

**Council of the District of Columbia
COMMITTEE ON HOUSING & EXECUTIVE ADMINISTRATION
MEMORANDUM**

1350 Pennsylvania Avenue, NW, Suite 116 Washington, DC 20004

TO: Chairman Phil Mendelson

FROM: Councilmember Anita Bonds



RE: Request to Agendize Measures for the May 3, 2022 Legislative Meeting

DATE: April 28, 2022

I am requesting that you agendize the following measures for the April 5, 2022 Legislative Meeting:

Emergency Legislation

- “Certificate of Assurance Moratorium Emergency Declaration Resolution of 2022”
- “Certificate of Assurance Moratorium Extension Emergency Amendment Act of 2022”
- “Certificate of Assurance Moratorium Extension Temporary Amendment Act of 2022”

In September 2020, the Council passed the Certificate of Assurance Moratorium Emergency Amendment Act of 2020, placing a moratorium on applications for, and the Mayor’s issuance of, Certificates of Assurance. This moratorium was necessary in order to give the District government, and the Committee on Housing and Executive Administration, adequate time to understand and address Section 221 of the Rental Housing Act of 1985 (D.C. Code § 42-3502.21), which stipulates that any housing provider subject to an expansion of rent stabilization is entitled to compensation for the difference between the stabilized rent and the potential market rate rent. Because this entitlement would last for as long as the property remains a housing accommodation, it creates a prohibitive fiscal impact for any future consideration of expanding rent stabilization.

The Council extended the moratorium for an additional year with the Certificate of Assurance Moratorium Extension Emergency and Temporary Amendment Acts of 2021, and because the Temporary Amendment Act of 2021 will expire on May 5, 2022, it is now necessary to extend the moratorium once again for an additional year on an Emergency and Temporary basis, in order to avoid additional uncertainties. This emergency legislation is necessary in order to allow the Committee and the Council time to carefully deliberate the appropriate course of action.

- “Reverse Mortgage Insurance and Tax Payment Program Extension Emergency Declaration Resolution of 2022”
- “Reverse Mortgage Insurance and Tax Payment Program Extension Emergency Amendment Act of 2022”
- “Reverse Mortgage Insurance and Tax Payment Program Extension Temporary Amendment Act of 2022”

The Reverse Mortgage Insurance and Tax Payment (ReMIT) Program was an 18-month pilot initiated by the council with the Reverse Mortgage Foreclosure Prevention Amendment Act of 2018, and funded with \$500,000 in Fiscal Year 2019. The pilot program was extended by emergency Council action on March 31, 2020, further extended on December 1, 2020, and recently expired on October 27, 2021. The ReMIT pilot provided assistance to senior homeowners with reverse mortgages who faced foreclosure due to outstanding property tax, property insurance, condominium, and homeowners association fees, typical totaling less than \$10,000. These seniors typically do not qualify for other assistance programs, yet have few or no other options for finding more affordable housing accommodations. ReMIT, which offered a fresh start to senior households who missed payments for reasons other than a loss of income, successfully saved 31 District seniors households from displacement. The program still has more than \$200,000 remaining from the original appropriation.

The Committee on Housing and Executive Administration, in coordination with the Housing Finance Agency, is working to create a permanent ReMIT program, which will incorporate certain changes. However, while this permanent legislation is developed, eligible homeowners will not be able to receive assistance until after the changes are negotiated and the bill goes through the full legislative process. With the District's foreclosure moratorium ending on June 30, 2022, it is urgent that the Council act to save seniors with reverse mortgages from once again facing foreclosure. Additionally, over the course of the moratorium, some seniors may have accumulated debt, and will require an unusually large amount of assistance. This emergency legislation will temporarily reinstate the ReMIT program as a permanent bill is developed, and will raise the maximum amount of assistance from \$25,000 to \$40,000. The increased maximum will make a meaningful difference in those rare cases where more than \$25,000 is needed to keep eligible seniors in their homes.

Draft copies of these measures are attached. Please contact Ram Uppuluri, Committee Director, at ruppuluri@dccouncil.us, with any questions.

cc: Members, Council of the District of Columbia
Office of the Secretary
Office of the General Counsel
Office of the Budget Director
Mayor's Office of Policy and Legislative Affairs