



Rental Assistance  
Demonstration (RAD)  
Office of Recapitalization



# \$15 BILLION INVESTED IN RAD-CONVERTED PUBLIC HOUSING



## REACHING ANOTHER BIG MILESTONE

As of October 2022, Public Housing Agencies (PHAs) and their partners have now used RAD to generate over \$15 billion for construction investments to improve and replace public housing properties. Over 185,000 homes have been preserved so they remain affordable to low-income families, the elderly, and persons with disabilities for generations to come. In the last couple of years, we have seen the conversions having a greater impact than ever, with a per home investment of \$144,000. Meanwhile, PHAs continue to use RAD to replace deep rental assistance in neighborhoods of opportunity.

Read on as we celebrate what PHAs, their partners, and residents have been able to accomplish through RAD.



## PROTECTING TENANTS' RIGHTS

### Long-term Preservation

In addition to dealing with any deferred maintenance and setting the properties on a sustainable physical and financial trajectory, RAD requires the long-term rental assistance contract to be renewed at each expiration. Also, the land is restricted to be used only for affordable housing and related uses and must continue to be controlled by a public or non-profit steward.

"The housing in this RAD development has really encouraged everybody – it gave the people something to be proud to live in. They take care of it better and we pull together as a community."

– Wanda C., Brenham, TX



### Right of Return

Residents have a right of return. Although they sometimes choose another affordable housing option, over 90% of public housing residents remained in or returned to their properties following a RAD conversion.

"People react when you say you're going to demolish their homes and build new buildings. I was concerned about returning; everyone was, you know, concerned about the vouchers. But we did our research, and in the meetings they laid it out for us [...] and here we are."

– Katherine S., Ventura, CA



### Resident Engagement

Residents are empowered to make their voices heard through multiple meetings before a PHA submits its plan to HUD. HUD has produced fact sheets, a video, and other materials to help residents understand their rights.

"I started going to the meetings, and I said, 'You know, this does sound great, maybe it will come to pass.' And then when they started the work, I said '...this is really true!'"

– Rita J., Far Rockaway, NY



### One-for-One

Over 99% of the units at projects included in RAD conversion transactions have been replaced under long-term rental assistance contracts.

"A big part of being successful in Bohn Tower was that everyone came together and expressed their thoughts, and our managers and our directors were always accessible to any and all questions we had," Mr. Williams stated. "And once we walked into those new apartments and saw what had transpired, people were like, 'Wow, this is nice!'"

– Taller W., Cleveland, OH



To see more photo essays documenting the resident experience in RAD, please see <https://www.hud.gov/RAD/news/photoessays>.

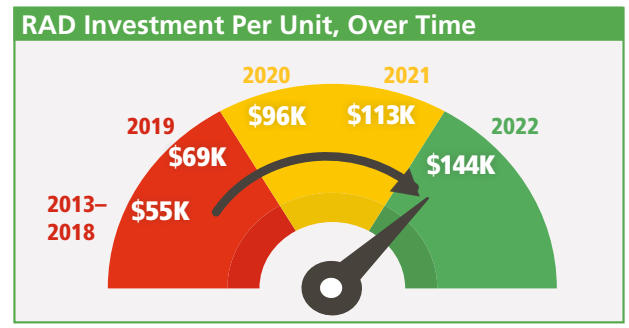


# INVESTING IN COMMUNITIES

Each year, PHAs have amplified the level of rehabilitation or redevelopment they've done per home. In RAD's first five years, PHAs invested, on average, \$55,000 per home. Recent data shows PHAs going much deeper in their rehab work, spending on average \$144,000 per home. The reason? The resources they can access using the RAD-Section 18 blends, a tool created in 2018 and enhanced in 2020.

Blending the use of RAD and Section 18 leverages the best of both programs: PHAs can generate greater financing for needed repairs or to entirely replace properties while ensuring that the assets remain affordable and under public stewardship for the long-term. And all households benefit from the robust resident protections provided through RAD.

Blending RAD and Section 18 allows PHAs to modernize properties with greater capital needs, giving these properties new life and preserving them for the long term. Overall, 62 PHAs have used blended transactions to finance \$6 billion in construction at 30,647 public housing units across 142 properties.



## Before and After RAD Construction



Photos from New York City Housing Authority (NYCHA)



# MOVING AFFORDABLE HOUSING TO BETTER NEIGHBORHOODS

RAD provides a unique opportunity to transfer housing subsidy to neighborhoods that expand opportunities for low-income families. With this tool, known as a transfer of assistance, PHAs can replace public housing in impacted or isolated locations and place new project-based assistance contracts on homes in new neighborhoods, giving current and future residents access to better schools, jobs, infrastructure, and other local amenities.

Across 140 RAD "transfers of assistance," PHAs have placed 8,300 affordable housing units in better neighborhoods, with a poverty rate that is on average 24% lower than the poverty rate of the original sites. Approximately 63% of RAD TOA conversions also feature new construction, which means that residents can move into brand new, energy efficient units, with improved community facilities, access to broadband, and other amenities.

"This is the perfect area for me and my daughter... To be able to move into something brand new and to start over again, I'm just really happy."  
 — Monique, Fort Worth, TX

## CASE STUDY – PROMOTING RACIAL JUSTICE IN FORT WORTH TEXAS

Butler Place was built in the 1940s when public housing was routinely segregated. While generations of residents built a resilient and supportive community, the property was land-locked between three highways and eventually succumbed to age and deterioration.

Over the last few years, Fort Worth Housing Solutions used RAD to move the rental assistance from Butler Place to new Section 8 contracts at eleven new mixed-income communities across Fort Worth, deconcentrating poverty while furthering racial justice. Residents were able to select the properties and neighborhoods to which they would move.

The original Butler Place neighborhood had a poverty rate of nearly 80%. RAD enabled residents to access neighborhoods with poverty rates between 35 and 75 percentage points lower. Meanwhile, a community driven process is deciding the future use of the Butler Place land.

