

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properties across the country need billions of dollars to pay for the repair of broken systems or replacement of outdated appliances.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- ✓ **The PHA is required to show that it is repairing or replacing all broken or outdated items at the property.** While an inspector will identify the items that need to be replaced or repaired, residents are encouraged to communicate known issues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 a new formula based on the lower of the Total Tenant Payment minus any utility allowance or other rents in the area. If this transition leads to a rent increase, your new rent may be phased in over 3 to 5 years. Under RAD, you will never pay more than 30% of your household’s 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 notified 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. Once the RAD application has been accepted, HUD encourages PHAs to hold quarterly meetings with residents. 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](#))



### How Will the PHA Ensure Everyone Can Participate in the RAD Process

PHAs must provide adequate notice of meetings and work to reduce barriers to resident participation. For example, by providing childcare or refreshments. Meetings should be convenient (place and time) for residents and accessible to residents with disabilities.

Meeting notifications and materials must be available in accessible formats. PHAs must use effective communication for people with disabilities including providing materials in appropriate alternative formats (Braille, large type, accessible email, etc.), and providing sign language interpreters and assistive listening devices at meetings as needed. Electronic (virtual) or in-home meetings should be offered when needed.

The PHA must provide meaningful access to its programs and activities for people who have a limited ability to read, speak, or understand English. Language assistance may include providing translated notices and oral interpretation of meetings.



### 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](mailto: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.



# FACT SHEET #2

## Overview of Resident Rights after a RAD Conversion



*RAD was designed with a strong set of resident rights and protections to ensure that current residents benefit from the RAD conversion.*



### Will I Be Able to Participate in the RAD Process?

Yes. The PHA must engage with residents through both written notifications and at least five meetings during the RAD process. PHAs must use effective communication for people with disabilities including, as needed, providing materials in alternative formats and providing alternative meeting options, sign language interpreters and assistive listening devices at meetings. The PHA must also provide meaningful access to its programs and activities for people who have a limited ability to read, speak, or understand English, using, as needed, translation of written information and oral interpretation of meetings. (For more information, see [\*\*Fact Sheet #5: Resident Engagement and Consultation.\*\*](#))



### Will I Still Have Rental Assistance After a RAD Conversion?

Yes. Each resident in good standing at the public housing property has a right to live in the property after a RAD conversion. In some cases, a resident may need to be relocated temporarily to facilitate rehabilitation but will have a right to return to an assisted unit at the property once rehabilitation or construction is complete. **No resident can be displaced permanently against their wishes.**

Residents under lease in the public housing program cannot be re-screened for income or criminal background when the property comes under a Section 8 contract. Each resident will be offered a new lease that cannot be terminated and must be renewed, unless there is good cause. (For more information, see [\*\*Fact Sheet #9: RAD and Relocation\*\*](#))



### Will I Need to Move Out of My Home?

**It depends on the construction that will occur at your property.** If relocation is necessary, the housing authority must provide you with advanced written notice. Relocation assistance will be provided and relocation costs will be covered. Residents will continue to pay the same amount of rent during the temporary relocation. You will also have the right to return to an assisted unit at the property when repairs are completed. (For more information, see [\*\*Fact Sheet #9: RAD and Relocation\*\*](#))



### Will My Rent Change?

Most residents' rent will remain the same. As in most public housing, rents at RAD (Section 8) properties are set at 30% of your adjusted household income.

However, If you currently pay a flat rent in public housing, your rent will transition to a new formula based on the lower of the Total Tenant Payment minus any utility allowance or other rents in the area. If this transition leads to a rent increase, your new rent may be phased in over 3 to 5 years. As in public housing, you will have to recertify your income annually and report any changes. And, if your income decreases, you have a right to request an interim recertification and an adjustment in your rent. Under RAD, you will never pay more than 30% of your household's adjusted income towards rent. (For more information, see [Fact Sheet #6: Rent](#))



### Will I Have a New Lease?

After HUD has fully approved a property for conversion, you will need to sign a new Section 8 lease and other paperwork regarding your rights and responsibilities under the Section 8 program. Make sure that everyone in your household is on your public housing lease to ensure that they have the right to remain or return to the property after conversion. (For more information, see [Fact Sheet #7: Your Lease](#))



### Will Residents Continue to Be Able to Form Resident Organizations or Associations After a RAD Conversion?

As with public housing, after a property converts through RAD, residents have the right to form and maintain a resident organization. The resident organization will be eligible to receive at least \$15 per occupied apartment each year to support resident organizing and participation activities. (For more information, see [Fact Sheet #8: Resident Organizing and Funding](#))



### May I Request a Reasonable Accommodation After Conversion?

If you or a member of your household has a disability or medical condition, you may request a reasonable accommodation, such as a larger apartment or an alternative form of communication for the blind, visually impaired, deaf or hearing impaired. To request a reasonable accommodation, you should contact the property manager.



### Can I Be Evicted or Lose My Housing Assistance Because of RAD?

After a RAD conversion your lease must be renewed each year. The only reason a lease can be ended is for "good cause." This means that the owner must have a good reason for eviction, usually that a tenant has seriously and repeatedly broken the rules in their lease. Under RAD, you maintain the rights you had

## Fact Sheet #2: Overview of Resident Rights after a RAD Conversion

related to eviction from public housing. Any eviction must include a written notice of termination and an opportunity for a hearing (unless the eviction is related to criminal activity). Your lease will describe these rights. You may only be evicted through court action. All state and local regulations regarding eviction must also be followed. (For more information, see [Fact Sheet #7: Your Lease](#) and [Fact Sheet #10: Resident Grievance and Termination Rights](#))



### Am I Able to Receive a Tenant-Based Voucher After RAD Conversion?

Any household that has lived at the RAD property for least one year (if the property converted to Project-based Vouchers, or PBV) or two years (if the property converted to Project-based Rental Assistance, or PBRA) has the option to request a tenant-based (or Choice Mobility) voucher. A Choice Mobility voucher can be used to rent a home in the private market. If a voucher is not immediately available, the household will be placed at the top of the waitlist. (For more information, see [Fact Sheet #12: Choice Mobility](#))



**North Bern, Victor Taylor:** Mr. Taylor stands in front of the newly renovated unit where he was born. Mr. Taylor, a veteran and former City Alderman who continues to advocate for the community, was excited to see the upgrades and new community center.



