



# PRIORITIZING PUBLIC LAND PURCHASE AMENDMENT ACT OF 2023

## WHAT IT DOES

The Act would allow D.C.'s housing agencies to use land purchases to help tenants purchase their buildings and expand the District's ability to purchase properties and maximize the number of units to preserve and build affordable housing.

### **Land for TOPA**

Under the legislation, the D.C. Department of Housing and Community Development would be authorized to purchase land to assist tenants who are looking to exercise their tenant opportunity to purchase under the Tenant Opportunity to Purchase Act. The District would own the land, but ensure tenant control by way of a long-term ground lease. Thus tenants would have to raise less money – they'd be purchasing only the building, not the land – and more likely to be able to purchase their building. This would give the District a more cost-effective and sustainable tool to support tenant associations and encourage the creation of cooperatives.

### **First Right to Purchase**

The District government would also have the first right to purchase most non-TOPA properties that come on the market. The District would have to make an offer within five days. This creates a much simpler path to District land purchases, which are allowed under existing law, but not easily facilitated.

Sellers who accept an offer would be exempt from the deed and recordation tax and have an opportunity for a quick, fair market value sale. They would not be obligated to accept an offer from the District.

# HOW IT WORKS

## Tenant Purchase

The land purchase program would be added to other tools, such as funds to support tenant purchases, operated through a competitive process.

## Property Sale

For most properties in the city, excluding those eligible for TOPA, District government would have a five-day window after being notified of a sale in which it could make a market-rate offer before other potential buyers. Property owners are under no obligation to accept the District's offer.

The District may purchase properties for the purposes of creating more housing and affordable housing, facilitating office-to-residential conversions, eliminating vacant and blighted properties, improving food access (grocery stores primarily, and for parks, libraries, schools, and other public facilities).

## Development of Acquired Properties

The District must maximize housing opportunities; the Mayor would be required to pursue zoning changes, to the extent allowed by Comprehensive Plan, on newly-acquired public land to ensure that residential density is the highest allowed under the Comprehensive Plan.

A minimum of 30 percent of units developed on public land must be income-restricted affordable housing, as required in existing law (D.C. Code Section 10-801).

Some examples of ways the District might purchase and repurpose properties under this legislation:

- ✓ Purchase a vacant property for new housing construction or new neighborhood amenities.
- ✓ Purchase and rehab a single family house into a four-unit building.
- ✓ Use vacant land or under-utilized land to build the maximum allowable number of units.

## Other Provisions

Establishes housing development in high-need areas, and the redress of historically discriminatory housing and land use policies and practices as authorized uses for eminent domain authority.

There have been many calls for the use of eminent domain on large, critical parcels of land to ensure adequate affordable housing, but the legislative authority and judicial precedent to do so is currently weak.