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October 18, 2022

The Fax Partnership Acquires Two East Colfax Motels to Provide Affordable Housing

DENVER, CO — The Fax Partnership (The Fax), an East Colfax-based nonprofit founded in 2004, purchased two East Colfax motels in September 2022. Located at 8405 and 8415 E. Colfax, The Westerner and Sand & Sage motels were acquired to provide temporary shelter space for families experiencing homelessness and a site for future affordable redevelopment in the East Colfax community.

“The Fax Partnership’s mission is to strengthen and support East Colfax while advocating for equitable development. With this acquisition, our organization fulfills its mission to both support those who are in the community now and ensure future redevelopment is affordable so our residents stay here,” said Monica Martinez, Executive Director of The Fax.

“Motel acquisitions offer a key resource for sheltering our unhoused neighbors, and for long-term development to create more affordable housing for our hard-working residents,” said Denver Mayor Michael B. Hancock. “I applaud The Fax for making this acquisition possible. This project is an ideal investment for our American Rescue Plan Act funds and will further our work to improve affordability in communities who need it most.”

In fall 2023 Volunteers of America of Colorado (VOAC) will lease the properties from The Fax for family homeless housing while their property on West Colfax is rehabilitated. The properties will have approximately 34 units following moderate rehabilitation, all with microwaves, refrigerators and spacious rooms. “We are so grateful that this partnership with The Fax will enable us to continue uninterrupted service to our most vulnerable neighbors as we redevelop and create a new, trauma-informed designed Theodora Family Motel, so that we can provide our residents with healthy relationships, connection and the opportunity for life-transformation,” said David Schunk, President and CEO of VOAC.

Following VOAC’s use of the properties, The Fax will continue to operate the properties as shelters until the summer of 2028 when redevelopment can begin. At that time, The Fax will redevelop the 33,200 square foot parcels into new construction affordable housing with community-serving ground floor uses.

“This location is ideal for higher-density affordable housing given the planned Bus Rapid Transit project, slated for completion in 2028, and I’m excited to see how this site is reimaged,” noted City Councilmember Chris Herndon.

The Fax acquired the properties using a diverse set of lenders dedicated to increasing affordable housing development in metro Denver. National nonprofit Enterprise Community Partners, through its CDFI Enterprise Community Loan Fund, utilized the Denver Metro Transit Oriented Development fund and invested over \$2,200,000, as the senior lender. Since its inception in 2010, the Denver Regional TOD Fund has made 23 loans, totaling over \$25 million, to support property acquisition that will create and preserve over 2,000 affordable homes near public transit stops in the Denver Metro area.

Colorado Housing and Finance Authority (CHFA) invested \$2,000,000 from its Housing Opportunity Fund and Latino Community Foundation of Colorado used its newly created Colorado Communities of Color loan fund with a \$250,000 loan. This capital stack of committed partners enabled The Fax to secure the properties while the organization pursues grant funding to lower project debt. This grant funding includes an already secured grant of \$150,000 from the Gates Family Foundation as well as \$983,000 in American Rescue Plan Act funds from Denver’s Department of Housing Stability, pending City Council approval. In addition, the Colorado Division of Housing may provide grant funding, pending approval by the State Housing Board. Local law firm, Otten Johnson, Robinson, Neff & Ragonetti, P.C., provided The Fax pro bono legal services for the acquisition.

ABOUT THE FAX PARTNERSHIP

The Fax Partnership is a long-standing 501(c)(3) nonprofit supporting the East Colfax community in Denver and Aurora. The organization supports diversity, promotes equity and advocates for sustainable development without displacement along the historic East Colfax corridor and adjacent neighborhoods. The Fax provides residential support services to cost-burdened renters and homeowners, and business support services to local businesses. It advances responsible growth that prioritizes affordable and attainable housing, community-serving redevelopment and supports local employment opportunities. Information on how to donate can be found at thefaxdenver.com.

ABOUT VOLUNTEERS OF AMERICA COLORADO

Volunteers of America Colorado is a nonprofit, faith-based organization dedicated to helping those in need transform their lives. In 2021, VOAC provided 814,000 meals, housed and sheltered more than 9,000 people, and saw nearly 160,000 hours of service volunteered. Information on how to volunteer or donate can be found at voacolorado.org.

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