



Rental Assistance Demonstration RADBlast!



2015 HUD Appropriations and the RAD Program

The purpose of this RAD Blast is to inform stakeholders of the Department's plans to implement the 2015 HUD Appropriations Act as it relates to the Rental Assistance Demonstration (RAD). The Department is in the process of updating PIH Notice 2012-32 (the "RAD Notice") to incorporate the recent statutory changes and to provide policy and program clarifications.

However, in the interim, the Department is offering the following guidance:

1st Component

- Subject to re-review of their eligibility status, applications on the RAD waiting list that previously received Contingent Approval Letters will be issued Commitments to enter into Housing Assistance Payments (CHAP) contract awards. The Department expects to begin issuing these CHAPs in February 2015.
- For all other applications previously submitted, once their review is complete and they are determined to be eligible, a CHAP will be issued.
- RAD rents will be set according to FY 2014 Funding Levels (see link [here](#) for those RAD rents).
- Because Congress extended the date for which RAD awards could be made to September 30, 2018, the Department will also extend the submission dates for portfolio and multi-phase applications, accordingly.
- With the conversion limit increased to 185,000 units, the Department expects that there will be approximately 8,000 units that will be available to applications not yet submitted. The Department will continue to accept applications on a first-come, first-serve basis.
- Once the Department reaches the cap of 185,000 units, it will maintain a waiting list.
- Following CHAP issuance, the Department will be conducting regional RAD training sessions for all awardees. These sessions will be voluntary, but strongly encouraged.
- Based on feedback received from program participants, the Department is examining a number of suggestions for streamlining transactions, which will be addressed through further guidance.

2nd Component

- The Department will continue to process all active applications received under the 2nd component.
- Owners may continue to submit conversion requests for Rent Supplement (Rent Supp), Rental Assistance Payment (RAP), and Moderate Rehabilitation (Mod Rehab) properties.
- A revision to the RAD Notice will establish program requirements for conversion to Project Based Rental Assistance (PBRA). The Department expects to publish this revision by March 1, 2015.
- Revised guidance on contract extension for Rent Supp and RAP contracts will be published on or before March 1, 2015. In the interim, the Office of Recapitalization will be reviewing rent supplement and RAP contract extension requests on a case-by-case basis.
- Guidance on applicability of Davis-Bacon requirements for 2nd Component transactions has now been posted to the RAD website. See under "More Information" [here](#).

Moderate Rehabilitation (Mod Rehab) SRO

A revision to the RAD Notice will establish program requirements for conversion of Mod Rehab McKinney SRO properties to either PBRA or Project Based Vouchers (PBV) contracts under either component. The Department expects to publish this revision by March 1, 2015.

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