



Strengthening our community by creating opportunities for diverse housing alternatives.

**Board of Commissioners
Minutes of Regular Meeting
July 9, 2020 at 6:00 p.m.**

The regular meeting of the South Metro Housing Options (SMHO) Board of Commissioners was held on Thursday, July 9, 2020 at 6:00 p.m. MDT remotely via Zoom Video Communications meeting link <https://us02web.zoom.us/j/89693579171?pwd=cThuSWJ4WGxyRDA1U1N5c1MyczYyQT09>, or dial-in number 346-248-7799.

Commissioners Present

Kyle Henderson, Chairman
Pat Cronenberger, Vice Chairperson
Aaron Heumann, Commissioner
Mike Madrid, Commissioner
Stewart Meagher, Commissioner
Sandra Petry, Resident Commissioner

Commissioners Absent

Aubrey Ebbs, Commissioner

SMHO Leaders/Others Present

Corey Reitz, Executive Director
Lauren Money, Deputy Director &
Director of Finance
Iván Anaya, Director of Real Estate
Kelly Milliman, Littleton City Council

Board Meeting Minutes

Call to Order

Chairman Henderson called the meeting to order on July 9, 2020 at 6:05 p.m. MDT. A quorum of members was present, and the meeting was ready to proceed with business. Upon the meeting being called to order, Chairman Henderson represented the Board of Commissioners by reading the SMHO mission statement.

Review of the Agenda

Chairman Henderson reviewed the agenda. The agenda was amended to remove the resolution for the Letter of Intent as there were no significant changes from the first version. The agenda was adopted by the Board as amended.

Unscheduled Public Appearances

There were no unscheduled public appearances.

Scheduled Public Appearances

There were no scheduled public appearances.

VOTE: Approval of the Minutes of June 11, 2020 Regular Meeting

Vice Chairperson Cronenberger suggested a revision to the Minutes of the June 11, 2020 Regular Meeting to include Littleton City Council Member Kelly's last name, Milliman, on page five (5). Upon motion duly made by VICE CHAIRPERSON CRONENBERGER and seconded by COMMISSIONER HEUMANN, THE BOARD UNANIMOUSLY VOTED TO APPROVE THE MINUTES OF THE JUNE 11, 2020 REGULAR MEETING WITH THE REVISION ON THE FIFTH PAGE.



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AYE: Chairman Henderson, Vice Chairperson Cronenberger, Commissioner Heumann, Commissioner Madrid, Commissioner Meagher, and Commissioner Petry

NAY: None

ABSTAIN: None

ABSENT: Commissioner Ebbs

MOTION CARRIED: 6:0:0

Finance Committee Commissioner Report

Commissioner Meagher provided an update from the Finance Committee. The Committee’s review and discussion provided a good picture of where SMHO is and where SMHO needs to focus. The minutes from the July 6, 2020 Finance Committee meeting were provided to the Board for review.

VOTE: Financial Reports

Deputy Director & Director of Finance, Lauren Money, presented the financial reports. Financial statements and project results were reported as of June 30, 2020, except for LBALC, which was reported as of May 31, 2020. A high-level overview was provided, and budget variances were examined.

Upon motion duly made by VICE CHAIRPERSON CRONENBERGER and seconded by COMMISSIONER HEUMANN, THE BOARD UNANIMOUSLY VOTED TO APPROVE THE FINANCIAL REPORTS AS OF JUNE 30, 2020 FOR SMHO AND POWERS CIRCLE APARTMENTS AND AS OF MAY 31, 2020 FOR LBALC.

AYE: Chairman Henderson, Vice Chairperson Cronenberger, Commissioner Heumann, Commissioner Madrid, Commissioner Meagher, and Commissioner Petry

NAY: None

ABSTAIN: None

ABSENT: Commissioner Ebbs

MOTION CARRIED: 6:0:0

Resolutions

VOTE: 20-07: SMHO Affiliate—Real Estate/Development

Director of Real Estate, Iván Anaya, presented and recommended the approval of Resolution 20-07, which authorizes the formation of a special purpose entity to serve as the developer for the conversion project. The affiliate entity will be named South Metro Property Corporation because it will be the umbrella entity. The sales proceeds from the public housing units will also be housed under this affiliate. SMHO will be the holding company of South Metro Property Corporation.

