

# COMMITTEE ON HOUSING

ROBERT C. WHITE, JR., CHAIR  
COUNCIL OF THE DISTRICT OF COLUMBIA

## MEMORANDUM

**TO:** Chairman Phil Mendelson  
**FROM:** Councilmember Robert C. White, Jr.  
Chair, Committee on Housing  
**DATE:** December 14, 2023  
**RE:** Requests for December 19, 2023



I request that the following legislation be placed on the agenda for the legislative meeting of the Council on December 19, 2023:

### Emergency and Temporary Legislation

- **Fairness in Renting Notice Clarification Emergency Declaration Resolution of 2023**
- **Fairness in Renting Notice Clarification Emergency Amendment Act of 2023**
- **Fairness in Renting Notice Clarification Temporary Amendment Act of 2023**

On September 19, 2023, the Council passed Bill 25-0074, the “Fairness in Renting Clarification Amendment Act of 2023,” which took effect on November 28, 2023. Part of the law increases the notice period that housing providers must provide to tenants of a prospective rent increase from 30 days to 60 days. Because of the increased notice requirement, housing providers who planned to initiate rent increases between December 28, 2023, and January 27, 2024, cannot comply with the 60-day notice requirement. Similarly, housing providers who planned to initiate rent increases beginning February 1, 2024, would have had to provide notice to tenants by December 1, 2023, just 3 calendar days after the Law took effect.

These measures give housing providers time to comply with the new 60-day requirement by allowing providers to give 30 days’ notice to tenants through December 31, 2023.

- **Home Purchase Assistance Program Protection Declaration Resolution of 2023**
- **Home Purchase Assistance Program Protection Emergency Amendment Act of 2023**
- **Home Purchase Assistance Program Protection Temporary Amendment Act of 2023**

Started in 1978, the District’s Home Purchase Assistance Program (“HPAP”) supports homeownership opportunities for first-time homebuyers whose income does not exceed 110% of the Median Family Income (“MFI”). The Department of Housing and Community Development (“DHCD”) oversees HPAP, and the Greater Washington Urban League and the District of Columbia Housing Finance Agency administer the program. Through HPAP, the District provides up to \$202,000 in interest-free loans and up to \$4,000 in closing cost assistance, based on an applicant’s income. Under the HPAP law, HPAP must first prioritize low income, elderly, handicapped, disabled, or displaced District residents for funding. Once an applicant is deemed eligible, they receive a notice of eligibility that is generally valid for up to one year, during which time they must close on a single-family home, condominium, or cooperative unit.

In June 2023, DHCD announced it had run out of HPAP funding for Fiscal Year 2023 and would

reopen the program in Fiscal Year 2024. Applicants who were actively in the process of purchasing a home had to seek alternative financing or negotiate with a seller to request a hold on the property until HPAP funding reopened. Some applicants lost the option they had found at that time but remained eligible to try again.

In October 2023, DHCD announced that HPAP would reopen on October 11, 2023 – but with two caveats: HPAP loans could not exceed 30% of the purchase price of a property (known as 30% Loan to Value or LTV), and HPAP loans could exceed the amount of the first trust mortgage.

Within weeks of the change, applicants who were frozen out of HPAP because of the changes, and their realtors and lenders, raised this serious concern with the Council, the Mayor, and the [media](#). Applicants shared that they had individually invested upwards of \$3,000 on inspections and other costs in preparation for ownership – costs that would be sunk if they were no longer eligible for HPAP. The new restrictions have most directly impacted very low- and low-income households, including households on fixed incomes like seniors and people with disabilities, who rely on HPAP because they are not eligible for larger loans from first trust lenders.

These measures ensure that HPAP applicants who received notices of eligibility prior to the October 2023 policy change remain eligible for the program and can move forward with their homeownership journeys. While some prospective buyers have already missed out on opportunities over the past several months, there remains \$7.8 million in available HPAP funding and, with that, an opportunity for District residents to achieve their ownership goals using HPAP.

- **Reverse Mortgage Insurance and Tax Payment Program Second Extension Emergency Declaration Resolution of 2023**
- **Reverse Mortgage Insurance and Tax Payment Program Second Extension Emergency Amendment Act of 2023**
- **Reverse Mortgage Insurance and Tax Payment Program Second Extension Temporary Amendment Act of 2023**

The District of Columbia Housing Finance Agency’s (“DCHFA”) Reverse Mortgage Insurance and Tax Payment Program (“ReMIT”) was designed to allow qualified senior homeowners to receive financial assistance for property taxes, property insurance debts and certain property related expenses that have put the homeowner at risk of foreclosure on a reverse mortgage.

Under this program, qualified homeowners can receive assistance in the form of a zero-interest loan. The program was initiated as an 18-month pilot program in the Reverse Mortgage Foreclosure Prevention Amendment Act of 2018, effective October 30, 2018 (D.C. Law 22-168; D.C. Official Code § 42-2703.07a) and funded with \$500,000 in Fiscal Year 2019. The pilot program was expected to expire on October 27, 2021, but was extended Council action. The most recent temporary legislation would expire on January 25, 2023.

The ReMIT pilot program successfully assisted 31 District senior households with avoiding displacement, allowing the seniors to stay in their longtime residences. As of this week, the program had more than \$200,000 in funding remaining from the initial \$500,000 appropriation.

The Committee held a hearing on a permanent version of this legislation on October 12, 2023, and a further extension is necessary to complete review of that permanent version.

Continuing the ReMIT pilot program is important to ensure that eligible seniors can receive the assistance they need to remain in their homes.

- **Certificate of Assurance Moratorium Second Extension Emergency Declaration Resolution of 2023**
- **Certificate of Assurance Moratorium Second Extension Emergency Amendment Act of 2023**
- **Certificate of Assurance Moratorium Second Extension Temporary Amendment Act of 2023**

Section 221 of the Rental Housing Act of 1985 (D.C. Code § 42-3502.21) purports to allow owners of housing accommodations to apply for certificates of assurance from the Mayor, which would provide that in the event their properties become subject to any rent stabilization, the owners would recover in the form of a District real estate tax credit the difference between the annual fair market rents and the annual amount of stabilized rents the owners receive from the tenants in the housing accommodations. Because the certificate of assurance entitlement lasts for as long as the properties remain housing accommodations, the entitlement might create a potentially prohibitive fiscal impact on rent stabilization reforms. Due to implementation concerns, the program has never gone fully into effect.

On September 22, 2020, the Council passed the Certificate of Assurance Moratorium Emergency Amendment Act of 2020 (Bill 23-0900) placed an emergency moratorium on applications for, and the Mayor's issuance of, certificates of assurance to owners of housing accommodations. The most recent extension of this legislation is expected to expire on January 25, 2023.

This emergency and temporary legislation are necessary to maintain the status quo, as the Committee anticipates introduction of permanent legislation.

### **Notice of Intent to Move an Amendment**

#### **Amendment 1 to B25-0589, the Green Housing Transition Extension Temporary Amendment Act of 2023**

B25-589 and its accompanying emergency bill effectively nullify an earlier temporary measure, B25-327. Per OGC advice, the attached amendment clarifies that B25-327 is repealed.