

**FUNDING AGREEMENT
(STATE AFFORDABLE HOUSING FUNDS PASS THROUGH)**

THIS FUNDING AGREEMENT (“Agreement”) is made between the **CITY AND COUNTY OF DENVER**, a municipal corporation organized pursuant to the Constitution of the State of Colorado (“City”), and **WOLFF 23 LLC**, a Colorado limited liability company, whose address is 6007 S. Saint Paul Way, Centennial, Colorado 80121 (“Grantee”), each individually a “Party” and collectively the “Parties.”

WITNESSETH:

WHEREAS, the Grantee is the owner of real property located at 4801 W. 10th Ave., Denver, Colorado 80204 and legally described in **Exhibit D** (the “Property”);

WHEREAS, the Grantee is developing twenty-three (23) affordable condominium units located on the Property (the “Project”);

WHEREAS, the City and Grantee have entered into that certain loan agreement whereby the City made a loan in the amount of One Million Seven Hundred Twenty-Five Thousand dollars NO/100 (\$1,725,000.00) of City money to support the Project (the “City Loan Agreement”);

WHEREAS, the City received a grant from the State of Colorado, through the Department of Local Affairs (“DOLA”), to provide additional funding for the Project;

WHEREAS, the purpose of the Funding Agreement is for the City to provide the grant funds received from the State to the Grantee for the Project;

WHEREAS, the Grantee is eligible to receive funds from the City, and is ready, willing and able to meet the conditions associated therewith; and

WHEREAS, the Borrower has or will enter into a construction loan evidenced by a promissory note and deed of trust in the original principal amount of up to approximately \$5,700,000 (“CHFA Loan”), payable by Borrower to the Colorado Housing and Finance Authority (“CHFA”).

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the Parties agree as follows:

1. FUNDING TO GRANTEE: Subject to the terms of this Agreement, the City agrees to provide Grantee the sum of **ONE MILLION FIVE HUNDRED EIGHTEEN THOUSAND AND NO/100 DOLLARS (\$1,518,000.00)** (the “Grant”), which funds shall be

used exclusively for the development and construction of affordable housing located at the Property.

2. GRANT REQUIREMENTS: Grantee understands that this Agreement is funded, in whole or in part, with state funds as set forth in the grant agreement attached as **Exhibit A**. The Grantee expressly understands and agrees that its rights, demands, and claims to compensation arising under this Agreement are contingent upon the City’s actual receipt of such State funds and the continued funding by the State of Colorado. Grantee shall perform all work and provide all services so that the work and services are eligible for reimbursement from State funding sources. Grantee shall comply with all applicable State requirements in **Exhibit A** as if they were set forth fully in this Agreement.

3. USE AND DISBURSEMENT OF FUNDS:

A. Grant proceeds may be used for construction costs related to the development of the Project. The approved uses of the funds are:

Eligible Use	Amount
Construction Costs	\$1,518,000.00
Total	\$1,518,000

B. The Grantee shall submit to the City requisitions with documentation of incurred costs on HOST approved forms set forth on Exhibit B or otherwise acceptable to the City, and otherwise comply with the disbursement terms and conditions set forth in **Exhibit B** attached hereto and incorporated herein. Grantee may not request disbursement of funds until the funds are needed for payment of eligible costs.

C. Where the City’s funds are disbursed for construction, (i) the City shall monitor the construction activities for the purpose of verifying eligible costs, and (ii) the City shall retain five percent (5%) of each disbursement of funds, which retainage shall be released upon (i) substantial completion of the project; (ii) submission of a final affordable homeownership opportunity program (“AHOP”) completion report and a final financial status report, due within twenty (20) calendar days of the substantial completion or 100% sale of the project; and (iii) compliance with the requirements of Exhibit B.

D. Expenses incurred prior to October 24, 2025, are not eligible for reimbursement.

4. DEADLINE FOR DISBURSEMENT OF FUNDS; REQUIRED DOCUMENTATION:

A. Grantee must satisfy all conditions set forth in this Agreement on or before February 29, 2028 (“Project Closeout Date”). Failure to meet this deadline may result in the termination of this Agreement at the Executive Director’s sole discretion. No funds shall be disbursed under this Agreement until such time as all conditions of this Agreement have been met.

B. The Grantee shall comply with the following performance measures:

Milestone/Performance Measure Grantee will:	By:
Begin work/Contractor mobilization	Within 90 days after the Effective Date of this Agreement
Provide Certificate of Occupancies	Prior to Project Closeout Date
Submit Monthly Pay Requests	Monthly, not later than 10 days after each month of qualified expenses.
Submit Quarterly Financial & Performance Status Reports	Quarterly, due on the 5 th of each month following the quarter.
Project Completion Report	Within 15 days of 100% sale of the project

C. Grantee agrees that all work shall be completed and documentation for all draw down requests will be submitted within twenty-four months of the effective date of this Agreement. All cost overruns and/or funding shortfalls shall be the sole responsibility of the Grantee.

D. Grantee will be reimbursed for actual expenses paid. The grant will not be funded into an escrow account at closing. Beginning ten (10) days after the end of the first quarter following execution of this grant and for each quarter thereafter until termination of this Grant, Grantee shall submit pay requests and status reports in a form acceptable to the City. Pay requests must include a detailed description and provide documentation of the amounts and types of reimbursable expenses. Pay requests and status reports are due within ten (10) days of the end of the quarter, but may be submitted more frequently at the discretion of Grantee.

E. The Executive Director is authorized to extend or modify any deadlines or schedules (other than repayment deadlines or schedules) set forth herein, provided that the Grantee also consents to any such change and that such changes are made in writing.

5. RESTRICTIONS ON USE OF PROPERTY:

A. Affordability Limitations.

i. Grantee shall designate eight (8) units at the Project as AHOP-assisted. The units designated as AHOP-assisted shall be of the type set forth in the table below.

Unit Type	1-BR	2-BR	Total	Income Limit
AHOP-Assisted	7	1	8	Less than or equal to 80% of AMI
Other Affordable	13	2	15	Less than or equal to 80% of AMI
Total Units	20	3	23	

ii. The location of the AHOP-assisted units shall be fixed throughout the Affordability Period.

iii. The AHOP-assisted units shall be used to provide housing for Eligible Beneficiaries for a period of thirty (30) years (the “AHOP Affordability Period”). The AHOP-assisted units shall also be subject to a City Covenant as required by the City Loan Agreement and will remain subject to the City Covenant following expiration of the AHOP Affordability Period. In the event of a conflict between the AHOP Covenant and the City Covenant, the most restrictive covenant prevails.

iv. Eligible Beneficiaries are households that are lawfully present and have annual gross income that does not exceed eighty percent (80%) of AMI. Income limits by household size for the area in which the Project is located are set forth in exhibit D of the State grant agreement attached as **Exhibit A**. Income limits are updated annually by HUD and republished on the Colorado Department of Local Affairs’ website. As requested by the City, Grantee shall assist City in verifying that each household purchasing an AHOP-assisted unit at initial sale is income eligible based on the household’s annual income as defined in 24 C.F.R. 5.609 and has completed homeownership counseling.

v. At or prior to the closing of the sale of each AHOP-assisted unit Grantee shall properly execute and record, or cause to be executed and recorded, a DOH Use Covenant and Regulatory Agreement (the “AHOP Covenant”) in a form substantially equivalent to Exhibit F of the state grant agreement attached as **Exhibit A**. Grantee shall promptly provide City with a copy of the recorded document.

vi. If the AHOP-assisted units are not sold to Eligible Beneficiaries at the initial sale of the units, Grantee shall repay the full amount of the grant funds provided under this Agreement to the City, or the actual amount the City is required to repay to the State in accordance with **Exhibit A**, within sixty (60) days of the City's request.

B. Initial Sale Price. The initial sale of each AHOP-assisted unit by Grantee to a purchaser (the "Initial Sale") shall not exceed the HOST Maximum Initial Sale Prices (published annually), or ninety-five percent (95%) of the median purchase price for the area as determined by HUD, whichever is lower.

6. AFFIRMATIVE MARKETING: Grantee shall provide and follow an Affirmative Marketing Plan for the Project that meets the requirements of Section 504 of the Rehabilitation Act of 1973 and other requirements as DOLA may determine from time to time. The disbursement of funds under this Agreement shall be contingent upon the approval of such plan by the City and the State of Colorado.

7. PROPERTY STANDARDS: The Project shall meet all applicable codes and ordinance prior to the Project Closeout Date. The Project shall also meet the accessibility, disaster mitigation, and other property requirements as set forth in the State grant agreement attached as **Exhibit A**.

8. AUDIT/EXAMINATION OF RECORDS/REPORTING REQUIREMENTS/ANNUAL MONITORING; INSPECTIONS:

A. 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 Borrower's performance pursuant to this Agreement, provision of any goods or services to the City, and any other transactions related to this Agreement. Borrower 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 the 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 audits pursuant to this

paragraph shall require Borrower to make disclosures in violation of state or federal privacy laws. Borrower shall at all times comply with D.R.M.C. 20-276.

B. Required Information and Reports. Borrower shall submit to the City a quarterly report on the Units until all Units are sold. The report shall include, but not be limited to, (i) the number of Units sold, (ii) the income of each household purchasing a Unit, (iii) records evidencing the income of each household purchasing a Unit, and (iv) the purchase price of each Unit sold.

C. Access and Inspections. For the purposes of assuring compliance with the Agreement, the City shall have the reasonable right of access to the Property, without charges or fees, (i) during the period of construction and (ii) before the initial sale of each Unit. The Property must pass inspection by HOST prior to the first sale of a Unit. Borrower shall fully cooperate with the City in any regular monitoring of Borrower's performance and site inspection to verify compliance with the requirements of this Agreement.

9. FINANCIAL STATEMENTS: Grantee must furnish to the City by June 1st of each year this Agreement is in effect, or within ninety (90) days of HOST making a request, financial statements of the Grantee audited by an independent certified public accountant, which must include an annual balance sheet and profit and loss statement of the Grantee, in a form reasonably required by the City. The reporting obligations in this section terminate when Grantee provides the required reports for the calendar year in which the Project Completion Report is submitted.

10. TRANSFERS: Grantee acknowledges that the City has examined and relied on the experience of Grantee and its members in owning and operating affordable housing projects, such as the Project, in agreeing to make the Grant, and the City will continue to rely on Grantee's ownership and control of the Property and Project prior to sale of the Units to Eligible Beneficiaries as a means of maintaining the affordability requirements. Without the prior written consent of the City, which may not be unreasonably withheld, the Grantee shall not: (i) sell, convey, assign, or otherwise transfer or dispose of the Property or any part thereof (other than the sale of Units to Eligible Beneficiaries and qualified buyers as set forth in this Agreement and the City Loan Agreement), or (ii) sell, convey, assign, or otherwise transfer any interest in the Grantee; or (iii) change the control or management of the Grantee.

11. LEAD-BASED PAINT HAZARDS: Housing funded, in part, by funds provided through this Agreement shall be subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821 *et seq.*), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4852 *et seq.*), and is therefore subject to 24 C.F.R. Part 35; the owner of the Project shall comply with these provisions in the construction of the Project.

12. CONDITIONS PRECEDENT TO GRANT FUNDING: In addition to any other conditions stated in the Agreement, Grantee must satisfy all closing conditions in the City Loan Agreement and close on that loan.

13. COSTS AND EXPENSES: The Grantee agrees to pay all direct costs, expenses and attorney fees reasonably incurred by the City in connection with the Grantee's breach or default of this Agreement or the Covenant. Grantee agrees to pay reasonable Grant closing costs, including all recording charges, title insurance charges, costs of surveys, costs for certified copies of instruments, costs incurred for obtaining any documents or reports required pursuant to this Agreement, and all other costs incurred by the City in connection with the Grant.

14. CONDITIONS:

A. The obligation of the City to provide the above sums is limited to funds appropriated 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.

B. This Agreement is subject to the provisions of the City Charter and Revised Municipal Code as the same may be amended from time.

15. INSURANCE: Grantee or its contractor(s) shall procure and maintain insurance in the following types and amounts:

A. Commercial General Liability Insurance covering all operations by or on behalf of Grantee, on an occurrence basis with limits not less than \$1,000,000 per occurrence, \$2,000,000 products and completed operations aggregate, and \$2,000,000 policy aggregate. Grantee's contractor shall include all subcontractors as insureds under its policy or shall furnish separate certificates of insurance for each subcontractor.

B. Worker's Compensation and Employer's Liability Insurance at statutory limits and otherwise sufficient to ensure the responsibilities of Grantee and its contractor under Colorado law.

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

D. Property insurance satisfactory to the City in the amount of the value of the property subject to the Deed of Trust and Covenant, with the City named as loss payee.

E. Grantee shall maintain Builders Risk Insurance or an Installation Floater in the amount of the value of the Property as improved and renovated, with the City and County of Denver named as loss payee.

F. Grantee shall procure and maintain additional insurance and all payment and performance bonds required by the state grant agreement attached as **Exhibit A**.

G. Certificates of Insurance evidencing the above shall be submitted prior to the commencement of work. For all coverages required under this Agreement, with the exception of Professional Liability, policies shall include a waiver of subrogation and rights of recovery against the City. Insurance companies providing the above referenced coverage must be authorized and licensed to issue insurance in Colorado and be otherwise acceptable to the Risk Management Office.

16. DEFENSE & INDEMNIFICATION:

A. Grantee agrees to defend, indemnify, and hold harmless City, its appointed and elected officials, agents and employees 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 and until such Claims have been specifically determined by the trier of fact to be due to the sole negligence or willful misconduct of the City. This indemnity shall be interpreted in the broadest possible manner to indemnify City for any acts or omissions of Grantee or its subcontractors either passive or active, irrespective of fault, including City's concurrent negligence whether active or passive, except for the sole negligence or willful misconduct of City.

B. Grantee's duty to defend and indemnify City shall arise at the time written notice of the Claim is first provided to City regardless of whether Claimant has filed suit on the

Claim. Grantee's duty to defend and indemnify City shall arise even if City is the only party sued by claimant and/ or claimant alleges that City's negligence or willful misconduct was the sole cause of claimant's damages.

C. Grantee will defend any and all Claims which may be brought or threatened against City and will pay on behalf of 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 City shall be in addition to any other legal remedies available to City and shall not be considered City's exclusive remedy.

D. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Grantee under the terms of this indemnification obligation. The Grantee 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.

17. **NONCOMPLIANCE**: If the Project is not completed and initial sales of the AHOP-assisted units are not made to Eligible Beneficiaries in accordance with this Agreement, Grantee shall repay the full amount of the Grant funds to the City, or the amount the City is required to repay to the State pursuant to the State grant agreement attached as Exhibit A, within sixty (60) days of the City's request.

18. **NOTICES**: All notices required by the terms of this Agreement must be hand delivered, sent by overnight courier service, or mailed by certified mail, return receipt requested, if to Grantee at the address:

Wolf 23 LLC
6007 S Saint Paul Way
Centennial, Colorado, 80121

With a copy to:

Reinhart Boerner Van Deuren sc
1500 Wynkoop St, Suite 202
Denver, CO 80202
Attn: Treasa Burke

and if to the City at:

Executive Director of the Department of Housing Stability
City and County of Denver
201 West Colfax Avenue, Dept. 1101
Denver, Colorado 80202

With a copy 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 Grantee 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.

20. ASSIGNMENT AND SUBCONTRACTING: The City is not obligated or liable under this Agreement to any party other than the Grantee. The Grantee shall not assign, sublet or subcontract with respect to any of the rights, benefits, obligations or duties under this Agreement except upon prior written consent of the City.

