



COVID-19 and Housing: Your Guide to Housing-Related Legislation in the CARES Act



Louisiana Housing
Corporation

About Louisiana Housing Corporation

The Louisiana Housing Corporation's mission is to ensure that every Louisiana resident is granted an opportunity to obtain safe, affordable, energy-efficient housing.

Each day this ongoing challenge is met by a dedicated staff of professionals who allocate federal and state funds to help working families make their housing dreams a reality.

The Louisiana Housing Corporation administers a variety of programs that assist renters, homebuyers and owners, developers, nonprofit groups, local governments and other stakeholders. These programs are designed to advance the development of energy efficient and affordable housing for working families, drive housing policy for Louisiana and oversee the state's Disaster Housing Task Force.



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Introduction

We know you have questions about how the COVID-19 crisis will impact you and your housing needs. This guide will give you a summary of the housing-related legislation noted in the Coronavirus Aid, Relief, and Economic Security (CARES) Act and help you understand how this act will impact you.



What Guidance Does the Cares Act Give About Mortgage & Rent Payments

The CARES Act puts into place an eviction moratorium for tenants living in certain types of housing, such as those with a federally backed mortgage loan.

Foreclosure Moratorium and Homeowners Right to Request Forbearance

Upon receiving a request for forbearance from a borrower under subsection (b), the servicer shall with no additional documentation required other than the borrower's attestation to a financial hardship caused by the COVID-19 emergency and with no fees, penalties, or interest (beyond the amounts scheduled or calculated as if the borrower made all contractual payments on time and in full under the terms of the mortgage contract) charged to the borrower in connection with the forbearance, provide the forbearance for up to 180 days, which may be extended for an additional period of up to 180 days at the request of the borrower, provided that, the borrower's request for an extension is made during the covered period, and, at the borrower's request, either the initial or extended period of forbearance may be shortened.

Foreclosure Moratorium

Except with respect to a vacant or abandoned property, a servicer of a federally backed mortgage loan may not initiate any judicial or non-judicial foreclosure process, move for a foreclosure judgment or order of sale, or execute a foreclosure-related eviction or foreclosure sale for not less than the 60-day period beginning on March 18, 2020.

Temporary Moratorium on Eviction Filings for Renters

During the 120-day period beginning on the date of enactment of this act, the lessor of a covered dwelling may not:

1. make, or cause to be made, any filing with the court of jurisdiction to initiate a legal action to recover possession of the covered dwelling from the tenant for nonpayment of rent or other fees or charges; or
2. charge fees, penalties, or other charges to the tenant related to such nonpayment of rent.

Forbearance of Residential Mortgage Loan Payments for Multifamily Properties With Federally Backed Loans

(a) In general

During the covered period, a multifamily borrower with a federally backed multifamily mortgage loan experiencing a financial hardship due, directly or indirectly, to the COVID-19 emergency may request a forbearance under the terms set forth in this section.

(b) Request for relief

A multifamily borrower with a federally backed multifamily mortgage loan that was current on its payments as of Feb. 1, 2020, may submit an oral or written request for forbearance under subsection (a) to the borrower's servicer affirming that the multifamily borrower is experiencing a financial hardship during the COVID-19 emergency.



What Community Development Funding Is Available?

The CARES Act calls for an additional amount for Community Development Fund, \$5 billion, to remain available until Sept. 30, 2022, to prevent, prepare for, and respond to coronavirus:

Provided, that up to \$2 billion of the amount made available under this heading in this act shall be distributed pursuant to section 106 of the Housing and Community Development act of 1974 (42 U.S.C. 5306) to grantees that received allocations pursuant to that same formula in fiscal year 2020, and that such allocations shall be made within 30 days of enactment of this Act.

Provided further, that, in addition to amounts allocated pursuant to the preceding proviso, an additional \$1 billion shall be allocated directly to states and insular areas, as defined by 42 U.S.C. 5302(a), to prevent, prepare for, and respond to coronavirus within the state or insular area, including activities within entitlement and non-entitlement communities, based on public health needs, risk of transmission of coronavirus, number of coronavirus cases compared to the national average, and economic and housing market disruptions, and other factors, as determined by the secretary, using best available data and that such allocations shall be made within 45 days of enactment of this act.



That up to \$10 billion of amounts made available under this heading in this act may be used to make new awards or increase prior awards to existing technical assistance providers, without competition, to provide an immediate increase in capacity building and technical assistance to support the use of amounts made available under this heading in this act and under the same heading in prior acts to prevent, prepare for, and respond to coronavirus.

What Provisions Does the Act Offer for Homeless Assistance?

The CARES Act provides assistance for homeless individuals and homeless youth in the form of homeless assistance grants.

The act provides for an additional amount for homeless assistance grants, \$4 billion, to remain available until Sept. 30, 2022, to prevent, prepare for, and respond to coronavirus, among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus under the Emergency Solutions Grants program.

Runaway and Homeless Youth

The act provides \$25 million for carrying out activities under the Runaway and Homeless Youth Act: Provided further, that such amounts shall be used to supplement, not supplant, existing funds and shall be available without regard to matching requirements.

