

## Executive Summary

### Emergency Occupancy Agreement | KEYS OF DENVER HOSPITALITY LLC | Amendment

Department of Finance | Division of Real Estate

November 23, 2020

## City Council Request

Approval of Emergency Occupancy Agreement Amendment by and between the City and County of Denver and KEYS OF DENVER HOSPITALITY LLC, a Kansas limited liability company whose address is 637 S. 500 W #10, Provo, UT 84601

## 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 located at 1150 East Colfax, Denver, CO 80218. There is an increased need of this type of housing due to impacts from COVID-19. This amendment will increase the number of rooms from 70 rooms to 145 rooms.
- The original agreement expires November 30, 2020. This Amendment will extend the term of the original agreement through December 31, 2020 but provides an option to extend the term of the agreement through the end of January 2021. The Amendment also addresses the transition from Non-Congregate Shelter Alternative care to Activated Respite care starting October 25, 2020 as shown below.
  - Between October 25, 2020 and November 21, 2020, CCD added an additional 55 rooms for a total of 125 rooms. The rooms located on the 3rd floor (66 rooms) were occupied at a rate of \$65/room/night per the original agreement. The rooms located on the 2nd floor (59 rooms) were occupied at a rate of \$60/room/night as negotiated with the Owner by HOST.
  - Between November 22, 2020 and November 30, 2020, CCD added an additional 20 rooms for a total of 145 rooms at a rate of \$60/room/night.

## Populations Served

- The contract supports Non Congregate Protective Action, Activated Respite and Shelter Alternative rooms.
  - *Protective Action (PA)*, rooms to place high risk individuals in safe conditions out of congregate shelter or unsheltered conditions. Includes individuals who are most vulnerable to negative outcomes if they contract COVID-19, including older populations and individuals with underlying health conditions.
  - *Activated Respite care* rooms are to shelter those who have contracted COVID-19 and are experiencing low level symptoms. These rooms allow individuals to quarantine while they recover.
  - *Shelter Alternative* rooms are for individuals who do not require Protective Action or Active Respite rooms but still require shelter.
- The original contract, and the proposed amendment before council, provides 145 rooms to support people experiencing homelessness during the COVID-19 emergency.

- Guests are referred through internal review and partner agencies, including Bayaud Enterprises and Catholic Charities.
- The 145 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 (AR) rooms is 810 (703 PA and 107 AR) and would increase the AR by 145 rooms with this amendment. If the original agreement were to expire on November 30, 2020 as outlined by the initial contract, the City would lose access to 145 rooms, decreasing the number of rooms available and putting many vulnerable individuals at risk of losing stable shelter.

#### Associated Agreements

- This fall, 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 145 rooms in the proposed amendment. The Salvation Army currently manages the contract at Ramada Inn and will continue with this amendment.
- Through HOST's proposed contracts, guests in the 145 rooms will receive support services including three meals per day.

#### Details

<b>PROPERTY OWNERSHIP:</b>	KEYS OF DENVER HOSPITALITY LLC
<b>PROPERTY ADDRESS:</b>	1150 East Colfax, Denver, CO 80218
<b>CONTRACT TYPE:</b>	Emergency Occupancy Agreement - Amendment #1
<b># ROOMS:</b>	145 rooms
<b>CONTRACT CONTROL NUMBER:</b>	FINAN-202056773-01 (Original Contract: FINAN-202055713-00)
<b>COUNCIL DISTRICT:</b>	10
<b>USE:</b>	Housing assistance for those experiencing homelessness during the COVID-19 pandemic

#### Terms and Costs

Contract Details	Original Contract	Proposed Contract
<b>Contract Control Number</b>	FINAN-202055713-00	FINAN-202056773-01
<b>Term</b>	September 1, 2020 to November 30, 2020	December 1, 2020 to December 31, 2020 (Option to extend through end of January 2021)
<b>Effective Date</b>	9/1/2020	TBD
<b># Rooms</b>	70	145
<b>Pricing/room/day</b>	\$65	\$60
<b>Total cost per day</b>	\$4,550	\$8,700
<b>Maximum Contract Amount</b>	\$414,050	\$1,084,050

## Security

<b>Service Provider</b>	Securitas Security
<b># of FTEs</b>	2 guards for 24/7 Coverage
<b>Hours of operation</b>	24/7 Coverage
<b>Total cost per week</b>	\$14,342.25 (estimated)
<b>Estimated cost 9/1/2020-12/31/2020</b>	\$249,946.93 (approximately)

## Food Service

<b>Service Provider</b>	Bayaud delivers. The Salvation Army coordinates the food from Harbor Lights. They are secured through TSA
<b>Meals Provided</b>	3 meals/room/day