



## 8. WILL RAD INCREASE RESIDENTS' ABILITY TO CHOOSE WHERE THEY LIVE?

In addition to improved, better quality housing, residents will have greater choice in where to live under the RAD "choice-mobility option." If residents would like to move after the development undergoes a RAD conversion, they may request and receive a Housing Choice Voucher (HCV).

## 9. WILL RAD AFFECT RESIDENT RIGHTS & PARTICIPATION?

RAD keeps many of the resident processes and rights available under public housing, such as the ability to request a grievance process and the timelines for termination notification. RAD requires that there can be no re-screening of residents upon conversion.

When HUD begins funding the new development, residents will have a right to organize a resident council and will continue to receive resident participation funds, up to \$25 per occupied unit according to their PHA's current policy.

## 10. WHAT IS MPHA DOING TO INVOLVE RESIDENTS, PARTNERS AND THE COMMUNITY IN THE GLENDALE REDEVELOPMENT PROCESS?

MPHA has a strong tradition and ongoing commitment to involving residents, its partners and the community in changes that need to be made. MPHA is making every effort to inform and include residents and key constituencies in the redevelopment process including:

- Publishing a monthly resident newsletter
- Hosting monthly meetings with residents and others from the community to share information and seek input
- Having MPHA staff attend and participate neighborhood meetings, community forums and other gatherings in the community to both listen and share information
- Creating a Glendale Redevelopment page on the Agency's Website
- Establishing a specific e-mail contact for questions, ideas and comments from residents and the community [glendaleinfo@mplspha.org](mailto:glendaleinfo@mplspha.org)
- Identifying key constituency contacts for communication and outreach
- Identifying key areas of redevelopment activities and creating specific fact and informational pieces e.g. Relocation Rights, FAQs, etc.
- Hosting key events: Meet the developer, Planning for amenities and etc.

June 2015

EQUAL HOUSING OPPORTUNITY - EQUAL EMPLOYMENT OPPORTUNITY

## RENTAL ASSISTANCE DEMONSTRATION (RAD) - FAQs

### 1. WHY DOES GLENDALE NEED TO BE REDEVELOPED?

Glendale townhomes is a 14.5 acre site located in the Prospect Park neighborhood of Southeast Minneapolis. It was developed in 1952 with 184 residential units in 28 buildings. Glendale has served as home and a welcoming community to thousands of low-income families and, in recent history, as a cultural corridor for Southeast Asian and East African refugee families who have immigrated to the United States and Minnesota.

Due to its age, design and major capital needs Glendale is quickly becoming obsolete. Minneapolis Public Housing Authority (MPHA) conducted a physical needs assessment of Glendale which identified a total of \$15 million in capital improvements that include significant infrastructure and building system replacements and is expected to increase to \$27 million over the next 20 years. The current conditions at Glendale are a challenge to MPHA's strategic goals of creating sustainable and energy efficient buildings and neighborhoods while at the same time maintaining safe and affordable public housing for its residents.

If the issues facing Glendale are not addressed in the next three to five years, MPHA's ability to provide affordable public housing to a community that is in critical need of safe, well-managed affordable housing is in great danger and, along with it, a loss of the broad, community-based support that Glendale currently enjoys.

MPHA is committed to preserving affordable housing at Glendale. This requires maximizing opportunities for redevelopment at Glendale. MPHA intends to submit an application to HUD's Rental Assistance Demonstration Program (RAD).

## 2. WHAT IS RAD?

The Rental Assistance Demonstration (RAD) is a voluntary program of the Department of Housing and Urban Development (HUD). RAD seeks to preserve affordable housing by providing continued subsidies to residents and housing providers with access to more stable funding in order to replace obsolete public housing. In addition, RAD encourages the development of other types of housing which can support low-income housing that is part of the new development.

Congress has not provided enough funding for Public Housing Authorities (PHAs) to keep up with public housing capital needs. As a result, PHAs have had to make tough choices between things like repairing roofs and replacing plumbing -- or worse, demolishing public housing.

RAD provides PHAs a way to rehabilitate, repair and replace public housing units without depending on additional money from Congress.

## 3. HOW DOES A RAD CONVERSION WORK?

RAD allows PHAs to preserve or redevelop a property using HUD funding contracts that are tied to a specific development where public housing units are converted to Project-Base Section 8.

These contracts are 15-or-20 years long and are more stable funding sources. There is a mandatory renewal provision in both the RAD Statute and Federal Regulations designed to keep the units available to low income families well into the foreseeable future.

This shift will make it easier for providers to borrow money and use low income housing tax credits (LIHTCs) as well as other forms of financing. These private sources of additional money will enable providers to rebuild and preserve low income housing.

As a voluntary, limited demonstration program, less than 185,000 public housing units nationwide can be selected for RAD. MPHA has HUD approval to submit an application for Glendale.

## 4. WILL A RAD CONVERSION AFFECT RESIDENTS' HOUSING ASSISTANCE?

Residents will **not lose their housing assistance** and will **not be rescreened** because of a RAD conversion.

Even though a RAD property can use private money to revitalize its affordable housing, it will still receive money from HUD. With this subsidy from HUD, housing providers will manage RAD properties.

## 5. WILL A RAD CONVERSION AFFECT RESIDENTS' RENT?

Since the project-based Section 8 programs also set resident rents at 30% of adjusted monthly income, **most residents will not have rent increases** as a result of a RAD conversion. The exception would be residents who are paying flat-rate rent.

## 6. HOW CAN RESIDENTS BE INVOLVED IN THE RAD PROCESS?

HUD encourages residents and their PHAs to work together during the RAD application and conversion process and it has always been MPHA's policy to engage residents in any significant changes to policy or amendment to the Agency's annual plan.

Before PHAs can apply to participate in RAD, HUD requires them to:

- ▶ Notify all residents in a development proposed for RAD conversion about their plans; and
- ▶ Conduct at least two meetings with those residents.

These meetings are an opportunity for residents to **discuss the proposed conversion plans with their PHA, ask questions, express concerns, and provide comments**. The PHA is required to submit resident comments and its response to them as part of the RAD application.

Once HUD selects the PHA and property to participate in RAD, the PHA must have at least one additional meeting with all residents of the property before HUD approves the final conversion. This is another opportunity for residents to provide comments about the conversion plan.

## 7. WILL RESIDENTS HAVE TO MOVE DURING CONVERSION?

Glendale's physical needs are past the point where it can be effectively rehabilitated, requiring that it be demolished and replaced. In this instance, residents will be relocated to a unit that is similar to their current unit and residents will have the **right to return to the replacement housing that is constructed**.

If residents do not want to wait for replacement housing, the PHA may offer residents comparable housing in another public housing property or a Housing Choice Voucher (HCV) to enable residents to move to other available private housing.

HUD requires that if residents are relocated, families be provided relocation counseling and financial assistance.