

## **Executive Summary**

### **Emergency Occupancy Agreement - Amendment #5 | JBK Hotels, LLC d/b/a Aloft**

Department of Finance | Division of Real Estate

January 10, 2022

## **City Council Request**

Approval of the fifth amendment to the Emergency Occupancy Agreement by and between the City and County of Denver and JBK Hotels, LLC, a Delaware limited liability company d/b/a Aloft.

## **Background**

- The Division of Real Estate, on behalf of HOST, previously submitted an Emergency Occupancy Agreement (FINAN-202054515) to support housing needs for those experiencing homelessness by providing additional shelter space located at 800 15th Street, Denver, CO 80202. There is an increased need for this type of housing due to impacts from COVID-19. This agreement expired August 31, 2020.
- The first amendment (FINAN-202055637) extended the term of the original agreement through December 31, 2020.
- The second amendment (FINAN-202057157) extended the term of the agreement through June 30, 2021.
- The third amendment (FINAN-202159069) extended the term of the agreement through the end of September 2021.
- The fourth amendment (FINAN-202159610) extended the term through December 31, 2021.
- The proposed fifth amendment (FINAN-202161460-05) would extend the term through June 30, 2022.

## **Populations Served**

- The contract supports Non-Congregate Protective Action 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.
- The original contract and associated amendments listed above, including the proposed fifth amendment going before council, provides 140 rooms. These rooms provide non-congregate shelter to support people experiencing homelessness during the COVID-19 emergency.
- Guests are referred through internal review and partner agency, The Salvation Army.
- Cleaning is provided by RPM Roth Property Maintenance.
- Food is provided by Aloft through a separate contract with the City and County of Denver.
- The 140 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 rooms is 448 PA. If the original agreement were to expire, the City would lose access to 140 rooms, decreasing the number of rooms available and putting many vulnerable individuals at risk of losing stable shelter.

## **Associated Agreements**

- HOST previously 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 140 rooms in the proposed amendment. The Salvation Army currently manages the contract at Aloft and will continue with this amendment.

- A contract with Securitas went through City Council 9/27/2021.
- Through HOST's proposed contracts, guests in the 140 rooms will receive support services including three meals per day.
- Aloft provides food services per a separate agreement with the City. Proposed fifth amendment to the food services agreement: FINAN-202161630-05 (FINAN-202054604 – Original Agreement; FINAN-202055636 – First Amendment; FINAN-202057167 – Second Amendment; FINAN-202159070 – Third Amendment; FINAN-202160649 – fourth amendment).

#### Details

<b>PROPERTY OWNERSHIP:</b>	JBK Hotels, LLC d/b/a Aloft
<b>PROPERTY ADDRESS:</b>	800 15th Street, Denver, CO 80202
<b>CONTRACT TYPE:</b>	Emergency Occupancy Agreement – Amendment #5
<b># ROOMS:</b>	140 rooms
<b>CONTRACT CONTROL NUMBER:</b>	Proposed Fifth Amendment: FINAN-202161460  Original Contract: FINAN-202054515 Amendment #1: FINAN-202055637 Amendment #2: FINAN-202057157 Amendment #3: FINAN-202159069 Amendment #4: FINAN-202159610
<b>COUNCIL DISTRICT:</b>	9
<b>USE:</b>	Housing assistance for those experiencing homelessness during the COVID-19 pandemic

#### Terms and Costs

Contract Details	Original Contract	Amendment #1	Amendment #2	Amendment #3	Amendment #4	Proposed Amendment #5
<b>Contract Control Number</b>	FINAN-202054515	FINAN-202055637	FINAN-202057157	FINAN-202159069	FINAN-202159610	FINAN-202161460
<b>Term</b>	May 11, 2020 - August 31, 2020	September 1, 2020 - December 31, 2020	January 1, 2021 - February 28, 2021 – with an option to extend on a monthly basis through the end of June 2021.	July 1, 2021- September 30, 2021. No additional options to extend.	October 1, 2021-Dec 31, 2021. No additional options to extend.	Jan. 1, 2022- June 30, 2022 No additional options to extend.
<b>Effective Date</b>	5/11/2020	--	--	--	--	--
<b># Rooms</b>	140	140	140	140	140	140

<b>Pricing/room/day</b>	\$95	\$95	\$95	\$95	\$95	\$95
<b>Total cost per day</b>	\$13,300	\$13,300	\$13,300	\$13,300	\$13,300	\$13,300
<b>Maximum Contract Amount</b>	\$1,935,900	\$3,558,500	\$5,965,800	\$7,189,400	\$8,413,000	\$10,820,300

## Security

<b>Service Provider</b>	Securitas Security
<b># of FTEs</b>	1 on day shift, 1 on swing shift (3-11 PM) and 2 on overnight guards for 24/7 Coverage
<b>Hours of operation</b>	24/7 Coverage
<b>Total cost per week</b>	\$11,676.00 total weekly (estimated)
<b>Estimated cost through 06/30/2022</b>	Estimated 336 hours per week \$34.75 per hour approximately \$11,676.00 total weekly approximately

## Food Service

<b>Service Provider</b>	Aloft provides food services per a separate agreement with the City.  Proposed Fifth Amendment: FINAN-202161630  Original Contract: FINAN-202054604 Amendment #1: FINAN-202055636 Amendment #2: FINAN-202057167 Amendment #3: FINAN-202159070 Amendment #4: FINAN-202160649
<b>Meals Provided</b>	3 meals/room/day