



Rental Assistance Demonstration RADBlast!



RAD Applications Update

1st Component Status

As of October 25, 2013, the Department has received 459 applications for over 76,000 units of public housing and Mod Rehab housing to convert assistance under the 1st component of RAD. Of this total, 21,097 units have been awarded initial approval and issued a Commitment to Enter into a Housing Assistance Payment Contract (CHAP), and 55,000 units are currently under application review.

All interested parties are reminded that HUD has authority to *convert* 60,000 units of housing under RAD's 1st component and to accept applications for conversions on a first-come, first-served basis through September 30, 2015. Although HUD has now received applications to convert assistance in excess of 60,000 units for public housing and Section 8 Mod Rehab projects, the actual conversion of assistance is a two-step process: after initial application approval and award of a CHAP, the PHA/owner generally has 9-12 months to meet a series of milestones, finalize its financing plan and close its RAD conversion of assistance, which results in the issuance of a long-term Section 8 contract. Given this process, a number of applicants and initial awardees may not actually close and effectively convert assistance.

Consequently, the Department strongly encourages all interested applicants to submit applications to secure a date-ordered review of their application. HUD expects to continue to accept applications for RAD's 1st component through September 30, 2015, and will continue in the order of the date submitted to review and approve pending applications until 60,000 units are actually converted, or until the current end-point of the demonstration on September 30, 2015, whichever is first.

Also, prospective applicants and interested partners are reminded that the Department has requested to increase the unit cap for conversions of assistance under RAD's 1st component from 60,000 units to 150,000 units as well as certain other authority and flexibility for RAD in its FY 2014 budget request pending before Congress.

In short, HUD is continuing to accept applications from interested PHAs and owners to convert assistance under the 1st component of RAD on a first-come, first-served basis until further notice. Prospective applicants will be notified if and when it becomes clear to the Department that pending and already-approved applications are likely to reasonably exceed the available cap authority for the 1st component of RAD.

On Thursday, November 7, from 3:00 PM to 4:00 PM EST, the RAD Team will devote one of its periodic Q&A webcasts to answering questions about the continuing application process.

2nd Component Status

As of September 30, 2013, HUD received 80 conversion requests from owners of Rent Supplement (Rent Supp), Rental Assistance Payment (RAP), and Moderate Rehab (Mod Rehab) properties seeking to convert their assistance to long-term Project Based Voucher (PBV) contracts under the 2nd Component of RAD. Of these, 75 projects, representing over 8,000 units of affordable housing, have been approved for conversion. So far, 46 of these have closed and the balance are proceeding to closing.

The 2nd Component was set to sunset on September 30, 2013, but Section 149 of the Continuing Resolution (*HR 2775, the Continuing Appropriations Act, 2014*), or “CR”, that was enacted by Congress allows HUD to extend the 2nd Component of RAD for the duration of the CR (January 15, 2013). Shortly, HUD will be advising owners approved for conversion but not yet closed on next steps, and other owners of their eligibility to submit conversion requests under this extended authority. In the meantime, any related questions can be submitted to the RAD Team via the RAD email box at RAD@hud.gov.

To join the RAD email list, please go [here](#).