

Rental Assistance Demonstration (RAD); Rider to the Section 8 Project-based Voucher (PBV) Agreement to Enter Into Housing Assistance Payments Contract (Agreement)

1. Purpose

This Rider is to be executed between the Public Housing Agency (PHA) and the owner of a RAD project that qualifies as PBV “rehabilitated housing” or “newly constructed housing” under 24 C.F.R. § 983.3, and must be attached to the PBV Agreement. The Rider amends the PBV Agreement based on the special requirements applicable to RAD.¹

2. Authority

The Consolidated and Further Continuing Appropriations Act, 2012, Pub. L. No. 112-55, approved November 18, 2011 (2012 Appropriations Act), authorizes the conversion of properties with Moderate Rehabilitation assistance under section 8(e)(2) of the United States Housing Act of 1937 (1937 Act) (excluding McKinney-Vento single room occupancy projects) to properties with PBV assistance under section 8(o)(13) of the 1937 Act. In addition, the 2012 Appropriations Act provides, in part, “That for fiscal years 2012 and 2013, owners of properties assisted under section 101 of the Housing and Urban Development Act of 1965, section 236(f)(2) of the National Housing Act, or section 8(e)(2) (except for funds allocated under such section for single room occupancy dwellings as authorized by title IV of the McKinney-Vento Homeless Assistance Act) of the [1937] Act, for which an event after October 1, 2006 has caused or results in the termination of rental assistance or affordability restrictions and the issuance of tenant protection vouchers under section 8(o) of the [1937] Act, shall be eligible, subject to requirements established by the Secretary, including but not limited to tenant consultation procedures and agreement of the administering public housing agency, for conversion of assistance available for such vouchers to assistance under section 8(o)(13) of the [1937] Act, to which the limitation under subsection (B) of section 8(o)(13) of the [1937] Act shall not apply and for which the Secretary of Housing and Urban Development may waive or alter the provisions of subparagraphs (C) and (D) of section 8(o)(13) of the [1937] Act.”

¹ An Agreement is not required for Public Housing conversions under RAD, and thus Public Housing is not addressed in this document. For any other conversion under RAD where the project qualifies as rehabilitated or newly constructed housing, the PBV Agreement and Rider must be executed.

3. Amendments to the Agreement

- (a) Section 1.3 of the Agreement is revised to eliminate the requirement that the owner's approved application be included as an Exhibit to the Agreement.
- (b) Section 1.4.A. of the Agreement is amended to read as follows: "The Agreement must be executed in accordance with the requirements in Notice PIH 2012-32; Rental Assistance Demonstration—Final Implementation. The PHA may not enter into the Agreement with the owner until a subsidy layering review has been performed and an environmental review has been satisfactorily completed in accordance with HUD requirements."
- (c) Section 1.14 of the Agreement, Protection of In-Place Families, is revised to read as follows: "In cases where tenant protection assistance is converted to PBV assistance under the second component of RAD, the protections in 24 C.F.R. § 983.251(b) apply. In cases where Moderate Rehabilitation assistance is converted to PBV assistance under the first component of RAD, existing residents are not subject to rescreening and cannot lose their unit if they are over-income. Consequently, a unit with a family that is over-income at time of conversion would continue to be treated as an assisted unit and the family would continue to receive assistance. Once a remaining family moves out of a PBV unit, the unit must be leased to an income-eligible family. In addition, for first component Moderate Rehabilitation conversions, existing residents are not considered new admissions under RAD and thus will not be re-screened for actions (such as criminal activity) that occurred prior to conversion. However, these families are subject to all HUD requirements regarding termination of assistance and termination of tenancy once the conversion occurs."
- (d) Section 1.29.B. is revised to add a third sentence as follows: "HUD requirements include Notice PIH 2012-32; Rental Assistance Demonstration—Final Implementation."

**Signatures:
Public Housing Agency**

Print or Type Name of PHA

Signature

Print or Type Name and Title of Signatory

Date (mm/dd/yyyy)

Owner

Print or Type Name of Owner

Signature

Print or Type Name and Title of Signatory

Date (mm/dd/yyyy)