



Recommendation for Action

File #: 21-1571, Agenda Item #: 45.

3/25/2021

Posting Language

Authorize negotiation and execution of Amendment No. 4 to the Emergency Temporary Occupancy Agreement with DBG Austin South LLC, for the City to occupy the real property located at 4200 S. IH 35, Austin, Texas 78745 for emergency housing, isolation, and support services related to COVID-19 to extend the term ending on March 31, 2021 for an additional 30-days with two one-month extension options, for an additional amount of \$704,340 and a total contract amount not to exceed \$3,668,760.

Lead Department

Office of Real Estate Services.

Fiscal Note

Funding in the amount of \$704,340 is available in the Fiscal Year 2021-2022 General Fund Emergency Reserve Fund Operating Budget.

Prior Council Action:

On April 9, 2020 Council approved Ratification of a Lease Agreement, on August 27, 2020 Council approved Ratification of an Amendment to Lease Agreement, and on January 27, 2021 Council Approved Ratification of an Amendment to Lease Agreement.

For More Information:

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Additional Backup Information:

This action authorizes the negotiation and execution of Amendment No. 4 to the Emergency Temporary Occupancy Agreement with DBG Austin South LLC d/b/a La Quinta Inn, a limited liability company, to occupy the property for emergency housing, isolation, and support services related to COVID-19. The agreement will include the use of 129 guest rooms and surrounding parking lot area. The occupancy rate will be \$7,740 per day. The Term of Amendment No. 4 shall extend the term ending on March 31, 2021 for an additional 30-days with two successive one-month options, for an additional amount of \$704,340 and for a total contract amount not to exceed \$3,668,760. The contract allows for early termination after providing a ten-day notice to vacate.

The City Manager for the City of Austin, or designee, has the authority to negotiate and execute ministerial or administrative amendments to this Agreement without further action of the City Council. Any amendment that would constitute a substantive modification to the Agreement must be approved by the City Council.

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.

The continued Leasing of this facility will allow us to house individuals who may have been exposed to COVID-19. This Lease Amendment is necessary due to the lack of City-owned facilities.

Strategic Outcome(s):

Health and Environment.