

**RAD RESIDENT RIGHTS TRAINING FOR
RAD/SECTION 18**

RAD RESIDENT MEETING NUMBER 3

PASSAIC HOUSING AUTHORITY

ALFRED SPEER VILLAGE REDEVELOPMENT

Why RAD?



- The Problem

- The Public Housing Program does not provide enough funding under the Capital Fund Program to adequately rehabilitate older housing stock like Alfred Speer Village. HUD has instituted several asset repositioning programs that allow the Housing Authority to finance significant improvements to the property. The Passaic Housing Authority is looking to take advantage of the Rental Assistance Demonstration Program to make major improvements.

- What is RAD?

- Rental Assistance Demonstration
- RAD was created in 2011 to preserve this critical stock of affordable housing.
- Public housing authorities around the country have used RAD to preserve and improve public housing by “converting” properties to a long-term Project-Based Section 8 contract
- Property changes might include:
 - Property renovation with minimal disruption (i.e. residents remain in their units)
 - Major property renovation which may include temporary relocation
 - Demolition of property which would require permanent relocation for residents to another affordable housing property
 - No rehab of property at time of conversion

RAD Core Principles

RAD is designed to secure the long-term affordability of converting properties

- Long-term Section 8 HAP contract ensures residents pay an affordable rent and must be renewed at each expiration
- RAD Use Agreement recorded on land
- Capital Needs Assessment performed upfront to ensure current and future repairs can be supported
- One-for-one replacement of deeply affordable units (with de minimis exception)

Properties converted under RAD must be owned or controlled by a public or non-profit owner

- In most RAD conversions, the PHA continues to own the property directly or through an affiliate
- When Low-Income Housing Tax Credits are used, the ownership changes but a public or non-profit must retain control
- It is anticipated that LIHTC Program will be used to support the rehabilitation of Alfred Speer Village.

RAD Core Principles

Ensure current residents benefit from the conversion

- Resident meetings and notices
- Right to Remain in or return to the property
- No Rescreening as a result of RAD
- Relocation assistance

Retain and Strengthen Resident Rights

- Ongoing right to organize and resident participation funding
- Carry over public housing procedural rights regarding grievance and termination
- “Choice-mobility” option to request a tenant-based voucher

THE RAD CONVERSION PROCESS



We are here

Current Concept Plan Alfred Speer Village



- **Stage 1**-Rehabilitation of 19, 23, 33 & 45 Aspen Place via HUD Rental Assistance Demonstration Program via the 4% Low-Income Tax Credit Program (LIHTC)
- **Stage 2**-Demolition of 24 State Street & 11 Aspen Place.
 - Construction of approximately 120 units of mixed income units via the 9% Low-income tax Credit Program
- **Stage 3**-Demolition of the existing office at 52 Aspen Place
 - Construction of approximately 120 units of mixed income units via the 9% Low-income tax Credit Program

- **NOTE:** Stages are subject to LIHTC and HUD timelines. Some of the new construction units will be available for relocated tenants that wish to return to the property



RESIDENT ENGAGEMENT

Resident Meetings



The public housing authority must meet with residents of the property multiple times prior to conversion



Prior to applying to HUD, the PHA must meet hold at least two resident meetings



Prior to submitting a Financing Plan, the PHA must meet with residents at least two more times



The purpose of the meetings is to provide you information on the proposal, to collect feedback from residents, and to respond to your questions.

Resident Notices

- Prior to applying to HUD, the PHA must provide notices to residents:
 - RAD Information Notice, providing you an overview of RAD and your rights
 - “General Information Notice” alerting you that you would have the right to relocation assistance if temporary relocation is needed
- After HUD approves the Financing Plan, the PHA must send a notice to all residents
- Prior to beginning any relocation, each resident must receive advanced notice of relocation

PHA Plan



Participation in RAD requires a significant amendment to the PHA Plan



The PHA Plan must include a description of the conversion and changes that are proposed



Amending the PHA Plan requires consultation with the Resident Advisory Board and a public hearing and inviting comment around the Plan





RESIDENT RIGHTS

Right to Remain and Right of Return

Most conversions do not
involve relocation



Residents will remain in
place and cannot be
rescreened when
admitted into the
Section 8 program

When relocation is
necessary



Residents have a
right of return to a
unit in the project

**No resident may be permanently,
involuntarily displaced**

No Rescreening

A conversion under RAD cannot be the basis for an eviction or loss of rental assistance

- Residents may not be rescreened as a result of the RAD conversion. This includes screening for income, criminal background, and credit.
- Following conversion, residents will be protected by standard Section 8 requirements related to tenancy.

Relocation

Where relocation is necessary, PHAs must provide residents with:

- Resident notices
- Moving assistance
- Benefits and assistance per the “Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA)”

Relocation cannot begin until HUD approves the Financing Plan and issues the RAD Conversion Commitment (RCC).

PHAs should maintain a resident log for all impacted residents, which should be provided to HUD upon request.

It is anticipated that the Housing Authority will be entering into a contract with a relocation specialist to ensure that all requirements and benefits are achieved.

Alternative Housing Options

To maximize resident choice, PHAs may offer alternative housing options, such as vouchers, homeownership opportunities, etc.

Residents can voluntarily decline their right to return. Written consent by resident must be:

- **Informed** – written notification with counseling
- **Voluntary** – cannot be pressured and must be provided at least 30 days to decide
- **Documented** – retain evidence of notices, counseling, and resident's decision

Post- Conversion Resident Rents

Resident rents remain affordable after conversion

Under the Section 8 programs, residents pay 30% of their adjusted gross income in rent. This is mostly true for public housing residents except those paying a “flat rent.”

