



*Strengthening our community by creating opportunities for diverse housing alternatives.*

---

**Board of Commissioners  
Minutes of Regular Meeting  
December 10, 2020 at 6:00 p.m.**

---

The regular meeting of the South Metro Housing Options (SMHO) Board of Commissioners was held on Tuesday, December 10, 2020 at 6:00 p.m. MST remotely via Zoom Video Communications Meeting ID: 896 9357 9171 and Password: 511286, or dial-in number (346) 248-7799.

**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  
Chuck Dodson, Maintenance  
Supervisor  
Emma Mallory, Executive Director  
of Libby Bortz Assisted Living  
Kelly Milliman, Littleton City  
Council  
Pam Khadbourne, Community  
Member

## **Board Meeting Minutes**

### **Call to Order**

Chairman Henderson called the meeting to order on December 10, 2020 at 6:03 p.m. MST. 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 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 November 12, 2020 Regular Meeting**

Upon motion duly made by VICE CHAIRPERSON CRONENBERGER and seconded by COMMISSIONER MEAGHER, THE BOARD UNANIMOUSLY VOTED TO APPROVE THE MINUTES OF THE NOVEMBER 12, 2020 REGULAR MEETING.



South Metro Housing Options

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

### **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 November 30, 2020 except for Libby Bortz Assisted Living Center (LBALC), which was reported as of October 31, 2020. A high-level overview was provided and changes to account balances and budget variances were examined. On a consolidated basis (excluding LBALC and Powers Circle Apartments (PCALLP)), SMHO remained in a strong financial position. The resident accounts receivable ratio continues to be elevated, which again is predominantly a result of the impact from the COVID-19 pandemic. SMHO staff is working with residents to drive those balances down. The financial position of LBALC and PCALLP remain on close watch while SMHO staff focuses on improving occupancy.

LBALC was discussed in more detail as expenditures were controlled in order to offset vacancy loss. The primary driver was salaries, which were under budget in all three categories including administrative, resident services, and maintenance.

The Board suggested accepting the financial reports based on the dashboard and Finance Committee meeting minutes as well as highlighting the financial position paragraph in the Finance Committee minutes for future meetings.

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



## Resolutions

### ***VOTE: Resolution 20-15: Powers Circle 2021 Budget***

Ms. Money presented and recommended the approval of Resolution 20-15 adopting the Powers Circle 2021 budget. Revisions made since the review of the draft in the December 2020 Board meeting were noted, including changes to the vacancy factor and associated rental revenues, adjustments to payroll allocations and other related expenses, slight changes to the assumptions for utility expenses, and modifications to general expenses resulting from updated, more precise assumptions. Overall, total operating revenues are expected to increase by \$52,689. Total operating expenses are expected to increase by \$16,920, primarily driven by an anticipated increase in bad debt of \$36,819. The budget projects a net loss of \$183,988 with an adjusted net operating income of \$198,907, operating margin of 27.7%, and debt service coverage ratio (DSCR) of 1.06.

Upon motion duly made by VICE CHAIRPERSON CRONENBERGER and seconded by COMMISSIONER MEAGHER, THE BOARD UNANIMOUSLY VOTED TO APPROVE RESOLUTION 20-15, ADOPTING THE ALLOCATION OF THE 2021 POWERS CIRCLE APARTMENTS, LLLP OPERATING BUDGET AS PRESENTED.

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

### ***LBALC Update***

Emma Mallory, LBALC Executive Director, provided an update to the Board. She and the LBALC Business Office Manager, Colleen Dennis, met with Ms. Money to discuss getting LBALC on the same financial reporting schedule. They expect to be on the same schedule for the December financials.

Ms. Mallory mentioned occupancy, which was at 84, with 3 more move-ins expected by the end of December and 3 more anticipated for January. Some of the referrals that they have received are waiting until COVID is over. So far, there has been a steady stream of referrals coming in. Many of the referrals are coming from Innovage, but the cap on Innovage residents has been removed as LBALC needs the revenue.

COVID testing was discussed including the timing and frequency, and a new process that will be starting this week. Staffing has been difficult, but they are doing their best to keep staff motivated. They transitioned to a new chef, which will help with costs and is a work in progress as they adapt the menu for residents. There has been much anticipation surrounding the vaccine and as such, they are trying to educate residents and staff as they get information. Donations for staff and residents were considered.



## South Metro Housing Options

### ***Maintenance Update***

Chuck Dodson, SMHO Maintenance Supervisor, provided an update on the maintenance department. They are still only attending to emergency work orders and vacancies. The department has experienced some challenges with COVID due to potential exposure, but they have worked through those challenges. They have several new staff members on board, and they have been able to take advantage of the current situation with COVID to provide training to the new staff.

Mr. Dodson then provided a high-level overview of maintenance at each of the properties. At Alyson Court, the elevator modernization project was completed, which included new pumps and new electrical in the elevator room. Parking lot repairs were also recently completed along with the energy outreach lighting project. Roof repairs, a new HVAC system, and rewiring and an upgrade of the fire alarm system have been completed at Amity Plaza. Everything related to the flood on the 7<sup>th</sup> floor at Amity has been resolved. At Powers Circle, the boilers were replaced at each of the buildings along with a new irrigation backflow, which has made a huge difference. Bradley House also had energy outreach lighting upgrades and is in need of a parking lot upgrade. Tree pruning has been required in Public Housing and the vacant units are being monitored daily. Upcoming maintenance includes backflows in the Love Inc. building and new door card system upgrades at Amity, Alyson, and Bradley.

