

## **Common Sense TOPA Reform Amendment Act of 2025**

## Why we need to protect and streamline TOPA

- TOPA has been a bedrock component of tenant rights in the District since 1980. At a time when affordable housing is at risk, we need to strengthen one of our most powerful housing rights replicated by cities and states around the country.
- **TOPA is a critical housing preservation tool.** By granting tenants a seat at the table during negotiations, TOPA aims to ensure housing security, tenant empowerment, and affordability, balanced with owners' property rights.
- We can stabilize the market and attract new investment without abandoning one of our core principles. The legislation is based on <u>recommendations from a Council-funded study</u> to comprehensively review TOPA from the perspective of tenants, owners, and other stakeholders.

## **Modernizes the TOPA process**

- Outlines consequences for bad actors who threaten the TOPA process through coercion, retaliation, delay, or fraud. Impacted owners, tenants, or tenant associations may seek award of costs and reasonable attorney fees.
- **Expedites transaction timelines,** eliminating the 45-day appeal period after a Notice of Transfer.
- Directs DHCD to create standard templates for agreements, including for tenant buyouts.
- **Creates a public TOPA Transparency Portal** that will address a current lack of good data on TOPA and help all of us better understand outcomes.
- Streamlines and updates TOPA by removing ambiguous language.
- Exempts all new residential construction from TOPA for the first three years to facilitate investment in new housing.

## **Expands support for tenants**

- Establishes a certification for tenant support providers (TSPs) and qualified purchasers to facilitate better negotiations and deter bad actors who seek to undermine the TOPA process. DHCD will be required to maintain a public list of certified TSPs, provided to tenants alongside a Notice of Sale. DHCD would also maintain a list of pre-vetted qualified purchasers that tenants may assign rights to and use this process to recruit new investors to the District.
- Creates a "cooling off period" to level the playing field. To minimize predatory actors engaging with tenants, offers of sale would only be shared with tenants, DHCD, and approved TSPs within the first 15 days after a notice of sale. In addition, purchase rights could not be assigned to any potential buyer within the first 45 days, unless the tenant has first met with a certified TSP to ensure they are aware of their rights and their options.