## FACT SHEET #3

### The RAD Conversion Process

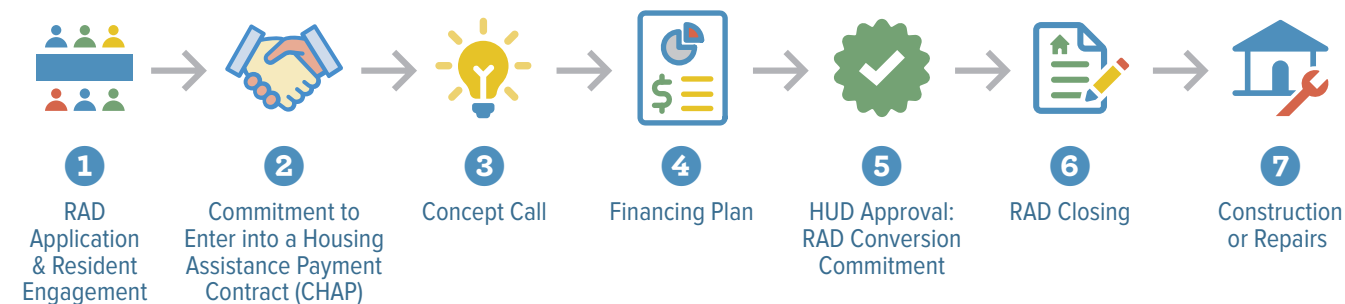


*A typical RAD conversion takes between one and three years and includes multiple steps required by HUD. The major steps are discussed in this Fact Sheet.*

## What are the Steps in a RAD Conversion?

The RAD conversion process refers to all the steps for a property currently supported under the public housing program to move to “project-based” assistance under the Section 8 program. It includes the process of planning, financing, and carrying out repairs and renovations to ensure the building is in good physical condition. The total length of the RAD conversion process varies greatly between properties. Generally, properties that need less renovations and that do not require resident relocation will go through the process faster.

### THE RAD CONVERSION PROCESS



## 1. RAD Application & Resident Engagement

When a PHA decides it is interested in using RAD to help preserve a property, one of the first things it needs to do is bring its ideas to the residents.

**Before submitting a RAD application to HUD, a PHA delivers notices to residents and then holds at least two resident meetings.** The notice called a “**RAD Information Notice**” provides information on

- residents’ rights,
- basic information about RAD, and

## Fact Sheet #3: The RAD Conversion Process

- information about the PHA's RAD conversion plans, including any proposed change to the number or size of units and whether the PHA plans to partner with another affordable housing firm.

Residents may also receive a **“General Information Notice”** letting you know that you would be eligible for relocation assistance if temporary relocation ends up being necessary. At this stage the PHA will likely have little detail regarding relocation but will be able to provide more detail later in the process.

At the resident meetings the PHA will discuss the proposed conversion plans and ask for feedback. Because the PHA is engaging with residents very early in its planning process, the PHA will likely only have general plans and goals for the RAD conversion and details may change. It is a great opportunity to ask questions, help to shape the goals, and learn how you can remain informed and engaged in the process.

Only after a PHA has held these meetings and consulted with its Board may the PHA submit a RAD Application. This is the first submission the PHA makes to HUD and starts the RAD process. The PHA must include its responses to any resident comments or questions as part of the application. The PHA must also include information on its efforts to make meetings accessible to residents including accommodating resident schedules, and accommodating residents with disabilities and with Limited English Proficiency.



*For more information on resident engagement throughout the RAD process, see [Fact Sheet #5: Resident Engagement and Consultation](#).*



### 2. Commitment to Enter into a Housing Assistance Payment Contract (CHAP)

HUD reviews the PHA's application, including the resident comments, and provides an initial approval by issuing a “Commitment to enter into a Housing Assistance Payment” contract (a “CHAP”). Once a PHA receives a CHAP, it begins to focus on the details of its plans. The PHA will:

- get reports on the property's repair needs and environmental conditions,
- develop a strategy to obtain funding for repairs,
- identify affordable housing partners, if needed,
- develop a relocation plan, if needed

**After receiving the CHAP, the PHA must have at least two more meetings with all residents of the property before it requests a “Concept Call” with HUD.** The meetings must provide an update on conversion plans and solicit feedback on proposed improvements, management, and services. These two meetings should be spaced out to provide meaningful updates and solicit relevant feedback at each meeting. During this period, HUD encourages the PHA to hold quarterly meetings with residents. These meetings provide opportunities for residents to ask questions, provide comments, and collaborate with the PHA and its partners.



### 3. Concept Call

As specific plans are being finalized, the PHA will have a concept call with HUD to discuss its proposed plans and to show that it is on track to submit a Financing Plan to HUD. If the PHA seems prepared, then

## Fact Sheet #3: The RAD Conversion Process

HUD will invite it to submit a Financing Plan. Before submitting the financing plan, the PHA must ensure that RAD plans are included in an approved Five-Year Plan, Annual Plan, MTW Plan or Significant Amendment. For more information, see [Fact Sheet #5: Resident Engagement and Consultation](#).



### 4. Financing Plan

In order for a property to convert, the PHA must show that it has a clear plan that meets HUD's requirements. The Financing Plan includes the following information:

- Type of conversion: Project-based vouchers (PBV) or Project-based Rental Assistance (PBRA)
- Capital Needs Assessment (CNA)
- Plans for rehabilitation or new construction
- Environmental Review
- Resident comments and PHA responses
- Fair housing and relocation documents
- Development budget
- Development team
- Operating and maintenance costs
- A HUD letter approving the Five-Year Plan, Annual Plan, MTW Plan or Significant Amendment that includes the planned RAD conversion(s).



*For information on PBV and PBRA, see [Fact Sheet #4: The Difference Between Project-Based Vouchers and Project-Based Rental Assistance](#).*



### 5. HUD Approval: RAD Conversion Commitment

After HUD reviews and approves the Financing Plan, it will issue a RAD Conversion Commitment (RCC) to the PHA. Receiving this commitment means that HUD has approved the PHA's RAD plans and that the property can prepare to complete the conversion process. The official RAD conversion ("closing") will usually happen 30-90 days after this point.

**At this stage, the PHA must notify each household that the RAD conversion has been approved for closing and remind households of the specific rehabilitation or construction plans.** Residents must be informed about the:

- timing of the conversion
- expected length of the work (if any)
- revised terms of the lease and house rules
- any expected relocation and when it is expected to begin,
- and opportunities to take advantage of the "choice-mobility" option.

