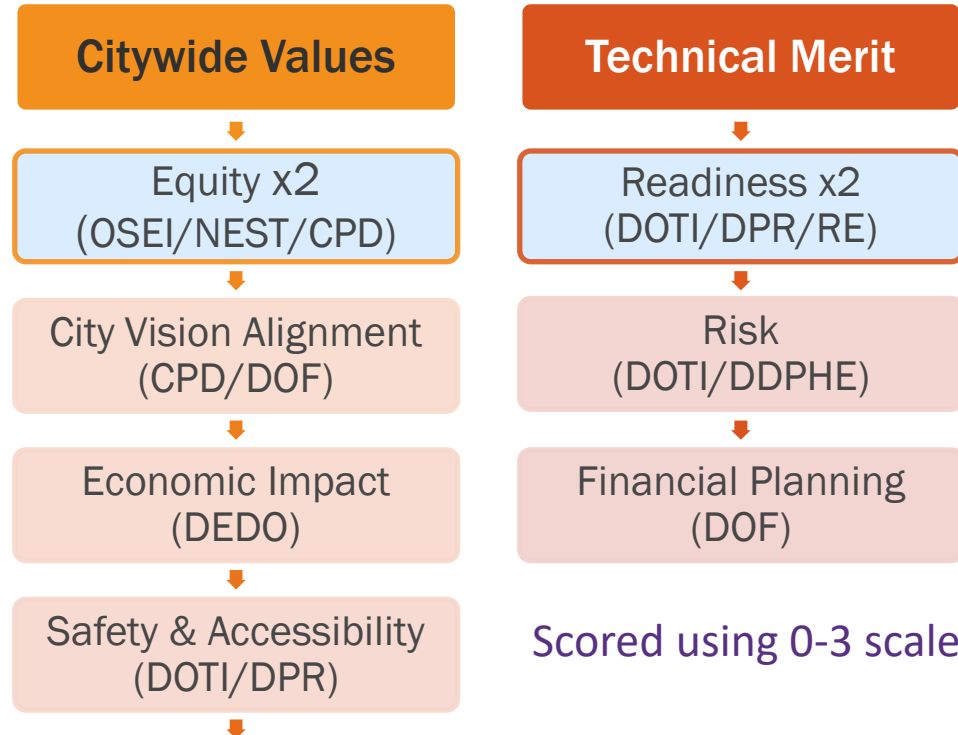


Evaluation Structure

- 5 portfolio leads and over 100 staff involved in the development of capital project requests
 - Depth of project knowledge for a subset of projects.
- Subject matter experts across 10+ agencies/departments participated in evaluation
 - Reviewed certain project details across all projects.



Evaluation Categories



FINAL
PROJECT
DECISIONS

Equity Considerations for Project Intake/Evaluation

Overall City's Budget Equity Framework

Capital Project Equity Framework

Planning (Citywide)

- Neighborhood of Project
 - Access to Opportunity
 - Racial Equity/NEST
- Who are the populations served by this project?
 - Older Adults/Youth
 - BIPOC/historically-marginalized
 - People with disabilities
 - City Employees

Programming (Department)

- How did the departmental/ racial equity lens influence project prioritization?
- What community engagement process has/will be undertaken?

Implementation (Department)

- What are the potential impacts to residents and businesses?
 - How will the project mitigate these impacts?
- Cumulative effect of multiple projects in area

Readiness Considerations for Project Intake/Evaluation

- **Consideration of clear scope of work**, including level of design development; community input underway, identification of if/what land acquisition is needed
- **Description of the level of project preplanning**
- **Able to articulate feasible schedule**
- **Provides accurate costing and cash flow information**

Observations

- Top tier projects strongly performed in all evaluation categories, achieving a balance across Equity, Economic Impact, and Readiness.
- Projects in the second tier performed well in a few evaluation categories, notably Safety/Accessibility and Economic Impact.
- Majority of the remaining, tier three projects were deferred maintenance in nature or had an undefined location, which affected performance in several evaluation categories.

Staff Evaluation Summary

- Prioritization of the capital projects based on alignment with citywide goals/values, specifically race and social justice initiatives, identified in the Comprehensive Plan 2040 to ensure that the capital investments support the vision for Denver's future.
- Similar to approach in the 2020-2025 Six-Year Plan – projects were placed in tiers based on outcome of objective evaluation against citywide values and technical merit.
- Additional considerations of public, City Council, agency priorities as well as active or phased project delivery, were captured for subsequent phases in the capital planning process.

