



Rental Assistance Demonstration RADBlast!



You're Invited! HUD will be hosting a RAD for PRACs Listening Session

Date: Thursday, June 7, 2018
Time: 2:30pm - 4:00pm EDT by teleconference
Registration: <https://attendee.gotowebinar.com/register/7364974576186618883>

The FY18 Appropriations Act made Section 202 Project Rental Assistance Contracts (PRACs) eligible for conversion under RAD. Section 202 PRACs cover over 120,000 units across 2,800 properties serving very low-income elderly Americans. Through RAD, these properties will now be able to convert to long-term Section 8 HAP contracts that will better facilitate access to debt and LIHTC financing sources to support recapitalization of these units. The Appropriations Act also gives the Department the authority to subordinate or restructure documentation of the original capital advance as necessary to facilitate the conversion of assistance, as long as the property retains its affordability period and its designation of the property as serving elderly tenants.

HUD expects to release guidance later in the year on how this program will operate, at which point we will be able to begin processing these conversions.

In the meantime, we're interested in hearing from industry participants and stakeholders, including Section 202 project owners, about how you've been thinking and planning for conversions, and what issues HUD should consider when developing conversion program requirements for Section 202 PRACs. Our goal is to develop a conversion process that facilitates a smooth transition and ensures long term preservation of PRACs on strong physical and financial footing. We value your input as direct participants in PRAC projects with acute knowledge of the operational needs to maintain and preserve quality affordable senior housing. We offer the following general questions to begin the dialogue:

- What issues and barriers do you anticipate needing to overcome on the path to a successful recapitalization transaction (debt or LIHTC)?
- How should initial contract rents be analyzed and adjusted over time?
- Should there be special PBV or PBRA contract provisions for PRACs under RAD?
- How should HUD treat the existing HUD agreements?
- If HUD were to amend or restate the existing agreements, what are important provisions to delete or retain?
- What are the resident needs & services necessary for providing quality housing for seniors?
- Are there important differences in how residents experience the Section 8 and the Section 202 programs?
- Are there important policy objectives or differences between the programs that HUD shouldn't overlook?

We also welcome written suggestions, which can be sent to RAD2@hud.gov. We look forward to hearing from you!

Thanks!
-The RAD Team

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