



South Metro Housing Options

Strengthening our community by creating opportunities for diverse housing alternatives.

**Board of Commissioners
Minutes of Regular Meeting
June 10, 2021 at 6:00 p.m.**

The regular meeting of the South Metro Housing Options (SMHO) Board of Commissioners was held on Thursday, June 10, 2021 at 6:00 p.m. MDT at 5808 S. Rapp Street, Suite 100, Littleton, CO 80120.

Commissioners Present

Kyle Henderson, Chairman
Pat Cronenberger, Vice
Chairperson
Aubrey Ebbs, Commissioner
Aaron Heumann, Commissioner
Lauren Acres, Commissioner
Sandra Petry, Commissioner

Commissioners Absent

Kate Peterson, Commissioner

SMHO Leaders/Others Present

Corey Reitz, Executive Director
Lauren Money, Deputy Director &
Director of Finance
Ivan Anaya, Director of Real Estate
Kelly Milliman, Littleton City
Council Member
Jeanie Erickson, Littleton
Community Member
Pam Chadbourne, Littleton
Community Member

Board Meeting Minutes

Call to Order

Chairman Henderson called the meeting to order on June 10, 2021 at 6:02 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 adopted by the Board.

Unscheduled Public Appearances

A member of the Littleton community, Jeanie Erickson, addressed the Board. Citizen Jerry Hill was commemorated. She commented that virtual meetings of the Board during the pandemic were difficult for the public to attend.

Littleton community member, Pam Chadbourne, addressed the Board next. Concerns pertaining to the public seating arrangement and guidelines provided for unscheduled public appearances were expressed. The Board was asked to provide more information to the public and communicate more openly. Concerns pertaining to the Unified Land Use Code (ULUC) process were noted, including addressing the need for affordable housing before the ULUC is passed.

Scheduled Public Appearances

There were no scheduled public appearances.



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VOTE: Approval of the Minutes of May 13, 2021 Regular Meeting

Upon motion duly made by VICE CHAIRPERSON CRONENBERGER and seconded by COMMISSIONER HEUMANN, THE BOARD UNANIMOUSLY VOTED TO APPROVE THE MINUTES OF THE MAY 13, 2021 REGULAR MEETING.

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

NAY: None

ABSTAIN: None

ABSENT: Commissioner Peterson

MOTION CARRIED: 6:0:0

Financial Reports

Finance Committee Comments

Commissioner Ebbs provided an update to the Board on behalf of the Finance Committee. Excluding Public Housing and Rapp Street, SMHO was at its lowest vacancy rate in the past two years at the end of May. SMHO is in great shape there, which is represented on the vacancy chart in the Board financial update. Powers Circle Apartments (PCALLLP) was 100% occupied for the first time in the past few years. Overall, SMHO is performing \$181 thousand above budget excluding PCALLLP and Libby Bortz Assisted Living Center (LBALC). LBALC is also making progress and moving in the right direction.

The Committee also discussed the timing of the financial reports and recommends pushing back the financial reports by one month, which would mean that financials would lag by one month at the Board meetings. The Finance Committee will continue to discuss and address any big swings or concerns in real-time but for the most part, the Committee does not have any concerns with pushing back the financial reporting timeline. This is typical for most housing authorities and nonprofit entities.

VOTE: SMHO, Powers Circle Apartments, & Libby Bortz Assisted Living Center Financial Reports

Deputy Director & Director of Finance, Lauren Money, presented the financial reports. Financial statements and project results were reported as of May 31, 2021. A high-level overview was provided and changes to account balances and budget variances were examined. There were no significant changes from the prior month.

Expenses at Amity Plaza continued to exceed budget with revenues slightly below the budgeted amount, primarily driven by higher vacancies in the beginning of the fiscal year resulting in a higher number of unit turns and higher flooring expenses. Although revenue at Amity Plaza is below budget while expenses are above budget, the property is continuing to operate with a profit and support some of the other properties in the portfolio. Alyson Court remained 100% occupied but should continue to be monitored in order to control expenses due to the deficit in revenue driven by the larger number of vacancies earlier in the fiscal year. This deficit is expected to decrease as the year progresses. Bradley House revenues continued to exceed the amount budgeted, despite a slight increase in vacancies over the past few months. John Newey also remained 100% occupied and is continuing to perform well in terms of budget.