If tenant rent would increase by more than the greater of 10% or \$25 per month, the rent increase will be phased in over 3 or 5 years.

Resident Procedural Rights

- Resident organizing rights (24 CFR Part 245) safeguard:
 - Formation of resident organizations
 - Organizing activities
 - Meeting space
 - Resident organizers
 - Canvassing
- Resident participation funding (\$25 per unit per year)
- Grievance and termination procedures consistent with public housing requirements
- Rights must be incorporated into resident lease

Choice-Mobility

Following conversion, residents may request a tenant-based voucher after a period of residency at the converted property (“choice-mobility”), except for certain conversions where the PHA does not have a voucher program.

This is a voluntary option for RAD residents that is not available to Public Housing residents.

Prior to closing, the PHA must notify residents of opportunities and procedures to exercise the choice-mobility option.

- For PBV, the resident may request a voucher after one year of residency.

This right must be included in the lease. The PBV Program will be administered by the Passaic Housing Authority.

Potential Capital Improvements

Apartments:

New Kitchens, new bathrooms, windows replaced, painting, new intercoms

Common Areas

New flooring, lighting, signage, painting, updated lobby, new entries

Exterior

Brick pointing, new roofs, updated fire systems, new exterior lighting

Building Systems

Elevator upgrades, new emergency generators, updated central heating plant, updated sprinkler system, new waste lines, improved security systems

Other

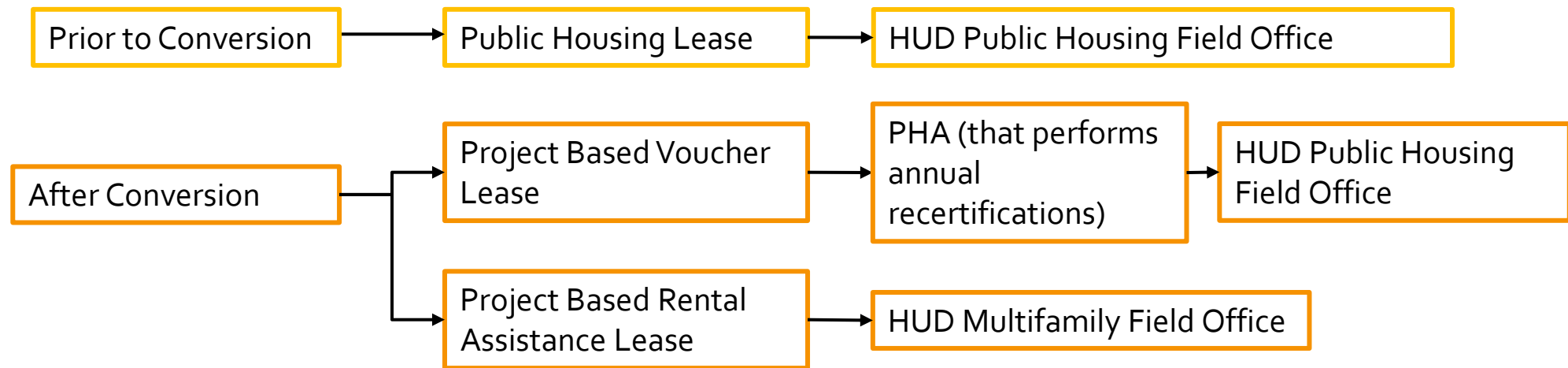
The total amount of rehabilitation is currently estimated to be approximately \$25,000,000.00.

NOTE: The rehabilitation will be supported by a Capital Needs Assessment (CNA) prepared by an independent engineer. This is a HUD requirement to be included in the project Financing Plan.

Questions/Issues?

Typically, the best place to start when you have questions or issues related to the RAD conversion is to discuss with your property manager or Owner/PHA.

For additional assistance, see below.



- Public Housing Field Offices: www.hud.gov/program_offices/public_indian_housing/about/field_office
- Multifamily Field Offices: www.hud.gov/program_offices/housing/mfh/hsgmfbus/about/subspcs

Current Status of Alfred Speer Village Redevelopment

- A RAD application for conversion to PBV has been submitted and approved by HUD (CHAP)
- This is the 3rd of a minimum of 4 resident meetings to be held .
- A Section 18 Demo/Dispo application will be filed with HUD.
- A “Concept Call” will be held with HUD after this resident meeting to discuss the plans including
 - Demolition of 2 buildings on State Street
 - Rehabilitation of the 4 remaining buildings
- A Relocation Company will be contracted to handle any relocation that will be necessary
- The “Financing Plan” will be prepared and is due to HUD by the middle of September 2025
- An RAD Conversion Commitment (RCC) will be issued by HUD once they approve the financing plan
- The Housing will be closing on the RAD conversion within 90 days of the issuance of the RCC
- Rehabilitation will be completed within 2 years of RAD conversion

- NOTE: This timeline is subject to HUD approval and funding source availability, particularly the 9% LIHTC program which is administered by the NJ Housing & Mortgage Finance Agency.

Thank You and Questions

For more information visit: www.hud.gov/rad

Passaic Housing Authority
www.passaichousing.org

Join the [RAD LISTSERV](#) for periodic news and updates
(link available at the bottom right of the
www.hud.gov/rad webpage)