

NOTES FROM RESIDENT MEETINGS

RAD (Rental Assistant Demonstration)

ROUND ONE

Samuel Elliot Apartments: June 20, 2018

Hayes Court: June 20, 2018

Moore Court: June 28, 2018

Ledgewood Heights: June 28, 2018

This first set of meetings was intended to be a general introduction to this very important HUD program. There will be more meetings as we move forward. The attached questions and answers reflect the concerns that residents voiced at these first meetings. They are not meant to answer every concern. As we move forward there will be more information available which we will continue to share with you. And remember, as with all HUD programs, there are many requirements, rules and regulations that go with the programs. They must all be followed so while these answers may seem simple, each one has more behind it as we move forward.

GENERAL INFORMATION

What is RAD? The Rental Assistance Demonstration program has two major components: 1) It moves your rent subsidy from the public housing program to the project based Section 8 program, and 2) It gives housing authorities access to capital by owning the buildings without HUD on the deeds.

How can we help BHP with the application for this program? You are doing it! By attending meetings, asking questions, etc. Your input will help us and will also make the application stronger.

HISTORY/ADMINISTRATION/TIMING

Is this a Trump policy? Was it started by Ben Carson? (2) No, this is a HUD program that was started 4 years ago under the Obama Administration.

How long will it take to apply? (2) HUD will put out a call for applications and then we will have to respond within a certain time – usually 60 days. We want to be ready so we can send in the application right away because there are not many units for the entire country that will be accepted into the program. (see change in notes from second round of meetings)

How long will it take to make this change? Anywhere from 12-24 months to implement it. If at any point during that time we decide that this would not be a good move for our residents or BHP we can stop the application process.

What will we lose in leaving PH? There will be no requirement to have a resident association and you would lose the association funding from HUD. (see change in notes from second round of meetings)

The word “demonstration” throws me off – does this mean it may be cancelled? When this was started 4 years ago it was a demonstration. Last year they expanded the program and made it more permanent. It is still called demonstration but will be around for the foreseeable future.

THE PROPERTIES

What does it mean that HUD is currently the owner of our buildings? Since we are not the owners, we can't use them as capital to borrow against, mortgage, etc in order to get money to do improvements.

What can be done to the buildings under RAD that can't be done under PH? Currently we get limited capital funds to use for needed capital repairs. (In our most recent inspection we got a 95 out of 100 – this speaks well of our maintenance and how we use our capital funds). Under RAD we could borrow money to do even more improvements.

What capital improvements do you plan to do?(3) Our plan is to first move the properties into this program. We will then review our Capital Needs Assessment and decide on improvements, including an energy retrofit, and a time line for implementation.

Would I have to move?(2) You would not have to move because of this program. If we are going to do major renovations on your building you might have to be temporarily relocated.

Will the SEA window project be done and will we get windows that accept the old ACs we've had? This will depend on the timing of our RAD applications, Capital Needs Assessment, and meeting Vermont building and fire codes.

Under RAD could we save Melrose? No, it is in the mapped flood hazard area and will not be part of our RAD application. At this point, the plan is to tear down 11 buildings. Hopefully we can then save 5 of the buildings

Could you build another facility? Yes, in the future we will be able to work with developers and finance entities to build to help meet the needs of our community.

Would we have to relocate from here if this property was deemed obsolete (HC)? This will be determined in our Capital Needs Assessment. It will help us determine the best approach to HC. It may end up being more cost efficient to rebuild than try to make these buildings fit current building standards. This work is probably 2-5 years away from starting.

Do you know where people would be moved to if this site (HC) needed relocation? No, we would definitely look in the community and our properties for temporary relocation.

If we rebuilt here (HC) would it be a high rise? We would not want to build another high rise. Something more along the lines of RCC – 3 or 4 story building.

RENT

How will this affect my rent?(6) The conversion to RAD will not affect your rent. It will still be calculated as 30% of your adjusted gross income.

If I am currently paying flat rent how will I be affected? There will no longer be a flat rent option – you will pay 30% of your gross adjusted income. This will be phased in to make it easier for you. Medical expenses will still be allowed for deductions.

