

# Informational Meeting about the Veronica Medina Recall Effort

Presented by: Reclaim

Archuleta

Guest: Veronica Medina

August 24, 2024

Deadline for Petition: September 3, 2024

Required Valid Signatures: 1829

### •

**Legal Notices:** 

DO NOT SIGN THE
PETITION UNLESS YOU
ARE AN ELIGIBLE
ELECTOR. To be an
eligible elector you must:



Be Registered to Vote.



Eligible to vote in Archuleta County Elections.

Your Address MUST Match what is on file with the County Clerk (i.e. where your ballot is received). An Incorrect Address match voids your signature!

Do not sign this petition unless you have read or have had read to you the proposed recall measure in its entirety and understand its meaning.

As a signature collector there are a few rules we must follow. It is against the law:

For anyone to sign this petition with any name other than one's own or to knowingly sign one's name more than once for the same measure or to knowingly sign the petition when not an eligible elector.

Recall Effort

to remove Archuleta County
Commissioner Veronica Medina

Collectively, we feel Medina has vastly underperformed, violated the codes of ethics for an elected official, broken state statute more than once, and has cost our county more than \$250,000 in negligent spending and corrupt voting decisions.

# Thank you for Your Support in this Effort

of the Reclaim Archuleta group to recall Commissioner Veronica Medina. Our goal as an organization is to collect a total of 1,829 signatures by September 3, 2024



### **Contact Information:**

Reclaim Archuleta Representative:
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Call or Text 719-588-6076



#### RECALL EXPLANATION

The purpose of this recall is to effectively remove Archuleta County District 3 Commissioner Veronica Medina from office, therefore stopping her from finishing her term and doing more damage to the county.

While there are many reasons
Medina is not fit for office, the
four listed on the recall pertain to
a June 4, 2024 vote she made at
a Board of County
Commissioners (BoCC) meeting.

The vote pertained to land located on HWY 160 and South Pagosa Blvd., which is to be used for the future County Administration Building, set to break ground in 2025.

The land is listed by Exit Realty
Broker Shelly Low of Exit Home
and Ranch of Pagosa Springs.
Veronica Medina is a Real Estate
Agent with Exit Realty and works
for Shelley Low.

On June 4th, 2024, she voted in favor of purchasing the property for the County Administration Building, which directly benefits the company and Broker she works for.

In doing this she violated the following laws:

Colorado State Statute 31-4-404(2)

FAILURE TO DISCLOSE.

Colorado State Statute 24-18-109(3)(b)

FAILURE TO RECUSE.

Colorado State Statute 18-8-308

FAILURE TO DISCLOSE A POTENTIAL CONFLICT OF INTEREST TO THE STATE BODY.

Colorado State Statute 24-18-109(2)(b)

FAILURE TO DISCLOSE.

Just prior to the vote, Medina explained she was a licensed real estate agent who would not benefit from the purchase of either property (there were two properties on the table). THIS WAS NOT ENOUGH TO SAVE HER FROM THE ABOVE VIOLATIONS.

#### WHAT SHE FAILED TO DO:

- Disclose this conflict sooner.
- 2. Disclose the agency she works for is the listing agency on the property.
- 3. Disclose there was a potential conflict of interest.
- 4. Recuse herself from the vote entirely, leave the room and leave the vote up to the discretion of Commissioners Brown and Maez.

#### **INSTEAD SHE:**

- 1. Pushed for a motion, even trying to start a motion herself.
- 2. Rushed through the motion, citing she was done being patient.
- 3. <u>VOTED in favor</u> of the property listed by the company that employs her as an agent.

#### **Violated State Statutes:**

Colorado State Statute 31-4-404(2):

Any member of a governing body of any city or town who has personal or private interest in any matter proposed or pending before the governing body shall disclose such interest to the governing body, *shall not vote thereon*, and shall refuse to influence the decisions of the other members of the board.

Colorado State Statute 24-18-109(3)(b):

...may not perform an official act (vote) directly and substantially affecting to its economic benefit a business or other undertaking in which he either has a substantial financial interest or is engaged as counsel, consultant, representative, or *agent*.

