HUD NEWS

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HUD CLOSES RENTAL ASSISTANCE DEMONSTRATION TRANSACTION WITH THE
HOUSING AUTHORITY OF THE CITY OF WILSON, NORTH CAROLINA, TO BUILD 32
NEW CONSTRUCTION AFFORDABLE RENTAL HOMES TO RELOCATE PEOPLE
IMPACTED BY HURRICANE MATTHEW

32 units of affordable rental homes to be newly constructed for the relocation of families out of a
hazard flood area

WASHINGTON, D.C. – The U.S. Department of Housing and Urban Development’s Office of
Multifamily Housing on February 16 closed on a Rental Assistance Demonstration (RAD) transaction,
Eatmon Townhomes in the Whitfield Homes Community, with the Housing Authority of the City of
Wilson in Wilson, North Carolina. This transaction will enable the Housing Authority to ensure that 32
assisted housing units in an area that has flooded multiple times in the last four years are relocated out
of a flood zone.

The State of North Carolina identified moving public housing out of the 100-year flood hazard area as
a key component of its Rebuild North Carolina plan developed in the aftermath of Hurricane Matthew.
The State of North Carolina awarded the Wilson Housing Authority a Community Development Block
Grant Disaster Recovery (CDBG-DR) grant and a CDBG Neighborhood Revitalization grant to assist
in the development of these relocated homes.

In addition to reducing the risk of future hazards on residents of these homes, the site where the 32 new
two-bedroom affordable housing units will be built, 500 Walnut Street, is also centrally located near
the Wilson Downtown Redevelopment District, ensuring they have improved access to community
amenities in downtown Wilson. The original site of the public housing units, Hominy Swamp Creek,
will be redeveloped as a greenway and flood retention zone.

All of the newly constructed units will be energy-efficient, including Energy Star appliances and
features, and four of these units will be constructed to ensure that they comply with the Federal
Uniform Federal Accessibility Standards, in order to be safe, accessible and usable by people of all ages and abilities.

The RAD transaction includes a construction budget of $5.1 million ($162,000 per unit) fully financed through several sources:

- Community Development Block Grants (CDBG- Disaster Recovery Grant and a CDBG-Neighborhood Revitalization Grant)
- Public Housing Operating Reserves and Capital Funds
- Public Housing Demolition/Disposition Transitional Funding

About RAD

RAD was designed to help address the multi-billion-dollar nationwide backlog of deferred maintenance in the public housing portfolio and to stem the loss of affordable housing that could no longer be kept to decent standards. From the program’s inception through February 1, 2022, the Rental Assistance Demonstration has facilitated more than $13.5 billion in capital investment to improve or replace nearly 175,000 deeply rent-assisted homes, most of which house extremely low-income families, seniors, and persons with disabilities.

Under RAD, converted homes are moved to the Section 8 platform with a long-term contract that, by law, must be renewed in perpetuity. Under Section 8, residents continue to pay 30% of their income towards rent and the housing must continue to serve those with very low and extremely low incomes, as was the case when the property was assisted through the public housing program. Residents must be notified and consulted prior to conversion, are given a right to return to assisted housing post-construction so that the same tenants can enjoy these newly preserved and improved apartments and maintain the same fundamental rights they had as public housing residents.

RAD Resources

More programmatic information is available at the RAD website. Data on RAD is available at the RAD Resource Desk.

View photo essays and read case studies where RAD is working to successfully preserve and improve public housing for low-income families.

Watch an educational video for public housing residents or those new to the RAD program.

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