



SILVERTON HOUSING AUTHORITY – Town Hall – Monday, December 9, 2024

Call to Order & Roll Call – @ 6:00pm

AUTORIDAD DE VIVIENDA - Junta de fideicomisarios de Silverton Ayuntamiento de Silverton - Lunes, 9 de diciembre de 2024

Llamado al orden y pase de lista - - 6:00pm

ATTENTION: Meetings are being conducted in a hybrid virtual/in person. Instructions for public participation in Silverton Housing Authority meetings are as follows:

- Zoom Webinar Link: <https://us02web.zoom.us/j/88637487127>
- By Telephone: Dial 669-900-6833 and enter Webinar ID 886 3748 7127 when prompted.
- YouTube (live and recorded for later viewing, does not support public comment): www.youtube.com/channel/UCmJgal9lUXK5TZahHugprpQ

If you would like to make a public comment during a specific Agenda Item, please submit a request to the Director at achase@silverton.co.us

ATENCIÓN: Las reuniones de Silverton Housing Authority se están llevando a cabo de manera híbrida virtual / presencial. Las instrucciones para la participación del público en las reuniones del Síndico Municipal son las siguientes:

- Enlace del webinar de zoom: <https://us02web.zoom.us/j/88637487127>
- Por teléfono: Marque 669-900-6833 e introduzca el ID del webinar 886 3748 7127 cuando se le solicite.
- Youtube (en vivo y grabado para su posterior visualización, no admite comentarios públicos): www.youtube.com/channel/UCmJgal9lUXK5TZahHugprpQ

Si desea hacer un comentario público durante un punto específico del orden del día, envíe una solicitud al Director en achase@silverton.co.us

MEETING PROTOCOLS: Please turn off cell phones; be respectful and take personal conversations into the lobby. The public is invited to attend all regular meetings and work sessions of the Board of Trustees. Regular Meeting Closing Public Comment must be related to an agenda item.

PROTOCOLOS DE REUNIÓN: Por favor, apague los teléfonos celulares; sea respetuoso y lleve conversaciones personales al vestíbulo. Se invita al público a asistir a todas las



*reuniones ordinarias y sesiones de trabajo de la Junta de Síndicos. Reunión Regular
Clausura El comentario público debe estar relacionado con un ítem de la agenda.*

Silverton Housing Authority @6:00pm

1. Approval of 11.25.24 Meeting Minutes
2. Resolution 2024-05 A Resolution Appropriating Additional Sums of Money to Defray Expenses in Excess of Amounts Budgeted for the Housing Authority of the Town of Silverton, Colorado.
3. PUBLIC HEARING: Resolution 2024-06 A Resolution Adopting the Budget for the Housing Authority of the Town of Silverton for the Fiscal Year Beginning January 1, 2025 and ending December 31, 2025.
4. Resolution 2024-07 A Resolution of the Housing Authority of the Town of Silverton to take the Necessary Steps to Open Bank Accounts for the Authority and it's Entities with the Bank of the San Juans and to Authorize Signatories and Supervisors on all Bank Accounts.
5. Executing the Operating Agreement for Anvil Townhomes LLC.
6. Direction to request \$6,350 from the San Jaun County Board of County Commissioners for survey and appraisal
7. Directors Report
8. Public Comment

Autoridad de Vivienda de Silverton -5:30pm

1. Aprobación del Acta de Reunión de 11.25.24
2. Resolución 2024-05 Resolución por la que se asignan sumas adicionales de dinero para sufragar gastos que excedan las cantidades presupuestadas para la Autoridad de Vivienda de la ciudad de Silverton, Colorado.
3. AUDIENCIA DE PUBLICHE: Resolución 2024-06 Resolución por la que se adopta el Presupuesto de la Autoridad de Vivienda de la ciudad de Silverton para el año fiscal que comienza el 1 de enero de 2025 y termina el 31 de diciembre de 2025.
4. Resolución 2024-07 Resolución de la Autoridad de Vivienda del Pueblo de Silverton para tomar las medidas necesarias para abrir cuentas bancarias para la Autoridad y sus entidades con el Banco de San Juans y para autorizar a Signatarios y Supervisores en todas las Cuentas Bancarias.
5. Ejecución del Acuerdo Operativo para Anvil Townhomes LLC.
6. Solicitar \$6.350 de la Junta de Comisionados del Condado de San Jaun para la encuesta y evaluación.
7. Informe de directores
8. Comentario público



SILVERTON HOUSING AUTHORITY REGULAR MEETING
Silverton Town Hall – Monday, November 25, 2024
Call to Order & Roll Call – @6:30pm

ATTENTION: The Town of Silverton Trustee meetings are being conducted in a hybrid virtual/in-person. Instructions for public participation in Town Trustee meetings are as follows:

- Zoom Webinar Link: <https://us02web.zoom.us/j/88637487127>
- By Telephone: Dial 669-900-6833 and enter Webinar ID 886 3748 7127 when prompted.
- YouTube (live and recorded for later viewing, does not support public comment):
www.youtube.com/channel/UCmJgal9lUXK5TZahHugprpQ

If you would like to make a public comment during a specific Agenda Item, please submit a request to the Town Administrator at gkaasch-buerger@silverton.co.us

MEETING PROTOCOLS: Please turn off cell phones; be respectful and take personal conversations into the lobby. The public is invited to attend all regular meetings and work sessions of the Board of Trustees. Regular Meeting Closing Public Comment must be related to an agenda item.

