

Rental Assistance Demonstration (RAD) Resident Meeting – Elvans Road

Monday, September 14, 2020

Summer/Fall 2020

Our Mission

What we strive to do everyday



To preserve, manage, and develop **quality affordable housing** to **extremely low-** through **moderate-income** households, foster sustainable communities, and cultivate human capital opportunities for residents to improve their lives

Today's Agenda

- Introduction of DCHA Staff
- Why RAD? & RAD Facts
- MELVO RAD Project
 - Montana Terrace
 - Elvans Road
 - Lincoln Road
 - The Villager
 - Ontario Road
- Relocation Process Overview
- Office of Resident Services
- Resident Engagement
- COVID-19 Considerations
- Next Steps

WHY...apply for HUD's RAD program?

1. The federal government does not provide enough funding to make the improvements that residents of public housing deserve.
2. RAD is an option to obtain more sustainable funding choices for Public Housing Authorities and improve the public housing properties by converting to a project-based Section 8 contract and funding stream rather than Section 9.

DCHA Capital Needs
(2019, est.)
\$2.5 Billion



WHY...apply for HUD's RAD program?

RAD is a HUD program that allows DCHA to:

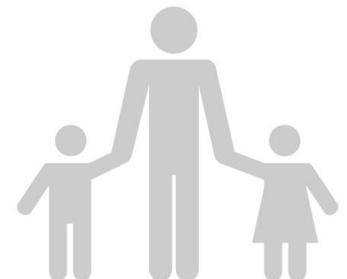
- **Fund major building improvements (20-year viability)**
- **Stabilize federal funding for the future**

WITH...

- **No Resident Displacement**
- **No Loss of Housing Benefits**
- **No Change in Rent Calculation (30% of income)***

*Unless someone is paying flat or ceiling rent

*Additional HUD guidance [here](#)



RAD Facts

- RAD stands for “**Rental Assistance Demonstration**”
- HUD crafted this federal program as a response to fill the growing gap between decreasing federal funding and increasing capital needs of public housing units.
- Because federal funding is often not enough to provide for the high upkeep costs of existing properties, RAD allows a Public Housing Authority (“**PHA**”) to move away from the federal Annual Contributions Contract (“**ACC**”) to Section 8 HCVP assistance.
- This makes it possible to obtain funding from private/alternative sources to improve the capital needs of buildings.



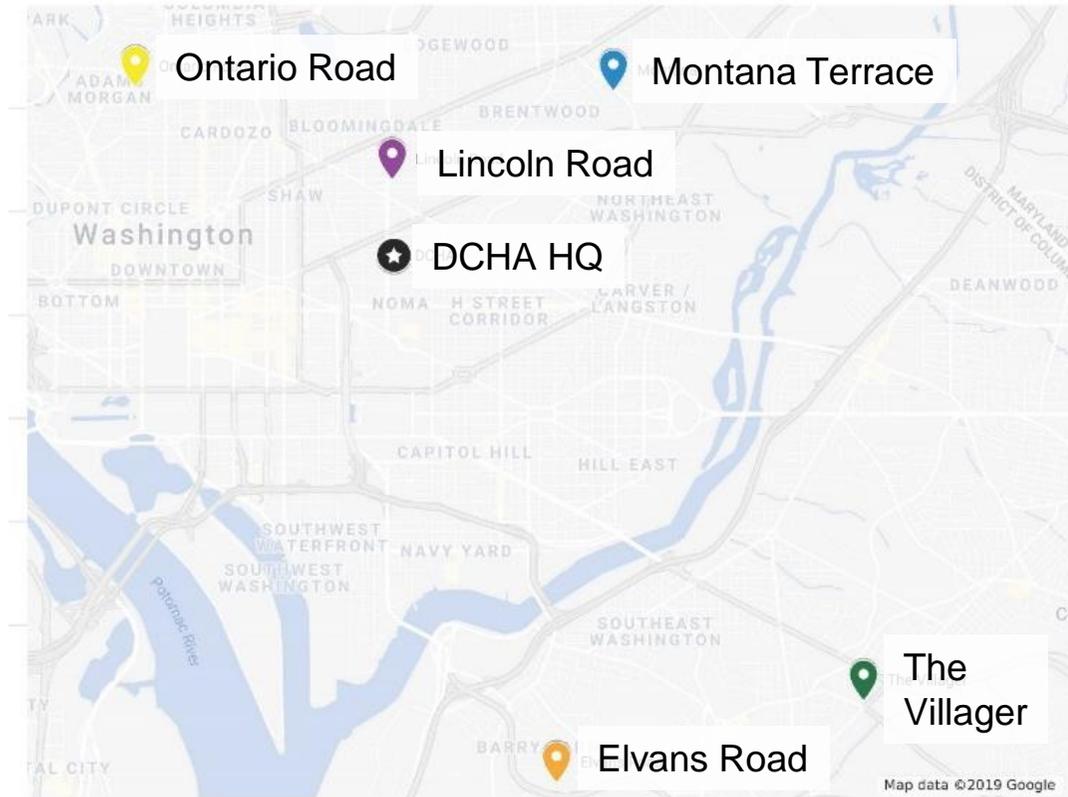
HOW.....does RAD work?

