

AGENDA

APCHA Board Meeting – Regular

Zoom or In-Person at BOCC Meeting Room – 530 E Main St

Wednesday, February 18, 2026

4:00 PM, Zoom Meeting (see instructions below)



Rules of Decorum - APCHA Board meetings shall be conducted in a fair and impartial manner that allows the business of APCHA to be effectively undertaken. Citizens, APCHA staff and APCHA Board members alike must be allowed to state their positions in a courteous atmosphere that is free of intimidation, profanity, personal affronts, threats of violence, or the use of APCHA as a forum for politics. All remarks shall be directed to the APCHA Board as a whole, not to APCHA staff or to the public in attendance. Members of the public shall not approach the dais without first seeking and obtaining the permission of the Chairperson or presiding officer. Warnings may be given by the Chair at any time that a speaker does not conduct himself or herself in a professional and respectful manner, and anyone whose language or behavior impedes the orderly conduct of an APCHA Board meeting shall, at the discretion of the presiding officer, be barred from speaking further and may be ejected from the meeting.

Online through Zoom Meeting below:

[Join Meeting](#) or call: (US) +1 (669) 900 6833. Meeting ID: 867 2757 1192. Meeting password APCHA0218

4:00 PM **Call to Order, Chair Carson Schmitz**

ROLL CALL

4:01 – 4:02 **Agenda Amendments (if requested)**

4:02 – 4:10 **Public Comment (3-minute limit)**

4:10 – 4:20 **APCHA Board of Director's Comments (Optional)**

4:20 – 4:25 **Executive Director's Comments/Staff Update**

- Executive Director Updates – Gillen
- Signing up for notifications/Available Rental and Sale Units – Christensen

4:25 – 4:30 **Consent Calendar** (may be adopted together by a single motion)

- Minutes of the January 21, 2026, Regular Meeting
- Approval of Resolution #1 (Series of 2026), Appropriating Funds for the Remodel of 161 Mining Stock Parkway #201 and Changing the Category

4:30 – 5:30 Regulation Changes Overview – B Spitz

5:30 – 6:30 Update on Lumberyard Development and Special Limited Partner (SLP) Introduction – Chris Everson

Adjourn

NEXT REGULAR MEETING: March 18, 2026, In-Person and/or via Zoom

NOTE: Times are approximate. Agenda items may be heard prior or after the estimated times shown.



Strengthening Community Through Workforce Housing

FUTURE LONG-TERM AGENDA ITEMS

As of February 18, 2026

Below are tentative dates for discussion on the specific items. This is subject to change. All will have an option of being in person or on Zoom.

March 18, 2026 – 4 p.m.

- Lumberyard resolution on SLP – Chris Everson
- First Reading of Regulations
- HOA Capital Improvement Policy – Date TBD
-

April 15, 2026 – 4 p.m.

- Public hearing and Second Reading of Regulations

May 20, 2026 – 4 p.m.

- Policy Discussion: eligibility considerations for all County/workers crossing county lines – Emily and Board Discussion

June 17, 2026 – 4 p.m.

July 15, 2026 – 4 p.m.

- 2025-2026 Work Plan Update
- 2026-2027 Work Plan Discussion

August 19, 2026 – 4 p.m.

- Adopt 2026-2027 Work Plan
- Update on 2027 Budget

September 16, 2026 – 4 p.m.

October 21, 2026 – 4 p.m.

November 11, 2026 – 4 p.m.

December 9, 2026 – 4 p.m.



***MINUTES OF JANUARY 21, 2026
REGULAR APCHA BOARD MEETING OF THE
ASPEN/PITKIN COUNTY HOUSING AUTHORITY***

CALL TO ORDER: Carson Schmitz, Chair, called the Regular APCHA Board Meeting of January 21, 2026, to order at 4:00 p.m. The APCHA Board Meeting was held in person and on Zoom. ROLL CALL VOTE: Scot Woolley, Carson Schmitz, John Doyle, Kelly McNicholas-Kury and Jeffrey Woodruff (new BOCC appointee) were present. Peter Grenney and Christine Benedetti were absent.