Colorado State Statute 18-8-308

A public servant commits failing to disclose a conflict of interest if he exercises any substantial discretionary function in connection with a government contract, purchase, payment, or other pecuniary transaction without having given seventy-two hours actual advance notice to the Secretary of State.

Colorado State Statute 24-18-109(2)(b)

...any matter proposed or pending before the governing body shall disclose such interest to the governing body.

#### **Ethics Concerns**

#### State Independent Ethics Committee (IEC)

Medina currently has a complaint before the Independent Ethics Committee concerning the actions listed in the State approved Recall Petition.

The Committee went into Executive Session to discuss the complaint on August 20th, but did not make a formal motion to find it frivolous or non-frivolous, and their discussions will continue in Executive Session for their foreseeable future meetings until a formal motion is made.

Currently in the Preliminary Investigation phase, Medina may only be contacted if there is not sufficient primary evidence presented by the complaintant or if complaintant waives confidentiality, per IEC Rules of Procedure.

#### **Ethics Concerns**

Both the Department of Regulatory Agencies, or **DORA**, and the **Colorado Association** of **Realtors**® are aware of Ethics Concerns regarding both Medina's and Low's actions and behavior towards the public in order to get this transaction approved.

Both Agencies have encouraged ethics complaints for Low for violating the Regulatory Agency's Rule 6.1.D: "An Employing Broker must not knowingly permit Associate Brokers to present or hold themselves out to the public as an Employing or Independent Broker" and Rule 6.17A: "A Brokerage firm has a continuing duty to disclose, in writing, any known conflict of interest that may arise in the course of any real estate transaction."

Both Agencies have encouraged ethics complaints against Medina for violating <u>Article</u> <u>One and Two of the Code of Ethics</u> by not acting honestly in this transaction to the public and <u>Article 12 Standard Practice 10-5</u>: "Otherwise misleading consumers, including use of misleading images," as she is "Misrepresenting her Agency on behalf of Exit Realty, violating <u>Rule 6.1.C</u>: 'Associate Brokers must not present or hold themselves out to the public as an Employing Broker or Independent Broker."

The Colorado Association of Realtors® has also stated the Grievance Board may add additional grievances based on the facts of the situation.

### The Proposed Property Purchase: TBD X W. HWY 160



Photos from the Pagosa Daily Post and BoCC Releases



The County will be the "Anchor Tenant" for a large FUTURE development

Developer Price: \$2.50 sq/ft

County Price: \$10 sq/ft

Through setting the sale price, the Seller will pay Commission, from taxpayer funding, of \$400,000 to Shelley

Low at Exit Realty

Total Price: \$2.178M

Building Price: Estimated \$15M?

The development will need: Roads created, maintained, and snow removal.

Proposed to house people at 80% of the Area Median Income, most workers outside of government employees do not make 80% AMI.

Pagosa Daily Post: "It could appear — if you happen to be cynical — that the BOCC will buy overpriced property from the Dragoos, to help subsidize housing for... mainly government employees.

And with an EXIT Realty agent, Commissioner Veronica Medina, leading the charge?"

### The Concerns:

Medina is using the Public Treasury to enrich Exit Realty through inflated sales price negotations with a Seller of a property.

Medina can not represent the best interests of Low while simultaneously trying to represent the best interests of the public without conflicts of interest.

Conflicts can happen when acting in Dual Agency and is why, by law, Public Officials must Recuse from financially benefiting a company they contract for under Agency Law.

Because she is under contract with Low of Exit Realty as a "Delegated Single Agent" engaged as an Independent Contractor Associate Broker under Low's Employing Broker License, she is required by law to disclose that conflict at every public meeting and recuse herself from presenting, influencing the board, or voting on this matter.

### The Concerns Continued:

Medina knows this is a conflict of interest and refuses to recuse herself.

She has misrepresented her agency to the public, both in private conversations as well as online to the public in order to continue to be involved in this real estate transaction as the Agent for the Public.