21. CITY NOT PARTY TO CONSTRUCTION CONTRACT: The City is not, and nothing in this Agreement shall be construed to constitute the City, a party to any construction contract pursuant to which the Grant or grant proceeds hereof are expended.

22. PUBLICATIONS/ANNOUNCEMENTS: HOST approval must be obtained prior to publicizing activities or projects funded by HOST or prior to any radio or television announcements, newspaper advertisements, press releases, pamphlets, mail campaigns, or any other marketing methods for any activities or projects funded by HOST. In any event, all such publicizing activities must include the following statement: "The funding source for this activity is the City and County of Denver, Department of Housing Stability." HOST shall be acknowledged in any events regarding the project being funded, including groundbreakings and openings.

23. **ACKNOWLEDGEMENT OF FUNDING:** Grantee will provide and install at the Property signs, in a form mutually agreeable to the Executive Director and the Grantee, acknowledging the participation of the City and the City funding of the Project.

24. **WAIVER:** No waiver of any breach or default under this Agreement shall be held to be a waiver of any other or later breach or default. All remedies afforded in this Agreement shall be construed as cumulative, in addition to every other remedy provided herein or by law.

25. **COUNTERPARTS:** This Agreement may be executed in multiple counterparts, each of which, when executed and delivered, shall be deemed to be an original and, taken together, shall constitute one and the same instrument.

26. **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 Grantee'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.

27. **NO DISCRIMINATION IN EMPLOYMENT:** In connection with the performance of work under this Agreement, the Grantee 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 Grantee shall insert the foregoing provision in all subcontracts.

28. **COMPLIANCE WITH DENVER WAGE LAWS:** To the extent applicable to the Consultant's provision of Services hereunder, the Consultant 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 Consultant expressly acknowledges that the Consultant is aware of the requirements of the City's Minimum Wage and Civil Wage Theft

Ordinances and that any failure by the Consultant, 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.

29. RECITALS: All of the recitals above are hereby confirmed and incorporated herein as part of this Agreement.

30. ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS: Grantee consents to the use of electronic signatures by the City. This Agreement, and any other documents requiring a signature hereunder, 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.

31. NONRECOURSE TO GRANTEE: Notwithstanding any other provision contained herein or the Covenant, with the exception of the repayment obligation in Sections 5.A.vi. and 17, it is agreed that the execution of this Agreement, and the Covenant shall impose no personal liability on Grantee or any partner, member or manager of Grantee for payment of any of the obligations described herein or therein, and the City's sole recourse shall be against the Project.

32. SUBORDINATION; AUTHORITY.

A. The City and Grantee acknowledge and agree that the terms hereof, including any affordability covenants and obligations with respect to the Property and any recorded covenants executed herewith are subject and subordinate in all respects to that certain first-lien construction loan (the "Senior Indebtedness") made by CHFA in the maximum principal amount of \$5,700,00, as further provided in that Subordination Agreement (the "Subordination Agreement"), to be entered into by and among CHFA, the City and Grantee and to be recorded in the real property records of the City and County of Denver, Colorado, provided DOLA consents to the subordination.

B. The Executive Director is authorized to execute documents necessary to accomplish the Grant, as set forth herein, so long as (i) such documents are in a form satisfactory

to the City Attorney; (ii) such documents do not conflict with the State Grant Agreement; and (iii) Grantee is in compliance with the terms of this Agreement and the State Grant Agreement.

List of Exhibits to Grant Agreement

Exhibit A – State Grant Agreement

Exhibit B – Disbursement Terms and Conditions

Exhibit C – Intentionally Omitted

Exhibit D – Legal Description

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Contract Control Number: HOST-202683012-00
Contractor Name: WOLFF 23 LLC

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

SEAL

CITY AND COUNTY OF DENVER:

ATTEST:

By:

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

Attorney for the City and County of Denver

By:

By:

By:

Contract Control Number:
Contractor Name:

HOST-202683012-00
WOLFF 23 LLC

Signed by:
SCOTT SPEIL
By: 93A575B99D6C4CC

Name: SCOTT SPEIL
(please print)

Title: Manager
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

**STATE OF COLORADO
GRANT AGREEMENT
COVER PAGE**

State Agency Department of Local Affairs, for the benefit of the Division of Housing	Agreement Encumbrance Number H6AHOP34250 CMS #199510
Grantee The City and County of Denver Grantee UEI N/A – State Funds	Agreement Performance Beginning Date The Effective Date Initial Agreement Expiration Date February 29, 2028
Agreement Maximum Amount \$1,518,000.00	Fund Expenditure End Date February 29, 2028
Agreement Authority Authority for this Agreement arises from §24-32-721, C.R.S and §§29-32-101 to 106, C.R.S., as amended and Colorado House Bill 23-1304.	
Agreement Purpose To assist with new construction of 10 th and Wolff, an affordable homeownership development in Denver, CO.	
Exhibits The following Exhibits and attachments are included with this Agreement: Exhibit A, Applicable Laws Exhibit B, Statement of Work Exhibit C, [Reserved] Exhibit D, Income Limits Exhibit E, [Reserved] Exhibit F, Use Covenant and Regulatory Agreement Exhibit G, Sample Option Letter	
Order of Precedence In the event of a conflict or inconsistency between this Agreement and any Exhibit or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority: 1. Colorado Special Provisions in §19 of the main body of this Agreement. 2. The provisions of the other sections of the main body of this Agreement. 3. Exhibit B, Statement of Work. 4. Exhibit F, Use Covenant and Regulatory Agreement 5. Exhibit D, Income Limits 6. Exhibit A, Applicable Laws 7. Exhibit G, Sample Option Letter	
Principal Representatives For the State: Alison George, Director, Division of Housing Department of Local Affairs 1313 Sherman Street, Rm 320 Denver, CO 80203 Alison.george@state.co.us For Grantee: Jamie Rife, Executive Director City and County of Denver Department of Housing Stability 201 W. Colfax Avenue Denver, CO 80202 Jamie.Rife@denvergov.org	

SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT

Each person signing this Agreement represents and warrants that the signer is duly authorized to execute this Agreement and to bind the Party authorizing such signature.

<p style="text-align: center;">GRANTEE The City and County of Denver</p> <p>By: _____ Jamie Rife, Executive Director, Department of Housing Stability</p> <p>Date: _____</p>	<p style="text-align: center;">DIVISION OF HOUSING Contract Reviewer</p> <p>By: _____ Ariel Cisneros, Associate Director, Office of Housing Finance and Sustainability</p> <p>Date: _____</p>
<p>STATE OF COLORADO Jared S. Polis, Governor DEPARTMENT OF LOCAL AFFAIRS</p> <p>By: _____ Maria De Cambra, Executive Director</p> <p>Date: _____</p>	
<p>In accordance with §24-30-202, C.R.S., this Agreement is not valid until signed and dated below by the State Controller or an authorized delegate.</p> <p>STATE CONTROLLER Robert Jaros, CPA, MBA, JD</p> <p>By: _____ Beulah Messick, Controller Delegate</p> <p>Effective Date: _____</p>	

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1. PARTIES

This Agreement is entered into by and between Grantee named on the Cover Page for this Agreement (the “Grantee”), and the STATE OF COLORADO (the “State”) acting by and through the Department of Local Affairs (“DOLA”) for the benefit of the Division of Housing (“DOH”). Grantee and the State agree to the terms and conditions in this Agreement.

2. TERM AND EFFECTIVE DATE

A. Effective Date

This Agreement shall not be valid or enforceable until the Effective Date, and the Grant Funds shall be expended by the Fund Expenditure End Date shown on the Cover Page for this Agreement. The State shall not be bound by any provision of this Agreement before the Effective Date, and shall have no obligation to pay Grantee for any Work performed or expense incurred before the Effective Date, except as described in §5.D, or after the Fund Expenditure End Date.

B. Initial Term

The Parties' respective performances under this Agreement shall commence on the Agreement Performance Beginning Date shown on the Cover Page for this Agreement and shall terminate on the Initial Agreement Expiration Date shown on the Cover Page for this Agreement (the "Initial Term") unless sooner terminated or further extended in accordance with the terms of this Agreement.

C. Extension Terms - State's Option

The State, at its discretion, shall have the option to extend the performance under this Agreement beyond the Initial Term for a period, or for successive periods, of one (1) year or less at the same rates and under the same terms specified in this Agreement (each such period an "Extension Term"). In order to exercise this option, the State shall provide written notice to Grantee in a form substantially equivalent to Sample Option Letter attached to this Agreement. The total duration of this Agreement including the exercise of any options to extend shall not exceed five (5) years from its Effective Date without approval of the Colorado Office of the State Controller.

D. End of Term Extension

If this Agreement approaches the end of its Initial Term, or any Extension Term then in place, the State, at its discretion, upon written notice to Grantee as provided in §14, may unilaterally extend such Initial Term or Extension Term for a period not to exceed two (2) months (an "End of Term Extension"), regardless of whether additional Extension Terms are available or not. The provisions of this Agreement in effect when such notice is given shall remain in effect during the End of Term Extension. The End of Term Extension shall automatically terminate upon execution of a replacement Agreement or modification extending the total term of this Agreement.

E. Early Termination in the Public Interest

The State is entering into this Agreement to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Agreement ceases to further the public interest of the State, the State, in its discretion, may terminate this Agreement in whole or in part. A determination that this Agreement should be terminated in the public interest shall not be equivalent to a State right to terminate for convenience. This subsection shall not apply to a termination of this Agreement by the State for breach by Grantee, which shall be governed by §12.A.i.

i. Method and Content

The State shall notify Grantee of such termination in accordance with §14. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Agreement, and shall include, to the extent practicable, the public interest justification for the termination.

ii. Obligations and Rights

Upon receipt of a termination notice for termination in the public interest, Grantee shall be subject to the rights and obligations set forth in §12.A.i.a.

iii. Payments

If the State terminates this Agreement in the public interest, the State shall pay Grantee an amount equal to the percentage of the total reimbursement payable

under this Agreement that corresponds to the percentage of Work satisfactorily completed and accepted, as determined by the State, less payments previously made. Additionally, if this Agreement is less than sixty percent (60%) completed, as determined by the State, the State may reimburse Grantee for a portion of actual out-of-pocket expenses, not otherwise reimbursed under this Agreement, incurred by Grantee which are directly attributable to the uncompleted portion of Grantee's obligations, provided that the sum of any and all reimbursement shall not exceed the maximum amount payable to Grantee hereunder.

F. Grantee's Termination Under Federal Requirements

[Reserved].

3. DEFINITIONS

The following terms shall be construed and interpreted as follows:

- A. "Agreement"** means this agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto.
- B. "Award"** [Reserved].
- C. "Breach of Agreement"** means the failure of a Party to perform any of its obligations in accordance with this Agreement, in whole or in part or in a timely or satisfactory manner. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within thirty (30) days after the institution of such proceeding, shall also constitute a breach. If Grantee is debarred or suspended under §24-109-105, C.R.S. at any time during the term of this Agreement, then such debarment or suspension shall constitute a breach.
- D. "Budget"** means the budget for the Work described in **Exhibit B, §5.2**.
- E. "Business Day"** means any day in which the State is open and conducting business, but shall not include Saturday, Sunday or any day on which the State observes one of the holidays listed in §24-11-101(1), C.R.S.
- F. "CJI"** means criminal justice information collected by criminal justice agencies needed for the performance of their authorized functions, including, without limitation, all information defined as criminal justice information by the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy, as amended and all Criminal Justice Records as defined under §24-72-302, C.R.S.
- G. "CORA"** means the Colorado Open Records Act, §§24-72-200.1, *et seq.*, C.R.S.
- H. "Default"** means a Breach of Agreement that is not cured within 30 days after the delivery of written notice by the aggrieved Party to the other Party.
- I. "Effective Date"** means the date on which this Agreement is approved and signed by the Colorado State Controller or designee, as shown on the Signature for this Agreement.
- J. "End of Term Extension"** means the time period defined in **§2.D**.

- K.** “**Exhibits**” means the exhibits and attachments included with this Agreement as shown on the Cover Page for this Agreement.
- L.** “**Extension Term**” means the time period defined in **§2.C**.
- M.** “**Federal Award**” [Reserved].
- N.** “**Federal Awarding Agency**” [Reserved].
- O.** “**Goods**” means any movable material acquired, produced, or delivered by Grantee as set forth in this Agreement and shall include any movable material acquired, produced, or delivered by Grantee in connection with the Services.
- P.** “**Grant Funds**” means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Agreement.
- Q.** “**Incident**” means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any communications or information resources of the State, which are included as part of the Work, as described in §§24-37.5-401, et seq., C.R.S. Incidents include, without limitation (i) successful attempts to gain unauthorized access to a State system or State Records regardless of where such information is located; (ii) unwanted disruption or denial of service; (iii) the unauthorized use of a State system for the processing or storage of data; or (iv) changes to State system hardware, firmware, or software characteristics without the State’s knowledge, instruction, or consent.
- R.** “**Initial Term**” means the time period defined in **§2.B**.
- S.** “**Matching Funds**” means the funds provided Grantee as a match required to receive the Grant Funds.
- T.** “**Party**” means the State or Grantee, and “**Parties**” means both the State and Grantee.
- U.** “**PCI**” means payment card information including any data related to credit card holders’ names, credit card numbers, or other credit card information as may be protected by state or federal law.
- V.** “**PII**” means personally identifiable information including, without limitation, any information maintained by the State about an individual that can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth, mother’s maiden name, or biometric records; and any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information. PII includes, but is not limited to, all information defined as personally identifiable information in §24-72-501 and 24-73-101, C.R.S. “PII” shall also mean “personal identifying information” as set forth at § 24-74-102, et seq., C.R.S.
- W.** “**PHI**” means any protected health information, including, without limitation any information whether oral or recorded in any form or medium: **(i)** that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and **(ii)** that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. PHI includes, but is not limited to, any information defined as Individually Identifiable Health Information by the federal Health Insurance Portability and Accountability Act.

- X. **“Project”** means the overall project described in **Exhibit B** including, without limitation, the Work and the Services.
- Y. **“Recipient”** [Reserved].
- Z. **“Services”** means the services to be performed by Grantee as set forth in this Agreement, and shall include any services to be rendered by Grantee in connection with the Goods.
- AA. **“State Confidential Information”** means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to, PII, PHI, PCI, Tax Information, CJI, and State personnel records not subject to disclosure under CORA. State Confidential Information shall not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State to Grantee which (i) is subject to disclosure pursuant to CORA; (ii) is already known to Grantee without restrictions at the time of its disclosure to Grantee; (iii) is or subsequently becomes publicly available without breach of any obligation owed by Grantee to the State; (iv) is disclosed to Grantee, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.
- BB. **“State Fiscal Rules”** means the fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a), C.R.S.
- CC. **“State Fiscal Year”** means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.
- DD. **“State Records”** means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.
- EE. **“Subcontractor”** means third-parties, if any, engaged by Grantee to aid in performance of the Work. “Subcontractor” also includes sub-grantees of Grant Funds.
- FF. **“Subject Property”** means real property that Grant Funds are used to acquire; or to which Grant Funds are used to make on-site improvements; or on which Grant Funds are used to construct, rehabilitate, clear or demolish improvements.
- GG. **“Subrecipient”** [Reserved].
- HH. **“Tax Information”** means federal and State of Colorado tax information including, without limitation, federal and State tax returns, return information, and such other tax-related information as may be protected by federal and State law and regulation. Tax Information includes, but is not limited to all information defined as federal tax information in Internal Revenue Service Publication 1075.
- II. **“Uniform Guidance”** [Reserved].
- JJ. **“Work”** means the Goods delivered and Services performed pursuant to this Agreement.
- KK. **“Work Product”** means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals,

specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, information, and any other results of the Work. "Work Product" does not include any material that was developed prior to the Effective Date that is used, without modification, in the performance of the Work.