Staff Members in Attendance: Matthew Gillen, Executive Director; Bethany Spitz, Deputy Director of Compliance and Policy; Cindy Christensen, Deputy Director of Property Management & Housing Operations; and Karen Bromka, Administrative Assistant. Meg Simon, Communication Specialist; Nicole Beirsto, Project Specialist; and Tom Smith, APCHA's Attorney, were present on Zoom.

AGENDA AMENDMENTS: A request was to move the review of the Regulation changes after the Consent Calendar. The Board approved the amendment.

PUBLIC COMMENT: Schmitz opened the meeting to Public Comment for items not on the agenda. There being none, the Public Comment section of the meeting was closed.

APCHA BOARD OF DIRECTOR'S COMMENTS:

- The Board welcomed Jeffrey to his first meeting and acknowledged his appointment as a new Board member.
- Board members recognized and expressed appreciation for McNicholas-Kury as she prepares to leave the Board for a new role in Vermont, noting her significant contributions and service.
- McNicholas-Kury reflected on her time serving on the APCHA Board, describing it as both challenging and rewarding, and emphasized how the experience contributed to her growth as a public servant.

EXECUTIVE DIRECTOR'S COMMENTS: Gillen provided an overview of the following:

- Thanked Kelly on behalf of APCHA staff, expressing appreciation for her leadership, collaboration, and contributions during her tenure.
- Reported that APCHA is planning to hold the next HOA education class in February, though the time and location have not yet been finalized due to challenges securing a venue and an effort to offer the class at a different time of day.
- Highlighted recent Housing Matters columns, noting that his December column provided year-end highlights and that Jackie Marinaso's recent compliance-focused column was particularly effective and accessible to the public.
- Specifically acknowledged Carolyn Sackariason's (City of Aspen Communications Co-Manager) for assisting in translating compliance information into a more approachable, reader-friendly format.
- Recognized Tom Snyder, APCHA's hearing officer, for his work on two recent grievances over the holidays, noting both the quality of his decisions and the speed with which the cases were resolved.

Explained that, because these were grievances rather than standard cases, staff were able to share the outcomes with the Board, providing insight into the grievance process and decision-making.

- Addressed the APCA Board group email communications, stating that he has been responding directly with rule clarifications and guidance when messages involve case-related questions, and that he plans to continue this approach unless directed otherwise by the Board. Emphasized that his responses aim to explain applicable regulations clearly while directing individuals to attend Board meetings when appropriate. Concluded by noting that he has not received negative feedback on this communication approach and will continue using his judgment to manage these inquiries efficiently.

Christensen reminded everyone to sign up for notifications on the APCA website in order to submit interest for rental units managed by APCA and any new ownership opportunities

CONSENT CALENDAR: Doyle made a motion to approve the Minutes of the Regular Meeting held December 10, 2025; McNicholas-Kury seconded the motion. ROLL CALL VOTE: McNicholas-Kury, Schmitz, Woolley, and Doyle voted yes. Motion passed.

REGULATION CHANGE OVERVIEW: Spitz led the discussion on a proposed Regulation change for APCA programs, focusing on simplifying and standardizing appreciation and rental increase calculations.

- **Proposed Shift to Flat 3% Appreciation:** Outlined the plan to move from a CPI-based model to a flat 3% annual appreciation rate for both ownership and rental units. This change aims to provide predictability and consistency for homeowners and renters, reducing administrative complexity and delays caused by CPI announcements.
- **Impact Analysis:** She shared that approximately 59 units would not adopt the updated deed restriction because their current appreciation rates are higher. However, the proposed 3% rate aligns with other housing programs and offers a more stable long-term framework.
- **Administrative Benefits:** The flat rate would simplify calculations for staff and homeowners, ensuring easier communication of value changes and reducing confusion about annual updates.
- **HOA Deed Restriction Program Discussion:** Reviewed a potential updated deed restriction option offering 3% annual appreciation. Historical data showed average appreciation of 2.49% over 20 years and 2.8% over 40 years, supporting the reasonableness of the proposed rate.
- **Affordability and Market Considerations:** Board members discussed affordability impacts and potential risks during economic downturns. Staff noted that APCA has historically ensured owners do not lose value on their homes, while limiting appreciation during market declines.
- **Capital Reserve Study Requirement:** Christensen suggested requiring HOAs to have recent capital reserve studies as a condition for participation. Spitz noted that while this could strengthen long-term asset management and accountability, it may create administrative and implementation challenges for staff.
- **Legal Considerations:** Smith advised that the proposed changes could be implemented through regulations so long as they do not conflict with existing deed restrictions, which would continue to govern in the event of any conflict.
- **Program Implementation Details:** The proposed program would not be retroactive. Participation would require execution of a new deed restriction, appreciation would begin from the current property value, and owners would receive a 10% capital improvement allowance under the updated restriction.

