



820 Black Bear Road, Unit G-17
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AGENDA

SAN MIGUEL REGIONAL HOUSING AUTHORITY REGULAR MEETING

Monday, January 24, 2022 @ 11:30 AM

Via Zoom

ID# 484.178.1222 PW: Board

- I. CALL TO ORDER**
- II. PUBLIC DISCUSSION**
No more than five minutes per person
- III. APPROVAL OF MINUTES**
- IV. ACTION ITEMS**
 - A. Consideration of a request by Dr. Ryan Grady for an amended exception to the San Miguel County Amended and Restated Deed Restriction and Covenant Section 7.1. Ownership of Other Residential Property Prohibited
- V. EXECUTIVE DIRECTOR REPORT**
- VI. OTHER BUSINESS**
 - A. Advertisement – Member At Large Board Member
 - B. SMRHA Manager position interview process
 - C. Board meeting schedule FY 2022
- VII. ADJOURN**

Next Scheduled Meeting

TBD

11:30 A.M.

This agenda is subject to change including the addition of items or the deletion of items at any time. The lengths of discussions may be shorter or longer, at the Board's discretion. If you are planning to come speak to a matter, let the Executive Director know by calling 728-3034, ext. 3.

TO: SMRHA Board
CC: Amy Markwell, San Miguel County Attorney
Pam Hall, Lawson Hill Property Owner's Corporation
FROM: Lois Major, Special Counsel to the San Miguel County Housing Authority
DATE: January 13, 2022
MEETING DATE: January 24, 2022
RE: Consideration of a request by Dr. Ryan Grady for an amended exception to the San Miguel County Amended and Restated Deed Restriction and Covenant §7.1. Ownership of Other Residential Property Prohibited.

Purpose: To determine whether an exception is merited and if so, under what conditions.

Background: Dr. Ryan Grady, ("Applicant") currently owns deed-restricted real property in San Miguel County known as 584 Society Dr, Telluride, Colorado 81435 ("Lawson Hill Home"). The Lawson Hill Home is subject to the Amended and Restated Deed Restriction and Covenant recorded on November 8, 2019 at Reception No. 460863 encumbering title to the Lawson Hill Home (collectively, the "Covenant"). Applicant also owns undeveloped residential property in within the Telluride R-1 School District boundaries known as Lot 44, Quakey Lane, Ski Ranches, Telluride, Colorado 81435, ("Ski Ranches Property"). Legal descriptions of both properties are attached as Exhibit A.

Applicant was granted an exception to own and occupy the Lawson Hill Home while owning the Ski Ranches Property. The Exception Agreement was signed on 12/5/2019 and recorded at Reception No. 461577 and is attached as Exhibit B (referred to hereinafter as "Original Exception"). The Original Exception required, among other things, that the Applicant sell either the Lawson Hill Property or the Ski Ranches Property within twelve months of obtaining a certificate of occupancy on the Ski Ranches Property.

Applicant has submitted an Exception Application signed and dated 10/26/2021 and paid the requisite fee of \$350.00.

Applicant owns and operates a thriving dental practice in the Town of Telluride. As his application narrative explains, he wishes to keep the Lawson Hill Home after building a residence on the Ski Ranches Property in excess of the twelve months allowed by his Original Exception in order to rent the Lawson Hill Home to current or incoming staff (please see Exception Application, Exhibit C).

Discussion: Pursuant to the Covenant, the SMRHA may grant the Applicant an exception if the SMRHA determines that the Applicant has established compelling circumstances, not including financial hardship, justifying the requested exception; and that granting the requested exception is consistent with the purpose and intent of this Covenant as which is to help preserve a sufficient supply of Deed Restricted Property to meet the needs of locally employed residents of the Telluride R-1 School District while allowing customary free-market (unrestricted) practices to influence the sale and rental of Deed Restricted Property as much as possible (Recital A, Covenant). Compelling circumstances are not defined in the Covenant.

Covenant Excerpt:

8.3 Standards for Granting an Exception. The Administrator shall not grant an exception except upon a finding that the person requesting the exception has established compelling

circumstances, which shall not include financial hardship, justifying the requested exception; and that granting the requested exception is consistent with the purpose and intent of this Covenant. When considering whether the requested exception is consistent with the purpose and intent of this Covenant as stated in Recital A, the Administrator shall consider the following guidance:

8.3.1 Stable Resident Population. This Covenant is intended to help preserve a stable resident population, strong sense of community, and socio-economic mix in the Telluride Region by ensuring a sufficient supply of housing that is affordable and responsive to the diverse needs of the various segments of the community employed in the Telluride R-1 School District.

