

A G R E E M E N T

THIS AGREEMENT is made between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the “City”), and **COLORADO ENTERPRISE FUND, INC.**, a Colorado non-profit corporation, whose address is 1888 Sherman St., Denver, Colorado, 80203 (the “Contractor”), jointly (“the Parties”).

R E C I T A L S

A. DEDO’s Mission as memorialized in Executive Order 28 includes working to ensure an inclusive and innovative economy for all Denver residents and neighborhoods, and stabilizing neighborhoods economically to increase economic resiliency for Denver.

B. DEDO’s Mission further includes reducing involuntary displacement and improving job access by promoting responsible growth that preserves the character and vitality of Denver’s neighborhoods.

C. DEDO’s Functions as memorialized in Executive Order 28 include (i) retaining and attracting companies to sustain and grow Denver's tax base and create job opportunities for residents; (ii) providing outreach, technical assistance and capacity building that focuses on educating and growing small businesses; (iii) developing and implementing strategies that create equitable choices for residents and local businesses who choose to prosper in place; and (iv) anticipating and ameliorating involuntary displacement and disruptive neighborhood changes

D. The Herman Malone Fund- Business Investments, Loans and Development Denver Program (the BUILD Denver Program) will invest in entrepreneurs and small businesses owners who have traditionally lacked access to affordable funding. Specifically, BUILD Denver Program will provide affordable loans, grant funding, and business coaching (focused on capital readiness) to small businesses seeking to start, restart, restructure, improve upon or grow in their endeavors.

E. The BUILD Denver Program will promote the public purposes of strengthening Denver’s economic diversity, sustain and grow local businesses, provide more quality job opportunities throughout our City, and by the generation of incremental tax revenues through investments and economic activities carried out by program participants.

AGREEMENT:

The Parties agree as follows:

1. **COORDINATION AND LIAISON:** The Contractor shall fully coordinate all services under this Agreement with the Executive Director of Denver Economic Development & Opportunity (“Executive Director”) or the Executive Director’s Designee.

2. **SERVICES TO BE PERFORMED:**

a. As the Executive Director directs, the Contractor shall diligently undertake, perform, and complete all of the services and produce all the deliverables set forth on **Exhibit A, Scope of Work**, to the City’s satisfaction.

b. The Contractor is ready, willing, and able to provide the services required by this Agreement.

c. The Contractor shall faithfully perform the services in accordance with the standards of care, skill, training, diligence, and judgment provided by highly competent individuals performing services of a similar nature to those described in this Agreement and in accordance with the terms of this Agreement.

3. **TERM:** This Agreement will commence on April 1, 2026, and will expire on April 30, 2029 (the “Term”). The Term may be extended by the City under the same terms and conditions by a written amendment to this Agreement for up to two (2) additional one (1) year terms. Subject to the Executive Director’s prior written authorization, the Contractor shall complete any work in progress as of the expiration date and the Term will extend until the work is completed or earlier terminated by the Executive Director.

4. **COMPENSATION AND PAYMENT:**

a. **Budget:** The City shall pay and the Contractor shall accept as the sole compensation for services rendered and costs incurred under this Agreement the line item amounts set forth in the budget contained in **Exhibit B**. Amounts billed may not exceed the budget set forth in **Exhibit B**. The Contractor shall comply with all terms described in **Exhibit C**, which addresses Financial Administration and is incorporated herein by this reference.

b. **Reimbursable Expenses:** There are no reimbursable expenses allowed under this Agreement. All of the Contractor’s expenses are contained in the budget in **Exhibit B**.

c. **Invoicing:** The Contractor shall provide the City with invoices as further described in **Exhibit A** in a format and with a level of detail acceptable to the City including all supporting documentation required by the City. The City’s Prompt Payment Ordinance, §§ 20-107 to 20-118, D.R.M.C., applies to invoicing and payment under this Agreement.

d. Maximum Contract Amount:

(1) Notwithstanding any other provision of this Agreement, the City's maximum payment obligation will not exceed **NINE MILLION DOLLARS (\$9,000,000.00)** (the "Maximum Contract Amount"). The Maximum Contract Amount is further limited by the amount of applicable tax revenue available for the program as set forth in **Exhibit A**, which may vary during the Term. The City is not obligated to execute an Agreement or any amendments for any further services, including any services performed by the Contractor beyond that specifically described in **Exhibit A**. Any services performed beyond those in **Exhibit A** are performed at the Contractor's risk and without authorization under this Agreement.

(2) The City's payment obligation, whether direct or contingent, extends only to funds appropriated annually by the Denver City Council, paid into the Treasury of the City, and encumbered for the purpose of this Agreement. The City does not by this Agreement irrevocably pledge present cash reserves for payment or performance in future fiscal years. This Agreement does not and is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City.

e. Matching Funds: The Contractor shall provide eligible matching funds or in-kind contributions as provided in **Exhibit A** and **Exhibit B** ("Matching Funds"). Prior to using any additional federal funds as a source of Matching Funds, the Contractor shall require approval from the Executive Director. The City shall have no obligation to repay any Matching Funds to the federal government. The Contractor shall report all contributions to be applied toward the match required under this Agreement ("Match Report(s)"). Match Reports shall be submitted as set forth in **Exhibit A** from the Term start date and attached to the applicable invoice. The Contractor shall be responsible for documenting and maintaining accurate records to the reasonable satisfaction of the City and provide documentation that supports the match consistent with this Agreement. Such contributions shall be recorded on a Match Report and submitted to the City and shall be available along with back up documentation for review at the request of the City. Match Reports shall list all contributions provided by the Contractor toward the match requirement and shall list the total amount of contributions made as of the date of the Match Report. The City reserves the right to withhold, adjust and/or reallocate final payments under this Agreement if it determines that the required match is not being met to the City's satisfaction or the current spending is inconsistent with amounts of match contributions. The Match Report shall be certified

to be correct by an authorized representative of the Contractor and shall reference this Agreement number as designated below on the City's signature page.

f. Closeout Procedures: The Contractor shall comply with all contract closeout procedures directed by the City under this Agreement for final reimbursement, including but not limited to final review of payments, invoices, referrals, and required reporting documents, including close-out signature. To complete closeout, the Contractor shall timely provide the City with all deliverables, including documentation, and the Contractor final reimbursement request or invoice.

5. STATUS OF CONTRACTOR: The Contractor is an independent Contractor retained to perform professional or technical services for limited periods of time. Neither the Contractor nor any of its employees are employees or Directors of the City under Chapter 18 of the Denver Revised Municipal Code, or for any purpose whatsoever.

6. TERMINATION:

a. The City has the right to terminate this Agreement with cause upon written notice effective immediately, and without cause upon thirty (30) days prior written notice to the Contractor. However, nothing gives the Contractor the right to perform services under this Agreement beyond the time when its services become unsatisfactory to the Executive Director.

b. Notwithstanding the preceding paragraph, the City may terminate this Agreement if the Contractor or any of its officers or employees are convicted, plead *nolo contendere*, enter into a formal agreement in which they admit guilt, enter a plea of guilty or otherwise admit culpability to criminal offenses of bribery, kick backs, collusive bidding, bid-rigging, antitrust, fraud, undue influence, theft, racketeering, extortion or any offense of a similar nature in connection with the Contractor's business. Termination for the reasons stated in this paragraph is effective upon receipt of notice.

c. Upon termination of this Agreement, with or without cause, the Contractor shall have no claim against the City by reason of, or arising out of, incidental or relating to termination, except for compensation for work duly requested and satisfactorily performed as described in this Agreement.

d. If this Agreement is terminated, the City is entitled to and will take possession of all materials, equipment, tools and facilities it owns that are in the Contractor's possession, custody, or control by whatever method the City deems expedient. The Contractor

shall deliver all documents in any form that were prepared under this Agreement and all other items, materials and documents that have been paid for by the City to the City. These documents and materials are the property of the City. The Contractor shall mark all copies of work product that are incomplete at the time of termination “DRAFT-INCOMPLETE”.

e. Upon expiration or earlier termination of this Agreement, the Contractor shall within thirty (30) days repay to the City any and all non-administrative support monies described in **Exhibit B** in the Contractor’s possession or control at the time of expiration or termination.

7. **EXAMINATION OF RECORDS AND AUDITS:** Any authorized agent of the City, including the City Auditor or his or her representative, has the right to access and the right to examine, copy and retain copies, at City’s election in paper or electronic form, any pertinent books, documents, papers and records related to the Contractor’s performance pursuant to this Agreement, provision of any goods or services to the City, and any other transactions related to this Agreement. The Contractor shall cooperate with City representatives and City representatives shall be granted access to the foregoing documents and information during reasonable business hours and until the latter of three (3) years after the final payment under this Agreement or expiration of the applicable statute of limitations. When conducting an audit of this Agreement, the City Auditor shall be subject to government auditing standards issued by the United States Government Accountability Office by the Comptroller General of the United States, including with respect to disclosure of information acquired during the course of an audit. No examination of records and audit pursuant to this paragraph shall require the Contractor to make disclosures in violation of state or federal privacy laws. The Contractor shall at all times comply with D.R.M.C. 20-276.

8. **WHEN RIGHTS AND REMEDIES NOT WAIVED:** In no event will any payment or other action by the City constitute or be construed to be a waiver by the City of any breach of covenant or default that may then exist on the part of the Contractor. No payment, other action, or inaction by the City when any breach or default exists will impair or prejudice any right or remedy available to it with respect to any breach or default. No assent, expressed or implied, to any breach of any term of this Agreement constitutes a waiver of any other breach.

