

ORDINANCE NO. 205, 2025
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH
HOUSING CATALYST TO ASSIGN CERTAIN CITY PROPERTY
RIGHTS

A. Colorado's House Bill 24-1175 (enacted as Chapter 286 of the 2024 Colorado Session Laws) (the "Act") creates a right of first refusal and a right of first offer for local governments for certain types of multifamily rental properties to provide long-term affordable or mixed-income housing. The Act also specifies the timeframes in which qualifying properties are required to notify the local government of a sale and in which the local government is required to respond to a notice and submit an offer. The rights created under the Act will sunset on December 31, 2029.

B. A local government may assign its rights under the Act to a local or regional housing authority or the Colorado Housing and Finance Authority ("CHFA") on either a case-by-case basis or as a blanket assignment, covering all qualifying properties in the jurisdiction. Housing Catalyst, a body corporate and politic, as the housing authority for the City of Fort Collins is eligible to accept the City's rights of first refusal and rights of first offer under the Act.

C. To create a streamlined process that best enables the community to acquire properties and create or preserve affordable housing, City staff recommends making a blank assignment of its rights of first refusal and offer to Housing Catalyst.

D. A form of the assignment to Housing Catalyst (the "Assignment") is attached hereto as Exhibit A.

E. While the rights of first offer and rights of first refusal granted to the City under the Act have some financial value, the City cannot ascertain the total value of the rights because the City cannot know which qualifying properties will be offered for sale before the end of 2029.

F. Section 23-111(a) of the City Code authorizes the City Council to sell, convey or otherwise dispose of any interests in real property owned by the City, provided the City Council first finds, by ordinance, that such sale or other disposition is in the best interests of the City.

G. Section 23-114 of the City Code authorizes the City Council to dispose of interests in real property for less than fair market value provided that the City Council determines that such disposition serves a bona fide public purpose.

H. Section 1-22 of the City Code requires that all intergovernmental agreements or cooperative activities between the City and other governmental entities be submitted to the City Council for review, and any approval thereof shall be by ordinance or resolution of the City Council, subject to certain exceptions. Further, the City is

authorized to enter intergovernmental agreements to provide any function, service, or facility under Article II, Section 16 of the Charter of the City of Fort Collins and Colorado Revised Statutes Section 29-1-203.

I. City staff has recommended that the City grant the Assignment at no cost to Housing Catalyst.

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. The City Council finds that granting the Assignment on the terms and conditions described herein is in the best interests of the City and serves a bona fide public purpose in accordance with the requirements of Section 23-114 of the City Code because:

- a. The Assignment promotes health, safety or general welfare and benefits a significant segment of the residents of Fort Collins because it supports a governmental housing authority conducting its work to preserve and create affordable housing;
- b. The Assignment supports the City's goal of helping to preserve and create affordable housing;
- c. The financial support provided through the grant of the Assignment to Housing Catalyst can be leveraged through benefits to the City's cooperative relationship with Housing Catalyst;
- d. The financial benefit to Housing Catalyst is not substantial relative to the public purpose of preserving and creating long-term affordable housing; and
- e. Granting the Assignment will not interfere with current City projects or work programs, hinder workload schedules or divert resources needed for primary City functions or responsibilities.

Section 2. The City Council hereby authorizes the City Manager to execute the Assignment substantially in the form attached hereto as Exhibit A with such additions, modifications or deletions to the terms and conditions as the City Manager, in consultation with the City Attorney, determines are necessary or appropriate to protect the interests of the City or effectuate the purposes of this Ordinance.

Introduced, considered favorably on first reading on December 2, 2025, and approved on second reading for final passage on December 16, 2025.

Mayor

ATTEST:

City Clerk

Effective Date: December 26, 2025

Approving Attorney: Ted Hewitt

Exhibits: Exhibit A – Intergovernmental Agreement to Assign Rights under HB24-1175