Present: Trustee Wakefield, Trustee Halvorson, Trustee Gardiner, Trustee Schnitker, Trustee Goerge, Mayor Pro Tem Harper

Absent: Mayor Kranker

Staff: Administrator Kaasch-Buerger, Clerk Melina Marks, Housing Director Anne Chase, Attorney Clayton Buchner

Silverton Housing Authority @ 6:35pm

- 1) Resolution 2024-4 LLC for the purpose of contracting with Fading West
 - HD Anne Chase provided background information regarding the formation of an LLC for the Silverton Housing Authority in order to contract with Fading West.

Trustee Schnitker moved, and Trustee Gardiner seconded to approve Resolution 2024-4 LLC for the purpose of contracting with Fading West. Passed unanimously with roll call.

- 2) Anvil Townhomes Deposit Financing
 - HD Anne Chase provided background information regarding the proposed 10% deposit in order to move forward with the Anvil Townhomes project and funding.

Trustee Gardiner moved, and Mayor Pro Tem Harper seconded to approve securing loan financing with Region 9 Economic Development for the Fading West 10% deposit and authorize Anne Chase to execute such loan. Passed unanimously with roll call.

- 3) Public Comment
 - No public comment.



AGENDA MEMO

SUBJECT: Adoption of 2024 Supplemental Budget
MEETING DATE: 12/9/2024
STAFF CONTACT: Gloria Kaasch-Buerger, Anne Chase

Overview:

The Town's contracted accountant recommended that we adopt a supplemental budget for a new fund that was created to begin separating out the Housing Authority revenue and expenses from the General Fund.

Typically, a supplemental budget is adopted when the expenses exceed the budgeted amount. The General Fund's 2024 budget was \$4,384,168.00 and the projected 2024 budget is \$4,313,129.00, demonstrating that the expenses did not exceed the budgeted amount. Since the Housing Authority Fund was not allocated money specifically in the 2024 budget, this resolution documents that this fund was created and revenues and expenses were allocated.

This resolution is primarily for auditing purposes and does not capture all of the costs associated with the Housing Authority, only those that were exclusive to the Housing Authority. For example, the Housing Authority Director's salary has been paid by several grants, some of which are used with other functions such as the DOLA REDI grant that was awarded to the Town on behalf of San Juan Development Association.

The 2025 Housing Authority Fund budget is included in the Town's 2025 Budget. Moving forward it will be treated like a minor enterprise fund of the Town of Silverton.

Attachments:

- Resolution 2024-05

Suggested Motion or Direction:

1. Motion to adopt Resolution 2024-05 A Resolution Appropriating Additional Sums Of Money To Defray Expenses In Excess Of Amounts Budgeted For The Housing Authority Of The Town Of Silverton, Colorado.



RESOLUTION NO. 2024-05

A RESOLUTION APPROPRIATING ADDITIONAL SUMS OF MONEY TO DEFRAY EXPENSES IN EXCESS OF AMOUNTS BUDGETED FOR THE HOUSING AUTHORITY OF THE TOWN OF SILVERTON, COLORADO.

WHEREAS, the Board of the Housing Authority of the Town of Silverton (Silverton Housing Authority) is authorized by Section 29-1-109, C.R.S., to make supplemental appropriations to the 2024 Budget; and

WHEREAS, the Town of Silverton provided notice of the public hearing at which the proposed amendments to the 2024 Budget were to be considered, and such public hearing was held in accordance with Section 29- 1-106, C.R.S.; and

WHEREAS, the 2024 Budget appropriations did not include the Budget prediction in the following Fund:

FUND EXPENSE	2024 Budget	2024 Projected
Silverton Housing Authority	\$0	\$38,035.00

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF THE HOUSING AUTHORITY OF THE TOWN OF SILVERTON, COLORADO THAT:

The 2024 appropriation for the Silverton Housing Authority Fund is hereby increased as described in the tables above for general operations.

THIS RESOLUTION was approved and adopted the 9th day of December 2024 by the Board of the Housing Authority of the Town of Silverton, Colorado.