This notification must be provided through both a written notification and then at a meeting.

## Fact Sheet #3: The RAD Conversion Process

If there are substantial change to the conversion plan, additional resident meetings are required if one of the required meetings does not occur within three months following the change.

If the work that will be completed on the property requires residents to move temporarily from their apartment, the PHA may now begin to temporarily relocate residents in anticipation of the upcoming work, according to the relocation plan. Residents must be provided with advanced written notice of this relocation:

- at least 30 days' notice to residents who will be relocated for 12 months or less
- at least 90 days' notice to residents who will be relocated for more than 12 months



*For more information on relocation, see [Fact Sheet #9: RAD and Relocation](#).*



### 6. RAD Closing

At closing, the property converts from public housing to Section 8 with either a PBV or PBRA contract. A legal document called a RAD Use Agreement is attached to the property requiring the owner to use the property as affordable housing. The PHA and its partners close on any new financing and the property may in some cases change ownership.

**As closing approaches, residents who are not relocating will be asked to sign a new lease with certain RAD-specific attachments (“addenda”) that HUD requires to ensure each resident’s rights.** While residents cannot be re-screened for Section 8 rental assistance eligibility, in some cases residents may be asked to provide documentation to certify their income for other subsidy programs that are being used to repair the property, for example, the Low-Income Housing Tax Credit (LIHTC) program.

Residents will become participants in the Section 8 program either at closing, if they are not relocating, or when they return to the property and sign the new lease. **Residents cannot lose rental assistance or be involuntarily displaced due to the RAD conversion.**



*For more information, see [Fact Sheet #4: The Difference Between Project-Based Vouchers and Project-Based Rental Assistance](#) and [Fact Sheet #13: RAD and Low Income Housing Tax Credits](#).*



### 7. Construction or Repairs

**Any construction or repairs will take place after the conversion has occurred.** However, the PHA should know before conversion roughly how long the repairs will take, whether relocation will be needed, and other details of the construction. If any residents need to be temporarily relocated because of the construction or repairs, you will have a right to return to the property once construction is completed.





### Accessibility

Throughout the RAD process, the PHA must promote tenant participation in meetings by working to ensure that meeting dates, times, and locations work for varied resident schedules and that other efforts are made to overcome barriers to participation. For example, if a meeting occurs during a traditional mealtime, the PHA may want to provide refreshments.

The PHA must ensure that meetings, written notifications and materials are accessible to people with disabilities. This includes providing written materials in accessible formats and sign language interpreters and assistive listening devices at meetings as needed.

The PHA must provide language assistance including translated notices and oral interpretation of meetings for Limited English Proficient residents.

For more information, see [\*\*Fact Sheet #5: Resident Engagement\*\*](#).



**Lyman Terrace, Holyoke, MA:** Lyman Terrace was originally built in 1939 and is one of the oldest public housing projects in the country. It covers three city blocks and has 160 affordable apartments.

# FACT SHEET #5

## Resident Engagement and Consultation



*The public housing authority (PHA) is required to meet with residents throughout the RAD process to educate them about the conversion and their rights, to seek feedback on proposed plans, and to respond to questions and concerns. The PHA must give reasonable consideration to all comments or concerns raised by residents or by a resident association.*



## How Are Residents Engaged in the RAD Process?

**As residents of a property being considered for RAD, you are the experts on the needs of your property and community.** Engaging in the process and working with your neighbors will ensure the best outcomes for your home.

HUD requires that PHAs notify residents and resident associations early on, consult with residents throughout the conversion process, and discuss RAD in public hearings. Additionally, resident councils or associations are encouraged to meet independently to discuss the RAD plans, come up with questions, and provide feedback. If your property does not yet have a resident association, you can receive training and support from the PHA, another resident association, or a community organization to start one.

### Accessibility

All materials and meetings must be made accessible to people with disabilities. Language assistance, including interpretation and translation, must also be provided so that all residents can participate in meetings, read materials, and provide comments.



**For more information, see [Fact Sheet #8: Resident Organizing and Funding](#).**



## Are There Resident Meetings About the RAD Process?

Throughout the RAD process the PHA must hold meetings with residents. These are opportunities to learn about the plans for your property, ask questions, and provide feedback. After your comments and questions are received, your PHA will need to provide written responses to them. Both your comments and the PHA's written responses must be submitted to HUD. While the PHA, and other partners, may hold additional resident meetings, the following meetings are required:

- **Two meetings before submitting an application to HUD to convert through RAD.** These meetings are held very early in the RAD conversion process well before the PHA has developed all of its plans.

## Fact Sheet #5: Resident Engagement and Consultation

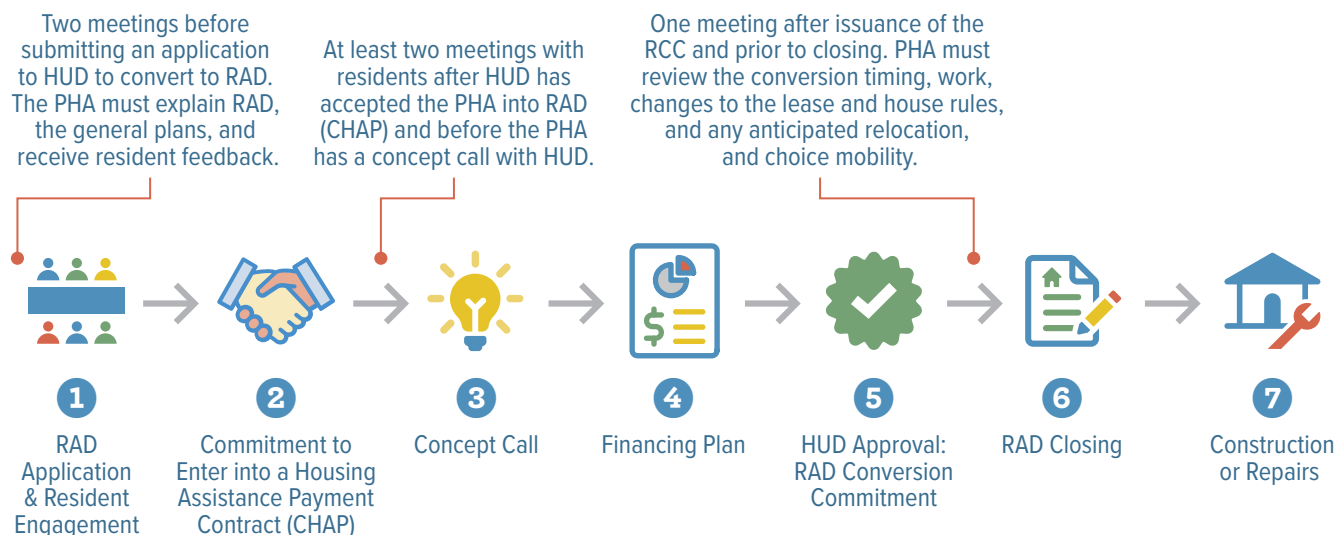
At these meetings the PHA must explain RAD, the general plans, and receive resident feedback. Meeting topics must include:

