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A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to adjust the current foreclosure moratorium to remove the 60-day deadline for submitting an application to the Homeowner Assistance Funds (“HAF”) program and to protect homeowners from foreclosure actions if they complete a HAF application by September 30, 2022.

RESOLVED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Foreclosure Moratorium Extension Revision and Homeowner Assistance Fund Promotion Emergency Declaration Resolution of 2022.”

Sec. 2. (a) There exists an immediate need to amend the current foreclosure moratorium to provide homeowners impacted by the COVID-19 public and public health emergencies more time to apply for the Homeowner Assistance Fund (“HAF”) program recently launched by the Department of Housing and Community Development (DHCD).

(b) The District received \$50 million in federal assistance this spring 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 COVID-19 pandemic, however, DHCD only opened the HAF program to District homeowners on June 22, 2022, more than a month

36 later than initially projected and did not conduct preliminary promotion of the program to
37 prepare homeowners to apply for aid. The delayed opening would give homeowners only 70
38 days to learn about and submit complex applications for assistance; the STAY DC program for
39 tenants facing eviction accepted applications for more than six months, by comparison.

40 (c) The current foreclosure moratorium begins to phase out on June 30, 2022, after which
41 time home and condo owners may begin to receive notices of foreclosure actions and will be
42 expected to take steps to apply for financial assistance to cure housing debts in order to delay or
43 prevent foreclosure. This phase-out plan was established by The Foreclosure Moratorium
44 Extension Temporary Amendment Act of 2022, effective April 8, 2022 (D.C. Law 24-112; D.C.
45 Official Code § 42-851.01) with the understanding that the HAF program would likely open late
46 spring.

47 (d) The delayed actions on the part of DHCD to open the HAF program now pose an
48 unreasonably short timeline for homeowners, and the housing and financial entities they are
49 indebted to, to learn about and apply for the HAF program. The timeline also places a burden on
50 the housing counseling organizations helping administer the HAF program to conduct intake for
51 so many applications so quickly.

52 (e) Throughout the COVID-19 pandemic, as many as 9,000 District homeowners
53 reported being behind on mortgage payments or fearing foreclosure. Almost all DC respondents
54 to the US Census Bureau's Household Pulse Surveys were Black women.

55 (f) The emergency is necessary to provide eligible homeowners one additional month to
56 submit their HAF application to prevent foreclosure actions by curing debts with the federal
57 housing aid for which they may be eligible.

58 (g) The emergency is also necessary to require housing and financing entities to notify
59 homeowners of the existence of the HAF program in all foreclosure notice communications.

60 (h) DHCD must make every effort to make payments in a timely fashion, but
61 homeowners must also be protected from foreclosure actions after September 30, 2022 if DHCD
62 is unable to process a homeowner's application and make eligible payments by that date. The
63 emergency measure is further necessary to amend the foreclosure moratorium phase-out plan to
64 protect homeowners from adverse actions if the delay in payment is due to processing delays on
65 the part of the District government.

66 Sec. 3. The Council of the District of Columbia determines that the circumstances
67 enumerated in section 2 constitute emergency circumstances making it necessary that the
68 Foreclosure Moratorium Extension Emergency Amendment Act of 2022 should be adopted after
69 a single reading.

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