9. **INSURANCE:**

a. **General Conditions:** The Contractor agrees to secure, at or before the time

of execution of this Agreement, the following insurance covering all operations, goods or services provided pursuant to this Agreement. The Contractor shall keep the required insurance coverage in force at all times during the Term, including any extension thereof, and during any warranty period. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as "A-VIII" or better. Each policy shall require notification to the City in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the Parties identified in the Notices section of this Agreement. Such notice shall reference the City contract number listed on the signature page of this Agreement. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, the Contractor shall provide written notice of cancellation, non-renewal and any reduction in coverage to the parties identified in the Notices section by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s) and referencing the City's contract number. The Contractor shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Agreement are the minimum requirements, and these requirements do not lessen or limit the liability of the Contractor. The Contractor shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Agreement.

b. Proof of Insurance: The Contractor may not commence services or work relating to this Agreement prior to placement of coverages required under this Agreement. The Contractor certifies that the certificate of insurance attached as **Exhibit D**, preferably an ACORD form, complies with all insurance requirements of this Agreement. The City requests that the City's contract number be referenced on the certificate of insurance. The City's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Agreement shall not act as a waiver of the Contractor's breach of this Agreement or of any of the City's rights or remedies under this Agreement. The City's Risk Management Office may require additional proof of insurance, including but not limited to policies and endorsements.

c. Additional Insureds: For Commercial General Liability, Business Auto Liability, Professional Liability, and Excess Liability/Umbrella (if required), the Contractor and subcontractor's insurer(s) shall include the City and County of Denver, its elected and appointed

officials, employees and volunteers as additional insured.

d. Waiver of Subrogation: For all coverages required under this Agreement, with the exception of Professional Liability, the Contractor's insurer shall waive subrogation rights against the City.

e. Subcontractors and Subconsultants: The Contractor shall confirm and document that all subcontractors and subconsultants (including independent contractors, suppliers or other entities providing goods or services required by this Agreement) procure and maintain coverage as approved by the Contractor and appropriate to their respective primary business risks considering the nature and scope of services provided.

f. Worker's Compensation and Employers Liability Insurance: The Contractor shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits of \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.

g. Commercial General Liability: The Contractor shall maintain a Commercial General Liability insurance policy with minimum limits of \$1,000,000 for each bodily injury and property damage occurrence, \$2,000,000 products and completed operations aggregate (if applicable), and \$2,000,000 policy aggregate.

h. Business Automobile Liability: The Contractor shall maintain Automobile Liability with minimum limits of \$1,000,000 combined single limit applicable to all owned, hired and non-owned vehicles used in performing services under this Agreement.

i. Professional Liability (Errors & Omissions): The Contractor shall maintain minimum limits of \$1,000,000 per claim and \$1,000,000 policy aggregate limit. The policy shall be kept in force, or a Tail policy placed, for three (3) years for all contracts except construction contracts for which the policy or Tail shall be kept in place for eight (8) years.

10. DEFENSE AND INDEMNIFICATION:

a. The Contractor hereby agrees to defend, indemnify, reimburse and hold harmless the City, its appointed and elected officials, agents and employees for, from and against all liabilities, claims, judgments, suits or demands for damages to persons or property arising out of, resulting from, or relating to the work performed under this Agreement ("Claims"), unless such Claims have been specifically determined by the trier of fact to be the sole negligence or willful

misconduct of the City. This indemnity shall be interpreted in the broadest possible manner to indemnify the City for any acts or omissions of the Contractor or its subcontractors either passive or active, irrespective of fault, including the City's concurrent negligence whether active or passive, except for the sole negligence or willful misconduct of the City.

b. The Contractor's duty to defend and indemnify the City shall arise at the time written notice of the Claim is first provided to the City regardless of whether Claimant has filed suit on the Claim. The Contractor's duty to defend and indemnify the City shall arise even if the City is the only party sued by claimant and/or claimant alleges that the City's negligence or willful misconduct was the sole cause of claimant's damages.

c. The Contractor will defend any and all Claims which may be brought or threatened against the City and will pay on behalf of the City any expenses incurred by reason of such Claims including, but not limited to, court costs and attorney fees incurred in defending and investigating such Claims or seeking to enforce this indemnity obligation. Such payments on behalf of the City shall be in addition to any other legal remedies available to the City and shall not be considered the City's exclusive remedy.

d. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary for the City's protection.

e. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

11. TAXES, CHARGES AND PENALTIES: The City is not liable for the payment of taxes, late charges or penalties of any nature, except for any additional amounts that the City may be required to pay under the City's prompt payment ordinance D.R.M.C. § 20-107, *et seq.* The Contractor shall promptly pay when due, all taxes, bills, debts and obligations it incurs performing the services under this Agreement and shall not allow any lien, mortgage, judgment or execution to be filed against City property.

12. ASSIGNMENT; SUBCONTRACTING: The Contractor shall not voluntarily or involuntarily assign any of its rights or obligations, or subcontract performance obligations, under this Agreement without obtaining the Executive Director's prior written consent. Any assignment or subcontracting without such consent will be ineffective and void, and will be cause for

termination of this Agreement by the City. The Executive Director has sole and absolute discretion whether to consent to any assignment or subcontracting, or to terminate this Agreement because of unauthorized assignment or subcontracting. In the event of any subcontracting or unauthorized assignment: (i) the Contractor shall remain responsible to the City; and (ii) no contractual relationship shall be created between the City and any subconsultant, subcontractor or assign.

13. INUREMENT: The rights and obligations of the Parties inure to the benefit of and shall be binding upon the Parties and their respective successors and assigns, provided assignments are consented to in accordance with the terms of this Agreement.

14. NO THIRD PARTY BENEFICIARY: Enforcement of the terms of this Agreement and all rights of action relating to enforcement are strictly reserved to the Parties. Nothing contained in this Agreement gives or allows any claim or right of action to any third person or entity. Any person or entity other than the City or the Contractor receiving services or benefits pursuant to this Agreement is an incidental beneficiary only.

15. NO AUTHORITY TO BIND CITY TO CONTRACTS: The Contractor lacks any authority to bind the City on any contractual matters. Final approval of all contractual matters that purport to obligate the City must be executed by the City in accordance with the City's Charter and the Denver Revised Municipal Code.

16. SEVERABILITY: Except for the provisions of this Agreement requiring appropriation of funds and limiting the total amount payable by the City, if a court of competent jurisdiction finds any provision of this Agreement or any portion of it to be invalid, illegal, or unenforceable, the validity of the remaining portions or provisions will not be affected, if the intent of the Parties can be fulfilled.

17. CONFLICT OF INTEREST:

a. No employee of the City shall have any personal or beneficial interest in the services or property described in this Agreement. The Contractor shall not hire, or contract for services with, any employee or officer of the City that would be in violation of the City's Code of Ethics, D.R.M.C. §2-51, et seq. or the Charter §§ 1.2.8, 1.2.9, and 1.2.12.

b. The Contractor shall not engage in any transaction, activity or conduct that would result in a conflict of interest under this Agreement. The Contractor represents that it has disclosed any and all current or potential conflicts of interest. A conflict of interest shall include transactions, activities or conduct that would affect the judgment, actions or work of the Contractor

by placing the Contractor's own interests, or the interests of any party with whom the Contractor has a contractual arrangement, in conflict with those of the City. The City, in its sole discretion, will determine the existence of a conflict of interest and may terminate this Agreement if it determines a conflict exists, after it has given the Contractor written notice describing the conflict.

18. NOTICES: All notices required by the terms of this Agreement must be hand delivered, sent by overnight courier service, mailed by certified mail, return receipt requested, or mailed via United States mail, postage prepaid, if to Contractor at the address first above written, and if to the City at:

Executive Director of Denver Economic Development & Opportunity or
Designee
Denver Economic Development Opportunities
201 W. Colfax Ave., Sixth Floor
Denver, Colorado 80202

With a copy of any such notice to:

Denver City Attorney's Office
1437 Bannock St., Room 353
Denver, Colorado 80202

Notices hand delivered or sent by overnight courier are effective upon delivery. Notices sent by certified mail are effective upon receipt. Notices sent by mail are effective upon deposit with the U.S. Postal Service. The Parties may designate substitute addresses where or persons to whom notices are to be mailed or delivered. However, these substitutions will not become effective until actual receipt of written notification.

19. DISPUTES: All disputes between the City and the Contractor arising out of or regarding this Agreement will be resolved by administrative hearing pursuant to the procedure established by D.R.M.C. § 56-106(b)-(f). For the purposes of that administrative procedure, the City official rendering a final determination shall be the Executive Director as defined in this Agreement.

20. GOVERNING LAW; VENUE: This Agreement will be construed and enforced in accordance with applicable federal law, the laws of the State of Colorado, and the Charter, Revised Municipal Code, ordinances, regulations and Executive Orders of the City and County of Denver, which are expressly incorporated into this Agreement. Unless otherwise specified, any reference to statutes, laws, regulations, charter or code provisions, ordinances, executive orders,

or related memoranda, includes amendments or supplements to same. Venue for any legal action relating to this Agreement will be in the District Court of the State of Colorado, Second Judicial District (Denver District Court).

21. NO DISCRIMINATION IN EMPLOYMENT: In connection with the performance of work under this Agreement, the Contractor may not refuse to hire, discharge, promote, demote, or discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, ethnicity, citizenship, immigration status, gender, age, sexual orientation, gender identity, gender expression, marital status, source of income, military status, protective hairstyle, or disability. The Contractor shall insert the foregoing provision in all subcontracts.

22. COMPLIANCE WITH ALL LAWS: The Contractor shall perform or cause to be performed all services in full compliance with all applicable laws, rules, regulations and codes of the United States, the State of Colorado; and with the Charter, ordinances, rules, regulations and Executive Orders of the City and County of Denver. The Contractor acknowledges that the source of the funds provided by the City will be, in whole or in part, from cannabis sales tax revenue, and the Contractor must comply with applicable law governing the use of such funds.

