



## Recommendation for Action

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**File #:** 23-2100, **Agenda Item #:** 74.

7/20/2023

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### **Posting Language**

Authorize negotiation and execution of an amendment to the Emergency Temporary Occupancy Agreement with DBG Austin South, LLC (d/b/a La Quinta Inn), located at 4200 South I-35 Austin, Texas, 78745 to increase the total contract amount by \$88,268, for a total contract amount not to exceed \$5,330,183.

### **Lead Department**

Financial Services Department.

### **Fiscal Note**

No fiscal impact.

### **Prior Council Action:**

July 29, 2021 - Council ratified an Amendment to the Emergency Temporary Occupancy Agreement with DBG Austin South LLC.

March 25, 2021 - Council approved an Amendment to the Emergency Temporary Occupancy Agreement with DBG Austin South LLC.

January 27, 2021 - Council ratified an Amendment to the Emergency Temporary Occupancy Agreement with DBG Austin South LLC.

August 27, 2020 - Council ratified an Amendment to the Emergency Temporary Occupancy Agreement with DBG Austin South LLC.

April 9, 2020 - Council ratified an Emergency Temporary Occupancy Agreement with DBG Austin South LLC.

### **For More Information:**

Michael Gates, Financial Services Department, 512-974-5639; Cathy Curtis, Financial Services Department, 512-974-5649.

### **Additional Backup Information:**

In the early days of the COVID-19 pandemic, the City identified an emergency need for lodging to protect the health and safety of members of our community experiencing homelessness and those needing isolation facilities to prevent the spread of COVID-19.

On March 31, 2020, and subsequently, on April 24, 2020, the City entered into Emergency Temporary Occupancy Agreements with DBG Austin South LLC (dba La Quinta Inn) and DBG Austin Hotel LLC (dba Days Inn) to provide temporary residence for people experiencing homelessness. These agreements were entered into in accordance with the state of disaster declarations by Governor Abbott and Mayor Adler.

Under these agreements, the City leased two hotels, La Quinta Inn, located at 4200 South I-35 and Days Inn, located at 3105 North I-35. The initial agreements were for 60-day terms, with options to extend for two

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additional 30-day terms. These initial agreements were extended several times over the duration of the pandemic.

Upon surrender of the hotels, certain repairs had to be made at each of the properties. There is an outstanding balance due to DBG Austin South LLC for the La Quinta Inn repair costs but insufficient funds remain on that contract. This deficiency, in the amount of \$88,268, can be satisfied by a reallocation of funds from the DBG Austin Hotel, LLC contract. While DBG Austin South LLC and DBG Austin Hotel LLC are separate corporations, all members of DBG Austin South LLC are also members of DBG Austin Hotel LLC.