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## FISCAL UPDATE Article

Fiscal Services Division

August 26, 2020



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### COVID-19 — IOWA EVICTION AND FORECLOSURE PREVENTION PROGRAM — AUGUST 25, 2020

**Program.** The Iowa Finance Authority (IFA) has established the [Iowa Eviction and Foreclosure Prevention Program](#) to assist Iowans who have been economically impacted by COVID-19 and may be facing housing hardships. The Program includes:

- **Rental Assistance.** Rent payment assistance beginning April 1, 2020, for up to four months (\$3,200 maximum).
- **Mortgage Payment Assistance.** Mortgage payment assistance (\$3,600 maximum) beginning April 1, 2020. An announcement was made by the IFA on August 24, 2020, increasing the maximum from \$3,000.

**Eligibility.** The general eligibility requirements are as follows:

- Current renter or homeowner.
- At risk of eviction or foreclosure due to a documented COVID-19 related loss of income (either job loss or reduction in employment hours and/or pay) on or after March 17, 2020.
- Household income not exceeding [80.0%](#) of the median family income (MFI) for the applicant's county of residence at the time of application.
- Can show pay stub or other appropriate documentation prior to and after loss of income.
- Can show latest mortgage statement (for mortgage payment assistance only).

Applicants with an adult member of their household who received Federal Pandemic Unemployment Compensation (FPUC) Program assistance, the \$600 additional monthly federal Coronavirus Aid, Relief, and Economic Security (CARES) Act ([H.R. 748](#)) stimulus unemployment benefit, in one or more payments in June and/or July 2020 are ineligible to receive rent or mortgage assistance in arrears but may receive assistance beginning with the August 2020 payment.

**Funding.** The CARES Act provided the State with \$1.250 billion for COVID-19 related expenses. Governor Kim Reynolds has allocated \$22.0 million of the federal funding for the Program. The IFA will use \$20.0 million of the funding for awards and \$2.0 million for external administrative expenses. The IFA originally estimated that 20,000 applications would be received and that the funds would assist approximately 6,500 households. The funds go directly to the landlord or mortgage provider. The Program operates as long as funds are available, and awards are made to the first applicants who are ready to proceed.

As of August 24, 2020, the IFA has provided approximately \$5.9 million to assist over 2,200 renters and provided approximately \$188,000 to assist 85 homeowners. Additional statistics are available [here](#).

**Assistance.** Legal assistance for those at risk of eviction or foreclosure is available from Iowa Legal Aid at no cost by phone at 800.332.0419 or [online](#). The IFA's Housing Recovery Help Line can be reached by phone at 855.300.5885.

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Doc ID 1150814