



June 4, 2015

John Schrider, Jr.
Director Legal Aid Society of Southwest Ohio
215 East Ninth Street, Suite 500
Cincinnati, Ohio 45202

Subject: *Response to June 1, 2015 LAS RAD Letter*

Dear Mr. Schrider:

I'm writing in response to the Legal Aid Society (LAS) letter you handed to CMHA residents at the June 2, 2015 CMHA Beechwood RAD Resident Meeting. The letter indicated that LAS had several issues with CMHA's proposed RAD plan. Below, I will address each issue:

1. **LAS Comment:** *Residents' rights to have resident councils recognized by CMHA must be made clear and binding. HUD's rules on resident councils in 24 CFR 964 does not automatically apply to a RAD building. CMHA says the much weaker protections of 24 CFR 247 would apply. CMHA can and should agree to 24 CFR 964 rules applying to RAD developments.*

CMHA Response: As you are aware 24 CFR 964 contains the regulations governing *public housing* tenant participation. If CMHA participates in a RAD conversion, the units would no longer be public housing units. Instead, they will become Project Based Rental Assistance (PBRA) units. The regulations governing *PBRA* tenant participation are located at 24 CFR 245. It will be mandatory for CMHA to comply with 24 CFR 245.

You didn't state specifically what was weaker in the PBRA tenant participation regulations. Nonetheless, after a RAD conversion, resident councils will still have the right to organize; CMHA will still recognize legitimate resident councils; CMHA will consult with the RAD resident councils and CMHA will be required to take into consideration RAD resident council input on policy and capital planning. Additionally, under RAD, CMHA will still annually provide tenant participation funds in the amount of \$25 per occupied unit.

2. **LAS Comment:** *Resident grievance rights should not be taken away. CMHA says that 24 CFR 966 which has the Public Housing Process, would not apply to a RAD building. The much weaker protections stated in the HUD notice would apply. CMHA can and should agree to 24 CFR 966 applying regarding grievances.*

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CMHA Response: HUD has mandated that the grievance rights granted to public housing residents under Section 6 of the United States Housing Act apply to RAD conversions. After a RAD conversion, residents maintain due process rights. This includes, receiving notice, having an opportunity for a hearing, having the ability to be represented by council, having witness and asking questions at the hearings and being entitled to receive a written decision from CMHA.

3. **LAS Comment:** *Rents Should Not Increase: CMHA says the earned income disregard would not apply to new residents of RAD buildings. This is one example of problems with CMHA's proposal related to rent. There are likely others.*

CMHA Response: Public Housing residents participating in Earned Income Disregard will be grandfathered in after a RAD conversion and still receive the benefit of the Earned Income Disregard program. Earned Income Disregard will not be available to new residents after a RAD conversion. This is a HUD mandate. However, RAD allows for other flexibilities for residents. For instance, under RAD, residents no longer have to comply with the Community Service Requirement.

Additionally, CMHA does not determine the rents under RAD. Instead, HUD determines the rents. Under RAD, a tenant's portion of rent is still calculated at approx. 30% of income. A resident's rent may increase under limited circumstances. Under RAD there is not a Flat Rent in addition to the RAD Rent. A resident currently paying Flat Rent may experience a slight rental increase. But, CMHA may phase-in any increase over \$25 per month for up to five years. CMHA will contact any resident whose rent may be subject to an increase. But, we anticipate that a majority of residents will not experience any change in rent.

4. **LAS Comment:** *Relocation rights must be more specific. Though CMHA says there will be a right to return, CMHA's relocation policy for public housing would not apply unless CMHA agrees to do that. Residents' specific rights must be spelled out.*

CMHA Response: Public Housing Authorities undergoing a RAD conversion must still comply fully with the Uniform Relocation Act (URA). Additionally, residents are given rights above the URA requirements including the right to return. Under any RAD relocation plan, CMHA will still comply with the applicable notice requirements and provide counselling services. Additionally, CMHA will provide residents with relocation benefits including replacement housing and moving assistance.

Since this is the beginning of the RAD planning, we do not know which buildings, if any, will require relocation. Therefore, we can't be more specific. If any buildings require relocation, CMHA will draft a detailed relocation plan and communicate with the residents and get resident feedback while developing the plan.

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5. **LAS Comment:** *Rights to Information must be specific. RAD buildings are not owned by public housing authorities. That means laws about access to public information will not apply unless CMHA agrees in writing. Residents must continue to have the same rights to review and comment on proposed policies that they have as public housing residents.*

CMHA Response: Public Housing Authorities may still maintain an ownership interest in RAD buildings. If CMHA utilizes tax-credits, it will be required to create a separate business entity. But, the entity will be an instrumentality of CMHA and Ohio Public Records Law will continue to apply.

I hope that my responses have settled some of the concerns you've expressed to CMHA residents. Our residents are some of the most vulnerable residents of our community and CMHA is committed to preserving our residents' homes and ensuring their affordability for the long-term. I hope that we can work together in ensuring that CMHA's residents are receiving correct and up-to-date information.

If you have any questions or further concerns please contact me or visit the CMHA RAD webpage at www.cintimha.com/RAD.

Sincerely,



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