- » A description of the resident rights and protections in a RAD conversion, including your right to remain at the property or to return to the property;
  - » Whether there are expected to be repairs or construction;
  - » Whether there are plans to move the affordable housing subsidy to a new location and what the potential locations are (a “transfer of assistance”);
  - » Whether the PHA plans to partner with another affordable housing organization; and
  - » Whether there may be a change in the number or type of units.
- **Two meetings with residents after HUD has accepted the PHA into RAD** (this approval is called a “Commitment to enter into a Housing Assistance Payment” or CHAP) **and before the PHA has a “concept call”** with HUD to discuss their plans to fund renovations and ongoing operation of the property. Further, meetings every quarter with written documentation of meeting agenda with residents are encouraged.
  - **One meeting before closing and after the PHA receives a RAD Conversion Commitment.** The PHA must provide updates on the anticipated timing of the conversion, the planned work, the lease and house rules, anticipated relocation and choice mobility. The PHA must also provide access or copies of the new lease and any applicable house rules.

**At each meeting,** the PHA must provide updates on topics discussed at earlier meetings and ask for feedback from residents on the proposed improvements to the property. For example, you can make sure the PHA will be able to address broken items in the building and fix issues that have repeatedly come up in your apartment, such as leaks, or add items to the property that could make it a nicer place to live, like meeting space or landscaping.

**Additional meetings are required if there are substantial changes to the conversion plan and a required meeting does not occur within three months.**

### REQUIRED PHA MEETINGS DURING THE RAD CONVERSION PROCESS





### Will There Also Be a Public Hearing? Will the Resident Advisory Board (RAB) Be Involved?

HUD will not approve a RAD conversion until the conversion has been incorporated into the PHA Plan. Every PHA has an Annual or Five-Year Plan (the “Plan”), which provides details about the programs and services that the PHA offers. Any changes that will happen at your property because of RAD will have to be approved and included in the PHA’s Plan or in a significant amendment.

The PHA must have a **Resident Advisory Board (RAB)** that includes public housing residents. The PHA must work with the Resident Advisory Board (RAB) through the Plan process and whenever it makes significant changes to the PHA Plan.

#### **The PHA may only submit the PHA Plan, or a significant amendment, to HUD after:**

- Providing the RAB with information, including on any proposed RAD conversion;
- Consulting the RAB;
- Conducting broad outreach to the general public for a public hearing;
- Notifying all residents served by the PHA of a public hearing;
- Holding a public hearing; and
- Inviting public comment around the Plan.

The RAB must have enough time to review the description of the RAD conversion in the **PHA Plan** and provide comments. The PHA must consider the comments from the public and RAB but does not have to agree with them. The PHA must provide a written explanation why comments were not accepted.

If the RAB feels that the PHA did not provide adequate notice and opportunity for comment, the RAB may ask HUD to determine whether the PHA met these requirements.



### Are Meetings and Materials Required to Be Accessible to People with Disabilities or for Individuals With Limited English Proficiency?

**The PHA must make materials available in accessible formats for people with disabilities and must make meetings accessible for people with disabilities.** PHAs must use effective communication for people with disabilities including providing materials in appropriate alternative formats (Braille, large type, accessible email, etc.), and providing sign language interpreters and assistive listening devices at meetings as needed. Resident meetings must be held in a venue that is physically accessible to people with disabilities or offer in-home meetings. Meetings must be held in the most integrated setting appropriate for the needs of the person(s) with disabilities that enables them to fully interact with staff and other participants.

**In addition, the PHA must also provide language assistance to people that are not proficient in English** so that they can read materials, participate in meetings, and provide comments on the proposed RAD conversion. This may include providing translation of written materials and providing interpreters at meetings.



# FACT SHEET #6

## Rent



*Under the project-based Section 8 program, tenants continue to pay 30% of their adjusted income towards rent.*



## How is Rent Calculated in Public Housing and in Section 8?

**Most public housing residents already have an *income-based rent* where residents pay 30% of adjusted income towards rent and utilities.** Section 8 (Project-based Vouchers or Project-based Rental Assistance) also bases rent on 30% of a resident's income. The way income is calculated under the two programs is slightly different so there may be a small change. However, most residents will **not** have a rent increase because of RAD. (As explained below, residents paying a flat rent may see an increase.)



## What Happens if My Income Changes After a RAD Conversion?

**In Section 8, as in public housing, when your income changes, your rent changes.** If your income goes down, your rent will go down. And if your income goes up, your rent will increase as well. Your income and rent will be recalculated during your next annual re-examination and, if your income has changed, your rent payment will be adjusted. In addition, changes in rent may occur between your annual reexaminations. Exactly how this happens depends on which Section 8 program the PHA uses for your building after the RAD conversion. If the building is subsidized with Project-Based Vouchers (PBV), the PHA can set their own policy for evaluating income. If the building is subsidized using Project-Based Rental Assistance (PBRA), the building owner must adjust your rent every time your income changes by \$200 or more per month. (For more general information on differences between PBV and PBRA, see [Fact Sheet #4: The Difference Between Project-Based Vouchers and Project-Based Rental Assistance](#))



## What about Residents Paying Flat Rent?

Some public housing residents pay a **flat rent** that is not based on income and does not increase or decrease as their income changes. Public housing households who currently pay a flat rent may have a rent change because Section 8 does not allow flat rents. If a resident's rent would increase, RAD allows the increases to be "phased-in." Under RAD, you will never pay more than 30% of your household's adjusted income towards rent.