Section 2(b) was noted as the most important section of the resolution as it essentially ensures control of the affiliate by the SMHO Board. The affiliate will have a four (4) person board including two (2) ex-officio SMHO Board or staff members. The other two (2) members will not be currently connected to SMHO. To prevent tie breakers, all major decisions are to be of unanimous approval. Any major asset decision, decision to



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take on liability, transfer assets, or do anything that is going to change the direction of the purpose of the entity or the proceeds of the fifty-nine (59) homes will require unanimous decision.

The goal of the resolution is to authorize the formation of the entity based on the stipulations that are shown and allow work on the associated documentation. Appointment and/or election of the board members of South Metro Property Corporation will be addressed in the bylaws. The documents are expected to be ready within the next few weeks and will be made available to the Board for edits.

Upon motion duly made by CHAIRMAN HENDERSON and seconded by VICE CHAIRPERSON CRONENBERGER, THE BOARD UNANIMOUSLY VOTED TO APPROVE RESOLUTION 20-07, AUTHORIZING THE FORMATION OF SOUTH METRO PROPERTY CORPORATION TO SERVE AS THE DEVELOPER FOR THE CONVERSION PROJECT, WITH THE FOLLOWING AMENDMENT THAT SECTION 2A IDENTIFIES THE NEED FOR AT LEAST ONE MEMBER OF THE SMHO BOARD OF COMMISSIONERS ON THE NEW ENTITY BOARD AND THAT THE SMHO BOARD WILL APPROVE THE BYLAWS OF THE NEW ENTITY WITHOUT VIOLATING INSTRUMENTALITY.

AYE: Chairman Henderson, Vice Chairperson Cronenberger, Commissioner Heumann, Commissioner Madrid, Commissioner Meagher, and Commissioner Petry

NAY: None

ABSTAIN: None

ABSENT: Commissioner Ebbs

MOTION CARRIED: 6:0:0

VOTE: 20-08: SMHO Affiliate—Supportive Services

Mr. Anaya presented and recommended the approval of Resolution 20-08, which authorizes the formation of a special purpose entity to serve as the supportive service provider for SMHO's portfolio. The goal of this resolution is to allow for fundraising for supportive services. Instrumentality for this affiliate is not a concern. Mr. Anaya will verify with the attorneys as to whether the SMHO Board can act as the Board for this affiliate.

Upon motion duly made by CHAIRMAN HENDERSON and seconded by COMMISSIONER MADRID, THE BOARD UNANIMOUSLY VOTED TO APPROVE RESOLUTION 20-08, AUTHORIZING THE FORMATION OF A SPECIAL PURPOSE ENTITY TO SERVE AS THE SUPPORTIVE SERVICE PROVIDE FOR SMHO'S PORTFOLIO, WITH THE AMENDMENT THAT THE SMHO BOARD IS THE AUTHORITY/VOTING BODY OF THE SINGLE PURPOSE ENTITY.

AYE: Chairman Henderson, Vice Chairperson Cronenberger, Commissioner Heumann, Commissioner Madrid, Commissioner Meagher, and Commissioner Petry

NAY: None

ABSTAIN: None

ABSENT: Commissioner Ebbs

MOTION CARRIED: 6:0:0



Staff Reports

Real Estate and Development Update

Mr. Anaya provided an update on Real Estate and Development. The focus is currently on Section 22 and next steps. The resolution for the affiliate entity that was approved during the meeting was noted as a significant step forward. An inventory of the properties is underway, which includes looking at entitlements, putting together a progression plan, and working with consultants to put together the relocation plan simultaneously. Approval on the Section 22 conversion is expected within the next forty-five (45) days, assuming that there is not another round of questions. Strategic and planning sessions will be scheduled to ensure that goals are met, and additional opportunities are explored. Resident Services Manager, Kathie Covell, has been communicating with residents about Section 22 to gain a better understanding about who will move, who will take the tenant protection voucher, and who will work with Habitat for Humanity to purchase.

Littleton Housing Taskforce

Executive Director Reitz provided an updated on the Littleton Housing Taskforce. Karl Onsager, Planner for the City of Littleton Community Development Department, addressed the 6,550 housing units needed in the Comprehensive Plan. Mr. Reitz would like the information to be provided to the Board.