SILVERTON HOUSING AUTHORITY

ATTEST:

Dayna Kranker, Chair

Melina Marks, Town Clerk (SHA Appointed Secretary)



AGENDA MEMO

SUBJECT: **Adoption of 2025 Budget – Public Hearing**
MEETING DATE: **12/9/2024**
STAFF CONTACT: **Gloria Kaasch-Buerger, Anne Chase**

Overview:

PUBLIC HEARING: Resolution 2024-06 A Resolution Adopting The 2025 Budget And Setting Forth The Expenditures And Revenues For Each Of The Various Funds Of The Housing Authority Of The Town Of Silverton For The Fiscal Year Beginning January 1, 2025, And Ending December 31, 2025

Resolution 2024-06 includes the following:

- ✓ Written Budget Message must:
 - describe the important features of the budget;
 - include a statement of the budgetary basis of accounting used in the budget [cash, modified accrual, or encumbrance, (29-1-102(2)C.R.S.);
 - include a description of the services to be delivered during the budget year. (29-1-103(1)(e), C.R.S.)
- ✓ Expenditures and Revenues must be described with “...explanatory schedules or statements classifying the expenditures by object and the revenues by source.” (29-1-103(1)(f), C.R.S.) Estimated Beginning and Ending Fund Balances must be shown. (29-1-103(1)(c), C.R.S.) Fund Balances are described as “. . . the balance of total resources available for subsequent years’ budgets . . . (29-1-102 (11), C.R.S.)
- ✓ Three Years' Comparable Data must be shown in the budget: the prior fiscal year’s actual figures; the estimated figures through the end of the current fiscal year; and the budget year’s data. (e.g. 2011 actuals, 2012 Year end estimates, and 2013 adopted numbers for the 2013 Budget year) (29-1-103(1)(d), C.R.S.)
- ✓ No Deficit Spending. No budget shall provide for expenditures in excess of available revenues and beginning fund balances. (29-1-103(2), C.R.S.)

PUBLIC COMMENT:

Budget-related public comment was given at the November 25th meeting during opening public comment.

Attachments:

- Resolution 2024-06
- Silverton Housing Authority 2025 Budget Book

Suggested Motion or Direction:

Motion to adopt Resolution 2024-06 A Resolution Adopting The 2025 Budget And Setting Forth The Expenditures And Revenues For Each Of The Various Funds Of The Housing Authority Of The Town Of Silverton For The Fiscal Year Beginning January 1, 2025, And Ending December 31, 2025.



RESOLUTION 2024-06

A RESOLUTION ADOPTING THE BUDGET FOR THE HOUSING AUTHORITY OF THE TOWN OF SILVERTON FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2025, AND ENDING DECEMBER 31, 2025.

WHEREAS, the Board of the Housing Authority of the Town of Silverton, Colorado has worked with staff in developing the 2025 budget in accordance with Colorado law, and;

WHEREAS, the Housing Authority Director has submitted a proposed budget to this governing body on December 9, 2024 for its consideration, and;

WHEREAS, pursuant to C.R.S. § 29-1-106, the Board caused to be published the legal notice showing that the proposed 2025 budget included with the Town of Silverton’s 2025 budget below-listed were open for inspection by the public at the Silverton Town Hall building; any interested elector of the Town of Silverton may file objections to the proposed budget at any time prior to the final adoption of the budget; and that the Board would consider the adoption for such proposed budgets at the public meeting on December 9, 2024, at 7:00 P.M. at 1360 Greene St., and;

WHEREAS, several public work sessions have been completed prior to the public hearing to further refine and adjust the draft budget revenues and expenditures anticipated for the 2025 budget, and also denote anticipated 2024 revenues and expenditures accurately, and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF THE HOUSING AUTHORITY OF THE TOWN OF SILVERTON, COLORADO that the estimated revenues and expenditures for each fund are as follows:

- 1. Total Revenue for the Housing Authority Fund is \$4,117,037.00**
- 2. Total Expenses for the Housing Authority Fund is \$4,117,037.00**

Be it resolved that the Director shall send to the State a copy of the proposed budget finalized as adopted hereby.

Furthermore, be it resolved that the Board hereby adopts the 2025 Budget for the Housing Authority of the Town of Silverton, Colorado as set forth in the "Annual Budget for the Housing Authority of the Town of Silverton for the Fiscal Year ending December 31, 2025."

THIS RESOLUTION was approved and adopted the 9th day of December 2024 by the Board of the Housing Authority of the Town of Silverton, Colorado.

ATTEST:

Town Clerk, (SHA Appointed Secretary)
Melina Marks

Chair,
Dayna Kranker

Silverton Housing Authority 2025 Budget

ACCOUNT ID	Description	2023 Actual	2024 Projected	2025 Budget
19-33-430201	2021 DOLA IHOI GRANT		\$4,900	\$35,531
19-33-430202	2024 LPC DOLA GRANT		\$0	\$41,469
19-39-100000	TRANSFER FROM GENERAL FUND		\$21,030	\$29,956
19-33-430301	COUNTY GRANTS		\$12,105	\$10,000
19-33-430203	2024 MORE HOUSING NOW GRANT			\$79,281
19-38-320000	REG9 DOWN PAYMENT LOAN PROCEEDS			\$147,314
19-33-430204	2024 CHFA ADU GRANT			\$14,000
19-36-700000	ANVIL DEVELOPMENT SALES			\$2,693,486
19-33-430205	2024 DOH GAP GRANT			\$616,000
19-33-430206	2025 CHF ANVIL GRANT			\$450,000
	TOTAL REVENUE	\$0	\$38,035	\$4,117,037
	EXPENSES			
19-45300-115	DIRECTOR		\$19,200	\$62,400
19-45300-211	HEALTH AND LIFE INSURANCE			\$13,361
19-45300-220	SOCIAL SECURITY CONTRIBUTIONS		\$1,469	\$5,635
19-45300-230	RETIREMENT			\$1,860
19-45300-341	TRAINING			\$1,000
19-45300-330	ENGINEERING SERVICES		\$12,105	\$10,000
19-45300-331	LEGAL SERVICES		\$361	\$1,000
19-45346-201	2021 DOLA IHOI GRANT CLEANUP		\$4,900	\$15,000
19-45346-214	2024 MORE HOUSING NOW GRANT			\$79,281
19-45350-720	ANVIL TOWNHOMES DEV CONSTRUCTION			\$3,759,486
19-45300-800	CITIZEN ENGAGEMENT			\$1,500
19-45346-215	2024 CHFA ADU GRANT			\$14,000
19-45350-700	DOWNPAYMENT-TOWNHOMES			\$147,314
19-45370-751	REG9 LOAN INTEREST			\$5,200
	TOTAL EXPENSES	\$0	\$38,035	\$4,117,037
	NET REVENUE (EXPENSES)	\$0	\$0	\$0
	Beginning Fund Balance		\$0	\$0
	Ending Fund Balance		\$0	\$0