- ❖ **RAD allows the public housing authority to work with partners who want to invest in building improvements**

- ❖ **This could give DCHA the opportunity to:**
 - Borrow money for the improvements
 - Seek bond issuance for the improvements
 - Work with philanthropic partners
 - Take on development partners or investors



MELVO Project Info



Montana



Elvans



The Villager



Lincoln



Ontario

MELVO Project Info

Number of Bedrooms	Montana	Elvans	Lincoln	Villager	Ontario	Total Units
0	0	0	0	0	0	0
1	0	0	6	6	6	18
2	15	0	13	14	6	48
3	27	14	0	0	1	42
4	22	5	0	0	0	27
5	0	1	0	0	0	1
TOTAL UNITS	64	20	19	20	13	136



Montana



Elvans



Villager



Lincoln



Ontario

MELVO Completed Milestones

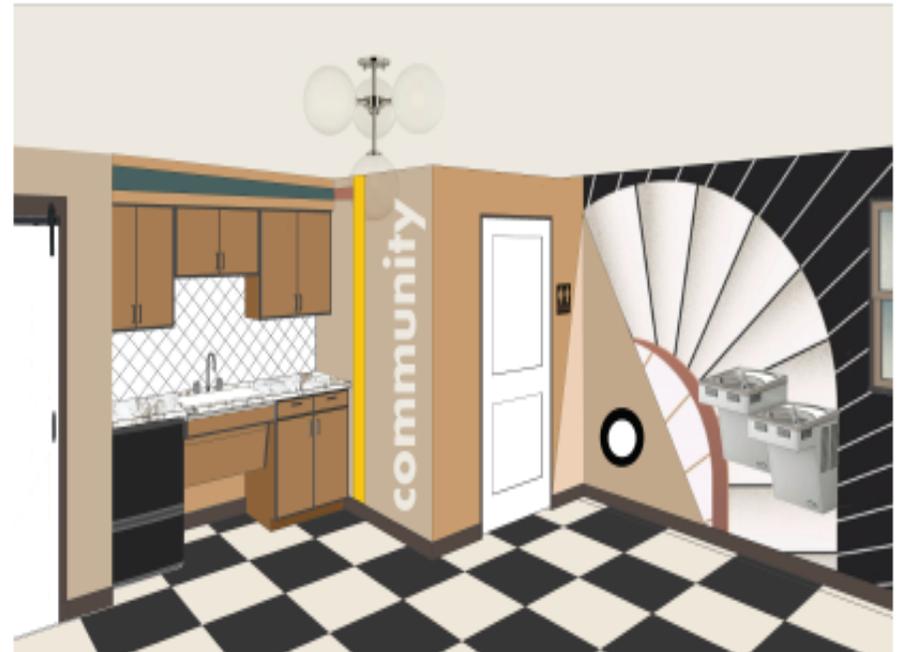
- Resident meetings in 2015 and 2018
- Board approval in 2019 (Resolution 19-10)
- Received CHAP from HUD
- Completed capital needs assessment in 2019
- Produced architectural plans
- General contractor solicitation underway
- Developed cost estimates → informed project structure and financing approach

