



Strengthening our community by creating opportunities for diverse housing alternatives.

**Board of Commissioners
Minutes of Regular Meeting
November 12, 2020 at 6:00 p.m.**

The regular meeting of the South Metro Housing Options (SMHO) Board of Commissioners was held on Tuesday, November 12, 2020 at 6:00 p.m. MST remotely via Zoom Video Communications Meeting ID: 896 9357 9171 and Password: 511286, or dial-in number (253) 215-8782.

Commissioners Present

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

Commissioners Absent

None

SMHO Leaders/Others Present

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

Board Meeting Minutes

Call to Order

Chairman Henderson called the meeting to order on November 12, 2020 at 6:07 p.m. MST. A quorum of members was present, and the meeting was ready to proceed with business.

Review of the Agenda

Chairman Henderson reviewed the agenda. The agenda was adopted by the Board.

Unscheduled Public Appearances

There were no unscheduled public appearances.

Scheduled Public Appearances

There were no scheduled public appearances.

VOTE: Approval of the Minutes of October 6, 2020 Regular Meeting

Upon motion duly made by COMMISSIONER HEUMANN and seconded by COMMISSIONER EBBS, THE BOARD UNANIMOUSLY VOTED TO APPROVE THE MINUTES OF THE OCTOBER 6, 2020 REGULAR MEETING.

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



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NAY: None

ABSTAIN: None

ABSENT: None

MOTION CARRIED: 6:0:0

Financial Reports

VOTE: SMHO, Powers Circle Apartments, & LBALC Financial Reports

Deputy Director & Director of Finance, Lauren Money, presented the financial reports. Financial statements and project results were reported as of September 30, 2020 and October 31, 2020, except for Libby Bortz Assisted Living Center (LBALC), which was reported as of August 31, 2020 and September 30, 2020. A high-level overview was provided on the balance sheets, income statements, and project results. Changes to account balances and budget variances were examined. On a consolidated basis (excluding LBALC and Powers Circle Apartments (PCALLP)), SMHO ended the fiscal year in a strong financial position. The accounts payable ratio was a bit elevated due to end-of-year accruals and the resident accounts receivable ratio indicates that resident charges need to be collected in a more timely manner, some of which are a product of the COVID-19 pandemic. LBALC and PCALLP are still in the red in terms of liquidity and leverage ratios and will continue to be closely monitored.

The Board inquired about a plan to get LBALC and PCALLP out of the red. The necessity of filling vacancies was discussed including applications in process. Staff is aware of current vacancy levels and the impact on the financial position of each property, as well as the organization as whole. Strategies were noted and are being implemented in an effort to reduce the number of vacancies in each property.

Upon motion duly made by COMMISSIONER MEAGHER and seconded by COMMISSIONER EBBS, THE BOARD UNANIMOUSLY VOTED TO APPROVE THE FINANCIAL REPORTS AS OF SEPTEMBER 30, 2020 AND OCTOBER 31, 2020 FOR SMHO AND POWERS CIRCLE APARTMENTS AND AS OF AUGUST 31, 2020 AND SEPTEMBER 30, 2020 FOR LBALC.

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

NAY: None

ABSTAIN: None

ABSENT: None

MOTION CARRIED: 6:0:0

Powers Circle 2021 Budget—Draft

Ms. Money next presented the draft of the PCALLP 2021 budget. Significant anticipated year-over-year (YoY) changes were explained and deliberated by the Board. The Board expressed concern with increases to maintenance salaries and advised the review of allocations. Ms. Money noted that adjustments would need to be made before finalizing and presenting to the Board for approval in the December regular meeting.



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The Board discussed potential barriers for obtaining the desired occupancy levels at PCALLLP. The market study done by the Director of Housing was mentioned and is being utilized to compare PCALLLP to other Low-Income Housing Tax Credit (LIHTC) properties in Littleton. Staff plans to take a deeper dive into this study in order to understand potential deterrents and implement changes and/or upgrades to accommodate residents. The Board recommended comparing to non-LIHTC properties in the immediate area, as well, while keeping in mind that they may have more flexibility (in terms of rental rates and other charges) than LIHTC properties. Market dynamics, especially during the pandemic, were discussed. In the future for this type of acquisition/rehabilitation LIHTC, available amenities will be considered in relation to area median income (AMI).

Resolutions

VOTE: Resolution 20-12: Housing Choice Voucher (HCV) 2021 Payment Standards

Ms. Money presented and recommended the approval of Resolution 20-12 adopting the 2021 Payment Standards for the Section 8 Housing Choice Voucher Program as described in the proposed schedule and 100% of the fair market rent (FMR) for Assisted Living Centers. The methodology for determining the payment standards was explained with the goal to help the largest number of families possible given current and expected market rental rates as well as the Agency budget authority.

