HUD ISSUES GUIDANCE ON HOW TO TREAT TENANTS FAIRLY

IN RENTAL ASSISTANCE DEMONSTRATION

Notice intended to strengthen protections for residents during conversion process

WASHINGTON – The U.S. Department of Housing and Urban Development (HUD) today issued formal guidance to Public Housing Authorities (PHAs) and others participating in the Department's <u>Rental Assistance Demonstration (RAD)</u> on how to meet their fair housing, civil rights and relocation obligations during all phases of RAD's conversion process. **Read HUD's notice**.

RAD was authorized by Congress in 2012 to help stem the loss of public housing units by allowing local housing authorities to convert the current federal subsidy to a more stable long-term financing model for up to 185,000 public housing units. Just as private owners of single- and multi-family housing routinely rely upon debt financing as a means of undertaking physical improvements to their properties, RAD allows public housing authorities to safely leverage other sources of private capital in order to finance rehabilitation or in some cases completely replace distressed public housing.

Fundamental to the design of RAD, current and future residents are provided a robust set of rights and protections, including relocation options during the conversion process and the right to return to the property when repairs are completed. HUD's notice issued today is designed to guide RAD participants on how to make certain tenants are engaged early, treated fairly, and provided ample relocation options during construction.

Specifically, HUD's notice streamlines and accelerates the RAD approval process by:

- Clearly outlining the requirements for fair housing and relocation reviews;
- Providing guidance on what documents to submit and when to submit them; and
- Offering tools such as a comprehensive checklist to help stakeholders prepare submissions.