



## Community Opportunity to Purchase Act (COPA) - Int. 902-A

### Frequently Asked Questions

#### What is COPA and how does it work?

[NYC Int. 902-A](#), the Community Opportunity to Purchase Act (COPA), is a proven policy to stabilize and expand the supply of permanently affordable housing. The bill is modeled on successful Opportunity to Purchase legislation implemented in San Francisco, Washington, D.C., and other jurisdictions. The bill is currently co-sponsored by 32 City Council Members and backed by a coalition of more than 150 affordable housing developers, community land trusts, tenant associations, and coalitions, including the NYC Community Land Initiative, ANHD, and Housing Justice for All.

COPA gives Qualified Entities – including mission-driven community development corporations (CDCs), community land trusts (CLTs), and for-profit and MWBE developers in joint ventures with nonprofits – a first chance to make competitive offers on certain multifamily properties, when a landlord decides to sell. Int. 902-A creates a clear, efficient process and timeframe for Qualified Entities to make competitive offers, as follows:

- Before putting a multifamily 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 Entities have 45 days to notify the owner and HPD of an interest to purchase and 90 days to make a competitive offer on the building.
- If a Qualified Entity does not express intent to purchase within 45 days, or if the qualified buyer's offer is rejected, the landlord can sell the property on the open market.
- The first Qualified Entity that made an offer has 15 days to exercise a Right of First Refusal, or the chance to meet the terms of any offer on the open market that the landlord wants to accept.

#### How will COPA benefit New Yorkers?

COPA will address NYC's housing crisis by giving Qualified Entities with proven track records an opportunity to stabilize buildings, interrupt property flipping, and keep New Yorkers safely housed. COPA, paired with tenant organizing and city and state affordable housing financing programs, gives communities a new tool to expand and protect the supply of permanently affordable homes, preventing displacement.

Unchecked real estate speculation has led to landlords overborrowing, cutting services and building repairs, and [deregulating over 150,000 affordable apartments](#) between 1993 and 2018. Since then, thousands more units have [exited rent regulation](#) each year. [House flipping](#) and [predatory cash buyers](#) have drastically reduced the stock of affordable homes in NYC, particularly in Black and brown neighborhoods.

NYC has a robust network of mission-driven affordable housing developers with [strong track records](#) providing deeply affordable, high-quality housing. COPA levels the playing field for these Qualified Entities, giving them a chance to bring buildings into stable ownership. Qualified Entities can work with tenants to determine a building's future, including whether to preserve buildings as permanently affordable rentals or convert them to shared equity cooperatives.

Tenant associations, CLTs, and CDCs are increasingly working with tenants to collectively buy and steward their buildings. COPA would bolster these efforts and help foster the policy, funding and technical assistance ecosystem needed for them to succeed. For example, in 2024, East New York CLT worked with tenants at 248 Arlington Avenue to purchase their 20-unit building from a neglectful landlord. The CLT is now repairing the building and converting it to a limited equity co-op owned by the existing tenants. Similar projects are underway across the city.

**What types of nonprofits, CLTs, and joint ventures will be eligible for this early opportunity to purchase?**

Under Int. 902-A, Qualified Entities include nearly 20 CLTs, which are neighborhood-based nonprofits that own land and ensure housing stays permanently affordable and community-governed; at least 25 nonprofit developers currently on NYC's Qualified Preservation Buyers List; and vetted for-profit developers that enter into joint ventures with a nonprofit.

New York City has a robust and longstanding nonprofit housing sector, which stands to grow by leaps and bounds with the enactment of COPA. Nonprofit Qualified Entities 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 these nonprofits every two years and investigate any complaints brought against them, to ensure compliance with COPA's requirements.

Additionally, HPD will certify a list of for-profit developers eligible for a first opportunity to purchase *if* they are in a joint venture with a nonprofit Qualified Entity. For-profit developers must demonstrate a record of managing residential properties with affordability restrictions and maintaining those affordability restrictions. For-profits must also demonstrate legal and financial capacity to acquire, rehabilitate, and manage residential property, and are subject to the same two-year recertification requirements as nonprofit Qualified Entities.

Including joint ventures between nonprofit Qualified Entities and for-profit developers will build the capacity of neighborhood-based nonprofits and CLTs to make competitive offers and mobilize financing to purchase buildings under COPA, as well as rehabilitate and manage buildings.

## **What buildings will be covered by COPA, and how will the policy affect landlords?**

NYC's COPA applies to certain multifamily buildings with 4 or more units where tenants are at greatest risk, due to physical or financial distress or expiring affordability restrictions. Buildings with fewer than four rental units, and owner-occupied buildings with five or fewer units, are entirely exempt from COPA.

Sellers of properties subject to COPA are not required to accept a Qualified Entity's offer, nor does COPA affect a building's sales price. COPA simply creates an efficient process and timeframe for prospective nonprofit purchasers to make competitive offers. COPA allows landlords to shorten the timeframe with good cause, including financial hardship.

Under COPA, Qualified Entities have a short, 45-day period to state their intent to purchase. If no Qualified Entity submits a statement, buildings immediately go to the open market. If a Qualified Entity makes, and the owner rejects, an offer to purchase, that Qualified Entity has a 15-day window to match the terms of another offer the landlord wishes to accept. These short timeframes ensure that sales happen efficiently, at a price and on terms that are acceptable to the landlord.

## **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 at least [eight other jurisdictions](#) throughout the United States, with tremendous results. Washington, D.C.'s TOPA policy, enacted forty years ago, gives tenants a first right to collectively buy their buildings, often in partnership with a CLT or nonprofit, when they are 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 LISC report](#).

In the first six years since San Francisco implemented COPA in 2019, nonprofits have preserved at least 436 units of affordable housing. In total, San Francisco has preserved over 1,000 units since 2013. Roughly 1 of every 4 units preserved in that city over the last decade can be attributed to COPA. Policymakers and affordable housing groups also credit COPA with increasing transparency in real estate sales, building the capacity of San Francisco's nonprofit developer community, and providing responsible landlords a pathway to sell their buildings while ensuring the long-term stability of their tenants.

For example, the San Francisco CLT recently acquired 285 Turk Street, a 40-unit apartment building in the Tenderloin neighborhood, and is working with 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?**

In cities where COPA and TOPA have been enacted, qualified buyers have leveraged a combination of public and private funding to secure buildings and make needed repairs. Washington, D.C. provides [seed money, acquisition funding, and gap financing](#) to support tenants with purchasing their buildings, preserving thousands of units of affordable housing. San Francisco's [Small Sites Program](#) and other public and private funding sources have helped

nonprofits there secure COPA acquisitions. Community development financial institutions (CDFIs) play important roles, as well.

New York has several affordable housing financing programs that can support COPA implementation, including Neighborhood Pillars and the NYC Acquisition Fund, as well as preservation programs operated by NYC Housing Preservation and Development and NYS Homes and Community Renewal. Additionally, the NYC Council has consistently funded CLTs and nonprofit housing developers through discretionary funding initiatives, building these organizations' capacity to exercise their COPA rights and preserve affordable housing. Other funding sources include the Community Preservation Corporation, philanthropy, and New York's robust network of CDFIs.

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