RISE Denver Community Engagement

Infrastructure Feedback

RISE Together Denver

Approach:

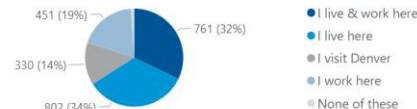
- **Website** with polling and educational materials
- Four **telephone townhalls** with 120k dial-outs and text messages in historically marginalized neighborhoods. Townhalls simulcast in English, Spanish, Vietnamese, and Amharic

Turnout:

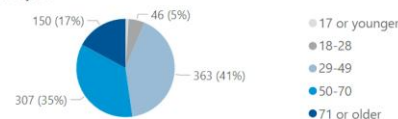
- **9,800** completed surveys or comments
- **6,200** participants over the phone or online

RISE Together Denver: Demographics

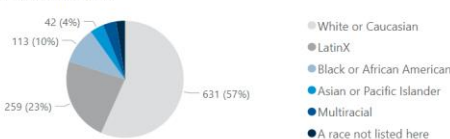
What is your relationship to Denver?



How old are you?



Which best describes you?



Summary

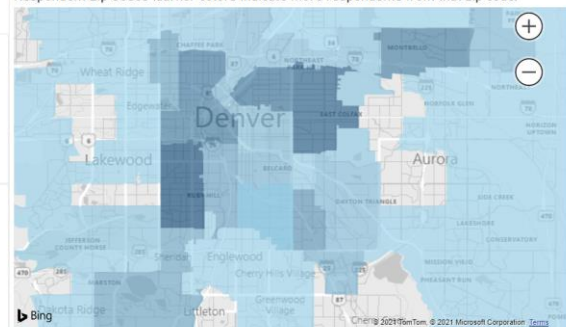
Demographics

Business

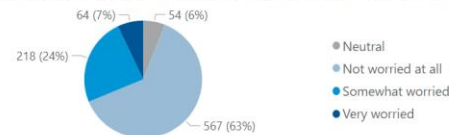
Community

Infrastructure

Respondent Zip Codes (darker colors indicate more respondents from that zip code)

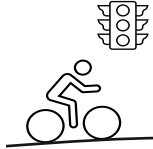


How worried are you that you will be able to afford next month's expenses?



View the dashboard at www.RISEtogetherdenver.org

Infrastructure Survey: Top Priorities



One Third

of participants said transportation and mobility were their top priority for infrastructure categories



Half of participants said projects should create apprenticeships and job-training opportunities

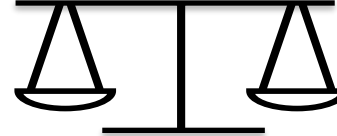


90%

of participants said fixing or improving assets was most important

Residents

avored both



Local and regional improvements

security carbon half thorough strategies possible specific
employee center emotional available responses ideas
learning disaster pearl significant flexibility per
made physical prison like ecological everybody
young is example
expand
strategy



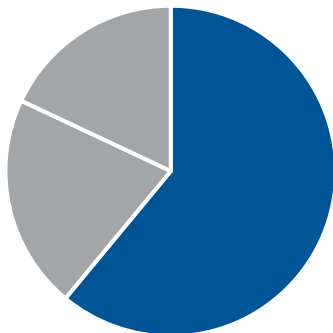
INFRASTRUCTURE
COMMENTS →



Key takeaways across all recovery areas:

Training and skill development opportunities are a top priority

When it comes to workforce development and jobseeker supports, what do you think the city should prioritize?

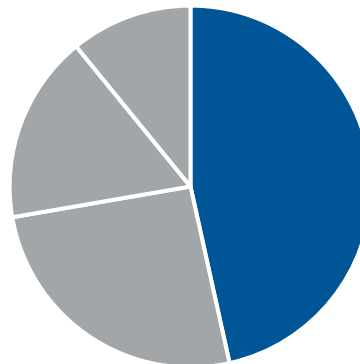


Business Survey Question

Top priority:

- Training for new skills or career paths
- Other priorities

Infrastructure can have a variety of economic benefits. What should the city prioritize?



Infrastructure Survey Question

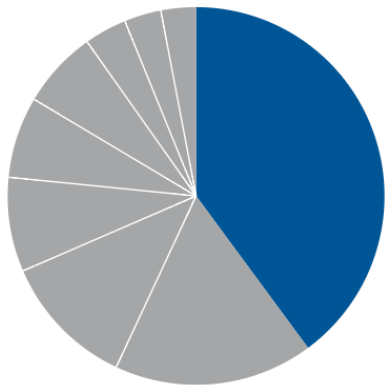
Top priority:

- Create jobs, apprenticeships, and job-trainings
- Other priorities

Key takeaways across all recovery areas:

Affordable housing is a top priority

When it comes to community support what matters most to you?