Any other term used in this Agreement that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

4. STATEMENT OF WORK

Grantee shall complete the Work or cause the Work to be completed as described in this Agreement and in accordance with the provisions of **Exhibit B**. The State shall have no liability to compensate Grantee for the delivery of any goods or the performance of any services that are not specifically set forth in this Agreement.

5. PAYMENTS TO GRANTEE

A. Maximum Amount

Payments to Grantee are limited to the unpaid, obligated balance of the Grant Funds. The State shall not pay Grantee any amount under this Agreement that exceeds the Agreement Maximum shown on the Cover Page of this Agreement.

B. Payment Procedures

i. Invoices and Payment

- a. The State shall pay Grantee in the amounts and in accordance with the schedule and other conditions set forth in **Exhibit B**. Satisfactory performance of the terms of this Agreement is a condition precedent to the State's obligation to pay Grantee.
- b. Grantee shall initiate payment requests by invoice to the State, in a form and manner approved by the State.
- c. The State shall pay each invoice within forty-five (45) days following the State's receipt of that invoice, so long as the amount invoiced correctly represents Work completed by Grantee and previously accepted by the State during the term that the invoice covers. If the State determines that the amount of any invoice is not correct, then Grantee shall make all changes necessary to correct that invoice.
- d. The acceptance of an invoice shall not constitute acceptance of any Work performed or deliverables provided under this Agreement.

ii. Interest

Amounts not paid by the State within forty-five (45) days of the State's acceptance of the invoice shall bear interest on the unpaid balance beginning on the 45th day at the rate of one percent (1%) per month, as required by §24-30-202(24)(a), C.R.S., until paid in full; provided, however, that interest shall not accrue on unpaid amounts that the State disputes in writing. Grantee shall invoice the State separately for accrued interest on delinquent amounts, and the invoice shall reference the delinquent payment, the number of day's interest to be paid and the interest rate.

iii. Payment Disputes

If Grantee disputes any calculation, determination or amount of any payment, Grantee shall notify the State in writing of its dispute within thirty (30) days following the earlier to occur of Grantee's receipt of the payment or notification of the determination or calculation of the payment by the State. The State will review the information presented by Grantee and may make changes to its determination based on this review. The calculation, determination or payment amount that results from the State's review shall not be subject to additional dispute under this subsection. No payment subject to a dispute under this subsection shall be due until after the State has concluded its review, and the State shall not pay any interest on any amount during the period it is subject to dispute under this subsection.

iv. Available Funds-Contingency-Termination

The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Grantee beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Grant Funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Grant Funds, the State's obligation to pay Grantee shall be contingent upon such non-State funding continuing to be made available for payment. Payments to be made pursuant to this Agreement shall be made only from Grant Funds, and the State's liability for such payments shall be limited to the amount remaining of such Grant Funds. If State, federal or other funds are not appropriated, or otherwise become unavailable to fund this Agreement, the State may, upon written notice, terminate this Agreement, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Services and Goods that are delivered and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Agreement were terminated in the public interest as described in §2.E.

v. Federal Recovery

[Reserved].

C. Matching Funds

Grantee shall provide Matching Funds as provided in **Exhibit B**. Grantee shall have raised the full amount of Matching Funds prior to the Effective Date and shall report to the State regarding the status of such funds upon request. Grantee's obligation to pay all or any part of any matching funds, whether direct or contingent, only extend to funds duly and lawfully appropriated for the purposes of this Agreement by the authorized representatives of Grantee and paid into Grantee's treasury or bank account. Grantee represents to the State that the amount designated "Grantee's Matching Funds" in **Exhibit B** has been legally committed for the purposes of this Agreement. Grantee does not by this Agreement irrevocably pledge present cash reserves for payments in future fiscal years, and this Agreement is not intended to create a multiple-fiscal year debt of Grantee. Grantee shall not pay or be liable for any claimed interest, late charges, fees, taxes or penalties of any nature, except as required by Grantee's laws or policies.

D. Reimbursement of Grantee Costs

Only with prior written approval, the State shall reimburse Grantee's allowable costs, not exceeding the maximum total amount described on the Cover Page, as described in this Grant and shown in the Budget in **Exhibit B**, except that Grantee may adjust the amounts between each line item of the Budget as provided for in **§5.4** of **Exhibit B**, without formal modification to this Agreement as long as the Grantee provides notice to the State of the change, the change does not modify the total maximum amount of this Agreement or the maximum amount for any state fiscal year, and the change does not modify any requirements of the Work. However, any costs incurred by Grantee prior to the Effective Date shall not be reimbursed absent specific allowance of pre-agreement costs pursuant to **§5.2.4** of **Exhibit B**. Grantee's costs for Work performed after the Initial Agreement Expiration Date shown on the Cover Page for this Agreement, or after any phase performance period end date for a respective phase of the Work, shall not be payable. The State shall only pay allowable costs described in this Agreement and shown in the Budget if those costs are:

- i. Reasonable and necessary to accomplish the Work and for the Goods and Services provided; and
- ii. Equal to the actual net cost to Grantee (i.e. the price paid minus any items of value received by Grantee that reduce the cost actually incurred).

E. Close-Out

DOLA shall not release final payment until Grantee has met its close-out obligations, which include, without limitation, completion of the Project, and compliance with all monitoring reporting requirements. Grantee shall close out this Award within forty-five (45) days after the Initial Agreement Expiration Date shown on the Cover Page for this Agreement. To complete close-out, Grantee shall submit to the State all deliverables (including documentation) as defined in this Agreement and Grantee's final reimbursement request or invoice. The State will withhold up to 5% of allowable costs until all final documentation has been submitted and accepted by the State as substantially complete.

6. REPORTING - NOTIFICATION

A. Periodic Reports

In addition to any reports required pursuant to **§§6, 7 & 16** of this Agreement, Grantee shall comply with all reporting requirements of **Exhibit B**.

B. Litigation Reporting

If Grantee is served with a pleading or other document in connection with an action before a court or other administrative decision making body, and such pleading or document relates to this Agreement or may affect Grantee's ability to perform its obligations under this Agreement, Grantee shall, within ten (10) days after being served, notify the State of such action and deliver copies of such pleading or document to the State's Principal Representative identified on the Cover Page of this Agreement.

C. Performance and Final Status

Grantee shall submit all financial, performance, and other reports to the State as provided in **§7** of **Exhibit B** and no later than 45 calendar days after the end of the

Initial Term if no Extension Terms are exercised, or the final Extension Term exercised by the State, containing an evaluation and review of Grantee's performance and the final status of Grantee's obligations hereunder.

D. Violations Reporting

Grantee shall disclose, in a timely manner, in writing to the State, all violations of any Federal or State criminal law involving fraud, bribery, or gratuity violations potentially affecting the Agreement. The State may impose any penalties for noncompliance allowed under 2 CFR Part 180 and 31 U.S.C. 3321, which may include, without limitation, suspension or debarment.

7. GRANTEE RECORDS

A. Maintenance

Grantee shall make, keep, maintain, and allow inspection and monitoring by the State of a complete file of all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to the Work or the delivery of Services (including, but not limited to the operation of programs) or Goods hereunder. Grantee shall maintain such records for a period (the "Record Retention Period") of three (3) years following the date of submission to the State of the final expenditure report, or if this Award is renewed quarterly or annually, from the date of the submission of each quarterly or annual report, respectively. If any litigation, claim, or audit related to this Award starts before expiration of the Record Retention Period, the Record Retention Period shall extend until all litigation, claims, or audit findings have been resolved and final action taken by the State. The State may notify Grantee in writing that the Record Retention Period shall be extended. For records for real property and equipment, the Record Retention Period shall extend three years following final disposition of such property.

B. Inspection

Grantee shall permit the State, the federal government, and any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and transcribe Grantee Records during the Record Retention Period. Grantee shall make Grantee Records available during normal business hours at Grantee's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than two (2) Business Days' notice from the State, unless the State determines that a shorter period of notice, or no notice, is necessary to protect the interests of the State.

C. Monitoring

The State will monitor Grantee's performance of its obligations under this Agreement using procedures as determined by the State. The State shall have the right, in its sole discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State shall monitor Grantee's performance in a manner that does not unduly interfere with Grantee's performance of the Work.

D. Final Audit Report

Grantee shall promptly submit to the State a copy of any final audit report of an audit performed on Grantee's records that relates to or affects this Agreement or the Work, whether the audit is conducted by Grantee or a third party. Additionally, if Grantee is required to perform a single audit under 2 CFR 200.501, *et seq.*, then Grantee shall

submit a copy of the results of that audit to the State within the same timelines as the submission to the federal government.

8. CONFIDENTIAL INFORMATION-STATE RECORDS

A. Confidentiality

Grantee shall keep confidential, and cause all Subcontractors to keep confidential, all State Records, unless those State Records are publicly available. Grantee shall not, without prior written approval of the State, use, publish, copy, disclose to any third party, or permit the use by any third party of any State Records, except as otherwise stated in this Agreement, permitted by law or approved in writing by the State. Grantee shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security and all applicable laws, rules, policies, publications, and guidelines. If Grantee or any of its Subcontractors will or may receive the following types of data, Grantee or its Subcontractors shall provide for the security of such data according to the following: **(i)** the most recently promulgated IRS Publication 1075 for all Tax Information and in accordance with the Safeguarding Requirements for Federal Tax Information attached to this Agreement as an Exhibit, if applicable; **(ii)** the most recently updated PCI Data Security Standard from the PCI Security Standards Council for all PCI; **(iii)** the most recently issued version of the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy for all CJI; and **(iv)** the federal Health Insurance Portability and Accountability Act for all PHI and the HIPAA Business Associate Agreement attached to this Agreement, if applicable. Grantee shall immediately forward any request or demand for State Records to the State's Principal Representative.

B. Other Entity Access and Nondisclosure Agreements

Grantee may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Agreement. Grantee shall ensure all such agents, employees, assigns, and Subcontractors sign agreements containing nondisclosure provisions at least as protective as those in this Agreement, and that the nondisclosure provisions are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Grantee shall provide copies of those signed nondisclosure provisions to the State upon execution of the nondisclosure provisions.

C. Use, Security, and Retention

Grantee shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information wherever located. Grantee shall provide the State with access, subject to Grantee's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Agreement, Grantee shall return State Records provided to Grantee or destroy such State Records and certify to the State that it has done so, as directed by the State. If Grantee is prevented by law

or regulation from returning or destroying State Confidential Information, Grantee warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

D. Incident Notice and Remediation

If Grantee becomes aware of any Incident, it shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. Unless Grantee can establish that none of Grantee or any of its agents, employees, assigns or Subcontractors are the cause or source of the Incident, Grantee shall be responsible for the cost of notifying each person who may have been impacted by the Incident. After an Incident, Grantee shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State at no additional cost to the State. The State may adjust or direct modifications to this plan, in its sole discretion and Grantee shall make all modifications as directed by the State. If Grantee cannot produce its analysis and plan within the allotted time, the State, in its sole discretion, may perform such analysis and produce a remediation plan, and Grantee shall reimburse the State for the reasonable costs thereof.

E. Safeguarding PII

If Grantee or any of its Subcontractors will or may receive PII under this Agreement, Grantee shall provide for the security of such PII, in a manner and form acceptable to the State, including, without limitation, State non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Grantee shall be a "Third-Party Service Provider" as defined in §24-73-103(1)(i), C.R.S. and shall maintain security procedures and practices consistent with §§24-73-101, *et seq.*, C.R.S. In addition, as set forth in § 24-74-102, *et seq.*, C.R.S., Grantee, including, but not limited to, Grantee's employees, agents and Subcontractors, agrees not to share any PII with any third parties for the purpose of investigating for, participating in, cooperating with, or assisting with Federal immigration enforcement.

9. CONFLICTS OF INTEREST

A. Actual Conflicts of Interest

Grantee shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Grantee under this Agreement. Such a conflict of interest would arise when a Grantee or Subcontractor's employee, officer or agent were to offer or provide any tangible personal benefit to an employee of the State, or any member of his or her immediate family or his or her partner, related to the award of, entry into or management or oversight of this Agreement.

B. Apparent Conflicts of Interest

Grantee acknowledges that, with respect to this Agreement, even the appearance of a conflict of interest shall be harmful to the State's interests. Absent the State's prior written approval, Grantee shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Grantee's obligations under this Agreement.

C. Disclosure to the State

If a conflict or the appearance of a conflict arises, or if Grantee is uncertain whether a conflict or the appearance of a conflict has arisen, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the actual or apparent conflict constitutes a breach of this Agreement.

- D.** Grantee acknowledges that all State employees are subject to the ethical principles described in §24-18-105, C.R.S. Grantee further acknowledges that State employees may be subject to the requirements of §24-18-105, C.R.S. with regard to this Agreement.

10. INSURANCE

Grantee shall obtain and maintain, and ensure that each Subcontractor shall obtain and maintain, insurance as specified in this section at all times during the term of this Agreement. All insurance policies required by this Agreement that are not provided through self-insurance shall be issued by insurance companies as approved by the State. Grantee may determine and require a higher limit of subcontractors or not require certain insurance in this §10 that does not directly apply to the work of any subcontractors.

A. Workers' Compensation

Workers' compensation insurance as required by state statute, and employers' liability insurance covering all Grantee or Subcontractor employees acting within the course and scope of their employment.

B. General Liability

Commercial general liability insurance covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

- i. \$1,000,000 each occurrence;
- ii. \$1,000,000 general aggregate;
- iii. \$1,000,000 products and completed operations aggregate; and
- iv. \$50,000 any one (1) fire.

C. Automobile Liability

If applicable, automobile liability insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

D. Cyber/Network Security and Privacy Liability

This section shall | shall not apply to this Agreement.

Liability insurance covering civil, regulatory, and statutory damages, contractual damages, data breach management exposure, and any loss of income or extra expense as a result of actual or alleged breach, violation, or infringement of right to privacy,

consumer data protection law, confidentiality or other legal protection for personal information, as well as State Confidential Information with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$2,000,000 general aggregate.

E. Professional Liability Insurance

This section shall | shall not apply to this Agreement.

Professional liability insurance covering any damages caused by an error, omission or any negligent act with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$1,000,000 general aggregate.

F. Crime Insurance

Crime insurance coverage for financial loss of State or Federal Funds for causes including, but not limited to, theft, forgery, embezzlement and funds transfer fraud with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$1,000,000 general aggregate.

G. Umbrella Liability Insurance

For construction projects exceeding \$10,000,000, Grantee and Subcontractors shall maintain umbrella/excess liability insurance on an occurrence basis in excess of the underlying insurance described in §10.A through §10.E above. Coverage shall follow the terms of the underlying insurance, included the additional insured and waiver of subrogation provisions. The amounts of insurance required in subsections above may be satisfied by the Grantee and Subcontractor purchasing coverage for the limits specified or by any combination of underlying and umbrella limits, so long as the total amount of insurance is not less than the limits specified in each section previously mentioned. The insurance shall have a minimum amount of \$5,000,000 per occurrence and \$5,000,000 in the aggregate.