## Fact Sheet #6: Rent

For residents paying flat rent whose building is now transitioning to RAD, you will pay the lower amount of two numbers: the Total Tenant Payment minus any utility allowance or a number based on other rents in the area. This second number will be either 110% of the fair market rent in your area minus the utility allowance or a lower rent based on another affordable housing requirement that the property has. Your rent will be based on the lowest number and will never be more than 30% of your family's adjusted income. If your income does fall so that 30% of your adjusted income minus any utility allowance would be less than the rent you are paying, you will then start paying 30% of adjusted income to rent and utilities.

If your building transitioned to RAD before July 27, 2023 and you moved from paying flat rent to income-based rent set at 30% of your household's adjusted income you will continue to pay rent based on this standard.

If this transition would cause your rent to increase by 10% or \$25, or more, your new rent will be phased in. This means you will not have to start paying the full amount of the income-based rent immediately. Instead, your rent will increase a little over 3 to 5 years.



**Nashville, TN:** Audrey Bone was a Cayce Place public housing resident for 17 years. Through RAD, she was able to move into her first brand-new rental home while staying in her neighborhood.

# FACT SHEET #7

## Your Lease



*When your property converts through the Rental Assistance Demonstration (RAD), you will sign a new lease.*



### What is a Lease?

**A lease is a legally binding contract between the property owner or manager and you, the resident.**

Your lease explains the rules for living in your unit. A lease will contain certain information, including:

- The names of everyone living in the unit,
- The address of your unit,
- The start and end date of the lease term,
- What you must pay the property owner, including rent, security deposit, late fees for unpaid rent, or excess utility charges,
- The subsidy you can receive to help pay the rent,
- What the property owner must provide for you, such as making sure that your housing is decent, safe, and sanitary,
- What you must do, including following the property's rules and maintaining a clean and safe unit,
- Rules for annual and interim reexaminations of your family income,
- Rules for any changes needed to the lease, and
- Rules for lease termination or eviction.



**IMPORTANT!** Read your new lease and if you have questions about the lease, ask the public housing authority, property manager, or an attorney. You can find legal assistance by going to <https://www.hud.gov/states>, choosing your state, and choosing “legal assistance” under “Local Resources.” You can also do an internet search for a Legal Aid or other legal service office in your area.





### Does RAD Affect My Lease?

After the RAD conversion, the property is no longer eligible to receive public housing subsidy. The property becomes eligible for a different kind of subsidy—Section 8. In order to continue receiving rental assistance you need a lease that matches the Section 8 subsidy the property is eligible to receive. **You will enter into a new lease for the Section 8 program.** You will not be re-screened. You will only be asked for updated income and family information if your annual recertification happens to occur at the same time or if your property is using the Low-Income Housing Tax Credit Program to fund repairs. **The new lease will protect the same basic residency rights you have under public housing, including requiring that the property owner renew your lease each time it expires.**



*For more information on the Low-Income Housing Tax Credit Program, see [Fact Sheet #13: RAD and Low-Income Tax Credits](#).*



### Does RAD Affect the Lease Termination and Eviction Process?

Just as in public housing, the property owner must renew your lease each year, unless they have “good cause” not to do so. If the property owner has “good cause” to end your lease, they must give you the same type of written notice required in public housing: they must notify you in advance and explain that you have the right to file a grievance and request a hearing. In limited cases, the right to a hearing is not provided, for example, in the case of criminal activity. Good cause for eviction generally means you have seriously or repeatedly broken the rules in your lease. The owner will also need to follow state and local laws related to evictions.



*For more information, see [Fact Sheet #10: Resident Grievance and Termination Rights](#).*





# FACT SHEET #8

## Resident Organizing and Funding



*When a public housing property converts through RAD, residents keep their rights to organize and receive funding from the property owner to support resident participation. This Fact Sheet explains how those rights work under RAD.*



### Will I Have a Right to Organize After a RAD Conversion?

**YES!** Residents of properties converted through RAD have the right, and are encouraged, to form and operate a **Resident Organization**. HUD recognizes the importance of resident involvement in improving the quality of life for residents. Resident organizations and councils work to improve resident satisfaction and participate in initiatives that enable residents to create a positive living environment for all families.

Under the public housing program these rights are guaranteed under the regulation 24 CFR Part 964. HUD has maintained these rights after conversion. Property owners must continue to recognize legitimate resident organizations, encourage the formation of an organization if one does not exist, provide funding to support these organizations, and give reasonable consideration to the concerns raised by these organizations. Resident councils are encouraged to meet regularly with the property owner, often the PHA, to discuss issues, plan activities, and review progress. **However, instead of looking to 24 CFR Part 964 for tenants' rights, residents at RAD properties will now be covered under 24 CFR Part 245.** This section includes stronger and more specific protections for tenant organizing. In addition to the rights included in this section, resident councils at RAD properties continue to be eligible for tenant participation funds.



### What Makes a Resident Organization “Legitimate”?

To be considered “legitimate,” your resident organization must:

- Be established by the residents of the property;
- Meet regularly;
- Operate democratically;
- Represent all residents at the property; and
- Be completely independent from the property owner, management and their representatives, and public housing authority.

If there is no legitimate resident organization at your property, HUD encourages your property owner to actively engage residents and develop a constructive working relationship.



### What Are Protected Resident Organizing Activities?

The owner must allow residents and resident organizers to:

- Contact other residents;
- Conduct surveys of residents to determine interest in establishing an organization or to offer information about an organization;
- Distribute leaflets in the lobby and common areas and place leaflets at or under residents' doors;
- Post information on bulletin boards;
- Assist residents to participate in resident organization activities;
- Hold regularly scheduled meetings in a location where residents can easily attend and which management staff may not attend unless invited;
- Conduct other reasonable activities; and
- Coordinate a response on behalf of residents to proposed actions such as changing from owner-paid utilities to resident-paid utilities, reducing resident utility allowances, increase rent, and major construction or modernization work at your property.

In addition to these activities, property owners must allow residents and resident organizers to conduct other reasonable activities related to the establishment or operation of a resident organization. Property owners cannot require residents and resident organizers to obtain permission before taking the actions described here. Owners and managers must also allow the resident association, or residents looking to create an association, use of any community room or other available and appropriate space for meetings, though they may charge a reasonable fee.



