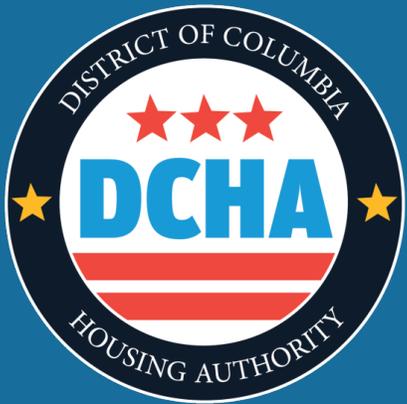


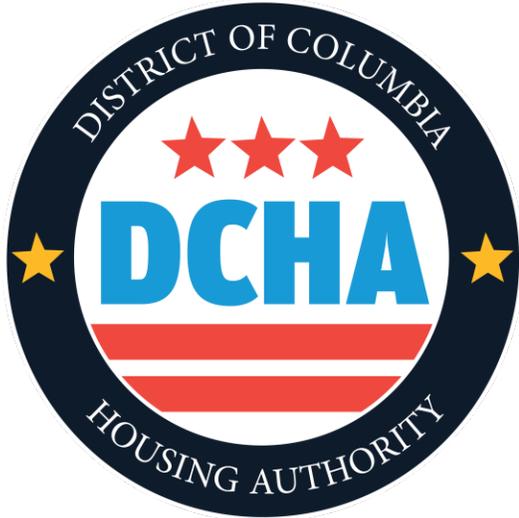
Greenleaf Sr. RAD Conversion Resident Meeting

August 23, 2023



Greenleaf Senior

Agenda



1. Why RAD?



2. Background



3. Resident Engagement



4. Q&A

WHY RAD?:

**The HUD Policy Rationale for
RAD Conversion**



Congress Created RAD to Help PHAs

Rental Assistance Demonstration (RAD)



In **2012**, Congress created the **Rental Assistance Demonstration Program (RAD)** a program developed to help Public Housing Authorities (PHAs) access a consistent funding source to rehabilitate and stabilize their housing portfolios property by property.



Why was this necessary?

Traditional public housing (Section 9) was being chronically underfunded year after year. The RAD program allows for Section 9 properties to be converted to Section 8, thereby changing the funding mechanism to a voucher subsidy. Each of the 455,000 units approved by Congress has been guaranteed.



Originally created sustainable funding stream for **60,000 units**

With rising popularity, proof of concept, and a **positive Interim Evaluation**, Congress created additional units



