

THIRD AMENDMENT TO LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE AGREEMENT (“Amendment”) is made and entered into by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the “City” or “Lessee”) and **DENVER HEALTH AND HOSPITAL AUTHORITY**, a body corporate and political subdivision of the State of Colorado, whose address is 777 Bannock Street, Mail Code 0278, Denver, Colorado 80204 (“DHHA” or “Lessor”) (each, as “Party”, and collectively, “the Parties”).

WITNESSETH:

WHEREAS, the Parties entered into a Lease Agreement dated October 30, 2015, an Amendment to Lease Agreement dated November 9, 2018, and a Second Amendment to Lease Agreement dated July 14, 2023 (collectively, the “Lease”) to lease a portion of the space, Lease Premises, to the City for use by the Medical Examiner to conduct autopsies, forensic analysis, and for office space; and

WHEREAS, the Parties wish to amend the Lease to extend the Term, to establish the amount of monthly rent to be paid during such extended Term, to provide the City with a renewal option to further extend the Term, and to provide each Party with an early termination right, all pursuant and subject to the terms and conditions provided below in this Amendment;

NOW THEREFORE, in consideration of the premises and the Parties’ mutual covenants and obligations, the Parties agree as follows:

1. The Term of the Lease is hereby extended to and including December 31, 2035.
2. The monthly rent to be paid by the City during the extended Term as provided herein shall be as follows:

<u>Period</u>	<u>Monthly Rent</u>	<u>Monthly Rent/29,000 SF of Leased Premises/Year</u>	<u>Base Rent for Period</u>
1/1/2026-12/31/2026	\$23,562.50	\$9.75	\$282,750.00
1/1/2027-12/31/2027	\$24,033.75	\$9.95	\$288,405.00
1/1/2028-12/31/2028	\$24,514.43	\$10.14	\$294,173.10
1/1/2029-12/31/2029	\$25,004.71	\$10.35	\$300,056.56
1/1/2030-12/31/2030	\$25,504.81	\$10.55	\$306,057.69
1/1/2031-12/31/2031	\$26,014.90	\$10.76	\$312,178.85
1/1/2032-12/31/2032	\$26,535.20	\$10.98	\$318,422.42
1/1/2033-12/31/2033	\$27,065.91	\$11.20	\$324,790.87
1/1/2034-12/31/2034	\$27,607.22	\$11.42	\$331,286.69
1/1/2035-12/31/2035	\$28,159.37	\$11.65	\$337,912.42
Total			\$3,096,033.61

In addition to monthly rent as detailed above, during the extended Term of the Lease as provided herein, the City shall continue to pay the actual cost incurred by DHHA for Operating Expenses in the same manner and at the same rate per square foot as required by the Lease; provided, however, in no event shall the Operating Expenses payable by the City in any calendar year exceed by more than three percent (3%) the amount of Operating Expenses payable by the City in the prior calendar year. In accordance with the foregoing, the maximum amount of Operating Expenses payable by the City during the extended Term of the Lease shall be as follows:

<u>Period</u>	<u>Max Operating Expenses/Month</u>	<u>Max Operating Expenses/29,000 SF of Leased Premises/Year</u>	<u>Max Operating Expenses/Period</u>
1/1/2026-12/31/2026	\$20,610.30	\$8.53	\$247,323.60
1/1/2027-12/31/2027	\$21,228.61	\$8.78	\$254,743.31
1/1/2028-12/31/2028	\$21,865.47	\$9.05	\$262,385.61
1/1/2029-12/31/2029	\$22,521.43	\$9.32	\$270,257.18
1/1/2030-12/31/2030	\$23,197.07	\$9.60	\$278,364.89
1/1/2031-12/31/2031	\$23,892.99	\$9.89	\$286,715.84
1/1/2032-12/31/2032	\$24,609.78	\$10.18	\$295,317.31
1/1/2033-12/31/2033	\$25,348.07	\$10.49	\$304,176.83
1/1/2034-12/31/2034	\$26,108.51	\$10.80	\$313,302.14
1/1/2035-12/31/2035	\$26,891.77	\$11.13	\$322,701.20
Total			\$2,835,287.90

In accordance with the foregoing and the amounts of monthly rent and maximum Operating Expenses payable by the City during the initial lease Term (totaling \$14,454,711.63 as stated in the Second Amendment to Lease Agreement), the total contract amount payable by the City during the initial Term of the Lease and the extended Term as provided herein shall not exceed, and the total contract amount in the Lease is hereby amended to be, the following:

Total Contract Amount (includes the maximum amount of Operating Expenses from 1/1/2026 through 12/31/2035 and includes the \$156,352 environmental remediation payment made by the City as provided in the Amendment to Lease Agreement) is \$20,542,385.14.