23. COMPLIANCE WITH DENVER WAGE LAWS: To the extent applicable to the Contractor's provision of services hereunder, the Contractor shall comply with, and agrees to be bound by, all rules, regulations, requirements, conditions, and City determinations regarding the City's Minimum Wage and Civil Wage Theft Ordinances, Sections 58-1 through 58-26 D.R.M.C., including, but not limited to, the requirement that every covered worker shall be paid all earned wages under applicable state, federal, and city law in accordance with the foregoing D.R.M.C. Sections. By executing this Agreement, the Contractor expressly acknowledges that the Contractor is aware of the requirements of the City's Minimum Wage and Civil Wage Theft Ordinances and that any failure by the Contractor, or any other individual or entity acting subject to this Agreement, to strictly comply with the foregoing D.R.M.C. Sections shall result in the penalties and other remedies authorized therein.

24. LEGAL AUTHORITY: The Contractor represents and warrants that it possesses the legal authority, pursuant to any proper, appropriate and official motion, resolution or action passed or taken, to enter into this Agreement. Each person signing and executing this Agreement on behalf of the Contractor represents and warrants that he has been fully authorized by the

Contractor to execute this Agreement on behalf of the Contractor and to validly and legally bind the Contractor to all the terms, performances and provisions of this Agreement. The City shall have the right, in its sole discretion, to either temporarily suspend or permanently terminate this Agreement if there is a dispute as to the legal authority of either the Contractor or the person signing this Agreement to enter into this Agreement.

25. NO CONSTRUCTION AGAINST DRAFTING PARTY: The Parties and their respective counsel have had the opportunity to review this Agreement, and this Agreement will not be construed against any party merely because any provisions of this Agreement were prepared by a particular party.

26. ORDER OF PRECEDENCE: In the event of any conflicts between the language of this Agreement and the exhibits, the language of this Agreement controls.

27. INTELLECTUAL PROPERTY RIGHTS: The City and Contractor intend that all property rights to any and all materials, text, logos, documents, booklets, manuals, references, guides, brochures, advertisements, URLs, domain names, music, sketches, web pages, plans, drawings, prints, photographs, specifications, software, data, products, ideas, inventions, and any other work or recorded information created by the Contractor and paid for by the City pursuant to this Agreement, in preliminary or final form and on any media whatsoever (collectively, “Materials”), shall belong to the City. The Contractor shall disclose all such items to the City and shall assign such rights over to the City upon completion of the Project. To the extent permitted by the U.S. Copyright Act, 17 USC § 101, *et seq.*, the Materials are a “work made for hire” and all ownership of copyright in the Materials shall vest in the City at the time the Materials are created. To the extent that the Materials are not a “work made for hire,” the Contractor (by this Agreement) sells, assigns and transfers all right, title and interest in and to the Materials to the City, including the right to secure copyright, patent, trademark, and other intellectual property rights throughout the world and to have and to hold such rights in perpetuity.

28. SURVIVAL OF CERTAIN PROVISIONS: The terms of this Agreement and any exhibits and attachments that by reasonable implication contemplate continued performance, rights, or compliance beyond expiration or termination of this Agreement survive this Agreement and will continue to be enforceable. Without limiting the generality of this provision, the Contractor’s obligations to provide insurance and to indemnify the City will survive for a period

equal to any and all relevant statutes of limitation, plus the time necessary to fully resolve any claims, matters, or actions begun within that period.

29. ADVERTISING AND PUBLIC DISCLOSURE: The Contractor shall not include any reference to this Agreement or to services performed pursuant to this Agreement in any of the Contractor's advertising or public relations materials without first obtaining the written approval of the Executive Director. Any oral presentation or written materials related to services performed under this Agreement will be limited to services that have been accepted by the City. The Contractor shall notify the Executive Director in advance of the date and time of any presentation. Nothing in this provision precludes the transmittal of any information to City officials.

30. CONFIDENTIAL INFORMATION:

a. City Information: The Contractor acknowledges and accepts that, in performance of all work under the terms of this Agreement, the Contractor may have access to Proprietary Data or confidential information that may be owned or controlled by the City, and that the disclosure of such Proprietary Data or information may be damaging to the City or third parties. The Contractor agrees that all Proprietary Data, confidential information or any other data or information provided or otherwise disclosed by the City to the Contractor shall be held in confidence and used only in the performance of its obligations under this Agreement. The Contractor shall exercise the same standard of care to protect such Proprietary Data and information as a reasonably prudent Contractor would to protect its own proprietary or confidential data. "Proprietary Data" shall mean any materials or information which may be designated or marked "Proprietary" or "Confidential", or which would not be documents subject to disclosure pursuant to the Colorado Open Records Act or City ordinance, and provided or made available to the Contractor by the City. Such Proprietary Data may be in hardcopy, printed, digital or electronic format.

31. ACCESS TO FEDERAL TAXPAYER INFORMATION:

a. Performance: In performance of this Agreement, the Contractor agrees to comply with and assume responsibility for compliance by his, her or its employees with the following requirements:

(1) All work will be done under the supervision of the Contractor or the Contractor's employees.

(2) Any tax return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the Contractor will be prohibited.

(3) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.

(4) The Contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of the Contractor's computer facility, and no output will be retained by the Contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the Contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.

(5) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the Contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.

(6) All computer systems processing, storing, or transmitting federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.

(7) No work involving federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.

(8) The Contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.

(9) The agency will have the right to void the contract if the Contractor fails to provide the safeguards described above.

b. Criminal/Civil Sanctions:

(1) Each officer or employee or any person to whom returns or return information is or may be disclosed will be notified in writing. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee or any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as one (1) year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee (United States for federal employees) in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.

(3) Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established under it, and who knowing that disclosure of the specific material is

prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

c. **Inspection:** The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the Contractor for inspection of the facilities and operations provided for the performance of any work under this Agreement. On the basis of such inspection, specific measures may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

32. CITY EXECUTION OF AGREEMENT: This Agreement 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.

33. AGREEMENT AS COMPLETE INTEGRATION-AMENDMENTS: This Agreement is the complete integration of all understandings between the Parties as to the subject matter of this Agreement. No prior, contemporaneous or subsequent addition, deletion, or other modification has any force or effect, unless embodied in this Agreement in writing. No oral representation by any officer or employee of the City at variance with the terms of this Agreement or any written amendment to this Agreement will have any force or effect or bind the City.

34. USE, POSSESSION OR SALE OF ALCOHOL OR DRUGS: The Contractor shall cooperate and comply with the provisions of Executive Order 94 and its Attachment A concerning the use, possession or sale of alcohol or drugs. Violation of these provisions or refusal to cooperate with implementation of the policy can result in contract personnel being barred from City facilities and from participating in City operations.

35. ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS: The Contractor consents to the use of electronic signatures by the City. this Agreement, and any other documents requiring a signature under this Agreement, may be signed electronically by the City in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of this Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

[SIGNATURE PAGES FOLLOW.]

Contract Control Number: OEDEV-202582811-00
Contractor Name: COLORADO ENTERPRISE FUND, INC.

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:

OEDEV-202582811-00
COLORADO ENTERPRISE FUND, INC.

By: _____
Signed by:
Nim Patel
T0D13A710EF742Z...

Name: _____
Nim Patel
(please print)

Title: _____
Chief Strategy Officer
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

EXHIBIT A
Scope of Work
Colorado Enterprise Fund, Inc.
Denver Economic Development & Opportunity - City and County of Denver
Herman Malone Fund - Business Investments, Loans and Development Program (BUILD Denver
Program)

1.0 INTRODUCTION

The City and County of Denver, hereafter referred to as “the City”, through Denver Economic Development and Opportunity (DEDO) in collaboration with Contractor, Colorado Enterprise Fund, Inc. (CEF), is seeking to increase its investment in entrepreneurs and small businesses owners who have traditionally lacked access to affordable funding. Specifically, the Herman Malone Fund- Business Investments, Loans and Development Denver Program (BUILD Denver Program) will provide affordable loans, grant funding, and business coaching (focused on capital readiness) to small businesses seeking to start, restart, restructure, improve upon or grow in their endeavors.

The purpose of this agreement is to provide a three-year award not to exceed \$9,000,000 to CEF to serve as the administrator for the City’s BUILD Denver Program. Funding for this program is derived through and limited by the Herman Malone Fund from sales tax dollars collected from cannabis sales in Denver, per ordinance CB 21-1289. Funding available per program year shall not exceed \$3 Million nor the amount of sales tax dollars collected from cannabis sales in Denver and committed to this Agreement. Annual funding and total award under this contract may be reduced at the Executive Director’s discretion, which could result in an annual or total award amount below the maximum award established under this contract.

The BUILD Denver Program will promote a public purpose by strengthening Denver’s economic diversity, sustain and grow local businesses, provide more quality job opportunities throughout our City, and by the generation of incremental tax revenues through investments and economic activities carried out by program participants. The Contractor shall attract and leverage additional investments through the CEF’s Loan Capital Match commitment of at least 25% of the program funding allocated to permanent loan capital.

At expiration of the initial Term, DEDO, with Contractor input, will assess the ongoing viability of the Program. The Program goal is to work with at least 100 businesses and deploy up to \$9,000,000 in small business loans, grants, and program support over the initial term of the program, with additional loans being issued through revolving Program principal, or other matching funds. All funding disbursed under the contract towards the program’s loan principle will be revolved and allocated towards lending support for small businesses located in Denver.

The Scope of Work sets forth the requirements for CEF to establish the BUILD Denver Program and the roles and responsibilities of CEF and DEDO.

2.0 PROGRAM OBJECTIVES

2.1. Establish a revolving loan program, designed to provide affordable capital to support the creation, expansion, and retention of small businesses within the City, prioritizing entrepreneurs and small business owners who have traditionally lacked access to affordable funding or investment products.

2.2. Grow the Program through CEF's Loan Capital Match commitment of at least 25% of the program funding as defined in Exhibit B Budget Narrative, Section Loan Capital Match.

