

DISTRICT OF COLUMBIA BOARD OF EDUCATION

NOTICE OF FINAL RULEMAKING

The Board of Education ("Board"), pursuant to the authority set forth in D.C. Code, 2001 Edition, §§38-101 & 38-102 et seq., hereby gives notice of final rulemaking action taken by the Board at its meeting held on June 19, 2006, to amend Chapter 30 of the Board Rules (Title 5 of the D.C. Municipal Regulations).

This amendment will effect the following actions: Change the burden of proof in due process hearings from being borne solely by the Local Education Agency to the responsibility of either the parent or LEA depending on which party is seeking relief.

The final rulemaking will take effect upon its publication in the D.C. Register. The proposed rulemaking on this subject was published in the D.C. Register on March 31, 2006.

Amend Section 3030.3:

~~3029.2 The LEA shall bear the burden of proof, based solely upon the evidence and testimony presented and testimony presented at the hearing, that the action or proposed placement is adequate to meet the educational needs of the student.~~

The burden of proof shall be the responsibility of the party seeking relief; either the parent /or guardian of a child or the LEA. Based solely upon the evidence presented at the hearing, an impartial hearing officer shall determine whether the party seeking relief presented sufficient evidence to meet the burden of proof that the action and /or inaction or proposed placement is inadequate or adequate to provide the student with a Free Appropriate Public Education (FAPE).

Copies of this rulemaking are available from the Office of the Board of Education by calling (202) 442-4289.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

NOTICE OF FINAL RULEMAKING

The Director of the Department of Housing and Community Development, pursuant to the authority set forth in §5 of the District of Columbia Home Purchase Assistance Act of 1978, as amended, D.C. Law 2-103, D.C. Official Code §42-2604 (2001), and Mayor's Order No. 80-8 (January 14, 1980), hereby gives notice that final rulemaking action was taken to adopt the following rules.

These rules amend Chapter 25 (*Home Purchase Assistance Program*) of Title 14 of the *District of Columbia Municipal Regulations*. The amendments (1) change the HPAP eligibility residency requirement to a preference for District residency; (2) establish a single formula for applicant contribution toward settlement expenses; (3) permit DHCD to establish the maximum level of HPAP financial assistance based on prevailing residential real estate market conditions; (4) extend the Notice of Eligibility period to a maximum of 180 days; (5) establish a single set of loan terms for all HPAP assistance; (6) allow settlement to proceed for homes that do not fully meet code requirements, subject to completion of code corrections prior to occupancy, and (7) revise the definitions consistent with the amendments to Chapter 25.

No comments were received, and no substantive changes have been made to the proposed rulemaking, as published at 53 *D.C. Register* 3081 (April 14, 2006).

The Council of the District of Columbia approved these rules on May 29, 2006.

Chapter 25 (Home Purchase Assistance Program) of Title 14 DCMR, is amended as follows:

Subsection 2501.10 is amended to read as follows:

2501.10 The applicant shall have available to be applied toward the down payment or settlement costs and shall commit for the purchase of a dwelling unit or cooperative share not less than five hundred dollars (\$500), or fifty percent (50%) of all household assets in excess of three thousand dollars (\$3,000) that are in a form capable of ready conversion into cash, whichever is greater.

Subsection 2501.11 is amended to read as follows:

2501.11 For very low income and lower income applicants, the contribution in excess of five hundred dollars (\$500) required under § 2501.10, may be waived by the Director where there is demonstrated need, and the applicant household is elderly, handicapped, disabled, or displaced.

Subsection 2501.14 is amended to read as follows:

- 2501.14 Priority in the allocation of assistance among eligible applicants for the Program shall be as follows:
- (a) First priority shall be given to District of Columbia residents who are very low or low income, elderly, handicapped, disabled, or displaced.
 - (b) Second priority shall be given to other eligible residents of the District of Columbia.
 - (c) Third priority shall be given to non-residents who have been employed in the District for one year immediately preceding application and are otherwise eligible.
 - (d) Fourth priority shall be given to those eligible applicants who neither reside in the District nor were employed in the District for one year immediately preceding application, but who can demonstrate prior residency in the District for at least three (3) consecutive years while an adult over the age of eighteen (18).

The DHCD shall establish administrative procedures to implement this priority system.

