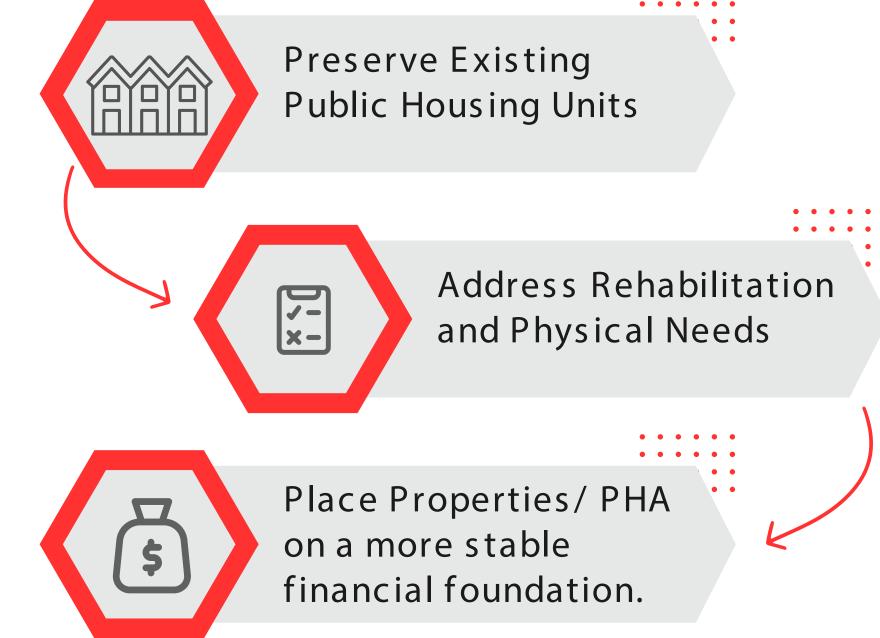




WHAT IS **REPOSITIONING?**

Repositioning moves families and units from the public housing program and funding platform to other forms of HUD rental assistance, such as the Housing Choice Voucher (HCV), Project-Based Vouchers (PBV), or Project-Based Rental Assistance (PBRA) funding platforms.



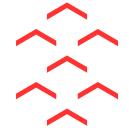


RENTAL ASSISTANCE DEMONSTRATION PROGRAM(RAD)

> **SECTION 22** STREAMLINED VOLUNTARY CONVERSION







SECTION 18 DEMOLITION AND DISPOSITION

SECTION 32 HOMEOWNERSHIP PROGRAM





RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM



Requires 1for 1 replacement of all converting units in a PBV or PBRA contract

Yr 1Rents =Op/ CFP; Year 2+ rents increase by OCAF



Current Operating and Capital Funds can be used pre- *and* postconversion

Best resident protections, including absolute no rescreening



RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM

Straight RAD

- Only uses existing operating and capital funds for conversion
- Best for no/ low rehabiltitation needs

RAD/ Section 18 Blend (Construction)

02

- Combines RAD and Section 18
- Some units convert under higher PBV/PBRA rent structure
- Best for moderate rehab to new construction

RAD/Section 18 Blend (Small PHAs)

03

- Combines RAD and Section 18
- 80% of units convert under higher PBV/PBRA rent structure
- with reserves



• Best for PHAs <250 units

Faircloth to RAD

- Build new units under Faircloth limit
- Convert automatically to RAD PBV/ PBRA contract



SECTION 18 DISPOSITION AND **DEMOLITION**

1for 1 replacement NOT required

All residents must be offered replacement affordable housing

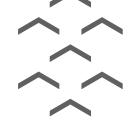
Requires a "justification"

Need a reason to demolish and/or dispose of public housing units

Conversion options

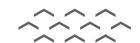
- Keep units under HCV/ PBV
- Sell units
- Demolish units





Must spend down funds

Or return Op/CFP, which cannot be spent on property post-conversion





SECTION 18 DISPOSITION AND DEMOLITION

PHA can project-base resulting tenant protection vouchers and does not require tenant permission (no PBRA conversions)

If retaining units, can project-base at payment standards (as long as reasonable) If selling property and/or units, can sell at Fair Market Value or below Fair Market Value (with long term use restriction)

Remaining tenants must qualify for HCV/ PBV program





SECTION 22 VOLUNTARY CONVERSION

Similar to Section 18 but automatic approvalto convert for PHAs with <= 250 units

If keeping property, must offer tenants ability to stay with a Tenant Protection Voucher(TPV)

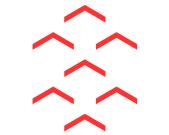
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PHA must get permission from tenants to project-base TPVs to units



Can result in higher payment standard rents (if reasonable) but also loss of subsidy if tenant ports

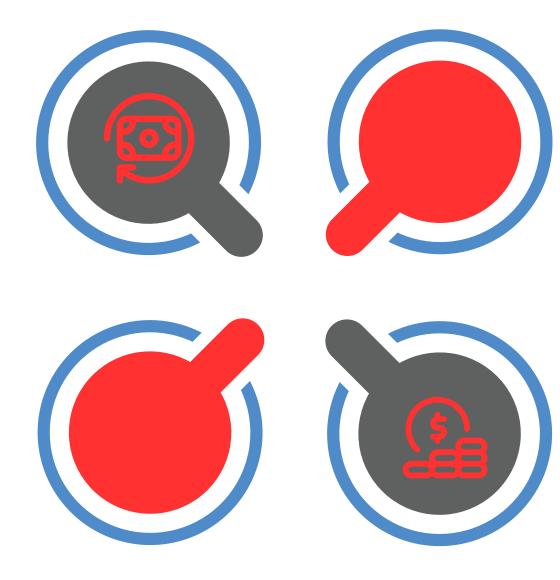


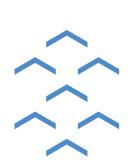


SECTION 32 HOMEOWNERSHIP

Method to SELL public housing properties to residents to result in homeownership (instead of a PBV/ PBRA contract)

Preference in purchasing is given to current residents and sales can be direct to buyers or through third party





Families purchasing homes must be 80% AMI or lower and take HUD Homeownership classes

Best for scattered sites that the PHA does not want to keep under a PBV/ PBRA contract





HOW TO CHOOS E



What is your end goal? Figure out WHERE you want to go, then review your options to get there.

2

Understand the PROS and CONS of your choices. Review revenue, responsibilities, and requirements.



Think STRATEGICALLY. Talk to others who have converted. Know your capacity.



Conversion is NOT for everyone. Some PHAs are better off as public housing.









DON'T FORGET...

