



WHAT IS THE RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM?

FREQUENTLY ASKED QUESTIONS

1. **WHAT IS RAD?**

RAD is an initiative developed by the U.S. Department of Housing and Urban Development (HUD) that focuses on preserving the long-term affordability and upkeep of public housing.

- Under RAD, Public Housing Authorities are allowed to secure funding for some properties through a long-term rental assistance contract (in 20 year increments, renewable as long as subsidy is available).
- The long-term contracts under RAD provide for better financial stability to continue and improve upon housing and services offered to existing residents.

2. **WHY RAD?**

HUD estimates that there is a \$26 Billion backlog of deferred maintenance in public housing communities nationwide. RAD is designed to provide a more stable source of revenue to address those capital needs. CHA is pursuing RAD for some properties in order to diversify funding for the capital needs of CHA properties.

3. **WHAT PROPERTIES ARE IN CHA'S RAD APPLICATION?**

CHA submitted a portfolio application to HUD for more than 10,000 units to participate in the RAD program in accordance with all applicable guidelines. CHA's successful application is one of the largest awards in the country.

Most of the CHA's senior-designated communities are included in the portfolio. A few mixed-income communities are included.

4. **HOW WERE THE PROPERTIES SELECTED?**

Properties included in CHA's RAD application were selected based on their characteristics to readily benefit from the project-based voucher model and meet RAD program requirements.

5. **WILL RESIDENTS' RENT CHANGE AS A RESULT OF RAD?**

Rents will remain at 30% of household income.

- About 3-4% of CHA residents currently pay a “Flat Rent” amount that is less than 30% of their household income. Such tenants may experience rent increases up to, but not exceeding, 30% of their income. Applicable rent increases will be phased in over a 5- year period.

6. **WILL RESIDENTS' LEASES CHANGE AS A RESULT OF RAD?**

Yes. The CHA Board of Commissioners (the “Board”) approved a new form of lease for RAD properties in January 2015. The Board will continue to review and approve any lease amendments used in both public housing properties and RAD properties. The new lease has been implemented at multiple buildings. We will hold another meeting here to discuss at least one month before the new lease will be required.

7. **DO RESIDENTS HAVE TO MOVE AS A RESULT OF RAD?**

No. RAD cannot result in the permanent involuntary relocation of any current resident. Additionally, no rescreening of tenants is allowed due to RAD.

8. **WILL THERE BE ANY CHANGE OF OWNERSHIP AS A RESULT OF RAD?**

CHA will continue to have an ownership stake in and maintain operational control of RAD-designated properties.

9. **WILL CHA FOLLOW ALL OF THE REGULATIONS REQUIRED BY RAD?**

Yes. CHA will meet or exceed all regulations required by the RAD program.

10. **WILL THERE BE ADDITIONAL COMMUNICATIONS UPDATING RESIDENTS ON THE RAD PROGRAM?**

- CHA must hold two resident meetings at a proposed development before submitting an application to transition that property to RAD PBV.
- CHA must provide written communication, including a RAD information letter, to all residents in properties that will transition to RAD PBV.
- CHA will return to talk with you and provide additional information.

If you have any questions or concerns about RAD, you may contact the RAD team at the following: RADDevelopment@thecha.org or (312) 913-7460.

March 2021