



Recommendation for Action

File #: 20-1867, Agenda Item #: 65.

4/9/2020

Posting Language

Authorize the ratification of an agreement with Hotel USA Partners, LLC, for the City to occupy the real property located at 6121 N. Interstate Highway 35 for emergency housing, isolation, and support services related to COVID-19 for a 60-day term, with an option to extend for two additional 30-day terms, for an amount not to exceed \$2,804,760.00.

Lead Department

Office of Real Estate Services.

Fiscal Note

Funding in the amount of \$2,804,760 is available in the Fiscal Year 2019-2020 General Fund Emergency Reserve Fund Operating Budget.

For More Information:

Megan Herron, Office of Real Estate Services, 512-974-5649; Alex Gale, Office of Real Estate Services, (512) 974-1416, Juan Ortiz, Homeland Security and Emergency Management (512) 974-0461..

Additional Backup Information:

This action authorizes the ratification of an agreement with Hotel USA Partner, LLC, (A Texas Corporation), to occupy the property for emergency housing, isolation, and support services related to COVID-19. The agreement will include use of approximately 31,980 square feet of commercial building space on a 1.3139-acre lot which includes 292 guest rooms and multiple meeting and conference rooms. The Term of this Agreement began on March 25 with an initial 60-day term. The agreement allows for two additional 30-day extensions at a rate of \$998,640 per 30-days.

The requested authorization will include additional operating costs for the provision of meals. Said meal expenses will be based on actual consumption at the following rates:

Meal	Meal Charge
Breakfast	\$12.00 per person
Lunch	\$15.00 per person
Dinner	\$18.00 per person
Snack	\$5.00 per person
Night shift meal (served at 11:00 pm)	\$15.00 per person

It is estimated that the meal consumption will include 1,022 patient meals per day (\$788,400.00 for 60 days) and 30 staff meals per day (\$19,080.00 for 60 days), for a total estimated price of \$807,480.00; based on 60 days and at full capacity, and this cost estimate has been included in the requested authorization for meal expense. All other services, utilities and guest room supplies will be provided by Landlord.

The health 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. Austin-Travis County leaders have declared a “local state of disaster” to more proactively increase preventative measures in the region. Leasing this facility will allow for us to house individuals who may have been exposed to COVID-19.

Strategic Outcome(s):

Health and Environment.