



## Recommendation for Action

**File #:** 21-2390, **Agenda Item #:** 54.

7/29/2021

### **Posting Language**

Ratify Amendment No. 5 to the Agreement with DBG Austin Hotel LLC, for the City to continue occupying the real property located at 3105 N. IH 35, Austin, Texas, 78753 for the purpose of sheltering individuals experiencing homelessness by extending the term ending on June 30, 2021 for an additional twelve (12) month term, for an additional amount of \$1,542,125, for a total contract amount not to exceed \$3,175,085.

### **Lead Department**

Office of Real Estate Services.

### **Fiscal Note**

Funding in the amount of \$388,700 is available in the Fiscal Year 2020-2021 General Fund Emergency Reserve Fund Operating Budget. Funding in the amount of \$1,153,425 for the remaining lease term will be included in Fiscal Year 2021-2022 Proposed Budget.

### **Prior Council Action:**

May 7, 2020 Council approved Ratification of a Lease Agreement.

September 17, 2020 Council approved Ratification of Amendment No. 2 to Lease Agreement.

January 27, 2021 Council approved Ratification of Amendment No. 3 to Lease Agreement.

March 25, 2021 Council approved Ratification of Amendment No. 4 to Lease Agreement.

### **For More Information:**

Megan Herron, Office of Real Estate Services, 512-974-5649; Michael Gates, Office of Real Estate Services, (512) 974-5639; Adrienne Sturup, Austin Public Health (512) 972-5010; Vella Karman, Homeless Services Division, Austin Public Health; Dianna Grey, Austin Public Health; Rosie Truelove, Housing and Planning Department (512) 974-3064.

### **Additional Backup Information:**

This action ratifies the execution of Amendment No. 5 to the Agreement with DBG Austin Hotel LLC d/b/a Days Inn, a limited liability company, to continue occupying the property for the purpose of sheltering individuals experiencing homelessness. The agreement will include the use of 65 guest rooms and the surrounding parking lot area. The occupancy rate will be \$4,225 per day. The Term of Amendment No. 5 extends the term ending on June 30, 2021 for an additional twelve (12) month term, for an amount of \$1,542,125, for a total contract amount not to exceed \$3,175,085. The contract allows for early termination after providing a sixty-day notice to vacate.

The City Manager for the City of Austin, or designee, has the authority to negotiate and execute ministerial or administrative amendments to this Agreement without further action of the City Council. Any amendment that would constitute a substantive modification to the Agreement must be approved by the City Council.

The health and safety of Austin and Travis County residents and visitors is our highest priority. Our public

health officials are taking appropriate actions to ensure the health and safety of our community.

The continued leasing of this facility will allow us to house individuals who are experiencing homelessness. This Lease Amendment is necessary due to the lack of City-owned facilities.

**Strategic Outcome(s):**

Health and Environment.