



Charlotte Housing Authority
Building Community, People & Partnerships

Rental Assistance Demonstration Program Frequently Asked Questions

Frequently Asked Questions

1. What is RAD?

RAD stands for **Rental Assistance Demonstration**. It is a voluntary program authorized by the U.S. Congress and run by the U.S. Department of Housing and Urban Development (HUD) which allows selected public housing authorities the opportunity to convert public housing units to project-based voucher units.

2. Is Charlotte Housing Authority (CHA) going to participate in the RAD Program?

Yes. CHA's RAD application has been approved with a projected conversion of CHA public housing units to project-based voucher units by the end of 2018.

3. Why does CHA want to convert its units to Project-based Voucher Units?

The Section 8 funding stream from HUD has been more stable over time. This means we can preserve the long-term affordability of our subsidized units without increasing the rental cost to CHA residents. Project-based subsidies are still tied to the property; they just come from a different HUD program.

4. When will the selected developments make the conversion to RAD?

CHA is currently planning to convert to RAD in four phases. We anticipate completing two phases in 2016 and the final phase by 2018.

5. What are the benefits for the residents and the Charlotte community under RAD?

- a. The long-term affordability of our units is preserved, and
- b. The flexibility RAD will provide CHA the ability to reposition traditional public housing developments into mixed income communities, moving these outdated developments from areas of isolation to ones of inclusion, creating dynamic opportunities for inclusion of people from diverse backgrounds into a modern and thriving rental development of choice.

6. What impact will the RAD conversion have on CHA's current residents?

CHA does not believe there will be any adverse impact to our residents. A RAD conversion will not impact the tenant's rental payment. Residents will continue to pay rent under their current structure.

7. Could a resident lose his/her housing under RAD?

No. There will be no reduction in the number of residential units we have due to the conversion and no one will lose their affordable home simply because CHA converted to a Project Based Voucher funding platform. Although residents will not be rescreened due to the RAD conversion, they are still bound to the contractual terms of their lease and the house rules designed for the well-being of all residents.

8. Will Residents be given a chance to participate in the RAD conversion process?

Yes. CHA staff sought resident input in a series of meetings in 2013 before ever submitting its initial RAD application and has consulted with the Resident Advisory Council (RAC) since those initial meetings as it prepared to make changes to its Administrative Plan. CHA will host additional resident meetings at the sites or at central locations in 2015 and 2016. CHA staff will also continue to consult with both RAC and the residents as the RAD conversion moves forward in 2016.

In addition, residents will continue to be consulted as CHA works on amending two key documents that must be submitted to HUD in order to implement RAD. These documents are the CHA Moving To Work (MTW) FY16 Annual Plan and CHA's Administrative Plan. Both the MTW Annual Plan and the Administrative Plan will be put out for public review in the fall of 2015.

9. Will CHA have to make changes to its Admissions and Continued Occupancy Plan (ACOP) as a result of the RAD conversion?

RAD unit subsidies will now come from the Housing Assistance Payments that the CHA receives from HUD as Project Based Vouchers. As such the regulations that oversee this program must be detailed within CHA's Administrative Plan which is the agency's programmatic guide under the Housing Choice Voucher program. Any change made to the Administrative Plan as a result of RAD must also be updated within CHA's MTW Annual Plan. The information previously covered in the Admissions and Continued Occupancy Plan (ACOP) will now be included in the Administrative Plan, the Tenant Selection Plan, and the House Rules.

CHA will put the changes to both the MTW Plan and the Administrative Plan out for public review in the fall of 2015. Documents will be placed at each conventional public

housing site, CHA's headquarters at 400 East Boulevard, and at the downtown public library. Both documents, with revisions highlighted, will also be placed on our web site at www.cha-nc.org. CHA will hold resident meetings where the changes will be explained and answer any questions. Residents will also be allowed to speak on these changes at a public hearing before the CHA Board of Commissioners on November 17, 2015.

10. Will CHA still offer its popular Self-Sufficiency Program?

Yes. Our goal is to continue to provide services for all CHA residents via in-house staff or community partners. All those who are able-bodied will be required to abide by CHA's Work Requirement Policy.

11. What protections for residents does RAD provide or require?

The United States Congress, HUD and CHA have worked to include as many of the housing, protections for residents in the RAD program as possible. This includes the continuation of income-based rents, similar grievance procedures, and similar resident council funding and organizational rights.

12. Will residents have to sign a new lease under RAD?

Yes, all Heads of Household will have to sign a new lease when their property makes its RAD conversion. There will be meetings at each site to discuss the process and ample notice will be given so residents will have time to read the new lease prior to the signing.

13. How many units is CHA planning to convert to PBV units?

In December of 2013 CHA submitted its plan to HUD to convert more than 3,200 public housing dwelling units to the Project Based Voucher (PBV) platform in several phases.

14. What is the Choice Mobility option?

One aspect of the RAD conversion to **CURRENT** residents of CHA's public housing units is that **12** months **AFTER** your unit has been converted to a Project-Based Voucher unit, the head of household in that unit will be given the option to apply for a Housing Choice Voucher (HCV) that will allow the head of household and his/her family to move.

Due to the limited number of vouchers available each year, it will take many years before everyone who has a voucher is able to move out of their current unit.

15. What impact will the RAD conversion have on CHA's ability to expand its supply of affordable rental housing?

With a more stable funding stream, CHA will have a greatly increased its ability to leverage existing assets to expand the supply of affordable housing. This ability will also expand the range of partnerships CHA is able to form in its continuing efforts to provide affordable housing to Charlotte's workforce.

16. Will HUD have to ask Congress for more money to fund the RAD program?

No. The RAD program is cost-neutral and does not increase HUD's budget. This program simply shifts the subsidy currently used to fund units within the Public Housing program to the Housing Choice Voucher program (HCV or Section 8). Because the HCV funding stream has been more predictable over time, this switch will allow housing authorities to leverage the private capital markets to make capital improvements and pay off existing Capital Fund Financing Program (CFFP) debts, as needed, on their existing portfolios.

In addition, it allows CHA to operate on a single funding platform which creates operational efficiencies for this agency.

17. What if Congress changes its mind?

By law, Congress (and HUD) ***must*** renew the long-term Project Based Voucher contracts and the Housing Authority must accept. These contracts are generally for 15 years and ensure that units remain permanently affordable to low-income households.