

A RESOLUTION

25-220

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

July 11, 2023

To declare the existence of an emergency with respect to the need to continue foreclosure protections for homeowners who applied for funding from the DC Homeowner Assistance Fund (“DC HAF”) program before September 30, 2022 and whose applications remain under review, pending approval, pending payment, or under appeal, and to require that notices continue to be sent to homeowners informing them of the DC HAF program before a foreclosure action.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Foreclosure Moratorium and Homeowner Assistance Fund Coordination Emergency Declaration Resolution of 2023”.

Sec. 2. (a) There exists an immediate need to continue a foreclosure moratorium for certain homeowners who applied for COVID pandemic-related funding from the DC Homeowner Assistance Fund (“DC HAF”) program before September 30, 2022, and whose applications remain under review, pending approval, pending payment, or under appeal, and to require regular application status updates be provided to those homeowners until their applications are resolved.

(b) The District received \$50 million in federal assistance through the American Rescue Plan Act to assist low- and moderate-income homeowners who experienced new or exacerbated financial hardships as a result of the pandemic and, in June 2022, the Department of Housing and Community Development (“DHCD”) opened applications for DC’s Homeowner Assistance Fund (“DC HAF”) program.

(c) In June 2022, the Council extended the pandemic-related foreclosure moratorium to align with the opening of the DC HAF program and required homeowners to submit an application for DC HAF assistance to cure housing debts by September 30, 2022, to remain eligible for foreclosure protections beyond that initial deadline.

(d) As of June 30, 2023, DHCD had approved 1,048 DC HAF applications but 400 applications were still under review and awaiting potential payment, necessitating an extension of the foreclosure moratorium protections previously guaranteed to those homeowners who met the September 30, 2022, deadline for their DC HAF applications. DHCD explains that the

reasons for delays in processing DC HAF applications and providing payments include applicants' complex requests for assistance with multiple obligations, applicants' revisions to applications, financiers' need to register with DHCD, and financiers' need to verify payment details.

(e) The Foreclosure Moratorium and Homeowner Assistance Fund Coordination Temporary Amendment Act of 2022, effective February 23, 2023 (D.C. Law 24-276; 69 DCR 15121), is scheduled to expire on October 6, 2023.

(f) Emergency legislation is necessary to prevent any potential gap in the law and protect homeowners from foreclosures as they continue to await approvals and payments from DHCD.

Sec. 3. The Council determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Foreclosure Moratorium and Homeowner Assistance Fund Coordination Emergency Amendment Act of 2022 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.