H. Property Insurance

If Grant Funds are provided for the acquisition, construction, or rehabilitation of real property, insurance on the buildings and other improvements now existing or hereafter erected on the premises and on the fixtures and personal property included in the Subject Property against loss by fire, other hazards covered by the so called “all risk” form of policy and such other perils as State shall from time to time require with respect to properties of the nature and in the geographical area of the Subject Properties, and to be in an amount at least equal to the replacement cost value of the Subject Property. Grantee will at its sole cost and expense, from time to time and at any time, at the request of State provide State with evidence satisfactory to State of the replacement cost of the Subject Property. This insurance requirement shall only apply to the owner of the Subject Property or assignee as required by this Agreement.

I. Flood Insurance

If the Subject Property or any part thereof is at any time located in a designated official flood hazard area, flood insurance insuring the buildings and improvements now existing or hereafter erected on the Subject Property and the personal property used in the operation thereof in an amount equal to the lesser of the amount required for property insurance identified in §12.H above, or the maximum limit of coverage made available with respect to such buildings and improvements and personal property under applicable federal laws and the regulations issued thereunder.

J. Builder's Risk Insurance

This section shall | shall not apply to this Grant.

Grantee and/or Subcontractor shall purchase and maintain property insurance written on a builder's risk "all-risk" or equivalent policy form in the amount of the initial construction/rehabilitation costs, plus value of subsequent modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis without optional deductibles. Such property insurance shall be maintained, unless otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made or until no person or entity other than the property owner has an insurable interest in the property.

- i. The insurance shall include interests of the property owner, Grantee, and Subcontractors in the Project as named insureds.
- ii. All associated deductibles shall be the responsibility of the Grantee, and Subcontractor. Such policy may have a deductible clause but not to exceed \$25,000.
- iii. Property insurance shall be on an "all risk" or equivalent policy form and shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Grantee's and Subcontractor's services and expenses required as a result of such insured loss.
- iv. Builders Risk coverage shall include partial use by Grantee and/or property owner.
- v. The amount of such insurance shall be increased to include the cost of any additional work to be done on the Project, or materials or equipment to be incorporated in the Project, under other independent contracts let or to be let. In such event, Subcontractor shall be reimbursed for this cost as his or her share of the insurance in the same ratio as the ratio of the insurance represented by such independent contracts let or to be let to the total insurance carried.

K. Pollution Liability Insurance

If Grantee and/or its Subcontractor is providing directly or indirectly work with pollution/environmental hazards, they must provide or cause those conducting the work to provide Pollution Liability Insurance coverage. The Pollution Liability policy

must include contractual liability coverage. The policy limits shall be in the amount of \$1,000,000 with maximum deductible of \$25,000 to be paid by the Grantee's Subcontractor.

L. Additional Insured

The State shall be named as additional insured on all commercial general liability policies (leases and construction contracts require additional insured coverage for completed operations) required of Grantee and Subcontractors.

M. Primacy of Coverage

Coverage required of Grantee and each Subcontractor shall be primary over any insurance or self-insurance program carried by Grantee or the State.

N. Cancellation

All commercial insurance policies shall include provisions preventing cancellation or non-renewal, except for cancellation based on non-payment of premiums, without at least 30 days prior notice to Grantee and Grantee shall forward such notice to the State in accordance with §14 within seven (7) days of Grantee's receipt of such notice.

O. Subrogation Waiver

All commercial insurance policies secured or maintained by Grantee or its Subcontractors in relation to this Agreement shall include clauses stating that each carrier shall waive all rights of recovery under subrogation or otherwise against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

P. Public Entities

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, §§24-10-101, *et seq.*, C.R.S. (the "GIA"), Grantee shall maintain, in lieu of the liability insurance requirements stated above, at all times during the term of this Agreement such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. If a Subcontractor is a public entity within the meaning of the GIA, Grantee shall ensure that the Subcontractor maintain at all times during the terms of this Grantee, in lieu of the liability insurance requirements stated above, such liability insurance, by commercial policy or self-insurance, as is necessary to meet the Subcontractor's obligations under the GIA.

Q. Certificates

For each commercial insurance plan provided by Grantee under this Agreement, Grantee shall provide to the State certificates evidencing Grantee's insurance coverage required in this Agreement within seven (7) Business Days following the Effective Date. Grantee shall provide to the State certificates evidencing Subcontractor insurance coverage required under this Agreement within seven (7) Business Days following the Effective Date, except that, if Grantee's subcontract is not in effect as of the Effective Date, Grantee shall provide to the State certificates showing Subcontractor insurance coverage required under this Agreement within seven (7) Business Days following Grantee's execution of the subcontract. No later than fifteen (15) days before the expiration date of Grantee's or any Subcontractor's coverage, Grantee shall deliver to the State certificates of insurance evidencing renewals of coverage. At any other time

during the term of this Agreement, upon request by the State, Grantee shall, within seven (7) Business Days following the request by the State, supply to the State evidence satisfactory to the State of compliance with the provisions of this section.

11. BREACH OF AGREEMENT

In the event of a Breach of Agreement, the aggrieved Party shall give written notice of Breach of Agreement to the other Party. If the notified Party does not cure the breach, at its sole expense, within thirty (30) days after the delivery of written notice, the Party may exercise any of the remedies as described in §12 for that Party except that, at the aggrieved Party's sole discretion, the thirty (30) day period may be extended. Notwithstanding any provision of this Agreement to the contrary, the State, in its discretion, need not provide notice or a cure period and may immediately terminate this Agreement in whole or in part or institute any other remedy in this Agreement in order to protect the public interest of the State; or if Grantee is debarred or suspended under §24-109-105, C.R.S., the State, in its discretion, need not provide notice or cure period and may terminate this Agreement in whole or in part or institute any other remedy in this Agreement as of the date that the debarment or suspension takes effect.

12. REMEDIES

A. State's Remedies

If Grantee is in breach under any provision of this Agreement and fails to cure such breach, the State, following the notice and cure period set forth in §11, shall have all of the remedies listed in this section in addition to all other remedies set forth in this Agreement or at law. The State may exercise any or all of the remedies available to it, in its discretion, concurrently or consecutively.

i. Termination for Breach

In the event of Grantee's uncured breach, the State may terminate this entire Agreement or any part of this Agreement. Grantee shall continue performance of this Agreement to the extent not terminated, if any.

a. Obligations and Rights

To the extent specified in any termination notice, Grantee shall not incur further obligations or render further performance past the effective date of such notice, and shall terminate outstanding orders and subcontracts with third parties. However, Grantee shall complete and deliver to the State all Work not cancelled by the termination notice, and may incur obligations as necessary to do so within this Agreement's terms. At the request of the State, Grantee shall assign to the State all of Grantee's rights, title, and interest in and to such terminated orders or subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee but in which the State has an interest. At the State's request, Grantee shall return materials owned by the State in Grantee's possession at the time of any termination. Grantee shall deliver all completed Work Product and all Work Product that was in the process of completion to the State at the State's request.

b. Payments

Notwithstanding anything to the contrary, the State shall only pay Grantee for accepted Work received as of the date of termination. If, after termination by the State, the State agrees that Grantee was not in breach or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest, and the rights and obligations of the Parties shall be as if this Agreement had been terminated in the public interest under §2.E.

c. Damages and Withholding

Notwithstanding any other remedial action by the State, Grantee shall remain liable to the State for any damages sustained by the State in connection with any breach by Grantee, and the State may withhold payment to Grantee for the purpose of mitigating the State's damages until such time as the exact amount of damages due to the State from Grantee is determined. The State may withhold any amount that may be due Grantee as the State deems necessary to protect the State against loss including, without limitation, loss as a result of outstanding liens and excess costs incurred by the State in procuring from third parties replacement Work as cover.

ii. Remedies Not Involving Termination

The State, in its discretion, may exercise one or more of the following additional remedies:

a. Suspend Performance

Suspend Grantee's performance with respect to all or any portion of the Work pending corrective action as specified by the State without entitling Grantee to an adjustment in price or cost or an adjustment in the performance schedule. Grantee shall promptly cease performing Work and incurring costs in accordance with the State's directive, and the State shall not be liable for costs incurred by Grantee after the suspension of performance.

b. Withhold Payment

Withhold payment to Grantee until Grantee corrects its Work.

c. Deny Payment

Deny payment for Work not performed, or that due to Grantee's actions or inactions, cannot be performed or if they were performed are reasonably of no value to the state; provided, that any denial of payment shall be equal to the value of the obligations not performed.

d. Removal

Demand immediate removal of any of Grantee's employees, agents, or Subcontractors from the Work whom the State deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable or whose continued relation to this Agreement is deemed by the State to be contrary to the public interest or the State's best interest.

e. Intellectual Property

If any Work infringes, or if the State in its sole discretion determines that any Work is likely to infringe, a patent, copyright, trademark, trade secret or other intellectual property right, Grantee shall, as approved by the State (i) secure that right to use such Work for the State and Grantee; (ii) replace the Work with noninfringing Work or modify the Work so that it becomes noninfringing; or, (iii) remove any infringing Work and refund the amount paid for such Work to the State.

f. Technical Assistance

State may elect to conduct on-site monitoring and work closely with Grantee until the Project is back on schedule. State shall provide prior written notice to Grantee if its elects to conduct on-site monitoring, which shall be conducted during normal business hours and shall not unduly disrupt Grantee's business operations.

B. Grantee's Remedies

If the State is in breach of any provision of this Agreement and does not cure such breach, Grantee, following the notice and cure period in §11 and the dispute resolution process in §13 shall have all remedies available at law and equity.

13. DISPUTE RESOLUTION

A. Initial Resolution

Except as herein specifically provided otherwise, disputes concerning the performance of this Agreement which cannot be resolved by the designated Agreement representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager designated by Grantee for resolution.

B. Resolution of Controversies

If the initial resolution described in §13.A fails to resolve the dispute within 10 Business Days, Grantee shall submit any alleged breach of this Agreement by the State to the Procurement Official of the Department of Local Affairs as described in §24-101-301(30) C.R.S. for resolution following the same resolution of controversies process as described in §24-106-109, C.R.S., and §§24-109-101.1 through 24-109-505, C.R.S. (the "Resolution Statutes"), except that if Grantee wishes to challenge any decision rendered by the Procurement Official, Grantee's challenge shall be an appeal to the executive director of the Department of Personnel and Administration, or their delegate, in the same manner as described in the Resolution Statutes before Grantee pursues any further action. Except as otherwise stated in this Section, all requirements of the Resolution Statutes shall apply including, without limitation, time limitations regardless of whether the Colorado Procurement Code applies to this Agreement.

14. NOTICES AND REPRESENTATIVES

Each individual identified as a Principal Representative on the Cover Page for this Agreement shall be the principal representative of the designating Party. All notices required or permitted to be given under this Agreement shall be in writing, and shall be delivered (A) by hand with receipt required, (B) by certified or registered mail to such Party's principal

representative at the address set forth on the Cover Page for this Agreement or (C) as an email with read receipt requested to the principal representative at the email address, if any, set forth on the Cover Page for this Agreement. If a Party delivers a notice to another through email and the email is undeliverable, then, unless the Party has been provided with an alternate email contact, the Party delivering the notice shall deliver the notice by hand with receipt required or by certified or registered mail to such Party's principal representative at the address set forth on the Cover Page for this Agreement. Either Party may change its principal representative or principal representative contact information, or may designate specific other individuals to receive certain types of notices in addition to or in lieu of a principal representative, by notice submitted in accordance with this section without a formal amendment to this Agreement. Unless otherwise provided in this Agreement, notices shall be effective upon delivery of the written notice.

15. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION

A. Work Product

i. Copyrights

[Reserved].

ii. Patents

[Reserved].

iii. Assignments and Assistance

Whether or not Grantee is under contract with the State at the time, Grantee shall execute applications, assignments, and other documents, and shall render all other reasonable assistance requested by the State, to enable the State to secure patents, copyrights, licenses and other intellectual property rights related to the Work Product. The Parties intend the Work Product to be works made for hire. Grantee assigns to the State and its successors and assigns, the entire right, title, and interest in and to all causes of action, either in law or in equity, for past, present, or future infringement of intellectual property rights related to the Work Product and all works based on, derived from, or incorporating the Work Product.

B. Exclusive Property of the State

Except to the extent specifically provided elsewhere in this Agreement, any pre-existing State Records, State software, research, reports, studies, photographs, negatives or other documents, drawings, models, materials, data and information shall be the exclusive property of the State (collectively, "State Materials"). Grantee shall not use, willingly allow, cause or permit Work Product or State Materials to be used for any purpose other than the performance of Grantee's obligations in this Agreement without the prior written consent of the State. Upon termination of this Agreement for any reason, Grantee shall provide all Work Product and State Materials to the State in a form and manner as directed by the State.

C. Exclusive Property of Grantee

Grantee retains the exclusive rights, title, and ownership to any and all pre-existing materials owned or licensed to Grantee including, but not limited to, all pre-existing software, licensed products, associated source code, machine code, text images, audio and/or video, and third-party materials, delivered by Grantee under this Agreement,

whether incorporated in a deliverable or necessary to use a deliverable (collectively, “Grantee Property”). Grantee Property shall be licensed to the State as set forth in this Agreement or a State approved license agreement: (i) entered into as exhibits to this Agreement, (ii) obtained by the State from the applicable third-party vendor, or (iii) in the case of open source software, the license terms set forth in the applicable open source license agreement.

16. STATEWIDE CONTRACT MANAGEMENT SYSTEM

If the maximum amount payable to Grantee under this Agreement is \$100,000 or greater, either on the Effective Date or at any time thereafter, this section shall apply. Grantee agrees to be governed by and comply with the provisions of §§24-106-103, 24-102-206, 24-106-106, and 24-106-107 C.R.S. regarding the monitoring of vendor performance and the reporting of Agreement performance information in the State’s Agreement management system (“Contract Management System” or “CMS”). Grantee’s performance shall be subject to evaluation and review in accordance with the terms and conditions of this Agreement, Colorado statutes governing CMS, and State Fiscal Rules and State Controller policies.

17. RESTRICTIONS ON PUBLIC BENEFITS

This section shall | shall not apply to this Agreement.

Grantee must confirm that any individual natural person 18 years or older is lawfully present in the United States pursuant to §24-76.5-101, *et seq.*, C.R.S. when such individual applies for public benefits provided under this Agreement by requiring the applicant to:

- A. Produce a verification document in accordance with §24-76.5-103, C.R.S.; and,
- B. Execute an Affidavit of Legal Residency attached as Form 1, or a substantially similar form as determined by the State.

18. GENERAL PROVISIONS

A. Applicable Laws

At all times during the performance of this Agreement, Grantee shall comply with all applicable Federal and State laws and their implementing regulations, currently in existence and as hereafter amended, including without limitation those set forth on **Exhibit A**, Applicable Laws. Grantee also shall require compliance with such laws and regulations by Subcontractors under subcontracts permitted by this Grant.

B. Assignment

Grantee’s rights and obligations under this Agreement are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee’s rights and obligations approved by the State shall be subject to the provisions of this Agreement.

C. Subcontracts

Grantee shall not enter into any subgrant or subcontract in connection with its obligations under this Agreement without the prior, written approval of the State. Grantee shall submit to the State a copy of each such subgrant or subcontract upon request by the State. All subgrants and subcontracts entered into by Grantee in connection with this Agreement shall comply with all applicable federal and state laws

and regulations, shall provide that they are governed by the laws of the State of Colorado, and shall be subject to all provisions of this Agreement.

D. Binding Effect

Except as otherwise provided in **§18.B** and **Exhibit B**, all provisions of this Agreement, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

E. Authority

Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations have been duly authorized.

