



ASSIGNMENT OF THE CITY'S RIGHT OF FIRST REFUSAL AND RIGHT OF FIRST OFFER TO PURCHASE MULTIFAMILY HOUSING

CITY COUNCIL PUBLIC HEARING
December 16, 2025

City Staff Representative:

Shawn Weiman, Affordable Housing Coordinator
Community Development Department

Assignee Representative:

Debra Bristol, Executive Director
Brighton Housing Authority

Purpose

To assign the Brighton Housing Authority (BHA) the City's right of first refusal and right of first offer to purchase qualifying multifamily housing for the preservation and creation of affordable housing.



Background

- HB 24-1175 established rights for local governments to purchase qualifying multifamily housing for the purpose of preserving or creating affordable housing before it is sold on the open market.
- Local governments were also given the option to assign those rights to a local or regional housing authority serving that municipality.
- BHA and City staff agreed to examine assignment of the right of first refusal and right of first offer to BHA.

The Act Establishes Two Types of Rights

- Right of First Refusal:
 - 5-unit or larger properties;
 - Existing affordable housing;
 - Jurisdiction or assignee has a right to match a purchase offer; and
 - The affordability component is preserved.
- Right of First Offer:
 - 15- to 100-unit properties;
 - Non-affordable housing;
 - Jurisdiction or assignee has a right to make an offer before a property is listed for sale; and
 - Property is converted into affordable housing by jurisdiction or assignee.

Obligations of the Act

- Adhere to timelines and reporting requirements upon receiving a notification of intent to sell.
- If electing to match or make a purchase offer, work within requirements of the act including a non-disclosure agreement and due diligence period.
- There is no obligation to purchase any property of which notification was received.

Staff Analysis & Recommendation

- The City does not currently own or operate affordable housing developments and would likely waive its rights to purchase the qualifying for-sale properties.
- The BHA is better equipped to secure the necessary funding to purchase rental properties.
- There is no direct fiscal impact to the City related to assigning the City's rights under this Intergovernmental Agreement.
- Staff therefore recommend assigning the right of first refusal and the right of first offer to the BHA.

City Council Consideration

1. Approve the resolution entering into the assignment agreement;
2. Deny the resolution entering into the assignment agreement, in which case the City will retain the right of first refusal and right of first offer to purchase, and City Staff will be responsible for complying with HB24-1175;
3. Approve the resolution entering into the assignment agreement with changes; or
4. Continue the item to be heard at a later, specified date if it is determined that additional information and/or time is needed to consider the resolution.

THANK YOU

Questions?

