

Overview – Hotel Whitcomb

- ▶ Hotel Whitcomb: 459 Rooms
- ▶ (Largest of the City's Shelter-in-Place Hotels by about 3x)
- ▶ The Issue: City will soon exceed the \$10,000,000 contract authority allowable under the Charter.
- ▶ Because the 2-month emergency ordinance was not re-enacted, we are not able to exceed that budget authority without Board approval.
- ▶ HSA is requesting authority to increase the contract sum in order to allow the City to potentially remain at the Hotel through the end of the fiscal year (June 2021).
- ▶ City can terminate the contract prior to its expiration with 60 days' notice.

Deal Points – Original Contract

- ▶ Term: Began on April 8th through August 8, 2020
 - ▶ 4 months (or 122 nights)
 - ▶ City sent notice to extend on a month-to-month basis in July.
- ▶ Rooms: 459
- ▶ Room Rate: \$99 per room night
 - ▶ HSA controls the entire hotel as we do not want to co-mingle with other general populations
- ▶ Budget of \$75,000 per month for linens
- ▶ Budget of \$750,000 per month for food service
- ▶ 4-month subtotal: **\$9,675,372**

Deal Points – 1st & 2nd Amendment

- ▶ Done administratively under Emergency Ordinance Authority
- ▶ First Amendment from May 2020: amended to include FEMA Reimbursement Requirements
- ▶ Second Amendment from July 2020: amended to increase contract total to **\$9,990,000** to add additional authority until the 3rd Amendment is signed

Deal Points – 3rd Amendment

- ▶ TODAY's Proposed Third Amendment: Rates, terms and conditions remain, except:
- ▶ Potential **term is extended** to give City site control until through the night of June 30, 2021
 - ▶ City can unilaterally terminate earlier on 60 days' notice.
- ▶ The **contract sum is increased** accordingly to account for an additional 10+ months from today.
 - ▶ Additional **\$25,618,542** added to \$9,990,000 for a **total amount not to exceed \$35,608,542***
 - ▶ *Unless earlier terminated with 60 days' notice by City

Questions?

Director Trent Rhorer from HSA is here to answer your questions regarding the program and the continued need for the space.

I am happy to answer your questions regarding the contract terms.