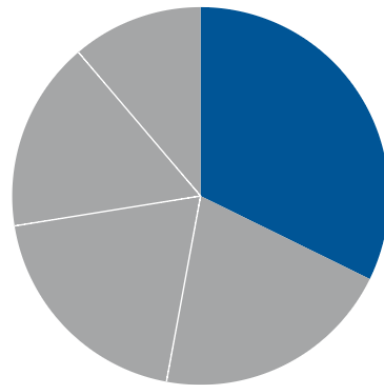


Top Priority:

- Housing and support for people experiencing homelessness
- Other priorities

Community Survey Question

How should the city prioritize community needs to create an economy that works for everyone?



Top Priority:

- More support to pay for housing needs
- Other priorities

Business Survey Question



City Council Capital Priorities

Transportation

- Neighborhood safety/pedestrian
- Bikes and sidewalks
- Traffic signals
- Morrison Road
- Santa Fe Streetscape
- Alameda Underpass
- Peoria Multimodal
- 5280 Trail
- Harvard Gulch connectivity

Facilities

- Libraries: Westwood, Hampden, Globeville
- Loretto Theater
- Restrooms
- Youth Empowerment Centers
- Safety Training Academy
- Community spaces

Parks

- Outdoor recreation (courts/fields)
- Playground replacements
- University Hills – New Park
- Park Master Plan implementations
- 56th and Ireland Park

2021 GO Bond Executive Committee

GO Bond Project Eligibility

- Bonds constitute a formal agreement to pay between borrower (City) and lender (investors)
- Municipal bonds are generally issued as tax-exempt bonds, which are subject to IRS rules and regulations
- Authorized debt should be issued within a period of 10 years after authorization is received
- Once debt is issued, funds should be spent in 3 years
- **Funds must be spent on eligible (capital) expenditures**
 - Cannot fund operations
 - Cannot benefit private interests
 - Useful life of asset must align with term of financing and City must own asset

2021 GO Bond Executive Committee

- Comprised of 10 community members including City Council President and City Council President Pro tem
 - Committee volunteers were from a diverse range of backgrounds and had a proven history of community leadership in Denver
- The Bond Executive Committee has reviewed and prioritized a list of 130+ projects totaling \$1.7B over the course of six meetings
 - List considers community, City Council, and agency input
 - Committee received additional information on estimated jobs/wages by project
- BEC referred a prioritized tiered list of projects to city staff for scaling/phasing
- Mayor and Council leadership will review and advise on proposed list

Guiding Principles

- **Equity** – Does the proposed package include projects that increase equitable access to infrastructure and serve historically marginalized communities/populations?
- **Community Engagement** – Does the overall proposed package incorporate public input and feedback received through the RISE Denver community engagement process via surveys, email, telephone town halls, and/or communication made directly to the committee or from City Council?
- **Project Readiness and Feasibility** – Does the project package include projects that are feasible, defined, and ready to be implemented with manageable risk within a five-year timeframe? Does the overall proposed package provide the opportunity to scale and/or phase projects with independent utility*?

**The definition of independent utility is a single and complete project/phase requiring no additional funding sources to finish.*

Guiding Principles Continued

- **Economic Impact** – Does the proposed package present an opportunity to generate sustained economic activity, provide jobs, and make Denver more attractive to best support our economic recovery?
- **Safety and Accessibility** – Does the proposed package include projects that support safety and accessibility, including addressing life-safety infrastructure, asset condition, and/or ADA?
- **Resiliency and Health** – Does the proposed package directly contribute to achieving the City's climate and public health goals by reducing greenhouse gas emissions, improving air/water quality, and/or supports active sustainable transportation options?
- **Leveraging Opportunities** – Does the proposed package include projects that help further a previous investment, leverages secured other funding, generates revenue, or are proven to be a lost opportunity if project is not approved?

