

Honorable Chair Rosenthal and Chair Kavanaugh, Members of the Committee,

Thank you for having me. My name is Claudia Waterton and I am the Board President of my tenant association in the Bronx. I am here to share my story and demonstrate why it is crucial that we pass the Tenant Opportunity to Purchase Act (S.221 Myrie / A.3353 Mitaynes).

In 2017, when a new landlord purchased my building and immediately tried to jack up our rents, my neighbors and I got organized. We found out that our building was rent-stabilized, but our landlord was trying to destabilize the building to push us out. During our five-year long legal battle, we met every month to strategize about how to win. When we found out our landlord was planning to sell the building, we decided that what we wanted was to own the building together. We demanded that if he was going to sell the building, he had to sell it to us, and used our legal case as leverage.

Last February, we were able to finally bring our landlord to the negotiating table and purchase our building with the help of a local nonprofit called UHAB. We are currently working on becoming an HDFC co-op, where my neighbors and I will own and operate our building collectively, and purchase our units for \$2,500. We are also working on waterproofing our building, which means our building will meet the highest standards for NY climate goals—undergoing full electrification. Growing up, I was taught the importance of owning something. Having ownership like this is a way to build community wealth to pass on to future generations.

The Tenant Opportunity to Purchase Act (TOPA) would allow tenants whose buildings go up for sale to make the first offer to buy their building, and give them the opportunity to transform their buildings into permanently affordable housing. We are requesting \$250 million in this year's budget, which would help tenants purchase their buildings and remove them from the speculative market. I want all tenants who are organizing in their buildings like I did to have the same opportunity to purchase their building and take control.

TOPA would give tenants in eligible buildings the right to make the first offer when their building goes up for sale. If the building owner rejects this offer, they must give tenants the opportunity to match any offer by a third party. Tenants could buy the building together and own it as a limited-equity cooperative, turn the building into public housing, or work with a nonprofit to remain a permanently affordable rental. In upstate communities with single family homes that are being bought up by private equity, tenants would be able to purchase their homes and become homeowners.

To win TOPA, we also need strong tenant protections like Good Cause Eviction, which would allow more tenants to organize for their building without fear of retaliation. TOPA gives tenants leverage during the sale process, as well as a right to know who their landlord is in the first place. TOPA also connects with existing housing financing programs at the state and city level to rehabilitate buildings, make them more energy efficient, and preserve them in the long term. Ongoing vouchers like the Housing Access Voucher Program (HAVP) would allow TOPA buildings to stay deeply affordable to New Yorkers at risk of losing their homes. Furthermore,

TOPA can build a pathway to creating more deeply- and permanently- affordable social housing in New York State.

Governor Hochul's Housing Compact has a lot to say about building more housing, but it has nearly nothing to say to tenants who are living in bad conditions in their buildings right now. We can't build our way out of a housing crisis—we also need strong tenant protections like Good Cause Eviction, ways to immediately house our homeless neighbors through the Housing Access Voucher Program (HAVP), and preservation programs that transform our existing buildings into beautiful, energy efficient, deeply- and permanently affordable housing like the Tenant Opportunity to Purchase Act (TOPA).

Thank you for your time.

General Talking Points:

- TOPA as a right to organize
 - Even if tenants don't want to purchase their building, TOPA allows tenants a period to come together, form a tenant association, and discuss the future of their building
 - It gives them leverage in the sale process
- TOPA as a way to improve building conditions
 - Tenants can leverage their TOPA rights to demand repairs from a current or new landlord
 - TOPA connects with existing state and local financing programs to rehabilitate distressed buildings, and can be paired with energy incentive programs to make sure buildings are safe, healthy, and efficient
- TOPA as a way to take buildings out of the hands of negligent landlords & stabilize properties
 - Even the worst landlords across the state are smart enough to pay their property taxes, so there are few ways to get buildings out of the hands of negligent landlords
- TOPA as a way to expand the social housing sector
 - Good place to emphasize that TOPA is about tenant power, anti-displacement, self-determination for both rentals AND homeownership, and stability & meaningful decision making can get at many of the benefits of homeownership without the additional financial burdens.

In 2017 my neighbor and I met up to discuss how to stop our landlord from destabilizing our building. During our legal long battle, we met once a month to strategize how to win. A few years into the fight, we found out that he was selling the building, and we decided to come together and purchase it. We started working with a nonprofit called UHAB. In 2019 we had everything set up ready to go. Then Covid happened. When the city shut down so did our dreams of owning our building, but we continue pursue knowing that it will all work out in the end.

In 2021, we started the process again, and thanks to UHAB, we were finally able to close on the sale of the building in February 2022. We are currently working on finalizing the conversion of our units into an HDFC co-op, in which each tenant will purchase their units for \$2,500. We are also working on waterproofing our building, which means our building would be meeting the highest standards for NY climate goals, undergoing full electrification. Growing up, I was taught the importance of owning something. Having ownership like this is a way to build community wealth to pass on to future generations.