Rental Assistance Demonstration (RAD)

FACT SHEET #1

RAD Overview

What is RAD?

RAD stands for Rental Assistance Demonstration. RAD is a tool developed by the U.S. Department of Housing and Urban Development (HUD) to address living conditions in public housing properties. RAD allows public housing authorities to "convert" public housing subsidy into a Section 8 subsidy that is tied to the property. **These fact sheets are intended for residents of public housing properties that may be participating in RAD.**

Why was RAD Created?

Public housing properties across the country need billions of dollars to pay for the repair of broken systems or replacement of outdated appliances. Public housing authorities (PHAs) do not have enough money to keep their public housing properties in good condition and make the necessary repairs. As a result, many public housing residents nationwide have seen conditions at their property worsen.

RAD was created to allow PHAs to access additional sources of funding to maintain, repair, and replace public housing properties. After a RAD conversion, the federal government continues to provide rental assistance through a Section 8 contract and ensures the property remains permanently affordable; residents continue to benefit from the same rights and protections that they had under the public housing program.

What is a RAD Conversion?

A RAD Conversion is the process of changing how the rent subsidy is delivered to a property from the Public Housing program to a Project-Based Section 8 program.

What are PHAs Required to do in a RAD Conversion?

The requirements that PHAs must follow in order for a public housing property to participate in RAD is described in the RAD Implementation Notice published by HUD (PIH 2019-23/H 2019-09). They include:

- ☑ **The PHA is required to consult with residents throughout the conversion process and consult with the community and Resident Advisory Board (RAB) through the PHA Plan process.**
- ☑ **No resident may be displaced involuntarily. Every resident has a right to remain in the property or to return to the property if temporary relocation is necessary in order to complete repairs or construction.**
- ☑ **The PHA is required to show that it is repairing or replacing all broken or outdated items at the property.** While an inspector will identify the items that need to be replaced or repaired, residents are encouraged to communicate known issues directly to the PHA.
- ☑ **The public housing units must be replaced one-for-one, with limited exceptions.** This means that generally there must be the same amount of affordable housing after the RAD conversion. HUD allows units to be eliminated that have been vacant for 2 or more years, permits up to 5% reduction in total affordable housing units, and allows housing units to convert to community space for services. However, such reductions are rare.
- ☑ **The PHA or a non-profit must continue to own or control the property following RAD conversion.** In most cases the PHA continues to own the property directly. In some cases, the PHA will partner with other affordable housing providers.
- ☑ **All properties enter a long-term (15 to 20 years) Section 8 contract that must be renewed each time that it expires.** This ensures that the property will remain affordable permanently.
- ☑ **Residents keep the same basic rights from public housing and gain a new right to request a "choice-mobility" voucher.** After living in a RAD property for either 1 or 2 years, a family may request a voucher that they can use to rent a qualifying home of their choosing. With the voucher they will continue to pay 30% of their adjusted income towards rent.

These and many other topics are covered in the remaining fact sheets.

Will I Keep My Rental Assistance?

In a word...Yes. **No resident can be displaced involuntarily or pay an unaffordable rent.**

Residents of public housing developments participating in RAD are guaranteed the right to ongoing housing assistance. All residents will either remain in their property, or if temporary relocation is needed to make

repairs, be offered the opportunity to return to the property after repairs have been completed. Residents may also choose to accept an alternative housing option, if offered. **Residents under lease in the public housing program cannot be rescreened when the property comes under a Section 8 contract.**

Will RAD Affect My Rent?

Most residents will not have rent increases because of RAD. Like in most public housing, Section 8 residents pay 30% of their income towards rent and utilities. As in public housing, your rent will increase if your income increases and decrease if your income decreases.

However, if you are currently paying a "flat rent" in public housing, your rent will transition to 30% of your income. In these cases, your new rent may be phased in over 3 to 5 years, meaning that you will pay a little more each year until you are paying 30% of your adjusted income towards rent. (For more information, see **Fact Sheet #6: Rent**)

Will I Have to Move?

Most repairs made as part of RAD allow you to stay in your home during construction. However, some apartments and buildings need more extensive repairs that require residents to move out during construction.

In these cases, the PHA will pay for temporary relocation and you will be protected by RAD relocation rules. You will have the **right to return** to the property once construction is completed.

If construction at your property takes longer, the PHA may offer you other housing options, such as another public housing unit or a **tenant-based voucher** that you can use to rent a qualifying home you choose and continue paying 30% of your income towards rent. (For more information, see **Fact Sheet #9: RAD and Relocation**)

Will RAD Affect My Rights Under My Lease?

RAD maintains the resident processes and rights under public housing, including:

- Requires lease renewal, except with good cause (For more information, see **Fact Sheet #7: Your Lease**)
- A right to organize and have access to tenant participation funds to support resident organizing and participation (For more information, see **Fact Sheet #8: Resident Organizing and Funding**)
- Procedures for hearing grievances and minimum timelines for being notifed if your assistance is being terminated. (For more information, see **Fact Sheet #10: Resident Grievance and Termination Rights**)
- Continued participation in FSS, ROSS, or Jobs Plus, while funding remains available. (For more information, see **Fact Sheet #11: Family Self-Sufficiency & Resident Opportunities And Self-Sufficiency**)

RAD also gives residents a significant new right to request a tenant-based, "choice-mobility," voucher. (For more information, see **Fact Sheet #12: Choice Mobility**)

Who Will Own and Manage the Property?

Most but not all public housing is owned by a public housing authority (PHA) and most, but not all, RAD converted properties are also owned by a PHA. Sometimes, the owner of the property changes through RAD. However, in all cases RAD requires that a public entity, generally the PHA, or a non-profit retain ownership or control of the property. In some cases, particularly when the PHA is using the Low-Income Housing Tax Credit (LIHTC) program to fund repairs, the PHA may partner with other housing organizations to own the property together. As with some public housing properties today, the PHA may partner with another company, including a for-profit, to manage the property day-to-day.

How Can I Be Involved?

HUD encourages residents and their PHAs to work together during the RAD conversion process. PHAs are required to hold meetings with residents and send notices at various stages in the conversion process to educate residents about RAD and provide updates on plans. During these meetings, you can **learn about the conversion plans, ask questions, express concerns, and provide comments**. The PHA must submit your comments and its responses to HUD. (For more information, see **Fact Sheet #5: Resident Engagement and Consultation**)

Who Can I Talk to if I Have Questions?

You should talk to a PHA representative if you have specific questions about the RAD conversion process and the specific plans for your property. You may also direct any questions to HUD at **rad@hud.gov** and Office of Recapitalization staff will respond confirming receipt and indicating next steps.

Chicago, IL: *A resident enjoys his newly renovated kitchen in the Fannie Emanuel Apartments. The 181-unit senior apartment building was the first RAD conversion by the Chicago Housing Authority.*