

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 2024.”

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) DHCD has shared that \$43.1 million of the \$50 million for DC HAF will go towards
39 financial assistance for households and \$6.9 million will be used to cover the administrative
40 costs of running the program.

41 (e) According to DHCD's DC HAF dashboard, available at haf.dc.gov, \$39.5 million of
42 the \$43.1 million available for assistance had been paid so far, meaning that as of the last day the
43 dashboard was updated on June 7, 2024, \$3.6 million remained in the HAF program.

44 (f) DHCD's DC HAF dashboard also shows that as of June 7, 2024, DHCD had approved
45 1,660 HAF applications, 234 HAF applications were eligible for appeal, and 184 applications
46 were in process.

47 (g) Because over 400 applications are still under review or eligible for appeal, the
48 foreclosure moratorium protection previously guaranteed to homeowners who met the September
49 30, 2022, deadline for their DC HAF applications is still necessary to ensure those HAF
50 applicants are protected.

51 (h) The Committee on Housing has confirmed with legal service providers that DC HAF
52 applicants awaiting payment continue to rely on this foreclosure protection.

53 (i) DHCD has shared that DC HAF processing times have been delayed due to financiers'
54 need to register with DHCD, financiers' need to verify payment details, assistance requests for
55 multiple obligations, and required edits to applications.

56 (j) The Council passed the Foreclosure Moratorium and Homeowner Assistance Fund
57 Coordination Temporary Amendment Act of 2022 on November 15, 2022, and the law expired
58 on October 6, 2023. The Council then passed the Foreclosure Moratorium and Homeowners
59 Assistance Fund Coordination Emergency Amendment Act of 2023, as well as a corresponding
60 temporary act that will expire on July 10, 2024.

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

63 Sec. 3. The Council of the District of Columbia determines that the circumstances
64 enumerated in section 2 constitute emergency circumstances making it necessary that the
65 Foreclosure Moratorium and Homeowner Assistance Fund Coordination Emergency
66 Amendment Act of 2024 be adopted after a single reading.

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