F. Captions and References

The captions and headings in this Agreement are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Agreement to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

G. Counterparts

This Agreement may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

H. Entire Understanding

This Agreement represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Agreement. Prior or contemporaneous additions, deletions, or other changes to this Agreement shall not have any force or effect whatsoever, unless embodied herein.

I. Digital Signatures

If any signatory signs this agreement using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.

J. Jurisdiction and Venue

All suits, actions, or proceedings related to this Agreement shall be held in the State of Colorado. Exclusive venue shall be in the City and County of Denver, except as otherwise required by Colorado law.

K. Modification

Except as otherwise provided in this Agreement, any modification to this Agreement shall only be effective if agreed to in a formal amendment to this Agreement, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules. Modifications permitted under this Agreement, other than Agreement amendments, shall conform to the policies issued by the Colorado State Controller.

i. By the Parties

The State, at its discretion, shall have the option to unilaterally extend the Initial Agreement Expiration Date, change the Agreement Maximum Amount at the Grantee's request, and in the Statement of Work (**Exhibit B**), adjust the Project Budget, modify the Service Area, the Milestones, the Responsible Administrator, the Payment Schedule, and the Remittance Address through an Option Letter in a form substantially similar to **Exhibit G**, properly executed and approved in accordance with applicable State laws, regulations, and policies. Modifications other than by Option Letter shall not take effect unless agreed to in writing by both parties in an amendment to this Agreement properly executed and approved in accordance with State laws, regulations, and policies.

ii. By Operation of Law

This Agreement is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Agreement on the effective date of such change, as if fully set forth herein.

iii. Items Not Requiring Modification – Consents

Where the terms of this Agreement require the Grantee to obtain the consent of the Division of Housing, the Division Director or their delegate shall be authorized to provide such consent, in his or her discretion.

L. Statutes, Regulations, Fiscal Rules, and Other Authority

Any reference in this Agreement to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Agreement.

M. External Terms and Conditions

Notwithstanding anything to the contrary herein, the State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Grantee's or a Subcontractor's website or any provision incorporated into any click-through or online agreements related to the Work unless that provision is specifically referenced in this Agreement.

N. Severability

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Agreement in accordance with the intent of this Agreement.

O. Survival of Certain Agreement Terms

Any provision of this Agreement that imposes an obligation on a Party after termination or expiration of this Agreement shall survive the termination or expiration of this Agreement and shall be enforceable by the other Party.

P. Taxes

The State is exempt from federal excise taxes under I.R.C. Chapter 32 (26 U.S.C., Subtitle D, Ch. 32) (Federal Excise Tax Exemption Certificate of Registry No. 84-

730123K) and from State and local government sales and use taxes under §§39-26-704(1), *et seq.*, C.R.S. (Colorado Sales Tax Exemption Identification Number 98-02565). The State shall not be liable for the payment of any excise, sales, or use taxes, regardless of whether any political subdivision of the state imposes such taxes on Grantee. Grantee shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Grantee may wish to have in place in connection with this Agreement.

Q. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described in §18.B, this Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Agreement are incidental to this Agreement, and do not create any rights for such third parties.

R. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

S. CORA Disclosure

To the extent not prohibited by federal law, this Agreement and the performance measures and standards required under §24-106-107, C.R.S., if any, are subject to public release through the CORA.

T. Standard and Manner of Performance

Grantee shall perform its obligations under this Agreement in accordance with the highest standards of care, skill and diligence in Grantee's industry, trade, or profession.

U. Licenses, Permits, and Other Authorizations

Grantee shall secure, prior to the Effective Date, and maintain at all times during the term of this Agreement, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Agreement, and shall ensure that all employees, agents and Subcontractors secure and maintain at all times during the term of their employment, agency or Subcontractor, all license, certifications, permits and other authorizations required to perform their obligations in relation to this Agreement.

V. Indemnification [Reserved]

W. Compliance with State and Federal Law, Regulations, and Executive Orders

Grantee shall comply with all applicable State and Federal Law, regulations, executive orders, State and Federal Awarding Agency policies, procedures, directives, and reporting requirements at all times during the term of this Grant.

X. Accessibility

- i. Grantee shall comply with and Work Product provided under this Agreement shall be in compliance with all applicable provisions of Section 508 of the U.S.

Rehabilitation Act of 1973, as amended, and §§24-85-101, *et seq.*, C.R.S., and the Accessibility Standards for Individuals with a Disability, as established by the Governor’s Office of Information Technology (OIT), pursuant to Section §24-85-103 (2.5), C.R.S. Grantee shall also comply with all State of Colorado technology standards related to technology accessibility and with Level AA of the most current version of the Web Content Accessibility Guidelines (WCAG), incorporated in the State of Colorado technology standards.

- ii. The State may require Grantee’s compliance to the State’s Accessibility Standards to be determined by a third party selected by the State to attest to Grantee’s Work Product and software is in compliance with §§24-85-101, *et seq.*, C.R.S., and the Accessibility Standards for Individuals with a Disability as established by OIT pursuant to Section §24-85-103 (2.5), C.R.S.

19. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)

These Special Provisions apply to all agreements except where noted in italics.

A. Statutory Approval. §24-30-202(1), C.R.S.

This Agreement shall not be valid until it has been approved by the Colorado State Controller or designee. If this Agreement is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), C.R.S., then this Agreement shall not be valid until it has been approved by the State’s Chief Information Officer or designee.

B. Fund Availability. §24-30-202(5.5), C.R.S.

Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

C. Governmental Immunity.

Liability for claims for injuries to persons or property arising from the negligence of the State, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State’s risk management statutes, §§24-30-1501, *et seq.* C.R.S. No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

D. Independent Contractor.

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be deemed to be an agent or employee of the State. Grantee shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. **Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. Grantee shall (i) provide and keep in force workers’ compensation and**

unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by the State, and (iii) be solely responsible for its acts and those of its employees and agents.

E. Compliance with Law.

Grantee shall comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. Choice of Law.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Agreement. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Agreement, to the extent capable of execution.

G. Prohibited Terms.

Any term included in this Agreement that requires the State to indemnify or hold Grantee harmless; requires the State to agree to binding arbitration; limits Grantee's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Agreement shall be construed as a waiver of any provision of §24-106-109, C.R.S.

H. Software Piracy Prohibition.

State or other public funds payable under this Agreement shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Agreement and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Agreement, including, without limitation, immediate termination of this Agreement and any remedy consistent with federal copyright laws or applicable licensing restrictions.

I. Employee Financial Interest/Conflict of Interest. §§24-18-201 and 24-50-507, C.R.S.

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Agreement. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

J. Vendor Offsets and Erroneous Payments. §§24-30-202(1) and 24-30-202.4, C.R.S.

[Not applicable to intergovernmental agreements] Subject to §24-30-202.4(3.5), C.R.S., the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: **(i)** unpaid child support debts or child support arrearages; **(ii)** unpaid balances of tax, accrued interest, or other charges specified in §§39-21-101, *et seq.*, C.R.S.; **(iii)** unpaid loans due to the Student Loan Division of the Department of Higher Education; **(iv)** amounts required to be paid to the Unemployment Compensation Fund; and **(v)** other unpaid debts owing to the State as a result of final agency determination or judicial action. The State may also recover, at the State's discretion, payments made to Grantee in error for any reason, including, but not limited to, overpayments or improper payments, and unexpended or excess funds received by Grantee by deduction from subsequent payments under this Agreement, deduction from any payment due under any other contracts, grants or agreements between the State and Grantee, or by any other appropriate method for collecting debts owed to the State.

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Contract Control Number:
Contractor Name:

HOST-202579906-00
State of Colorado, Department of Local Affairs

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at
Denver, Colorado as of: 10/10/2025 | 10:43 AM MDT

Signed by:

SEAL




CITY AND COUNTY OF DENVER:

ATTEST:

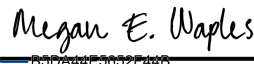
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40138359DD334C3...
Clerk and Recorder/Public Trustee
Paul Lopez

By: Signed by:

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Deputy Mayor
Aldwyn Gardner

APPROVED AS TO FORM:

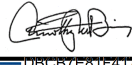
Attorney for the City and County of Denver

By: DocuSigned by:

B5DA44E3632F446...
Assistant City Attorney
Megan E. Waples

REGISTERED AND COUNTERSIGNED:

By: DocuSigned by:

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Chief Financial Officer
Nicole Doheny

By: DocuSigned by:

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Auditor
Timothy O'Brien

Contract Control Number:
Contractor Name:

HOST-202579906-00
State of Colorado, Department of Local Affairs

By: _____

Name: _____
(please print)

Title: _____
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

EXHIBIT A - APPLICABLE LAWS

Laws, regulations, and authoritative guidance applicable to this Agreement include, without limitation:

1. Age Discrimination Act of 1975, 42 U.S.C. 6101, et seq.
2. Age Discrimination in Employment Act of 1967, 29 U.S.C. 621, et seq.
3. Americans with Disabilities Act of 1990, 42 U.S.C. 12101, et seq.
4. Equal Pay Act of 1963, 29 U.S.C. 206(d)
5. Immigration Reform and Control Act of 1986, Pub. L. No. 99-603, 100 Stat. 3359
6. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, implementing regulations at 24 CFR Part 8
7. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d, et seq.
8. Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000e, et seq.
9. Title IX of the Education Amendments of 1972, 20 U.S.C. 1681, et seq.
10. §24-34-301, *et seq.*, C.R.S. (Colorado Civil Rights)
11. Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, implementing regulations at 24 CFR Part 135
12. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. 4601, et seq., implementing regulations at 49 CFR Part 24
13. Davis-Bacon Act, 40 U.S.C. 3141, et seq., implementing regulations at 29 CFR Parts 1, 3, 5, 6, and 7.
14. Contract Work Hours and Safety Standards Act, 40 U.S.C. 3701, et seq., implementing regulations at 29 CFR Part 5.
15. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the “Uniform Guidance”), 2 CFR Part 200.
16. Colorado Local Government Audit Law, §29-1-601, et seq., C.R.S.
17. Colorado Housing Act of 1970, §24-32-701, *et seq.*, C.R.S.
18. §24-75-601, *et seq.*, C.R.S. (Funds – Legal Investments)
19. McKinney–Vento Homeless Assistance Act of 1987 (Pub. L. 100-77, July 22, 1987, 101 Stat. 482, 42 U.S.C. § 11301 et seq.).
20. HOME Investment Partnerships Program Final Rule at 24 CFR Part 92.

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EXHIBIT B STATEMENT OF WORK

1. GENERAL.

- 1.1 Project Description.** The Grantee is being provided with funds (the “Grant Funds”) to assist with construction costs of 10th and Wolff (the “Project”) in Denver, CO. The Project shall include 23 for-sale units with an affordability range of 80% Area Median Income (“AMI”). This will include twenty 1-bedrooms and three 2-bedrooms homes. The Project is also being supported by a Denver HOST loan. The Grantee plans to make a grant of the Grant Funds to Wolff 23 LLC (the “Owner”), to develop the Project.
- 1.2 Service Area.** Performance of services for this Agreement shall occur in City and County of Denver.
- 1.3 Grantee’s Obligations.**
- 1.3.1** Grantee shall complete or cause the Owner to complete the Project, administer this Agreement, and provide required documentation to the State as specified herein.
- 1.3.2** Grantee shall enter into a written agreement(s), the content of which meets DOLA’s requirements, with the following individuals or entities prior to disbursing any funds:
- 1.3.2.1** All Subcontractors engaged by Grantee to aid in the performance of the Work.
- 1.3.2.2** [Reserved].
- 1.3.3** Grantee’s rights and obligations under this **Exhibit B** are personal and may not be transferred or assigned without the prior, written consent of DOH. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee’s rights and obligations approved by the State shall be subject to the provisions of this Agreement.
- 1.4 Time of Performance.** Grantee shall commence performance of its obligations on the Agreement Performance Beginning Date and complete its obligations on or before the Initial Agreement Expiration Date, both of which are listed on the Cover Page of the Grant Agreement. Time of Performance may be extended in accordance with **§2C**, **§2D**, or **§18K** of the Grant Agreement. To initiate the extension process, Grantee shall submit a written request to DOH Asset Manager at least 60 days prior to the Initial Agreement Expiration Date, and shall include a full justification for the extension request.

2. DEFINITIONS.

The following definitions are in addition to the definitions appearing in the main Grant Agreement and other Exhibits.

- 2.1 Affordability Period.** “Affordability Period” shall have the meaning described in **§8.2.3**.
- 2.2 AMI.** “AMI” means Area Median Income.
- 2.3 DOH.** “DOH” means the State of Colorado, Division of Housing.

- 2.4 DOLA.** “DOLA” means the State of Colorado, Department of Local Affairs.
- 2.5 HUD.** “HUD” means the United States Department of Housing and Urban Development.
- 2.6 AHOP-Assisted Units.** “AHOP-assisted units” shall mean units specifically designated as AHOP-assisted in the Project, as further described in §8 of this **Exhibit B**, which shall comply with all applicable State requirements.
- 2.7 Low-Income Family.** “Low-Income Family” means a family whose annual income does not exceed 80 percent of AMI, as determined by HUD, with adjustments for smaller and larger families, or as HUD may establish for the area. The Area Median Income limits for this Project are published annually on CHFA’s website, or if no longer published by CHFA, an equivalent index shall be designated by DOLA.
- 2.8 Other Funds.** “Other Funds” means funding provided or to be provided by other federal, state, local, or private sources for the Project. Other Funds are good faith estimates and do not include Grant Funds.
- 2.9 Pre-Agreement Costs.** “Pre-Agreement Costs” are costs incurred prior to the Effective Date of this Agreement that are eligible for payment with Grant Funds. Pre-Agreement Costs are allowed only to the extent such costs are specifically identified in §5.2.4 of this **Exhibit B**.
- 2.10 Project Close-Out Date.** “Project Close-Out Date” shall mean the date DOLA determines the Project is complete as identified in writing to the Grantee.
- 2.11 Substantial Completion.** “Substantial Completion” means DOLA’s receipt of a temporary or permanent certificate of occupancy for each home in the Project assisted with Grant Funds or an alternative completion document in such form and substance as DOLA reasonably determines to be acceptable to meet the Agreement purposes and requirements.
- 2.12 Work.** See §3JJ of the main Grant Agreement.

