

Rental Assistance Demonstration

RAD

Informational Meeting
August 11, 2015

Agenda

- RAD Basics
- Key Resident Provisions
- CMHA RAD Plan
- Now what?

RAD BASICS

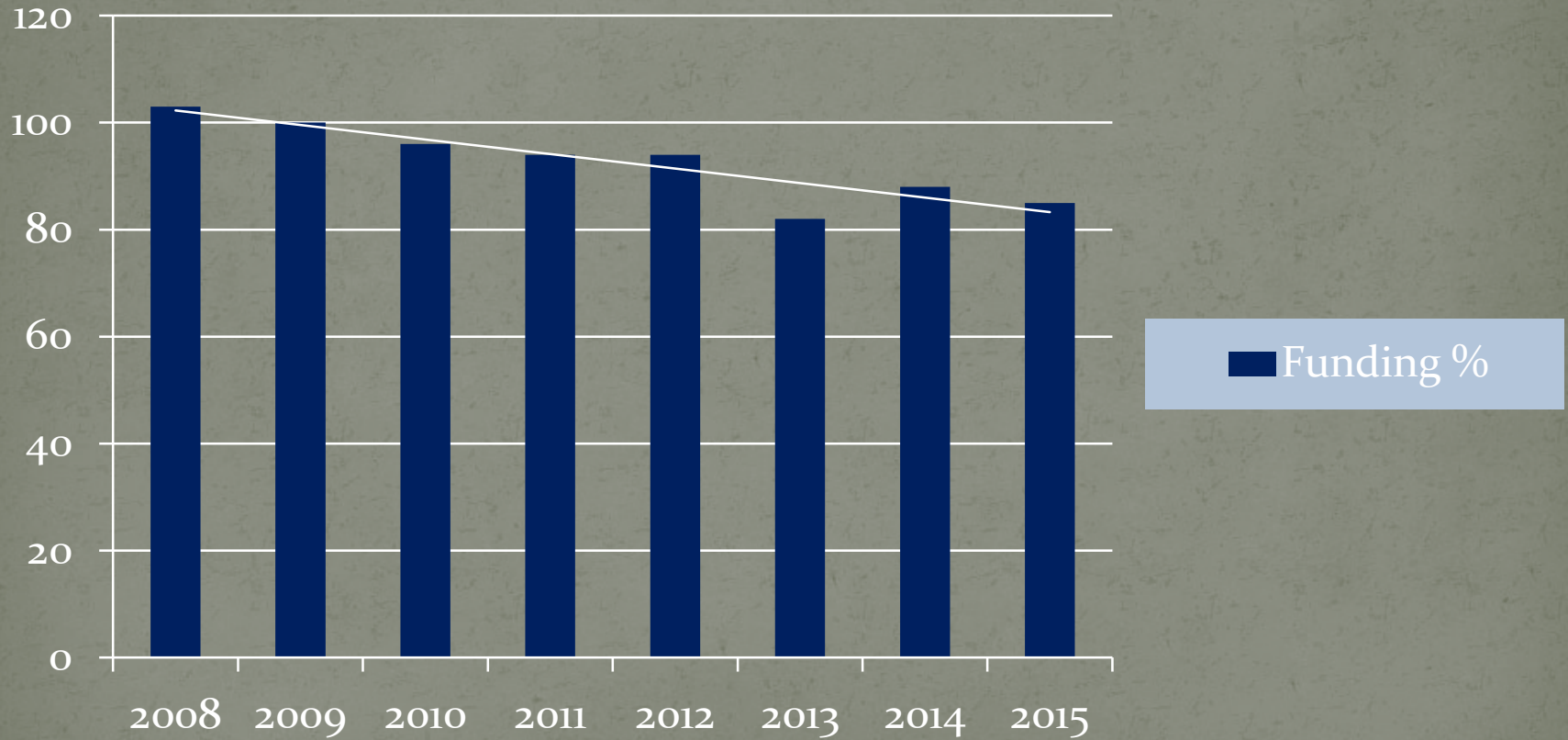
- The Rental Assistance Demonstration was created in order to give public housing authorities (PHAs) a powerful tool to preserve and improve public housing properties and address the \$26 billion dollar nationwide backlog of deferred maintenance.
- RAD GOALS:
 - Improve and preserve units
 - Provide a more stable funding platform
 - Offer residents greater choice and mobility

RAD BASICS

- RAD is voluntary – PHAs may choose to apply
- Up to 185,000 Public /housing units can convert assistance.
- Assistance converts to long-term, project-based contracts, either:
 - Project Based Voucher (PBV)
 - Project Based Rental Assistance (PBRA)

Public Housing Funding

Funding %



KEY RESIDENT PROVISIONS

- PHAs must notify and consult with residents in advance of and throughout conversion.
- Prior to Application Submission – at least two resident meetings
- After CHAP (Commitment to enter into Housing Assistance Payment Contract) – at least one more meeting
- Significant amendment – RAB

KEY RESIDENT PROVISIONS

- **No permanent involuntary displacement**
- If Rehab requires relocation, residents will have the **right to return.**
- **No rescreening** of residents upon conversion
- Residents will continue to **pay 30% of adjusted income**
 - If monthly rent increases by a greater of 10% or \$25 as a result of RAD (only likely in “flat rent” scenarios) rent increases will be phased in over 3-5 years