AGENDA MEMO

SUBJECT: Opening a Bank Account for Anvil Townhomes Region 9 Loan on behalf of Anvil Townhomes, LLC.

MEETING DATE: 12/9/2024

STAFF CONTACT: Anne Chase

Overview:

On November 25, 2024, the Silverton Housing Authority (SHA) authorized the creation of Anvil Townhomes LLC to serve as a single-purpose entity for managing and developing the Anvil Townhome Development project via Resolution 2024-04. The primary intent behind establishing this entity is to insulate SHA from potential legal, financial, and operational risks associated with the development process.

Anvil Townhomes LLC was formally established under the laws of the State of Colorado on November 26, 2024. As the sole member and 100% owner of the LLC, SHA retains complete control and oversight of the entity's governance, operations, and strategic direction.

During the 11/25/2024 SHA meeting, the Board directed Staff to pursue a loan through Region 9 for the deposit payment to Fading West Construction. Staff recommends opening a bank account for the purpose of the loan. This account will serve as the primary repository for the loan funds, simplifying disbursement and accounting processes related to this transaction.

The Region 9 Loan Committee meets on 12/11 and pending application approval will provide term sheets to SHA Staff thereafter. Due to the payment due date of the Fading West Deposit, the Region 9 Loan Committee Meeting, and the fact that the 12/9/2024 meeting is the last SHA meeting for the year, it is necessary to make the aforementioned authorizations during the 12/9 meeting.

Next Steps:

- The Board must authorize the Board Chair, Vice-Chair, and Director to have signatory authority on SHA and its entity's bank accounts.
- The Board must authorize supervision authority to the SHA Appointed Secretary for the SHA bank account(s).

Motion or Direction:

Motion to adopt Resolution 2024-07 A Resolution of the Housing Authority of the Town of Silverton to take the necessary steps to open bank accounts for the Authority and its Entities with Bank of the San Juans and to authorize signatories and supervisors on all bank accounts.



RESOLUTION NO. 2024-07

A RESOLUTION OF THE HOUSING AUTHORITY OF THE TOWN OF SILVERTON TO TAKE THE NECESSARY STEPS TO OPEN BANK ACCOUNTS FOR THE AUTHORITY AND ITS ENTITIES WITH BANK OF THE SAN JUANS AND TO AUTHORIZE SIGNATORIES AND SUPERVISORS ON ALL BANK ACCOUNTS

WHEREAS, the Housing Authority for the Town of Silverton (“SHA”) is an independent body politic and corporate organized pursuant to C.R.S. § 29-4-20; and

WHEREAS, the SHA has the authority to establish entities controlled by the authority that may own, operate, act, invest in as a partner or other participant, or take any and all steps necessary or convenient to undertake or otherwise develop a project, pursuant to C.R.S. § 29-4-209(1)(d.7); and

WHEREAS, the SHA established the Anvil Townhomes LLC pursuant to Resolution 2024-04 and under the laws of the State of Colorado on November 26, 2024; and

WHEREAS, pursuant to C.R.S. § 29-4-209(1)(p) and C.R.S. § 24-75-603, the SHA has the power to deposit any moneys of general or special funds in a bank within this state; and

WHEREAS, pursuant to C.R.S. § 29-4-209(1)(p), the SHA may appoint, by written resolution, one or more persons to act as signatories and supervisors of the moneys of the authority and its entity;

WHEREAS, the Board has to heretofore appoint and authorize the Chairperson, Dayna Kranker, Vice Chairperson James Harper, and Director, Anne Chase, as signatories on SHA and its entities’ bank accounts as well as authorize the SHA appointed Secretary, Melina Marks, to supervise the SHA and its entities’ bank accounts located at Bank of the San Juans.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF THE HOUSING AUTHORITY OF THE TOWN OF SILVERTON, COLORADO THAT:

Section 1. All actions heretofore taken (not inconsistent with provisions of this Resolution) by the SHA and the officers thereof, are hereby ratified, approved and confirmed.