Would I be considered over income for the project based voucher? Your income does not necessarily make you ineligible for the voucher but your rental share will be 30% of your income even if you are currently paying flat rent.

If we are no longer public housing, how will this affect the way the rent is paid – will it be more like Section 8? The subsidy will no longer be a public housing subsidy but will be a Section 8 project based voucher. Rent for you is still 30% of your income. Unlike a Section 8 housing choice voucher, the project based voucher is attached to a particular development.

How long can I have the project based voucher?(3) You can keep the project based voucher indefinitely. As part of the RAD program, after a year the project based voucher can be transitioned into a tenant based housing choice voucher (tenant based voucher) in the Section 8 program. It means that you can take that voucher and move anywhere you would like (of course there are still rules you would need to follow) and rent from a private landlord.

How will I get the tenant based voucher?(4) After a year with your project based voucher you could make a request for a tenant based voucher from BHP. If there is one available it would go to you. If there is not one available at the time, you could remain in your apartment with your project based voucher and when a tenant based voucher becomes available you will be notified that it is available for you.

If I took a tenant based voucher, how would it affect my rent? It would be between 30% and 40% of your adjusted gross income. After a year it could increase.

What would I do if I take the tenant based voucher and then my rent goes up? You would have the choice of paying your new rental share or moving to a more affordable apartment.

What is the real difference between a public housing subsidy, a project based voucher and a tenant based voucher? The public housing subsidy and the project based voucher use 30% of adjusted gross income as the basis for the rent you pay. Public housing subsidy and project based vouchers are both attached to the particular apartment/development so from the resident's point of view there is not much difference. The tenant based voucher also uses a percentage of your income to determine rent but there is more flexibility. In addition, it is assigned to the resident and can be used anywhere where there is an affordable apartment – private or public.

Do you need a voucher to move from SEA to RCC? No, RCC is a project based voucher facility but the subsidy is from another source so you would need to apply for that property independently.

HELPFUL WEBSITE

www.hud.gov/rad

The minutes from the first round were delivered to all PH residents on July 5 with notices of the second round of meetings.

ROUND TWO

Samuel Elliot Apartments: July 11 – 10:00. Community Room

Hayes Court: July 11 – 11:30, Community Room

Moore Court: July 11 – 2:00, Community Room

Ledgewood Heights: July 11 – 3:30, Community Room (staff waited until 4:00, no one showed)

This second round of meetings was intended to provide additional information, make clarifications that arose as a result of the minutes of the first round of meetings, and to make sure that those who couldn't attend the first round had the opportunity to have their concerns addressed.

These minutes reflect questions that arose and updated information since the first round. Some may be duplicative of the first set of minutes but to accurately reflect the meetings they have been repeated here.

GENERAL

What will this administration do to Section 8 vouchers? We don't know but HUD has been moving away from public housing and toward Section 8 project based and tenant based vouchers.

What is HAIG? Housing Authority Insurance Group: an insurance group that is helping housing authorities with RAD issues.

Why do HUD rules seem to not work here? For the most part HUD rules are written for much bigger housing authorities and communities. With RAD we will have more flexibility to meet our own needs.

Will we as residents have to do any paper work? We will send in our application in August. Once we are accepted there may be paper work for residents.

Is the new addition at RCC continuing? Will RAD affect it? We are continuing with our plan to add 20 new units. RAD will not have any impact on this.

How will it affect the resident associations? Under RAD there is no longer a requirement to have a resident association and no requirement for BHP to be involved. But the associations will continue to receive the HUD money. At the last meeting we reported that there would be no more HUD money but since then have discovered it will continue.

Will there be a community service requirements? No

HISTORY/ADMINISTRATION/TIMING

When will we apply for RAD? At the last meeting we reported that HUD would announce when applications can be submitted and then there would be a 60 day time to apply. Since then HUD has made that announcement and we are now in the process of applying. The applications are due by Sept.

What is the timing after the application is submitted? We are not entirely sure of how long it will take to find out if we are approved. If we are approved it will take between 12-24 months to change the properties from public housing to project based vouchers.

