

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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

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

38 (d) As of June 30, 2023, DHCD had approved 1,048 DC HAF applications, but 400  
39 applications were still under review and awaiting potential payment, necessitating an extension  
40 of the foreclosure moratorium protections previously guaranteed to those homeowners who met  
41 the September 30, 2022 deadline for their DC HAF applications. DHCD explains that the reasons  
42 for delays in processing DC HAF applications and providing payments include applicants'  
43 complex requests for assistance with multiple obligations, applicants' revisions to applications,  
44 financiers' need to register with DHCD, and financiers' need to verify payment details.

45 (e) The Foreclosure Moratorium and Homeowner Assistance Fund Coordination  
46 Temporary Amendment Act of 2022 was passed November 15, 2022, and is scheduled to expire  
47 on October 6, 2023.

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

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

54 Sec. 4. This resolution shall take effect immediately.