



HUD No. 20-192
HUD Public Affairs
(202) 708-0685

FOR RELEASE
Thursday
November 12, 2020

HUD'S RENTAL ASSISTANCE DEMONSTRATION GENERATES MORE THAN \$10 BILLION IN CONSTRUCTION ACTIVITY TO PRESERVE AFFORDABLE HOUSING

WASHINGTON - Today, the U.S. Department of Housing and Urban Development announced a major milestone for the Rental Assistance Demonstration (RAD) program, which has now facilitated more than \$10 billion in capital investment since the program's inception to improve or replace 140,000 public housing units – the majority of which house extremely low-income families, seniors, and persons with disabilities. [Read more about RAD's \\$10 billion milestone.](#)

Today, RAD is leveraging \$12.57 for every dollar of public housing funding appropriated by Congress, significantly expanding the ability of local public housing authorities (PHAs) to improve their properties. Without RAD, it would take 34 years for housing authorities to accomplish the same level of repairs and renewal.

“With the support of the Trump Administration, we are committed to ensuring the most vulnerable Americans have access to housing options that are modern, dignified, and safe. Reaching this milestone showcases how powerful the RAD program is in helping public housing authorities to preserve and revitalize rental housing for the nation’s low-income families,” said HUD Secretary Ben Carson.

“RAD is a program that works, and this milestone is one more example of how federal dollars can be leveraged more effectively when paired with private funds to help the nation’s communities and maximize taxpayer dollars,” said Assistant Secretary for Housing and Federal Housing Administration Commissioner, Dana Wade.

Background on the RAD Program:

RAD allows public housing authorities (PHAs) to access private investment through public-private partnerships to help preserve and improve public housing properties and address the growing nationwide backlog maintenance, estimated at \$50 billion. By stemming the loss of these units, RAD helps ensure more low-income families can secure quality, affordable housing.

Under RAD, PHAs convert some or all their developments to a project-based Section 8 platform. This change in regulatory platform allows public housing authorities to identify creative ways to solve their capital needs through public-private partnerships. The new, long-term Section 8 contracts that these properties transition to guarantee the units remain permanently affordable to low-income households. This model is proving to be a versatile tool for PHAs to preserve affordable housing, to serve more eligible households, and maximize the impact of the existing commitment of federal resources. While most conversions involve the modernization and stabilization of existing properties, many PHAs have demolished severely distressed properties and replace them with new, permanently affordable housing. PHAs are also using RAD to help families move from blighted or isolated locations to neighborhoods of greater opportunity where they will have better access to jobs, transportation, and good schools for their children. [Read case studies where RAD is working to successfully preserve and improve public housing for low-income families.](#)

Existing public housing residents benefit from a right of return under RAD, a prohibition against re-screening, and robust notification and relocation rights. Residents continue to pay 30 percent of their adjusted income towards the rent and maintain the same basic rights as they have in the public housing program. Residents also have the option to request tenant-based assistance if they wish to subsequently move from the property. RAD maintains public stewardship of the converted property through clear rules requiring ongoing ownership or control by a public or non-profit entity.

###

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all.

More information about HUD and its programs is available at www.hud.gov and <https://espanol.hud.gov/>.

For information about Opportunity Zones visit: <https://opportunityzones.hud.gov/>

You can also connect with HUD on [social media](#) and follow Secretary Carson on [Twitter](#) and [Facebook](#) or sign up for news alerts on [HUD's Email List](#).

[HUD COVID-19 Resources and Fact Sheets](#)