

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency, due to congressional review, 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 Congressional Review 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

33 Community Development (“DHCD”) opened applications for DC’s Homeowner Assistance
34 Fund (“DC HAF”) program.

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

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

47 (e) In July 2023, the Council passed the Foreclosure Moratorium and Homeowner
48 Assistance Fund Coordination Emergency Amendment Act of 2023, effective July 27, 2023
49 (D.C. Act 25-192; 70 DCR 10725) and voted unanimously in favor of the Foreclosure
50 Moratorium and Homeowner Assistance Fund Coordination Temporary Amendment Act of
51 2023, passed on first reading on July 11, 2023 (Bill 25-364). The temporary legislation may go
52 into effect after the expiration of the emergency legislation.

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

56 Sec. 3. The Council determines that the circumstances enumerated in section 2 constitute
57 emergency circumstances making it necessary that the Foreclosure Moratorium and Homeowner
58 Assistance Fund Coordination Congressional Review Emergency Amendment Act of 2023 be
59 adopted after a single reading.

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