### Will My Resident Organization Still Receive Resident Participation Funding After RAD?

After a RAD conversion, your property owner must continue to set aside **resident participation funding in the amount of \$25 per occupied unit per year**. For example, in a 100-unit property, the owner must make available \$2,500 each year to support resident participation. These funds follow the same rules and procedures that apply under the public housing program.

Of the \$25 per occupied unit, the project owner must make at least \$15 of this amount available to the “legitimate” resident organization to fund resident participation activities such as resident education, organizing around tenancy issues, and training activities. The owner may provide the entire \$25 per occupied unit to the tenant organization or may use up to \$10 of this amount to directly pay for costs to administer resident participation activities.

If your resident council had unused resident participation funds before participating in RAD, that money will still be available for your resident organization's use after the conversion.

## Fact Sheet #8: Resident Organizing and Funding

A resident council and owner must enter into a written agreement on the use of the Tenant Participation Fund. The written agreement should include:

1. Eligible uses of funds;
2. A budget from the resident organization;
3. How the resident organization will request funds; and
4. How the resident council will account for funds that have been spent.

Residents organizations may consult their local legal aid office with questions or concerns before signing a written agreement with your new property owner.

### Role of Project Owner

- Enter into a written agreement with the resident organization;
- Provide tenant participation funds to the resident organization;
- Administer funds reasonably, including establishing a policy on how the resident organization makes requests for funds; and
- Ensure that funds are used for eligible purposes.

### Role of Resident Organization

- Enter into a written agreement with the Project Owner;
- Submit a budget for the use of the Tenant Participation funds;
- Certify that all resident council expenditures will be used for eligible uses; and
- Provide accounting to Project Owner for the use of the funds.

### Eligible Uses of Funds

A complete list of eligible uses of funds is in [\*\*PIH Notice 2021-16\*\*](#). Allowable uses include, but are not limited to:

1. Consultation and outreach efforts that support active interaction between the owner and residents,
2. Activities that inform residents on issues that affect resident households and their living environment,
3. Resident surveys,
4. Community activities that enhance resident participation,
5. Leadership development, household training, and orientation and training for new and existing residents on resident responsibilities,
6. Resident council elections and organizing,
7. Planning revitalization, safety and security, property management and maintenance, and capital improvements,

## Fact Sheet #8: Resident Organizing and Funding

8. The cost of reasonable refreshments and light snacks at resident meetings,
9. Stipends to elected resident council officers who serve as volunteers, and
10. Self-sufficiency and capacity building activities.

Please note that even where a property has not established a resident organization, the owner is still required to utilize the resident participation funding to support the creation of a resident organization and for eligible uses listed above.



### What Are Resident Organizers?

A “resident organizer” is a person who assists other residents in establishing and operating a resident organization, and who is not an employee or representative of current or prospective owners, managers, or their agents. Under RAD, property owners must allow resident organizers to assist residents in establishing and operating resident organizations. Resident organizers can be residents of the property they are organizing, or they can live elsewhere. If a property has a consistently enforced, written policy against canvassing, then a resident organizer who does not live at the property must be accompanied by a resident while on the property. If a property has a written policy favoring canvassing, or no policy about canvassing, any resident organizer must be afforded the same privileges and rights of access as other uninvited outside parties in the normal course of operation.



**Cleveland, OH:** Resident leaders from Bohn Tower and staff from the Cuyahoga Metropolitan Housing Authority discuss the completed RAD conversion and the role residents played in the process.



# FACT SHEET #9

## RAD and Relocation



*As a public housing resident, you have the right to live in the rent assisted property after a RAD conversion. In some cases, you may need to be relocated temporarily while repairs are occurring, but you have a right to return to an assisted unit at the property once rehabilitation or construction is complete.*



**YOU CANNOT LOSE RENTAL ASSISTANCE AS A RESULT OF RAD.**



## Will I Have to Move from My Home Due to RAD?

Most RAD conversions do not require relocation but in some cases you may need to move temporarily during or after the RAD conversion for repairs to take place. If so, you will receive advanced notice, must be provided temporary housing, and have the right to return to the rent assisted property.

### Special Cases

In some cases, a housing authority can propose to move the the housing subsidy (the rental assistance) to a different property so that another property becomes affordable instead of the one you have been living in. This is called a **transfer of assistance**. In this case, you will have the right to a rent assisted unit at the new property once any construction is done, though the PHA may also offer other affordable housing options.



## Can I Be Permanently Displaced?

**All residents have a guaranteed right to return to the RAD property. You may not be permanently moved against your will.**

If the public housing authority (PHA) proposes a plan for the property that would mean you could not return to the property (this scenario is rare), you must be given an opportunity to comment and/or object. The housing authority may offer you another affordable housing option, but you are not required to accept one of these other options. If you object because you want to return to the property the plans must be changed.

For example, Ms. Smith is living in 4-bedroom apartment, which is the appropriate size based on the members of her family. Her housing authority proposes to change the 4-bedroom unit into a 3-bedroom apartment

and does not have another 4-bedroom apartment on-site to offer Ms. Smith. Ms. Smith may accept another affordable housing option offered to her or may object in which case the PHA must make a 4-bedroom apartment available to her at the property.



### If I Do Have to Move, When Would That Happen?

A PHA cannot begin relocation until HUD has issued a “RAD Conversion Commitment” (for more information, see **Fact Sheet #3: The RAD Conversion Process**) and after you have received a notice alerting you that you will need to relocate. The notice will provide you at least 30 days advanced notice, and in some cases 90 days, before you would need to move. You may choose to move earlier if the option is offered to you, but you cannot be required to move earlier.



### If I Do Have to Move, Where Will I Move?

Relocation can take many forms. Residents can relocate within the property or may be temporarily relocated off-site to another property. Alternatively, a resident may choose to accept an offer to permanently live somewhere else. In such a case, the PHA may not require you to live elsewhere and must get your written consent that you are accepting another housing option.



### If I Do Have to Move, Will I Receive Relocation Assistance?

In all cases, the PHA must pay for reasonable increases in housing costs, packing and moving assistance, costs associated with transferring utilities, and associated deposits.

If the relocation will be longer than a year, then you will have a choice of either temporarily relocating and keeping your right of return to the property or requesting permanent relocation assistance under the Uniform Relocation Act. This includes housing assistance and advisory support to find new housing.