3. DELIVERABLES.

- 3.1 Outcome.** Project Completion in accordance with C.R.S. 24-32-721, Grantee’s grant application, the Performance Measures set forth below, and the other terms and conditions of this Grant Agreement.
- 3.2 Performance Measures.** Grantee shall comply with the following Milestones and Target Dates:

Milestone/Grantee shall:	Target Date:
Submit GC contract	10/15/2025
Begin construction	10/31/2025
Submit required insurance certificates (initial and renewals of coverage)	10/31/2025 Ongoing renewals of coverage, no later than 15 days before expiration of coverage

Submit a 504 Self Evaluation checklist/plan. Revise all policies and procedures identified as deficient.	Provide draft version within 30 days of agreement execution And Provide final version 11/15/2025
Complete required income calculation training to ensure that each DOH-assisted household is income eligible by determining the household's annual income (as defined in 24 CFR §5.609).	01/15/2026
Submit Affirmative Fair Housing Marketing Plan	06/30/2026
Complete 100% of construction and obtain temporary or permanent certificate of occupancy	03/31/2026
Prior to entering into a contract with a potential homebuyer (as described in HOMEfires - Vol. 1 No. 10) for DOH-assisted units, submit the applicant file to Asset Manager for review and approval.	Ongoing, at least 14 calendar days prior to Purchase and Sale Agreement effective date
Sell 100% of units	12/31/2027
Submit Homeownership Completion and Monitoring report	01/31/2028
Submit homebuyer education course certificate of completion for each potential homebuyer prior to the sale of each DOH-assisted unit	On-Going
Submit Homeownership Unit Costs and Ownership Characteristics report for each CDOH-assisted	On-Going
Upon closing of sale of each AHOP-assisted unit, execute and record DOH Use Covenant and Regulatory Agreement.	On-Going
Submit Quarterly Financial Status Report	Per §7.4.1
Submit Quarterly Performance Report	Per §7.4.2
Submit Project Completion Report	Per §7.4.3

4. KEY PERSONNEL.

4.1 Responsible Administrator. Grantee's performance hereunder shall be under the direct supervision of the individual identified below, an employee or agent of Grantee, who is hereby designated as a key person and the Responsible Administrator of this project:

<p>Tara Olden, HOST Grant Compliance Manager City and County of Denver, Department of Housing Stability 201 W. Colfax Avenue Denver, CO 80202 Tara.Olden@denvergov.org</p>
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4.2 Other Key Personnel. None

4.3 DOH Asset Manager. Brittany Bell, brittany.bell@state.co.us

4.4 Replacement Personnel. If any Grantee Key Personnel cease to serve, Grantee shall immediately notify DOH of such event in writing. Replacement of Grantee Key Personnel shall be subject to DOH approval. Requests to replace Grantee Key Personnel shall be made in writing and shall include, without limitation, the name of the person, their qualifications, and the effective date of the proposed change. Notices sent pursuant to this subsection shall be sent in accordance with §14 of the main body of the Agreement, with a copy to DOH Asset Manager. Anytime Grantee Key Personnel cease to serve, the State, at its sole discretion, may direct Grantee to suspend work on the Project until such time as the Grantee proposes a replacement and such replacement is approved by DOH.

5. FUNDING.

The amount of funding provided by the State is limited to the Agreement Maximum Amount shown on the Cover Page of the Grant Agreement and is shown in the table in §5.2.1 as “Grant Funds (DOLA)”. The Grant Funds shall be used for activities shown in table in §5.2.3.

5.1 Other Funds. Grantee shall provide all funds necessary to complete the Project. All Sources listed below, other than the Grant Funds and Matching Funds (if any), are good faith estimates.

5.2 Project Budget.

5.2.1 Sources.

Source	Amount
Grant Funds (DOLA)	\$1,518,000
HOST Performance Loan	\$1,725,000
Home Sale Proceeds	\$7,015,595
Total Sources	\$10,258,595

5.2.2 Uses.

Use	Amount
Acquisition Costs	\$1,024,201
Site Improvements	\$613,670
Construction	\$5,702,162
Professional Fees	\$865,799
Construction Finance	\$979,065
Soft Costs	\$49,500
Developer Fee / Profit	\$1,024,198
Total Uses	\$10,258,595

5.2.3 Grant Funds (DOLA). Costs eligible for payment with DOLA Grant Funds are limited to the items and amounts listed in the table below (subject to any line item adjustments made pursuant to §5.4.1).

Eligible Use	Amount
Construction Costs	\$1,518,000
Total	\$1,518,000

5.2.4 Pre-Agreement Costs. [Reserved].

5.3 Matching Funds. Grantee shall provide any funds identified as “Matching Funds” in §5.2.1, above.

5.4 Project Budget Line Item Adjustments.

5.4.1 If the table in §5.2.3 lists more than one Eligible Use, Grantee shall have authority to make adjustments between line items, up to an aggregate of 10% of such line item, without the prior approval of the State. Such authority shall not allow Grantee to transfer to or between administration budget lines (e.g. development fees, overhead and project delivery). Grantee shall send written notification of allowed adjustments to the State within 30 days of such adjustment.

5.4.2 Changes to individual line item amounts in excess of 10% require prior written approval of the DOLA Controller. Grantee shall submit a written request for changes pursuant to this Section to the State. Such request shall include the amount of such request, the reason for the request and any necessary documentation. If the State approves such request, the State may unilaterally execute an Option Letter accepting such request pursuant to §18.K of the Grant Agreement.

6. PAYMENT.

Payments to Grantee shall be made in accordance with the provisions of §5 of the Grant Agreement, and this §6 of **Exhibit B**.

6.1 Payment Schedule. Grantee shall submit all payment requests in a timely manner. Unless otherwise agreed to by DOH, Grantee shall submit payment requests once per month, on or before the 20th of each month. Eligible expenses incurred by Grantee during any calendar month shall be included in the following month’s pay request. Grantee shall submit payment requests to the DOH Asset Manager listed in §4.3. The DOH Asset Manager shall review the payment request and, if approved, shall submit the pay request to DOLA accounting for its review, approval and payment.

Payment	Amount	
Interim Payment(s)	\$1,442,100	Paid upon DOLA’s receipt and approval of a written request for payment and expense documentation of eligible costs.
Final Payment	\$75,900	Paid upon DOLA’s receipt and approval of a written request for payment, expense documentation of eligible costs, Beneficiary data, and all required reports.
Total	\$1,518,000	

6.2 Remittance Address. If mailed, payments shall be remitted to the following address unless changed in accordance with §14 of the Agreement:

City and County of Denver
201 W. Colfax Avenue
Denver, CO 80202

6.3 Interest. If advance payments are authorized, Grantee or Subgrantee may keep interest earned from Grant Funds up to \$500 per year for administrative expenses. All interest earned in excess of \$500 shall be remitted to DOLA.

6.4 Withholding of Payments. In addition to any other rights that the State has with respect to enforcement of this Agreement, DOH may, at its discretion, withhold its approval of payment requests submitted by Grantee pursuant to §6.1 pending Grantee’s submission and DOH’s review and approval of:

6.4.1 Proof that **Exhibit F** (the Use Covenant and Regulatory Agreement) has been properly recorded.

6.4.2 Any reporting required pursuant to the terms of the main body of the Grant Agreement or this **Exhibit B**.

7. ADMINISTRATIVE REQUIREMENTS – STATE.

Grantee shall administer Grant Funds in accordance with the requirements of this Agreement, Division of Housing (DOH) Guidelines, and this **Exhibit B**.

7.1 Accounting. Grantee shall maintain segregated accounts of Grant Funds and Other Funds associated with the Project and make those records available to the State upon request. All receipts and expenditures associated with the Project shall be documented in a detailed and specific manner, in accordance with the Project Budget in §5.2 above.

7.2 Audit Report. If an audit is performed on Grantee’s records for any fiscal year covering a portion of the term of this Agreement or any other grants/contracts with DOLA, Grantee shall submit the final audit report, including a report in accordance with the Single Audit Act and 2 CFR 200.500, *et seq.*, to:

Department of Local Affairs
Accounting & Financial Services
1313 Sherman Street, Room 323
Denver, CO 80203, or
email to: dola.audit@state.co.us, and
dola_doh_loans@state.co.us
brittany.bell@state.co.us

7.3 Cost Certification. [Reserved]

7.4 Reporting. In addition to all reporting required pursuant to the terms of the main Agreement, Grantee shall submit to DOLA the reports listed below in a format acceptable to the State. If such reports are not submitted in a timely manner, the State may withhold payments to Grantee as provided in §6 of this **Exhibit B**.

- 7.4.1 Financial Status Report.** Within twenty (20) calendar days of the end of each quarter.
- 7.4.2 Performance Report.** Within twenty (20) calendar days of the end of each quarter.
- 7.4.3 Project Completion Report.** Within thirty (30) calendar days of the Substantial Completion or 100% sale of the Project, whichever is later, the Grantee shall submit one original copy of the AHOP Project Completion Report including all attachments, and one copy of the final Financial Status Report. If Grantee does not utilize all of the Grant Funds, then Grantee shall provide DOLA with a deobligation letter with the final completion report.
- 7.4.4 Davis-Bacon Payroll Reports.** [Reserved].
- 7.4.5 Program Income.** [Reserved].
- 7.5 Monitoring.** The State shall monitor this Agreement in accordance with its Risk-Based Monitoring Policy and §§7B and C of the Grant Agreement. Final evaluation of the Project will be accomplished when DOLA approves the Project Completion Report.
- 7.6 Bonds.** If the Work involves new construction, rehabilitation, site or facility improvements, Grantee, Subgrantee or the Subcontractor(s) performing such Work shall secure the bonds listed below from companies holding certificates of authority as acceptable sureties pursuant to 31 CFR Part 223 and authorized to do business in Colorado.
- 7.6.1 Bid Bond.** A bid guarantee from each bidder of Work equivalent to five percent (5%) of the bid price. The “bid guarantee” shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder shall, upon acceptance of his bid, execute such contractual documents as may be required within the time specified. The foregoing notwithstanding, no bid guarantee shall be required if the General Construction Contract is in place and executed as of the Effective Date of the Agreement.
- 7.6.2 Performance Bond.** A performance bond on the part of the Grantee, Subgrantee or their Subcontractor for one-hundred percent (100%) of the awarded contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the Grantee, Subgrantee or their Subcontractor's obligations under such contract.
- 7.6.3 Payment Bond.** A payment bond on the part of the Grantee, Subgrantee or their Subcontractor for one-hundred percent (100%) of the awarded contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by statute of all persons supplying labor and material in the execution of the work provided for in the contract.
- 7.6.4 Substitution.** Grantee may request and DOLA may approve, at its sole discretion, a waiver to allow another form of surety in lieu of the bonding requirements in this §7.6. Such surety shall be in the form of an Irrevocable Letter of Credit (LOC) or cash collateral, in form and substance acceptable, and

payable, to the State. The amount of the surety shall be no less than the total amount of the Grant Funds.

7.7 Single Family Owner-Occupied Housing Rehabilitation Program. [Reserved].

7.8 Downpayment Assistance Program. [Reserved].

8. PROJECT REQUIREMENTS.

8.1 Affordability Requirements - Rental. [Reserved].

8.2 Affordability Requirements – Homebuyer, and Homeowner Rehabilitation Projects/Programs.

8.2.1 AHOP-Assisted Units. Grantee shall designate eight (8) units at the Project as AHOP-assisted. The unit designated as AHOP-assisted shall be of the type set forth in the table below.

Unit Type	1-BR	2-BR	Total	Income Limit
AHOP-Assisted	7	1	8	≤ 80% of AMI
Other Affordable	13	2	15	≤ 80% of AMI
Total Units	20	3	23	

8.2.2 Fixed Units. The location of the AHOP-assisted units shall be fixed throughout the Affordability Period.

8.2.3 Affordability Period - Homeownership. The AHOP-assisted units shall be used to provide housing for Eligible Beneficiaries for a period of thirty (30) years (the “Affordability Period”).

8.2.4 Eligible Beneficiaries. Eligible Beneficiaries are households that are lawfully present and have annual gross income that does not exceed eighty percent (80%) of AMI. Income limits by household size for the area in which the Project is located are provided in **Exhibit D**. Income limits are updated annually by HUD and republished on DOLA’s website. Grantee is responsible for verifying the applicable income limit in effect at the time each AHOP-assisted unit is sold.

8.2.4.1 Income Eligibility Determinations. Grantee shall ensure that household purchasing an AHOP-assisted unit is income eligible by determining the household’s annual income (as defined in 24 CFR §5.609).

8.2.4.2 Lawful Presence. [Reserved].

8.2.5 Homebuyer Deed Restriction - Recapture. [Reserved].

8.2.6 Homebuyer Deed Restriction - Resale. At or prior to the closing of the sale of each AHOP-assisted unit Grantee shall properly execute and record, or cause to be executed and recorded, a DOH Use Covenant and Regulatory Agreement in a form substantially equivalent to **Exhibit F**. Grantee shall promptly provide DOLA with a copy of the recorded document.

8.2.7 Noncompliance. If the AHOP-assisted units are not used to house Eligible Beneficiaries, at Affordable Sales Prices throughout the Affordability Period, Grantee shall repay the full amount of the Grant Funds to the State, within sixty days of the State's request.

8.2.8 Homeownership Counseling. Grantee shall ensure that the purchasing household receives HUD or State approved homeownership counseling prior to date of closing.

8.3 Program Income. [Reserved].

9. PROPERTY STANDARDS

9.1 New Construction. Newly constructed facilities shall meet all applicable codes and ordinances as of the Project Close-Out Date. All new construction projects shall also meet the requirements below:

9.1.1 Accessibility. The housing and its common areas shall meet the accessibility requirements of Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR Parts 35 and 36, as applicable. Covered multifamily dwellings, as defined at 24 CFR 100.201, shall also meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619).

9.1.2 Disaster mitigation. The housing shall be constructed to mitigate the impact of potential disasters (e.g., earthquakes, flooding, and wildfires), in accordance with State and local codes, ordinances, or other State and local requirements, or such other requirements as DOLA may establish.

9.1.3 Written cost estimates, construction contracts and construction documents. The construction contract(s) and construction documents shall describe the Project in adequate detail for DOLA to conduct inspections. Grantee shall make available to DOLA written cost estimates for construction.

9.1.4 Construction progress inspections. Grantee shall permit the State to conduct progress and final construction inspections. It is a condition precedent to funding that the State determine that work is done in accordance with the applicable codes, the construction contract, and construction documents.

9.2 Rehabilitation. [Reserved].

9.3 Acquisition. [Reserved].

9.4 Downpayment Assistance. [Reserved].

9.5 TBRA. [Reserved].

9.6 Ongoing property condition standards: [Reserved].

9.7 Section 504 (29 USC 793), as amended. [Reserved].

10. Administrative Requirements – Federal

10.1 Affirmative Marketing Plan. Grantee shall provide and follow an Affirmative Marketing Plan for the Project that meets the requirements Section 504 of the

Rehabilitation Act of 1973 and other requirements as DOLA may determine from time to time. The disbursement of funds under this Agreement shall be contingent upon the approval of such plan by the State.

10.2 Minority Outreach. [Reserved].

10.3 Davis-Bacon Act. [Reserved].

10.4 Section 3 of the HUD Act of 1968 and 24 CFR Part 135. [Reserved].

10.5 Environmental Requirements. [Reserved].

10.6 Uniform Relocation Act (URA) and Section 104(d) of the Housing and Community Development Act of 1974 (Section 104(d)). [Reserved].

10.7 Civil Rights. Regardless of Project type, Grantee shall comply with civil rights statutes and regulations, including Title VIII of the Civil Rights Act of 1968 (“Fair Housing Act”), Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 (“Section 504”), Section 109 of Title I of the Housing and Community Development Act of 1974, Title II of the Americans with Disabilities Act of 1990, the Architectural Barriers Act of 1968, and the Age Discrimination Act of 1975. Additional reference information is provided in **Exhibit A**. Laws specifically relevant to this Agreement include, without limitation, the following:

10.7.1 Fair Housing Act, as amended. The Fair Housing Act prohibits discrimination in housing-related transactions based on race, color, national origin, religion, sex, familial status, and disability.

10.7.2 Section 504, as amended. Section 504, as amended, provides that no qualified individual with a disability may, only by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

10.7.2.1 Section 504 Self Evaluation. Grantee has submitted or shall submit a Section 504 Self Evaluation and shall revise all policies and procedures identified, which may result in prohibited exclusion or discrimination of disabled persons, to comply with Section 504. Additionally, Grantee shall evaluate reasonable accommodation requests and comply with Section 504 requirements to make such reasonable accommodations that provide disabled individuals equal opportunities to benefit from the Project.