8.3.2 Deed Restricted Property Market. This Covenant creates a housing market for employees in which sales prices directly relate to the income earned by those who live and work in the Telluride R-1 School District (Qualified Purchasers), while allowing customary free-market practices to influence the sale and rental of Deed Restricted Property as much as possible. Exceptions to this Covenant should be allowed only when the exception will not affect the correlation between local income levels and sales prices.

8.3.3 Consistency and Uniformity. Consistency and uniformity is of vital importance. It is only through consistent and uniform application of this Covenant that the Deed Restricted Property market will remain properly defined, thus allowing free-market forces to accurately regulate the sales prices of Deed Restricted Property.

Stable Resident Population: If an exception is allowed, the Board could require a long-term lease to ensure a stable resident population. Lawson Hill policies prohibit any rental terms of less than 270 days (nine months). Please note that at a previous similar exception request before the San Miguel County Housing Authority (“SMCHA”), Pam Hall, President of the Lawson Hill Property Owner’s Corporation objected that renters did not constitute a stable resident population.

Deed Restricted Property Market: This requested exception would not impact the correlation between local income levels and sales prices because the home would not be for sale. The Board could restrict the maximum rent as part of any exception agreement.

Consistency and Uniformity: The County has allowed the Telluride R-1 School District, the Telluride Ski and Golf Company and recently, a business owner, to own affordable Housing Units and to rent to Qualified Employees. In the previous recent case, the business owner will create additional deed-restricted housing in the Telluride R-1 School District. In this situation, additional non-deed-restricted housing would be created, making a deed-restricted home available to local employees.

Motions to Consider:

Deny: I move to deny the request for an Exception to the Covenant §7.1. Ownership of Other Residential

Property Prohibited based on a finding that there are no compelling circumstances for an Exception.

OR

Approve: I move to approve an Exception to the Covenant §7.1. Ownership of Other Residential Property Prohibited based on a finding that there are compelling circumstances and the exception is in the best interest of the Affordable Housing Program and grant Applicant, as Owner, permission to retain ownership of the Lawson Hill Home after obtaining a Certificate of Occupancy on the Ski Ranches Property based on the following conditions:

_____ Applicant shall enter into an Amended Exception Agreement prepared by the County Attorney.

_____ Any proposed tenant(s) of the Lawson Hill Home must be qualified by SMRHA pursuant to the governing Covenant prior to occupancy.

_____ All tenants shall adhere to the rules and regulations of the Lawson Hill Property Owner's Corporation.

_____ Rent shall not exceed the Maximum Rental Rate determined as determined by the SMRHA.

_____ Any lease agreement shall be for a minimum of [nine (9)][twelve (12)] months and submitted to SMRHA within five working days of execution.

_____ This Exception shall terminate upon the sale of the Lawson Hill Home.

_____ Other: _____

Exhibit A

Lawson Hill Home:

UNIT 314 NUMBER 12 ELK MEADOWS LOT 314 LAWSON HILL PHASE 11 RECORDED IN PLAT BOOK 1 PAGE 2113 DECLARATIONS B00K 561 PAGE 614 , SEPTEMBER 12, 1996 AND SUBST PLAT AND PUD AMEND BOOK 1 PAGE 2511, 3MARCH 16 , 1999 LAWSON HILL IS A COMMON INTEREST COMMUNITY IN WHICH EVERY OWNER HAS AN EQUAL INTEREST IN THE COMMON ELEMENTS, SAN MIGUEL COUNTY, COLORADO. San Miguel County records, County of San Miguel, State of Colorado together with all their appurtenances also known as 584 SOCIETY DR, TELLURIDE, COLORADO 81435

Ski Ranches Property:

LOT 44, TELLURIDE SKI RANCHES, THIRD FILING, ACCORDING TO THE PLAT RECORDED SEPTEMBER 20,1974 IN PLAT BOOK 1 AT PAGE 33, COUNTY OF SAN MIGUEL, STATE OF COLORADO. San Miguel County records, County of San Miguel, State of Colorado, also known as (Vacant) Quakey Lane, Telluride, Colorado 81435, referred to hereinafter as "Free Market Lot"