Executive Committee

Top Tier Projects Referred to City Staff

Capital Portfolio	Project Name	City Council District	Full Amount Requested	Internal City Tier	Jobs Provided	Wages Provided	Requested Phasing/Scaling
City Facilities	ADA Phase II Implementation	1,3,5,6,7,8,9,10,11,Mtn	\$ 34,700,000	1	537	\$ 33,774,424	X
	Youth Empowerment Center (PALS Building) Tenant Improvement	7	\$ 6,990,000	1	90	\$ 6,356,347	X
	Westwood Community Center Improvements	3	\$ 600,000	1	7	\$ 546,816	
City Facilities - Libraries	Central Library Modernization (Phase 5-8)	10	\$ 57,490,000	1	1510	\$ 91,361,475	X
	Globeville Branch Library	9	\$ 25,190,000	1	333	\$ 21,557,323	X
	Westwood Branch Library - New Services Branch	3	\$ 13,880,000	1	176	\$ 12,144,839	X
Cultural Facilities	Denver Museum of Nature and Science Future First: Rehabilitation and Activation	9	\$ 14,100,000	2	622	\$ 38,253,507	
	Denver Public Market at the Historic 1909 Building	9	\$ 30,000,000	1	409	\$ 27,421,575	X
	National Western Center Arena	9	\$ 170,000,000	1	3058	\$ 198,144,729	X
Housing and Sheltering	48th Avenue E Shelter Purchase	8	\$ 7,400,000	1	84	\$ 5,751,125	
	Hotel/Motel Acquisition Pipeline	TBD	\$ 83,000,000	1	1265	\$ 72,210,000	X
Parks and Recreation	Martinez Park Master Plan Implementation	3	\$ 22,240,000	1	343	\$ 21,264,071	
	Recreation Center Improvements	1,3,4,5,6,8,9	\$ 17,750,000	2	261	\$ 16,835,658	X
	Sun Valley Riverfront Park Phase 1	3	\$ 7,510,000	1	140	\$ 8,946,982	
	Westwood Recreation Center - Phase 2	3	\$ 10,030,000	1	622	\$ 42,727,328	
Transportation	Citywide Bike Infrastructure	1,3,6,7,9,10	\$ 21,800,000	1	322	\$ 20,097,000	X
	Citywide Sidewalk Construction	5,8,10	\$ 12,000,000	1	260	\$ 17,513,687	
	Morrison Rd. Reconstruction – Phase 3	3	\$ 13,010,000	1	187	\$ 11,608,798	
	Neighborhood Safety & Pedestrian Programs	3,6,7,8,11	\$ 7,490,000	1	109	\$ 6,648,479	
	Peoria Multimodal Improvements	8,11	\$ 6,160,000	1	96	\$ 6,003,314	
	Santa Fe Streetscape - Phase 2	3	\$ 24,030,000	1	314	\$ 20,585,734	X
Total			\$ 585,370,000		10,744	\$ 679,753,211	

Executive Committee

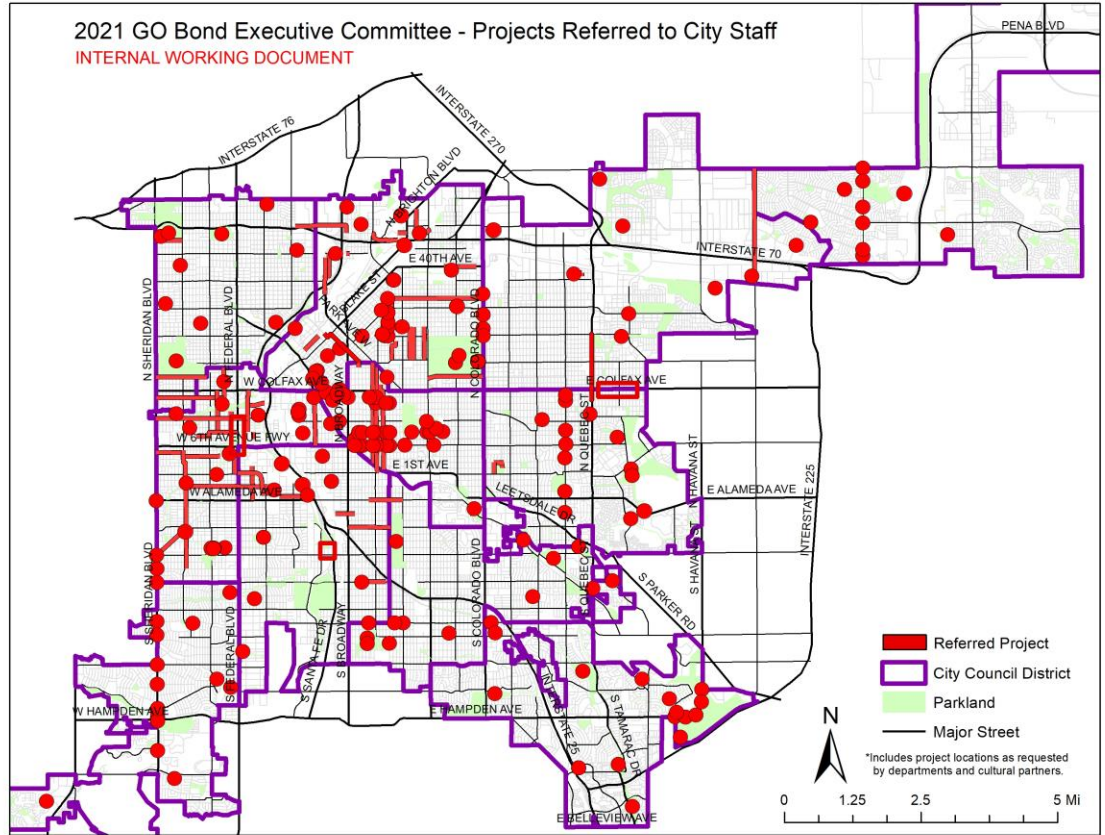
Second Tier Projects Referred to City Staff