455,000 Units

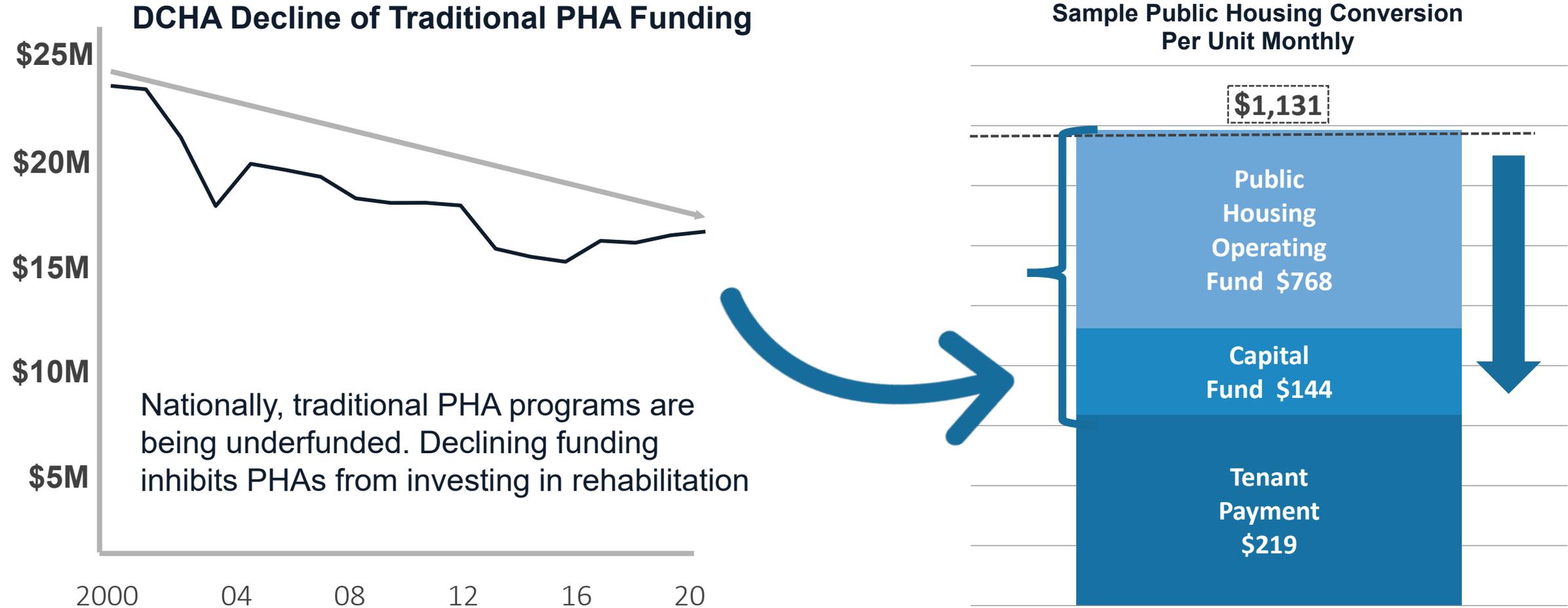


¹ Department of Housing and Urban Development . 2021. "Statement by HUD Secretary Fudge on President's FY22 Discretionary Funding Request, HUD, April 9, 2021.

https://www.hud.gov/press/press_releases_media_advisories/HUD_No_21_057

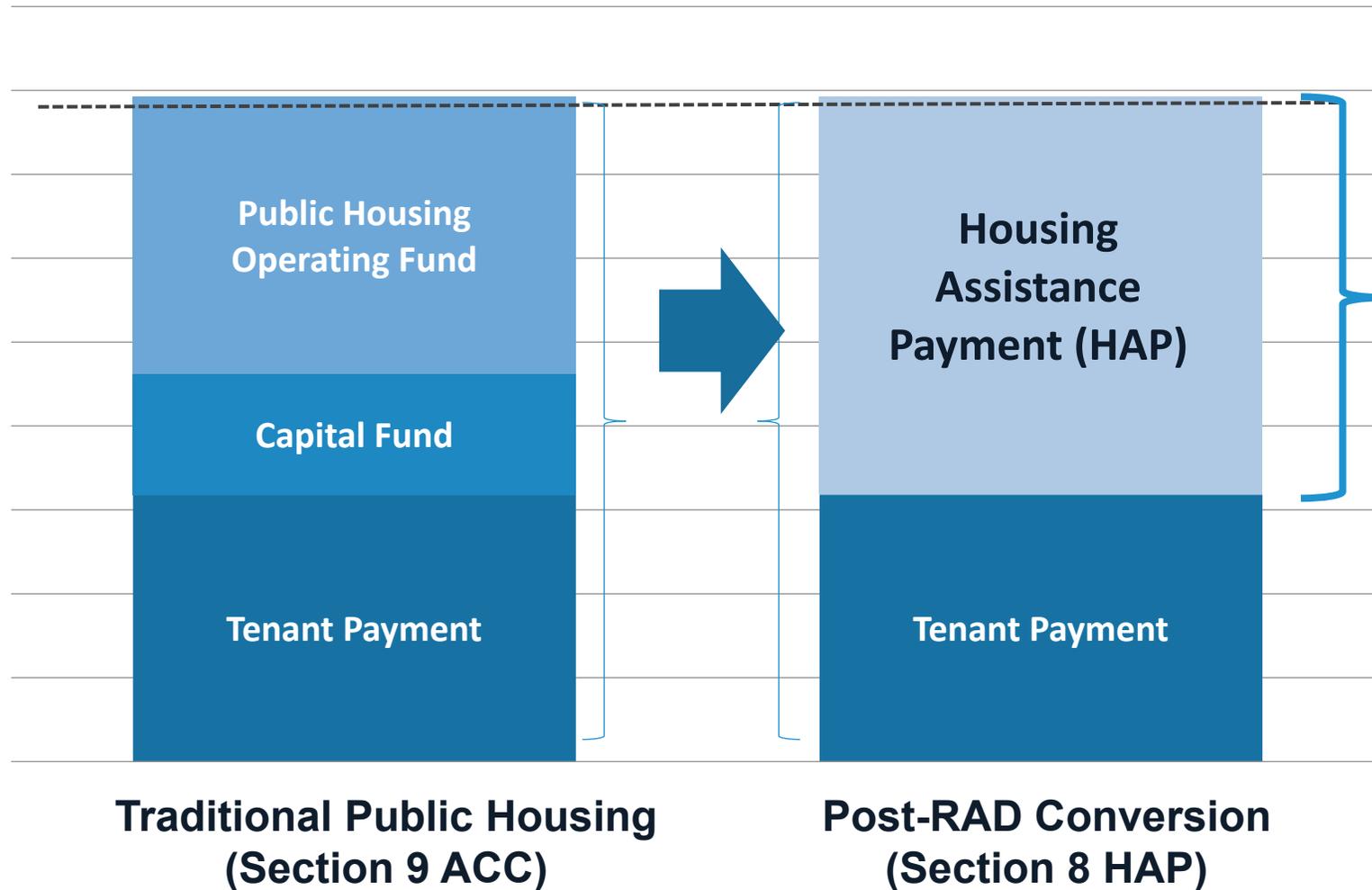
The Decline of Section 9 “Traditional” Funding

