



Management Bulletin #501

DATE: May 1, 2020

TO: Owners/Agents of Properties Financed or Assisted by IHDA

CC: Asset Management Department Staff

FROM: Asset Management Department, IHDA

RE: COVID-19 Guidance on Evictions

SUMMARY:

This guidance provides important information for property owners and management agents of IHDA-financed or assisted rental units.

STATE ACTIONS

In Illinois, Governor Pritzker imposed a moratorium on enforcement of evictions effective March 23, 2020.

As of April 23, 2020 the Governor expanded that prohibition to prevent the initiation of residential eviction proceedings for the duration of the Gubernatorial Disaster Proclamation.

On April 30, 2020 the Governor issued an additional Disaster Proclamation and Executive Order 2020-33 which reissued the majority of the prior COVID-19 Executive Orders for an additional 30 days.

This includes an amended Executive Order 2020-30 that states that a person or entity may not commence a residential eviction except in certain cases, such as when a tenant poses a direct threat to the health and safety of other tenants, an immediate and severe risk to property, or a violation of any applicable building code, health ordinance, or similar regulation. Aside from these exceptions, both residential eviction initiation and enforcement restrictions remain in effect until May 29, 2020.

Various Executive Orders can be found [here](#).

FEDERAL ACTIONS

The federal CARES Act, signed into law on March 27, 2020, imposes a 120-day moratorium on tenant eviction filings and charging late fees for *almost all* of IHDA's affordable housing properties (* see Special Case section further below).

Covered Properties: Section 4024(a) of the act applies the moratorium to properties either (1) with a federally backed mortgage loan or (2) that "participate in" a "covered housing program" as defined in the [Violence Against Women Act \(VAWA\)](#).

(1) Federally backed mortgage loans are those made, insured, guaranteed, supplemented, or assisted in any way, by any officer or agency of the federal government, or purchased or securitized by the Federal Home Loan Mortgage Corporation (Freddie Mac) or the Federal National Mortgage Association (Fannie Mae).

(2) Covered programs include:

- the low-income housing tax credit (LIHTC),
- public housing,
- Section 8 Housing Choice Voucher program,
- project-based Section 8 housing,
- Section 202 supportive housing for the elderly,
- Section 811 supportive housing for persons with disabilities,
- Section 236 multifamily rental housing,
- Section 221(d)(3) Below Market Interest Rate housing,
- HOME Investment Partnership Program,
- Housing Opportunities for Persons with AIDS,
- McKinney-Vento Act programs, and
- USDA Rural Development.

Restricted Actions: Between March 27 and July 24, 2020 (the 120-day period), owners of properties participating in covered housing programs may not:

(1) make, or cause to be made, any filing to recover possession from the tenant for nonpayment of rent; nor

(2) charge fees, penalties, or other charges to the tenant related to such nonpayment of rent.

Also, owners may not issue a notice to vacate until after July 24, 2020 and may not require tenants to vacate sooner than 30 days after providing a notice to vacate.

See the brochure from HUD's Office of Multifamily Programs with additional federal information regarding tenant concerns [here](#).

SPECIAL CASE: RENTAL HOUSING SUPPORT (RHS) PROGRAM

The CARES Act 120 day moratorium on filing of evictions does not apply to the state Rental Housing Support (RHS) Program. However, Governor Pritzker's moratoriums on the commencement and enforcement of evictions do apply to RHS program units.

IHDA encourages owners of properties with RHS Program assistance to re-certify income of tenants adversely affected by COVID-19. Income re-certifications can mitigate collection losses by making assistance payments larger, and the tenant rent more affordable, improving the tenant's ability to pay.

GENERAL GUIDANCE

Please note: Nothing in the Governor's Executive Order or the CARES Act relieves a tenant's obligation to pay rent. Tenants are still required to pay rent as agreed and property owners and managers are not prohibited from collecting rent.

If tenants are unable to pay rent in full, IHDA encourages owners and managers to develop a plan that can be applied consistently, which may include developing a repayment plan, waiving late fees, or accepting partial payments.

For all properties, wherever possible, IHDA encourages owners and managers to show consideration during this unprecedented national emergency.

ATTENTION:

Due to concerns surrounding COVID-19 (i.e. Coronavirus), IHDA will not be accepting visitors at our offices until further notice. Many on-site meetings are being held remotely or have been postponed. With no on-site meetings or visits, IHDA staff will continue to be available via email and telephone. We also urge you to check the IHDA website or call (312) 836-5200. Your patience is appreciated as we all adjust to this new work environment.