Persons with a disability should receive any additional, reasonable moving expenses that are necessary. Accessible units, and any necessary accommodations, must be provided for persons with disabilities returning to the renovated property.



### Is There a Relocation Plan? What Are the Major Steps a Housing Authority Must Follow to Plan and Prepare for Relocation?

Proper relocation planning occurs over a long period, including notice well in advance that relocation might be needed, developing a plan, and then coordinating with residents about details and options:

- **Early Notice:** The PHA must let you know through a notice (the General Information Notice) before they submit the RAD application that they are considering a rehabilitation plan that could require resident relocation. This notice will let you know that if there is a need for relocation you will be eligible for

## Fact Sheet #9: RAD and Relocation

assistance. There will not be specific information yet and there is no need for you to take any action. You and your neighbors should consider any questions and feedback you have regarding the tentative plans. (For more information, see [Fact Sheet #3: The RAD Conversion Process](#))

- **Engagement:** You and your neighbors are encouraged to ask questions and ensure you understand your rights and the relocation process. After the property is permitted by HUD to participate in RAD, the PHA must have additional meetings with the residents before converting. Each resident meeting is a good opportunity to ask any questions you may have about relocation, though you can submit questions to the PHA at any point in the process. You will receive separate notices and likely have further discussions with the PHA to go over relocation options. (For more information, see [Fact Sheet #5: Resident Engagement and Consultation](#))
- **Written relocation plan:** The PHA must always conduct relocation planning and typically creates a written relocation plan so that the relocation process can be established and communicated clearly. HUD requires a written relocation plan if relocation will last longer than 12 months or if the housing subsidy will transfer to another property.
- **Notice of Relocation:** If the construction plans for your home require relocation, you will receive a “Notice of Relocation” which will give you a time frame for relocation. It must give at least 30 days’ notice for relocation that will last for a year or less or at least 90 days for relocation lasting more than a year.
- **Beginning relocation.** Relocation cannot begin until HUD issues the “RAD Conversion Commitment” approving the PHA’s conversion plans or the PHA gets special permission for early relocation.



### Can I Choose to Permanently Relocate?

**A resident may accept an option to permanently relocate elsewhere.** The PHA must inform you of your right to return and give you at least 30 days to decide whether to accept another housing option. A PHA cannot use any tactics to pressure you into agreeing to permanently relocate. The PHA must give you information about the relocation rights and payments you are entitled to, any additional benefits or payments you might receive if you choose to accept the alternative, and advice so you can make an informed decision. If the PHA offers you an alternative housing option, it is your choice whether to permanently relocate or to retain your right to return. If you agree to permanently relocate, you will be asked to sign a consent form stating that you have chosen not to return to the property.



*Philadelphia, PA: Resident Keith Washington.*

# FACT SHEET #10

## Resident Grievance and Termination Rights



*After a RAD conversion, if you have a dispute with the property manager or owner, you will continue to be able to request a hearing to resolve a dispute and in most cases you must be provided advanced written notice if your lease will be terminated.*



### What Is the Grievance Process?

A **grievance** is any dispute you may have with the PHA about an action involving your lease, or other PHA actions that you believe negatively affect you. The **grievance process** involves **Procedural Rights** or steps the property owner must follow when taking specific actions that may have a negative effect on you. These steps are established for you and the PHA to follow to resolve disputes.



### How Will RAD Affect the Grievance Process?

The RAD Program continues similar grievance and lease termination provisions available under the public housing process (under Section 9 of the Housing Act of 1937). The **RAD Final Implementation notice (Revision 4)** details residents' rights related to the grievance process.

Whether your property is a part of the public housing program, or has been converted to Section 8 through RAD, you will receive a written notice of the reasons for an action. The notice must also tell you how to request a hearing where you can present the reasons why you think the action is wrong.

If your property converts under RAD, you are still entitled to receive a fair hearing and a written decision within a reasonable timeframe, just like under public housing. The PHA must follow the grievance hearing decision unless it notifies you that the:

- The grievance hearing covered issues outside the scope of the hearing officer's authority or the hearing officer proposed a solution outside their authority; or
- The hearing officer's decision conflicts with laws or HUD regulations.

Requesting or participating in a hearing does not affect your right to take your case to trial if you think your dispute was not settled correctly.





### What if I Receive a Termination Notice?

Similar to public housing, under RAD the property owner may only **terminate your lease** or not renew your lease if it follows certain procedures and if it has **cause**. An owner has cause if you seriously or repeatedly violated your lease terms, including:

- Not making payments due under the lease, such as rent or utility payments;
- Not following the rules listed in the lease, such as keeping your unit clean and safe;
- Involvement in criminal activity or alcohol abuse, depending on the seriousness of the activity; or
- Making false statements in your initial application or during your annual recertification, for example about your income or family size.

Converted properties must follow the PBV and PBRA rules regarding notification and termination of the rental subsidy. Generally, you must receive adequate written notice of termination of lease:

- At least 14 days for nonpayment of rent;
- No more than 30 days if other tenants' health and safety is threatened;
- No more than 30 days for any drug-related or violent crime activity;
- No more than 30 days for a felony conviction.



Portland, ME: Loring House.



# FACT SHEET #12

## Choice Mobility



*Once the property has been converted, residents of most properties will have a new “Choice Mobility” option, which will allow the resident to request a voucher that the household can use to apply HUD rental assistance to a rental unit they choose in the private market.*



### What Is Choice Mobility?

After a public housing property converts through RAD you may have a greater choice in where to live through the “Choice Mobility” option. Choice Mobility gives you the right to request a tenant-based voucher after living at the property for at least one or two years. A tenant-based voucher allows you to rent housing in the private rental market. With this voucher, you may choose to leave your current property if you need to move closer to family, a job, a school, or for any other reason, while continuing to benefit from rental subsidy.

In limited cases, certain public housing properties converted through RAD do not have the choice-mobility option because the PHA does not have a voucher program. You should discuss this with your PHA.



### When Am I Eligible To Request A Tenant-Based Voucher?

It depends on the type of subsidy the property uses after the RAD conversion:

- If the property uses **Project-Based Vouchers (PBV)**, residents can request a tenant-based voucher after living in the property for **1 year after it becomes RAD/ Section 8**.
- If the property uses **Project-Based Rental Assistance (PBRA)**, residents can request a voucher after living in the property for **2 years once it becomes RAD/ Section 8**.