3. Notwithstanding anything to the contrary in this Amendment or the Lease, the City shall have one option to renew and extend the Lease for an additional ten (10) year term (“Extension Term”) commencing after the expiration of the extended Term as provided in this Amendment, which Extension Term shall be at then market rates pursuant and subject to the following terms and conditions. If the City desires to exercise such renewal option, the City shall provide DHHA with written notice thereof (“Renewal Notice”) at least ninety (90) days prior to

the expiration date of the Lease Term, as extended above in this Amendment (i.e., such notice shall be provided no later than October 2, 2035). Thereafter, the Parties shall have thirty (30) days to negotiate in good faith to agree upon the then market rates applicable during the Extension Term, following which the City shall draft an amendment to the Lease containing the agreed-upon market rates and other terms applicable to the Extension Term, and the Parties shall cooperate, subject to the City receiving City Council and any other required approvals, to finalize and execute the lease amendment as soon as reasonably practicable. The extension right of the City in this paragraph supersedes and replaces the extension rights of the City contained in Section 2 of the original Lease Agreement.

4. Notwithstanding anything to the contrary in this Amendment or the Lease, either Party shall have the right to terminate this Lease for any or no reason upon the provision of at least one (1) year's advance written notice of termination ("Early Termination Notice") to the other Party, which termination right shall apply during the extended Term of this Lease as provided in paragraph 1 of this Amendment and shall also apply during the Extension Term if exercised pursuant and subject to the terms and conditions of paragraph 3 of this Amendment. The Parties shall have no further rights or obligations under the Lease from and after the termination date except for any rights or obligations which expressly survive the termination of the Lease. The termination rights of the Parties in this paragraph supersede and replace the termination rights of the Parties contained in Section 2 of the original Lease Agreement.

5. Section 20 of the Lease is hereby deleted in its entirety and replaced with the following:

20. 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 the City's election in paper or electronic form, any pertinent books, documents, papers and records related to DHHA's performance pursuant to this Lease, the provision of any goods or services to the City, and any other transactions related to this Lease. DHHA 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 Lease or expiration of the applicable statute of limitations. When conducting an audit of this Lease, 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 audits pursuant to this paragraph shall require DHHA to make disclosures in violation of state or federal privacy laws. DHHA shall at all times comply with D.R.M.C. 20-276.

6. A new Section 34 is hereby added to the Lease as follows:

34. COMPLIANCE WITH DENVER WAGE LAWS: To the extent applicable to DHHA's provision of services hereunder, DHHA 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 Lease, DHHA expressly acknowledges that DHHA is aware of the requirements of the City's Minimum Wage and Civil Wage Theft Ordinances and that any failure by DHHA, or any other individual or entity acting subject to this Lease, to strictly comply with the foregoing D.R.M.C. Sections shall result in the penalties and other remedies authorized therein.

7. Each Party represents and warrants to the other Party that it has not dealt with any broker or agent in connection with the negotiation or execution of the Lease or this Amendment.

8. This Amendment may be executed in counterparts, each of which will constitute an original, but all of which, when taken together, will constitute but one agreement. Executed copies hereof may be delivered by email or other electronic means, and upon receipt will be deemed originals and binding upon the Parties hereto, regardless of whether originals are delivered thereafter.

9. As herein amended, the Lease is revived, affirmed, and ratified in each and every particular.

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

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[SIGNATURE PAGES FOLLOW.]

Contract Control Number:
Contractor Name:

FINAN-202683322-03| 201524424-03
DENVER HEALTH AND HOSPITAL AUTHORITY

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:

FINAN-202683322-03| 201524424-03
DENVER HEALTH AND HOSPITAL AUTHORITY

By: Kris Gaw

Name: Kris Gaw
(please print)

Title: Chief Operating Officer
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)