**EXCEPTION AGREEMENT AND AFFORDABLE HOUSING COVENANT,
EQUITABLE SERVITUDE, AND REAL COVENANTS**
(Dual Property Ownership-Vacant Land)

THIS EXCEPTION AGREEMENT AND AFFORDABLE HOUSING COVENANT, EQUITABLE SERVITUDE, AND REAL COVENANTS (“Agreement”) is entered into this ____ day of _____ 2019, by and between RYAN P. GRADY whose address is PO Box 3644, Telluride, Colorado 81435 (“Applicant”); and the SAN MIGUEL REGIONAL HOUSING AUTHORITY, P.O. Box 840, Telluride, Colorado 81435 (“SMRHA”).

RECITALS

- A. Applicant currently owns certain Deed Restricted real property in San Miguel County legally described as:

UNIT 314 NUMBER 12 ELK MEADOWS LOT 314 LAWSON HILL PHASE 11 RECORDED IN PLAT BOOK 1 PAGE 2113 DECLARATIONS BOOK 561 PAGE 614 , SEPTEMBER 12, 1996 AND SUBST PLAT AND PUD AMEND BOOK 1 PAGE 2511, 3MARCH 16 , 1999 LAWSON HILL IS A COMMON INTEREST COMMUNITY IN WHICH EVERY OWNER HAS AN EQUAL INTEREST IN THE COMMON ELEMENTS, SAN MIGUEL COUNTY, COLORADO. San Miguel County records, County of San Miguel, State of Colorado together with all their appurtenances also known as 584 SOCIETY DR, TELLURIDE, COLORADO 81435 (hereinafter collectively referred to as the “Lawson Hill Property”).

- B. The Lawson Hill Property is subject to the Amended and Restated Deed Restriction and Covenant recorded on November 8, 2019 in Reception No. 460863 encumbering title to the Lawson Hill Property (collectively, the “ARDRC”). A copy of which is attached hereto as **Exhibit A**, to this Agreement.
- C. Applicant also owns certain real property in within the Telluride R-1 School District boundaries known as Lot 44, Ski Ranches, legally described as:

LOT 44, TELLURIDE SKI RANCHES, THIRD FILING, ACCORDING TO THE PLAT RECORDED SEPTEMBER 20,1974 IN PLAT BOOK 1 AT PAGE 33, COUNTY OF SAN MIGUEL, STATE OF COLORADO. San Miguel County records, County of San Miguel, State of Colorado, also known as (Vacant) Quakey Lane, Telluride, Colorado 81435, referred to hereinafter as “Free Market Lot”

- D. Pursuant to the ARDRC, Applicant is prohibited from having an ownership interest in another property within the Telluride R-1 School District boundaries.
- E. Applicant had disclosed ownership of the Free Market Lot at the time of application for qualification and was mistakenly advised that the Free Market Lot was not a factor for disqualification.
- F. Applicant learned of the issues on the eve of closing on the Lawson Hill Property.

- G. The Free Market Lot is a vacant unimproved residential lot.
- H. Applicant desires to retain ownership of the Free Market Lot.
- I. Pursuant to the ARDRC, the Applicant would be in violation of the criteria set forth in Section 7. if the Applicant owns property within the Telluride R-1 School District boundaries.
- J. Pursuant to the ARDRC, the SMRHA may grant the Applicant an Exception to the Deed Restriction if the SMRHA determines that the Applicant has established compelling circumstances, not including financial hardship, justifying the requested exception; and that granting the requested exception is consistent with the purpose and intent of this Covenant (ARDRC).
- K. Pursuant to the terms and obligations of this Agreement, Applicant shall continue to occupy their Lawson Hill Property full-time as their primary residence.
- L. The SMRHA held a public hearing on November 14, 2019 regarding the exception application. No public comment opposed the exception application. Based on the exception application, the memo dated November 7, 2019 from SMRHA Compliance Staff, Jeanne Walker, and discussion during the meeting, the SMRHA granted the Exception Request for dual property ownership subject to certain conditions.