Elvans Road Scope of Improvements





KITCHEN PERSPECTIVE ①



COMMUNITY ROOM PERSPECTIVE - KITCHENETTE

Scope of Improvements

Interior Improvements	Exterior Improvements
<ul style="list-style-type: none">• New kitchens• New bathrooms• Community room remodel• Wall repair• Painting• New LED lighting• New flooring• New HVAC systems• New hot water heaters• Cleaning of air ducts	<ul style="list-style-type: none">• Improved landscaping• Additional site lighting• Façade cleaning• New roofs• New windows

MELVO Proposed Funding

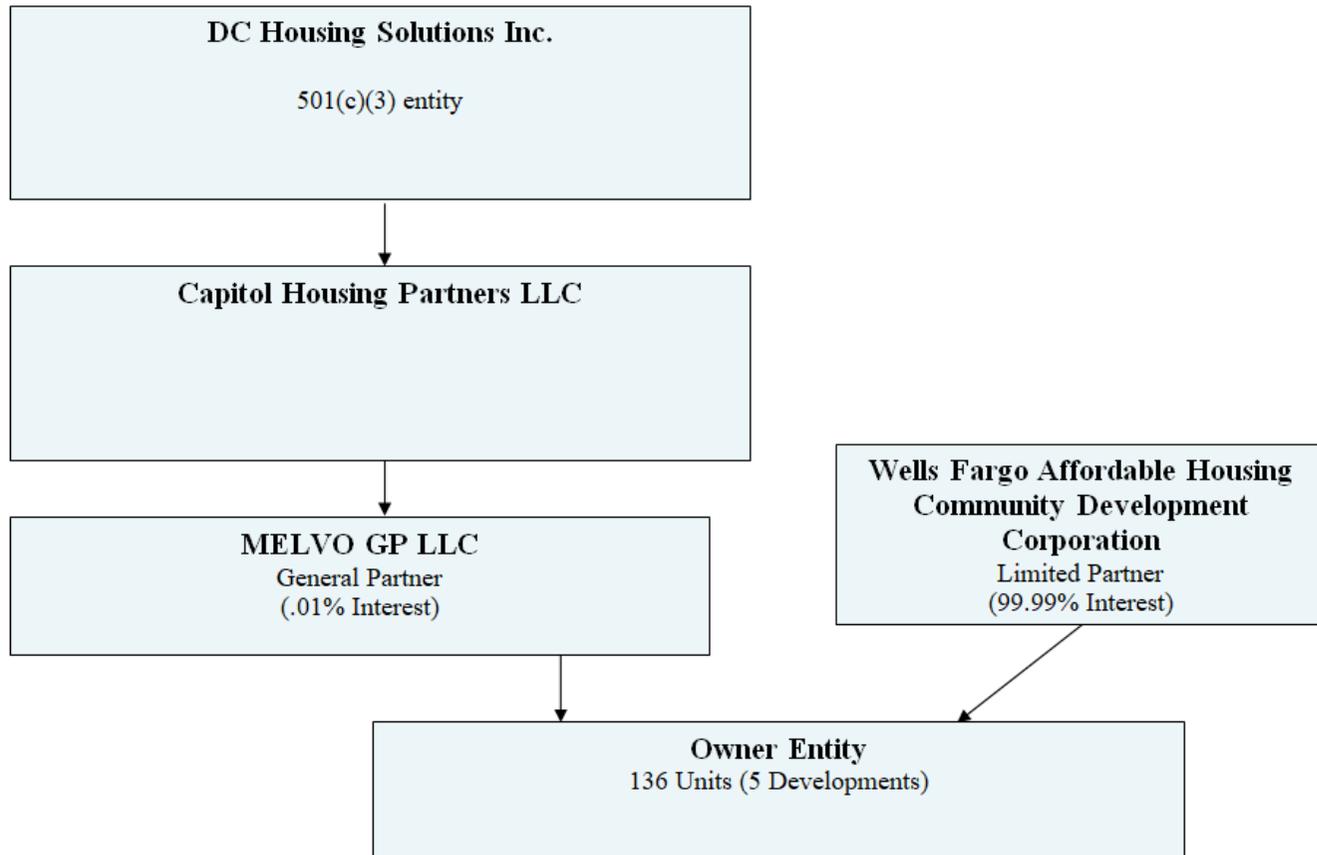
- 4% Low Income Housing Tax Credits
 - Finance improvements to stabilize the property for long term viability
 - Tax credit investor would be 99.9% owner (economic interest) until 15 yr. compliance period is reached. This is required in order to obtain IRS tax credits. DCHA will seek to acquire the property at the end of the initial 15 year compliance period.
 - Note: District (DHCD) requires an additional 15 year extended tax credit compliance period
 - Note: the RAD Use Agreement is recorded on the property

