



Legislation Text

File #: 21-0190, Version: 1

## Finance Item/Grant Request Template

**Date Submitted:** 2-12-21

**Requesting Agency:** Finance  
**Division:**

**Subject Matter Expert Name:** Kiki Turner  
**Email Address:** Kiki.Turner@denvergov.org  
**Phone Number:**

**Item Title & Description:**

*(Do not delete the following instructions)*

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

**A bill for an ordinance authorizing the issuance of City and County of Denver, Colorado, Dedicated Tax Revenue Bonds, Series 2021A, and City and County of Denver, Colorado, Dedicated Tax Revenue Bonds, Taxable Series 2021B, for the purpose of financing and defraying the cost of acquiring, constructing, installing and improving the National Western Center campus and the Colorado Convention Center, together with all necessary, incidental or appurtenant properties, facilities, equipment and costs; authorizing the execution of certain agreements and providing other details in connection therewith; ratifying action previously taken relating thereto; providing other matters relating thereto; and providing the effective date thereof.**

Authorizes the issuance of City and County of Denver Dedicated Tax Revenue Bonds, Series 2021A-B, in a par amount not to exceed \$273.83 million for the purpose of funding the buildout of the National Western Center Campus and the Colorado Convention Center Expansion Project, funding the debt service reserve fund, and to pay associated costs of issuance. The Committee approved filing this item at its meeting on 2-23-21.

**Affected Council District(s) or citywide?** Council District 9

**Executive Summary with Rationale and Impact:**

*Detailed description of the item and why we are doing it. This can be a separate attachment.*

In November 2015, Denver voters approved Ballot Measure 2C ("2C") which authorized the issuance of \$778 million of bonds (par) to be repaid from dedicated taxes of the city, specifically portions of Lodger's, short-term auto rental, and prepared food and beverage taxes. Of the \$778 million debt authorization, \$104 million was for the expansion of the Colorado Convention Center ("CCC") and \$674 million was for the National Western Center Campus ("NWC"). In 2016 and 2018, Denver issued Dedicated Tax Revenue Bonds for these projects totaling approximately \$504 million (par).

The proposed ordinance authorizes the issuance of up to \$273.83 million (par) of City and County of Denver Dedicated Tax Revenue Bonds, Series 2021A-B. This proposed issuance will be the final issuance under the 2C voter authorization. The proceeds will be used to fund the continued buildout of the NWC and the CCC Expansion Project, and to pay costs of issuance. The Series 2021A-B Bonds will be issued as fixed-rate obligations with a term not to exceed 30 years. The allocation between Series A (Tax-Exempt) and Series B (Taxable) is still being determined; however, the total par amount issued will remain the same regardless of the allocation between each series. The tax-exempt/taxable mix will be determined closer to the day of pricing, and the final interest rate and par amount is dependent on market conditions on the day of pricing.

The 2021 Bonds will be special and limited obligations of the City payable solely from and secured by a pledge of portions of the City's Lodger's, short-term auto rental, and prepared food and beverage taxes as follows: 8.0% of the total 10.75% City & County of Denver ("CCD") Lodger's tax; the full 7.25% CCD short-term auto rental tax; 0.50% of the total 4.00% CCD prepared food & beverage tax. The Bonds are not general obligations of the City nor are they payable in

**Type (choose one: Grant; Supplemental; Fund Creation; Fund Rescission; Fund Transfer; Appropriation; Other):**

Bond Issuance

**Amount:**

**Budget Year:**

**Fund and Funding Source (Fund/Org/Grant Number, if applicable):**

**Grantor (if applicable):**

**Fund Matching Requirements (if applicable):**

**Fiscal Impact:**