2.3. Provide access to capital in the form of affordable loan products or grants to eligible start-up and small businesses, further defined in section 4.0 Program Eligibility and Priority of Service, that are challenged with obtaining financing through traditional sources, but who are capable of sustaining a business and repaying debt. This includes business coaching focused on capital readiness when appropriate.

2.4. Utilize suitable and qualified community partnerships, as appropriate, to develop a pipeline of Business Participants and to refer qualified businesses participating in the BUILD Denver Program to professional services, additional financing, and technical assistance as needed.

2.5. Maintain the revolving loan program as a City of Denver-specific, co-branded program.

3.0 DESCRIPTION OF ACTIVITY AND TASKS TO BE PERFORMED

The services to be performed by the CEF include but are not limited to:

- Serve as the Lender and Loan and Grant Portfolio Manager for the BUILD Denver Program offering affordable small business loans and grants as defined in scope of services and working guide.
- Perform overall Program Administration and Reporting as defined in the scope of services and working guide.
- Leverage additional funding to maximize this sustainable investment into Denver's under resourced small business community.
- Provide supportive business coaching and assessment to prepare business participants to receive capital. Support business applicants with capital readiness resources and hands-on technical assistance during the loan application process.
- Design and engage in active community outreach and program promotion for the development of a robust pipeline of Business Participants.
- Deliver services in a culturally relevant manner.
- Endeavor to manage the Program beyond the expiration of the Term to create a self-sustaining fund.

4.0 PROGRAM ELIGIBILITY AND PRIORITY OF SERVICE

4.1. City and County of Denver funding under this agreement shall be available only to Business Participants meeting the following criteria:

- a. Physically located within the boundaries of the City and County of Denver at the time of funding and demonstrated intent to remain in Denver.
- b. Be registered with and in good standing with the Colorado Secretary of State's Office
- c. Be engaged in activities that are legal under applicable law.
- d. Meet program technical requirements including ability to provide financial records.
- e. Be in good standing with local, state, and federal taxing and licensing authorities.
- f. Meet Program underwriting criteria established by CEF, as set forth in CEF Underwriting Requirements and in the CEF' Loan Procedures documents. CEF shall be responsible for verifying the qualifications of applicants for the program.
- e. Meet additional eligibility criteria established by DEDO as referenced in the working guide, such as taking into consideration previous funding support through DEDO (duplication of benefits); and being current with the City on any loan, contract, or tax obligation as due, or in compliance with any rule, regulation, or provision on existing or past City contracts.

4.2. CEF shall prioritize available financing and business coaching to Business Participants as specified in the working guide in the following main categories:

- a. Are majority owned low-to-moderate income individuals (as defined by U.S. Department of Housing and Urban Development) who desire to own or strengthen existing businesses, develop assets, and empower themselves financially, and/or
- b. Have strong links to neighborhood placemaking/preservation, and/or
- c. Support and encourage employee ownership, and/or
- d. Located in Denver's neighborhoods where businesses are vulnerable to displacement and economic division, as determined by DEDO.
- e. Participation in the Program is focused on those businesses who have exhausted or demonstrated significant challenges in obtaining other sources of traditional and conventional financing. CEF shall be responsible for verifying that BUILD Denver does not replace private funds reasonably available to borrower.

4.3. The provisions of this Section 4 shall survive the expiration or earlier termination of this Agreement for five years beyond the expiration of the Term.

5.0 USE OF FUNDS

BUILD Denver funding will be allocated to permanent Loan Capital, grant funding, interest rate buydown, and program administration and business coaching. as defined in the scope and budget narrative

- Up to 75% of each annual award under this Agreement will be allocated to permanent Loan Capital and grant funding, with up to 10% of this allocation going towards grant funding. DEDO and CEF will periodically monitor the spend down of loan and grant funds as budgeted. Adjustments to the allocation of funds between loans and grants shall be pursuant to an Amendment to this agreement, executed in the same manner as this Agreement. 25% of each annual award allocated to permanent Loan Capital will be allocated to interest buydown and administrative support.
- CEF will receive an administrative fee of 10% of all awarded and disbursed grant dollars.
- CEF will provide ongoing Loan Loss Reserves as needed to keep the permanent Loan Capital “whole” at the level awarded.
- After all funds awarded under this Agreement have been deployed once under this program, subsequent loans will be subject to CEF’s then-current interest rates, unless DEDO continues to provide interest rate buydown for subsequent lending activities under this program.

5.1. Permitted Uses of Loan Proceeds. Loans from the Program may be used for most business purposes including, but not limited to the following:

- a. Expenditures for working capital, including inventory, salaries, and account receivables.
- b. Expenditures for fixed assets, including equipment, purchase of existing buildings, land (when part of a business project), renovations of interiors and exteriors of commercial building, tenant finishes and property improvements, and new construction of facilities for operations.
- c. Start-up expenses and expenditures for operations.
- d. Purchase of a business or franchise located within the City’s geographic boundaries.
- e. Refinancing of high interest non-bank business debt (e.g. Merchant Cash Advances and Credit Card Debt).

5.2. Non-permitted Uses of Loan Proceeds.

- a. Loans may not be used to pay any of owner's remuneration, including but not limited to wages, bonuses or similar types of compensation, or to pay for legal expenses, or to pay for penalties assessed for criminal violations, or to pay adverse civil judgments stemming from operation of the business.

- b. Loans shall not be used to pay fees, assessments, liens or penalties due to the failure of the borrower to collect or remit applicable taxes when due.
- c. Uses incompatible with or illegal under local regulatory authority will not be permitted.
- d. Refinancing of existing traditional business debt (e.g. Bank Loans).
- d. In all loans CEF shall be responsible for implementing and following internal policies and procedures to reduce fraud, waste, and abuse and to ensure that all monies in the Program are spent for appropriate purposes as required by this Agreement.

5.3. Grant notice and awarding procedures. The application, review and selection process shall award grants by an open, fair, and competitive process to maintain public trust and ensure that the City gets the best value when expending public funds. The Contractor shall comply with the following minimum procedures for its administration of the grant program:

- a. Publicly post notices of funding availability for grants for a minimum of thirty days.
- b. Assist the City with the design of the grant program framework, application, eligibility and scoring criteria, application review and evaluation process, and award process for the grant program.
- c. Solicit applications from eligible businesses to the grant program.
- d. Provide technical assistance, support, and field questions from potential applicants.
- e. Collect all applications and compile eligible applicant pool for DEDO review. Specifically, after close of each grant application round, conduct technical review to screen applicants for basic eligibility pursuant to 4.0 and the program working guide.
- f. Applications passing technical review will be scored and ranked based on program priorities and funds available.
- g. Present the results of contractor's application review and scoring to DEDO program staff and recommend Grant awardees to the Executive Director of DEDO.
- h. DEDO and Contractor will review and agree to the list of qualified grantees and Contractor will send award notifications, collect required documentation, and disburse the grant. Contractor will send decline notifications to applicants not meeting eligibility requirements.
- i. At year-end, Contractor will prepare and send IRS Form 1099 to grant recipients.
- j. Contractor will prepare and share with DEDO a complete record of grant disbursement and fund reconciliation including proof of payment.
- k. Disburse grant amount to the awarded businesses.
- l. The Contractor shall ensure grant Awardees are obligated to spend grant funds consistent with the public purposes of the grant, and to return any grant funds inconsistent with the purposes of the grant.

5.4 The provisions of Sections 5.1 and 5.2 shall survive the expiration or earlier termination of this Agreement for five years beyond the expiration of the Term.

6.0 ROLES & RESPONSIBILITIES

The following sections of this Exhibit "A" provide greater specifications on Program execution with references to associated roles and responsibilities.

6.1. DEDO RESPONSIBILITIES

DEDO's responsibilities include policy oversight, compliance monitoring, and contract administration.

- a. Establish overall program guidelines, criteria, and priorities.
- b. Provide a list of the City's priority neighborhoods, where businesses and residents are vulnerable to displacement and economic division, guidance on undeserved communities.
- c. In collaboration with CEF, create and implement program webpage(s) and marketing materials.
- d. In collaboration with the CEF, actively promote the BUILD Denver program and identify and refer applicant businesses to CEF.
- e. Review loan and grant application proposed for specific eligibility criteria as referenced in the working guide, such as previous funding support through DEDO (duplication of benefits), being current with the City on any loan, contract, or tax obligation as due, or in compliance with any rule, regulation, or provision on existing or past City contracts. This review will occur within 10 business days from receiving a CEF referral.
- f. May provide technical assistance, business consultations and/or other support as applicable and available.
- g. Participate in monthly meetings.
- h. Review all reports in a timely manner.
- i. Assign DEDO staff who will work closely with CEF focused on program, data, and finance topics.
- j. City will work cooperatively with CEF in the pursuit of executing a successful fund, which includes open communication.
- k. The City shall provide CEF with a status of the sales tax revenue receipts and forecast for CB 21-1289 for the purposes of program planning and outreach on a bi-annual basis based on the most current information and budget decisions available to DEDO at the time of reporting.

6.2. CEF RESPONSIBILITIES

- a. **Intake:** Actively promote the BUILD Denver Program, identify and screen applicant businesses and entrepreneurs for eligibility, and provide pre-loan technical assistance to applicants as necessary; create and update as needed a suitable intake process and tracking mechanism for prospective businesses being considered for funding or services.
- b. **Application and Underwriting:** Collect complete applications, underwrite applications, and provide pre-loan technical assistance to applicants as needed.

