

September 10, 2021

## **RAD PROGRAM NEWS**

## **HUD Issues Notice on Replacement of Units Under a RAD PBV HAP Contract**

Today in the *Federal Register*, the Department of Housing and Urban Development (<u>HUD</u>) published a <u>notice</u> establishing the process by which units under a project-based voucher (<u>PBV</u>) Section 8 housing assistance payment (HAP) contract originally executed through a conversion under the Rental Assistance Demonstration (<u>RAD</u>) can be replaced if they become unavailable for occupancy due to a proposed demolition and reconstruction as a result of a natural disaster or other causes.

The notice supplements the RAD provision to transfer assistance by providing a mechanism for PHAs to enter into a RAD interim agreement and, subsequently, a new RAD PBV HAP contract, when a direct transfer of the HAP contract to new, eligible units is not possible and there would be a temporary period when a HAP contract is not in effect. This might occur when:

- The owner adequately justifies a specific and well-developed redevelopment plan that requires the units to be unavailable for occupancy while the PHA is replacing the units onsite; or
- An unforeseen event (such as a natural disaster) renders the units uninhabitable

The interim agreement would provide the authority to carry forth the RAD requirements to the RAD PBV HAP contract that will cover the replacement units. Additionally, the interim agreement would set forth any applicable development requirements and the conditions which must be met before the replacement RAD PBV HAP contract can be executed.

The effective date of the notice is **September 10, 2021**.



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