Molly Fitzgerald has been asked to move forward with refreshing select data in the Comprehensive Plan, which will cost SMHO \$4,775. This is great timing with the Unified Land Use Code (ULUC) process that is going on with the city. The refreshed data is expected on August 7, 2020. The public comment period for the ULUC is open through the end of July and the Board discussed the best approach. The Board recommended giving an update on the Littleton Housing Taskforce during the three (3) minute public comment period of the next Littleton City Council meeting on July 21, 2020. Chairman Henderson and Executive Director Reitz committed to calling in. Ms. Milliman will reach out to add the Taskforce to an upcoming Council meeting agenda and suggested potentially waiting until the end of August when the updated data is available and can be presented.

HUD Annual Plan – Goals & Objectives

Executive Director Reitz discussed the goal and objectives from the HUD Annual Plan. The document was updated to be more detailed with action items and deadlines in order to make it more practical. This will be a living document that is updated on a regular basis. The Board discussed and deliberated the details.

Communications Update

Executive Director Reitz provided an update on Kim DeCero and the Communications Department. Ms. DeCero recently conducted a signage audit and created a policy around that. She did the same for email signatures to ensure consistency throughout the organization. The resident newsletters have been updated, as well, and refrigerator magnets have been created with information pertaining to supportive services. Ms. DeCero has been spending a lot of time in the Comprehensive Plan and the Housing Study. She has reached out to Kathleen Osher and Kelly Nardi to introduce herself and let them know that she is here. The Board discussed the potential for Kim to attend Housing Colorado conferences and her involvement in the ULUC process.

Next Gen Meeting

Mr. Reitz discussed the Next Gen meeting that he recently attended. The group has a subcommittee that seems to be focused on housing. Mr. Reitz and Mr. Anaya met with them and spoke about South Metro Housing Options, Affordable Housing, and the ULUC process. The group is open to learning more and has requested additional resources about affordable housing. They will meet again soon. The group's perspective will be valuable and Mr. Reitz looks forward to providing resources and helping them.



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Commissioner Reports

The Housing Now conference will be virtual and Board members are encouraged to sign up for it. The annual Board retreat was planned for October 9, 2020 but will probably need to be a virtual meeting. Chairman Henderson will send a doodle poll shooting for an October date. *Golden Gates* was discussed. Mr. Henderson will send out a deadline to finish the book. The Board discussed potentially bringing in some of the people referenced in the book for a Zoom meeting. Chairman Henderson and Commissioner Meagher will work on it offline.

The previous book club book, *Eviction*, was mentioned. Commissioner Madrid suggested watching the John Oliver segment on eviction where he references the book.

Commissioner Madrid went through the Board bylaws. He noted that the annual meeting should be in May according to the bylaws, which is when the Chair and Vice Chair are to be re-elected. He proposed moving the annual meeting to October. There are a few things that can be removed from the bylaws such as the agenda. Mr. Madrid did some research on Robert's Rules and it is not necessary to include an outline of the agenda in the bylaws. He will provide a recommendation of changes to the bylaws in the next meeting. Legal counsel review prior to the next meeting was suggested.

The review criteria for the annual evaluation of Mr. Reitz will be discussed in the August Board meeting. Feedback will be provided to the Governance Committee in order to finalize the self-evaluation for Corey, which will be provided to him right after the meeting with a two (2) week turnaround. The Governance Committee will review his answers and develop a recommendation for the Board to review in September. The evaluation will be returned to Mr. Reitz by October 1, 2020. This timeline will get the Board back on schedule.

Other Business

No other business was discussed.

Next Meeting

The next Board of Commissioners of South Metro Housing Options meeting is scheduled for August 13, 2020 at 6:00 p.m. MDT. The meeting will be held virtually on Zoom.

Adjournment

Upon motion duly made by COMMISSIONER HEUMANN and seconded by COMMISSIONER MADRID, THE BOARD UNANIMOUSLY VOTED TO ADJOURN THE REGULAR BOARD MEETING ON JULY 9, 2020 AT 8:02 p.m. MDT. The motion carried.



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ATTEST:

X

Kyle Henderson
Chairman

X

Corey Reitz
Secretary