NOW, THEREFORE, in consideration of the above Recitals, the mutual covenants, restrictions and equitable servitudes stated herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Applicant and the SMRHA hereby agree as follows:

1. Conditional Permission. The SMRHA grants the Applicant permission to own the Lawson Hill Property and the Free Market Lot without such status constituting a violation of the ARDRC, subject to the following conditions, terms, periods and limitations:
 - 1) Applicant shall not occupy the Free Market Lot as his temporary or permanent residence.
 - 2) Applicant shall not use the Free Market Lot for storage purposes.
 - 3) Applicant shall notify SMRHA within three (3) business day of receipt of a building permit for the Free Market Lot.
 - 4) Applicant shall sell either the Free Market Lot or the Lawson Hill Property within twelve (12) months of receipt of the Certificate of Occupancy on the Free Market Lot residence.
2. Default. Failure to comply with any of the provisions of this Agreement, which failure shall remain uncured for fifteen (15) days after notice of such failure by the SMRHA, shall be deemed an event of default. In the event of default, the SMRHA shall schedule a meeting with Applicant to address the default, and in its discretion may:
 - a) Require Applicant to list the Lawson Hill Property for sale at the initial purchase price of the Applicant (“Purchase Price”) or Cost of Construction (“Construction Price”) within five (5) days after the meeting at which the default is determined. Applicant hereby expressly acknowledges, agrees and consents that the price for the Lawson Hill Property is

the actual price Applicant paid to purchase or construct the Lawson Hill Property, and does not include any offset or credit for improvements of any kind, a real estate transfer tax or a real estate commission or any other type of fee or charge, if applicable. Applicant further expressly acknowledges, agrees and consents to accept the first bona fide offer to purchase the Lawson Hill Property that is equal to or exceeds the Purchase or Construction Price. If the accepted offer does not result in a sale of the Lawson Hill Property, then Applicant must accept the next reasonable bona fide bid that is equal to or exceeds the Purchase or Construction Price of the Lawson Hill Property, until such time as the Lawson Hill Property is sold.

- b) Pursue any appropriate legal or equitable action, including but not limited to specific performance, injunction, abatement or eviction of occupants, or such other remedies and penalties as are specified in LUC §§ 1-16, 5-1304, 5-1305 and 5-1306, or under law.
 - c) In the event Applicant fails to comply with section 2(a) of this Agreement, the SMRHA may, at its option, purchase the Lawson Hill Property at the Purchase or Construction Price as defined in section 2(a).
3. Entire Agreement. This Agreement constitutes the entire integrated agreement and understanding between the Applicant and the SMRHA and supersedes any prior written or oral agreement or understanding relating to the subject matter of this Agreement.
 4. Notice. Any notice given under this Agreement by one party to any other party shall be written and will be deemed effective upon personal delivery or upon deposit into the United States mail, with certified, pre-paid postage, addressed to the respective parties at the address first stated above, or at any other address a party may designate in writing to the other parties.
 5. Modifications and Waiver. No amendment, modification or termination of this Agreement or any portion thereof shall be valid or binding unless it is in writing, dated subsequent to the date hereof and signed by each of the Parties hereto. No waiver of any breach, term or condition of this Agreement by any Party shall constitute a subsequent waiver of the same or any other breach, term or condition.
 6. Miscellaneous. In the event litigation is commenced in this matter each party hereby consents to venue and jurisdiction being proper only in San Miguel County District Court. Time is of the essence hereof. The SMRHA hereby reserves all rights it has pursuant to Colorado law to enforce this Agreement, including, without limit, the right of specific performance. Each Party shall have the right to recover reasonable attorneys' fees and costs it may incur to enforce this Agreement, regardless of whether a lawsuit is ever commenced. Should a court of competent jurisdiction find and determine that a specific provision or provisions of this Agreement are legally void, invalid, or otherwise unenforceable, such specific provision or provisions shall be deemed to be severable from the remainder of this Agreement, which shall remain legally valid and in full force and effect.
 7. Effect of Agreement. To the extent not modified hereby, all other terms and provisions of the Deed Restriction shall remain in full force and effect.



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**Application for Exception to
San Miguel County Amended and Restated Deed Restriction and Covenant**

1. Submit payment of \$350, the County's One-Step Review Fee (*payable to SMRHA*).
2. All parties sign and date the Affidavit.
3. Submit application and fee to SMRHA at least 7 weeks prior to closing.

