



City of Austin

Recommendation for Action

File #: 24-4459, **Agenda Item #:** 43.

5/2/2024

Posting Language

Authorize negotiation and execution of an amendment to the agreement with Austin-Travis County Mental Health and Mental Retardation Center d/b/a Integral Care for renovating the Bungalows at Century Park (formerly known as the Texas Bungalows Hotel and Suites) located at 13311 Burnet Road, Austin, Texas to add an additional \$2,323,526.59, for a total contract amount not to exceed \$4,084,739.02.

Lead Department

Housing Department.

Fiscal Note

Funding in the amount of \$1,000,000 is available in the Fiscal Year 2023-2024 Operating Budget of the Homeless Strategy Office. Funding in the amount of \$1,323,526.59 is available in the Capital Budget of the Housing Department.

Prior Council Action:

November 30, 2023 - Council authorized negotiation and execution of a second amendment to the agreement with Austin-Travis County Mental Health and Mental Retardation Center d/b/a Integral Care for renovating the Bungalows at Century Park (formerly known as the Texas Bungalows Hotel & Suites) located at 13311 Burnet Road, Austin, Texas 78727 to add an additional \$397,002.03 for a total contract amount not to exceed \$1,761,212.43.

August 31, 2023 - Council authorized negotiation and execution of an amendment to the agreement with Austin-Travis County Mental Health and Mental Retardation Center d/b/a Integral Care for renovating the Bungalows at Century Park (formerly known as the Texas Bungalows Hotel and Suites) located at 13311 Burnet Road, Austin, Texas, to extend the term of the agreement to May 30, 2024, and provide for an additional extension of the term if needed.

Feb 3, 2022 - Council authorized negotiation and execution of a contract with Integral Care to fund renovations at the Texas Bungalows Hotel and Suites located at 13311 Burnet Road, Austin, Texas 78727, a hotel conversion project to create permanent supportive housing, for a one-year term for a total contract amount not to exceed \$1,364,210.40.

January 27, 2021 - Council authorized negotiation and execution of the purchase of the property located at 13311 Burnet Road, Austin, Texas 78727 for a total amount not to exceed \$6,700,000, including closing costs. The purchase was executed on July 30, 2021.

For More Information:

Mandy DeMayo, Interim Director, Housing Department, 512-974-1091; Angela Means, Interim Deputy Director, Housing Department, 512-974-1534.

Additional Backup Information:

If approved, The Housing Department will be authorized to negotiate and execute a third amendment to the agreement with Austin-Travis County Mental Health and Mental Retardation Center d/b/a Integral Care (Integral Care) for renovating the Bungalows at Century Park (formerly known as Texas Bungalows Hotel and Suites) located at 13311 Burnet Road, Austin, Texas 78727 Texas to add an additional \$2,323,526.59 for a total contract amount not to exceed \$4,084,739.02.

Additional funds are needed to complete the rehabilitation of the former hotel and include costs associated with exterior cracking of the façade, roof repair, previous damage from flooding, and construction price escalation.

Due to a number of delays, including foundation repair, exterior cracking, and roof repair, the term of the contract will be extended through December 31, 2024. An additional extension of the term of the contract was previously authorized by Council on August 21, 2023, but is only now being used to extend the contract through the end of 2024.

Following the renovation of the property, Integral Care will operate the facility, which will include 60 fully furnished efficiency apartments. Each apartment will contain one bed. Eligible individuals will be single adults with a documented history of chronic homelessness and a disabling condition. This is a permanent resident site where individuals will receive a yearly lease to live in the facility. To ensure that individuals have access to the right level of care to support their recovery and maintain housing, Integral Care will provide onsite support services, including case management, service coordination, living skills training, housing stability support, assistance accessing basic needs, and community building activities.