This appears to be intentional due the disclosure in the Purchase Agreement as well as the rules and laws that Medina and Low agreed to follow in order to get their real estate brokerage licensure, which largely centers around Agency Law.

The application requirements for licensure include 48 hours of Colorado Contracts & Regulations education.

# What is Agency Law?

Agency Law is a legal doctrine controlling relationships between Agents and Principals. A principal-agent relationship is created when the agent is given authority to act for the principal.

In this case, Low is giving permission for Medina to go into contracts to perform for buyers and sellers on her behalf. She does not need to participate in the buying or selling performances, but she is required to look over contracts and is liable for misrepresentations or other malpractice or malfeasance performed under her brokerage license by any broker she employs or engages.

To clear up some confusion, not only is Medina a Designated Single Agent for Exit Realty according to the rules and laws that regulate Real Estate Brokers\*, she is also an Agent for buyers and sellers, who are also Principals she can represent in contracts entering into negotiations on their behalf as well, while representing Exit Realty/Low in third party negotiations.

\*Her employment contract as an Independent Contractor/ 1099 does NOT make her an Independent Broker, and they are unrelated as terms of Real Estate Law and Employment Law.

# Medina is also the Public's Agent

Medina is *also* acting in Agency on behalf of the Public as our Representative in government. She is required to *only* work on behalf of benefiting the Public and can not work in the best interests of another principal while in office, regardless of whether it benefits her financially or not. This includes negotations for contracts in real estate.



# How do we know that Medina and Low are acting in Agency with one another?

# They state a disclaimer that encompasses that relationship in the Purchase Agreement for this Property!

Purchase Agreement Section 9.2: ....It is hereby disclosed that certain *principals* or *affiliates* of the Parties and *entities affiliated therewith* may be licensed real estate brokers or salespersons.



### What does Colorado State Law state is an Agent?

## CRS 15-14-702 Defines an Agent

(1) "Agent" means a person granted authority to act for a principal under a [power of attorney], whether denominated <u>an agent</u>, attorney-in-fact, or otherwise. The term includes an original agent, coagent, successor agent, <u>and</u> <u>a person to which an agent's authority is delegated.</u>

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(7) "Power of attorney" means a writing or other record that grants authority to an agent to act in the place of the principal, whether or not the term power of attorney is used.

### Who Decides if Medina is an Agent of Exit Realty?

There are several principal-agent relationships created under real estate law. For that reason, terms and definitions are not interchangeable and have very real and precise meaning under the law. They can not be redefined for purposes of denying a conflict of interest by a Real Estate Broker's legal representative or the county lawyer on behalf of a Commissioner, or redefined by the Agent themselves.

Only The Rules Regarding Real Estate Brokers from the Department of Regulatory Agencies Division of Real Estate defines who is a licensed agent, which comes from referencing a myriad of laws.

The Rules explicitly define the Principal-Agent relationship between an Employing Broker and any Broker working under them. Whether the employed or engaged Broker is an Associate Broker or an Employing Agent is irrelevant, they are still listed under one Employing Agent, or Principal, for a brokerage.

In this case it is Exit Realty Home and Ranch, with the Principal Employing Agent being Shelley Low that all other agents employed or engaged by Exit Realty represent.

# Broker Hierarchy

Employing Broker and Principal (Shelley Low)

Employing Broker Licensure and Delegated Agent Associate Broker
Licensure and
Delegated Agent
(Veronica Medina)

Associate Broker Licensure and Delegated Agent





# Division of Real Estate

Rules Regarding Real Estate Brokers

The following definitions come directly from the Rules Regarding Real Estate Brokers from the Department of Regulatory Agencies Division of Real Estate and various laws referenced in the Rules.

**Broker:** Any person licensed by the Commission to perform Real Estate Brokerage Services regardless if the Broker is licensed as an Associate Broker, Independent Broker, or Employing Broker. Has a more detail definition under CRS: 12-10-201 (6)(a).

**Associate Broker**: A broker who holds an Associate Broker level license and works under the supervision of an Employing Broker.

