

Executive Summary

Emergency Occupancy Agreement | MHF Denver Manager V LLC | Amendment

Department of Finance | Division of Real Estate

August 19, 2020

City Council Request

Approval of Emergency Occupancy Agreement Amendment by and between the City and County of Denver and MHF Denver Manager V LLC, as an agent for DHF Denver Operating V LLC, at a property located at 1845 Sherman Street, Denver, CO 80203.

Background

- The Division of Real Estate, on behalf of HOST, previously submitted an Emergency Occupancy Agreement to support housing needs for those experiencing homelessness by providing additional shelter space at downtown hotels.
- The original agreement expires August 31, 2020. This Amendment will extend the term of the original agreement through December 31, 2020.

Populations Served

- The original contract, and the proposed amendment before council, provides 151 rooms. These rooms provide non-congregate shelter to support people experiencing homelessness during the COVID-19 emergency. There is an increased need of this type of shelter due to impacts from COVID-19.
- The contract supports Protective Action rooms to place high risk individuals in safe conditions out of congregate shelter or unsheltered conditions. Protective action rooms are for individuals who are most vulnerable to negative outcomes if they are to contract COVID-19, including older populations and individuals with underlying health conditions.
- The 151 rooms provided through this amendment are part of a larger effort by HOST to offer non-congregate shelter for those experiencing homelessness. The current total of Protective Action and Activated Respite rooms is 810. If the original agreement were to expire on August 31, 2020 as outlined by the initial contract, the City would lose access to 151 rooms, decreasing the number of rooms available and putting many vulnerable individuals at risk of losing stable shelter.

Associated Agreements

- On August 12, 2020 HOST advanced two items through Safety, Housing, Education & Homelessness Committee to approve and extend contracts with the Colorado Coalition for the Homeless and The Salvation Army to provide facility services, shelter staffing, primary and behavioral health care, food and other supports for guests in hotel/motel rooms, including the 151 rooms in the proposed amendment.
- Through HOST's proposed contracts, guests in the 151 rooms will receive support services including three meals per day.

Details

PROPERTY OWNERSHIP:	MHF Denver Manager V LLC, as an agent for DHF Denver Operating V LLC
PROPERTY ADDRESS:	1845 Sherman Street, Denver, CO 80203

CONTRACT TYPE:	Emergency Occupancy Agreement – Amendment #1
# ROOMS:	151 rooms
CONTRACT CONTROL NUMBER:	FINAN-202055635 - 01
COUNCIL DISTRICT:	10
USE:	Non-congregate shelter to support people experiencing homelessness during the COVID-19 emergency.

Terms and Costs

Contract Details	Original Contract	Proposed Contract
Contract Control Number	FINAN-202054346 - 00	FINAN-202055635 - 01
Term	Effective Date through May 31st, 2020 – August 31, 2020	September 1-December 31, 2020 - no extension options
Effective Date	4/16/2020	TBD
# Rooms	151	151
Pricing/room/day	\$60	\$65
Total cost per day	\$9,060	\$9,815
Maximum Contract Amount	\$1,625,280	\$2,822,710 (an addition of \$1,197,430 to the original contract amount)

Security:

Service Provider	Securitas Security
# of FTEs	2 guards for 24/7 Coverage
Hours of operation	24/7 Coverage
Total cost per week	\$9,432.26
Estimated cost 9/1/2020-12/31/2020	Approximately \$164,390.82