



Rental Assistance Demonstration RADBlast!



Clarifying Milestone Requirements and Related Information for New Awardees under RAD's First Component

Over the past month, HUD has been issuing awards to applicants that were previously on the RAD first component waiting list. The following provides requested clarifications:

1. **Effective Date of Milestones** – RAD Milestone dates will be established beginning with the latter of a) issuance date of the award letter or b) 30 days following publication of the forthcoming revisions to the RAD Notice. HUD expects to publish the revised RAD Notice in late April. (When the Notice is published, HUD will hold web-based training sessions.)
2. **Effective Date for Entering PIC Removal Data** – The award letters require PHAs to enter their PIC removal data within 30 days of award. Although the milestones will not begin in accordance with the above instructions, the PHA must comply with the 30-day PIC removal requirement, as it signals their desire to proceed with their RAD conversion. If a PHA has any questions about entering this PIC data, please contact your local field office.
3. **Assignment of Transaction Managers and Scheduling of Kick-Off Calls** – HUD will arrange Kick-Off Calls to be held generally within 30 days following publication of the Revised Notice. In the meantime, PHAs may want to review the following previously published documents:
 - Things that PHAs can do to Facilitate Conversion (<http://portal.hud.gov/hudportal/documents/huddoc?id=ThingsPHAcndn.pdf>)
 - Welcome Guide for New Awardees RAD 1st Component, and
 - RAD Physical Condition Assessment Guide

Transaction Managers will be introduced at the Kick-Off Calls. In the meantime, RAD transaction questions may be sent to RAD@hud.gov. Additionally, the Office of Recapitalization will be hosting "office hours" for PHAs that are visiting D.C. and would like to meet with program staff. HUD will also be hosting live "Q & A Sessions." These events will soon be announced through upcoming RADBlasts and via the RAD website (www.hud.gov/rad).

4. **Streamlining Milestones** – As indicated in the Welcome Guide, beginning with these new awards, non-tax credit projects will no longer be required to comply with 30, 60, 90, and 150-day milestones. Instead, the first RAD milestone will be the submission of the Financing Plan or Application for FHA Firm Commitment (as applicable), which is due within 180 days after the milestone effective date (see #1). For 4% tax credit transactions, PHAs must apply for 4% credits within 150 days of the milestone effective date and complete the RPCA within that time period. For projects utilizing 9% tax credits, PHAs must apply for the first available 9% tax credit round in their state beginning 90 days after the milestone effective date. Although the Department is eliminating the previous intermediate milestones, we highly recommend that PHAs use them as a guide to ensure that projects meet the 180-day Financing Plan submission deadline.

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