Creating the Need for RAD Conversions & Subsidy



RADs Provide Sustainable Funding Streams

Public Housing Conversion
Per Unit Monthly



By converting to Section 8, DCHA will receive a consistent and stable funding stream through “HAP payment” in lieu of shrinking Capital Funds and Operating Funds.

Additional Funds from Section 18 Disposition

- RAD/Section 18 Blend
 - A HUD-approved tool that generates an additional source of revenue for projects
 - 60 percent of the units would be converted under Section 18 Disposition and 40 percent under RAD.
 - The Section 18 PBV Units with higher rent revenue
 - Tenant rent contribution is the same under RAD and Section 18.
 - Inclusion of a RAD Section 18 Blend **does not diminish residents' rights described in the Resident Information Notice (RIN) and will not affect residents differently compared to a conventional RAD conversion** without a Section 18 disposition.

Four RAD Goals



Preserve affordable housing

Attract private and public financing sources



Tenant Protections

Create sustainable affordable housing



Common Myths About RAD

“HUD will eventually increase funding for public housing; therefore we should hold off on RAD.”

FALSE. HUD leadership confirmed this September 2020.

“RAD will kill traditional public housing.”

FALSE. The status quo and not utilizing all programs and tools available will kill traditional public housing.

“RAD will deplete resources and does not take into account entire portfolio.”

FALSE. RAD unlocks more resources. The Transformation Plan is portfolio wide and RAD is essential to its success.

*“Residents will **not** have the right to return to the property once converted.”*

FALSE. Under RAD, residents have an unqualified right to return.

“When the property is converted using RAD, my rent will increase.”

FALSE. Under RAD, your rent will continue to be calculated as 30% of AGI.

RAD Core Principles

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

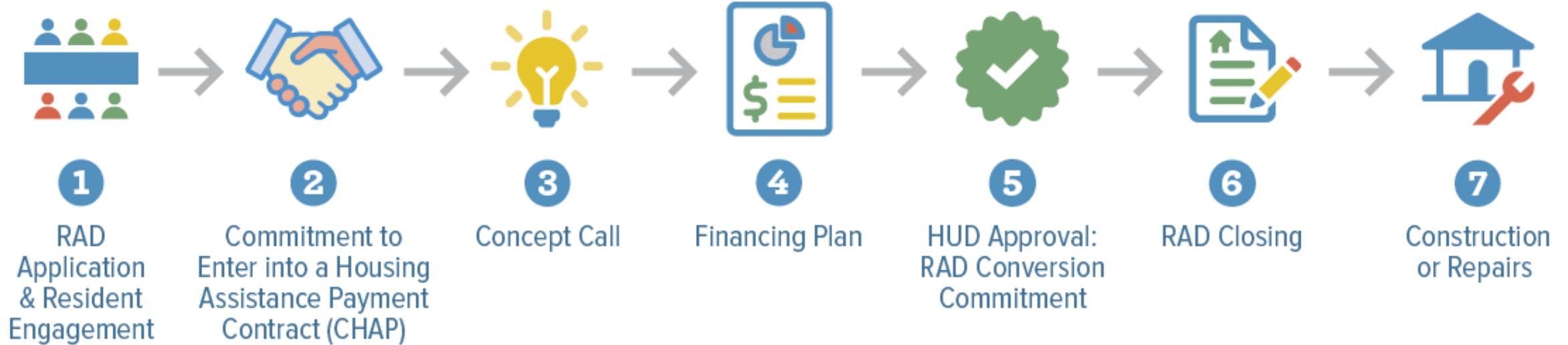
- Long-term Section 8 HAP contract ensures residents pay an affordable rent and must be renewed at each expiration
- RAD Use Agreement recorded on land
- Capital Needs Assessment performed upfront to ensure current and future repairs can be supported
- One-for-one replacement of deeply affordable units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

