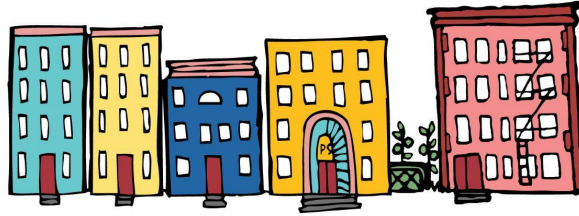


NYC community land initiative



Community Opportunity to Purchase Act (COPA) - Int. 196

Frequently Asked Questions

What is COPA and how does it work?

The Community Opportunity to Purchase Act (COPA) is a proven tool to expand and preserve the supply of affordable housing and combat displacement. NYC [Int. 196](#) is modeled on successful Opportunity to Purchase legislation implemented in San Francisco, Washington, D.C., and other jurisdictions and co-sponsored by 32 City Council Members. More than 120 community, tenant, and affordable housing organizations and coalitions – including the NYC Community Land Initiative (NYCCLI), ANHD, and Housing Justice for All – support COPA.

COPA gives qualified nonprofits, including community land trusts (CLTs), a first chance to bid on multifamily properties when a landlord sells. Specifically, Int. 196 creates a process and timeframe for nonprofits to make competitive offers:

- Before putting an apartment building up for sale, a landlord must notify the NYC Department of Housing Preservation and Development (HPD) of its intent to sell and provide basic information about the building's rent roll and finances.
- Qualified nonprofits have 60 days to notify the owner and HPD of an intent to purchase and 120 days to make a competitive offer on the building.
- If a nonprofit does not express intent to purchase, or if a nonprofit's offer is rejected, the landlord can sell the property on the open market.

How will COPA benefit New Yorkers?

COPA will address NYC's housing crisis by giving nonprofits new tools to stabilize and increase the supply of affordable homes. As [reported by the New York Times](#), unchecked real estate speculation has led to landlords overborrowing, cutting services, and deregulating over 150,000 affordable apartments between 1993 and 2018. [House flipping](#) and [predatory cash buyers](#) have drastically reduced the stock of affordable homes in NYC, particularly in Black and brown neighborhoods.

NYC nonprofits have a strong track record preserving deeply affordable, high quality housing. By giving qualified nonprofits a first opportunity to purchase, COPA will slow speculative sales that have destabilized Black and brown working class communities, fueling gentrification and driving the homelessness crisis for decades. Many nonprofit developers and CLTs are already working

with organized tenants to interrupt speculative sales and take ownership of buildings. COPA would bolster these efforts and help foster the policy, funding and technical assistance ecosystem needed for them to succeed.

What type of nonprofits/CLTs will be eligible for this early opportunity to purchase?

New York City has a robust and longstanding nonprofit housing sector, which stands to grow by leaps and bounds with the enactment of COPA. Qualified nonprofits under Int. 196 include the 25 nonprofit developers currently on NYC's Qualified Preservation Buyers List, as well as CLTs, which are neighborhood-based nonprofits that own land and ensure housing stays permanently affordable and community-governed. There are more than 20 CLTs across the five boroughs.

Qualified nonprofits must demonstrate a commitment to providing affordable housing for extremely low, very low, and low-income residents; and to ensuring community representation, engagement and accountability. Nonprofits also must demonstrate legal and financial capacity to acquire and manage residential properties, or partner with another entity that has such capacity. HPD will recertify qualified nonprofits every two years and investigate any complaints brought against them, to ensure compliance with COPA's requirements.

How will COPA affect landlords?

Buildings with fewer than three rental units would be exempt from COPA entirely. Sellers of properties subject to COPA still participate in market transactions; they are not forced to accept lower offers. COPA simply creates a process and timeframe for prospective nonprofit purchasers to make competitive offers. COPA allows small landlords to shorten the timeframe if they can show good cause, including financial hardship.

What examples are there of COPA working in other cities?

COPA and TOPA (Tenant Opportunity to Purchase Act) policies have been implemented in Washington, D.C., San Francisco, and seven other jurisdictions throughout the United States, with tremendous results. Washington, D.C.'s TOPA legislation, enacted forty years ago, gives tenants of multifamily buildings a first right to collectively buy their building, on their own or in partnership with a CLT or nonprofit, when it is up for sale. D.C.'s TOPA, combined with preservation funding, has developed or preserved 16,224 units of affordable housing since 2006, according to [a new LISC report](#).

Since San Francisco implemented COPA in 2019, nonprofits have preserved at least 230 units of affordable housing – out of approximately 1,000 units preserved since 2013. The city's [Small Sites Program](#) and other public and private funding sources have helped nonprofits secure COPA acquisitions. For example, the San Francisco CLT recently acquired 285 Turk Street, a 40-unit apartment building in the Tenderloin neighborhood, and will empower the predominantly Black, Filipino, and Indigenous Mayan residents to become co-stewards of the property through a limited equity housing cooperative.

What types of funding will be needed to ensure COPA is successful?

NYC has several funding programs that could be activated and scaled to support COPA implementation. HPD's Neighborhood Pillars Program, which has been on pause, can be reactivated and targeted to support nonprofits and CLTs making COPA purchases. The NYC Acquisition Fund, which already supports nonprofits and M/WBEs, can also provide financing. NYS Homes and Community Renewal could scale up its Community Controlled Housing Program. Other funding sources include the Community Preservation Corporation, philanthropy, and New York's robust network of community development financial institutions (CDFIs).

How could Int. 196 be strengthened?

As currently drafted, the bill does not give nonprofits a "right of first refusal." In other words, if a nonprofit offered to purchase a building at the same price and under the same terms as a for-profit third party, the building landlord would be at liberty to choose the for-profit buyer. NYCCLI supports adding a "right to first refusal" for qualified nonprofits, as provided for in other jurisdictions' COPA/TOPA policies. NYCCLI also supports expanding the definition of "residential property" subject to COPA to include vacant property zoned for 3+ unit buildings.

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For more information and a list of endorsers, visit nyccli.org/CLA.

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