

Faircloth-to-RAD: New Pathway to Create New Deeply Affordable Housing; 227,000 Available Units of Authority Eligible for Construction

- Public Housing Authorities (PHAs) have a new pathway to leverage their existing public housing "Faircloth Authority" to create new deeply rent-assisted housing through the Rental Assistance Demonstration (RAD). Faircloth-to-RAD conversions will establish a long-term, reliable rental subsidy contract for the new housing units, which will help PHAs and their partners to more readily finance the development of the new properties.
- The Faircloth-to-RAD pathway represents an innovative solution to activate existing Federal authority to tap into up to 227,000 units of deeply affordable housing units that

PHAs could develop. Many PHAs operate fewer deeply rent-assisted units than their "Faircloth" limits – caps Congress established in 1998 on the number of public housing units the Federal government would support. There is existing Federal authority to provide deep rent assistance for nearly 227,000 units, provided the PHAs can



finance the initial construction. These totals by state are listed below.

- In a Faircloth-to-RAD transaction, PHAs will develop public housing units using HUD's public housing mixed-finance program with pre-approval to convert the property to a long-term Section 8 contract following construction. By providing early-stage RAD conversion approvals, specifically the revenue certainty and the market-familiarity of the Section 8 contract these RAD approvals represent, HUD will give lenders and investors the information they need to underwrite the construction of these projects.
- HUD has streamlined and merged the mixed-finance development and RAD conversion processes to eliminate duplicative steps and to maximize predictability. To help PHAs get started, HUD has produced <u>guidance</u> PHAs and their partners can use to understand the process and make the appropriate submissions to HUD.

State	New Unit (Faircloth) Availability
AK	181
AL	5941
AR	2083
AZ	1246
CA	12119
CO	1142
СТ	5052
DC	2610
DE	1064
FL	
	9763
GA	15112
GQ	1
HI	328
IA	560
ID	32
IL	25940
IN	2781
KS	303
КҮ	3446
LA	11594
MA	4784
MD	7915
ME	258
MI	5806
MN	1717
MO	
	4067
MS	1879
MT	330
NC	3626
ND	187
NE	165
NH	340
NJ	9424
NM	481
NV	873
NY	14846
ОН	12397
ОК	297
OR	1641
PA	17416
RI	731
RQ	3263
SC	2148
SD	34
TN	8250
TX UT	11325 511
VA	4613
VQ	1173
VT	60
WA	3645
WI	1459
WV	974
	574

Data as of 5/7/2021. Up to date Faircloth data available at: https://www.hud.gov/program_offices/public_indian_housing/programs/ph/capfund

PHAs With Over 1,000 Faircloth Units (as of 5/7/21)

State	PHA Name	Potential New Homes
IL	Chicago Housing Authority	19,543
NY	New York City Housing Authority	12,155
LA	Housing Authority of New Orleans	10,347
GA	Housing Authority of the City of ATLANTA Georgia	9,136
PA	Philadelphia Housing Authority	7,031
MD	Housing Authority Of Baltimore City	6,248
PA	Housing Authority of the City of Pittsburgh	5,386
TN	Memphis Housing Authority	4,582
MI	Detroit Housing Commission	4,256
ОН	Columbus Metropolitan Housing Authority	3,826
NJ	Newark Housing Authority	3,603
MO	St. Louis Housing Authority	3,452
RQ	PUERTO RICO PUBLIC HOUSING ADMINISTRATION	3,263
ТХ	Housing Authority of the City of Dallas, Texa	3,049
DC	D.C Housing Authority	2,610
CA	Housing Authority of the City & County of SF	2,471
OH	CINCINNATI METROPOLITAN HOUSING AUTHORITY	2,157
MA	Boston Housing Authority	2,139
CA	Housing Authority of the City of Los Angeles	1,910
OH	Cuyahoga Metropolitan Housing Authority	1,890
FL		1,852
CA	Oakland Housing Authority	1,850
KY	Louisville Metro Housing Authority	1,839
TX	San Antonio Housing Authority	1,777
OH	GREAT DAYTON PREMIER MANAGEMENT	1,719
СТ	Housing Authority of the City of Hartford	1,655
AL	Housing Authority of the City of Montgomery	1,561
AL	Housing Authority of the Birmingham District	1,559
MA	Cambridge Housing Authority	1,555
FL	MIAMI DADE PUBLIC HOUSING AND COMMUNITY DEV	1,543
NJ	Housing Authority City of Jersey City	1,222
CA	San Diego Housing Commission	1,220
AL	MOBILE HOUSING BOARD	1,192
NJ		1,183
VQ	VIRGIN ISLANDS HOUSING AUTHORITY	1,173
WI	Housing Authority of the City of Milwaukee	1,163
OR	Housing Authority of Portland	1,138
	Housing Authority of the City of New Haven	1,101
	Chattanooga Housing Authority	1,087
NY	The Municipal Hsng Authority City Yonkers	1,082
TN	Metropolitan Development & Housing Agency	1,072
DE	Wilmington Housing Authority	1,031
IL	Peoria Housing Authority	1,021

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