Capital Portfolio	Project Name	City Council District	Full Amount Requested	Internal City Tier	Jobs Provided	Wages Provided	Requested Phasing/Scaling
City Facilities	1245 Champa 3rd Floor Window Replacement	9	\$ 350,000	3	5	\$ 313,830	
	Arts Complex Garage Improvements	9	\$ 1,250,000	2	19	\$ 1,136,161	
	Boettcher Concert Hall Improvements	9	\$ 1,040,000	3	16	\$ 944,832	
	Bonfils Complex – Critical Maintenance & Community Access	9	\$ 15,910,000	2	227	\$ 15,190,806	
	Denver Performing Arts Complex Touchless Increased Security	9	\$ 1,950,000	2	29	\$ 1,771,560	
	Emergency Operations Center Public Health Compliance Enhancement	10	\$ 350,000	3	5	\$ 335,988	
	Red Rocks South Ramp Rehabilitation	Mountain	\$ 2,820,000	2	42	\$ 2,554,826	
	Restroom Master Plan Implementation	4,7,9	\$ 2,440,000	3	37	\$ 2,201,437	X
	Youth Empowerment Centers	TBD	\$ 26,400,000	1	318	\$ 22,267,112	
	14th Street Retail Renovation	9	\$ 4,030,000	2	60	\$ 3,658,153	
	Buell "Back of House" Renovation	9	\$ 1,050,000	2	16	\$ 949,478	
	Denver Arts and Venues Agency Wide Broadband Improvements	9	\$ 1,210,000	2	18	\$ 1,095,601	
	Denver Performing Arts Complex HVAC Ionization	9	\$ 190,000	2	3	\$ 175,303	
	Ellie Caulkins HVAC Overhaul	9	\$ 670,000	3	10	\$ 607,717	
	Ellie Caulkins Opera House - Fly Tower Soffit Repair	9	\$ 200,000	2	3	\$ 182,592	
City Facilities - Libraries	Decker Branch Library - Lower Level Renovation	7	\$ 1,760,000	3	25	\$ 1,581,610	
	Gateway Branch Library	11	\$ 14,800,000	2	202	\$ 12,902,995	
	Hampden Branch Library Addition	4	\$ 3,440,000	3	49	\$ 3,159,318	
	Valdez-Perry Branch Library Addition	9	\$ 3,200,000	2	43	\$ 2,897,794	
	Westwood Branch Library - Current Branch Expansion	3	\$ 4,400,000	2	59	\$ 3,901,166	
City Facilities - Safety	Combined Safety Training Academy	8	\$ 70,300,000	3	1015	\$ 63,717,335	X
	Denver County Jail Improvements	8	\$ 22,230,000	2	311	\$ 20,266,464	
	Denver Fire Station Safety and Gender Equity Improvements	Citywide	\$ 10,400,000	3	158	\$ 10,444,020	
	Police Administration Building - Plaza Renovation	10	\$ 3,610,000	3	54	\$ 3,288,884	

Second Tier Projects Referred to City Staff (Continued)