- **Board Direction:** The Board expressed consensus to advance the flat 3% appreciation proposal to a first reading for further consideration and public input.
- **Rental Selection Process Change:** Bethany also presented a proposal to remove the “longest work history” requirement for APCA-managed rental units, citing inefficiencies, applicant burden, and prolonged vacancies.
- **Proposed Rental Process Update:** Staff proposed replacing the work history requirement with a sign-up window and lottery-based selection process, while maintaining existing priorities such as senior priority at Aspen Country Inn.

Next Steps: Spitz recommended that staff draft the proposed regulation changes for a first reading at a future meeting, allowing the Board to review the full text and provide feedback before adoption. The Board agreed with this next step.

DATA REPORT – 2025 YEAR IN REVIEW & DATA DASHBOARD PREVIEW: Emily Maynard, Housing Policy Analyst, presented the 2025 Year in Review Data Report and provided a preview of a new interactive APCA data dashboard intended to support transparency and data-driven decision-making.

- **Inventory Changes:** Reviewed updates to APCA’s housing inventory in 2025, including the removal of the Beaumont Inn hospital housing units due to redevelopment, with replacement units anticipated in future years. She also noted additions from mitigation units and upcoming employer-provided units not yet reflected in current totals.
- **Applications Overview:** APCA processed a high volume of applications in 2025, including a significant number of seasonal rental applications. Noted that LIHTC units accounted for the majority of denied applications, largely due to applicants exceeding income limits.
- **Bids and Lottery Activity:** Reported an average of 37 bids per ownership unit in 2025. The average work history of winning bidders was approximately 13 years, which is lower than historical averages. Staff observed an increase in bid activity following the removal of the \$5 bid fee.
- **Sales Activity:** Summarized ownership unit sales for the year, noting higher turnover than in some prior years. Most sales occurred in Category 4 units, while lower categories saw fewer transactions due to limited inventory and longer owner tenure.
- **Sales Price Trends:** Historical sales data illustrated long-term trends in sale prices and transaction volume. Emily explained that averages can fluctuate depending on the number of sales within each category and noted that resale-only units significantly influence pricing trends.
- **Compliance Activity:** Maynard reviewed compliance data from HomeTrek (2020–2025), showing a substantial number of compliance actions, including investigations and notices. Staff emphasized that many complaints are resolved without further action and that reporting methods continue to be refined.
- **Property Management:** The report included maintenance activity at APCA-managed properties, with most requests related to unit turnover, appliance repairs, and general upkeep, reflecting ongoing operational demands.
- **Dashboard Features:** Maynard Demonstrated the new dashboard’s interactive capabilities, including filters by year, category, application type, and geography. Features include maps of APCA properties, application and sales data, compliance activity, and income/category reference tools.
- **Board Feedback:** Board members expressed appreciation for the dashboard, noting its value as a transparency and policy tool. Requests were made for additional multi-year trend analysis and potential future enhancements, including improved visualization of available units.

Maynard concluded by emphasizing that the dashboard is intended to be a living resource, supporting transparency, policy discussion, and future decision-making as additional data and trends are incorporated.

GRANT PROGRAM UPDATE: Maynard presented an update on the APCA Grant Program, including a summary of 2025 activity and an overview of the 2026 program status.