Section 2. The Board hereby authorizes staff to take all necessary and appropriate action to open a bank account for the Housing Authority on behalf of Anvil Townhomes LLC.

Section 3. The Board authorizes and appoints the Chairperson, Dayna Kranker, Vice Chairperson, James Harper, and Director, Anne Chase to be signatories on all SHA accounts at Bank of the San Juans.

Section 4. The Board authorizes and appoints the SHA appointed Secretary, Melina Marks, to supervise all SHA accounts at Bank of the San Juans.

THIS RESOLUTION was approved and adopted the 9th day of December 2024, by the Silverton Housing Authority.

SILVERTON HOUSING AUTHORITY

Dayna Kranker, Chairperson

ATTEST:

Melina Marks Lanis, Town Clerk (SHA Appointed Secretary)



AGENDA MEMO

SUBJECT: Operating Agreement for Anvil Townhomes LLC
MEETING DATE: 12/9/2024
STAFF CONTACT: Anne Chase

Overview:

On November 25, 2024, the Silverton Housing Authority (SHA) authorized the creation of Anvil Townhomes LLC to serve as a single-purpose entity for managing and developing the Anvil Townhome Development project via Resolution 2024-04. The primary intent behind establishing this entity is to insulate SHA from potential legal, financial, and operational risks associated with the development process.

Anvil Townhomes LLC was formally established under the laws of the State of Colorado on November 26, 2024. As the sole member and 100% owner of the LLC, SHA retains complete control and oversight of the entity's governance, operations, and strategic direction. However, an operating agreement for the LLC must be executed for legal compliance and to define its structure, operational parameters, and decision-making authority.

Adopted Resolution 2024-04 authorized signatory authority to the Board Chair to execute any and all documents necessary to form the Anvil Townhome LLC. SHA legal counsel has been engaged to draft an operating agreement for Anvil Townhomes LLC presented below.

Next Steps:

- The Board must make a motion to approve executing the operating agreement for Anvil Townhomes LLC.

Motion or Direction:

The Board may make a motion to approve execution of the operating agreement or direct Staff to make revisions and present at the next meeting.

Motion: Motion to execute the Operating Agreement of Anvil Townhomes LLC.

Direction: Direction to Staff to make the following changes to the Operating Agreement of Anvil Townhomes LLC:

**OPERATING AGREEMENT
OF
ANVIL TOWNHOMES LLC**

Dated as of December 9, 2024

OPERATING AGREEMENT

OF

ANVIL TOWNHOMES LLC

This Operating Agreement of ANVIL TOWNHOMES LLC, a single-member limited liability company organized and existing under the laws of Colorado (the “Company”), is entered into and shall be effective as of December 9, 2024 (the “Effective Date”).

ARTICLE I DEFINITIONS

For purposes of this Operating Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

1.1 “Act” means the Colorado Limited Liability Company Act.

1.2 “Capital Contribution” means any contribution of cash or property to the capital of the Company made by or on behalf of a Member as consideration for a Membership Interest.

1.3 “Distribution” means a transfer of the Company’s property (including money) to a Member on account of a Membership Interest regardless of whether the transfer occurs on the liquidation of the Company, in exchange for the Member’s Membership Interest, or otherwise.

1.4 “Manager” means one or more Persons serving as a manager of the Company. Specifically, Manager shall mean Silverton Housing Authority, a Colorado body corporate and politic (“SHA”), as the initial Manager of the Company, and any Person or Persons who becomes an additional or successor manager under this Operating Agreement.

1.5 “Member” shall mean SHA, as the initial member of the Company, and any Person admitted as an additional, successor, or transferee member. If there is more than one Member, the term “Member” means all Members.

1.6 “Membership Interest” means a Member’s entire interest in the Company, including a Member’s rights in the Company’s profits, losses, and Distributions under this Agreement and the Act and other rights and privileges the Member may enjoy by being a Member.

1.7 “Operating Agreement” means this Operating Agreement as originally executed and as amended.

1.8 “Person” means any individual or entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such Person where the context so permits.

ARTICLE II FORMATION

2.1 Organization. The Company has been organized as a Colorado limited liability company under the provisions of the Act by filing the Articles of Organization of the Company

with the Colorado Secretary of State on November 26, 2024.

2.2 Operating Agreement; Effect of Inconsistencies with the Act. The terms and conditions of this Operating Agreement govern the affairs of the Company and the relationship between the Member and the Company and is the sole expression of the agreement of the parties. This Operating Agreement governs even when inconsistent with, or different than, the provisions of the Act or any other law or rule. If any provision of this Operating Agreement is prohibited or ineffective under the Act, this Operating Agreement is to be considered amended to the smallest degree possible to make it effective under the Act. The Member and Manager may rely on the provisions of this Operating Agreement, and the Member and Manager are not liable to the Company for any action or refusal to act taken in good faith reliance on the terms of this Operating Agreement.

2.3 Name. The name of the Company is Anvil Townhomes LLC, and all business of the Company shall be conducted under that name or under any other name, but in any case, only to the extent permitted by law.

2.4 Effective Date. This Operating Agreement is effective as of the Effective Date. The term of the Company is perpetual unless dissolved sooner and its affairs wound up in accordance with the Act or this Operating Agreement.

