400 Wayne Ave. Dayton, OH 45410 | Office: 937-910-7600 | Fax: 937-222-3554 | Email: admin@gdpm.org

EXECUTIVE OFFICE

Jennifer N. Heapy Chief Executive Officer

miter N. Heapy Chief Executive Officer

Sr. Vice-President of Programs

Vice-President of Strategic Planning

Lisa McCarty Chief Financial Officer

## Conversion to Project Based Vouchers RAD Resident Information Notice Updated March 27, 2019

#### What is Conversion?

GDPM is committed to ensuring that GDPM residents have access to quality affordable housing. As our properties age, they require more improvements. However, Congress has not provided enough funding for public housing authorities (PHAs) like GDPM to keep up with the needed repairs of their public housing units. As a result, PHAs have had to make tough choices between things like roofs repairing and replacing plumbing—or worse, demolishing public housing.

For GDPM, this means converting from the Public Housing program to the Project Based Voucher program. Rental Assistance Demonstration (RAD), disposition conversions, and voluntary conversions (VCAs) are the primary methods GDPM is utilizing to convert its entire portfolio. While carefully choosing which method to use is important for GDPM from a budgetary perspective, all three methods essentially result in the same benefits to existing tenants, with little to no drawbacks.

Your property will be converting to the Project Based Voucher program via a RAD application to HUD. **Do not move now!!!** 

#### **How Does a Conversion Work?**

In a RAD conversion, units move to a Section 8 project-based voucher platform with a long-term contract that, by law, must be renewed. This ensures that the units remain permanently affordable to low-income households. RAD conversions also allow 25% of their units to be considered disposition conversions. This split allows GDPM to earn higher rents without charging residents more. These PBV conversion elements combined make it easier for PHAs to access additional funding needed to make improvements to their properties.

Residents continue to pay 30% of their income towards the rent and they maintain the same basic rights as they possess in the public housing program.

#### WHY Conversion?

Housing authorities are choosing conversion because with conversions, housing authorities are able to perform substantial rehabilitation or even new construction of its aging public housing stock.

We hope to update/replace major building systems and other building components that are over or close to their remaining useful life. To the extent feasible, GDPM will try to complete any needed rehabilitation work with residents in place and with minimal

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impact on the residents. If substantial rehabilitation is preformed and residents have to move because of the extent of the work, GDPM will be required to provide relocation assistance and all residents have the right to return to the development once rehabilitation is completed (not necessarily the same unit). If the amount of work that needs performed is significant, GDPM may choose to build or acquire a new unit and you will have the right to transfer to the newly purchased or constructed unit.

### GDPM, RAD and Disposition

As part of its initial RAD planning process, GDPM met with the residents of buildings identified as potential RAD sites. meeting with the residents at various points since 2016, GDPM intended to submit RAD applications in order to preserve its spot to participate in the RAD program. submitting an application, GDPM is not committing to participate in the program. It is only the first step in determining whether it would be beneficial for GDPM to convert some or all of its public housing properties to the RAD program.

You've received this notice because the site where you reside is currently planned as a RAD conversion site. This may change and you will be updated if plans change.

## **Project Based Voucher Program**

GDPM intends to convert to the HUD Project Based Voucher (PBV) Program. The Project Based Voucher program is administered by GDPM and is very similar to your current public housing program. GDPM will still own and manage the properties. GDPM may convert to the PBV program either through RAD, or may convert under another HUD program called voluntary conversion or disposition. Regardless of which program GDPM uses to convert to the PBV Program, all residents will be afforded RAD resident protections.

#### FREQUENTLY ASK QUESTIONS

## Question: Will a conversion to PBV affect my housing assistance?

Answer: You will not lose your housing assistance and you will not be rescreened because of a conversion to PBV. Even though a RAD property can use private money to make big repairs, it will still receive money from HUD. With this subsidy from HUD, GDPM will manage its RAD properties through the PBV programs. RAD requires that converted properties be owned or controlled by a public or nonprofit entity.

## Question: Will a conversion to PBV affect my rent?

Answer: If your building or development is converted to PBV, your rent contribution will most likely be the same as it was under public housing—generally no more than 30% of your household's adjusted gross income. Since the project-based Section 8 programs also set resident rents at 30% of adjusted income, most residents will not have rent increases as a result of a RAD conversion.

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# Question: How can residents be involved in the conversion process?

Answer: Before GDPM can apply to participate in RAD, HUD requires it to notify all residents in a development proposed for RAD conversion about their plans and conduct at least two meetings with those residents. These meetings opportunity for you to discuss the proposed conversion plans with GDPM, ask questions, express concerns, and provide comments. GDPM is required to submit your comments and its response to HUD as part of the RAD application. Please contact Michael Melko, mmelko@dmha.org, 937-910-7646, for an email copy. GDPM is required to submit your comments and its response to HUD as part of the disposition application.

# Question: When can a PHA start the conversion process?

**Answer:** After notifying residents as outlined above, PHAs can apply to HUD to convert assistance under RAD.

# Question: Will I have to move if my building or home is being rehabbed?

Answer: Most needed repairs made as part of conversion are likely to be small and you will be able to stay in your home during construction. However, some apartments and buildings will require more extensive rehab. In these cases, you will be temporarily relocated but will have the right to return to your development once construction is completed. Generally, temporary relocation should not last longer than 12 months.

