





Purchasing Division
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DATE: April 6, 2020

TO: Duluth City Council

FROM: Amanda Ashbach
City Purchasing Agent

SUBJECT: Notice of Emergency Purchase

This memorandum serves as official notice under City Code 41-27 that the city has entered into an agreement with ZMC Hotels, LLC to provide lodging space at the Downtown Duluth Inn located at 131 W 2ND STREET, DULUTH, MN 55802. The agreement covers up to forty-five (45) rooms at a cost of \$50 per day for an initial thirty (30) days. The total cost of the agreement may not exceed \$67,500 for the initial term. The initial agreement term is through May 5, 2020, but may be extended upon fourteen days' advance notice.

Due to the COVID-19 pandemic, the city has an immediate need for alternative lodging for individuals experiencing homelessness. The agreement with ZMC Hotels, LLC will allow the most at-risk asymptomatic individuals to shelter in place; reducing the population utilizing the existing shelter site at CHUM, providing more space and fewer people in a congregate setting, and lessening the chance of the virus spreading. Several locations were reviewed for use; the Downtown Duluth Inn was deemed the best option due to its location, direct outdoor access from the rooms, cost and other factors.

This agreement is part of a combined effort between the city, CHUM and St Louis County. City Emergency Management has applied for a grant from the Minnesota Department of Human Services Emergency Services Program that will cover the cost of the agreement. CHUM will be providing staffing and meal assistance.

Approved:

Noah Schuchman, Chief Administrative Officer