Subsection 2501.15 is amended to read as follows:

- 2501.15 To be eligible for purchase or for securing occupancy rights, a property shall be located in the District of Columbia and shall be a single-family, condominium or cooperative dwelling unit, to be used as the applicant's primary residence.

Subsection 2502.5 is amended to read as follows:

- 2502.5 Settlement may be allowed on a property which does not fully meet code requirements, at that time, if a determination is made by DHCD that adequate, financially feasible provisions have been made by the buyer or the seller to correct all code defects or violations necessary to protect the health and safety of the occupants prior to occupancy of the property and not later than six months after the settlement..

Settlement is also subject to the federal and District lead safe housing regulations, including but not limited to, HUD Disclosure and Notice requirements and the EPA pamphlet; Visual Assessment; Paint Stabilization, if any required, use of Safe Work Practices and Clearance. Housing built after 1978 is exempt from these regulations. 24 CFR Part 35 Subpart K; DCMR Title 20, Chapter 8, Section 806 (1998).

Subsection 2503.1 is amended to read as follows:

2503.1 The amount of financial assistance provided to a very low, low or moderate income eligible household shall be based on the sum of Downpayment Assistance and Closing Cost Assistance, subject to the limitations provided in § 2503.2 of this chapter. Downpayment Assistance shall be determined by DHCD based on prevailing trends in the residential real estate market. DHCD shall publish Program financial assistance limits, not less than one time each fiscal year, which shall remain in effect until a subsequent notice is published.

(a) Closing Cost Assistance shall be in an amount to be determined by the Department and shall be calculated in the same manner for all eligible households.

(1) The per-client Closing Cost Assistance shall be determined based on the availability of funds, but shall not be more than Ten Thousand Dollars (\$10,000).

(2) DHCD shall publish the amount of per-client Closing Cost Assistance not less than one time each year, and it shall remain in effect until a subsequent notice is published.

(b) Downpayment Assistance for eligible very low, low, and moderate income applicants shall be in an amount equal to the Desired Purchasing Power less the Standard Mortgage Qualification Level for each eligible applicant, subject to the Per-Client Downpayment Assistance Cap, and adjusted for household size.

(1) The amount of Downpayment Assistance will be inversely related to household income so that lower income households will be eligible for greater amounts of Downpayment Assistance, and households with higher incomes will be eligible for lesser amounts of Downpayment Assistance.

(2) DHCD shall publish the Desired Purchasing Power, the Per-Client Downpayment Assistance Cap, and the calculated amounts of Downpayment Assistance for all very low, low, and moderate income applicants, not less than once each fiscal year, and they shall remain in effect until a subsequent notice is published.

(c) The Director may increase the amount of financial assistance for very low income households by an amount up to Five Thousand Dollars (\$5,000) when the following conditions apply:

(1) Applicant household demonstrates a need for additional assistance;
and

(2) Applicant household is elderly, handicapped, disabled, or a displaced household.

Subsection 2504.1 is deleted in its entirety.

Subsection 2504.2 is amended to read as follows:

2504.2 Loans made to any income-eligible household under this Program shall require monthly Principal-Only payments in an amount equal to the loan amount amortized over a four hundred eighty (480) month period, and payment shall begin five (5) years from the date of the loan execution.

Subsection 2504.3 is deleted in its entirety.

Subsection 2505.1 is amended to read as follows:

2501.1 Except as provided for in §§ 2505 through 2506, all financial assistance under the Program shall be Principal-Only Loans repayable, after five (5) years, consistent with § 2504.2 of this Chapter, secured by a lien or subordinated trust on the property purchased or by other security provided for in this chapter or deemed appropriate by the Department.

Subsection 2505.4 is amended to read as follows:

2505.4 In cases where an applicant is determined to be unable to afford the monthly payments of principal required under a Principal-Only Loan, and where the applicant is a Displaced Household, and would be required to move from the home he or she now occupies if monthly payments of principal were required beginning in the sixth year of the loan, but meets all other requirements of this chapter, the applicant may receive an additional deferral of all payments beyond the initial five-year deferred period, subject to review and approval by the Department for a period not to exceed five (5) years after the date of such additional deferment.

Subsection 2505.7 is amended to read as follows:

2505.7 All Loans under HPAP shall be secured by a recorded lien or subordinated trust on the property purchased unless this requirement is explicitly waived as provided for in § 2500.5 of this chapter.