**Employing Broker:** Has the same meaning Pursuant to section 12-10-201(2) CRS: "Employing real estate broker" or "employing broker" means a broker who is shown in commission records as employing or engaging another broker.

**Designated Broker:** Has the same meaning Pursuant to section 12-10-402(3)(a): "Designated broker" means an employing broker or employed broker who is <u>designated in writing by an employing broker to serve as a single agent</u> or transaction-broker for a seller, landlord, buyer, or tenant in a real estate transaction.

# Division of Real Estate

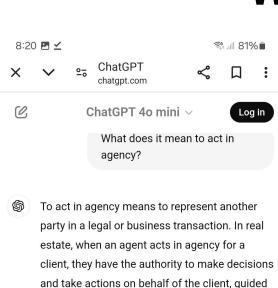
Rules Regarding Real Estate Brokers

The following definitions come directly from the Rules Regarding Real Estate Brokers from the Department of Regulatory Agencies Division of Real Estate and various laws referenced in the Rules.

**Single Agent:** Has the same meaning Pursuant to section 12-10-402(6): "Single agent" means a broker who is engaged by and represents only one party in a real estate transaction. A single agent includes the following:

- (a) "Buyer's agent", which means a broker who is engaged by and represents the buyer in a real estate transaction;
- (b) "Landlord's agent", which means a broker who is engaged by and represents the landlord in a leasing transaction;
- (c) "Seller's agent", which means a broker who is engaged by and represents the seller in a real estate transaction; and
- (d) "Tenant's agent", which means a broker who is engaged by and represents the tenant in a leasing transaction.

# What does A.I. Say?

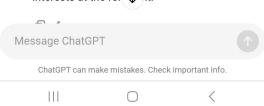


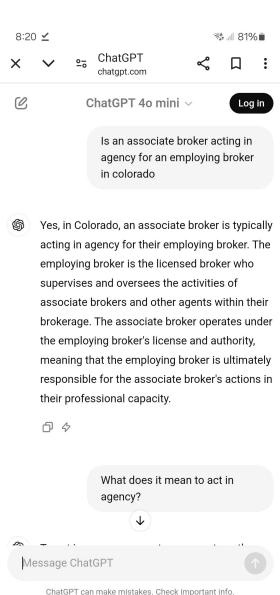
by the client's best interests. This involves

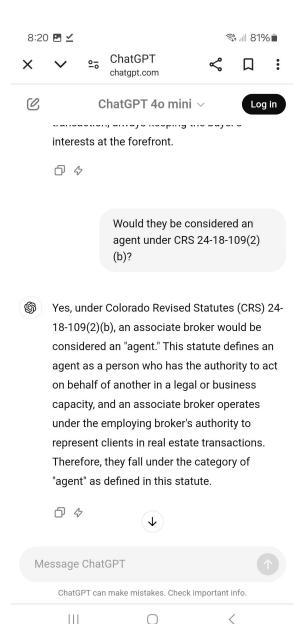
confidentiality.

fiduciary duties such as loyalty, disclosure, and

In the context of a real estate broker or agent, acting in agency means representing clients in buying, selling, or leasing property while adhering to their legal and ethical obligations. For instance, a real estate agent acting in agency for a buyer will help them find a property, negotiate terms, and facilitate the transaction, always keeping the buyer's interests at the for  $\sqrt{\phantom{a}}$  nt.







### The Facts

**Fact 1:** Medina acted affirmatively by voting "yes" in an official capacity without disclosure of Agency on June 4, 2024 to financially benefit a company she represents and acts in Agency for, Exit Realty.

**Fact 2:** Medina acted in an official capacity without disclosure of Agency on August 6, 2024 to table approval of a Purchase Agreement that would financially benefit a company she represents and acts in Agency for, Exit Realty.

**Fact 3:** Medina did not disclose to the governing body a Conflict of Interest before either vote on June 4, 2024 or August 6, 2024.