END OF EXHIBIT B

**EXHIBIT C -
RESERVED**

EXHIBIT D
RENT & INCOME LIMITS*
COLORADO DIVISION OF HOUSING
Project # 34250 AHOP 10th & Wolff
CMS #199510

		2025 INCOME LIMITS			
County	AMI	1 PERSON	2 PERSON	3 PERSON	4 PERSON
DENVER	80%	78,480	89,680	100,880	112,080

***Grantee is responsible for monitoring and complying with all updates to Rent and Income Limits.**

**EXHIBIT E -
RESERVED**

When Recorded Return to:
COLORADO DIVISION OF HOUSING
1313 SHERMAN STREET, ROOM 320
DENVER, CO 80203
ATTN: *Brittany Bell*

COLORADO DEPARTMENT OF LOCAL AFFAIRS USE COVENANT AND REGULATORY AGREEMENT

THIS USE COVENANT AND REGULATORY AGREEMENT (“Covenant”) is made by Wolff 23 LLC, a Colorado limited liability corporation (“Grantor”), whose business address is 915 S. Pearl St, Denver, CO 80209 fee simple owner of the real property located at _____ [ADDRESS OF INDIVIDUAL 80% AMI UNIT] and described below (the “Property”), and is effective as of the date appearing beneath Grantor’s signature at the end of this Covenant.

Grantor is a beneficiary of funds through Grant Agreement #H6AHOP34250 (the “Funding Agreement”) from the State of Colorado (“State”), by and through the Department of Local Affairs (“DOLA”), for the benefit of the Division of Housing (“DOH”) and The City and County of Denver, by and through its Department of Housing Stability (“HOST”) (“Grantee”), which funds were granted by Grantee to Grantor for use in the new construction of 10th and Wolff (the “Project”), located at 4801 W 10th Ave, Denver, CO 80204 (the “Property”), whose legal description is as follows:

SEE ATTACHMENT 1 [LEGAL DESCRIPTION OF 80% UNIT]

As a condition precedent to the DOLA’s disbursement of the grant funds, Grantor agreed to promptly record this Covenant in the official records of the office of the Clerk and Recorder of the county in which the Property is located to ensure that certain affordability and occupancy limitations associated with DOLA’s Affordable Homeownership Program Grant (“AHOP”) are met regardless of ownership.

NOW, THEREFORE, the following is established as a Covenant running with the land;

1. **Use Restriction.** During the Affordability Period the Property shall be used to provide housing to Eligible Beneficiaries at an Affordable Sales Price. Grantor shall not demolish any part of the housing located on the Property or permit the Property to be used for any purpose other than affordable housing.
2. **Change in Use.** No change in use is permitted without the express written consent of the DOLA.
3. **Affordability Period.** This Covenant shall encumber the Property, without regard to the term of any mortgage or transfer of ownership, for thirty (30) years from the date of recording (the “Affordability Period”). Repayment of the grant funds provided shall not terminate the affordability period.
4. **Eligible Beneficiaries.**
 - 4.1. **Initial Sale.** The housing must be acquired by an Eligible Beneficiary. Eligible Beneficiary means a homebuyer whose family qualifies as a low-income family. Low-income family means a family whose annual income does not exceed eighty percent (80%) of the median income for the area (“AMI”), as determined by HUD. In determining the income eligibility of the family, the income of all persons living in the housing must be included. AMI data is published annually by the Department of Housing and Urban Development (HUD), or if no longer published, shall be determined using an equivalent index designated by DOLA.

- 4.2. **Lawful Presence.** [Reserved].
- 4.3. **Resale.** If the housing does not continue to be the principal residence of the initial purchaser for the duration of the Affordability Period the housing shall be made available for subsequent purchase only to a buyer that is an Eligible Beneficiary.
5. **Affordable Sales Price.**
 - 5.1. **Initial Sale.** The initial sale price of the Property shall not exceed ninety-five percent (95%) of the median purchase price for the area as determined by HUD.
 - 5.2. **Resale.** If the housing does not continue to be the principal residence of the initial purchaser for the duration of the Affordability Period, the price at resale must ensure the original AHOP-Assisted Unit owner receives a ‘fair return on investment’ (including the homeowner’s investment and any capital improvement) and ensure that the housing will remain affordable to a ‘reasonable range of low-income homebuyers’. In the event that the resale price necessary to provide a ‘fair return’ is not affordable to the subsequent buyer, the Grantor shall follow the procedures set forth in the State’s Consolidated Plan.
6. **Maximum Mortgage Payment.** In order to ensure that the Property is affordable to a reasonable range of low-income homebuyers, the total of all monthly mortgage payments of the Eligible Beneficiary, including principal, interest, taxes and insurance (“PITI”), plus any land lease fees or homeowners association fees, shall not exceed thirty-five percent (35%) of the gross income of the Eligible Beneficiary at the time the Eligible Beneficiary acquires the Property. This restriction shall apply to the initial sale and all subsequent re-sales of the Property made during the Affordability Period. Eligible Beneficiaries shall not permit any additional liens or mortgages to be placed against the Property without the prior written consent of Grantor, other than the mortgage(s) or other liens(s) used to purchase the Property.
7. **Re-Sale of the Property.** Grantor shall keep and maintain complete records regarding all sales of the Property for at least six years beyond the end of this Covenant, and make this information available to the DOLA upon request.
8. **Conversion of Unsold Homeownership Unit to Rental Housing.** [Reserved].
9. **Principal Residence.** The Property shall only be used as the homeowner’s principal residence. The Property may not be used as rental housing.
10. **Preserving Affordability.** In order to preserve the affordability of the Property, Grantor may utilize a purchase option, right of first refusal or other preemptive right before foreclosure, or at the foreclosure sale to acquire the Property. In such case, the housing must be sold to a new eligible homebuyer within a reasonable period of time. In the event a person or entity who is not eligible to own the Property acquires title to the Property, Grantor may, at its option, require owner to sell the Property to an Eligible Beneficiary at the Affordable Sales Price.
11. **Enforcement.** State or Grantor may take any and all legal action necessary to enforce the terms of this Covenant and shall be entitled to any and all available remedies, including without limitation, specific performance and injunctive relief.

12. **Compliance.** Grantor shall respond in a timely manner to DOLA's requests for information and cooperate with DOLA request for information and to conduct on-site inspections of the Property.
13. **Binding Effect.** This Covenant shall run with the land, and shall be binding on Grantor's successors and assigns. Grantor hereby covenants to include the requirements and restrictions of this Covenant in any document to be executed in connection with the transfer of any interest in the Property to another person or entity to ensure that such transferee has notice of, is bound by, and agrees to abide by the terms of this Covenant.
14. **Release.** Upon satisfaction of the terms of this Covenant and request by the Grantor or the Property owner, State shall record a release of this Covenant.

In the event that a Federal lender initiates foreclosure proceedings on an AHOP-Assisted Unit, then the Covenant on the AHOP-Assisted Unit will terminate automatically in the event of foreclosure; however, the State shall have the right of first refusal to purchase the property in the event of foreclosure proceedings.

15. **Affirmative Marketing.** Grantor shall adopt, maintain, and follow written affirmative marketing procedures that comply with DOLA's affirmative marketing requirements, which DOLA shall make available by request and on DOLA's website. DOLA's affirmative marketing requirements include, without limitation:
 - 15.1. Methods to inform the public, owners, and potential tenants about federal fair housing laws and Grantor's affirmative marketing procedures;
 - 15.2. Practices Grantor shall follow in order to carry out DOLA's affirmative marketing requirements;
 - 15.3. Identification of populations in the housing market area that are not likely to apply for tenancy at the Property without special outreach;
 - 15.4. Procedures to inform persons who identify as members of such populations of the availability of housing opportunities at the Property, and to solicit applications from such persons;
 - 15.5. Procedures to inform persons with disabilities of the availability of accessible units and maximize the occupancy of accessible units by individuals who need the features of such units; and
 - 15.6. Maintenance of records describing actions of Grantor to comply with these affirmative marketing procedures and to assess the results of such actions.

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SIGNATURE PAGE

GRANTOR:
Wolff 23 LLC, a Colorado limited liability corporation

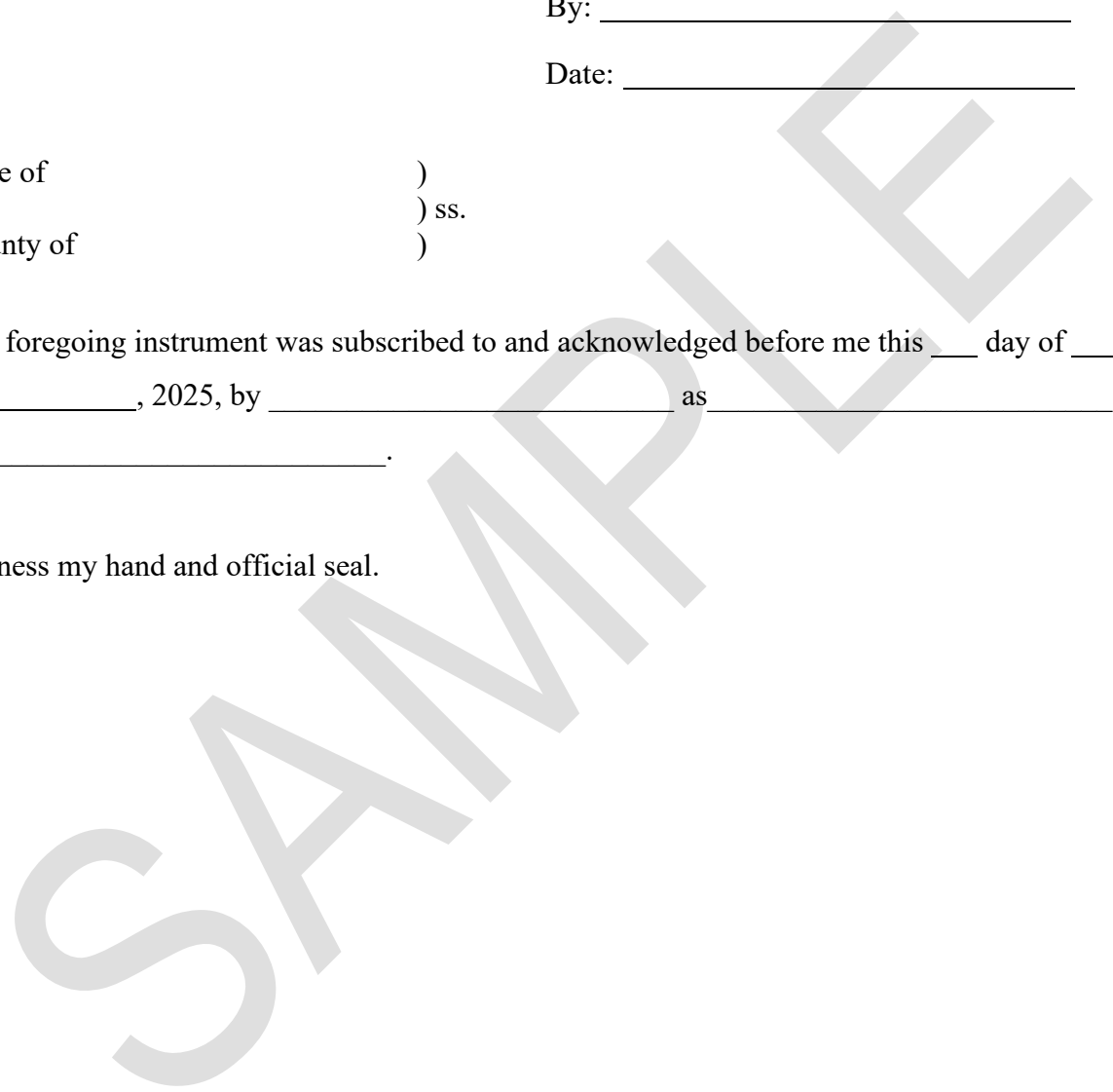
By: _____

Date: _____

State of _____)
County of _____) ss.
_____)

The foregoing instrument was subscribed to and acknowledged before me this _____ day of _____, 2025, by _____ as _____ of _____.

Witness my hand and official seal.



**ATTACHMENT I:
LEGAL DESCRIPTION**

[INSERT LEGAL DESCRIPTION FOR INDIVIDUAL 80% UNIT]

SAMPLE

EXHIBIT G - SAMPLE OPTION LETTER

State Agency Department of Local Affairs, for the benefit of the Division of Housing	Grantee [Grantee's full legal name.]
Encumbrance Number H6AHOP00000	Option Letter Number (1, 2, 3, etc.)
(Current) Agreement Maximum Amount \$000,000.00	(New) Agreement Maximum Amount \$000,000.00
(Current) Initial Agreement Expiration Date Month, Day, Year	(New) Initial Agreement Expiration Date [Month, Day, Year]
Existing CMS Number(s) 000000, 000000, 000000	(New) CMS Number (This Option Letter) 000000
Effective Date The date this Option Letter is signed by the State Controller.	

OPTIONS: *(Select all that are applicable.)* In accordance with **§18K** of the Original Agreement referenced above, as amended, the State hereby exercises its option to modify the following:

- A. Initial Agreement Expiration Date.
- B. Agreement Maximum Amount.
- C. Project Budget.
- D. Payment Schedule.
- E. Milestones.
- F. Service Area.
- G. Responsible Administrator.
- H. Remittance Address.

REQUIRED PROVISIONS:

- 1. For use with Option 1(A):** The Initial Agreement Expiration Date, shown on the Cover Page of the Agreement, as amended, is hereby deleted and replaced with the (New) Initial Agreement Expiration Date shown in the table above.
- 2. For use with Options 1(B):** The Agreement Maximum Amount shown on the Cover Page of the Agreement referenced above, as amended, is hereby deleted and replaced with the (New) Agreement Maximum Amount shown in the table above.
- 3. For use with Option 1(C):** The Project Budget in **§5.2** of the Statement of Work (**Exhibit B**), as amended, is deleted and replaced with the following:

5.2 Project Budget

5.2.1 Sources.

Source	Amount
[Source]	\$x.xx
Total	\$x.xx

5.2.1 Uses.

Use	Amount
[Use]	\$x.xx
Total	\$x.xx

5.2.3 Grant Funds (DOLA). Costs eligible for payment with DOLA Grant Funds are limited the items and amounts listed in the table below (subject to any line item adjustments made pursuant to §5.4.1).

Eligible Use	Amount
[Eligible Use]	\$x.xx
Total	\$x.xx

5.2.4 Pre-Agreement Costs. [Reserved].

4. For use with Option 1(D): The **Payment Schedule** in §6.1 of the Statement of Work (**Exhibit B**), as amended, is deleted and replaced with the following:

6.1 Payment Schedule

Payment	Amount	
Interim Payment(s)	\$x.xx	Paid upon receipt of actual expense documentation and written Pay Requests from the Grantee for reimbursement of eligible approved expenses.
Final Payment	\$x.xx	Paid upon Substantial Completion of the Project (as determined by the State in its sole discretion), provided that the Grantee has submitted, and DOLA has accepted, all required reports.
Total	\$x.xx	

5. For use with Option 1(E): The **Milestones** in §3.2 of **Exhibit B**, as amended, is deleted and replaced with the following:

3.2. Performance Milestones. Grantee shall achieve each of the following Milestones by the Date shown.

Milestone	Date
[Milestone]	[Date]
[Milestone]	[Date]
[Milestone]	[Date]

6. For use with Option 1(F): The **Service Area** in §1.2 of **Exhibit B**, as amended, is deleted and replaced with the following:

1.2. Service Area. The services described within this Grant shall be provided in [Area], State of Colorado.

7. For use with Option 1(G): The Responsible Administrator in §4.1 of Exhibit B, as amended, is deleted and replaced with the following:

4.1. Responsible Administrator. Grantee’s performance hereunder shall be under the direct supervision of [Name, Title, email address] who is hereby designated as the responsible administrator of this Project.