Subsection 2505.9 is amended to read as follows:

2505.9 The Department may, by determination of the Program Administrator, provide additional HPAP assistance in the form of a grant or an unsecured deferred payment loan in amounts needed to cover all or a portion of closing costs, if required to meet the loan-to-value ratio requirements of

the first mortgage, to the extent such costs exceed the requirements of § 2501.9 of this chapter.

Subsection 2508.1 is amended to read as follows:

2508.1 Loans made under the Program shall not bear interest, except as may be established under the provisions of § 2506.6.

Subsection 2508.2 is amended to read as follows:

2508.2 The terms of each loan made under the Program shall provide that the principal amount of the loan shall become due and payable on an amortized basis after five (5) years from the date of the loan or payable in full whenever the loan recipient ceases to occupy the property purchased or secured as his or her principal residence, except as provided for under § 2506.

Subsection 2508.3 is amended to read as follows:

2508.3 The DHCD may establish a time limit during which an eligible applicant shall locate and enter into a contract to purchase or an agreement to occupy an eligible property under the Program. The time limit shall not be less than ninety (90) and not more than one hundred eighty (180) days from the date the applicant is notified in writing of his or her eligibility under the Program.

Subsection 2509.1 is amended to read as follows:

2509.1 A prepayment penalty shall be charged to the loan recipient if the property is sold or transferred at any time during the first five (5) years after settlement of the loan, except as provided in § 2506.

Subsection 2509.2 is amended to read as follows:

2509.2 The prepayment penalty shall be equal to the interest on the principal amount of the loan from the date of settlement to the date of sale or transfer, at the rate of interest on the First Mortgage Loan.

Subsection 2599.1 is amended by adding or revising the following terms and definitions :

Area Median Income - the current median income for the Washington, D.C., Metropolitan Statistical Area, as determined periodically by DHCD (based on the area median income established by the Secretary of the U.S. Department of Housing and Urban Development (HUD), with adjustments for family size.

Desired Purchasing Power – the price at which or below there were sold in the preceding 12-month period, a sufficient number of three-bedroom homes to meet the demand of four-person and five-person HPAP applicant households anticipated for the next 12-month period.

Dwelling Unit - a single-unit single family home, a fee simple unit in a condominium, or occupancy rights in a cooperative.

First Time Homebuyer - a real property purchaser who had no ownership interest in his or her principal residence at any time during the three (3) year period ending on the date of his or her application for assistance (but including an applicant who has divorced or separated during the three (3) year period where a formal settlement has been made under which the applicant does not receive an ownership interest in a primary residence which had been jointly owned), and who has no other current ownership interest in residential real property.

Grant - financial assistance provided under the Program which does not require repayment. Grants are not normally made under the Program, except in accordance with the special conditions set forth in this chapter.

Gross Household Income – gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period, as defined in 24 Code of Federal Regulations Section 5.609.

Per-Client Downpayment Assistance Cap – the maximum amount of Downpayment Assistance that may be provided to an applicant household,, adjusted for household size.

Principal-Only Loan - a loan which is repaid in regular monthly installments of principal only. All Principal-Only Loans under HPAP shall be secured by a lien or subordinated trust on the property purchased unless this requirement is explicitly waived as provided for in § 2505.7. The loans may also be secured by financing statements or liens on the stock or other assets of a loan recipient, by an assignment of lease(s) or rent(s), or by other means consistent with District of Columbia law.

Program Administrator – the staff person at the D.C. Department of Housing and Community Development designated to manage the Home Purchase Assistance Program.

Standard Mortgage Qualification Level the typical mortgage level for which any very low, low, or moderate income applicant can qualify. The standard mortgage qualification level is determined by rounding the annual income figure for any very low, low, or moderate annual income figure to the next highest \$1,000, and using industry standard mortgage qualification tables, which employ assumptions for anticipated single-family mortgage interest rates and typical household debt information. The Department shall use standard mortgage qualifications levels to calculate Home Purchase Assistance Program downpayment assistance.

Unsecured Loan - a loan which requires repayment, subject to the conditions of the Program's loan agreement and for which the recipient has signed a promissory note, but which is not secured by a lien on the property purchased. Unsecured loans shall be made under the Program only under the special circumstances set forth in § 2505.9.