**Fact 4:** Medina has misrepresented her agency to the public by implying that an Independent Contractor is an Independent Broker and that she has no agency, stating the following on Nextdoor: "Real Estate Agents are 'Independent Contractors'. Real Estate agents have no authority to speak or act on behalf of the company the agent hangs their license. 'Agents' as described in the legal definition would be hired professionals like attorneys, accountants, other types of consultants."

### Assertions:

**Assertion 1:** Medina knows she is an Agent of Exit Realty and is not an Independent Broker due to **Rule 6.4.A:** Brokerage Firms Brokerage Relationship Policy: An Employing Broker or Independent Broker must adopt a **written policy** which identifies and discloses the relationships in which such Employing Broker, Independent Broker, and any Associate Broker may engage with any consumers prior to providing any Real Estate Brokerage Services, pursuant to sections 12-10-403 CRS and 12-10-408 CRS.\*

Because Medina knowingly acted as an Agent, she has violated <u>CRS 24-18-109(2)(b):</u>

A local government official or employee shall not: "Perform an official act directly and substantially affecting to its economic benefit a business or other undertaking in which he either has a substantial financial interest or is engaged as counsel, consultant, representative or agent."

**Assertion 2:** Medina *knowingly and with aforethought* did not and continues not to disclose or recuse herself from the conflict of interest.

**Assertion 3**: Medina did intentionally try to influence the vote of other board members, including citing her own impatience for an affirmative vote and attempting to start a motion, which violate standard rules as a Chair to not bring forth motions.

\*Unfortunately, if Medina and Low decide to feign ignorance that they have already signed a contract that designates Veronica as an agent acting on behalf of Shelley Low as their employment agreement per legally required policy, this will also bring into question both of their competencies in regards to being able to go under contract and understanding who they represent in transactions, an <a href="Ethics Violation of Article 11">Ethics Violation of Article 11</a> of the Code of Ethics.

### Response: What Happens from a Recall Effort?

#### **How much does a Recall Election Cost?**

It was estimated the election would cost over \$32,000 during the creation of the petition. However, the Recall Election would not cost the expected \$30,000+ because it is so close to the General Election that the Recall Election would be placed on the General Election Ballot and counted as a Ballot Measure, and will not be as expensive as having an independent election process.

#### What happens from the Recall Effort?

The outcome of this Effort depends largely on what Mrs. Medina chooses to do. Because she has intentionally misinformed the public of her agency and has personally attacked the constituents behind this effort trying to hold her accountable- which to me shows a lack of remorse or accountability- I am calling for Mrs. Medina to resign immediately.

If Mrs. Medina resigns immediately, by law, the Republican Central Committee will form a Vacancy Committee and they will appoint, through a quorum vote, a replacement to office that will continue in her term through 2026. State law stipulates that a Republican must take the vacancy.

**If Mrs. Medina resigns within 5 days of the petition** being submitted for sufficiency, the petition will not be counted against her, and the Vacancy Committee will appoint a replacement to office that will continue in her term through 2026.

If the Petition is submitted and Mrs. Medina resigns after certification and it meets the required number of signatures the Vacancy Committee will appoint a replacement through to the General Election, at which point an election will take place with qualified individuals on the ballot. Medina can not be a candidate.

If the Petition is submitted and does not meet the required amount of signatures, there will be no recall election and Medina will stay in office unless a second Recall Effort becomes successful.

If the Petition is submitted and meets the required number of signatures and Mrs. Medina refuses to resign the Recall Election will be placed on the General Election Ballot as a Ballot Measure. At which point, the ballot will ask you, "Should Veronica Medina be recalled as Archuleta County Commissioner?" You will check "yes" to recall her or "no" to vote for her to keep office. If you vote, "yes" there is a second question to vote for the qualified candidates who would replace her below that.

If Medina receives enough votes to stay in office in the Recall Election, she will remain in office and no further petitions can be created for recall \*unless it is signed by over 50% of the amount of electors who voted in the last election for this position."

**If Mrs. Medina is recalled in the Recall Election,** the candidate on the ballot who receives the most votes will take office through the remainder of the term.