- c. **Approval:** Makes funding decisions based on the Program’s underwriting criteria and the City’s review referenced in 6.2.e.
- d. **Loan closing:** Prepare loan documentation, execute loan, maintain audit-ready filing system, report credit, and perfect collateral.
- e. **Loan Servicing:** Service all loans under the BUILD Denver Program including collections, payment reminders, past due client communications, recording and tracking loan transactions, and processing loans paid in full.
- f. **Reporting:** Provide quarterly reports to City’s designated staff. Reports shall be due 45 days after the close of the quarter and shall include information outlined in section 8.0 Program Requirements and further specified in the Working Guide. Timely respond to special requests for information as needed.
- g. **Invoicing:** CEF will invoice DEDO quarterly for reimbursement of funds disbursed under the BUILD Denver program not to exceed available annual program funding.
- h. CEF will notify DEDO of any internal policy changes impacting the BUILD Denver Program 30 days prior to becoming effective.
- i. **Client communications:** CEF is responsible for communication with clients in relation to their loan and loan status.
- j. CEF will abide by its standard procedures and criteria as established in its Loan Procedures. Loan Procedures will be furnished to City, upon request, at any time throughout the Program
- k. CEF will convene a monthly meeting with DEDO to review and discuss the BUILD Denver Program as specified in the Working Guide.
- l. CEF shall work cooperatively with the City in the pursuit of executing a successful program, which includes open communication.
- m. Comply with its grant program obligations in Sec. 5.3 above.

7.0 IMPLEMENTATION PLAN AND TIMELINE

The following table outlines the implementation plan and timelines for this agreement.

TASK	DATES
In collaboration with DEDO, finalize program	Contract Execution Date
In collaboration with DEDO, define and finalize marketing and outreach plan, website and collateral	2 months after Contract Execution Date
CEF will start developing	2 months after Contract Execution Date

Business Participant Pipeline	
CEF starts deploying investment funds to Business Participants	Throughout contract term

8.0 PROGRAM REQUIREMENTS

8.1 PERFORMANCE INDICATORS FOR PROGRAM SUCCESS

The following indicators will be used to measure the success of the Program.

- a. Funds leveraged (private investments encouraged through program’s lending activities)
- b. Number of businesses served with business coaching
- c. Number of completed loan applications received
- d. Number of loan applications processed (i.e., underwritten)
- e. Number of loans closed
- f. Income levels of applicants at time of application should be based on definitions and standards of poverty levels as defined by HUD
- g. Name and number of neighborhoods assisted (e.g. neighborhood of applicant neighborhood of new or expanding business)
- h. Number of Minority and/or Women owned businesses (i.e., where minority(-ies)/women own at least 51% of the business)
- i. Number of FTE jobs created/retained
- k. Divisions of Small Business Opportunity (DSBO) certified firms

8.2 REPORTING REQUIREMENTS

CEF shall collect, maintain, and report program data in a City-approved format on a quarterly basis within 45 days after the close of each calendar quarter. All reported data must correspond to the performance indicators in Section 8.1 and conform to applicable privacy laws. DEED reserves the right to request program-relevant data at any time for internal and external reporting needs.

Program Details:

CEF will track data related to the businesses served through the BUILD Denver Program. Data will include, but may not be limited to:

1. Count of requests for assistance received
2. Count of businesses served with business coaching
3. Count and dollar amount of debt financing committed / provided to Business Participants
4. Count and dollars of grant funding committed/provided to Business Participants
5. External dollars leveraged
6. Business Participants match with other loan products
7. Repayment status for Business Participants
8. Count of FTE jobs created or retained by Business Participants assisted
9. Approved/Closed Ratio

Individual Investment/Loan/Grant Data:

1. Business name
2. Investment type
3. Origination Date
4. Loaned or granted amount
5. Intended use of funds
6. Number of FTE created/retained
7. Investment status (approved, closed, failed, etc.)
8. Terms
9. Rate
10. Current balance
11. Term sheets, loan documentation, promissory notes, agreements, security agreements (as applicable), etc.

Business Participant Information

1. Ownership demographics consistent with applicable law
 - a. Race
 - b. Gender
 - c. Additional key priorities (i.e., veteran, foreign born, LGTBQIA2S+, etc.)

In collecting the foregoing demographic information, CEF shall comply with the following requirements: (1) the disclosure by an applicant must be voluntary; (2) disclosure or nondisclosure cannot affect selection or eligibility; (3) withholding disclosure cannot affect selection or eligibility; (4) applicants must have an option that the applicant “prefers not to state” the information; (5) the purpose of collecting the demographic information needs to be stated (for example, data collected for research and analysis purposes, or to report outcomes); and (6) a statement must be included that the information will not be used for any other purposes without first obtaining the applicant’s permission.

2. Business address (physical)
3. Denver neighborhood
4. Denver City Council District
5. Intake assessment (this will need to be part of the pipeline database we will want access to for monitoring)
6. Industry (NAICS Code; 6 digit)

7. Business stage (pipeline derived)
8. Business initial funding request
9. Business revenue (pre/post program/investment)
10. Business employee (pre/post program/investment)

On an annual basis, a copy of CEFs Audited Financial Statements shall be provided to City within 150 days of CEFs fiscal year-end, currently September 30. Contractor shall notify the City if Contractor's fiscal year end changes during the Term.

8.3. Other PROGRAM DETAILS

- a. **Program establishment.** Contractor will seek additional non-City funding sources to support the Program. Any additional City funding shall require either a new agreement, or an amendment hereto. CEF shall notify the City in writing of any external funds secured for the Program.
- b. **Creation of Loan Fund.** CEF shall create and manage an auditable loan fund which shall be used exclusively for the Denver BUILD Program.
- c. **Program Operating Costs.** CEF shall pay all costs associated with program promotion and administration, and loan origination and servicing from the BUILD Denver program, unless otherwise stipulated in this contract.
- d. **Program Costs.** CEF may retain interest and fees earned through the program loans solely to cover allowable costs of administering the Program, which include direct costs for staff time, mileage, marketing and outreach, business counseling, recording fees, loan servicing, reporting and accounting, and indirect costs including phone, rent, supplies, etc.
- e. **Loan Guidelines.**
 - e. 1. **Amount, Additional Funds, Term, Interest Rates, Fees, and Collateral.** Any variation from these guidelines will require approval by the City:
 - e.2. **Amount.** Program loans shall have a maximum value of \$350,000. Loans may be made in any increment up to the maximum.
 - e.3. **Additional Funds.** CEF may loan additional amounts available from non-BUILD Denver Program sources as it deems reasonable to serve larger financing needs of a particular borrower.
 - e.4. **Term.** The term of any loans will be no longer than 10 years. The term of the loan may be extended by CEF subject to modification underwriting and approval at or before loan maturity
 - e.5. **Interest Rates.** The spirit of the BUILD Denver program is to support businesses who are experiencing financial challenges, yet do not fit within traditional lending criteria often available through traditional financing options. The interest rates on loans funded through the BUILD Denver Program shall be set at 4.99%. DEDO's and CEF will revisit the interest rates to borrowers on an annual basis to ensure that the rates continue to be affordable as compared to then-current market rates. After all funds awarded under this Agreement have been deployed once under this program, subsequent loans will be subject to CEF's then-current interest rates, unless DEDO continues to provide interest rate buydown for subsequent lending activities under this program.

- e.6. **Fees.** CEF may charge Business Participants loan application fees, processing fees, packaging fees and closing fees CEF that are CEF standards at time of loan closing.
- e.7. **Collateral.** Efforts shall be made to collateralize all loans in accordance with CEF underwriting guidelines.
- e.8. **Exceptions to Loan Structure.** Loans may deviate from the underwriting standards outlined above after consultation with City, and exceptions shall be documented on Credit Committee Form (i.e., Credit Memo) acceptable in form to the City.

f. **Underwriting and Application Process.** CEF generally will follow its standard underwriting and loan application process but in accordance with requirements set forth in section 2.4, 4.0, and 6.2.

g. **Loan Repayments.**

- g.1 Principal amounts repaid from Denver BUILD Program fund borrowers will be returned to the fund to be loaned out again under the Program parameters established in this document.
- g.2 To the extent possible, loan losses shall be absorbed first by any monies in the BUILD Denver Program. Nothing in this Agreement shall be construed to require City to replenish any portion of the Program that is a loan loss, and any such loan loss is not considered to be a debt to City. CEF will exercise all reasonable measures to collect loans that are in default.
- g.3 CEF shall have the sole responsibility of determining the improbability of collection and when a loan shall be written off. Documentation supporting that determination shall be included in quarterly reports to the City.

h. **Reporting.** CEF shall ensure that reports are provided to City's designated staff. Quarterly reports shall be due 45 days after the close of the quarter, and shall include:

- h.2 The Fund's Outstanding Loan Balance and Ageing Report (including loans that are delinquent and the number of days delinquent).
- h.3 The Fund's approved/closed loan list including borrower's name, origination date, amount, term, rate, current balance and ageing status, industry sector (as identified by NAICS code), number of jobs created, collateral/security, and/or retained and other performance measures described in this Agreement.
- h.4 The Fund's application pipeline, including the number of applicants, (e.g., denials, approvals, pending completion, etc.), approximate loan amounts, and other information as feasible and as requested by the City.
- h.5 Any additional reporting element referenced in Section 8 of the scope.
- h.6 For the purpose of this contract, a Business Participant is considered "served" when they have received and completed a service as defined in the Working Guide; outreach or communications alone will not be sufficient. Additionally, a "capitalized business" is one that has received a financial investment from the BUILD Denver Fund.

End of Scope

**EXHIBIT B
BUDGET NARRATIVE**

**Colorado Enterprise Fund, Inc. - City and County of Denver
Denver Economic Development & Opportunity (DEDO)**

Herman Malone Fund - Business Investments, Loans and Development Program (BUILD Denver Program)

A. Non-Personnel

Loan Principal Expense **Subtotal: up to \$6,075,000**
 Colorado Enterprise Fund, Inc. (CEF) will deploy affordable loans to qualified businesses over the three-year term of this agreement. Each program year, contractor will deploy up to \$2,025,000, with a total deployment of up to \$6,075,000.