RAD Conversion Process

THE RAD CONVERSION PROCESS

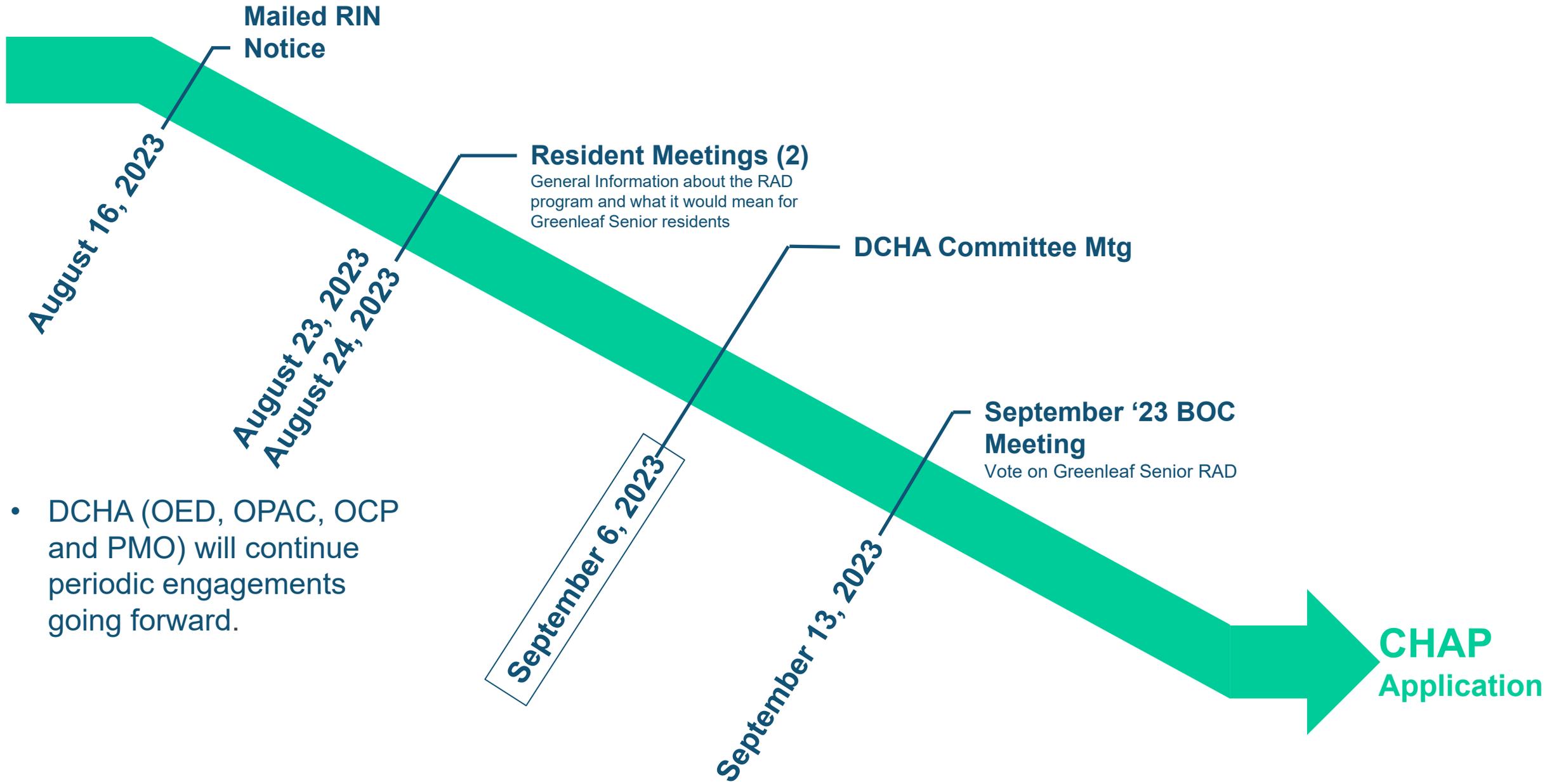


We are here

Resident Engagement:



Greenleaf Senior Resident Engagement



- DCHA (OED, OPAC, OCP and PMO) will continue periodic engagements going forward.

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 for Concept Call, the PHA must meet with residents at least two more times



After issuance of the RAD Conversion Commitment and prior to closing the PHA must meet with the residents.



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

Recommendations

01

Review Notices for information about the RAD process

02

Attend Resident Meetings

03

Ask questions

04

Request clarification or more information before signing documents

05

Indicate if you need additional assistance