

Proposed Seventh Amendment to Emergency Occupancy Agreement and Seventh Amendatory Agreement for Aloft Hotel

Aloft Hotel | 800 15th Street, Denver, Colorado

Finance and Governance Committee

December 20, 2022

Resolution #22-1654

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Agenda

- Background
- Details of Contract Amendments
- Project Need & Resources

COVID-19 Impacts on Shelter Capacity

- COVID-19 continues to impact the Denver community, including those experiencing homelessness.
- Immediate need to continue non-congregate safe spacing for vulnerable and high-risk individuals experiencing homelessness.
- Current site provides 140 beds.
- Total Protective Action bed count: 272 (Aloft and Park Avenue, formerly La Quinta).

Populations Served at Aloft

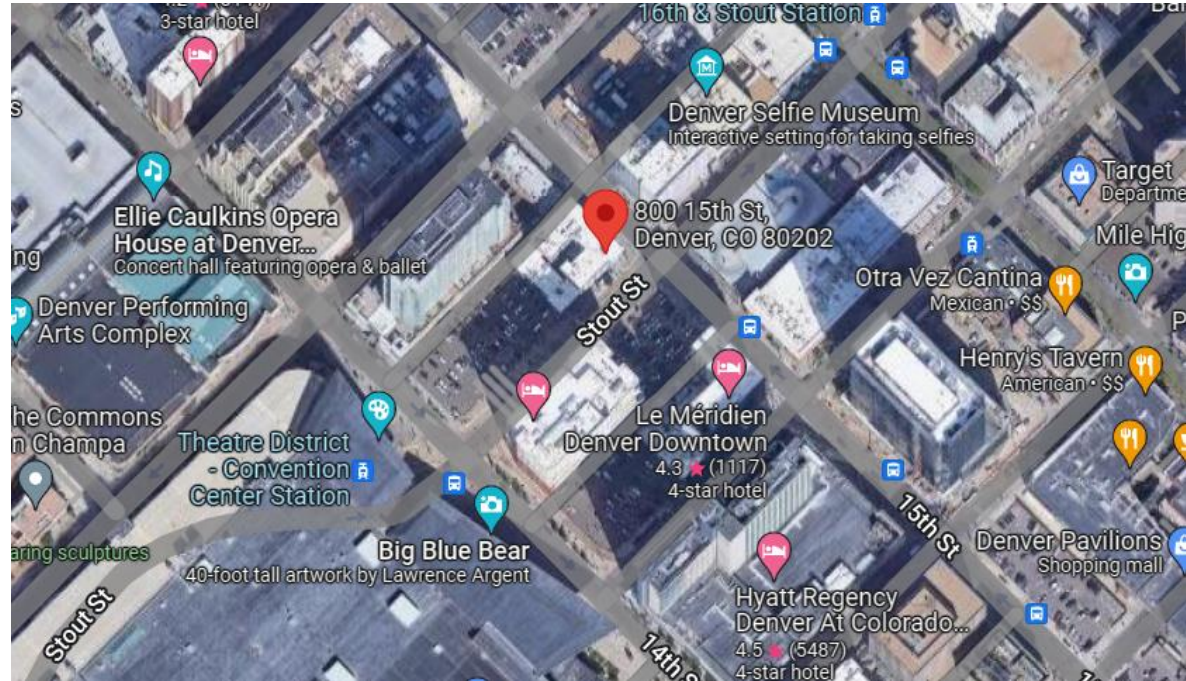
- The Emergency Occupancy Agreement at Aloft supports individuals experiencing homelessness who are the most vulnerable to negative outcomes if they get COVID-19, including older populations and individuals with underlying health conditions. Many guests at this property use wheelchairs or walkers for mobility, utilize oxygen tanks, or have other severe health conditions.
- 140 non-congregate protective action rooms.
 - Protective Action (PA), rooms to place high-risk individuals in safe conditions out of congregate shelter or unsheltered conditions.
- Low-barrier facility where guests are referred through an internal review and partner agency.
- Not a walk-up facility.

Location

Aloft Hotel
800 15th Street
Denver, CO 80202

- Neighborhood: CBD
- **Location:** corner of 15th and Stout Street
- Council District: 9
- Owner: JBK Hotels, LLC
- Franchise: Marriott

Map courtesy of Google.