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The Section 22 conversion is now complete and SMHO is in the process of transferring the Public Housing units to South Metro Property Corporation (SMPC) in the system. While revenue for the Housing Choice Voucher program was under budget due to lower housing assistance payments (HAP) than anticipated, the variance was offset by the lower HAP expense. The Development Fund was over on revenue and under on expenses when compared to budget. Rapp Street is another property to keep watch as revenue was only at 84% of the amount budgeted while expenditure was at 99%. Lease renewals at Rapp Street have been on hold in anticipation of the renovations in the atrium, which will begin next month. LBALC is performing well financially and is continuing to fill the vacancies at the property. Powers Circle was 100% occupied at the end of May and is performing well financially, as well.

In terms of overall vacancy, Alyson Court, John Newey, and Powers Circle are no longer on the chart. For the properties that have continued to have vacancy, SMHO plans to open the waitlists and leave them open indefinitely unless there is a significant influx in applications. The balance sheet key ratios will start to catch up as the fiscal year progresses if vacancies remain low, and expenses are within budget.

Upon motion duly made by COMMISSIONER EBBS and seconded by COMMISSIONER PETRY, THE BOARD UNANIMOUSLY VOTED TO APPROVE THE FINANCIAL REPORTS AS OF MAY 31, 2021.

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

NAY: None

ABSTAIN: None

ABSENT: Commissioner Peterson

MOTION CARRIED: 6:0:0

Resolutions

VOTE: Resolution 21-08: Check Signing Authority for LBALC

Director of Finance Money presented Resolution 21-08 pertaining to the signing authority for LBALC and Littleton Section 8 Housing Corporation deposit accounts. With the change in leadership at LBALC, a change in signing authority for the accounts is necessary to prevent an interruption in operations.

Upon motion duly made by VICE CHAIRPERSON CRONENBERGER and seconded by COMMISSIONER HEUMANN, THE BOARD UNANIMOUSLY VOTED TO ADOPT RESOLUTION 21-08, AUTHORIZING THE SARAH LEON AS A SIGNER FOR LBALC AND LITTLETON SECTION 8 HOUSING CORPORATION DEPOSIT ACCOUNTS.

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

NAY: None

ABSTAIN: None

ABSENT: None



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MOTION CARRIED: 6:0:0

Staff Reports

Executive Director Reitz discussed LBALC and the current occupancy. Marketing efforts, InnovAge, the new interim LBALC Executive Director, staffing, and food were reviewed. The progress with the Foster Youth Initiative (FYI) vouchers was noted. The ULUC was discussed, especially with consideration of Powers and Elati in process. The Board was advised to submit questions by the end of July prior to the next meeting with City Council.

Council Member Milliman updated the Board on the inclusionary housing ordinance. Discussion will start in November with the ordinance expected in the spring.

Powers and Elati is expected to be done by Labor Day in 2023. SMHO will break ground in the spring. Lumber is trending back down so mills are opening again and hopefully the pricing will go down.

Returning to work in the office was discussed. With the addition of new staff and potentially more, working on the noise and learning to work with the open concept is necessary. Littleton Schools outreach efforts were reviewed.

The Housing Taskforce will be focusing on ULUC for the next few months and meeting more often, as well as creating subgroups to dig in and provide feedback. SMHO will also give its own feedback. In terms of the inclusionary housing ordinance, the Taskforce will be working with a consultant and SMHO will manage that consultant.

Commissioner Reports

The 2021 Housing Colorado Conference will be in person this year and will be held at Beaver Run Resort in Breckenridge on October 13th through October 15th of 2021. The Board retreat will take place at the same time.

Legislative session just ended. There was a lot transpiring in terms of housing, including Housing Bill 21-1117, which provides the ability to implement affordable housing policy on a municipal level.

The use of SMHO emails was discussed and Commissioners were advised to use them.

Other Business

No other business was discussed.

Next Meeting

The next Board of Commissioners of South Metro Housing Options meeting is scheduled for July 8, 2021 at 6:00 p.m. MDT. The meeting will be held at the SMHO main office located at 5808 S. Rapp Street, Suite 100, Littleton, CO 80120. Meetings will be held in person for the foreseeable future.



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Executive Session

The Board of Commissioners of South Metro Housing Options was called into Executive Session at 7:14 p.m. MDT 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.

Adjournment

Upon motion duly made by COMMISSIONER HEUMANN, EXECUTIVE SESSION WAS ENDED AND THE REGULAR BOARD MEETING ON JUNE 10, 2021 WAS ADJOURNED AT 7:54 p.m. MDT. The motion carried.

ATTEST:

X

Kyle Henderson
Chairman

X

Corey Reitz
Secretary