



RAD: Year One

During the calendar year where the Housing Assistance Payment (HAP) contract is effective, the units converted through RAD continue to receive Operating Funds based on the eligibility calculated as it normally is and without regard to the converted units

For example, in calendar year 2020 for units with a HAP effective date of 1/1/20 or after, HUD would fund the units as they normally would be under Op Sub.

The amount of Operating Funds that can be used for HAP payments during the Initial Year is capped at HUD's obligations of Operating Subsidy to the project for the remainder of the year after the HAP effective date, pro-rated by the portion of units in the development that are converting. HUD publishes a RAD transfer report, identifying the maximum amount of Operating Funds that can be transferred to RAD projects. The report can be found at the below link, then by following the hyperlink to the Op Fund calendar year in which HAP became effective.

https://www.hud.gov/program_offices/public_indian_housing/programs/ph/am/funding



RAD: Year 2 and Later

- Units converted through RAD are not eligible for OpFunds in the year after the HAP effective date.
 - i.e. If a HAP effective date is before 1/1/2020, the unit should NOT receive Operating Funds in CY 2020 or later.
- FMD pulls pre-pop data around Sept/Oct
- Where Removal from Inventory (RMI) is properly entered in PIC at the time the data is pulled
 - Full Conversions – No tools deployed
 - Partial Conversions – UMAs/EUMs for converted units removed from pre-pop data



RAD – Year 2

- Where RMI is not properly entered in PIC when FMD pulls the data, or for conversions that occur later in the year, after FMD pulls the data:
 - Full Conversions
 - FMD continues to monitor RAD conversions for the remainder of the calendar year, and, if possible, does not deploy tool.
 - FOs should:
 - If project is included in inventory, identify the project as fully converted to RAD as part of inventory process.
 - If a tool is deployed for the project, the FO should not submit it. The FO should email REACOpSub@hud.gov, with the subject “Full RAD Conversion not Submitted,” advising FMD that the project fully converted and FO will not submit a tool.
 - Partial Conversions
 - FOs should remove Available Unit Months from Section 2 of the 52723 based upon the best information available.
 - If data is available at the time FOs are processing 52723s, FMD issues a report identifying exactly what units to remove.
 - If data is not available at the time FOs are processing 52723s, then validation will be made as part of the QC process.