Key Resident Provisions

- Choice Mobility – after 2 years
- Resident Participation:
 - Residents may organize and operate resident councils
 - PHAs must recognize legitimate organizations
 - PHAs must provide \$25 per occupied unit annually for resident participation under current PH program rules
- Resident Procedural Rights:
 - Grievance
 - Notice requirements – 14/30 day

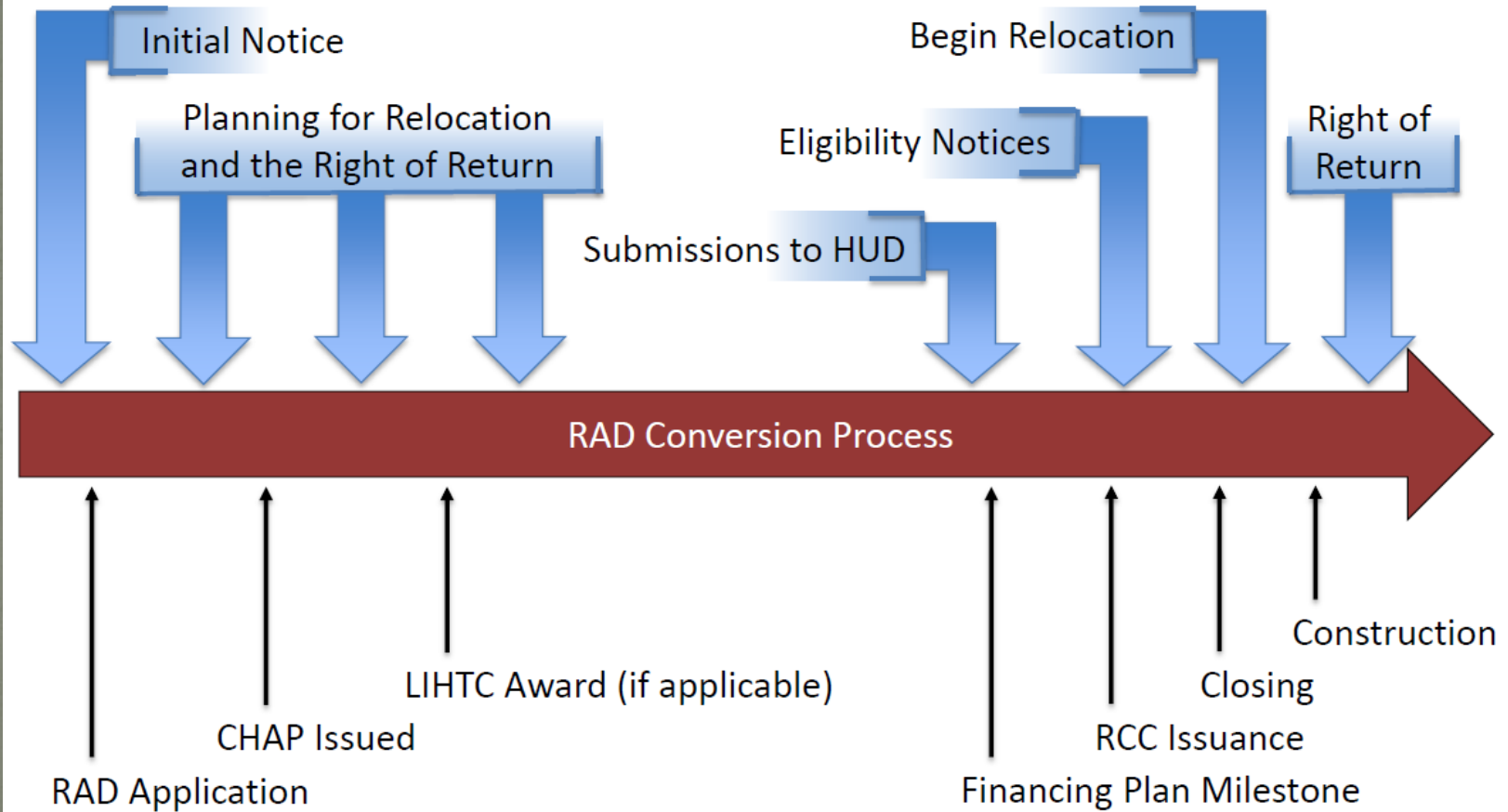
RELOCATION

- If Temporary Relocation exceeds 12 months, then PHA must offer resident permanent relocation assistance pursuant to URA
- Resident may choose to remain temporarily relocated and retain right to return, OR
- Resident may voluntarily accept permanent relocation, terminating their right to return

RELOCATION

- **Relocation starts at or after closing.**
- PHAs must provide residents being temporarily relocated at least 30 days advance written notice of required move.
- PHAs must give residents being permanently relocated at least 90 days advance written notice of required move

RAD Relocation Sequence



Current RAD Plan - CMHA

- Baldwin Grove:
 - Straight conversion
 - Light rehab
 - Estimated Close – December, 2015

- Beechwood & Maple Tower
 - 4% Tax Credit application – March 2016
 - Substantial Rehab
 - Estimated Close – late 2016

Current RAD Plan - CMHA

- Sutterview
 - 9% Tax Credit Application – February, 2016
 - Substantial Rehab
 - Estimated Close – spring 2017
- Evanston, San Marco, Riverview
 - 4% or 9% Tax Credit Applications – September 2016-February 2017
 - Substantial Rehab
 - Estimated Close – late 2017/early 2018

Next Steps

- Determine scope of work for each development
- Significant amendment
- Additional resident meetings
- August 11 – Baldwin Grove Resident Meeting to discuss/review the Baldwin Grove scope of work.

QUESTIONS?