# Question: What are GDPM's plans for my building?

**Answer:** Through conversion, GDPM hopes to update or replace major building systems and other building components that are beyond useful life. In all, the change you see may be minimal.

# Question: When will GDPM Convert my property?

This is an anticipated timeline which may change:

- Brandt Meadows (2020/2021),
- Telford Corona (2019),
- Telford Shroyer (2019),
- Lori Sue (2019),
- Revere (2019/2020),
- 137 & 149 Imperial (2019),
- Hallmark Meridian (2021),
- Malden Hollencamp (2019/2020),
- Huffman Parnell (2019/2020),
- City View (2019),
- 2799 Argella (2019),
- Madrid/Indian Trails/Washington Village/Westerfield (2020/2021).

# Question: Is conversion a way of getting rid of affordable housing?

Answer: No!! RAD provides for one for one replacement. If a housing authority decides that new construction or purchasing new properties is the best manner of updating and preserving its affordable housing, RAD requires the housing authority to replace all units.

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#### Question: Can you transfer to another **Housing Authority?**

**Answer:** Currently, GDPM does not have an agreement with another housing authority to allow interagency public housing resident transfers. However, you are permitted to apply for housing programs at different housing authorities as long as the housing authority is accepting applications. If after conversion, you remain a GDPM PBV resident at your community for 12 months, you will have a choice-mobility option. You will be able to request to be placed on the GDPM HCV Waitlist (even if the waitlist is closed). After being selected from the HCV waitlist, you may have an option to 'port' or transfer to another housing authority with your voucher. Once you exercise your right to participate in the choice-mobility program, an HCV specialist will work with you to determine your needs and will explain portability in more detail.

#### Updated from March 2019 Resident **Comments**

\*Question: What if I want to stay in my unit at the development? Many people consider their unit their home.

Answer: Although all residents are guaranteed a right to return to the Development, GDPM cannot commit to having all residents return to the same unit. Each resident will work with a relocation specialist to establish the resident's preferences and moves will be looked at on a case by case basis.

\*Question: What about landscaping/outdoor improvements such as sheds that residents paid for and would be difficult/impossible to move?

Answer: GDPM will look at each resident move on a case by case basis and HUD requires, to the extent feasible, practicable and reasonable, GDPM to pay for resident moving expenses which may or may not include moving exterior improvements currently in place to the new property.

\*Questions: Can I go out of state with my choice mobility option after receiving a voucher while on the HCV Waitlist?

Answer: After receiving a Housing Choice Voucher via the RAD PBV and HCV Waitlist processes, you must use your voucher for a year before you can port your voucher out of state or to another county.

## \*Question: Can residents be notified sooner than 90 days of the moving date?

Answer: GDPM is committed to notifying residents and staff at each step of the process through our website. www.gdpm.org/rad and newsletters as well as resident update meetings. These are the methods for keeping residents informed we will try to provide a 90 day notice but are required to give at least a 30 day notice.

\*Question: Will I be notified of what renovations are needed for my unit?

Answer: Yes.

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#### \*Question: How long will it take renovations to complete?

Answer: GDPM does not currently have an estimate. However, HUD typically requires construction to be completed within 12-18 months of conversion.

## \*Question: If residents pay flat rent, can it change to Section 8 (if so, how do they qualify?)

Answer: The RAD PBV program do not have a flat rent option. If rent increases because a resident currently pays flat rent, GDPM will phase in any increase over 3-year.

## \*Question: Can my rent decrease (if so, how?) can it increase?

Answer: Your rent might increase if you currently pay flat rent, otherwise your rent will not change unless your income changes. Any increase would be phased in over three (3) years. Your rent will not decrease unless your income decreases.

## \*Question: Will inspections still be required after renovations (if so, how often)?

**Answer:** Yes, inspections will be required at move-in, move-out and Housing Quality Inspections will be conducted tri-annually or bi-annually by a HUD approved third-party inspector of at least 25% of a development's units.

\*Question: Will re-verification of income still be required (if so, how often)?

Answer: In most cases, reverification will generally be required annually. However, there are exceptions.

\*Question: If you were already up for an HCV but decided against accepting a voucher, will that impact your future status on the waitlist after this 12 month choice mobility option?

**Answer:** Previous refusal to utilize a voucher will not prevent your eligibility for a voucher through the RAD PBV choice mobility option.

## Question: Will scopes be made available for residents? Unit by unit or general scopes?

Answer: Scopes will be made available to residents and will include unit specific scope elements as well as property wide scope elements.

## \*Question: If your building is in trouble but not your unit specifically, can you stay in your unit for rehab?

**Answer:** No scopes or relocation plans have been finalized and thus each building and unit will be handled on a case by case basis. However, GDPM prioritizes the safety and security of residents and thus will not permit residents to stay in a building should the level of construction required be hazardous.

\*Question: Will cable and internet reconnection fees be covered by the housing authority?

Answer: Yes.