

## **FIRST AMENDATORY AGREEMENT**

**THIS FIRST AMENDATORY AGREEMENT** (the “Amendment”) is made and entered by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation organized pursuant to the Constitution of the State of Colorado (“City”), and **THE FAX EAST COLFAX REDEVELOPMENT, LLC**, a Colorado limited liability company, with an address of 6470 E. Colfax Avenue, Denver, Colorado 80220 (“Grantee”), each individually a “Party” and collectively the “Parties.”

### **RECITALS:**

**WHEREAS**, the Parties entered into that certain Funding Agreement dated November 15, 2022 (the “Agreement”), relating to a grant of ARPA Funds (as defined in the Agreement) to Grantee in the amount of \$983,456.00 (the “Grant”) for the acquisition and renovation of real property located at 8405 & 8415 E. Colfax Avenue, Denver, Colorado (the “Property”), which will be used as a non-congregate shelter with an anticipated use conversion within approximately five (5) years to affordable housing; and

**WHEREAS**, the Parties wish to amend the Agreement as set forth herein to, among other things, (i) increase the grant funding; and (ii) increase the minimum units of non-congregate shelter to be provided at the Property.

**NOW THEREFORE**, in consideration of the premises herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and the Parties’ mutual covenants and obligations, the Parties agree as follows:

1. Exhibit A of the Agreement shall be replaced with Exhibit A-1, attached to this Amendment. The updated Project Scope marked as Exhibit A-1 is attached hereto and incorporated herein by this reference and shall supersede and replace Exhibit A of the Agreement.

2. Section 2.A. of the Agreement in section entitled “**PAYMENT OF FUNDS; USE AND DISBURSEMENT OF FUNDS**,” is deleted in its entirety and replaced with the following:

“A. The amount to be paid by the City to Grantee shall not exceed One Million Two Hundred Seventy-Seven Thousand Four Hundred Nine Dollars and NO/100 (\$1,277,409.00) (the “Grant”). The Grant will be used for costs related to acquisition and renovation costs of the Property, with Seven Hundred Fifty

Thousand Dollars and NO/100 (\$750,000.00) of the Grant being allocated to reimburse acquisition costs for the Property and Five Hundred Twenty-Seven Thousand Four Hundred Nine Dollars and NO/100 (\$527,409.00) of the Grant being allocated for renovations costs of the existing building so that it can be used as non-congregate shelter, as more particularly set forth in the “Scope of Planned Renovations” portion of **Exhibit A-1** (the “Landlord’s Work”). The obligation of the City for payments under this Agreement is limited to monies appropriated by the City Council and paid into the City Treasury.”

3. Section 5.A. of the Agreement in section entitled “**RESTRICTIONS ON USE OF PROPERTY**,” is deleted in its entirety and replaced with the following:

“A. Shelter. As set forth in the Project Scope, Grantee will use the Property as a non-congregate shelter providing a minimum of 37 non-congregate shelter units.

i. Grantee, or a service provider on behalf of Grantee, must operate, clean, and maintain a 365-day, 24-hour emergency motel at the Property. Grantee will allocate secured space within the Property for client activities, including sleeping and showering. Grantee, or a service provider on behalf of Grantee, shall provide clients with access to shelter programming on-site at the Property.

ii. Grantee must reserve 37 shelter rooms for people experiencing homelessness.

iii. Grantee, or a service provider on behalf of Grantee, must provide blankets, towels, and provision for three meals daily. Shelter programming will be offered by Grantee staff, or a service provider on behalf of Grantee, and any partner-assigned staff assigned to the Property.

iv. Grantee, or a service provider on behalf of Grantee, must provide around-the-clock front desk coverage and crisis intervention services for clients.

4. Borrower agrees to execute an amendment to the Declaration of Restrictive Covenant (Shelter) to increase the required minimum units of non-congregate shelter at the Property from 34 to 37.

5. Except as herein amended, the Agreement continues in effect, and is affirmed and ratified in each and every particular.

