
FISCAL TOPICS

Fiscal Services Division

September 15, 2021



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Disaster Recovery Housing Assistance Program

Summary

The Disaster Recovery Housing Assistance Program and Fund were created in [2021 Iowa Acts, SF 619 \(Taxation and Other Provisions Act\)](#) to be administered by the [Iowa Finance Authority \(IFA\)](#). The Program aids Iowa renters and homeowners of disaster-affected homes following a State of Disaster Emergency Proclamation by the Governor. Senate File 619 also established an Eviction Prevention Program administered by the IFA.

Background

Funding for the Disaster Recovery Housing Assistance Program comes from other IFA unobligated or unencumbered moneys in other revolving loan programs created in Iowa Code sections [16.46](#), [16.47](#), [16.48](#), or [16.49](#). Funds may also be transferred from the funds created in Iowa Code sections [15.106A.1](#) and [16.5.1\(s\)](#) to the Fund with prior approval from the Governor. Moneys in the Fund are to be used by the IFA for the operation of a forgivable loan and grant program for homeowners and renters with disaster-affected homes, and for the Eviction Prevention Program. Once the Governor, under Iowa Code section [29C.6](#), proclaims a State of Disaster Emergency Proclamation, assistance may be distributed from the Fund.

For homeowners to be eligible for a forgivable loan under the Program once a State of Disaster Emergency Proclamation is issued:

- The homeowner's disaster-affected home must have sustained damage greater than the damage that is covered by the homeowner's property and casualty insurance policy insuring the home plus any other state or federal disaster-related financial assistance;
- A local official must either deem the disaster-affected home suitable for rehabilitation or damaged beyond reasonable repair;
- The disaster-affected home is not eligible for buyout by the county or city where the disaster-affected home is located; and
- Assistance must not be duplicated with any other governmental program.

A forgivable loan to a homeowner may be awarded for repair or rehabilitation of the disaster-affected home or a down payment on the purchase of replacement housing, if the home is not located in a floodplain.

For renters to be eligible for a grant under the Program once a State of Disaster Emergency Proclamation is issued:

- A local administrator either deems the disaster-affected home of the renter suitable for rehabilitation but unsuitable for current short-term habitation, or the disaster-affected home is damaged beyond reasonable repair; and
- Assistance must not be duplicated with any other governmental program.

More Information

Iowa Finance Authority: www.iowafinance.com
LSA Staff Contact: Eric Richardson (515.281.6767) eric.richardson@legis.iowa.gov

If a renter is referred to the IFA or to a local administrator by the disaster case manager of the renter, the IFA may award a grant to the eligible renter to provide short-term financial assistance for the payment of rent for replacement housing.

The IFA may award grants for the Eviction Prevention Program to eligible renters and to partners upon a State of Disaster Emergency Proclamation from the Governor that authorizes the Program. Grants may be awarded to eligible renters for short-term financial rent assistance to keep eligible renters in their current residences. Previously, the IFA administered the [COVID-19 Iowa Eviction and Foreclosure Prevention Program](#), funded through \$37.4 million in Iowa [Coronavirus Relief Fund](#) allocations. The Program provided up to four months of actual rent or \$3,200, whichever was lower, in grants to income-eligible renters and homeowners who were at risk of eviction or foreclosure due to the pandemic. The IFA currently administers the [Iowa Rent and Utility Assistance Program](#) with \$195.0 million from the federal [Consolidated Appropriations Act of 2021](#).

Iowa Related Statutes and Administrative Rules

Iowa Code sections [16.57](#) and [29C.6](#)

Doc ID 1230647