- Announced that the 2026 APCA Grant Program is open, with applications already being received and approved, and noted that the program is proceeding as business as usual.
- Reviewed 2025 grant activity, providing a summary of applications and awards. The majority of grant requests continued to be for hot water heaters and window replacements, with the average grant award exceeding \$5,000.
- Funding distribution showed a relatively even split across the four eligible grant categories, with staff emphasizing the program's continued importance in addressing essential home repairs.
- Reported that residents consistently express strong appreciation for the grant program, highlighting its role in helping income-qualified homeowners address critical maintenance needs.
- With increased funding in 2026, Maynard requested Board input on whether to expand eligibility to Category 5 households or maintain the current eligibility limited to Categories 1–4. Board discussion focused on prioritizing limited resources for lower-income households and ensuring that Category 1 residents, often on fixed incomes, remain the primary beneficiaries of the program.
- Mobile home eligibility was discussed. Maynard noted that mobile homes are currently excluded due to prior challenges completing repairs but expressed openness to further evaluation, particularly for income-qualified owners and potential partnerships to address feasibility concerns. Board members discussed the balance between investing in mobile home repairs and long-term replacement strategies and encouraged additional research before making policy changes.
- Maynard reviewed program efficiency improvements, noting a significant reduction in denied applications compared to the previous year, attributed to improved communication and pre-application guidance.
- Coordination with CORE was highlighted, explaining that applicants are referred to CORE rebates where applicable and provided with additional information to help reduce overall project costs.

Board consensus was to maintain grant eligibility for Categories 1–4 at this time, emphasizing the importance of preserving funding capacity for those most in need. The Board expressed interest in continuing to receive annual updates on the grant program trends to support future funding and policy discussions.

McNicholas-Kury made a motion to adjourn the meeting; Woolley seconded the motion. ROLL CALL VOTE: McNicholas-Kury, Woolley, Doyle, and Schmitz voted in favor. Motion passed. Meeting adjourned at 5:33 p.m.

The next Board meeting is scheduled for February 18, 2026.

THE ASPEN/PITKIN COUNTY HOUSING AUTHORITY

Carson Schmitz, Chair

Matthew Gillen, Secretary

MEMORANDUM

TO: APCA Board of Directors

FROM: Cindy Christensen, Deputy Director

DATE: February 18, 2026

RE: **Approval of Resolution No. 1 (Series of 2026), Appropriating Funds from the 632 APCA Development Fund up to \$134,000 for the Remodel of Property at 161 Mining Stock Parkway 201 and Recategorizing the Unit from Category 2 to Category 4 for the Purpose of Selling to a Qualified Household**

PURPOSE: To bring the property located at 161 Mining Stock Parkway 202 up to today's seller's standards as stated in the Regulations, and to change the category from a Category 2 to a Category 4, to subsidize the costs spent on this home.

DISCUSSION: The APCA staff is recommending the remodel of the home to enable a new household to move into a home that is up to seller standards as stated in the APCA Regulations. The additional cost on top of the cost to purchase the home brings the value of the property under Category 4 based on the HOA dues associated with Burlingame and the requirement to pay into two HOA funds, APCA is recommending the increase in category to break even so that APCA has funds for future purposes.

Costs associated with the remodel project will include, but may not be limited to, the following:

- Demolition of all flooring (wood and carpet), removal of countertops and cabinets, removal of all appliances, demolition of bathroom (tub and sink)
- Drywall repair and paint of entire unit
- Replacement of two windows and repair of windowsills and door hardware
- Install all new flooring
- Install new cabinets
- Plumbing replacement
- Electrical work will need to be done with the replacement of smoke detector, lighting in kitchen, etc.
- All new appliances to include dishwasher, stove/range, vent hood, refrigerator, washer, and dryer

RECOMMENDATION: APCA recommends that the Board approve *Resolution No. 01 (Series of 2026)*, Appropriating Funds from the 632 APCA Development Fund up to but not Exceeding \$134,000 for the Remodel of 161 Mining Stock Parkway, Unit 201, Burlingame Ranch I, and Recategorizing from Category 2 to Category 4.

Attachment: Exhibit "A," Resolution No. 1 (Series of 2026)

Resolution No. 01
(Series of 2026)

**A RESOLUTION OF THE ASPEN/PITKIN COUNTY HOUSING AUTHORITY BOARD
APPROPRIATING FUNDS FROM THE 632 APCA DEVELOPMENT FUND UP TO BUT NOT
EXCEEDING \$134,000 FOR THE REMODEL OF 161 MINING STOCK PARKWAY UNIT 201,
BURLINGAME RANCH I AND RECATEGORIZING FROM CATEGORY 2 TO CATEGORY 4**