Will the process of applying and implementing be a roller coaster like the last project (HC)? During the HC project in 2010/11 we continued to keep residents informed of progress. It became disruptive as a result of Tropical Storm Irene. With this project we will again send out a notice when we hear back from HUD and will keep residents in the loop during the process if we are accepted.

If you aren't accepted for RAD, what will you do? We will stay in public housing. There is no guarantee that we will be accepted. Because we have no big developments we are low on the priority list.

THE PROPERTIES

When will we know what improvements will be made? After a Capital Needs Assessment and Energy Capital Needs Assessment are done on all the buildings there will be a plan and timeline to implement the needed changes. We are hoping to have this report back by January 2019. We will keep everyone informed as we go through the process of repairs and improvements.

Will we be able to have central AC (SEA)? We don't know. We have done many studies over the years and contrary to what many folks think, doing major conversions of any kind at SEA will not be easy.

What kind of energy improvements might be made and how will it be easier under RAD?

Currently if energy improvements are made and savings result, the savings go back to HUD – they do not stay here. Under RAD the savings would stay with BHP and could be put back into other improvements so there is a lot of incentive to do those improvements.

Where will the improvements be made, at which properties? We won't really know until the assessments are done but the properties that are in the best shape now are SEA and Ledgewood. But under RAD we will have more control of which repairs should happen and when.

When will the money come for maintaining the buildings (MC)? The doors and windows need to be replaced. There are capital funds available this year for some repairs but major renovations will be part of the RAD application and implementation.

Although the security cameras may be helpful, there are many things that need to be done and could be done with the money being spent on the security cameras. Why are we doing them now (MC)? They are important for both the safety of residents and for maintaining the properties. They are being paid for by a separate safety and security grant so the money wouldn't be available for other uses.

Will the buildings be taken down (HC)? We don't know that yet until the Capital Needs Assessment is completed. It could be that HC will be one building or something else. At this point we cannot say and any changes are not in the near future. At one point BHP bought some additional land at HC to put up a building but it is in the flood way and cannot be built on.

When will the community room building come down(HC)? Again we don't know yet – at this point we have no plans to take it down. The Capital Needs Assessment will give us better information.

Could we ask for specific changes? Could we ask for laundry in every building (HC)? This depends on what the CNA shows.

RENT

Will we be automatically signed up for the project based voucher? Yes, there will no longer be a public housing subsidy, all subsidies will be converted to project based vouchers.

What does it mean that RAD will move to Section 8? Currently the subsidies are public housing (PH) subsidies. Under RAD there will be no more PH but instead all of the subsidies will be project based. With this change residents will see very little difference. The major difference is that under RAD, after a year of living with the project based voucher you can apply for a tenant based voucher and if there is one available you will receive it and use it to move anywhere. If there is not one available at the time, you will be first on the wait list and will be notified when one is available.

Would BHP have the power to say that any of can or cannot get a tenant based voucher? You must be a tenant in good standing, meaning you must be compliant with your lease.

If we had a tenant based voucher would we have to leave here (SEA)? Yes because SEA is a project based voucher building. But you do not have to apply for the tenant based voucher.

If I had the tenant based voucher would I have to look for an apartment? Yes, you would have 60 days to find something, and could get an extension if needed.

Would the apartment have to be in this community? No, with a tenant based voucher you can move anywhere in the country – it is called portability. If this was your wish we would work with you to help you through issues like differences in rents in different parts of the country, etc.

With a tenant based voucher do you pay for your own electricity? Under RAD with the project based voucher there would be no extra utility costs. With the tenant based voucher there may be a utility charge. You would be living in the community and subject to the private landlord requirements.

Is there a website to go to that might list housing authorities around the country? Yes, most housing authorities have websites.

How does a project based voucher affect my rent? It will remain the same as it is under public housing – 30% of adjusted gross income.

What if I am currently paying flat rent? All project based vouchers are at the 30%, there will no longer be flat rent. For those currently paying flat rent there will be a phase in to the 30%.

I've heard that public housing rents may go up to 35%. Is that true? There is some thought that it may but, being part of RAD with project based or tenant based vouchers, should protect you.