YAMPA VALLEY HOUSING AUTHORITY BOARD MEETING

March 18, 2026

Kathi Meyer, Yampa Valley Housing Authority Board President, called the special meeting of the Yampa Valley Housing Authority to order at 12:00 p.m.

Board members participating included: Catherine Carson, Lou Tortora, Maddie Ward, Kathi Meyer, Steve Muntean, Shannon Doin-Landers, John Spezia, Mark Halvorson, Angelica Salinas, Michael Ann LaMotte, and Scott Yeates. Cole Hewitt and Daniel Buri were absent.

Others present included: Jason Peasley, Executive Director; Elliot Lawrence, Deputy Director; Sandy Jacobs, Finance Director; Emily Katzman, Grants & Project Manager; Elizabeth Hinchman, Grants Coordinator; Araceli Googins, Housing Navigator; Mandy Alles, Accountant; Robin Schepper, Communications; Sarah Newman, Administrative Assistant; George Eck, YVHA attorney; Robert Stein, Amanda Shepperd, Alison Brodie, Leah Wood, and Dave Barnes. Sarah Katherman prepared the minutes.

EN RE: PUBLIC COMMENT

EN RE: BOARD MEMBER COMMENT

EN RE: REVIEW AND APPROVAL OF A GLOBAL AGREEMENT BETWEEN THE YAMPA VALLEY HOUSING AUTHORITY, YVHA MID VALLEY APARTMENTS ENTERPRISE, LLC, YVHA MID VALLEY CONDOMINIUMS ENTERPRISE, LLC, MID VALLEY CONDOMINIUMS LLC, MID VALLEY APARTMENTS LLC, AND STEAMBOAT 6732 PARTNERS, LLC

George explained that the Global Agreement would terminate the interim agreement and eliminate the relationship between YVHA and Steamboat 6732 Partners with respect to Phase 2 of Cottonwoods. Steamboat 6732 Partners currently have a 0.01% ownership stake in Phase 2. They would transfer that ownership to the YVHA and would transfer the architectural plans for Phase 2. George stated that the potential buyers of Phase 2 want Steamboat Partners to be completely out of the project before they are willing to go under contract on the property. George stated that the proposal to purchase the Phase 2 property includes $5M in earnest money, which would be released to the YVHA (which is quite unusual), but would remain a liability and need to be repaid if the purchaser were to terminate the purchase and sale agreement (PSA). George stated that per the Global Agreement the $5M would transfer to the condo company as a capital contribution. He noted that there is an outstanding $4M infrastructure loan against the Phase 2 property. The purchase price is $9M. George stated that the Global Agreement also requires YVHA to handle the surety with the City, and to capitalize the HOA. YVHA has made a $100,000 zero-interest loan to the HOA, which is due in one year. The Global Agreement also releases any

claims of all the parties against each other. In response to a question from Catherine, George clarified that claims against third parties would not be released and the agreement would not waive or limit possible future claims of buyers regarding construction defects.

George stated that the latest projected condo sales (Phase 1) totaling $5.5M were included the memo he sent to the board on Monday. He reviewed how these funds would be distributed. YVHA is currently projected to receive approximately $2.7M from the sales of the property, assuming the property is entirely sold by June 1. He noted that under current projections there is a $500,000 cushion, which would go to Steamboat Partners as profit. Any reduction in unit prices would have to be a joint decision by YVHA and Steamboat Partners. Jason noted that YVHA has flexibility up to around $500,000 to make minor adjustments to unit prices on a case-by-case basis. Michael Ann said that there is some risk regarding the twenty-six 140% of AMI units, as there are currently no qualified applicants in this category. George stated that YVHA would be taking $5M in equity from Phase 2 and subsidizing the developer with half of that amount.

In response to a question from Lou, George stated that the Global Agreement has been reviewed by Steamboat Partners, who are likely to be eager to get the document signed. Catherine asked why YVHA would not want to hold Steamboat Partners to the original agreement, given how close the units are to completion. George stated that without the $5M capital infusion, foreclosure might be a preferable option for Steamboat Partners compared to completing the project under the original terms.

Steve asked how unit pricing decisions would be decided jointly. George said that Steamboat Partners would have the final authority. He reviewed YVHA's exposure if unit prices are reduced beyond the aggregate $500,000 cushion. He explained that the Phase 2 (Lot 1B) property is encumbered by a $4M loan with Alpine Bank that accrues interest payable by YVHA exclusively. Through the PSA the $5M would be released, creating a second encumbrance, for a total encumbrance on Lot 1B of $9M, which is the purchase price. The $4M that Steamboat Partners put into the condo project is a separate line of credit to be repaid before the distributions from the sales of the units. In response to a question from Catherine, Mark offered that the Global Agreement, while a lousy business deal, solves many problems and would allow the condo project to be completed, which is the priority for YVHA. Lou reviewed that the direction given to the negotiators by the board was to protect the timeline of the project completion and the ability to deliver units. The Global Agreement accomplishes those objectives.

