

April 25, 2024

BCC Agenda Date/Item: _____

Board of County Commissioners
 Clackamas County

Approval of Amendment #1 extending the duration and funding of a contract with Dirgesh LLC, dba Econo Lodge Southeast for On-Call Hotel Rooms for temporary housing and shelter. Amendment value is \$1,085,500 for one year. Contract value increased to \$2,106,000 for two years. Funding is through Metro Supportive Housing Services Measure funds. No County General Funds are involved.

Previous Board Action/Review	June 08, 2023 – 20230608 I.C.1 Original Contract approved April 23, 2024 – Briefed at Issues		
Performance Clackamas	1. Ensure safe, healthy, and secure communities		
Counsel Review	Yes	Procurement Review	Yes
Contact Person	Vahid Brown	Contact Phone	971-334-9870

EXECUTIVE SUMMARY: The Housing and Community Development Division of Health, Housing & Human Services seeks approval of Amendment #1 to the contract with Dirgesh LLC dba Econo Lodge Southeast. Amendment #1 adds funding and extends the term for an additional year for up to 27 on-call hotel rooms for temporary housing. These rooms provide safe and temporary housing to some of the most vulnerable individuals experiencing homelessness in the County while partner agencies assist them with obtaining permanent housing. These rooms can also provide emergency shelter during severe weather events or other emergencies.

Program participants sheltering these rooms receive supportive services through The Father’s Heart Street Ministries. Services include, but are not limited to, case management, individualized resource referral, and connection, facilitating conflict resolution between hotel owners/management and program participants, and housing navigation assistance. Program participants are also connected to additional services and an ongoing rental subsidy to facilitate their placement into permanent supportive housing.

There is a continued need for these crucial services to support the County’s homeless services programming. Amendment #1 extends the term of services for one year through June 30, 2025. The total cost for the additional year of services is \$1,085,500, bringing the two-year contract total to \$2,106,000. Funding is through Supportive Housing Services funding. No County General Funds are involved.

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RECOMMENDATION: Staff respectfully recommend that the Board of County Commissioners approve Amendment #1 to the contract with Dirgesh LLC, dba Econo Lodge Southeast, to provide on-call hotel rooms for temporary housing participants. Staff also recommends that the Board authorize Commissioner Tootie Smith, Chair, to sign the contract on behalf of the County.

Respectfully submitted,

Rodney A. Cook

Rodney A. Cook
Director of Health, Housing & Human Services

AMENDMENT #1
TO THE CONTRACT DOCUMENTS WITH DIRGESH LLC dba ECONO LODGE
SOUTHEAST
Contract #11086

This Amendment #1 is entered into between **Dirgesh LLC dba Econo Lodge, Southeast** (“Contractor”) and **Clackamas County** (“County”) and shall become part of the Contract documents entered into between both parties on June 8, 2023 (“Contract”).

The purpose of this Amendment #1 is to make the following changes to the Contract:

1. **Article I, TERM**, is hereby amended as follows:

The Contract term is hereby extended from June 30, 2024, to **June 30, 2025**. The Contract may be extended, upon execution of one or more written amendments by both parties, for up to two (2) one-year terms.

2. **Article III, COMPENSATION/CONTRACT DOCUMENTS AND CONTACTS, Section 1, PAYMENT**, is hereby amended as follows:

In consideration for Contractor providing on-call motel rooms during the extended term of the Contract, the maximum amount County may Contractor, from available and authorized funds, is hereby increased by an additional Nine Hundred Eighty-Five Thousand Five Hundred dollars (\$985,500.00). Because this Contract is on an on-call or as-needed basis, and the exact number of rooms required by County, if any, is unknown, nothing herein shall be construed as a promise to pay Contractor the entire \$985,500.00 authorized under this Amendment #1.

The total compensation authorized, including all possible damages under Article IV, Section IO, under this Amendment #1 shall not exceed \$1,085,500. The total Contract consideration shall not exceed \$2,106,000.

ORIGINAL CONTRACT	\$ 1,020,500.00
<u>AMENDMENT #1</u>	<u>\$ 1,085,500.00</u>
TOTAL AMENDED CONTRACT	\$ 2,106,000.00

3. **Article IV, CONTRACT PROVISIONS, Section 10, Limitation of Liabilities, Subsection (b), Damage to Premises**, is hereby replaced with the following:

Damages to the Premises arising from the acts of individuals staying in the rooms (“Guest” or “Guests”) shall not exceed \$72,500 per year of the Contract. The County shall not be liable to Contractor for any damages caused by Guests in excess of the \$72,500 per year amount provided herein. The reimbursement provided herein is Contractor’s sole remedy against County for the acts or omissions of Guests.

Except as expressly amended above, all other terms and conditions of the Contract shall remain in full force and effect. By signature below, the parties agree to this Amendment #1, effective upon the date of the last signature below.

Dirgesh, LLC dba Econo Lodge Southeast

<u><i>Dirgesh Patel</i></u>	<u>3/19/2024</u>
Authorized Signature	Date
<u>Dirgesh Patel / Owner</u>	
Name / Title (Printed)	

CLACKAMAS COUNTY

Chair, Tootie Smith
Commissioner, Paul Savas
Commissioner, Martha Schrader
Commissioner, Mark Shull
Commissioner, Ben West

<u>Tootie Smith, Chair</u>	<u>Date</u>
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Approved as to Form:

<u></u>	<u>03/21/2024</u>
County Counsel	Date