Grant Expense **Subtotal: up to \$810,000**
 CEF will deploy direct cash grants to qualified businesses over the three-year term of this agreement. Each program year, contractor will deploy up to \$270,000, with a total deployment of up to \$810,000.

DEDO and CEF will periodically jointly monitor the spend down of the loan and grant funds as budgeted and make adjustment as needed and mutually agreed upon.

Administrative Indirect Costs & Other Expenses

Interest Buydown and Loan Program Administration Fee **Subtotal: up to \$2,025,000**
CEF will be compensated for its administration of the revolving loan program, program marketing, business coaching (focusing on capital readiness) for business applicants, as well as buydown of interest rates to the agreed upon level. Total compensation for these services/expenses, combined, will be based on a percentage fee, 25%, of the dollar amount of loans disbursed under this contract and at the agreed upon interest rate, including CEF’s loan capital match. Total administrative fee not to exceed \$675,000 annually.

Grant Program Administration Fee **Subtotal: up to \$90,000**
CEF will be compensated for its administration of the grant program based on a percentage fee, 10%, of the dollar amount of grants disbursed.

TOTAL EXPENSE: \$9,000,000

Budget	Program Year 1 04/01/26 - 03/31/27	Program Year 2 04/01/27 - 03/31/28	Program Year 3 04/01/28 - 03/31/29	Total
Loan Principal	up to \$2,025,000	up to \$2,025,000	up to \$2,025,000	up to \$6,075,000
Grant funds	up to \$270,000	up to \$270,000	up to 270,000	up to \$810,000
Interest Buydown & Loan Program Administration	up to \$675,000	up to \$675,000	up to \$675,000	up to \$2,025,000
Grant Program	up to \$30,000	up to \$30,000	up to \$30,000	up to \$90,000

**EXHIBIT B
BUDGET NARRATIVE**

Administration				
Total	\$3,000,000	\$3,000,000	\$3,000,000	\$9,000,000

Loan Capital Match:

CEF will match DEDO’s annual loan capital contribution by 25%. The match will be recorded on CEF’s books as loan capital allocated to the Herman Malone Fund - Business Investments, Loans and Development Program (BUILD Denver Program). If DEDO provides the maximum \$6,075,000 in loan capital to this program CEF’s match would be \$1,518,750. CEF is planning to use the following federal funds available to them for the loan capital match requirement: the SBA Microloan Program, the EDA Revolving Loan Fund, and the CDFI Fund.

At DEDO’s discretion, service modifications requiring line-item budget adjustments may be made without a formal budget modification process, provided the total funding to the CEF does not increase.

B. Fee and Payment Schedule

1. The maximum budget for this contract is \$3,000,000 per program year, and \$9,000,000 over the term of the contract, allocated to permanent loan capital, interest rate buydown, and program administration and marketing, and business coaching as detailed in Exhibit A.
2. Program Year 1 starts on April 1, 2026, and will end after the 12 calendar months, on March 31, 2027. Program Year 2 and 3 will comprise of the following 12 calendar months after end of program year 1 and 2, respectively.
3. **CEF** will invoice quarterly for reimbursement of loan and grant funds disbursed under this contract, and for associated program administration percentage fee(s). CEF must submit each petition for funds on or before forty-five days after the end of the calendar quarter for which the Awardee is seeking funding. Each petition for funding shall contain the Awardee’s certification and supporting documentation reflecting (a) description of activities and tasks performed under the scope of services; (b) associated information outlined in Exhibit A, Scope of Services, Section 8 Program Requirements.



CITY AND COUNTY OF DENVER
DENVER ECONOMIC DEVELOPMENT & OPPORTUNITY
HERMAN MALONE FUND - BUILD DENVER (BUSINESS INVESTMENTS, LOAN AND DEVELOPMENT PROGRAM)
PROGRAM YEAR 2026
NON-PERSONNEL BUDGET

A. Respondent: Colorado Enterprise Fund **C: Contract Number:** OEDEV-202582811-00
B. Program: Herman Malone Fund - BUILD Program **D: Contract Period:** 2026-2029 **Year 1**

(1)	(2)	(3)	(4)
Item of Expenditure	Total Program Cost (\$)	DEDO Share of Cost (\$)	Brief Line Item Description & Justification (Please show justification for Total Cost in the Budget Narrative)
OFFICE EXPENSES, SUPPLIES, & EQUIPMENT TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
COMMUNICATION TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
INSURANCE TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
SUBCONTRACTOR TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
OTHER DIRECT COSTS TOTAL	\$2,801,250	\$2,295,000	Includes the following, but not limited to:
Loan Principal	\$2,531,250	\$2,025,000	Loan principle to issue affordable loans to qualified businesses



**CITY AND COUNTY OF DENVER
DENVER ECONOMIC DEVELOPMENT & OPPORTUNITY
HERMAN MALONE FUND - BUILD DENVER (BUSINESS INVESTMENTS, LOAN AND DEVELOPMENT PROGRAM)
PROGRAM YEAR 2026
NON-PERSONNEL BUDGET**

A. Respondent: Colorado Enterprise Fund **C: Contract Number:** OEDEV-202582811-00
B. Program: Herman Malone Fund - BUILD Program **D: Contract Period:** 2026-2029 **Year 1**

(1)	(2)	(3)	(4)
Item of Expenditure	Total Program Cost (\$)	DEDO Share of Cost (\$)	Brief Line Item Description & Justification (Please show justification for Total Cost in the Budget Narrative)
Grant Funds	\$270,000	\$270,000	Grant funds to be deployed to qualified businesses
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
INDIRECT COSTS TOTAL	\$0	\$0	Represents the common costs associated with the efforts of operations and is estimated using the Modified Total Direct Method
	\$0	\$0	
DIRECT COSTS EXCLUDED FROM MTDC TOTAL	\$705,000	\$705,000	Includes the following, but not limited to:
Interest Buydown & Loan Program Administration	\$675,000	\$675,000	Percentage fee, 25%, of dollar amount of loans disbursed in compensation for the administration of the revolving loan program, program marketing, business coaching (focused on capital readiness) for business applicants, as well as buydown of interest rates to the agreed upon level
Grant Program Administration	\$30,000	\$30,000	Percentage fee, 10%, of dollar amount of grants disbursed in compensation for administration of the grant program(s)
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
(5) TOTAL NON-PERSONNEL COSTS	\$3,506,250	\$3,000,000	



CITY AND COUNTY OF DENVER
DENVER ECONOMIC DEVELOPMENT & OPPORTUNITY
HERMAN MALONE FUND - BUILD DENVER (BUSINESS INVESTMENTS, LOAN AND DEVELOPMENT PROGRAM)
PROGRAM YEAR 2026
NON-PERSONNEL BUDGET

A. Respondent: Colorado Enterprise Fund **C: Contract Number:** OEDEV-202582811-00
B. Program: Herman Malone Fund - BUILD Program **D: Contract Period:** 2026-2029 **Year 2**

(1)	(2)	(3)	(4)
Item of Expenditure	Total Program Cost (\$)	DEDO Share of Cost (\$)	Brief Line Item Description & Justification (Please show justification for Total Cost in the Budget Narrative)
OFFICE EXPENSES, SUPPLIES, & EQUIPMENT TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
COMMUNICATION TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
INSURANCE TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
SUBCONTRACTOR TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
OTHER DIRECT COSTS TOTAL	\$2,801,250	\$2,295,000	Includes the following, but not limited to:
Loan Principal	\$2,531,250	\$2,025,000	Loan principle to issue affordable loans to qualified businesses



CITY AND COUNTY OF DENVER
DENVER ECONOMIC DEVELOPMENT & OPPORTUNITY
HERMAN MALONE FUND - BUILD DENVER (BUSINESS INVESTMENTS, LOAN AND DEVELOPMENT PROGRAM)
PROGRAM YEAR 2026
NON-PERSONNEL BUDGET

A. Respondent: Colorado Enterprise Fund **C: Contract Number:** OEDEV-202582811-00
B. Program: Herman Malone Fund - BUILD Program **D: Contract Period:** 2026-2029 **Year 2**

(1)	(2)	(3)	(4)
Item of Expenditure	Total Program Cost (\$)	DEDO Share of Cost (\$)	Brief Line Item Description & Justification (Please show justification for Total Cost in the Budget Narrative)
Grant Funds	\$270,000	\$270,000	Grant funds to be deployed to qualified businesses
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
INDIRECT COSTS TOTAL	\$0	\$0	Represents the common costs associated with the efforts of operations and is estimated using the Modified Total Direct Method
	\$0	\$0	
DIRECT COSTS EXCLUDED FROM MTDC TOTAL	\$705,000	\$705,000	Includes the following, but not limited to:
Interest Buydown & Loan Program Administration	\$675,000	\$675,000	Percentage fee, 25%, of dollar amount of loans disbursed in compensation for the administration of the revolving loan program, program marketing, business coaching (focused on capital readiness) for business applicants, as well as buydown of interest rates to the agreed upon level
Grant Program Administration	\$30,000	\$30,000	Percentage fee, 10%, of dollar amount of grants disbursed in compensation for administration of the grant program(s)
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
(5) TOTAL NON-PERSONNEL COSTS	\$3,506,250	\$3,000,000	



CITY AND COUNTY OF DENVER
DENVER ECONOMIC DEVELOPMENT & OPPORTUNITY
HERMAN MALONE FUND - BUILD DENVER (BUSINESS INVESTMENTS, LOAN AND DEVELOPMENT PROGRAM)
PROGRAM YEAR 2026
NON-PERSONNEL BUDGET

A. Respondent: Colorado Enterprise Fund **C: Contract Number:** OEDEV-202582811-00
B. Program: Herman Malone Fund - BUILD Program **D: Contract Period:** 2026-2029 **Year 3**