Name(s) of applicant(s): Ryan P. GRAY Phone no. 970-708-8811
 Address: 584 Society Drive Telluride CO 81435
 Email address: ryangradydds@gmail.com

Other Residential Property Ownership: If applicable, please list residential property that you **currently own** in San Miguel, Ouray, Dolores or Montrose counties (attach deed(s) containing legal description):

Lot 14 - Ski Ranches - Vacant

The property currently owned is: **Deed Restricted** X **Free Market** X
Improved **Unimproved**

List the residential property that you are under contract to purchase and the closing date (attach legal description): NA

The property to be purchased is: **Deed Restricted** **Free Market**
NA **Improved** **Unimproved**

AFFIDAVIT

I (We), Ryan GRADY, DDS, hereby declare, under penalty of perjury, that the following is a true statement:

1. Explain circumstances warranting an exception to the requirement(s) per Section 8. Exceptions:

As all business owners in the Telluride community, I have been struggling to obtain and retain employees. Over the past 18 months I have lost employees and have not been able to hire multiple others due to the lack of housing in our community. I am currently looking for another dentist, receptionist and dental assistant to join my team.

I currently reside at 584 Society Dr. in Lawson Hill and also own vacant land (lot 44) that is not being utilized in the Ski Ranches. After talking to multiple other business owners, it has come my attention that other owners are trying to do everything they can to help mitigate the housing problems they are facing.

As the Telluride community continues to grow so do the demands on business and healthcare providers. My office at the Telluride Center for Dentistry is doing everything it can to keep up with the overwhelming demands for dental needs in San Miguel County but there is only so much one person can do. Over the past year I have been searching for another dentist to join my team in order for my office to keep up with the growing demand for our services.

My home in Lawson Hill would be an exceptional location to house any member of my staff including a potential new dentist moving to the community and joining our dental healthcare team. I am asking for an exception that would enable me to build on my ski ranch lot and obtain any certificate of occupancy without having to sell my Lawson Hill home. I am requesting this in order to have the option to house my staff, a dental hygienist, or another doctor wanting to provide dental care in our community in my Lawson Hill home. Currently when interviewing other potential staff members or other dentists and they ask about housing I have no good solution for them and no good recommendations on where to find a solution. Like many business owners I am simply trying to use what is available to me in order to help mitigate this problem for my business with the ultimate goal of providing more essential healthcare to our growing county.

Only as long as I own my Lawson Hill property will a SMRHA qualified "employee" or myself be required to occupy the housing in Lawson Hill. If I were ever to sell my Lawson Hill property to a qualified buyer any restrictions would terminate.

2. Provide and approximate timeline for your request:

If another dentist willing and able to move to Telluride walked through my door tomorrow, I would begin the process of developing the Ski Ranch property immediately in order to allow them a place to live in Lawson Hill. In preparation I would like to begin designing and potentially building in the next few years without having to sell my Lawson Hill property if a Certificate of Occupancy were obtained in on my Ski Ranch property

3. Describe the nature and extent of community commitments and involvement:

My parents met in Telluride in 1972 when the ski area opened. I spent many of my childhood summers in Telluride during the 80's and 90's and have now been back full time in the community since 2009. I am a local healthcare provider and business owner who has been in business for over 12 years. My office provides state-of-the-art dental care to thousands of patients in and around San Miguel County. I have owned two different office spaces and employed numerous employees over the past 12 years. Since 2009 I have provided the only emergency dental care to inmates of the San Miguel County jail.

I have two 5th generation Telluride children (Declan 9 and Caven 7) who attend at the Telluride Intermediate and Elementary school's dual immersions programs. Declan and Caven are active in soccer, karate, hockey, baseball, Pinhead and numerous other activities that their mother and I engage them with. I am a member of the Telluride Aids Benefit Board of Directors. I have been on the San Miguel County Search and Rescue team since 2010. I am a member of the Telluride Elks and also serve on the Cimarron Lodge Board of Directors. I own my office space at Cimarron Lodge and bank at our local Community Banks of Colorado in Telluride.

I absolutely love what I do as a healthcare provider and strive to provide my patients with the best care possible. I hope you will allow me this exception so that the healthcare services that I provide to our community will not be limited by a lack of housing.

Signature: Ryan P. Bradley MD. Date: 10/26/21