Scott asked about the architectural plans. George stated that any potential claims against the architect would be the responsibility of the joint venture. Lou asked about the down payment assistance program and how it would factor into the deal. Jason reviewed the two down payment programs: the internal YVHA program and the DOH Prop 123 program, which is more restrictive. Mark reviewed the exhibits detailing the estimated outstanding construction costs/overruns and stated that he believes the estimates to be low, but likely to be covered by the

profit. Steve asked about the interest being accrued on the outstanding loan. George estimated it was approximately $25,000/month. He clarified that YVHA would have to contribute cash at closing on Lot 1B. In response to a question from Scott, Michael Ann reviewed the prices on the 140% AMI condo units, which are well below market. She offered that they do not really understand why the interest in these units is not greater. There was a discussion of the increased outreach.

MOTION

Lou moved to approve the Global Agreement between the Yampa Valley Housing Authority, YVHA Mid Valley Apartments Enterprise, LLC, YVHA Mid Valley Condominiums Enterprise, LLC, Mid Valley Condominiums LLC, Mid Valley Apartments LLC, and Steamboat 6732 Partners, LLC.

John seconded the motion. **The motion carried unanimously.**

EN RE: REVIEW AND APPROVAL OF A MUTUAL SEPARATION AGREEMENT BETWEEN THE YAMPA VALLEY HOUSING AUTHORITY AND JASON K. PEASLEY

Following discussion, the board decided that an executive session to discuss legal issues related to the above cited agreement was not necessary.

George reviewed the previous discussions by the board regarding the proposed agreement, noting that the personnel issue had been discussed in several executive sessions. He reviewed the terms of the proposed mutual separation agreement, which would take effect June 1, 2026, noting in particular the mutual prohibition on disparagement and the release of claims. He discussed the severance package. George stated that the agreement includes payment of approximately $75,000 above and beyond what would occur under the employment agreement, in a termination without cause scenario. There was discussion of whether the net payment includes payroll taxes. Scott and Mark agreed that the actual numbers, including payroll taxes, should be stated in the document. Angelica suggested that the agreement could be approved subject to the addition of a full accounting of what the total cost of the agreement will be to YVHA. She added that while she is full support of the agreement, the board needs to understand when the money will be paid and how that payment will impact the organization's cash flow prior to approving the agreement. Lou offered that the agreement describes the severance completely, even if it does not include the numbers. George said that the total amount would be paid on June 1. Steve stated that there needs to be a plan for uniform messaging to the community of what is included in the separation agreement. In response to a question from Mark, George provided clarification of some elements of the agreement language, and acknowledged a typo. There was discussion of the remedies for a breach of the agreement. Mark stated that he would not vote to approve the agreement without the provisions included in Sections 9 and 16 that would allow YVHA to seek remedies if the event that Jason breaches the agreement. These sections had been suggested for

removal by Jason's attorney. There was discussion of the importance of Section 16, with general support by the board for asking for the reinstatement of this section regarding the payment of attorney's fees.

Mr. Robert Stein, an attorney representing Jason, joined the meeting. He reviewed the termination provisions included in Jason's employment agreement. He emphasized that the goal is to reach an agreement that is mutually satisfactory. He said that the original draft of the agreement was one-sided in terms of liquidated damages, attorney fees, and a claw back provision, and gave YVHA more leverage in the event of any dispute. Mr. Stein said that the agreement should be mutual and should reflect the experience that the board has had working with Jason, and vice versa.

George noted that the non-disparagement clause was suggested by Jason. He disagreed that the original draft of the agreement was one-sided, given the severance package. Catherine suggested that the attorney fees provision should be reciprocal.

MOTION

Catherine moved to table the mutual separation agreement to the March 26, 2026 regular meeting of the YVHA board to allow the full fiscal impact of the agreement on the organization to be calculated.

Lou seconded the motion. **The motion carried unanimously.**

EN RE: YVHA REPRESENTATION ON THE BROWN RANCH STEERING COMMITTEE

Catherine offered that the discussion of representation on the committee should occur when the whole board is present. Angelica stated that the consensus vote to include a County elected official on the committee failed, so the County will have only a single seat. The full discussion of this issue will occur at the meeting next week. Michael Ann offered that the board needs to define the boundaries for the representatives on the committee.

EN RE: ADJOURNMENT

The special meeting of the YVHA Board of Directors was adjourned at 2:20 p.m.

No further business coming before the Board, same adjourned sine die.

Kathi Meyer, President

Sarah Katherman, Minute Taker