MELVO Proposed Funding

- RAD/Section 18 Blend
 - HUD-approved tool that generates additional sources of revenue for projects (HUD RAD guidance in PIH Notice 2019- 23 and PIH Notice 2019-09)
 - 25 percent of the units would be converted under a Section 18 disposition
 - Per HUD RAD requirements, the inclusion of a Section 18 disposition **does not diminish residents' rights described in the Resident Information Notice (RIN) and will not affect residents differently compared to a conventional RAD conversion** without a Section 18 disposition.

MELVO Proposed Transaction Structure

- Self development through a special purpose entity



Project Timeline

- **Today: September resident meetings**
- Financing Plan submitted to HUD + Additional resident meetings – Q4 2020
- Project closing + notice to residents – estimated Q4 2020 or Q1 2021
- Construction begins – estimated Q1 2021
- Overall completion – 18 months
 - Construction to be phased (building by building)
 - Short-term relocation will be needed

WHAT...are my rights as a resident?

- ❖ **Guaranteed right-to-return**
- ❖ **No-rescreening**
- ❖ **Full relocation assistance if you need to move temporarily during construction**
- ❖ **Resident Councils funded in same way**
- ❖ **Resident rent based on 30% of adjusted income***

* *with the exception of units subject to floor or ceiling rents*



Relocation

- Relocation plans currently being developed
 - Options as determined by DCHA:
 - Vacant units within MELVO
 - Other DCHA properties
 - Hotels (*at the discretion of DCHA*)
 - No traditional housing choice vouchers
 - Duration
 - Families relocated together
- DCHA will provide relocation updates as the project advances & will work closely with residents

Relocation Process

✓ After renovation schedules are finalized and impacted residents have been informed, DCHA's Relocation Team completes relocation surveys to assess special needs and circumstances.

✓ DCHA's Relocation Team will be present on the day of your move to supervise activity and ensure all relocation needs are satisfied.

DCHA's Relocation Team will:

- ✓ Relocate families from current units to temporary or Permanent units (where applicable)
- ✓ Pay relocation costs.
- ✓ Stay in touch with families.

