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## **General RAD Information**

*Q: What is the RAD program and how long has it been around?*

A: The Rental Assistance Demonstration (RAD) program was created by the Department of Housing and Urban Development (HUD) to allow public housing authorities to leverage public and private debt and equity in order to reinvest in the public housing stock. RAD essentially converts public housing units to Section 8 project based vouchers so housing authorities can apply for private loans and tax credits to do major renovations to its public housing units.

Congress authorized RAD in the Consolidated and Further Continuing Appropriations Act of 2012. Initially, the number of units permitted to convert under RAD was 60,000 units but it has been increased several times and is now capped at 455,000 units. To date approximately 94,000 units of public housing have been successfully converted through RAD.

## **BHA's Renovation Plan and Timeline**

*Q: Has the BHA already been accepted into the RAD program by HUD?*

A: The BHA first submitted a letter of interest in March 2018 and was added to the RAD waitlist. In July, the BHA was invited to submit a preliminary formal application due in September. HUD is expected to take approximately 60 days after that to review the application.

*Q: Is the BHA planning to convert all the units to RAD?*

A: Yes, the BHA currently has 312 units of public housing and is seeking to convert all 312 units to the Section 8 platform through RAD.

*Q: Are the improvements needed beyond general maintenance?*

A: Yes, the improvements needed to the BHA's public housing stock are extensive. It is estimated the BHA would need between \$12,000,000 and \$20,000,000 to complete the necessary renovations. Some of the public housing buildings have not been majorly renovated in over 50 years. Currently, the BHA renovates one building per year. At this pace it would take 20-25 years to modernize the untouched units and complete site upgrades.

*Q: How will the BHA determine which units need renovated?*

A: There are currently more than 20 building that have never been renovated and require modernizing. Beyond that, the BHA will be working with a consulting team to determine a renovation plan.

*Q: What specific renovations are needed?*

A: Major renovations would include completely new interiors in some units. Other renovations could include energy upgrades, utility work, roofing, etc.

*Q: Which communities would require major renovations?*

A: Most of the unrenovated buildings are in the Crestmont community along 12<sup>th</sup> Street, 13<sup>th</sup> Street, Illinois Street and Lindbergh Drive.

*Q: Is the BHA planning to add any additional affordable housing units?*

A: The BHA is exploring all avenues to increase the number of affordable housing units in Bloomington.

*Q: How does the BHA know the new non-profit will not change the agreement after the properties are transferred?*

A: The BHA's new non-profit, Summit Hill Community Development Corporation, was created to assist the BHA with the RAD conversion. Summit Hill CDC is wholly controlled by the BHA as the Board of Directors for Summit Hill CDC are the same as the Board of Commissioners of the BHA. The transfer of the properties is merely an organizational strategy and should have very little impact on the residents.

## **Relocation**

*Q: What percentage of the 312 public housing units are occupied? If occupancy is so high, where will the BHA relocate residents if their unit needs major renovations?*

A: The public housing program is usually at or above 97% occupancy. We are currently exploring several relocation options. The BHA may need to temporarily stop leasing units to new applicants to allow vacancies for current resident relocation.

*Q: Will the BHA cover the cost of movers if relocation is necessary? Who's responsible for packing up the resident items for relocation?*

A: Yes, the BHA will cover the cost of some moving supplies (such as boxes) and will hire a moving company to load up a resident's boxes and furniture and unload them at the new unit if relocation is necessary. Typically the residents packs their items into boxes and the hired movers will handle the rest.

*Q: If a resident is relocated, can they stay in the unit they relocate to?*

A: While resident's have the right to return to their original project, it may be possible for a resident to remain in their relocated unit. The BHA will communicate further with residents once a relocation plan has been finalized.

### **Rent and Other Payments**

*Q: Under RAD will rent still be calculated as 30% AMI?*

A: Yes, rent calculations will remain the same under RAD. There may be slight increases to flat rents.

*Q: How much will flat rents increase under RAD?*

A: The BHA will work with all residents operating under a flat rent model that may see an increase. The increase will be phased in incrementally over a period of a few years.

*Q: Will late notices be handled the same way after RAD?*

A: Post-RAD policies have not yet been determined but the BHA expects most processes to stay the same as public housing policies including late notices. Residents will still have the same resident protections for evictions and grievances.

*Q: Will repayment agreements still be handled the same way?*

A: The BHA expects to handle repayment agreements in the same manner as it is right now for public housing residents.

*Q: Will residents make their checks out to the new non-profit? When will that process start?*

A: Yes, but not yet. After the RAD conversion is finalized, residents will begin making their rent payments out to Summit Hill CDC. Residents will be notified well in advance of this change. The process will likely still be many months or even a year away.

### **Utilities**

*Q: Will residents have to pay their own utilities?*

A: It is the BHA's goal to handle the utilities the same way as they are now under the public housing model. The BHA realizes utilities are a major concern for many residents and affordable utilities are key to housing stability. The BHA intends to advocate for rent and utility bundling on behalf of the residents.