2.5 Registered Agent and Office. The registered agent for service of process and the registered office of the Company is that Person and location stated in the Articles of Organization. The Manager may change the registered agent or office through appropriate filings with the Colorado Secretary of State. If the registered agent ceases to act for any reason, or the registered office changes, the Manager shall promptly designate a replacement registered agent and file a notice of change of address. If the Manager fails to designate a replacement registered agent or change of address of the registered office, any Member may designate a replacement registered agent and file a notice of change of address.

2.6 Principal Office. The principal office of the Company is to be located at such address as the Manager determines.

ARTICLE III NATURE OF BUSINESS

3.1 The business of the Company is:

(a) to support the activities of, and act as an instrumentality of, the Member by working, directly or indirectly, to develop, own, operate, finance, and manage affordable housing developments for low-income persons and families;

(b) to accomplish any lawful business whatsoever that may appear conducive to or expedient for the protection or benefit of the Company and its assets;

(c) to exercise all other powers necessary to or reasonably connected with the Company's business that limited liability companies may legally exercise under the Act; and

(d) to engage in all activities necessary, customary, convenient, or incident to

any of the foregoing.

ARTICLE IV ACCOUNTING AND RECORDS

The Manager shall maintain the following records at the principal office or principal place of business of the Company:

- 4.1 the full name and business address of the Member;
- 4.2 a copy of the Articles of Incorporation and all amendments, together with executed copies of any powers of attorney pursuant to which the Articles have been executed;
- 4.3 if filed, copies of the Company's tax returns and reports (or the portions of the returns of others showing the taxable income deductions, gain, loss, and credits of the Company), for the three most recent years;
- 4.4 copies of this Operating Agreement, including all amendments; and
- 4.5 copies of the Company's financial statements, if any, for the three most recent years.

ARTICLE V MANAGEMENT

5.1 Management Rights. Subject to the limitations of Section 5.2 below, the Manager shall conduct the business of the Company, and all management of the Company is hereby vested in the Manager. If there is more than one Manager, either Manager may take any action under this Operating Agreement. Each Manager that is an entity has the power to delegate its authority to execute documents and otherwise bind the Company to one or more officers. The Manager has the power and authority, on behalf of the Company, to do all things necessary or convenient to carry out the business and affairs of the Company, including, without limitation:

- (a) conduct the Company's business, establish Company offices, exercise the powers of the Company within or beyond the State of Colorado, and locate or relocate a place of business for the Company;
- (b) execute or appoint officers and agents with designation as the Manager determines to execute, on behalf of the Company, all instruments and documents including, without limitation, checks, drafts, notes, and other negotiable instruments, mortgages or deeds of trust, security agreements, financing statements, and any documents providing for the acquisition, mortgage, investment, or disposition of property, including the licensing of intellectual property; appoint and fix compensation for officers and other agents for the Company;
- (c) determine the amount of and the making of Distributions;
- (d) purchase, receive, lease, acquire, own, hold, improve, use, and deal with the Company's property, wherever located;

- (e) sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of the Company's property;
- (f) purchase insurance to protect the Company's property and business;
- (g) invest any Company funds in (by way of example but not limitation) time deposits, short-term governmental obligations, commercial paper, or other investments;
- (h) confess a judgment against the Company;
- (i) employ accountants, legal counsel, management agents, or other experts to perform services for the Company and compensate them from Company funds;
- (j) institute, prosecute, and defend any legal proceeding in the Company's name;
- (k) enter into contracts and guaranties, incur liabilities, borrow money, issue notes, bonds, and other obligations; and secure any of its obligations by mortgage or pledge any of the Company's property or income;
- (l) lend money, invest and reinvest the Company's funds, and receive and hold the Company's property as security for repayment, including, without limitation, loan money to, and otherwise help the Member, officers, employees, and agents of the Company;
- (m) pay compensation or additional compensation to the Member and employees for services previously rendered to the Company, whether or not an agreement to pay compensation was made before such services were rendered;
- (n) participate in operating agreements, partnership agreements, joint ventures, or other associations of any kind with any Person or Persons, and serve as special limited partner or in a similar capacity under such agreements;
- (o) indemnify Members or any other Person; and
- (p) do and perform all other acts as may be necessary or appropriate to carry out the Company's business.

5.2 Restrictions on Authority of the Managers. Notwithstanding Section 5.1 above, no Manager has any authority to take any of the following actions without the prior written approval of Members owning at least two-thirds of the Membership Interests:

- (a) admit an additional Member;
- (b) approve a merger, conversion, or dissolution of the Company, or the application of any statute (the application of which is elective) to the Company;
- (c) take any act which would make it impossible to fulfill the purpose of the Company;

(d) cause the Company to voluntarily initiate a proceeding under which the Company would become a debtor under the United States Bankruptcy Code;

(e) sell, exchange, or otherwise dispose of all, or substantially all, of the Company's property other than in the ordinary course of the Company's business; pledge any assets of the Company to secure any indebtedness of the Company or any other Person, or guaranty any obligations of any Person; or

(f) Amend this Operating Agreement or take any action in violation of this Agreement;

(g) other actions as may be reserved solely to Members under other provisions of this Operating Agreement.