RECITALS

WHEREAS, the Executive Director of the Aspen/Pitkin County Housing Authority, a multi-jurisdictional housing authority (hereinafter referred to as “APCHA”) established pursuant to the ***INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF ASPEN AND PITKIN COUNTY ESTABLISHING THE ASPEN/PITKIN COUNTY HOUSING AUTHORITY*** dated May 13, 2019 and recorded on June 27, 2019 at Reception No. 656927 (hereinafter referred to as the “IGA”); and

WHEREAS, APCA purchased the property known as 161 Mining Stock Parkway, Unit 201, a Category 2, two-bedroom, 1-bath unit located within the Burlingame I Subdivision, Aspen, Colorado, on October 17, 2025, for a total of \$178,695; and

WHEREAS, said property has been unoccupied for months due to the need of remodeling the home to bring up to seller’s standards and sell to a qualified household;

WHEREAS, APCA has received an estimate of the work that needs to be accomplished to bring the home up to acceptable seller’s standards estimated at \$134,000;

WHEREAS, APCA will be utilizing the City of Aspen procurement process to contract with a vendor to complete said work to sell the home to a qualified household;

WHEREAS, APCA is also requesting an increase in the category to recoup the costs of the purchase of the home and the remodel of the home from Category 2 to Category 4;

WHEREAS, based on Table IV of the Regulations, the Maximum Sales Price for a Newly Deed Restricted Category 2 two-bedroom ownership home is \$173,000 and Category 4 is \$391,000, the cost of the remodel and purchase of the home is around \$315,000.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ASPEN/PITKIN COUNTY HOUSING AUTHORITY that the APCA Board of Directors has approved the appropriation of up to an amount not to exceed \$134,000 for the remodel of 161 Mining Stock Parkway, #201, and to change the current category from Category 2 to Category 4 in order to recoup the costs for the purchase and remodel of said home.

ADOPTED AND APPROVED THIS 18th DAY OF FEBRUARY 2026 at the Aspen/Pitkin County Housing Authority regular meeting held February 18, 2026.

Carson Schmitz, Chair

ATTEST:

Matthew Gillen, Secretary



MEMORANDUM

TO: APCA Board of Directors

FROM: Bethany Spitz, Deputy Director,
Cindy Christensen, Deputy Director,
Emily Maynard, APCA Housing Policy Analyst

MEMO DATE: February 10, 2026

MEETING DATE: February 18, 2026

RE: Preview of upcoming Regulation changes

REQUEST OF BOARD: This discussion is informational. The Board can make a recommendation to continue these items to First Reading of Regulation changes in March or not.

DISCUSSION:

1. Remove rental requalification income limits:

Staff is proposing to remove the rental requalification income limits. This would prevent people from turning down jobs or raises for fear of losing their housing and allow them to grow within their jobs.

This would allow people to bridge the affordability gap between rental and ownership with continued equity building. The requalification process would also be simpler with fewer documents being required at requalification. This would align with ownership requirements. In addition, tax credit units have no income limits once an individual has moved in and qualified. Furthermore, we would be qualifying who is here and needs housing instead of trying to fit people into an inventory of units.

This might lead to less turnover, and a person making a higher income might pay a lower category rental rate. The Board could consider a 200% income cap instead of the 150% cap currently in place.



Most of APCHA's rental units are Category 3 and very few category 4 units. There are not a lot of options when you make more than those amounts as a renter. There are roughly 100 rental units categorized at Category 1.

Another option would be allowing each person to qualify at the category of the unit. This would provide more flexibility to qualify applicants and requalify tenants. This would mean that unrelated people as roommates are not dependent on each other's income. More people would likely be able to qualify and requalify. Currently, three income earners make too much for a three bedroom, so this potentially would house more workers. However, this would likely favor more working adults and fewer families. Finally, this would move units outside of the category they were assigned during the development phase.

2. Lottery Chances: Allow people with 1 year work history 5 lottery chances:

Staff are proposing adjusting lottery chances to allow people with one year of work history five chances in the lottery. Each of the remaining lengths of employment are raised by one chance. This change maintains the longer work history benefit. APCHA Staff believes employers will like this as it could allow them to retain employees. This change would still give more chances to longer work histories but would give people chances during a time when they may lose their employer housing.