Contract Terms

Seventh and Final Amendment to Emergency Occupancy Agreement

- **Resolution:** #22-1654
- **Landlord:** JBK Hotels, LLC
- **Term:** Seven (7) months (through July 31, 2023 to allow for facility repair)
- **Maximum Contract Amount:** \$16,235,500
- **Rooms:** 140 rooms
- **Daily Room Rate:** \$100/room/day (*increase of \$5/room/day*)
- **City Responsibilities:** room cleaning, food service, and security

This is the final amendment and the City is not seeking to purchase the building. Occupants will vacate two floors on April 17 and fully vacate on April 30, 2023.

Contract Terms Continued

Seventh Amendatory Agreement (Food Service)

- **Resolution:** #22-1655
- **Landlord:** JBK Hotels, LLC
- **Term:** Four (4) months (through April 30, 2023)
- **Maximum Contract Amount:** \$3,759,700
- **Meals:** \$25/day/room (3 meals)

This is the final amendment.

Additional Services

These companion contracts being referenced below are separately approved through other council actions and are not up for consideration today.

Service Operator - The Salvation Army

- On-site service operator
- Four (4) operations staff
- Two (2) case managers

Cleaning - RPM Roth Property Maintenance

Security - Securitas

- 24/7 security for the hotel and guests staying at Aloft
- Three (3) guards – one on day shift and two on night shift

Need for Housing

- These rooms help safely shelter people experiencing homelessness who are particularly vulnerable to the effects of COVID-19.
- Leverage location, resources, and existing services downtown for those experiencing homelessness in downtown Denver.
- Aloft had a total of 92 individuals that moved into permanent housing between May 2020 until present; 28 of which were housed in 2022.
- Denver had 497 households that used protective action hotels and moved into housing.
 - Prioritize our citywide commitment to affordable housing.
 - Challenges are better addressed from a foundation of housing.
 - Stable, affordable housing is essential to building a thriving community and economy.

Being a Good Neighbor

- Communication
- Safety
- Neighborhood alignment

Safety

- The Department of Safety alongside elements of the Denver Police Department and Denver Fire continue to deploy resources to support public safety within the Convention Center Corridor (NE/SW: Champa to 15th Street and SW/NE: 14th Street to 17th Street.)
- From Nov. 14 – Dec. 5, elements of the Street Enforcement Team, Outreach Care Coordinators, DPD have combined to make 103 contacts with individuals.
- This has resulted in four resource referrals, five welfare checks, 21 summons, and nine arrests.
- This work represents an ongoing effort in partnership with Public Health & Environment, Transportation and Infrastructure, and the Downtown Denver Partnerships as a part of the Downtown Action Team.

Engagement with Neighbors

- HOST meets monthly with neighbors and UpDoNa.
- Direct contact at HOST
- Responded to list of concerns and addressed most items successfully
- Proactively communicate
- Conducting bi-weekly clean up through Denver Day Works contract

Transition Plans

HOST is developing a transition out plans for guests.

The City will coordinate closely with the Salvation Army and community partners to continue to work on next-step housing or shelter, which include a variety of housing options such as return to shelter, assisted living, reunification with family and friends, etc.

Today's Council Requests/Action

Real Estate and HOST request approval of Resolution #22-1654 the Seventh Amendment to Emergency Occupancy Agreement and Resolution #22-1655 the Seventh Amendatory Agreement (Food Service) with JBK Hotels, LLC to extend the term of both contracts.



Questions?



Appendix

Protective Action Hotel Leases

- During the pandemic, the City contracted with hotels to lease **Protective Action rooms**.
- These rooms help safely shelter people experiencing homelessness who are particularly vulnerable to effects of COVID-19.
- Facilities responded to letter from the Mayor.

Protective Action Eligibility

- Temporary shelter for people experiencing homelessness who are age 65 or older OR any age with chronic health conditions
- 586 PA beds citywide

Current Aloft Contract

- The city has a lease with the Aloft hotel to provide 140 Protective Action rooms.
- These rooms have been near or at capacity, especially since we have closed other PA sites.

Operations at Aloft

- Operated by partner The Salvation Army
- Four operations staff
- Two case managers
- Four guards across 24 hours
- **Issues with guests or operations?** Contact The Salvation Army rather than Aloft Hotel

Access to, Expectations at Aloft

- Not a walk-up facility; guests referred
- Low-barrier facility
- Guests asked not to congregate around the building or in alleys
- Many people experiencing homelessness downtown; they are not all Aloft guests