

RR22-1369 Sand & Sage and Westerner Acquisition

(The Fax East Colfax Partnership, LLC)

Safety, Housing, Education, & Homelessness Committee

November 2, 2022

Megan Yonke, Capital Projects Manager

Department of Housing Stability

Sand & Sage and Westerner acquisition

- The Fax Partnership, under The Fax East Colfax Partnership, LLC, purchased two motels (“Property”) at 8405 and 8415 East Colfax in September 2022 with bridge financing to serve as short-term non-congregate shelter (NCS) and redevelop into affordable housing and community amenities in the future.
- The Fax Partnership applied for an American Rescue Plan Act (ARPA) grant for \$984,456 for partial acquisition bridge loan takeout and renovation of a minimum of 34 units.



Purpose

- A covenant will be recorded on the land to operate the property as NCS until redeveloped by the Fax Partnership to provide housing and community-serving amenities (development program based on further community engagement but 75 units are targeted).
- The Fax Partnership is planning to lease the property from Fall 2023 until Spring 2025 to Volunteers of America to serve as a minimum of 33 units of NCS and one office to serve families experiencing homelessness, in connection with the construction of the Theodora Family Hotel in West Colfax (RISE GO Bond project).
- This is the Fax Partnership's first project in community development in a NEST neighborhood (East Colfax) where residents are experiencing rapid involuntary displacement.

Contractor Name

Contract Term	March 2023 – March 2083
Funding Source	American Rescue Plan Act (ARPA)
Contract Amount	\$983,456

Scope of Work

- The City’s grant to the Fax East Colfax Partnership, LLC will partially take out the acquisition bridge loan with \$750,000.
- The remaining \$233,456 will be spent to renovate the property to provide at least 34 units.

Action Requested Today

Approval of the following:

- **#22-1369 - The Fax East Colfax Partnership, LLC:** Approves the grant agreement between the City and County of Denver and The Fax East Colfax Redevelopment LLC under contract control #HOST-202265304 in the amount of \$983,456.

Questions?