(1)	(2)	(3)	(4)
Item of Expenditure	Total Program Cost (\$)	DEDO Share of Cost (\$)	Brief Line Item Description & Justification (Please show justification for Total Cost in the Budget Narrative)
OFFICE EXPENSES, SUPPLIES, & EQUIPMENT TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
COMMUNICATION TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
INSURANCE TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
SUBCONTRACTOR TOTAL	\$0	\$0	Includes the following, but not limited to:
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
OTHER DIRECT COSTS TOTAL	\$2,801,250	\$2,295,000	Includes the following, but not limited to:
Loan Principal	\$2,531,250	\$2,025,000	Loan principle to issue affordable loans to qualified businesses



**CITY AND COUNTY OF DENVER
DENVER ECONOMIC DEVELOPMENT & OPPORTUNITY
HERMAN MALONE FUND - BUILD DENVER (BUSINESS INVESTMENTS, LOAN AND DEVELOPMENT PROGRAM)
PROGRAM YEAR 2026
NON-PERSONNEL BUDGET**

A. Respondent: Colorado Enterprise Fund **C: Contract Number:** OEDEV-202582811-00
B. Program: Herman Malone Fund - BUILD Program **D: Contract Period:** 2026-2029 **Year 3**

(1)	(2)	(3)	(4)
Item of Expenditure	Total Program Cost (\$)	DEDO Share of Cost (\$)	Brief Line Item Description & Justification (Please show justification for Total Cost in the Budget Narrative)
Grant Funds	\$270,000	\$270,000	Grant funds to be deployed to qualified businesses
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
INDIRECT COSTS TOTAL	\$0	\$0	Represents the common costs associated with the efforts of operations and is estimated using the Modified Total Direct Method
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DIRECT COSTS EXCLUDED FROM MTDC TOTAL	\$705,000	\$705,000	Includes the following, but not limited to:
Interest Buydown & Loan Program Administration	\$675,000	\$675,000	Percentage fee, 25%, of dollar amount of loans disbursed in compensation for the administration of the revolving loan program, program marketing, business coaching (focused on capital readiness) for business applicants, as well as buydown of interest rates to the agreed upon level
Grant Program Administration	\$30,000	\$30,000	Percentage fee, 10%, of dollar amount of grants disbursed in compensation for administration of the grant program(s)
	\$0	\$0	
	\$0	\$0	
	\$0	\$0	
(5) TOTAL NON-PERSONNEL COSTS	\$3,506,250	\$3,000,000	

EXHIBIT C

FINANCIAL ADMINISTRATION:

1.1 Compensation and Methods of Payment

- 1.1.1 Disbursements shall be processed through the Denver Economic Development Opportunity (DEDO) - Financial Management Unit (FMU) and the City and County of Denver's Department of Finance.
- 1.1.2 The method of payment to the Contractor by DEDO shall be in accordance with established FMU procedures for line-item reimbursements. The Contractor must submit expenses and accruals to DEDO on or before the last day of each month for the previous month's activity. Voucher requests for reimbursement of costs should be submitted on a regular and timely basis in accordance with DEDO policies. Vouchers should be submitted within thirty (30) days of the actual service, expenditure or payment of expense, except for the final voucher for reimbursement.
- 1.1.3 The Contractor shall submit the final voucher for reimbursement no later than **forty-five (45) days after the end of the contract period.**
- 1.1.4 The Contractor shall be reimbursed for services provided under this Agreement according to the approved line-item reimbursement budget attached to and made a part of this Agreement (Exhibit A).

1.2 Vouchering Requirements

- 1.2.1 In order to meet Federal Government requirements for current, auditable books at all times, it is required that all vouchers be submitted monthly to DEDO in order to be paid.
 - a. The first exception will be that expenses cannot be reimbursed until the funds under this contract have been encumbered.
 - b. The second exception will be that costs cannot be reimbursed until they total a minimum of \$35 unless it is a final payment voucher, or the final voucher for the fiscal year (ending December 31).
- 1.2.2 No more than six (6) vouchers may be submitted per contract per month, without prior approval from DEDO.
- 1.2.3 All vouchers for all Agreements must be correctly submitted within forty-five (45) days of the Agreement end date to allow for correct and prompt closeout.
- 1.2.4 City and County of Denver Forms shall be used in back-up documents whenever required in the Voucher Processing Policy.

- 1.2.5 Only allowable costs determined in accordance with 2 CFR Chapter I, Chapter II, Parts 200, 215, 220, 225 and 230, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (the “OMB Omni Circular”) applicable to the organization incurring the cost will be reimbursed.
- 1.2.6 The reimbursement request, or draw request, for personnel and non-personnel expenses should be submitted to the City monthly, no later than the last day of the following month for expenses incurred in the prior month. The request for reimbursement should include:
 - a. Amount of the request in total and by line item.
 - b. Period of services for current reimbursement.
 - c. Budget balance in total and by line item.
 - d. Authorization for reimbursement by the contract signatory (i.e., executive director or assistant director).
- 1.2.7 If another person has been authorized by the Contractor to request reimbursement for services provided by this contract, then the authorization should be forwarded in writing to DEDO prior to the draw request.
- 1.2.8 The standardized DEDO “Expense Certification Form” should be included with each payment request to provide the summary and authorization required for reimbursement.

1.3 Payroll

- 1.3.1 A summary sheet should be included to detail the gross salary of the employee, amount of the salary to be reimbursed, the name of the employee, and the position of the employee. If the employee is reimbursed only partially by this contract, the amount of salary billed under other contracts with the City or other organizations should be shown on the timesheet as described below. Two items are needed for verification of payroll: (1) the amount of time worked by the employee for this pay period; and (2) the amount of salary paid to the employee, including information on payroll deductions.
- 1.3.2 The amount of time worked will be verified with timesheets. The timesheets must include the actual hours worked under the terms of this contract, and the actual amount of time worked under other programs. The total hours worked during the period must reflect all actual hours worked under all programs including leave time. The employee’s name, position, and signature, as well as a signature by an appropriate supervisor, or executive director, must be included on the timesheets. If the timesheet submitted indicates that the employee provided services payable under this contract for a portion of the total time worked, then the amount of reimbursement requested must be calculated and documented in the monthly reimbursement request.

- 1.3.3 A payroll register or payroll ledger from the accounting system will verify the amount of salary. Copies of paychecks are acceptable if they include the gross pay and deductions.

1.4 Fringe Benefits

- 1.4.1 Fringe benefits paid by the employer can be requested by applying the FICA match of 7.65 percent to the gross salary paid under this contract. Fringe benefits may also include medical plans, retirement plans, worker's compensation, and unemployment insurance. Fringe benefits that exceed the FICA match may be documented by 1) a breakdown of how the fringe benefit percentage was determined prior to first draw request; or, 2) by submitting actual invoices for the fringe benefits. If medical insurance premiums are part of the estimates in item #1, one-time documentation of these costs will be required with the breakdown. Payroll taxes may be questioned if they appear to be higher than usual.

1.5 General Reimbursement Requirements

- 1.5.1 Invoices: All non-personnel expenses need dated and readable invoices. The invoices must be from a vendor separate from the Contractor, and must state what goods or services were provided and the delivery address. Verification that the goods or services were received should also be submitted, this may take the form of a receiving document or packing slips, signed and dated by the individual receiving the good or service. Copies of checks written by the Contractor, or documentation of payment such as an accounts payable ledger which includes the check number shall be submitted to verify that the goods or services are on a reimbursement basis.
- 1.5.2 Mileage: A detailed mileage log with destinations and starting and ending mileage must accompany mileage reimbursement. The total miles reimbursed and per mile rate must be stated. Documentation of mileage reimbursement to the respective employee must be included with the voucher request.
- 1.5.3 Pager/Cell Phone: Written statement from executive director will be required certifying that cell phone is necessary and reasonable to run the program. And, if the monthly usage charge is exceeded in any month, a detailed phone log will be required for the amount of the overage.
- 1.5.4 Administration and Overhead Cost: Other non-personnel line items, such as administration, or overhead need invoices, and an allocation to this program documented in the draw request. An indirect cost rate can be applied if the Contractor has an approved indirect cost allocation plan. The approved indirect cost rate must be submitted to and approved by DEDO.
- 1.5.5 Service Period and Closeout: All reimbursed expenses must be incurred during the time period within the contract. The final payment request must be received

by DEDO within forty-five (45) days after the end of the service period stated in the contract. DEDO reserves the right to consider such costs as disallowed and reject requested reimbursements submitted in the final 90 days of the contract for Capital Equipment.

2.1 Program Income

- 2.1.1 Program income includes, without limitation, income from fees for services performed, from the use or rental of real or personal property acquired with contract funds, from the sale of commodities or items fabricated under a contract agreement, and from payments of principal and interest on loans made with contract funds.
- 2.1.2 Program income may be deducted from total allowable costs to determine net allowable costs and may be used for current reimbursable costs under the terms of this contract. Program income which was not anticipated at the time of the award may be used to reduce the award contribution rather than to increase the funds committed to the project. ALL PROGRAM INCOME GENERATED DURING ANY GIVEN PERIOD SUBMITTED FOR PAYMENT SHALL BE DOCUMENTED ON THE VOUCHER REQUEST.
- 2.1.3 The Contractor, at the end of the program, may be required to remit to the City all or a part of any program income balances (including investments thereof) held by the Contractor (except AS APPROVED IN WRITING BY DEDO, INCLUDING those needed for immediate cash needs, cash balances of a revolving loan fund, cash balances from a lump sum drawdown, or cash or investments held for section 108 security needs), unless otherwise directed in writing by DEDO.

