Gov. Carney, AG Jennings, DSHA, Delaware Judiciary Announce Joint Effort on Foreclosure & Eviction Prevention

WILMINGTON, Del. – Governor John Carney, Attorney General Kathy Jennings, Delaware State Housing Authority (DSHA) Director Anas Ben Addi and Justice of the Peace Court Chief Magistrate Alan Davis announced a joint effort on foreclosure and eviction prevention to support Delaware homeowners and renters financially impacted by the COVID-19 shutdown.

> *"This is still an extremely difficult time for many Delawareans and Delaware families – and this initiative is about continuing to support our neighbors through this COVID-19 crisis," said* ***Governor Carney****. "We need to make sure homeowners and renters throughout our state are aware of their options and know what to do next if they have missed a rent or mortgage payment. We have brought together agencies across our state to more effectively coordinate our efforts and provide real support for Delawareans and Delaware families."*

Governor Carney's latest modification includes several consumer protections for Delawareans and Delaware families. Effective at 8:00 a.m. on July 1, filings for foreclosures and evictions can resume, but evictions will continue to be stayed to permit the Justice of the Peace Courts to determine whether the parties would benefit from a court-supervised mediation or alternative dispute resolution.

That process may include identifying access to housing support services through the Delaware State Housing Authority. Local sheriffs and constables are directed to refrain from removing individuals from residential properties unless a Delaware court determines that enforcement is necessary in the interest of justice. In addition, utility companies must offer four-month payment plans to those affected by COVID-19 who were unable to pay utility bills during the height of the pandemic, and insurance companies must offer 90-day repayment plans for those affected by COVID-19 who failed to make premium payments during the height of the pandemic.

DSHA and the Department of Justice will partner on a comprehensive plan to educate Delaware homeowners and renters on the foreclosure and eviction process and provide integrated services, including financial assistance, to prevent Delaware residents from losing their homes due to a COVID-19-related job loss, loss of income or illness. In addition to at least $15 million in initial federal funding for direct housing assistance, DSHA is committing $250,000 and the Department of Justice is committing $100,000 for public awareness efforts and support to advocacy organizations.

"Even as businesses resume operations and more Delawareans get back to work after COVID-19 shutdowns, we know many homeowners and renters in our state are still struggling to keep a roof over their heads. Along with DSHA, we want to make sure that all Delawareans understand the foreclosure and eviction process, that they know all of their rights and responsibilities, and that they are able to consider all of the assistance available to them," said **Attorney General Jennings**.

"DSHA remains committed to helping more Delawareans stay in their homes both during the pandemic and in the months to follow," said **DSHA Director Ben Addi**. "The steps we are taking are important in preventing foreclosure and eviction court filings and will go a long way in helping us avoid a foreclosure and eviction wave in the coming months that could cause

irreparable financial harm to many Delawareans."

The joint effort on foreclosure prevention will include three key focus areas:

- Launching a multifaceted educational campaign targeting Delaware homeowners at risk of losing their homes to foreclosure due to financial difficulty as a result of the COVID-19 crisis;
- Supporting an increase in capacity for the state's HUD-approved housing counseling nonprofit agencies to provide guidance and assistance to homeowners and additional mediation capacity in the Automatic Residential Mortgage Foreclosure Mediation Program; and
- Providing timely financial assistance tools including a new program designed to provide emergency mortgage relief for homeowners at risk of foreclosure due to a COVID-19 job loss or loss of income.

DSHA and the Department of Justice are working closely with several HUD-approved housing counseling agencies throughout the state, including NCALL, to support increased capacity within those agencies.

"NCALL is honored to be working with DSHA and the Department of Justice to assist Delaware homeowners at risk of foreclosure," said **Executive Director Karen Speakman**. "As a housing counseling agency, we can offer a lifeline to households who are struggling to keep up with their mortgage payments, provide guidance on the options available to them and help them navigate the foreclosure mediation process."

The joint effort on eviction prevention will include the below key focus areas:

- Launching a multifaceted educational campaign targeting Delaware renters at risk of eviction due to financial difficulty as a result of the COVID-19 crisis;
- Providing funding to the state's legal aid organizations who offer legal services for unrepresented tenants facing eviction;
- An Alternative Dispute Resolution (ADR) program created and managed by the Justice of the Peace Court that will encourage property owners and tenants to work together on possible solutions to avoid eviction; and
- Reopening applications for the Delaware Housing Assistance Program (DE HAP) which provides rental assistance for Delawareans struggling to pay rent due to a pandemic-related job loss or illness. Income eligibility and application information for DE HAP will be available on DSHA's website.

"This is a great program and the Delaware Judiciary is pleased to be a partner in this joint effort to help people better understand the eviction and foreclosure process, get individuals and families the help they need and ultimately keep people in their homes, particularly during these difficult times," said **Chief Magistrate Davis**. "Our new Alternative Dispute Resolution (ADR) program – which has roots in the Superior Court's successful mortgage mediation program – will be available for a wide variety of cases, but we expect that a large number of landlord-tenant disputes can be resolved through this process, quickly, fairly and amicably. We also recognize that landlords have a stake here and may also be struggling and we believe this program will help them be made more whole than otherwise might be possible. Finally, this program will be largely online, meaning participants will generally not have to go to court – or a mediator's office – which is particularly advantageous during this pandemic."

Support for the state's legal aid organizations will be made available under funding provided by the Coronavirus Aid, Relief and Economic Security (CARES) Act. With the funding, organizations like Community Legal Aid Society, Inc. (CLASI) can provide tenants legal representation so they can avoid displacement and homelessness.

"The eviction moratorium protection provided to tenants by the Governor has been extremely important to ensuring that families are not evicted from their homes during the pandemic. However, the moratorium did not abate the rent. Once the moratorium is lifted, tenants who have lost jobs and income during the pandemic will be taken to court and face eviction unless a significant rental assistance program is implemented. We will quickly be overwhelmed by requests for assistance from tenants worried that they may lose their homes because they have fallen behind in rent," said **CLASI Executive Director Dan Atkins**. "With our involvement, evictions can often be prevented altogether, saving tenants, landlords, and the State the expense and disruptions of displacement and homelessness."

Additional information on the resources available for homeowners and renters facing financial difficulty as a result of the COVID-19 crisis is available on DSHA's website at destatehousing.com/covid19 or at de.gov/coronavirus. Homeowners can also contact the Delaware Department of Justice's Office of Foreclosure Prevention at de.gov/foreclosureprevention or (800) 220-5424.

Anyone with a question about COVID-19, whether related to medical or social service needs, should call Delaware 2-1-1. Individuals who are deaf or hard of hearing can text their ZIP code to 898-211. Hours of operation are 8 a.m. to 9 p.m. Monday through Friday; 9 a.m. to 5 p.m. Saturday and Sunday.

Health or medically-related COVID-19 questions can also be submitted by email to DPHCall@delaware.gov.

Report a business for COVID-19 non-compliance using this form.

DPH will continue to update the public as more information becomes available. For the latest on Delaware's response to COVID-19, go to de.gov/coronavirus.

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