6. This Amendment will not be effective or binding on the City until it has been fully executed by all required signatories of the City and County of Denver, and if required by Charter, approved by the City Council.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**Contract Control Number:**  
**Contractor Name:**

HOST-202369154-01 / HOST-202265304-01  
THE FAX EAST COLFAX REDEVELOPMENT, LLC

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at  
Denver, Colorado as of:

**SEAL**

**CITY AND COUNTY OF DENVER:**

**ATTEST:**

By:

\_\_\_\_\_

\_\_\_\_\_

**APPROVED AS TO FORM:**

**REGISTERED AND COUNTERSIGNED:**

Attorney for the City and County of Denver

By:

By:

\_\_\_\_\_

\_\_\_\_\_

By:

\_\_\_\_\_

**Contract Control Number:**  
**Contractor Name:**

HOST-202369154-01 / HOST-202265304-01  
THE FAX EAST COLFAX REDEVELOPMENT, LLC

By: See attached signature page

Name: See attached signature page  
(please print)

Title: \_\_\_\_\_  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**Contract Control Number:**  
**Contractor Name:**

HOST-202369154-01 / HOST-202265304-01  
THE FAX EAST COLFAX REDEVELOPMENT, LLC

By: 

Name: Monica Markwiz  
(please print)

Title: Executive Director  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

## **EXHIBIT A-1 – PROJECT SCOPE**

### **Funding & Project Description**

The ARPA Funds will provide funding contributed toward partial takeout of the acquisition of the Sand & Sage and Westerner at 8405 & 8415 E. Colfax Avenue, Denver, Colorado. The Property is located in a Qualified Census Tract. The Property will provide a minimum of 37 units of non-congregate shelter prior to redevelopment.

Grantee plans to redevelop the site in approximately five years to provide up to 75 units of housing.

As a condition of receiving the Grant, Grantee will record a Covenant on the Property with a 60-year term. The Covenant will require that the Property be used as a non-congregate shelter. The Covenant will allow Grantee or any successor owner of the Property to convert the use of the Property to housing and community-supporting services. To convert the use of the Property from a non-congregate shelter to housing, Grantee or any successor owner must seek and obtain approval from the Executive Director of HOST. Any use conversion will require a written affordable housing agreement executed by the Executive Director of HOST and the Grantee or any successor owner of the Property. The Executive Director may consent to the release of the shelter Covenant so long as replacement covenant memorializing the terms of the affordable housing agreement is recorded against the Property. If Grantee does not seek and obtain Executive Director approval for the conversion of the shelter to housing, the Property shall continue to be used as a non-congregate shelter for the term of the Covenant.

Grantee shall be solely responsible for all costs and financing required for the redevelopment of the Property and the conversion from a non-congregate shelter use to a housing use. The City has no further funding obligations other than as set forth in the Agreement. Notwithstanding the foregoing, nothing in the Agreement will prevent Grantee from seeking additional funding from the City for the conversion of the Property to housing.

## Sources and Uses:

<b>Project: Westerner and Sand and Sage Motels</b>						
<b>Sources</b>	<b>Total</b>	<b>%</b>		<b>Uses</b>	<b>Total</b>	<b>%</b>
ECLF - TOD Loan Fund	\$2,242,038	49%		Land/Building	\$4,105,000	91%
CHFA	\$2,000,000	44%		Soft Cost	\$190,356	4%
Equity	\$288,318	6%		Reserves	\$235,000	5%
	<b>\$4,530,356</b>	<b>100%</b>			<b>\$4,530,356</b>	<b>100%</b>
Sources And Uses (Take Out)						
<b>Sources</b>	<b>Total</b>	<b>%</b>		<b>Uses</b>	<b>Total</b>	<b>%</b>
HOST	\$1,227,409	24%		Land/Building	\$4,105,000	80%
COlorado Division of Housing	\$1,150,000	23%		Soft Cost	\$190,356	4%
CHFA	\$2,000,000	39%		Reserves	\$235,000	5%
ECLF - TOD Loan Fund	\$727,882	14%		Renovation	\$574,935	11%
	<b>\$5,105,291</b>	<b>100%</b>			<b>\$5,105,291</b>	<b>100%</b>