5.3 Liability of Member and Manager. Neither the Member nor the Manager are to be liable as Member or Manager for the liabilities of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under this Operating Agreement or the Act are not grounds for imposing personal liability on the Member or Manager for liabilities of the Company.

5.4 Indemnification. The Company shall indemnify the Member and the Manager for all costs, losses, liabilities, and damages paid or accrued by the Member or Manager in connection with the business of the Company to the fullest extent allowed by law. In addition, the Manager shall cause the Company to advance costs of participation in any Proceeding to the Manager or Member. "Proceeding" means any judicial or administrative trial, hearing, or other activity, civil, criminal or investigative, the result of which may be that a court, arbitrator, or governmental agency may enter a judgment, order, decree, or other determination which, if not appealed and reversed, would be binding upon the Company, a Member, or other Person. The Manager may, with the consent of the Member, indemnify employees and agents of the Company for costs, losses, liabilities, and damages paid or accrued by the agent or employee in connection with the business of the Company to the fullest extent allowed by law.

5.5 Conflicts of Interest.

(a) The Member or Manager may enter into transactions that compete with, or a business opportunity that may be beneficial to, the Company.

(b) Subject to any other provision of this Operating Agreement, the fact that the Manager or Member is directly or indirectly affiliated or connected with any Person shall not prohibit the Manager from dealing with that Person.

(c) A Member or Manager does not violate a duty or obligation to the Company merely because the Member's conduct furthers the Member's own interest. A Member or Manager may lend money to and transact other business with the Company. The rights and obligations of a Member or Manager who lends money to or transacts business with the Company are the same as those of a Person who is not a Member.

5.6 Compensation of Member and Manager. The Company shall reimburse the Member and Manager for all reasonable expenses incurred on behalf of the Company. The

Company shall also compensate the Manager in a reasonable amount to be determined by the Member.

5.7 Standard of Care of Manager. The Manager's duty of care in the discharge its duties to the Company is limited to refraining from engaging in grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law. In discharging its duties, the Manager shall be fully protected in relying in good faith upon the records required to be maintained under this Operating Agreement and upon such information, opinions, reports, or statements by its agents, or by any other Person, as to matters the Manager reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports, or statements as to the value and amount of the assets, liabilities, profits, or losses of the Company or any other facts pertinent to the existence and amount of assets from which Distributions to the Member may be paid.

ARTICLE VI CAPITAL CONTRIBUTIONS

The Member shall make an initial Capital Contribution of \$10 contemporaneously with the execution of this Operating Agreement. No interest accrues on any Capital Contribution, and the Member may not withdraw or be repaid for any Capital Contribution except as provided in this Operating Agreement. No Member has any obligation to make any additional Capital Contributions.

ARTICLE VII DISTRIBUTIONS

Except as provided by non-waivable provisions of the Act, the Company may make Distributions to the Member as determined by the Manager.

ARTICLE VIII TAXES

8.1 Elections. The Manager may make any tax elections for the Company allowed under the Internal Revenue Code, as amended, or the tax laws of any state or other jurisdiction.

8.2 Taxes. The Company may withhold and pay over to any governmental authority the amount of tax, penalty, and interest required to be withheld or paid with respect to any Membership Interest. Any tax payments shall be treated as a Distribution for the purposes of ARTICLE VII.

8.3 Method of Accounting. The Manager shall maintain the records of the Company on the same method of accounting as that of the Member.

8.4 Fiscal and Taxable Years. The fiscal and taxable years of the Company are the same as those of the Member.

**ARTICLE IX
DISPOSITION OF MEMBERSHIP INTEREST
AND ADMISSION OF ASSIGNEES AND ADDITIONAL MEMBERS**

9.1 Disposition. The Member may transfer its Membership Interest, in whole or in part, either voluntarily or by operation of law. The Member may dispose of all or a portion of the Member's Membership Interest. Notwithstanding any provision of the Act to the contrary, upon the disposition of the Member's entire Membership Interest, the Company shall admit the transferee without further action. Upon the transfer of a Member's entire Membership Interest (other than a temporary transfer or transfer as a pledge or security interest), the Member will cease to be a Member and will have no further obligations under this Agreement.

9.2 Admission of Additional Members. The Member may admit additional Members and determine the Capital Contributions of such additional Members.

**ARTICLE X
DISSOLUTION AND WINDING UP**

10.1 Dissolution. The Company is to be dissolved and its affairs wound up upon the determination of the Member. Notwithstanding any contrary provision of the Act, the Company does not automatically dissolve as a result of the death, retirement, resignation, expulsion, bankruptcy, or dissolution of any Member or any other event that terminates the continued membership of any Member.

10.2 Effect of Filing of Dissolving Statement. Upon the filing with the Colorado Secretary of State of a statement of intent to dissolve, the Company shall cease to carry on its business except as necessary to wind up, but its separate existence will continue until a certificate of dissolution has been issued by the Colorado Secretary of State or until a final non-appealable decree dissolving the Company has been entered by a court of competent jurisdiction.

