



Rental Assistance Demonstration RADblast!



RADBLAST! RAD Successfully Winds Down Rent Supp Legacy Program, Preserving More Than 13,000 Affordable Housing Homes, Savings Residents from Displacement

HUD's Office of Multifamily Housing has recently hit a milestone: the last properties with contracts under the 1960s-era "Rent Supplement" (Rent Supp) rental assistance program were preserved and converted to project-based Section 8 assistance under the Rental Assistance Demonstration (RAD). RAD not only protected tens of thousands of residents from displacement, but also allowed owners of Rent Supp properties to successfully preserve 13,670 affordable homes. By shifting onto the Section 8 platform, owners have also been able to access new financing to make property improvements, thereby ensuring quality affordable housing options for years to come.

"This is the first legacy HUD assisted housing program we have fully wound down through RAD, converting a decades old program to the modern and cost-efficient Section 8 platform while still preserving assistance for low-income families. It's a true win-win for residents and for the American taxpayer." said Tom Davis, Director of the Office of Recapitalization in the Office of Multifamily Housing Programs.



Above: President Lyndon Johnson signing legislation that created the Rent Supp program in 1965

Background of Rent Supp

In 1965, Congress authorized rent supplements on behalf of needy tenants living in privately owned housing. This was the first rental assistance program that worked with privately-owned housing, a departure from previous programs that provided housing assistance only through the public housing portfolio. Congress experimented with several other forms of assistance in the following years until, in 1974, Rent Supp and its contemporary programs were replaced by the Section 8 New Construction and Substantial Rehabilitation program, now known as project-based Section 8. Project-based Section 8 has become one of the largest and most successful of HUD's rental assistance strategies.

While the early projects under the pre-Section 8 experimental programs continued to operate, providing important affordable options for low-income households, these owners could not extend their Rent

Supplement contracts to preserve these units as affordable housing. As the original contracts reached maturity, both the rental assistance and the affordability restrictions were set to expire and the affordable units lost forever.

RAD's Creation Preserves 13,670 "Orphaned" Rent Supp Units

Recognizing the need to preserve the assistance at these properties and protect the vulnerable populations living there, in 2012 Congress authorized the conversion of the remaining 249 properties supported by Rent Supp contracts through RAD to project-based Section 8. This resulted in successfully preserving 13,670 affordable homes.

Read more about RAD at www.hud.gov/rad.

Thanks!
-The RAD Team



Above: Chestnut Park Apartments in Springfield, MA, is one of the successfully preserved affordable properties.

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