The Board inquired about the impact of COVID on vendors and materials. Deliveries have been backordered.

### ***Foster Youth Vouchers***

Mr. Reitz provided an update on Foster Youth to Independence (FYI) vouchers. This has been a year in the making and once at the finish line, the approval process only took about 30 days with HUD. SMHO requested 24 FYI vouchers and was awarded all 24, which will be issued on February 1, 2021. This is a 36-month program for foster youth ages 18 through 24 that are transitioning out of the foster care system. Unlike the Housing Choice Voucher program, there will be no loss of vouchers due to turnover. The program requires a collaborative effort with supportive services that will be provided by All Health, Shiloh House, CASA, Love Inc., Arapahoe County Human Services, and Manna Connect. Referrals will come through Arapahoe County Human Services to SMHO. As soon as a youth is identified, the partners will work together to guide them through the process. Since the funding comes from HUD through a separate pot than Housing Choice Vouchers, there is no guaranty that the funding will continue. It is a long-term goal of SMHO to make this a permanent program through alternative funding streams if and when the HUD funding runs out.

The Board suggested alerting David Gilbert to share in the Littleton Independent.

### ***Administrative Report***

Mr. Reitz next shared some highlights from the administrative report. Select staff decorated at Alyson Court and Bradley House, which was much appreciated by the residents.

SMHO management is excited about the new healthcare plan. The richness of the prior plan will be maintained with a network of providers that is similar or the same with significant savings for both SMHO and its employees.

Mr. Reitz was contacted about the Cycling Without Age program. The program started in Copenhagen and is now launching in Littleton. The program provides cycling transportation for seniors. They will be applying for a grant and are requesting a letter of support. The Board agreed that there is no issue with providing the letter of support as long as they are not requesting staff assistance, which SMHO doesn't have the capacity to provide at this time.



## Commissioner Reports

### ***Governance Committee Update***

Commissioner Heumann provided an updated to the Board on behalf of the Governance Committee. The Commissioner recruitment letter was discussed. The addition of key staff for SMHO allows the Board to be less meticulous in terms of skills and background. As such, the Committee recommends placing more weight on connections and network with equality across the Board to represent all aspects of the City. The identification of people that are really interested and will be an asset is necessary—SMHO should be their first choice.

Onboarding was discussed and the ability to access documents. The Board recommended providing a tour of SMHO facilities and an overview of its programs. Mr. Reitz is working with SMHO Communications Specialist, Kim DeCero, on a new onboarding packet. Applications for the Board will be available in the upcoming week and due by January 31, 2021 at 5 p.m. MST. The application is electronic and located on the City's website.

The Board bylaws were discussed. The Governance Committee needs to review the comments and suggestions from legal. The goal is to bring suggestions for revisions to the January Board meeting.

### ***Other Commissioner Updates***

Vice Chairperson Cronenberger commented on the progress of Mr. Reitz over the past year and upcoming challenges. There is a lot going on at once but SMHO is planning for the future, which is expected to happen sooner than later. Management is in the process of transitioning staff to position SMHO well for upcoming changes.

The Envision study is schedule for Monday, December 14, 2021 at 4:30 p.m. MST. The focus is moving into the corridors and as such, participation is recommended. The message about housing needs to be heard loud and clear.

The Littleton Housing Taskforce has been meeting monthly and providing good feedback on topics in relation to housing. Additional information is included in the administrative report.

### ***Real Estate Committee Update***

Section 22 is moving forward, and South Metro Property Corporation (SMPC) is being finalized. SMHO is looking to grow its portfolio. The Board inquired about the use of a tax advisor and attorney for the Powers and Elati project. SMHO will be utilizing both a tax advisor and tax credit attorney for the project but has not made a selection yet. Proposals are due on December 14, 2020.

### **Other Business**

SMHO book club has been assigned a new book to read. The new book is *The Color of Law* by Richard Rothstein. Board members were advised to reach out to SMHO Executive Assistant, Catherine Roberts, and let her know their book format of choice. Chairman Henderson asked all to finish the book.

The previous book club book, *Golden Gates*, was discussed and summarized. There is a housing supply problem, which is driving the price of housing up.

### **Next Meeting**

The next Board of Commissioners of South Metro Housing Options meeting is scheduled for January 14, 2021 at 6:00 p.m. MST. The meeting will be held virtually on Zoom.



South Metro Housing Options

**Adjournment**

Upon motion duly made by COMMISSIONER HEUMANN and seconded by CHAIRMAN HENDERSON, THE BOARD UNANIMOUSLY VOTED TO ADJOURN THE REGULAR BOARD MEETING ON DECEMBER 10, 2020 AT 7:23 p.m. MST. The motion carried.

ATTEST:

X

---

Kyle Henderson  
Chairman

X

---

Corey Reitz  
Secretary