10.3 Distribution of Assets on Dissolution. Upon the winding up of the Company, the Manager shall distribute the Company's property first to its creditors, including the Member if it is a creditor, then in satisfaction of the Company's liabilities, and then to the Member. The Manager shall make Distributions in cash, in kind, or both.

10.4 Winding Up. The Company may wind up when all of its debts, liabilities, and obligations have been paid and discharged or reasonably adequate provision for them has been made, and all of the remaining property and assets of the Company have been distributed to the Member. Upon the completion of the winding up, the Manager or other person designated by the Manager shall deliver executed articles of dissolution to the Colorado Secretary of State for filing.

**ARTICLE XI
AMENDMENT**

This Operating Agreement may be amended or modified only by a written instrument executed by the Member.

ARTICLE XII
MISCELLANEOUS PROVISIONS

12.1 Entire Agreement. This Operating Agreement represents the Company's entire operating agreement.

12.2 Rights of Creditors and Third Parties Under Operating Agreement. This Operating Agreement is for the exclusive benefit of the Company, its Member, and their successors and assigns. This Operating Agreement is not intended for the benefit of any creditor of the Company or any other Person. No creditor or third party has any rights under this Operating Agreement or any other agreement between the Company and the Member with respect to any Capital Contribution or otherwise.

(Remainder of this page intentionally left blank.)

This Operating Agreement of Anvil Townhomes LLC is entered into as of the date first stated above.

MEMBER:

Silverton Housing Authority
a Colorado body corporate and politic

By: _____
Dayna Kranker, Chair

MANAGER:

Silverton Housing Authority
a Colorado body corporate and politic

By: _____
Dayna Kranker, Chair



AGENDA MEMO

SUBJECT: San Juan County Affordable Housing Fund Funding Request
MEETING DATE: 12/9/2024
STAFF CONTACT: Anne Chase

Overview:

The Silverton Housing Authority pursued the Anvil Townhome Development as a top priority in 2024. On December 2, 2024, SHA submitted an application to DOH for \$616,000 in gap funding for the project. The DOH application was extensive and required completion of many predevelopment tasks including an updated survey of the project lots and an appraisal for the “as-is,” “as-built,” and “as-built and deed restricted.” See the following expenses below:

Predevelopment Task	Cost
Updated Survey –Southwest Land Surveying and Consulting, LLC	\$1,600
Appraisal – Watson Appraisal Services	\$4,750

Staff is requesting direction to request \$6,350 from the SJC Board of County Commissioners from the Lodger’s Tax Affordable Housing fund at their next regular meeting to cover the predevelopment expenses.

Direction:

Direction to Staff to request \$6,350 from BOCC to cover the pre-development expenses of a survey and appraisal for the Anvil Townhomes Development project at their next regularly scheduled meeting.




2024 YEAR IN REVIEW

 **47** Housing Units in Predevelopment
3 Development Projects

 **11** Regular Meetings & Work Sessions
 **3** Community Events

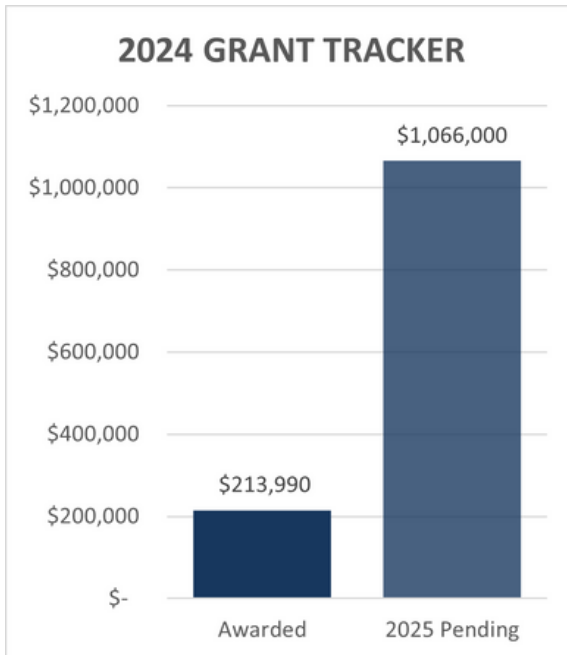
 **2** RFP / RFQ Issued & Awarded
3 Technical Assistance Awards


 **1.28** Acres Acquired

 **73** Subscribers
8 Newsletters
1st Website Launch

 **2** Housing Studies
2 Guiding Documents Adopted

Development Status



 **4** New Board Members
1 Full-Time Staff

 **60+** Hours of Board and Staff Training



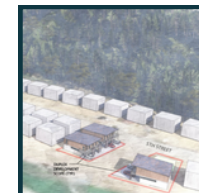
Zanoni Parcel

- Conceptual Planning ✓
- Clean-Up Planning ⌚



Boxcar Apartments

- Environmental Assessment ⌚
- Site engineering ⌚



Anvil Townhomes

- Geotech ✓
- Environmental Assessment ⌚
- Survey ✓
- Predev. Financing ⌚
- Market Study ✓