

Rental Assistance Demonstration RADBlast!



Topics Include:

- Public Housing Transformed in Montgomery County, MD
- Responding to Residents
- New Resources to Support RAD/Section 18 Blends
- New Updated RAD Form Contracts

Public Housing Transformed in Montgomery County, MD

Housing authorities across the country have used RAD to transform their public housing inventory. As the Housing Opportunities Commission (HOC) of Montgomery County nears the completion of the agency's conversion of its entire public housing portfolio to long-term Section 8 assistance under RAD, we sat down with Stacy Spann, who until recently served as HOC's Executive Director, to reflect on his experience as an early adopter of RAD. HOC has used RAD with exceptional creativity to replace distressed public housing with modern, new permanently affordable housing, bring affordable housing into higher opportunity neighborhoods, and expand the overall supply of affordable housing in Montgomery County. To date,



supply of affordable housing in Montgomery County. To date, over \$161 million in construction has been performed, investing on average \$140,000 per unit across ten properties. And in five conversions, HOC transferred assistance into neighborhoods with an average poverty rate of 8.5%, giving low-income residents the opportunity to live in neighborhoods with access to good schools, jobs, and

transportation.

See our <u>conversation</u> with Stacy to see his reflections on implementing RAD in Montgomery County.

Responding to Residents

In recent years, HUD has taken considerable steps to ramp up its monitoring and enforcement of resident rights, which have always included staples such as resident engagement requirements, right of return and relocation rights, and lease rights under Section 8 that match or exceed the lease rights under public housing. HUD has developed and staffed a Resident Engagement and Protections Team that works directly with residents, PHAs, and other HUD staff to ensure the faithful execution of the rights and protections provided



under RAD. In addition to developing educational materials, working directly with residents and housing authorities, and continually evaluating our policies and procedures, the Resident Engagement and Protection Team responds to every inquiry or complaint that surfaces through HUD monitoring, tenant-initiated communications to HUD, referrals from legal-aid services, news reports, or any other source.

Recently, the Team has posted its <u>protocols for responding to such complaints</u> in order to provide more transparency to the public and to make sure residents know there is a dedicated place to resolve issues that might arise through a RAD conversion. Please do not hesitate to reach out to us at <u>rad@hud.gov</u> if you have any questions, issues or concerns throughout a RAD conversion.

New Resources to Support RAD/Section 18 Blends

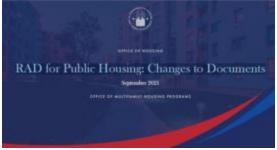
RAD/Section 18 blends (created through Notice PIH 2021-07) allow PHAs to combine the use of RAD and Section 18 to support the long-term preservation and improvement of public housing assets. Blending RAD and Section 18 leverages the best of both programs. PHAs can establish a stronger revenue base and generate more capital for renovations or redevelopment. At the same time, HUD ensures that the housing remains affordable and under public stewardship for the long-term, that the units are replaced one-for-one (with very limited exceptions), and that all residents benefit from the robust set of rights and protections provided through RAD.

To support PHAs pursuing RAD/Section 18 Blends, HUD has made two new documents available:

- PBV Checklist for PHAs Using A RAD/Section 18 Blend. This Checklist includes a list of action items that PHAs that will serve as the contract administrator of the Project-Based Voucher contract resulting from a RAD/Section 18 blend can use to assess whether they have taken the appropriate steps with respect to the non-RAD PBV units that are established through a RAD/Section 18 Blend. Each question includes a citation to the applicable authority, which can be referenced for more detailed information about the applicable rule.
- RAD and Section 18 Blend Process Instructions. This document instructs PHAs on how to sequence its RAD and Section 18 applications and how HUD processes the application materials.

New Updated RAD Form Contracts

We are pleased to announce the availability of updated form documents that will be used in RAD conversions. Thank you for all the helpful feedback that has been submitted throughout the public comment process.



All documents will be used immediately with some accommodations for transactions in the closing pipeline. Specifically:

- For public housing conversions, all transactions that are issued a new RAD Conversion Commitment (RCC) or that have closing documents signed by HUD on or after November 1, 2021 must use new closing documents. Transactions with active RCC and that have Closing documents signed before November 1, 2021, can choose to continue to use the original closing documents or the new set of closing documents.
- All other conversion types will utilize the new closing documents effective immediately.

For a review of the major changes made to the public housing conversion requirements, take a look at the <u>presentation</u> on the RAD Resource Desk.

We will separately announce a webinar that provides an overview of the PRAC Closing process.

-The RAD Team