## Scope of Planned Renovations

**Property: Westerner Motel**

**Address: 8405 E Colfax Ave**

<b>Unit Number Entire Building</b>	<b>Description</b>	<b>Cost</b>
	Install fire alarm system	<b>\$53,942</b>
<b>1</b>	Install new ADA and route ramp Remove and replace entry door Install door casing on interior and paint to blend Set up containment for lead based paint	<b>\$22,343</b>
<b>5</b>	Remove and replace entry door Demolition: Remove all interior framed wall per plan. Demolish bathroom fixtures, shower, toilet, remove sub floor in bathroom area Install new framing per plan, replace subflooring, install blocking per plan Install new plumbing, electrical, and bathroom exhaust fan Install new 5/8 GWB with knockdown texture on newly framed walls Patch in GWB as required throughout remainder of unit Install curbless shower pan system with 2X2 white tile Install 4X4 white shower wall tile with niche & Schluter metal outside corners Install 12X12 Daltile in Jet Setter Dusk color on bathroom floor Install glue down LVP in bedroom/living areas Install bathroom hardware, grab bars, shower seat, over sink mirror Demo, install new access ramp and hand rail Install LVL header	<b>\$62,520</b>
<b>10</b>	Demolition: All debris and contents within unit Demo bathroom fixtures, shower, toilet, remove sub floor in bathroom area Demo all flooring materials down the sub floor In bathroom replacement of sub flooring to allow plumbing access, new bathroom door and hardware Plumbing: demo out as required Re-roughing in DWV and water piping for new bathroom fixtures (PVC & Copper pipping) Supply and install 36X36 fiberglass shower pan with wall surround kit Install new Delta universal shower valves Install plumbing fixtures at trim Supply new chrome Delta faucets, new Toto Entrada Toilets, new 1300 Series Delta shower trims	<b>\$37,465</b>

<b>15</b>	<p>Saw cut North side for through the wall heal/cooling unit</p> <p>Install new carrier 12,000 through the wall heat/cooling units</p> <p>Demo carpet, pad, and bathroom, haul out any debris</p> <p>Plumbing: demo out as required</p> <p>Re-roughing in DWV and water piping for new bathroom fixtures (PVC &amp; Copper pipping)</p> <p>Supply and install 36X36 fiberglass shower pan with wall surround kit</p> <p>Install new Delta universal shower valves</p> <p>Install plumbing fixtures at trim</p> <p>Supply new chrome Delta faucets, new Tot Entrada Toilets, and new 1300 Series Delta Shower trims</p> <p>Replace GWB in bathroom and shower area</p> <p>Install glue down LVP in bathroom/living areas</p> <p>Install 4" cove base throughout entire unit</p>	<b>\$32,524</b>
<b>16</b>	<p>Saw cut North side for through the wall heal/cooling unit</p> <p>Install new carrier 12,000 through the wall heat/cooling units</p> <p>Demo carpet, pad, haul out any debris</p> <p>Patch GWB as needed throughout unit</p> <p>Install glue down LVP in living areas</p> <p>Install 4" cove base throughout entire unit</p>	<b>\$15,550</b>
<b>17</b>	<p>Saw cut North side for through the wall heal/cooling unit</p> <p>Install new carrier 12,000 through the wall heat/cooling units</p> <p>Demo carpet, pad, haul out any debris</p> <p>Patch GWB as needed throughout unit</p> <p>Install glue down LVP in living areas</p> <p>Install 4" cove base throughout entire unit</p>	<b>\$15,550</b>
<b>18</b>	<p>Saw cut North side for through the wall heal/cooling unit</p> <p>Install new carrier 12,000 through the wall heat/cooling units</p> <p>Demo carpet, pad, haul out any debris</p> <p>Patch GWB as needed throughout unit</p> <p>Install glue down LVP in living areas</p> <p>Install 4" cove base throughout entire unit</p>	<b>\$17,861</b>
	<b>Total</b>	<b>\$257,755</b>