Capital Portfolio	Project Name	City Council District	Full Amount Requested	Internal City Tier	Jobs Provided	Wages Provided	Requested Phasing/Scaling
Cultural Facilities	Denver Botanic Gardens Renovation, Repair and Revitalization	10	\$ 5,830,000	2	86	\$ 5,221,955	
	Denver Museum of Nature and Science Critical Deferred Maintenance Projects	9	\$ 14,850,000	3	223	\$ 15,190,806	
	May Bonfils Stanton Theater on the Loretto Heights Campus	2	\$ 42,250,000	3	632	\$ 38,322,394	X
	Zoo Bilingual Signage Enhancements	9	\$ 810,000	3	11	\$ 815,684	
	Zoo Parking Garage Maintenance and EV Station Addition	9	\$ 2,200,000	3	13	\$ 856,585	
	Zoo Pathway Repair, Additions and Lighting Improvements	9	\$ 2,910,000	2	40	\$ 2,799,148	
	Zoo Primate Panorama Roof Replacements and Mechanical Upgrades	9	\$ 1,360,000	3	19	\$ 1,230,296	
	Zoo Restroom Remodel and Additions	9	\$ 1,540,000	2	21	\$ 1,471,461	
	Zoo Stormwater Improvements & Restoration	9	\$ 680,000	3	9	\$ 648,196	
	Zoo Tropical Discovery Glass Pyramid	9	\$ 1,950,000	3	27	\$ 1,755,439	
Housing and Sheltering	48th Avenue Shelter - Phase III Improvements	8	\$ 8,820,000	1	111	\$ 7,943,086	
	East Denver Stabilization Center - Acquisition (Stay Inn)	8	\$ 4,000,000	2	100	\$ 6,880,367	
	Life-Safety Improvements at Rec Centers for Sheltering	3,9	\$ 3,500,000	2	44	\$ 3,784,571	
	Shelter System Resiliency Project	TBD	\$ 5,000,000	1	76	\$ 4,350,000	
Parks and Recreation	47th and Walden Master Plan Implementation	11	\$ 8,400,000	2	129	\$ 7,815,436	
	Citywide Water Conservation	2,6,9,10	\$ 8,210,000	3	123	\$ 7,459,677	
	Civic Center Central Promenade	10	\$ 6,500,000	2	100	\$ 6,174,786	
	Community Park Playground Replacements	2,3,4,5,6,7,8	\$ 10,000,000	3	148	\$ 9,433,151	
	Dailey Park Master Plan Implementation	7	\$ 4,200,000	2	63	\$ 3,844,567	
	Mestizo-Curtis Pool Replacement	9	\$ 11,050,000	2	161	\$ 10,123,393	
	Outdoor Recreation Replacements	1,2,3,4,5,6,7,9,10,11	\$ 10,750,000	3	157	\$ 10,576,673	
	Parks Maintenance Facilities	1,9,8,10,11	\$ 23,700,000	3	346	\$ 21,736,713	
	Skyline Park Improvements - Block 2	9	\$ 13,000,000	2	239	\$ 14,705,276	
	University Hills New Park Development	4	\$ 5,490,000	3	75	\$ 5,038,733	
Transportation	5280 Trail	9	\$ 30,500,000	1	465	\$ 28,459,679	
	Speed Limit Management Implementation	Citywide	\$ 3,000,000	2	45	\$ 2,772,261	
	Protected Pedestrian Enhancements	TBD	\$ 3,490,000	2	27	\$ 2,847,005	
	Quebec Street Transit/Safety Improvements	8	\$ 10,000,000	1	198	\$ 13,111,665	
	Sidewalk Repair Program	TBD	\$ 15,000,000	3	229	\$ 13,050,000	
	South Platte Trail Improvements – Alameda to Bayaud	7	\$ 16,000,000	1	397	\$ 23,971,529	
	Traffic Signal Program	1,5,6,7,9,10	\$ 18,900,000	3	288	\$ 16,443,000	
Total			\$ 487,890,000		7324	\$ 464,378,515	

Map of 2021 GO Bond Executive Committee Referred Projects to City Staff



Next Steps

- City staff review of phasing and scaling opportunities for referred projects to inform Mayor and City Council leadership review and advisement of proposed list.
- **July – August 2017: Legislative Process**
 - July 15: Budget and Policy Committee Meeting – Informational presentation on bond process and Bond Executive Committee referred list of projects to city staff.
 - July 27: City Council Finance and Governance Committee
 - August 3: City Council Finance and Governance Committee continued
 - August 10: Mayor Council
 - August 16: City Council 1st Reading
 - August 23: City Council 2nd Reading (referral to ballot)
- **August – November 2021: Ballot Campaign and Vote**
- If approved by voters: Spring 2022 – First debt issuance for bond (*City Council approval required*)