1

2

3

4

5

6

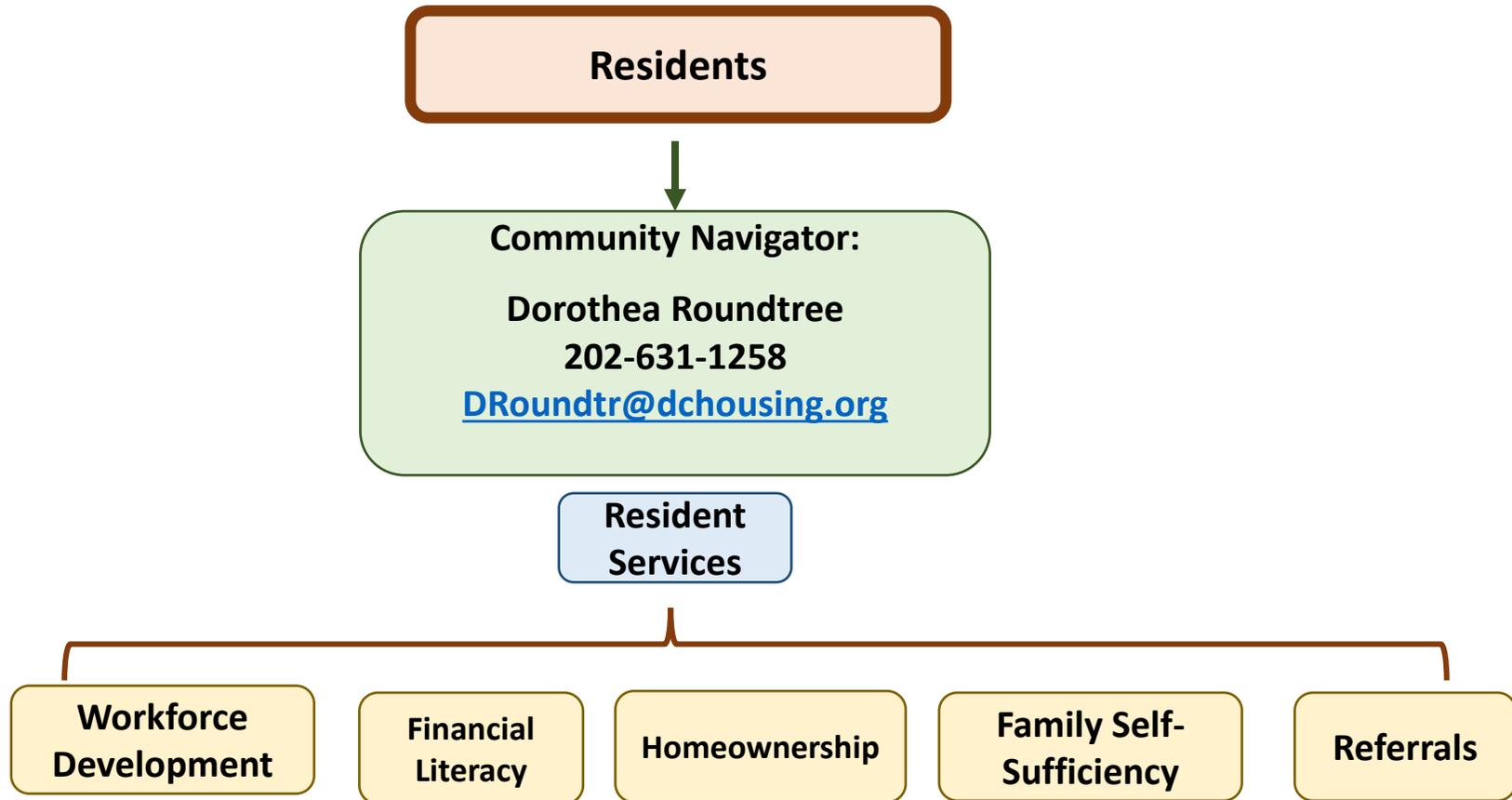
✓ DCHA's Relocation Team works in partnership with residents about future development and relocation plans which includes informing residents on phasing and scheduled move dates.

DCHA's Relocation Team will:

- ✓ Work with each household to prepare for relocation
- ✓ Provide necessary packing materials
- ✓ Notify households of upcoming move dates

✓ DCHA's Relocation Team will hire a quality moving company to move families (services include the moving of belongings, dismantling and reassembly of furniture, and packing assistance – if applicable).

Office of Resident Services



Upcoming RAD Resident Engagement

Next meetings:

- DCHA must hold an additional meeting with residents before submitting the financing plan to HUD. Topics include:
 - Confirming financing and structure
 - Update on plans
 - Additional detail about construction timeline, phasing and relocation
- Other meetings may be necessary if plans change or if PHA requires extensions to HUD

DCHA will ensure effective communication with persons with disabilities and language barriers

- This means making meetings accessible to various types of disabilities which could limit communication
- DCHA also complies with DC Language Access laws

COVID-19: HUD Guidance on RAD

Resident Engagement

Mandatory public meetings must still take place, despite COVID-19.



- However, if PHA is under the effect of an emergency order or other law prohibiting gatherings or enacting meeting size limits, meetings can be held remotely or in a virtual manner.
- If meetings are held online/remotely, PHA must have a method in place to accept questions and post answers to those questions.
- Maintain an attendance log (“sign in”) of resident participants
- Accommodate Limited English Proficiency needs, and comply with ADA
- Provide residents with a follow-up notice after the meeting with a summary of presented information & means to ask additional questions
- Calls with residents both before and after meetings

Next Steps



What you can expect:

- ❖ Residents will receive written answers to questions posed before and at this meeting
- ❖ Residents will receive an additional phone call and flyer about our next meeting on September 29, 2020.
- ❖ For Property Specific Questions, please contact: Lajuan Sligh at lsligh@dchousing.org or 202-9971264
- ❖ For relocation questions, please contact: Katrina Jeter at kjeter@dchousing.org or 202-926-7004
- ❖ Call (202) 996-8526 or Email TransformationPlan@dchousing.org with RAD or Transformation Plan inquiries

We look forward to working with our residents on this important initiative.