This proposal still rewards those with a longer work history. APCHA Staff does not know how many people would enter the lotteries with this change. The changes in lottery chances would be changed to the following:

Table VIII: Number of APCHA Lottery Chances for Priority Bids	
Years Employed/Worked in Pitkin County	Number of Lottery Chances
More than 1 year, less than 4	5
More than 4 years, less than 8	6
More than 8 years, less than 12	7



More than 12 years, less than 16	8
More than 16 years, less than 20	9
More than 20 years	10

Data: 1,009/7,959 lottery bids were from people with less than 4 years of work history

Years Work	No. Of Chances	Current advantage	Proposed advantage	Alternative change Chances: advantage
1-4	5	0	0.111	4 = .102
4-8	6	0.143	0.133	5 = .128
8-12	7	0.171	0.155	6 = .154
12-16	8	0.2	0.178	7 = .179
16-20	9	0.229	0.2	8 = .205
20+	10	0.257	0.22	9 = .231

As a reminder, these advantages do not represent the chance of winning. The advantage is only relative to each other.

3. ADA Clarifications: Clarifying the Priority for ADA APCHA Managed Rental Units

APCHA Staff would like to clarify the priorities for ADA Rental Units. If an ADA unit is available to rent, the highest priority for that unit is for an ADA qualified person. If there is no ADA qualified individual, then an Emergency Worker has priority.

4. Priority for Lumberyard Units for an Owner to transfer to a Rental Unit



APCHA Staff is proposing an owner transfer priority for Lumberyard rental units. Staff believe that we should limit the number of units to 10 for this priority. This might encourage movement from ownership units to rental units for downsizers.

5. Sex Offender/criminal policy for APCHA properties

The Board requested a discussion on sex offenders in APCHA housing; Tom Smith will lead a discussion on the requirements and challenges of a policy like this.



MEMORANDUM

TO: APCA Board of Directors

FROM: Chris Everson, City of Aspen,
Affordable Housing Development Project Manager

THROUGH: Matthew Gillen, APCA Executive Director and
Cindy Christensen, Deputy Director of Housing Operations

MEMO DATE: February 11, 2026

MEETING DATE: February 18, 2026

RE: Lumberyard Project Update and Proposal for APCA as
Special Limited Partner (SLP)

REQUEST: Project update and proposal for APCA as Special Limited Partner (SLP)

BACKGROUND: The Lumberyard affordable housing development will create 277 deed-restricted rental apartments in three four-story buildings, along with new infrastructure, transit, and community amenities. Aspen City Council approved an agreement with private developer Gorman & Company to implement the project.

Gorman plans to implement the project through two financial closings. Closing 1 (April 2026) will initiate construction of infrastructure and Building 1 (104 units), with occupancy anticipated in 2028. Closing 2 (2027) will initiate construction of Buildings 2 and 3 (91 and 82 units), with occupancy anticipated in 2029.

APCHA is currently SLP on multiple City-owned rental projects, and the City of Aspen is requesting that APCA take on the SLP role for the Lumberyard as well.

DISCUSSION:

Lumberyard Operations: Consistent with other City rental projects utilizing a private developer, Gorman will procure financing, construct the buildings, establish operating entities for each, and serve as owner/operator for 15+ years under a long-term City ground lease. Gorman, City staff, and APCA staff and counsel have collaborated to develop operational plans with the following key provisions:

- All units to have APCA deed restrictions (no competing restrictions or terms)
- All tenants are required to meet qualifications per APCA Regulations
- All units will be leased based on APCA incomes and rents
- All tenant selection will be via lottery per APCA Regulations



- Gorman will operate advertising, application process and lottery process
- Qualification of successful lottery applicants will be verified by Gorman
- Gorman will perform leasing, property management and enforcement
- APCHA will have access to all tenant qualification documentation via file sharing
- APCHA retains final tenant qualification authority

APCHA staff will not be burdened with day-to-day administrative tasks related to renting hundreds of units at the Lumberyard. APCHA's operational role will include training of Gorman personnel to properly qualify tenants, high level oversight and ultimate authority on tenant qualifications.