3.1 Financial Management Systems

The Contractor must maintain financial systems that meet the following standards:

- 3.1.1 Financial reporting must be accurate, current, and provide a complete disclosure of the financial results of financially assisted activities and be made in accordance with federal financial reporting requirements.
- 3.1.2 Accounting records must be maintained which adequately identify the source and application of the funds provided for financially assisted activities. The records must contain information pertaining to contracts and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. Accounting records shall provide accurate, separate, and complete disclosure of fund status.
- 3.1.3 Effective internal controls and accountability must be maintained for all contract cash, real and personal property, and other assets. Adequate safeguards must be provided on all property and it must be assured that it is used solely for authorized purposes.

- 3.1.4 Actual expenditures or outlays must be compared with budgeted amounts and financial information must be related to performance or productivity data, including the development of cost information whenever appropriate or specifically required.
- 3.1.5 Applicable OMB Omni Circular cost principles, agency program regulations, and the terms of the agreement will be followed in determining the reasonableness, allowability and allocability of costs.
- 3.1.6 Source documents such as cancelled checks, paid bills, payrolls, time and attendance records, contract documents, etc., shall be provided for all disbursements. The Contractor will maintain auditable records, i.e., records must be current and traceable to the source documentation of transactions.
- 3.1.7 The Contractor shall maintain separate accountability for DEDO funds as referenced in 24 C.F.R. 85.20 and the OMB Omni Circular.
- 3.1.8 The Contractor must properly report to Federal, State, and local taxing authorities for the collection, payment, and depositing of taxes withheld. At a minimum, this includes Federal and State withholding, State Unemployment, Worker's Compensation (staff only), City Occupational Privilege Tax, and FICA.
- 3.1.9 A proper filing of unemployment and worker's compensation (for staff only) insurance shall be made to appropriate organizational units.
- 3.1.10 The Contractor shall participate, when applicable, in DEDO provided staff training sessions in the following financial areas including, but not limited to (1) Budgeting and Cost Allocation Plans; (2) Vouchering Process.

4.1 Audit Requirements

- 4.1.1 If the Contractor expends seven hundred and fifty thousand dollars (\$750,000) or more of federal awards in the Contractor's fiscal year, the Contractor shall ensure that it, and its sub recipients(s), if any, comply with all provisions of the OMB Omni Circular.
- 4.1.2 A copy of the final audit report must be submitted to the DEDO Financial Manager within the earliest of thirty (30) calendar days after receipt of the auditor's report; or nine (9) months after the end of the period audited.
- 4.1.3 A management letter, if issued, shall be submitted to DEDO along with the reporting package prepared in accordance with the Single Audit Act Amendments and the OMB Omni Circular. If the management letter is not received by the subrecipient at the same time as the Reporting Package, the Management Letter is also due to DEDO within thirty (30) days after receipt of the Management Letter, or nine (9) months after the end of the audit period, whichever is earlier. If the Management Letter has matters related to DEDO

funding, the Contactor shall prepare and submit a Corrective Action Plan to DEDO in accordance with the Single Audit Act Amendments and the OMB Omni Circular, as set forth in 24 C.F.R. Part 45 for each applicable management letter matter.

All audit related material and information, including reports, packages, management letters, correspondence, etc., shall be submitted to **DEDO Financial Management Unit**; DEDOFMUAcctsPayable@denvergov.org

4.1.4 The Contractor will be responsible for all Questioned and Disallowed Costs.

4.1.5 The Contractor may be required to engage an audit committee to determine the services to be performed, review the progress of the audit and the final audit findings, and intervene in any disputes between management and the independent auditors. The Contractor shall also institute policy and procedures for its sub recipients that comply with these audit provisions, if applicable.

5.1 Budget Modification Requests

5.1.1 Minor modifications to the services provided by the Contractor or changes to each line-item budget equal to or less than a ten percent (10%) threshold, which do not increase the total funding to the Contractor, will require only notification to DEDO with the next monthly draw. Minor modifications to the services provided by Contractor, or changes to each line-item budget in excess of the ten percent (10%) threshold, which do not increase the total funding to Contractor, may be made only with prior written approval by DEDO. Such budget and service modifications will require submittal by Contractor of written justification and new budget documents. All other contract modifications will require an amendment to this Agreement executed in the same manner as the original Agreement.

5.1.2 The Contractor understands that any budget modification requests under this Agreement must be submitted to DEDO prior to the last Quarter of the Contract Period, unless waived in writing by the DEDO Director.

6.1 Procurement

6.1.1 The Contractor shall follow the City Procurement Policy to the extent that it requires that at least three (3) documented quotations be secured for all purchases or services (including insurance) supplies, or other property that costs more than five thousand dollars (\$25,000) in the aggregate and for which the contractor is seeking reimbursement under the agreement.

6.1.2 The Contractor will maintain records sufficient to detail the significant history of procurement. These records will include but are not limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

- 6.1.3 If there is a residual inventory of unused supplies exceeding five thousand dollars (\$5,000) in total aggregate upon termination or completion of award, and if the supplies are not needed for any other federally sponsored programs or projects the Contractor will compensate the awarding agency for its share.

7.1 Bonding

- 7.1.1 DEDO may require adequate fidelity bond coverage, in accordance with 24 C.F.R. 84.21, where the subrecipient lacks sufficient coverage to protect the Federal Government's interest.

8.1 Records Retention

- 8.1.1 The Contractor must retain for five (5) years financial records pertaining to the contract award. The retention period for the records of each fund will start on the day the single or last expenditure report for the period, except as otherwise noted, was submitted to the awarding agency.
- 8.1.2 The awarding agency and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access, upon reasonable notice, to any pertinent books, documents, papers, or other records which are pertinent to the contract, in order to make audits, examinations, excerpts, and transcripts.

9.1 Contract Close-Out

- 9.1.1 All Contractors are responsible for completing required DEDO contract close-out forms and submitting these forms to their appropriate DEDO Contract Specialist within sixty (60) days after the Agreement end date, or sooner if required by DEDO in writing.
- 9.1.2 Contract close out forms will be provided to the Contractor by DEDO within thirty (30) days prior to end of contract.
- 9.1.3 DEDO will close out the award when it determines that all applicable administrative actions and all required work of the contract have been completed. If Contractor fails to perform in accordance with this Agreement, DEDO reserves the right to unilaterally close out a contract, "unilaterally close" means that no additional money may be expended against the contract.

10.1 Collection of amounts due

- 10.1.1 Any funds paid to a Contractor in excess of the amount to which the Contractor is finally determined to be entitled under the terms of the award constitute a debt to the Federal Government and the City. If not paid within a reasonable period after demand, DEDO may; 1) Make an administrative offset against other requests for reimbursements, 2) Withhold advance payments otherwise due to the Contractor or, 3) other action permitted by law.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/06/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER PAYCHEX INSURANCE AGENCY INC 76210705 225 KENNETH DR STE 110 ROCHESTER NY 14623	CONTACT NAME:	
	PHONE (877) 266-6850 (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A : Sentinel Insurance Company Ltd.	NAIC# 11000
INSURED COLORADO ENTERPRISE FUND (CEF) 1888 N SHERMAN ST STE 530 DENVER CO 80203-1163	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/Y YYY)	LIMITS	
A	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> General Liability	X		76 SBW VN6295	05/01/2025	05/01/2026	EACH OCCURRENCE	\$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000
							MED EXP (Any one person)	\$10,000
							PERSONAL & ADV INJURY	\$2,000,000
							GENERAL AGGREGATE	\$4,000,000
							PRODUCTS - COMP/OP AGG	\$4,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	X		76 SBW VN6295	05/01/2025	05/01/2026	COMBINED SINGLE LIMIT (Ea accident)	\$2,000,000
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			76 SBW VN6295	05/01/2025	05/01/2026	EACH OCCURRENCE	\$2,000,000
							AGGREGATE	\$2,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					PER STATUTE	OTH-ER
							E.L. EACH ACCIDENT	
							E.L. DISEASE -EA EMPLOYEE	
							E.L. DISEASE - POLICY LIMIT	
A	EMPLOYMENT PRACTICES LIABILITY			76 SBW VN6295	05/01/2025	05/01/2026	Each Claim Limit	\$10,000
							Aggregate Limit	\$10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Those usual to the Insured's Operations.

CERTIFICATE HOLDER CITY AND COUNTY OF DENVER 201 W COLFAX AVE DENVER CO 80202-5329	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Susan L. Castaneda</i>



ADDITIONAL REMARKS SCHEDULE

AGENCY PAYCHEX INSURANCE AGENCY INC		NAMED INSURED COLORADO ENTERPRISE FUND (CEF) 1888 N SHERMAN ST STE 530 DENVER CO 80203-1163	
POLICY NUMBER SEE ACORD 25		EFFECTIVE DATE: SEE ACORD 25	
CARRIER SEE ACORD 25	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM

FORM NUMBER: ACORD 25 **FORM TITLE:** CERTIFICATE OF LIABILITY INSURANCE

RE: Job Description/Contract Number: OEDEV-202582811, As required by written contract The City and County of Denver, its Elected and Appointed Officials, Employees and Volunteers are an additional insured with regards to the Business Liability Coverage Form SS0008 attached to this policy and the Hired Auto and Non Owned Auto Endorsement SS0438, attached to this policy.



ADDITIONAL REMARKS SCHEDULE

AGENCY INSURANCETRAK SERVICES		NAMED INSURED COLORADO ENTERPRISE FUND (CEF) 1888 N SHERMAN ST STE 530 DENVER CO 80203-1163	
POLICY NUMBER SEE ACORD 25		EFFECTIVE DATE: SEE ACORD 25	
CARRIER SEE ACORD 25	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM

FORM NUMBER: ACORD 25 **FORM TITLE:** CERTIFICATE OF LIABILITY INSURANCE

The City and County of Denver, its Elected and Appointed Officials, Employees and Volunteers are an additional insured per the Business Liability Coverage Form SS0008, attached to this policy.