No later than Sept. 30, 2020, the remaining unobligated balances of funds made available for the youth homelessness demonstration under the heading Department of Housing and Urban Development—Community Planning and Development—Homeless Assistance Grants in the Consolidated Appropriations Act, 2018 (Public Law 115–141) are hereby permanently rescinded, and an amount of additional new budget authority equivalent to the amount rescinded is hereby appropriated, to remain available until Sept. 30, 2021, in addition to other funds as may be available for such purposes, and shall be available, without additional competition, for completing the funding of awards made pursuant to the fiscal year 2018 youth homelessness demonstration.



What Support Does the Act Provide for Other Housing-Vulnerable Populations?

The CARES Act provides support for certain housing-vulnerable populations such as the elderly and individuals with disabilities.

Housing Support for Seniors

The act provides for an additional amount for housing for the elderly, \$50 million, to remain available until Sept. 30, 2023, to prevent, prepare for, and respond to coronavirus, including to provide additional funds to maintain normal operations and take other necessary actions during the period that the program is impacted by coronavirus, for assistance to owners or sponsors of properties receiving project-based assistance pursuant to section 202 of the Housing Act of 1959.

Housing Support for Individuals With Disabilities

The act provides for an additional amount for housing for persons with disabilities, \$15 million, to remain available until Sept. 30, 2023, to prevent, prepare for, and respond to coronavirus, including to provide additional funds to maintain normal operations and take other necessary actions during the period that the program is impacted by coronavirus, for assistance to owners or sponsors of properties receiving project-based assistance pursuant to section 811.

Housing Support for Native Americans

The act provides for an additional amount for Native American programs, \$300 million, to remain available until Sept. 30, 2024, to prevent, prepare for, and respond to coronavirus, for activities and assistance authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996.

Housing Support for Persons with Aids

The act provides support for persons with aids in the amount of \$65 million, to remain available until Sept. 30, 2021.

Provided further, that up to \$10 million of the amount provided under this heading in this act shall be to provide an additional one-time, non-renewable award to grantees currently administering existing contracts for permanent supportive housing that initially were funded under section 854(c)(5) of such act from funds made available under this heading in fiscal year 2010 and prior years: Provided further, That such awards shall be made proportionally to their existing grants: Provided further, That such awards are not required to be spent on permanent supportive housing: Provided further, That, notwithstanding section 859(b)(3)(B) of such act, housing payment assistance for rent, mortgage, or utilities payments may be provided for a period of up to 24 months: Provided further, That, to protect persons who are living with HIV/AIDS, such amounts provided under this heading in this act may be used to self-isolate, quarantine, or to provide other coronavirus infection control services as recommended by the Centers for Disease Control and Prevention for household members not living with HIV/AIDS.



How Does This Act Affect Fair Housing Activities?

The CARES Act provides an additional amount for fair housing activities, \$2.5 million, to remain available until Sept. 30, 2021, for contracts, grants, and other assistance, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, to prevent, prepare for, and respond to coronavirus, of which \$1.5 million shall be for the Fair Housing Assistance Program Partnership for Special Enforcement grants to address fair housing issues relating to coronavirus, and \$1 million shall be for the Fair Housing Initiatives Program for education and outreach activities under such section 561 to educate the public about fair housing issues related to coronavirus: Provided, that such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.



What Support Is Available for Public Housing and Rental Assistance?

The CARES Act provides additional support for the public housing operating fund and support for rental and tenant assistance.

Public Housing Operating Fund Support

The act provides for an additional amount for public housing operating fund, as authorized by section 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(e)), \$685 million, to remain available until Sept. 30, 2021, to prevent, prepare for, and respond to coronavirus, including to provide additional funds for public housing agencies to maintain normal operations and take other necessary actions during the period that the program is impacted by coronavirus.

Project-Based Rental Assistance

The act provides for an additional amount for project-based rental assistance, \$1 billion, to remain available until expended, to prevent, prepare for, and respond to coronavirus, including to provide additional funds to maintain normal operations and take other necessary actions during the period that the program is impacted by coronavirus, for assistance to owners or sponsors of properties receiving project-based assistance.

Tenant-Based Rental Assistance

The act provides for an additional amount for tenant-based rental assistance, \$1.25 billion, to remain available until expended, to prevent, prepare for, and respond to coronavirus, including to provide additional funds for public housing agencies to maintain normal operations and take other necessary actions during the period that the program is impacted by coronavirus:

\$400 million shall be available for adjustments in the calendar year 2020 section 8 renewal funding allocations, in addition to any other appropriations available for such purpose, including Mainstream vouchers, for public housing agencies that experience a significant increase in voucher per-unit costs due to extraordinary circumstances or that, despite taking reasonable cost savings measures, as determined by the secretary, would otherwise be required to terminate rental assistance for families as a result of insufficient funding.

For more information on the Coronavirus Aid, Relief, and Economic Security (CARES) Act, click [here](#) or visit:

https://www.govtrack.us/congress/bills/116/hr748/text/enr#link=B_VIII_~T14&nearest=H5A7DDB7B07D74EB8BC59793B59985887