APCHA as Special Limited Partner (SLP): The City of Aspen is requesting that APCHA act as Special Limited Partner (SLP) for each building's operating entity – a commonly used arrangement for affordable rental facilities. With APCHA as SLP, the operating entity (e.g. Lumberyard Apartments 1, LLC) is eligible for exemption from certain sales and use taxes.

Tax exemption helps keep costs lower in an arrangement where deed restricted rents generate lower operating income as compared to free market rental operations. This allows the facility to carry a higher first mortgage than would otherwise be possible and makes the operation more financially viable long term.

As SLP, APCHA would be 0.01% owner of each operating entity (e.g. Lumberyard Apartments 1, LLC) which entails no operational responsibilities and no financial obligation or fiduciary duty. APCHA is protected from liability and does not receive any operational cash proceeds. APCHA's role as SLP is limited to cooperation on tax exemption for the operating entity.

NEXT STEPS:

Preparation for Closing 1 and Construction: Gorman is working with the City attorney's office and APCHA counsel to prepare documents which require approval prior to closing. After a work session on March 7, Aspen City Council will be asked to approve a resolution authorizing execution of a ground lease, deed restriction, development agreement, and an operating agreement on March 24. The operating agreement will memorialize the City's capital contribution of approximately \$119 million for the first closing. (The remaining balance of the City's estimated \$250 million total contribution will occur at closing 2 in 2027.)

After an update on February 18, the APCHA board will be asked to approve a resolution authorizing execution of a Special Limited Partner (SLP) addendum to the operating agreement on March 18. Closing is planned for April, and construction is expected to begin shortly thereafter.

ATTACHMENTS: Exhibit A – Presentation slides



Lumberyard Affordable Housing Update and Special Limited Partnership



APCHA Board - February 18, 2026

***NEW* Regional Housing Needs Assessment**

- **Aspen, Pitkin County, Garfield County**
- **Current Deficit and 10-Year Future Need***

Table 48. Summary of Housing Need

Area	Existing Shortage	Projected Need	Net Need
Pitkin County	1,400	1,138	2,538
Aspen	636	603	1,239
Snowmass Village	300	208	508
Basalt	173	126	299
Unincorp. Pitkin County	291	201	492

*Lumberyard and other pipeline projects are counted as already existing

Lumberyard Implementation

- Agreement with private developer (PPP)
- Gorman & Company plan:
 - ✓ 277 Rental Units in 3 Buildings, 1-3 Bedrooms
 - ✓ 2 Financial Closings, 2026 (April) & 2027
 - ✓ Est. Schedule: 2028-2029 Completion
 - ✓ Est. City Contribution: \$250 Million*



*represents only going-forward cost of deal with Gorman
does not include City's prior sunk costs of appx \$38.5 million
does not include future transit costs
does not include Lumberyard lease revenues of appx \$9.5 million
does not include income from Aspen Mini Storage

Operations Planning

- **Gorman, City, APCHA Collaboration:**

- ✓ 100% APCHA deed restrictions
- ✓ Tenants must qualify per APCHA Regulations
- ✓ Leasing based on APCHA incomes and rents
- ✓ Tenant selection via lottery for all units
- ✓ Gorman: Advertising, application & lottery process
- ✓ Gorman: Qualification of lottery winners
- ✓ Gorman: Leasing, property management, enforcement
- ✓ APCHA: Access to all qualification docs
- ✓ APCHA: Final tenant qualification authority

APCHA as Special Limited Partner

- **City Requests APCHA to be SLP:**
 - ✓ Commonly Used Arrangement
 - ✓ APCHA is SLP at numerous existing City rentals
 - ✓ Deed-restricted rents limit operating income
 - ✓ APCHA as SLP enables tax exemption
 - ✓ Tax savings supports higher first mortgage
 - ✓ Tax savings improve long-term financial viability
 - ✓ APCHA holds 0.01% non-operating ownership
 - ✓ No liability, duties, or cash proceeds

Pathway to Closing #1 April 2026

- **APCHA Board**

- ✓ Feb 18 Update and Introduce SLP
- ✓ Mar 18 Resolution on SLP

- **Aspen City Council**

- ✓ Mar 9 Work Session, Intro to Closing Docs
- ✓ Mar 24 Resolution on Closing Docs



Questions & Discussion

Discussion & Questions
Thank you!

Contact:
chris.everson@aspen.gov