Upon motion duly made by VICE CHAIRPERSON CRONENBERGER and seconded by COMMISSIONER MEAGHER, THE BOARD UNANIMOUSLY VOTED TO APPROVE RESOLUTION 20-12, ADOPTING THE 2021 PAYMENT STANDARDS FOR THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM.

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

NAY: None

ABSTAIN: None

ABSENT: None

MOTION CARRIED: 6:0:0

VOTE: Resolution 20-13: HCV 2021 Utility Allowance Schedule

Executive Director, Corey Reitz, presented and recommended the approval of Resolution 20-13 adopting the updated Littleton/Arapahoe County utility allowance schedule for the Section 8 Housing Choice Voucher Program. Mr. Reitz explained that if the utility allowance goes up or down, rent is adjusted proportionately. Just a small change was made to the utility allowance for 2021 with the total around \$10 for all bedroom sizes.

Upon motion duly made by COMMISSIONER MEAGHER and seconded by COMMISSIONER HEUMANN, THE BOARD UNANIMOUSLY VOTED TO APPROVE RESOLUTION 20-13, ADOPTING THE 2021 UTILITY ALLOWANCE SCHEDULE FOR THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM.

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

NAY: None

ABSTAIN: None



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ABSENT: None

MOTION CARRIED: 6:0:0

VOTE: Resolution 20-14: Public Housing Utility Allowance Schedule

Mr. Reitz next presented and recommended the approval of Resolution 20-14 adopting the updated utility allowance schedule for the Family Public Housing Program. Average costs were analyzed for various sizes and types of units, and the proposed changes to allowances will have minimal impact on residents.

Upon motion duly made by COMMISSIONER MEAGHER and seconded by VICE CHAIRPERSON CRONENBERGER, THE BOARD UNANIMOUSLY VOTED TO APPROVE RESOLUTION 20-14, ADOPTING THE 2021-2022 UTILITY ALLOWANCE SCHEDULE FOR THE FAMILY PUBLIC HOUSING PROGRAM.

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

NAY: None

ABSTAIN: None

ABSENT: None

MOTION CARRIED: 6:0:0

Staff Reports

Operations Update

Jamie Hensley, Director of Operations, provided the Board with a SMHO operations update, including COVID-19 procedures and staffing. The new Yardi portals that were recently added were described. These portals will allow the Agency to operate more efficiently and move towards becoming paperless. Ms. Hensley will be taking over direct supervision of the Resident Services staff while the department and program is restructured.

Littleton Housing Taskforce Update

Mr. Reitz provided an update on the Littleton Housing Taskforce. They are working on a few key items right now including inventory of underutilized vacant land in Littleton, which came from the Housing Study recommendations, and determining an affordable housing inclusive housing ordinance that will be brought to City Council.

Commissioner Reports

Commissioner Madrid had to move out of state, forcing him to resign from the Board. He was recognized for his time on and contribution to the Board. The Board will maintain with six commissioners until next year when they will need to replace two commissioners. Vice Chairperson Cronenberger will be joining the Board Governance Committee in Commissioner Madrid's absence.

Other Business

Ismael Guerrero, Mercy Housing's new President and CEO, is giving a talk about zoning and housing on November 17, 2020 through Downtown Colorado Inc. Mr. Reitz forwarded the information and asked the Commissioners to contact him if they are interested in attending.



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Next Meeting

The next Board of Commissioners of South Metro Housing Options meeting is scheduled for December 10, 2020 at 6:00 p.m. MST. The meeting will be held virtually on Zoom.

Executive Session

The Board of Commissioners of South Metro Housing Options was called into Executive Session by Chairman Henderson at 7:35 p.m. MST as provided in Title 24, Article 6 (Colorado Sunshine Law), Part 4 (Open Meeting Law): Sub-section 24-6-402(4)(a), CRS to discuss the purchase, acquisition, lease, transfer or sale of any real, personal, or other property interest; Sub-section 24-6-402(4)(f), CRS to discuss personnel matters.

Adjournment

Upon motion duly made by COMMISSIONER HEUMANN and seconded by COMMISSIONER MEAGHER, THE BOARD UNANIMOUSLY VOTED TO ADJOURN THE REGULAR BOARD MEETING ON NOVEMBER 12, 2020 AT 8:43 p.m. MST. The motion carried.

ATTEST:

X

Kyle Henderson
Chairman

X

Corey Reitz
Secretary