### What Happens After I Request A Voucher?

Residents who request a tenant-based voucher from the PHA will receive priority for the PHA’s next available voucher. You will not need to complete a full Section 8 application and will be able to request a voucher even if the Section 8 waiting list is closed.



### How Do Tenant-Based Vouchers Work?

With a tenant-based voucher you can choose to rent a unit in the private market with HUD assistance. If the rent for the unit is reasonable and an inspection of the unit shows that the unit meets HUD's housing quality standards, the PHA will approve the unit.

Once approved, **(1)** you sign a lease with the owner and pay about 30% of your income for rent, and **(2)** the PHA signs a contract with the owner to pay the difference between the rent you pay and the total rent for the unit.



### Where Can I Live with a Tenant-Based Voucher?

With a tenant-based voucher, you may rent a unit within your PHA's region, or you may choose to rent a unit in another part of the country where a different PHA operates a voucher program. The ability to rent outside of your PHA's region is called portability. You can learn more about voucher portability by going to [HUD's portability webpage](#) and reading the [Housing Choice Voucher Program Handbook on Moves and Portability](#).

When choosing a new place to live with a tenant-based voucher, you may think about things like the quality of schools for your children, access to public transportation, and ability to get to and from places of work.



### Is the PHA Required to Give Me a Tenant-Based Voucher?

Yes, though you may have to wait for the PHA to have an available voucher to provide you. To issue vouchers through choice mobility, the PHA uses vouchers that become available as other families stop using them. Also, PHAs may adopt certain limits to the number of vouchers it uses for choice-mobility. For specific information, consult your PHA. (PHAs that do not have a voucher program will not have a choice mobility option.)



*Chicago, IL: A resident in the newly renovated Fannie Emanuel apartment complex.*

# FACT SHEET #14

## RAD and Section 18 Blends



*Section 18 of the Housing Act of 1937 provides authority for public housing properties to be demolished or sold. Sometimes, Section 18 is used together with RAD in order to preserve or replace the affordable housing.*



### What Is Section 18?

Section 18 is a program that allows public housing authorities (or “PHAs”) to sell or demolish public housing properties. A “sale” can be from the PHA to an affiliate of the PHA or to a completely new owner. In the RAD context, the PHA often stays involved in the ownership. When HUD approves a property for sale under Section 18, HUD provides the PHA with new Section 8 voucher funding so that the PHA can continue providing rental assistance to the same number of families that were assisted through the public housing program. Section 18 was originally designed for properties that are physically obsolete or that pose a health or safety risk to residents. More recently, PHAs have used Section 18 to switch from the public housing program to the Section 8 program because the voucher funding provides more resources to the property than the public housing funding would, resources which can be used to make improvements to the property.



### What Is a RAD/Section 18 Blend?

In some cases, a PHA may choose to use both RAD and Section 18 together in order to preserve or renovate a property. A PHA may do this because it can allow the property to generate more funding to pay for the construction or rehab. When this occurs, the units assisted under public housing must be fully replaced with Section 8 assistance—Project-based Voucher (PBV) or Project-based Rental Assistance (PBRA). Further, all the former residents have the same rights and protections described in these Fact Sheets.



### How Will I Know If My Property Is Undergoing a RAD/Section 18 Conversion?

Any PHA that wants to pursue a RAD/Section 18 blend must adhere to the RAD resident consultation and meeting requirements. A PHA must state their intent in their PHA Plan and must host a public hearing to allow for resident and community input. For more information, see **Fact Sheet #5: Resident Engagement and Consultation**.





### What Are My Rights Under a RAD / Section 18 Conversion?

Under a RAD/Section 18 blend, a resident has all the protections that would come with a RAD conversion including:

- Right to return;
- Right to tenant participation funds;
- Right to tenant grievance procedures;
- Protection for residents who may be over-income or over-housed;
- Continued Participation in the Family Self Sufficiency (FSS) & Resident Opportunity for Self Sufficiency (ROSS) programs;
- Resident notice and meeting requirements; and
- Relocation assistance and payments.



Chicago, IL



# FACT SHEET #15

## RAD and Resident Employment (Section 3)



*Any construction work completed through RAD is subject to “Section 3” which prioritizes providing jobs for residents and awarding contracts to businesses who employ individuals receiving certain types of HUD financial assistance.*



### Will Residents Get to Work on the Repairs to Our Buildings?

As part of the Rental Assistance Demonstration (RAD) conversion process, the development team doing rehabilitation and construction work on your building **is required to prioritize training and job opportunities for residents**, for both temporary construction jobs and permanent positions. This requirement is often referred to as Section 3.



### What Is Section 3?

Section 3 refers to Section 3 of the Housing and Urban Development Act of 1968, which created the requirement that projects paid for with certain federal funds prioritize training, employment, and contracting opportunities for people living in federally assisted housing (like public housing or project-based Section 8 housing) or receiving voucher assistance, other low- and very-low-income people, and businesses that are owned by or employ low- and very-low-income people.

**Residents** included under Section 3, who must receive priority for training and job opportunities include:

- Residents of the housing development where funding is being used
- Residents of other housing developments managed by the public housing authority (PHA)
- Residents of public housing or Section 8 assisted housing
- Participants in YouthBuild programs (which train youth to work in construction-related jobs)
- A low-income or very low-income person that lives in the metropolitan area or county where the funding is being spent. (Very Low-income people are defined as part of a household earning up to 50% of the Area Median Income (AMI). Low-income is defined as earning up to 80% of the Area Median Income. To see the AMI for your area, go to: <https://www.huduser.gov/portal/datasets/il.html>. You will select the year, “Access Individual Income Limits Areas”, and then choose your state and county).

## Fact Sheet #15: RAD and Resident Employment (Section 3)

**Businesses** covered under Section 3, that must receive priority for contracting opportunities, are those that meet **at least one** of the following criteria:

- The business is at least 51% owned by low- or very-low-income people, such as residents of public housing or Section 8 assisted housing; or
- Over 75% of the labor hours worked for the business are by low- or very-low-income people.



### How Will I Know About Training and Job Opportunities?

The development team that will be doing rehabilitation and/or construction work at your building must include **a plan for training and hiring residents** as part of its proposal to the PHA. The property manager at your building is required to notify residents about all such training and job opportunities. Residents should ask about potential job opportunities at meetings held by the PHA.



Holyoke, MA