**Property: Sand & Sage Motel**

**Address: 8415 E Colfax Ave**

<b>Unit Number</b>	<b>Description</b>	<b>Cost</b>
<b>Office</b>	Install new access ramp and handrail	<b>\$12,096</b>
<b>Entire Building</b>	Install fire alarm system	<b>\$46,960</b>
<b>5</b>	Remove and replace entry door Saw cut right side and extended header, install new 6 panel 36" exterior door Repair stucco as needed, spot paint exterior stucco to blend, paint slab and door jamb to match Demolition: Removal of all interior framed walls per plan Demo bathroom fixtures, shower, toilet, remove sub floor in bathroom area Install new framing per plan, replacement of subflooring, installation of blocking per plan Install new plumbing, electrical, and bathroom exhaust fan per plan Install new 5/8" GWB with knockdown texture on newly framed walls Patch in GWB as required throughout remainder of unit Seal new drywall and paint entire unit Install curbless shower pan system with 2X2 white tile Install 4X4 white shower wall tile with niche & Schluter metal outside corners Install 12X12 Daltile in Jet Setter Dusk color on bathroom floor Install glue down LVP in bedroom/living areas Install 4" cove base throughout entire unit install bathroom hardware, grab bars, shower seat, over sink mirror Install new access ramp and hand rail	<b>\$52,660</b>
<b>6</b>	Demolition: All debris and content within unit Demo bathroom fixtures, shower, toilet, remove subfloor in bathroom area Demo all flooring materials down to cub floor In bathroom replacement of sub flooring to allow for plumbing access, new bathroom door and hardware Plumbing: demo out as required Re-roughing in DWV and water piping for new bathroom fixtures (PVC & Copper pipping) Supply and install 36X36 fiberglass shower pan with wall surround kit Install new Delta universal shower valves Install plumbing fixtures at trim Supply new chrome Delta faucets, new Toto Entrada Toilets, new 1300 Series Delta shower trims Saw cut wall to install new carrier 12,000 through the wall heat/cooling units Patch GWB as needed throughout unit Spot seal drywall repairs and paint entire unit	<b>\$37,854</b>

Install glue down LVP in living areas, install 4" cove base throughout entire unit  
Install new 36 vanity in living room area

<b>15</b>	Dispose all contents in unit, demo of bathroom, flooring, and sub-flooring Decontaminate unit, application of biological cleaning agents Replacement of subflooring throughout unit Plumbing: demo out as required, re-roughing in DWV and water piping for new bathroom fixtures (PVC & Copper pipping) Supply and install 36X36 fiberglass shower pan with wall surround kit, install new Delta universal shower valves Install plumbing fixtures at trim Supply new chrome Delta faucets, new Toto Entrada Toilets, and new 1300 Series Delta shower trims Drywall repairs of flood cut walls in bedroom area and replacement of drywall in bathroom Seal and paint entire unit Install glue down LVP in living areas, install 4" cove base throughout entire unit New refrigerator	<b>\$47,821</b>
<b>19</b>	Install new ADA ramp Remove and replace entry door - Saw cut right side and extend header, install new 6 panel 36" exterior door Repair stucco as needed, spot paint exterior stucco to blend, paint door slab and jamb to match Install door casing on interior and paint to blend	<b>\$14,846</b>
	<b>Total</b>	<b>\$212,237</b>

**Property: Westerner and Sand & Sage Motels**  
**Address: 8405 & 8415 E Colfax Ave**

<b>General Items</b>	<b>\$44,993</b>
Remove and haul off electrical cook ranges from Sand & Sage motel	
Temporary toilet	
Dumpsters	
Scissor lift	
Project supervision, taxes, insurance	
Permit	
10 refrigerator/freezers	
<b>Other Costs</b>	
Shopworks Architecture (Design)	<b>\$44,100</b>
Landmark Environmental (Asbestos Testing)	<b>\$5,850</b>
<b>Contingency</b>	<b>\$10,000</b>
<b>Total</b>	<b>\$104,943</b>