



CUMBERLAND HOUSING

Unlocking the Doors for Your Future

RAD INFORMATION NOTICE

January 2017

On October 19, 2015, we provided residents of all developments with a General Information Notice concerning our intent to submit an application for the RAD program. In November 2015, the Housing Authority of the City of Cumberland submitted its application to HUD, to transform its current Public Housing Program to a Project Based Rental Assistance program under the Rental Assistance Demonstration program. We were notified by HUD on January 10, 2017 that **Fort Cumberland Homes and John F. Kennedy Homes have now been approved to proceed with the conversion process.** So what does that mean and how will it affect your housing?

WHAT IS RAD? WHY IS IT NEEDED?

The Rental Assistance Demonstration (RAD) is a voluntary program of the Department of Housing and Urban Development (HUD). RAD seeks to preserve public housing by providing Public Housing Agencies (PHAs) like Cumberland Housing with access to more stable funding to make needed improvements to properties.

Public housing units across the country need more than \$26 billion in repairs. HUD refers to these repair costs as capital needs. Congress has not provided enough funding for PHAs to keep up with 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, or repair, units without depending on additional money from Congress.

HOW DOES A RAD CONVERSION WORK?

RAD will allow the Housing Authority of the City of Cumberland to convert from the current Public Housing program to Section 8 Project-Based Rental Assistance (PBRA). This type of HUD funding is a 20-year contract that is tied to a specific development and offers a more stable funding source. This shift will make it easier for Cumberland Housing 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 Cumberland Housing to make improvements essential for preserving your housing units.

WILL A RAD CONVERSION AFFECT MY HOUSING ASSISTANCE?

You will not lose your housing assistance, will not need to apply again for housing, or go through the application screening process although you will need to enter a new lease at the time of conversion. There may be some additional compliance requirements and rules based upon the funding source selected. Even though a RAD property can use private money to make big repairs, it will still receive money (subsidy) from HUD and therefore must manage RAD properties through the PBRA program. RAD requires that converted properties be owned or controlled by a public or nonprofit entity.

Most residents will not have rent increases as a result of a RAD conversion. Since the project-based Section 8 programs also set resident rents at 30% of your household's adjusted gross (the same as it was under public housing), when your building or development is converted to PBRA, your rent contribution will most likely be no more than 30% of income. However, if you are paying a flat rent in public housing, you will most likely have to gradually pay slightly more in rent over time. In these limited cases, if your rent increases more than 10% and requires you to pay more than \$25 per month in additional rent, your new rent will be phased in over the next 3 to 5 years.

HOW WILL RESIDENTS BE INVOLVED IN THE RAD PROCESS?

Cumberland Housing wants to work together with tenants during the RAD conversion process. Before Cumberland Housing could apply to participate in RAD, HUD required us to:

- ❖ Notify all residents of our RAD conversion plans. (This was delivered to all residents on October 19-20, 2015 and since that time, all new residents have also received this notice); and
- ❖ Conduct at least two meetings with those residents. (These meetings were conducted on October 22, 23 and 26, 2015); and
- ❖ A meeting with the Cumberland Housing Resident Advisory Board was conducted to discuss the application and address their concerns.

These notices and meetings were an opportunity for you to be educated on the proposed plans, ask questions, express concerns, and provide comments. We were required to submit your comments and our response to HUD as part of the RAD application.

Now that HUD has selected Fort Cumberland Homes and John F. Kennedy Homes to participate in RAD, we will be completing a Significant Modification to our 5-Year Plan to incorporate the RAD changes. As required, the Resident Advisory Board (RAB) will be consulted and will have an opportunity to make recommendations. We will have a public notice and review period, a public hearing before the final plan and RAD conversion is approved.

WILL I HAVE TO MOVE IF MY HOME OR BUILDING IS REHABBED?

All apartments/townhomes will require extensive rehabilitation in order to modernize and improve the unit. Therefore, all households will be temporarily relocated from your current unit. You will have the right to return to your rent-assisted unit or development once construction is completed. Generally, temporary relocation should not last longer than 12 months.

There will be some units which may not be eligible to be re-occupied such as:

1. Housing may be too old or deteriorated and past the point where it can be effectively rehabilitated requiring that it be demolished and replaced;
2. Housing will be reconfigured to allow for the creation of ADA-compliant handicapped accessible units; and
3. Housing units will be reconfigured to increase the size of the unit or to change bedroom size to meet the waiting list need.

The loss of the amount of housing units may result in a “transfer of assistance” where we will construct new housing at another site to replace those units lost.

You cannot be required by Cumberland Housing to move permanently from your current unit without your consent, except in the case of a transfer of assistance as described above when the resident may be required to move a reasonable distance, as determined by HUD, in order to follow the assisted unit. If you do not want to wait for replacement housing, or only want to move once, we may offer you comparable housing in another public housing property or you may move to other available private housing.

You will be entitled to relocation protections under the requirements of the RAD program and, in some circumstances, the requirements of the Uniform Relocation Assistance (URA), which protections may include advance written notice of any move, advisory services, payment(s) and other assistance as applicable to the situation. Any resident-initiated move from your development prior to when needed for the redevelopment, could put any future relocation payment(s) and assistance at risk and therefore you should not move from your current development until advised to do so by the authority and its developer partner.

WILL RAD AFFECT RESIDENT RIGHTS & PARTICIPATION?

Overall, your experience as a resident should not change very much, if at all, due to a RAD conversion. 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.

The RAD transaction will be completed consistent with fair housing and civil rights requirements. Residents with disabilities who have any reasonable accommodation requests during the relocation process are to submit them to your Property Manager.

WILL THERE BE ADDITIONAL PEOPLE AROUND YOUR SITE?

The approval to proceed that Cumberland Housing received for Fort Cumberland Homes and John F. Kennedy Homes allows us to begin the design and planning for the major improvements to be made to these two developments. You will soon begin seeing inspectors, architects, contractors, etc. wandering around the developments working on the design process. Please be courteous to these individuals and assist however you might be needed. Whenever access is needed to any units, you will be notified ahead of time of the date of the proposed entry.

HOW SOON WILL I HAVE TO MOVE OR THE WORK WILL BEGIN?

The planning, design and acquiring the financing to perform the improvements will take up to a year. The improvements themselves are estimated to take an additional year. Therefore, we do not expect either action to begin until late 2017 or early 2018.

SO WHAT DOES ALL THIS DO FOR ME?

The finished product will provide you and your family with a modern, enhanced and attractive housing unit in which to live. It will also provide enhancements to the overall development site and the services provided.

WHO CAN I CONTACT WITH QUESTIONS?

Questions can be addressed to your Property Manager. However, at this time they only know what we have addressed in this document. There is no further factual information known by our agency in which to share with you at this time. We will keep you informed of any information relating to you and your development when we have some. This will be a long process and many pieces of information will not be known for several months.

RESIDENT MEETINGS

The following meetings have been scheduled where the contents of this notice will be discussed and tenants will have the opportunity to ask questions, express their concerns and receive any additional information available. Refreshments will be provided at each meeting!

**John F. Kennedy Homes
Community Room**

**Tuesday, February 14th at 11:00 a.m.
Wednesday, February 15th at 4:00 p.m.**

**Fort Cumberland Homes
Apt. 10A**

**Thursday, February 16th at 11:00 a.m.
Thursday, February 16th at 6:00 p.m.**