8. For use with Option 1(H): the Remittance Address in §6.2 of Exhibit B, as amended, is deleted and replaced with the following:

6.2 Remittance Address. If mailed, payments shall be remitted to the following address unless changed in accordance with §14 of the Grant:

[Grantee Name]
[Street Address]
[City, State Zip Code]

In accordance with §24-30-202, C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate.

<p style="text-align: center;">STATE OF COLORADO Jared S. Polis, Governor</p> <p style="text-align: center;">Department of Local Affairs</p> <p>By: _____ Maria De Cambra, Executive Director</p> <p>Date: _____</p>	<p style="text-align: center;">STATE CONTROLLER Robert Jaros, CPA, MBA, JD</p> <p>By: _____ DOLA Controller Delegate</p> <p>Option Effective Date: _____</p>
--	--

EXHIBIT B

DISBURSEMENT TERMS AND CONDITIONS

I. Disbursement Request Procedures

- a. Disbursements shall be processed through the Department of Housing Stability (“HOST”) and the Department of Finance (“DOF”).
- b. HOST will disburse loan or grant funds to the Borrower or Grantee (referred to herein as the “Borrower”) for “hard cost expenses,” “soft cost expenses,” and “acquisition cost expenses” (“Disbursement”) upon the Borrower’s written request delivered to HOST (the “Disbursement Request”). The Disbursement Request shall be in the form approved or required by HOST and DOF and may be submitted no more frequently than once every month. Disbursement Requests must be submitted by Borrower electronically to the assigned HOST staff member who will review the submission for completeness and accuracy.
- c. Prior to the first Disbursement Request, Borrower must provide to the City for review and approval, if necessary, the following items:
 - i. A partnership agreement, operating agreement, corporate resolution, or other corporate documentation to demonstrate who has authority for the Borrower to submit Disbursement Requests.
 - ii. The affirmative marketing plan.
 - iii. The tenant selection plan.
 - iv. The form lease agreement for dwelling units at the Project, which contains no prohibited provisions as described in the Agreement.
- d. All Disbursements will be via check sent by regular mail unless ACH or other method of disbursement is requested.
- e. Disbursements involving federal funds must have satisfied all environmental review requirements under 24 C.F.R. Part 58.
- f. The Borrower may not make a Disbursement Request until such funds are needed to pay costs of the Project. The amount of each Disbursement Request must be limited to the amount needed to pay costs actually incurred by the Borrower at the time of the Disbursement Request. The Disbursement Request may not include items previously submitted to and reimbursed by other lenders, amounts for prospective or future needs, funds to be placed into escrow accounts, or advances in lump sums to the Borrower.
- g. Each Disbursement Request must be accompanied by documentation acceptable to HOST and DOF that evidence payments for which a disbursement request has been made. HOST and DOF will review documentation for incurred costs that match the Disbursement Request. Documentation to be submitted with a Disbursement Request shall include, as applicable, but not be limited to:

EXHIBIT B

- i. A completed and signed HOST expense certification form.
 - ii. For hard cost draws, a completed standard AIA Form G702 and Form G703 certified by the architect and signed and notarized by the general contractor. If the Disbursement Request includes costs for minor construction not shown on the G702 and G703, the scope of work and contractor invoices must be submitted.
 - iii. Invoices and other evidence satisfactory to HOST and DOF for “hard” or direct costs provided to the Project with respect to the Disbursement Request. All invoices must show the Project name and address.
 - iv. Invoices and other evidence satisfactory to the City for “soft” or indirect costs provided to the Project with respect to the Disbursement Requests. All invoices must show the Project name and address.
 - v. Evidence satisfactory to HOST and DOF to demonstrate proof of payment of any cost or expense contained on a Disbursement Request. Evidence of proof of payment may include, but not be limited to: cancelled checks; copies of checks; documentation of cost or expense in a general ledger; credit or debit card statements; final signed settlement statements, wire transfer records, or bank statements.
 - vi. An updated itemized budget.
 - vii. Current certificates of insurance.
 - viii. Lien waivers from all applicable contractors, subcontractors, and suppliers.
 - ix. For agreements receiving federal funding and to which the Davis-Bacon Act applies, Borrower must be current in submissions of all paperwork and documentation requested by the City to demonstrate compliance with the requirements of the Davis-Bacon Act.
 - x. For acquisition Disbursement Requests being funded at a scheduled closing, the following items will be required: a) Preliminary closing statement; b) wire instructions on bank letterhead including date wire is required; and c) final settlement statement and recorded documents after closing.
- h. The Borrower must cooperate with HOST in obtaining or providing any additional documentation that may be required by HOST, DOF, or any other agency of the City.
 - i. The City will retain the first \$10,000.00 of Disbursements for the purposes of the Compliance Retainer as set forth in the Agreement. The \$10,000.00 that is retained pursuant to this provision will be released under the terms described in Section II.
 - j. The City will disburse to the Borrower 95% of hard expenses for each Disbursement and all of the soft expenses. The retained 5% of hard expense (the “Retainage”) shall be disbursed as all or part of the final Disbursement under the terms described in Section II.

EXHIBIT B

- k. At all times during the construction of the Project, the City shall have the right, but not the obligation, to enter and inspect all work done, and all materials, equipment, and other matters relating to the Project.
- l. HOST reserves the right, in its sole and absolute discretion, to revise or modify the processes, procedures, and requirements related to the disbursement procedures. HOST will notify Borrower of any such changes to the disbursement procedures.
- m. The City will not make any Disbursements of loan or grant proceeds to the Borrower for costs or expenses that:
 - i. Are prohibited by Federal or City regulations related to the funding source.
 - ii. Are not requested or otherwise not in accordance with Agreement or the procedures for a Disbursement Request set forth herein.
 - iii. Were requested or incurred, or both, after the termination of the Agreement or outside the time periods set forth in the Agreement.
 - iv. Were requested during the occurrence and continuation of an event of default specified in the Agreement.

II. Disbursement of Compliance Retainer and Retainage

- a. *Compliance Retainer.* For the City to release the Compliance Retainer, a Disbursement Request must be submitted along with the following information, as applicable:
 - i. A completed HOST expense certification form.
 - ii. For agreements funded with federal funds, any required federal forms or reports. The City must review and approve any completed federal forms or reports for any federally funded agreement.
 - iii. All documents or items required to be submitted to the City pursuant to the Agreement not previously provided.
 - iv. A certificate of occupancy.
 - v. Current certificates of insurance.
 - vi. Updated title policy with date down endorsement or copy of date down endorsement for senior lender.
 - vii. The Project must pass a HUD standard inspection performed by the City.
 - viii. Lease-up information on all units restricted by the City through the use of City funds or Federal funds, as applicable. The information must include number of bedrooms in the unit, household size, tenant household incomes, date of income certification, tenant paid portion of rent, total lease rent, voucher amounts, voucher type (project based or tenant based), utility allowance amount, lease start and end dates, and demographic data. HOST will review this information to confirm the Project's lease-up is in compliance with the affordability restrictions contained in the Agreement and Rental & Occupancy Covenant.
 - ix. Any other documents required by HOST.

EXHIBIT B

- b. *Retainage.* For the City to release the Retainage, a Disbursement Request must be submitted along with the following information, as applicable:
 - i. A completed HOST expense certification form.
 - ii. Final unconditional lien waivers or proof of release of liens in form and substance satisfactory to the City from all applicable contractors, subcontractors, and suppliers, as applicable.
 - iii. A copy of the completed AIA G704 Form for the senior lender, signed by the architect, general contractor, and Borrower that shows -\$0.00- as the cost estimate of work that is incomplete or defective, as applicable.
 - iv. A copy of the completed AIA G706 Form for the senior lender, signed by the general contractor and notarized, verifying that all debts and claims have been settled, as applicable.
 - v. A copy of the completed AIA G706A Form for the senior lender, signed by the general contractor and notarized, stating that all releases or waivers of liens have been received, as applicable.
 - vi. All documents or items required to be submitted to the City pursuant to the Agreement not previously provided.
 - vii. A certificate of occupancy.
 - viii. Current certificates of insurance.
 - ix. Updated title policy with date down endorsement or copy of date down endorsement for senior lender.
 - x. The Project must also pass a HUD standard inspection performed by the City.
 - xi. Uniform Relocation Assistance and Real Property Acquisition Policies Act (“URA”) Determination, as applicable.
 - xii. Environmental mitigation memorandum of understanding, as applicable.
 - xiii. Any other documents required by HOST.

III. Conditions Precedent to All Disbursements

- a. The making of each Disbursement shall be subject to the satisfaction of each of the following additional conditions precedent, and a waiver of any condition to any Disbursement shall not constitute a waiver as to any subsequent Disbursement. The City may, in its sole discretion, withhold all or a portion of a Disbursement if any of the following conditions have not been satisfied or if the Borrower has not submitted the required documentation and information required by the Agreement, including the documentation and information required by these terms and conditions.
 - i. *No Default.* The Borrower must be in full compliance with and must not be in default under the Promissory Note, the Deed of Trust, or the Covenant or any other document executed by the Borrower in connection with the Agreement.
 - ii. *Time to Complete the Project.* In the sole opinion of the City, there must be sufficient time remaining to complete the construction of the Project in accordance with the terms of the Agreement, and in conformance with federal regulations and requirements for federally funded agreements.

EXHIBIT B

- iii. *Sufficient Funds Available to Complete the Project.* If requested by the City, the Borrower shall furnish evidence satisfactory to the City, in its sole discretion, that the amount of the loan or grant yet to be disbursed, together with any other sources of funds available to the Borrower and not yet disbursed, will be sufficient to complete the Project in compliance with the Agreement and to pay all costs therefore, and all other direct or indirect costs relating to the loan or grant and the Project.
- iv. *Lien waivers.* If requested by the City, the Borrower shall furnish data in a form satisfactory to the City with respect to prior Disbursements and expenditures relating to the Project and shall furnish lien waivers from the contractor and all subcontractors for work done and materials supplied to the Project to the date of the Disbursement Request.
- v. *Use of Funds.* Subject to the terms of the Agreement, the Borrower shall use the proceeds of the loan or grant exclusively for the costs of the Project.
- vi. *Compliance with Federal Requirements.* As applicable, Borrower must be compliant with all federal requirements, including, but not limited to, compliance with the Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968, and all reporting obligations under any such federal requirements.
- vii. *Pass-Through Loans.* If the Agreement is structured as a “pass-through” loan, Borrower must demonstrate that Borrower has the authority to submit disbursement requests on behalf of the Project owner, which may be done by providing HOST with an operating agreement or partnership agreement establishing such authority. A “pass-through” loan is defined as a loan made by the City to a borrower where loan proceeds will be granted or loaned by the borrower to the developer or owner of the Project for construction and development costs.

IV. Financial Management Systems – The Borrower must maintain financial systems that meet the following standards:

- a. 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.
- b. 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.
- c. 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.

EXHIBIT B

- d. 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.
- e. For contracts subject to federal agreements, applicable 2 C.F.R. Part 200 cost principles, agency program regulations, and the terms of the agreement will be followed in determining the reasonableness, allowability and allocability of costs.
- f. Source documents such as cancelled checks, paid bills, payrolls, time and attendance records, contract documents, etc., shall be provided for all disbursements. The Borrower will maintain auditable records, i.e., records must be current and traceable to the source documentation of transactions.
- g. For contracts subject to federal agreements, the Borrower shall maintain separate accountability for HOST funds as referenced in 2 C.F.R. Part 200.
- h. The Borrower 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.
- i. A proper filing of unemployment and worker's compensation (for staff only) insurance shall be made to appropriate organizational units.
- j. The Borrower shall participate, when applicable, in HOST provided staff training sessions in the following financial areas including, but not limited to (1) Budgeting and Cost Allocation Plans; (2) Vouchering Process.

V. **Audit Requirements**

- a. For contracts subject to federal agreements, if the Borrower expends seven hundred and fifty thousand dollars (\$750,000) or more of federal awards in the Borrower's fiscal year, the Borrower shall ensure that it, and its sub recipients(s), if any, comply with all provisions of the 2 C.F.R. Part 200.
- b. A copy of the final audit report must be submitted to the HOST 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.
- c. A management letter, if issued, shall be submitted to HOST along with the reporting package prepared in accordance with the Single Audit Act Amendments and the 2 C.F.R. Part 200. 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 HOST 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

EXHIBIT B

Management Letter has matters related to HOST funding, the Contactor shall prepare and submit a Corrective Action Plan to HOST in accordance with the Single Audit Act Amendments and the 2 C.F.R. Part 200, as set forth in 2 C.F.R. 200.511(c) for each applicable management letter matter.

- d. All audit related material and information, including reports, packages, management letters, correspondence, etc., shall be submitted to HOST.
- e. The Borrower will be responsible for all Questioned and Disallowed Costs.
- f. The Borrower 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 Borrower shall also institute policy and procedures for its sub recipients that comply with these audit provisions, if applicable.

VI. Procurement

- a. The Borrower 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 ten thousand dollars (\$10,000) in the aggregate.
- b. The Borrower 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, Borrower selection or rejection, and the basis for the contract price.
- c. 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 Borrower will compensate the awarding agency for its share.

VII. Bonding

- a. HOST may require adequate fidelity bond coverage, in accordance with 2 C.F.R. 200.304(b), where the subrecipient lacks sufficient coverage to protect the Federal Government's interest.
- b. 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.

VIII. Collection of amounts due

- a. Any funds paid to a Borrower in excess of the amount to which the Borrower is finally determined to be entitled under the terms of the award constitute a debt to the Federal Government and/or the City. If not paid within a reasonable period after demand, HOST may: 1) Make an administrative offset against other requests

EXHIBIT B

for reimbursements, 2) Withhold advance payments otherwise due to the Borrower, or 3) Pursue other action permitted by law.

Exhibit C
INTENTIONALLY OMITTED

Exhibit D

LEGAL DESCRIPTION

The following real property located in the City and County of Denver, State of Colorado:

A PARCEL OF LAND LOCATED IN THE SOUTH ½ OF THE NORTHWEST QUARTER (NW ¼) OF SECTION 6 TOWNSHIP 4 SOUTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY AND COUNTY OF DENVER, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST ¼ CORNER OF SAID SECTION 6, FROM WHENCE THE EAST ¼ CORNER OF SAID SECTION 6 BEARS S89°39'45"E, A DISTANCE OF 5245.22 FEET; THENCE ON SAID SECTION LINE, S89°39'45"E, A DISTANCE OF 1299.52 FEET; THENCE N00°20'15"E, A DISTANCE OF 36.00 FEET TO A POINT ON THE NORTH LINE OF A PARCEL OF LAND CONVEYED TO THE CITY AT RECEPTION NO. 2024046212, DATED MAY 22, 2024, AND TO THE POINT OF BEGINNING;

THENCE N00°24'54"W, A DISTANCE OF 175.72 FEET;

THENCE S89°30'16"E, A DISTANCE OF 76.01 FEET TO THE NORTHWEST CORNER OF SAID CONVEYANCE; THENCE ON THE WEST LINE OF SAID CONVEYANCE, S00°24'54"E, A DISTANCE OF 175.51 FEET;

THENCE ON THE NORTH LINE OF SAID CONVEYANCE, N89°39'45"W, A DISTANCE OF 76.01 FEET TO THE POINT OF BEGINNING.

CITY AND COUNTY OF DENVER, STATE OF COLORADO.

Purported address (for information only): 4801 W 10th Ave., Denver, Colorado 80204