*Q: If utilities are no longer included in the rent, how will they work?*

A: The Section 8 program offers utility assistance payments as part of the rent calculations. The allowance can be used to offset any utility costs a resident would have to pay directly to a utility company. If possible, the BHA intends to continue including utilities as a part of the rent payment.

*Q: Will there still be an excess utility charge?*

A: There will likely still be an excess utility charge for A/C units, washers and dryers, deep freezers, etc.

*Q: Can the BHA provide utility estimates to residents if utilities are no longer bundled in the rent?*

A: The BHA will provide utility estimates if possible.

*Q: Will residents be required to pay a utility deposit to each utility company?*

A: The BHA will work with residents and utility companies to avoid utility deposits if possible.

*Q: Will residents be able to pay utilities on a budget plan (flat monthly payments with a catch-up payment at the end of the year)?*

A: The BHA is still early in the planning process so no utility decisions have been made. The BHA will explore every potential utility option for residents.

*Q: Will residents be notified when a decision has been made regarding utilities?*

A: Yes, the BHA will be communicating regularly with residents on all RAD-related information. Look for notices of resident meetings, letters in the mail and articles in the monthly Banner.

*Q: Does the BHA expect major utility changes as part of the renovation?*

A: The BHA currently owns all or part of the gas, electric and water lines. Ideally, the BHA would return ownership of these lines back to the utility companies. Some utility upgrades to these lines may be needed during the renovation period.

*Q: Has the BHA considered alternate sources of energy such as solar panels or windmills?*

A: Yes, the BHA is considering all forms of alternate energy and energy conservation.

## **Post RAD Policies and the Housing Choice Voucher (Section 8) Program**

*Q: Will the transition from public housing to Section 8 overwhelm the Section 8 program? Will there be enough vouchers for everyone?*

A: All public housing residents in good standing at the time of conversion will continue to be housed in the Crestmont, Reverend Butler and Walnut Woods communities with a voucher tied to the unit. These project based vouchers are additional vouchers given to the BHA specifically for RAD units so there will be enough vouchers for every unit.

*Q: Will the application process for new Section 8 clients change?*

A: The Section 8 application process will likely not change as a result of RAD.

*Q: Will residents be the first to get Section 8 vouchers? How soon will residents get vouchers?*

A: Once the property has converted, residents will have a new “choice mobility” option, which will allow residents to request a Housing Choice Voucher that the household can use to select a rental unit in the private market. When residents make a request, subject to some constraints, the PHA will offer you the next available voucher. To qualify for choice mobility, residents must first live in a RAD unit for a period of 12 or 24 months as determined by the BHA.

*Q: Are all Section 8 vouchers for the same amount?*

A: Section 8 vouchers are based on a percentage of income and household size similar to the public housing program.

*Q: Will the units have the same inspection criteria under the Section 8 program?*

A: The Section 8 program follows Housing Quality Standards (HQS) inspection criteria. So, while the criteria is slightly different than the public housing program, the units will still be inspected regularly and held to a quality standard.

*Q: If a resident wants to participate in Choice Mobility and move, what locations are available?*

A: If eligible, a resident may receive a Section 8 voucher and move anywhere in the U.S. that will accept that voucher. Residents can search the local Bloomington market or take their voucher to another city or state.

*Q: Will the public housing resident records still be kept after conversion (record of good payment history, etc.)?*

A: Yes, the BHA will retain all public housing records and can advise on past tenancy as needed.

*Q: Will there be any paperwork that will have to be filled out after conversion? Specifically, will residents be required to sign a new lease?*

A: Yes, residents will have to sign a new lease at some point. The BHA property management staff will communicate that process and timeline to residents.

*Q: Will residents be able to review the new lease in advance?*

A: Yes, the lease will be available in advance.

*Q: Will the no smoking policy still be in effect after the RAD conversion?*

A: The BHA will have some policy flexibility after the RAD conversion. Residents will be notified in advance of all policy changes.

## **Resident Participation**

*Q: What websites should residents visit if they want more information on RAD?*

A: Residents can look at the BHA website (RAD tab coming soon) or at the HUD RAD resident webpage:

[www.bhaindiana.net](http://www.bhaindiana.net)

<https://www.hud.gov/RAD/residents>

*Q: How can residents advocate for themselves during this process? How can residents provide input during the renovation process? How can residents get involved?*

A: Residents are encouraged to communicate and advocate during the whole RAD process. Here are some options available to get involved:

1. Watch for BHA RAD resident notices in the mail and in the Banner;
2. Attend RAD resident meetings- we will be having several resident meetings during the RAD process;
3. Research RAD through the information on the HUD and/or BHA websites;
4. Look for Section 3 resident job opportunities (<http://www.bhaindiana.net/about-bha/#careers>);
5. Call, email, or write the BHA letters letting us know your wishes and concerns. We want to hear from you!

**Contact Information**

If you have additional questions regarding the RAD process please contact us.

RAD Hotline: 812-339-3491 Extension 126

You can email us by going to our website and clicking the Contact Us link:

<http://www.bhaindiana.net/contact-us/>