



Legislation Text

File #: 22-0569, Version: 1

Finance Item/Grant Request Template

Date Submitted: 5-9-2022

**Requesting Agency: Department of Finance
Division:**

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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 concerning the Airport Facilities of the City and County of Denver; authorizing the issuance of the "City and County of Denver, Colorado, for and on behalf of its Department of Aviation, Airport System Revenue Bonds, Series 2022" from time to time, in one or more series or subseries, on a taxable or a tax-exempt basis, in the maximum aggregate principal amount of \$3,980,000,000 for the purposes of defraying the costs of the Series 2022 Project, and providing other details in connection therewith; authorizing the Treasurer, within certain limitations and restrictions, to finalize details, terms and other provisions of the Bonds, their negotiated sale, determination of Refunded Bonds, and to select the registrar, paying agent, escrow bank and underwriters; approving forms of and authorizing execution and delivery of certain documents; ratifying action previously taken; providing for other related matters; and providing the effective date of this ordinance.

Authorizes the Manager of Finance, Chief Financial Officer to issue City and County of Denver, for and on behalf of its Department of Aviation, Airport Senior Revenue Bonds, Series 2022 in an amount not to exceed \$3.98 billion for the purposes of funding Airport capital improvements, refunding airport

bonds, paying costs of terminating swaps funding capitalized interest, funding bond reserves and paying costs of issuance expenses. The last regularly scheduled Council meeting within the 30-day review period is on 5-27-22. The Committee approved filing this item at its meeting on 5-18-22.

Affected Council District(s) or citywide? Council District 11

Executive Summary with Rationale and Impact:

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

The proposed ordinance supports two debt management objectives, which include securing financing to fund projects for DEN as part of its 2018-2022 and 2023-2027 Capital Improvement Plans and refunding of existing bonds to realize interest rate savings, addressing mandatory tender dates on variable rate bonds that come due in 2022 and refunding bonds associated with interest rate swaps to reduce interest rate risk. The 2022 bonds will be issued as fixed rate senior lien obligations. The final par-amount and rate of interest will be determined on the day of pricing and is dependent on market conditions.

This ordinance request should be read in conjunction with the ordinance request being submitted simultaneously requesting authorization to issue subordinate airport bonds up to the same amount for the same purposes. The Department of Finance would like to retain the flexibility to allocate between the senior and subordinate liens, based on what is most economically prudent, as we closer approach the bond sale. In order to facilitate this flexibility two ordinances for substantially the same amount and purpose - one authorizing senior bonds and the other authorizing subordinate bonds, but the aggregate amount of senior and subordinate bonds issued under these ordinances will not exceed the maximum amount listed in each ordinance.

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

Bonds

Amount:

Budget Year:

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

Grantor (if applicable):

Fund Matching Requirements (if applicable):

Fiscal Impact: